



LIBRA (LONGHURST GROUP) TREASURY PLC

(Incorporated in England and Wales with limited liability under the Companies Act 2006, registered number 8077172)

£250,000,000 5.125 per cent. Secured Bonds due 2038

(including £25,000,000 in principal amount of Reserve Bonds)

Issue Price: 98.266 per cent.

The £250,000,000 5.125 per cent. Secured Bonds due 2038 (including £25,000,000 in principal amount of Reserve Bonds) (the “**Bonds**”) are issued by Libra (Longhurst Group) Treasury Plc (the “**Issuer**”).

Application has been made to the UK Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the “**UK Listing Authority**”) for the whole class of Bonds (including any Reserve Bonds) to be admitted to the Official List of the UK Listing Authority and to the London Stock Exchange plc (the “**London Stock Exchange**”) for the whole class of Bonds (including any Reserve Bonds) to be admitted to trading on the London Stock Exchange’s regulated market. The London Stock Exchange’s regulated market is a regulated market for the purposes of Directive 2004/39/EC (the “**Markets in Financial Instruments Directive**”).

An investment in the Bonds involves certain risks. For a discussion of these risks see “Risk Factors”.

Subject as set out below, the net proceeds from the issue of the Bonds, or (in the case of £25,000,000 in principal amount of the Bonds (the “**Reserve Bonds**”) which will be immediately purchased by the Issuer on the Closing Date (as defined below)), the net proceeds of any future sale of the Reserve Bonds to one or more third parties, will be advanced by the Issuer to either Spire Homes (LG) Limited (“**Spire**”) or Longhurst & Havelok Homes Limited (“**Longhurst**”) (each a “**Borrower**” and together, the “**Borrowers**”) pursuant to a loan agreement between the Borrowers and the Issuer to be dated on or around the Issue Date (the “**Loan Agreement**”) to be applied in accordance with each Borrower’s charitable objects. The Original Commitment (as defined in the Loan Agreement) may be drawn in one or more drawings, in an aggregate principal amount up to an amount which corresponds to the sum of (i) the Minimum Value of the Initial Properties (as defined below) and (ii) the Minimum Value of any additional Properties (as defined below) which have been charged in favour of the Issuer and either Security Trustee (the “**Additional Properties**”) less the principal amount of all previous drawings in respect of the Original Commitment.

The Reserve Bonds will be issued and subscribed by the Issuer on the Issue Date and will be held by or for the account of the Issuer pending sale of the Reserve Bonds by the Issuer to one or more third parties. Reserve Bonds shall carry the same rights and be subject in all respects to the same Conditions as other Bonds, excepted that pending sale or cancellation by the Issuer, such Reserve Bonds will not be treated as outstanding for the purposes of determining a quorum or voting at meetings of Bondholders.

Interest on the Bonds is payable semi annually in arrear in equal instalments on 2 February and 2 August in each year at the rate of 5.125 per cent. per annum, commencing on 2 February 2013, as described in Condition 7 (*Interest*). Payments of principal of, and interest on, the Bonds will be made without withholding or deduction on account of United Kingdom taxes unless such withholding or deduction is required by law. In the event that any such withholding or deduction is so required, the Issuer may opt to gross up payments due to the Bondholders in respect thereof as described in Condition 10 (*Taxation*).

The Bonds may be redeemed at any time, in whole or in part, upon the prepayment by Spire of the loan advanced to it under the Loan Agreement (the “**Spire Loan**”) or by Longhurst of the loan advanced to it under the Loan Agreement (the “**Longhurst Loan**”, and together with the Spire Loan, the “**Loans**”) in accordance with the terms of the Loan Agreement at the higher of their principal amount and an amount calculated by reference to the sum of (i) the yield on the relevant outstanding United Kingdom government benchmark gilt having the nearest maturity date to that of the Bonds and (ii) 0.20 per cent., together with accrued interest (or, in respect of a prepayment of the Loans following an event of default thereunder, at their principal amount, together with accrued interest). The Bonds will also be redeemed in full at their principal amount, plus accrued interest, in the event of a mandatory prepayment of the Loans following a Borrower ceasing to be a Registered Provider of Social Housing (other than if such Borrower regains its status as a Registered Provider of Social Housing within 180 days of such cessation), the Loans becoming repayable as a result of a Borrower Default (as defined in the Loan Agreement) or any withholding or deduction on account of United Kingdom taxes being required and the Issuer not opting to pay (or having so opted to pay notifying the Bond Trustee (as defined below) of its intention to cease to pay) additional amounts in respect of such withholding or deduction.

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 2 August 2038 (the “**Maturity Date**”). The Longhurst Group has been assigned a credit rating of Aa3 (with a negative outlook), and it is expected that the Bonds will be rated “Aa3 (with a negative outlook)”, by Moody’s Investors Service Limited (“**Moody’s**”). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. As of the date of this Prospectus, Moody’s is established in the European Union and is registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the “**CRA Regulation**”). The Bonds will be issued in denominations of £100,000 and integral multiples of £1,000 in excess thereof.

The Bonds will initially be represented by a temporary global bond (the “**Temporary Global Bond**”), without interest coupons, which will be deposited on or about 2 August 2012 (the “**Closing Date**”) with a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”). Interests in the Temporary Global Bond will be exchangeable for interests in a permanent global bond (the “**Permanent Global Bond**”) and, together with the Temporary Global Bond, the “**Global Bonds**”), without interest coupons, on or after 11 September 2012 (the “**Exchange Date**”), upon certification as to non U.S. beneficial ownership. Interests in the Permanent Global Bond will be exchangeable for definitive Bonds only in certain limited circumstances. See “*Form of the Bonds and Summary of Provisions relating to the Bonds while in Global Form*”.

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States, and Bonds in bearer form are subject to U.S. tax law requirements. The Bonds may not be offered, sold or (in the case of Bonds in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)) except in certain transactions exempt from the registration requirements of the Securities Act.

Sole Arranger

Lloyds Bank

Joint Bookrunners

Barclays

Lloyds Bank

This Prospectus comprises a prospectus for the purposes of Directive 2003/71/EC, as amended.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of the Borrowers accepts responsibility for the information contained in this Prospectus in relation to itself and, to the best of their knowledge (each having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus in relation to itself is in accordance with the facts and does not omit anything likely to affect the import of such information. The Borrowers also accept responsibility for the information contained in this Prospectus relating to the security created pursuant to the Legal Mortgages (as defined below) and, to the best of their knowledge (each having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Beever & Struthers, Chartered Accountants and Statutory Auditor (the “Auditor”) accepts responsibility for its reports contained in the section “Consolidated Financial Information on the Borrowers and the Group” and, to the best of its knowledge (having taken all reasonable care to ensure that such is the case), such reports are in accordance with the facts and do not omit anything likely to affect the import thereof.

Jones Lang LaSalle (the “Valuer”) accepts responsibility for the information contained in the section “Valuation Report” and, to the best of its knowledge (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Valuation Report has been produced at the request of the Issuer, and the Valuer has authorised the content of the Valuation Report included in the Prospectus and has consented to the inclusion of the Valuation Report in the form and context in which it is included in this Prospectus. No material changes have occurred to the values of the properties disclosed in the Valuation Report since the date of the valuation.

Save for the Issuer, the Borrowers, the Auditor and the Valuer, no other person has independently verified any information contained herein. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Lloyds TSB Bank plc (the “Sole Arranger and Joint Bookrunner”) or Barclays Bank plc (“Barclays”, and together with the Sole Arranger and Joint Bookrunner, the “Joint Bookrunners”), the Bond Trustee or the Security Trustees as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer in connection with the offering of the Bonds. None of the Joint Bookrunners, the Security Trustees, nor the Bond Trustee accepts any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the issue of the Bonds.

No person is or has been authorised by the Issuer, the Joint Bookrunners, the Bond Trustee or the Security Trustees to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Bonds or other such information as is in the public domain and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Joint Bookrunners, the Bond Trustee or the Security Trustees.

Prospective purchasers of Bonds should ensure that they understand the nature of the Bonds and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and the risks of investment in the Bonds and that they consider the suitability of the Bonds as an investment in light of their own circumstances and financial condition.

The distribution of this Prospectus and the offering, sale and delivery of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are

required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of the Bonds and on the distribution of this Prospectus and other offering material relating to the Bonds, see “*Subscription and Sale*”.

In particular, the Bonds have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Bonds in bearer form are subject to U.S. tax law requirements. Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act. The Bonds may be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

NEITHER THIS PROSPECTUS NOR THE BONDS HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF BONDS OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

To the fullest extent permitted by law, none of the Bond Trustee nor the Joint Bookrunners accepts any responsibility for the contents of this Prospectus or for any other statement made or purported to be made by it or on its behalf in connection with the Issuer, the Borrowers or the issue and offering of the Bonds. Each of the Bond Trustee and the Joint Bookrunners accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

Neither this Prospectus nor any other information supplied in connection with the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Joint Bookrunners or the Bond Trustee that any recipient of this Prospectus or any other information supplied in connection with the Bonds should purchase any Bonds. Each investor contemplating purchasing any Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Borrowers. Neither this Prospectus nor any other information supplied in connection with the Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Joint Bookrunners or the Bond Trustee to any person to subscribe for or to purchase the Bonds.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer, the Joint Bookrunners and the Bond Trustee do not represent that this Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered or sold, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Joint Bookrunners or the Bond Trustee which is intended to permit a public offering of any Bonds or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Bonds in the United States and the United Kingdom (see “*Subscription and Sale*”).

IN CONNECTION WITH THE ISSUE OF THE BONDS, BARCLAYS BANK PLC AND LLOYDS TSB BANK PLC AS STABILISING MANAGERS (THE “*STABILISING MANAGERS*”) (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGERS) MAY OVER ALLOT BONDS OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE BONDS AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGERS (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGERS) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE BONDS IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE BONDS AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE BONDS. ANY STABILISATION ACTION OR OVER ALLOTMENT MUST BE CONDUCTED BY THE STABILISING MANAGERS (OR PERSONS ACTING ON BEHALF OF THE STABILISING MANAGERS) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

All references in this Prospectus to “*Sterling*” and “£” refer to pounds sterling, the lawful currency for the time being of the United Kingdom.

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OVERVIEW

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Prospectus.

This overview must be read as an introduction to this Prospectus and any decision to invest in the Bonds should be based on a consideration of this Prospectus as a whole.

Words and expressions defined in “*Form of the Bonds and Summary of Provisions relating to the Bonds while in Global Form*”, “*Terms and Conditions of the Bonds*” and “*Description of the Loan Agreement*” shall have the same meanings in this overview.

Issuer:	Libra (Longhurst Group) Treasury Plc
Description of the Bonds:	£250,000,000 5.125 per cent. Secured Bonds due 2038 (the “ Bonds ”) to be issued by the Issuer on 2 August 2012 (the “ Issue Date ”). £25,000,000 in principal amount of the Bonds will be immediately purchased by or on behalf of the Issuer on the Issue Date (the “ Reserve Bonds ”).
Use of Proceeds:	The net proceeds of the issue of the Bonds or, in the case of the Reserve Bonds, the net proceeds of the sale of the Reserve Bonds to one or more third parties (after deduction of expenses payable by the Issuer) will be applied by the Issuer to provide finance for the Borrowers. Subject as described in “<i>Initial Cash Security Account</i>” below, the Issuer will lend such proceeds to the Borrowers pursuant to the Loan Agreement to be applied in accordance with each Borrower’s charitable objects. The Issuer may from time to time invest the funds held in the Initial Cash Security Account and the Disposal Proceeds Account in Permitted Investments (as defined below) until such time as such funds are on lent, or returned, to the Borrowers pursuant to the Loan Agreement.
Issue Price:	98.266 per cent.
Reserve Bonds:	£25,000,000 in principal amount of the Bonds issued on the Issue Date will initially constitute the Reserve Bonds. Such Reserve Bonds (including related Coupons and Talons) will be issued and subscribed by the Issuer on the Issue Date and will be held by or for the account of the Issuer and shall cease to be Reserve Bonds upon sale by the Issuer to a third party. Reserve Bonds shall carry the same rights and be subject in all respects to the same Conditions as other Bonds, except that the Reserve Bonds, pending sale or cancellation by the Issuer, will not be treated as outstanding (as defined in the Bond Trust Deed) for the purposes of determining a quorum or voting at meetings of Bondholders and for various other purposes, save as otherwise provided in the Bond Trust Deed. Bonds which have ceased to be Reserve Bonds shall carry the same rights and be subject in all respects to the same Conditions as other Bonds. Upon the expiry of 24 months from the Issue Date, the Reserve Bonds shall be cancelled if they have not been sold by the Issuer to a third party

Pursuant to the terms of a custody agreement to be dated on or about the Issue Date relating to the Reserve Bonds (the “**Reserve Bond Custody Agreement**”), The Bank of New York Mellon, as custodian for the Reserve Bonds (the “**Reserve Bond Custodian**”) will hold the Reserve Bonds on the Issuer's behalf and the Issuer has instructed the Reserve Bond Custodian to waive its rights to receive payments (of interest, principal or otherwise) on the Reserve Bonds for so long as the Reserve Bonds are held on the Issuer's behalf.

Pursuant to the Bond Trust Deed, the Issuer has covenanted with the Bond Trustee that it will, immediately prior to a sale of any Reserve Bonds by the Issuer, deliver to the Bond Trustee a certificate in writing signed by two directors of the Issuer addressed to the Bond Trustee confirming that, immediately following the sale of such Reserve Bonds, the Borrowers will be in compliance with the Asset Cover Test. For the purpose of giving such confirmation, the Issuer will require the Borrowers to deliver a Reserve Bond Compliance Certificate pursuant to the Loan Agreement, as described further in “*Description of the Loan Agreement*”.

Form of Bonds:	The Bonds will be issued in bearer form as described in “ <i>Form of the Bonds and Summary of Provisions relating to the Bonds while in Global Form</i> ”.
Interest:	The Bonds will bear interest at a fixed rate of 5.125 per cent. per annum payable semi annually in arrear in equal instalments on 2 February and 2 August 2038 of each year, from (and including) 2 February 2013 to (and including) 2 August 2038 (the “ Maturity Date ”), subject to adjustment in accordance with Condition 8.5 (<i>Payment Day</i>) (each, an “ Interest Payment Date ”).
Final Redemption:	Unless previously redeemed or purchased and cancelled in accordance with Condition 9 (<i>Redemption and Purchase</i>), the Bonds will be redeemed at their principal amount on the Maturity Date.
Early Redemption:	Subject as described in “ <i>Mandatory Early Redemption</i> ” below, the Bonds may be redeemed in whole or in part at any time prior to the Maturity Date upon the optional prepayment by Spire of the loan advanced to it under the Loan Agreement (the “ Spire Loan ”) or by Longhurst of the loan advanced to it under the Loan Agreement (the “ Longhurst Loan ”, and together with the Spire Loan, the “ Loans ”) in accordance with the terms of the Loan Agreement at the higher of their principal amount and an amount calculated by reference to the sum of (i) the yield on the relevant outstanding UK Government benchmark conventional gilt having the nearest maturity date to that of the Bonds and (ii) 0.20 per cent., together with accrued interest.
Early Redemption for Tax Reasons:	The Issuer shall redeem the Bonds in whole, but not in part, at their principal amount, together with any interest accrued, if, as a result of any actual change in tax law, the Issuer determines that it would be required to make a withholding or deduction on account of tax in respect of payments to be made by it in respect of the Bonds and the Issuer does not opt to pay additional amounts pursuant to Condition 10.2 (<i>No obligation to pay additional amounts</i>) or, having so opted, notifies the Bond Trustee and the Bondholders of its intention to cease paying such additional amounts.

Mandatory Early Redemption:

The Bonds shall be redeemed in full at their principal amount, plus accrued interest, upon the mandatory prepayment of the Loans following a Borrower ceasing to be a Registered Provider of Social Housing (other than if such Borrower regains its status as a Registered Provider of Social Housing within 180 days of such cessation).

In addition, if the Loans become repayable as a result of a Borrower Default the Bonds shall be redeemed in full at their principal amount, plus accrued interest.

A “**Borrower Default**” includes non-payment, breach of other obligations, cross acceleration, winding up, cessation of business, insolvency, unlawfulness and breach of certain asset cover ratios by either Borrower, in each case as set out in the Loan Agreement and described further in “*Description of the Loan Agreement*”. A Borrower Default under the Spire Loan will automatically constitute a Borrower Default under the Longhurst Loan and vice versa.

Investor Put Option:

Within 30 days of the Issuer becoming aware of any failure of the Borrowers to comply with the Interest Cover Test, the Issuer shall convene a meeting of Bondholders to consider, by Extraordinary Resolution and in accordance with Condition 17 (*Meetings of Bondholders, Modification and Waiver*), whether or not to approve the ability of Bondholders to exercise the investor put option as described in Condition 9.7 (the “**Investor Put Option**”). If the Bondholders approve such Extraordinary Resolution, then any Bondholder may, within 30 days of such approval, give an irrevocable notice to the Issuer of such Bondholder's decision to require the Issuer to redeem some or all of the Bonds owned by such Bondholder on the day falling 45 days after the date on which the Extraordinary Resolution was so approved (the “**Put Option Date**”), together with any interest accrued up to (but excluding) the Put Option Date. On the Put Option Date, the Issuer shall redeem, in whole (but not in part), all of the Bonds in respect of which the relevant Bondholders have exercised the Investor Put Option, at their aggregate principal amount together with any interest accrued up to (but excluding) the Put Option Date (the aggregate amount of principal and interest in respect of such redemption, (the “**Investor Put Amount**”).

Purchase:

The Borrowers and any other member of the Longhurst Group (other than the Issuer) may at any time purchase Bonds in the open market or otherwise at any price. Any Bonds so purchased may be surrendered to the Issuer for cancellation in consideration for an amount of either Loan equal to the principal amount of the Bonds being surrendered being deemed to be prepaid under the Loan Agreement or, to the extent that no Loan is then outstanding, an amount of the Undrawn Commitment equal to the Outstanding Balance of the Bonds surrendered being deemed to be cancelled.

Events of Default:

Following an Event of Default, the Bond Trustee may, and if so requested by the holders of at least one-fourth in principal amount of the Bonds then outstanding shall (subject to it being secured and/or indemnified to its satisfaction and, upon certain events, the Bond Trustee having certified to the Issuer that such event is, in its

opinion, materially prejudicial to the interests of the Bondholders), give notice to the Issuer and the Bonds shall become immediately due and repayable.

The Events of Default include, *inter alia*, non-payment of any principal and interest due in respect of the Bonds, failure of the Issuer to perform or observe any of its other obligations under the Conditions, the Bond Trust Deed, the Bond Security Deed or the Issuer Floating Charge Agreement, insolvency, unlawfulness and acceleration, or non payment, in respect of other indebtedness in an aggregate amount equal to or in excess of £10,000,000 (or its equivalent).

Upon the Bonds becoming repayable prior to the Maturity Date (other than as a result of a prepayment or termination of the Loan Agreement), the Borrowers are required to prepay the Loans in full together with accrued interest and commitment fee to and including the date of redemption. The Borrowers are also required, on a joint and several basis, to pay to the Issuer, within three Business Days of demand, the Issuer's reasonable costs, expenses and liabilities throughout the life of the Bonds.

Issuer Security:

The Issuer's obligations in respect of the Bonds are secured pursuant to the Bond Security Deed and the Issuer Floating Charge Agreement in favour of the Bond Trustee for the benefit of itself and the Bondholders and the other Secured Parties by the following (the "**Issuer Security**"):

- (a) an assignment by way of security of the Issuer's rights, title and interest arising under the Loan Agreement, the Legal Mortgages, the Security Trust Deeds, the Agency Agreement, the Account Agreement and the Custody Agreement;
- (b) charge by way of first fixed charge over all moneys and/or securities from time to time standing to the credit of the Transaction Account, the Disposal Proceeds Account, the Initial Cash Security Account and the Custody Account and all debts represented thereby; and
- (c) a charge by way of first floating charge over the whole of its undertaking and all of its property, assets, present and future (including without limitation, its uncalled capital).

Intercreditor Agreement:

The Issuer has also granted a separate floating charge in favour of Barclays Bank PLC and Lloyds TSB Bank plc as lenders (the "**Lenders**") pursuant to certain term and revolving credit facilities entered into between the Issuer and the Lenders and a further floating charge in favour of Lloyds TSB Bank plc as swap counterparty (the "**Swap Counterparty**") pursuant to an ISDA Master Agreement. The Issuer, the Bond Trustee, the Lenders and the Swap Counterparty have entered into an intercreditor agreement, pursuant to which each of the Bond Trustee, the Lenders and the Swap Counterparty has agreed to share the proceeds of enforcement of the floating charges granted by the Issuer on a *pari passu* basis, pro rata to the outstanding principal amount or termination amount of the relevant Bonds, loans or swaps (as applicable).

See “*Description of the Issuer Floating Charge Agreement and the Intercreditor Agreement*” below.

Initial Cash Security Account:

For so long as insufficient security has been granted by the Borrowers in favour of the Longhurst Security Trustee or the Spire Security Trustee to permit the drawing of the Original Commitment in full or the Borrowers have not otherwise drawn any part of the Original Commitment, the amount of the Original Commitment that remains undrawn shall (subject, in the case of any portion of the Original Commitment which is to be funded by a sale of Reserve Bonds, to receipt by the Issuer of the net sale proceeds thereof) be retained in an account of the Issuer charged in favour of the Bond Trustee (the “**Initial Cash Security Account**”) (and may be invested in Permitted Investments) in accordance with the terms of the Account Agreement and the Custody Agreement (the “**Retained Proceeds**”). For the avoidance of doubt, in the event that the Borrowers have not drawn any part of the Original Commitment on the Issue Date, the Retained Proceeds at that date shall be the entire amount of the Original Commitment (less any amount which is to be funded by a sale of Reserve Bonds). Any Retained Proceeds shall be advanced to the Borrowers at a later date pursuant to the Loan Agreement to the extent that Properties of a corresponding value have been charged in favour of the Issuer (and if applicable, subject to the sale by the Issuer of the Reserve Bonds).

Funds standing to the credit of the Initial Cash Security Account may: (a) be held on deposit, in which case they shall accrue interest at a rate to be agreed from time to time between the Issuer and the Account Bank pursuant to the Account Agreement; or (b) be invested in Permitted Investments in accordance with the Custody Agreement. See “*Permitted Investments*” below.

Pursuant to the Loan Agreement, the Borrowers shall jointly and severally pay to the Issuer a commitment fee in respect of the Undrawn Commitment on each Loan Payment Date in an amount equal to (a) the aggregate of the interest payable by the Issuer under the Bonds on the following Interest Payment Date less (b) the interest received from the Borrower under the Loan Agreement on such Loan Payment Date and the interest otherwise received by the Issuer in respect of the Retained Proceeds during that Loan Interest Period (including, but not limited to, any income received in respect of any Permitted Investments in which any Retained Proceeds are, for the time being, invested).

See “*Description of the Loan Agreement*” below.

Disposal Proceeds Account:

Pursuant to the Loan Agreement, the Borrowers are required to procure that the specified asset cover ratio and interest cover ratio are maintained (see “*Description of the Loan Agreement*” below). In the event that the value of any Charged Property is insufficient to maintain the relevant asset cover ratio, the Borrowers may deposit moneys into the Disposal Proceeds Account. Such moneys will be charged in favour of the Bond Trustee pursuant to the terms of the Bond Security Deed.

Funds standing to the credit of the Disposal Proceeds Account may: (a) be held on deposit, in which case it shall accrue interest at a rate

to be agreed from time to time between the Issuer and the Account Bank pursuant to the Account Agreement; or (b) be invested in Permitted Investments in accordance with the Custody Agreement. See “*Permitted Investments*” below.

Moneys standing to the credit of the Disposal Proceeds Account may be withdrawn (a) to be applied in the acquisition of Property to be charged in favour of the Longhurst Security Trustee or the Spire Security Trustee for the benefit of the Issuer or (b) to the extent that the relevant asset cover ratio would not be breached immediately after such withdrawal.

Permitted Investments:

Permitted Investments shall consist of (a) triple-A rated off shore money market funds, (b) direct obligations of the United Kingdom or of any agency or instrumentality of the United Kingdom which are guaranteed by the United Kingdom, (c) demand and time deposits in, certificates of deposit of and bankers’ acceptances issued by any depositary institution or trust company with a maturity of no more than 360 days subject to, *inter alia*, such debt obligation having a long term debt credit rating of not less than “AA” from Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”) and “Aa2” from Moody’s Investor Service Limited (“**Moody’s**”) or a short term debt or issuer (as applicable) credit rating of not less than “A 1” from S&P and “P 1” from Moody’s (or, in each case, any other equivalent rating given by a credit rating agency registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the “**CRA Regulation**”) (an “**Equivalent Rating**”)), (d) securities bearing interest or sold at a discount to the face amount thereof issued by any corporation having a long term credit rating of not less than “AA” from S&P and “Aa2” from Moody’s (or an Equivalent Rating), and (e) commercial paper or other short term obligations which, *inter alia*, have a short term credit rating of not less than “A 1” from S&P and “P 1” from Moody’s (or an Equivalent Rating),

provided that, in the case of (b) to (e) above, such investment shall be an investment which is an obligation of the United Kingdom or a company incorporated in the United Kingdom, and in all cases, such investment shall be an investment (i) the maturity of which is no later than 2 August 2038 and (ii) which is denominated in Sterling.

In the event that any Permitted Investments are sold to fund a drawing by a Borrower pursuant to the Loan Agreement and such sale results in a loss realised by the Issuer, such drawing to be made by the Issuer to such Borrower pursuant to the Loan Agreement shall be advanced at a discount in an amount equal to the Actual Advance Amount (as defined in the Loan Agreement).

In the event that any Permitted Investments are sold to fund an advance to a Borrower pursuant to the Loan Agreement and such sale results in a gain realised by the Issuer (such gain, the “**Permitted Investment Profit**”), the Issuer shall advance monies to such Borrower at the principal amount requested and shall make a gift aid payment to a charitable member of the Longhurst Group which is connected with such Borrower for the purposes of section

939G of the Corporation Tax Act 2010 (a “**Charitable Group Member**”) in an amount equal to the Permitted Investment Profit.

Immediately prior to the end of each accounting period, to the extent that the Issuer would otherwise be required to recognise a profit for tax purposes in respect of its Permitted Investments and/or Reserve Bonds as a result of the movement in the fair value recognised in its accounts of such Permitted Investments and/or Reserve Bonds for that accounting period, the Issuer shall sell Permitted Investments in an aggregate amount equal to the Accounting Profit (as defined in the Loan Agreement) and shall, in the same accounting period, make a gift aid payment to any Charitable Group Member in an amount equal to the Accounting Profit.

See “*Description of the Loan Agreement – Facilities*”.

Account Agreement and Custody Agreement:

The Issuer has appointed The Bank of New York Mellon, London Branch as its Account Bank and The Bank of New York Mellon, London Branch as Custodian pursuant to the Account Agreement and the Custody Agreement, respectively, in relation to the issue of the Bonds.

Pursuant to the Account Agreement, the Account Bank shall maintain three accounts for the Issuer in respect of the Bonds: the Transaction Account, the Initial Cash Security Account; and the Disposal Proceeds Account. Pursuant to the Account Agreement and the Bond Security Deed, the Issuer has entered into certain covenants in respect of the monies which may be credited to and debited from each Account.

Pursuant to the Custody Agreement, the Custodian shall, subject to receipt of such documents as it may require, open the Custody Account (consisting of the Disposal Proceeds Custody Sub-Account, the Initial Cash Security Custody Sub-Account, the Disposal Proceeds Cash Sub-Account and the Initial Cash Security Cash Sub-Account). The Issuer has authorised the Custodian to make payments and delivery out of the Custody Account only for the purpose of any acquisition or sale of Permitted Investments or as set out therein.

See “*Description of the Account Agreement, the Custody Agreement and the Reserve Bond Custody Agreement*” below.

Underlying Security:

Each Borrower has created the following security, pursuant to the relevant Legal Mortgage and the relevant Security Trust Deed, in favour of the Longhurst Security Trustee or the Spire Security Trustee for the benefit of itself and the Issuer in respect of its obligations and the obligations of the other Borrower under the Loan Agreement and for the other Beneficiaries named in the relevant Security Trust Deed:

- (a) first fixed legal mortgages over all of the relevant Borrower’s right, title and interest from time to time in the relevant Real Property (as defined in the Legal Mortgages);
- (b) first fixed charges over, *inter alia*, all plant and machinery of the relevant Borrower which form part of the Real Property and the benefit of the relevant Insurances (as defined in the

Legal Mortgages) and all present and future licences, consents and authorisations in respect thereof; and

- (c) in the case of Spire only, a first floating charge over the whole of Spire's undertaking and all of its property, assets, present and future (including without limitation, its uncalled capital),

and has covenanted that it will, following an Enforcement Event (as defined in the Legal Mortgages) which has occurred and is continuing unremedied or unwaived and has not been remedied within any applicable grace period, assign to the Spire Security Trustee or the Longhurst Security Trustee for the benefit of itself and the Issuer in respect of its obligations and the obligations of the other Borrower under the Loan Agreement and for the other Beneficiaries named in the relevant Security Trust Deed, all of its rights, title and interest in and to certain agreements and covenants held by it as more particularly described in the Legal Mortgages granted by Spire or Longhurst respectively, together, the **"Underlying Security"**, **provided that** it shall be entitled to exercise all its rights and claims under or in connection therewith until a Borrower Default has occurred and is outstanding.

The Issuer has secured its rights, title and interest in respect of the Underlying Security in favour of the Bond Trustee pursuant to the Bond Security Deed. Pursuant to the terms of the relevant Security Trust Deed, the properties described herein under *"The Properties"* and in the Valuation Report, and any plant and machinery forming part of such property together with related Insurances, consents, licences and authorisations, have been designated as security for the relevant Borrower's obligations under the Loan Agreement only, and not for any other liabilities of such Borrower to any other Beneficiary (as defined in the relevant Security Trust Deed).

See *"Description of the Legal Mortgages and the Security Trust Deeds"* below.

Addition, substitution and release of Charged Properties:

Pursuant to the relevant Security Trust Deed, on or prior to creating a Legal Mortgage in respect of any Property for the benefit of the Issuer, the relevant Borrower must, in respect of such security, provide the conditions precedent documents specified in the relevant Security Trust Deed. In addition, pursuant to the Loan Agreement, each Borrower must provide a completed Additional Property Certificate confirming that, *inter alia*, the proposed Additional Properties are residential properties of a type and nature that are usually owned by Registered Providers of Social Housing, Valuation Reports in respect of each Additional Property and a Certificate of Title in respect of each Additional Property charged.

At the request and expense of the relevant Borrower, the relevant Security Trustee shall (subject to receiving an amended Designated Properties Schedule from such Borrower and the Issuer in accordance with the relevant Security Trust Deed) release from the relevant Security (or reallocate, if applicable) such of the Properties forming part of the Issuer's Designated Security and substitute such of the Properties as may be selected by the relevant Borrower, **provided that** the relevant Borrower satisfies the conditions

precedent specified in the Loan Agreement in relation to the Substitute Properties. Such conditions precedent include, *inter alia*, a completed Substitute Property Certificate certifying, *inter alia*, that the relevant Substitute Property is a residential property of a type and nature that is usually owned by Registered Providers of Social Housing and that, immediately following such release (or reallocation, if applicable), the Asset Cover Test will not be breached as a result of the substitution of the relevant Charged Properties, Valuation Reports in respect of each Substitute Property and a Certificate of Title in respect of the Substitute Properties.

At the request and expense of the relevant Borrower, the relevant Security Trustee shall release (subject to receiving an amended Designated Properties Schedule from such Borrower and the Issuer in accordance with the relevant Security Trust Deed) from the Security (or reallocate, if applicable) such Charged Properties as may be selected by the relevant Borrower **provided that** the relevant Borrower delivers to the Issuer and the relevant Security Trustee a completed Property Release Certificate, certifying that, immediately following such release (and reallocation, if applicable), the Asset Cover Test will not be breached as a result of the release (or reallocation, if applicable) of such part of the security.

Notwithstanding the above, where any disposal is a Statutory Disposal the relevant Borrower shall have the right to withdraw such Property from the Issuer's Designated Security. In such circumstances the relevant Borrower is obliged to deliver, as soon as reasonably practicable after it has received notice of such Statutory Disposal, a completed Statutory Disposal Certificate to the Issuer and the relevant Security Trustee confirming that the relevant withdrawal relates to a Statutory Disposal and, if the Statutory Disposal would result in a breach of the Asset Cover Test, confirming that it shall procure that additional Properties are charged pursuant to the relevant Security Trust Deed and/or moneys are deposited into the Disposal Proceeds Account, in accordance with the Loan Agreement, such that any breach of the Asset Cover Test will be cured.

Enforcement of the Underlying Security and the Issuer Security:

Following a Borrower Default, the Issuer may declare the Underlying Security immediately enforceable and/or declare the Loans immediately repayable. Pursuant to each Security Trust Deed, each Security Trustee shall only be required to take action to enforce or protect the security in respect of the Loan Agreement if so instructed by the Issuer (and then only if it has been indemnified and/or secured to its satisfaction).

The Issuer has assigned its rights under, *inter alia*, the Legal Mortgages and the Security Trust Deeds to the Bond Trustee, and, pursuant to Condition 6.3 (*Loan Agreement, Legal Mortgages and Security Trust Deeds Consents Covenant*), has covenanted not to take any action or direct either Security Trustee to take any action pursuant thereto except with the prior consent of the Bond Trustee. The Bond Trustee may, but is not obliged to, seek the consent of the Bondholders in accordance with the Bond Trust Deed prior to giving any such consent.

In enforcing the Issuer Security (including the Issuer's rights, title and interests in the Legal Mortgages and the Security Trust Deeds insofar as they relate to the Bonds) the Bond Trustee may act in its discretion. It is, however, required to take action, pursuant to Condition 12.2 (*Enforcement*), where so directed by the requisite majority of the Bondholders **provided, however, that** it is secured and/or indemnified to its satisfaction.

See “*Description of the Legal Mortgages and the Security Trust Deeds*” below.

Priorities of Payments:

Prior to the enforcement of the Issuer Security, the Issuer shall apply all monies standing to the credit of the Transaction Account on each Interest Payment Date and such other dates on which a payment is due in respect of the Bonds in the following order of priority (the “**Pre-enforcement Priority of Payment**”):

- (a) first, in payment of any taxes due and owing by the Issuer to any taxing authority (insofar as they relate to the Bonds);
- (b) second, in payment of any unpaid fees, costs, charges, expenses and liabilities incurred by the Bond Trustee (including remuneration payable to it and any Appointee) in carrying out its functions under the Bond Trust Deed or the Bond Security Deed;
- (c) third, in payment of any unpaid fees and expenses of the Issuer owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement and the Custodian under the Custody Agreement on a *pro rata* and *pari passu* basis;
- (d) fourth, in payment of any other unpaid fees, expenses and liabilities of the Issuer (in so far as they relate to the Bonds) on a *pro rata* and *pari passu* basis;
- (e) fifth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any interest due and payable in respect of the Bonds;
- (f) sixth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any principal due and payable in respect of the Bonds;
- (g) seventh, in payment, on a *pro rata* and *pari passu* basis, to the Borrowers of any amount due and payable under the terms of the Loan Agreement;
- (h) eighth, in payment of any Permitted Investment Profit, Accounting Profit, Reserve Bond Profit or Reserve Bond Premium Amount as the case may be to any charitable member of Longhurst Group.

Following the enforcement of the Issuer Security, all monies standing to the credit of the Transaction Account, the Disposal Proceeds Account and the Initial Cash Security Account and the net proceeds of enforcement of the Issuer Security shall be applied in the following order of priority (the “**Post-enforcement Priority of Payment**”):

- (a) first, in payment of any unpaid fees, costs, charges, expenses and liabilities incurred by the Bond Trustee, any Appointee or any receiver in preparing and executing the trusts under the Bond Trust Deed or the Bond Security Deed (including the costs of realising any Issuer Security and the Bond Trustee's and such receiver's remuneration);
- (b) second, in payment of all amounts owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement and the Custodian under the Custody Agreement on a *pro rata* and *pari passu* basis;
- (c) third, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any interest due and payable in respect of the Bonds;
- (d) fourth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any principal due and payable in respect of the Bonds;
- (e) fifth, in payment of any other unpaid fees and expenses of the Issuer (insofar as they relate to the Bonds) on a *pro rata* and *pari passu* basis;
- (f) sixth, in payment, on a *pro rata* and *pari passu* basis, to the Borrowers of any amount due and payable under the terms of the Loan Agreement; and
- (g) seventh, in payment of any Permitted Investment Profit, Accounting Profit, Reserve Bond Profit or Reserve Bond Premium Amount, as the case may be, to any charitable member of the Longhurst Group.

Status of the Bonds:

The Bonds and Coupons will constitute direct, secured, unsubordinated obligations of the Issuer and will rank *pari passu* among themselves.

Covenants:

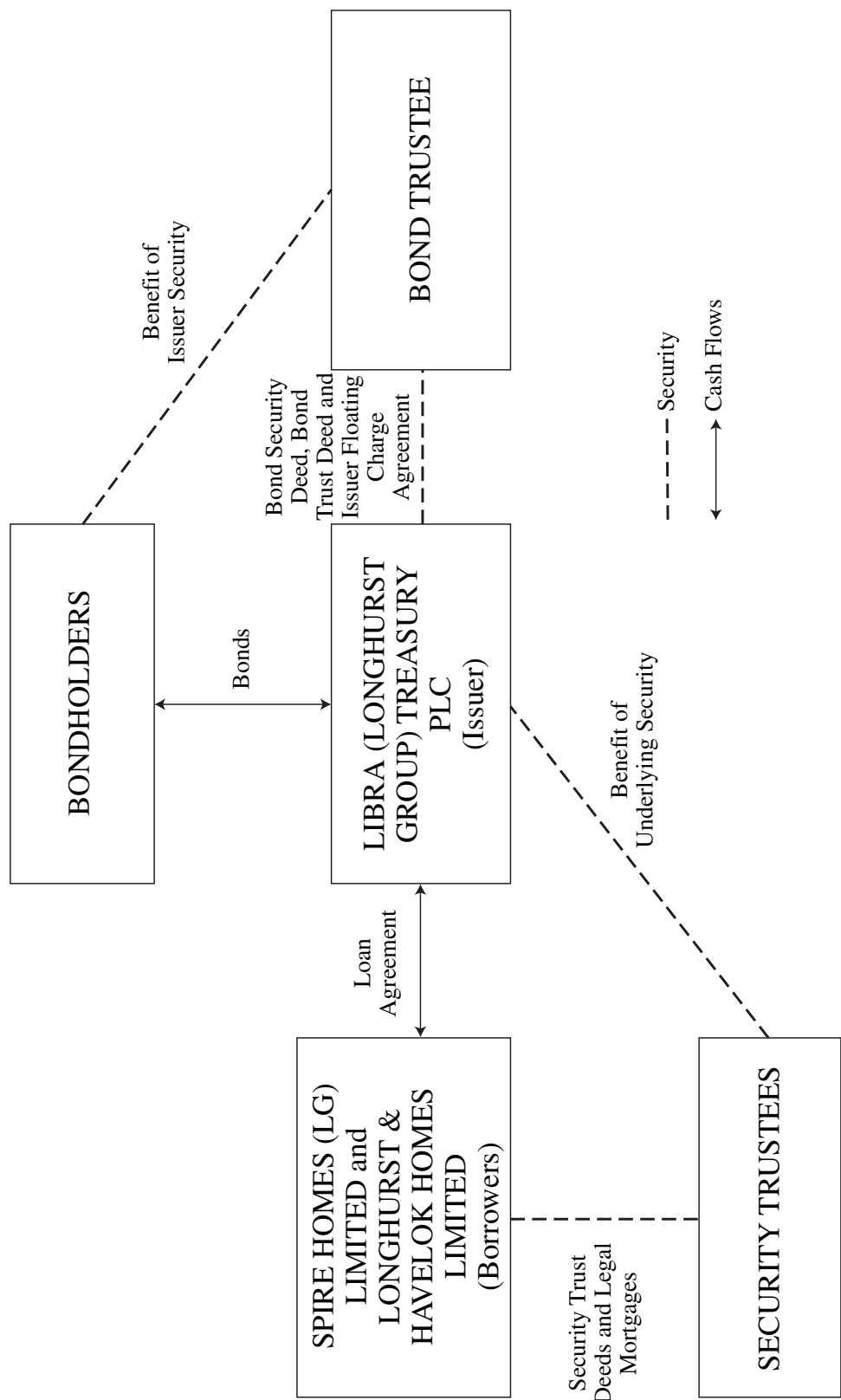
Pursuant to Condition 6 (*Covenants*), the Issuer has covenanted not to engage in any activity or do anything other than carry out the business of a company which has as its purpose raising finance and on lending such finance for the benefit of the Borrowers, acting as treasury manager for the Group or performing any act incidental to or necessary in connection with the aforesaid, without the consent of the Bond Trustee.

The Issuer has also covenanted to deliver to the Bond Trustee and, upon request by a Bondholder to the Issuer, to make available to any of the Bondholders, a copy of the Compliance Certificate received from each Borrower pursuant to the terms of the Loan Agreement and a copy of the annual reports of each Borrower following publication of the same. In addition to the rights of Bondholders to convene a meeting pursuant to Condition 17 (*Meetings of Bondholders, Modification and Waiver*), at the request of the requisite majority of the Bondholders, the Issuer shall hold a meeting of the Bondholders to discuss the financial position of the Issuer and the Longhurst Group, **provided that** the Issuer shall not be required to hold any such meeting more than once in any calendar year.

	In addition, the Issuer has covenanted that, for so long as any of the Bonds remain outstanding, it shall not consent to any waiver, amendment or modification of, or take any action or direct either Security Trustee to take any action pursuant to, the Loan Agreement, the Legal Mortgages or the Security Trust Deeds except with the prior consent of the Bond Trustee. The Bond Trustee may seek the consent of the Bondholders in accordance with the Bond Trust Deed prior to giving any such consent.
Taxation:	All payments in respect of the Bonds will be made without withholding or deduction for or on account of any taxes unless a tax deduction is required by law. In the event that any such withholding or deduction is required, the Issuer may at its option but will not be obliged to pay to Bondholders such additional amounts as may be necessary in order that the net amounts received by the Bondholders after such withholding or deduction will equal the amounts of principal and interest which would have been received in respect of the Bonds in the absence of such withholding or deduction. In the event that the Issuer does not opt to pay, or opts to pay and thereafter notifies the Bond Trustee and the Bondholders of its intention to cease paying, such additional amounts, the Bonds shall be redeemed at their principal amount, together with any accrued interest, in accordance with Condition 9.3 (<i>Early Redemption for Tax Reasons</i>).
Meetings of Bondholders:	The Terms and Conditions of the Bonds and the Bond Trust Deed contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Bonds. These are set out under "<i>Risk Factors</i>" below and include factors which may affect the Issuer's and/or the Borrowers' ability to fulfil their obligations under the Bonds and the Loan Agreement, respectively, factors which are material for the purpose of assessing the market risks associated with the Bonds, risks relating to the security for the Bonds and risks relating the market generally. See "<i>Risk Factors</i>" below.
Rating:	The Bonds have been assigned a rating of "Aa3 (with a negative outlook)" by Moody's. As of the date of this Prospectus, Moody's is established in the European Union and is registered under the CRA Regulation.
Listing and admission to trading:	Application has been made to the UK Financial Services Authority for the whole class of Bonds (including the Reserve Bonds) to be admitted to the Official List of the UK Listing Authority and to the London Stock Exchange plc (the "London Stock Exchange") for the whole class of Bonds (including the Reserve Bonds) to be admitted to trading on the London Stock Exchange's regulated market.
Sole Arranger and Joint Bookrunner:	Lloyds TSB Bank plc

Joint Bookrunner:	Barclays Bank plc
Principal Paying Agent:	The Bank of New York Mellon
Account Bank:	The Bank of New York Mellon, London Branch
Custodian:	The Bank of New York Mellon, London Branch
Reserve Bond Custodian:	The Bank of New York Mellon, London Branch
Bond Trustee:	Prudential Trustee Company Limited
Borrowers:	Spire Homes (LG) Limited (“ Spire ”) and Longhurst & Havelok Homes Limited (“ Longhurst ”)
Security Trustees:	Prudential Trustee Company Limited as security trustee under the Longhurst Security Trust Deed (the “ Longhurst Security Trustee ”) and as security trustee under the Spire Security Trust Deed (the “ Spire Security Trustee ”).
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Bonds in the United States and the United Kingdom, see “ <i>Subscription and Sale</i> ”.
Governing Law:	The Bonds and any non-contractual obligations arising out of or in connection with them are governed by English law.

STRUCTURE DIAGRAM OF TRANSACTION



RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with the Bonds issued are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. This section is not intended to be exhaustive and prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision. If any of the following risks actually materialise, the Issuer's business, financial condition and prospects could be materially and adversely affected. No assurance can be given that prospective Bondholders will receive full and/or timely payment of interest and principal or ultimate recovery in relation to the Bonds.

Factors which may affect the Issuer's ability to fulfil its obligations under the Bonds

Special Purpose Vehicle Issuer: The Issuer is a special purpose finance entity with no business operations other than the incurrence of financial indebtedness, including the issuance of the Bonds. As such the Issuer is entirely dependent upon receipt of funds from the Borrowers under the Loan Agreement in order to fulfil its obligations under the Bonds. As the treasury vehicle of the group the Issuer will also manage a Group loan facility provided through Lloyds TSB Bank plc and Barclays Bank PLC.

Credit Risk: Longhurst Group Limited holds 100 per cent. of the issued share capital of the Issuer and the Borrowers. The new banking facilities entered into among Longhurst Group Limited and its Consolidated Subsidiaries (together the "**Group**"), Lloyds TSB Bank plc and Barclays Bank PLC will be maintained through financial covenants tested against the Group's consolidated financial accounts. Longhurst Group Limited is the investment partner with the Homes and Communities Agency ("**HCA**") for accessing grant funding for future development across the Group. The Issuer, and therefore payments by the Issuer in respect of the Bonds, will therefore be subject to the credit risk of the Group. The Issuer will be subject to the risk of delays in the receipt, or risk of defaults in the making, of payments due from the Borrowers in respect of the Loan Agreement. The Issuer acts as a financing vehicle for the Group and does not own any social housing assets in its own right. The proceeds of the Bonds will be lent by the Issuer to the Borrowers pursuant to the Loan Agreement and the payments to be made by the Issuer will be dependent upon the Issuer receiving from the Borrowers the payments due to it under the Loan Agreement. The Issuer's ability to satisfy its obligations under the Loan Agreement is therefore dependent in part on the credit risk of each of the Borrowers.

Effect of Losses on Loans on Interest Payments and Repayments on the Bonds: There can be no assurance that the levels or timeliness of payments of collections received in respect of the Loans will be adequate to ensure fulfilment of the Issuer's obligations in respect of the Bonds on each Interest Payment Date or on the Maturity Date. In addition, a default under the Loan Agreement could ultimately result in the enforcement of the Underlying Security. The proceeds of any such enforcement may be insufficient to cover the full amount due from the Borrowers resulting in a shortfall in funds available to repay the Bonds.

Recently Enacted US legislation May Impose a 30 per cent. Withholding Tax on the Issuer and on Payments to Noteholders in Respect of the Notes

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act ("**FATCA**") generally impose a new reporting regime on non-U.S. financial institutions with respect to certain payments to certain other non-U.S. financial institutions that do not enter into and comply with an agreement with the U.S. Internal Revenue Service (the "**IRS**") to provide certain information about the holders of its debt or equity. If a participating non-U.S. financial institution makes a payment to an

accountholder that has not provided information requested to enable the institution to comply with its FATCA reporting obligations, or if the recipient of the payment is a non-participating non-U.S. financial institution (that is not otherwise exempt), the payor will be required to withhold 30 per cent. on all or a portion of the payment. The withholding tax on payments to a non-participating non-U.S. financial institution generally will apply whether the financial institution is receiving payments for its own account or on behalf of another person.

Guidance issued by the IRS indicates an intention to promulgate regulations that, beginning in 2017, would treat, for example, a portion of payments of interest, principal and disposition proceeds on debt or equity issued by a participating non-U.S. financial institution as being subject to this withholding tax based on the percentage of the financial institution's total assets that are U.S. assets. For these purposes, the term "financial institution" includes, among others, banks, insurance companies and funds that are engaged primarily in the business of investing, reinvesting or trading in securities, commodities or partnership interests.

It is not yet clear if the Issuer will be a non-U.S. financial institution for the purposes of FATCA and no assurance can be provided as to whether the Issuer will enter into such an agreement with the IRS. However, as the Bonds will be issued prior to 1 January 2013 they should generally be exempt from these rules provided that they are classified as debt for U.S. federal income tax purposes. This exemption can be lost if the Bonds are materially amended post 1 January 2013.

Financial institutions in jurisdictions that have enacted legislation to collect and share information regarding accountholders of financial institutions with the United States will generally be able to receive payments free of withholding under FATCA. The UK, the United States, France, Germany, Italy and Spain have announced their intention to enter into intergovernmental, reciprocal information gathering and sharing agreements of this kind. It is not yet clear whether legislation implementing these agreements will be enacted in any jurisdiction nor is it entirely clear how any such legislation will impact the treatment of the Bonds under FATCA.

Bondholders will not be entitled to receive additional amounts or otherwise be compensated by the Issuer with respect to taxes withheld pursuant to FATCA.

This description of the FATCA rules is based on proposed regulations and preliminary guidance. Further guidance is anticipated prior to the effective date of these rules, which may significantly modify these rules as they apply to the Issuer and to Bondholders. Bondholders should consult their own advisors about the application of FATCA to the Bonds, in particular if they may be classified as financial institutions under these rules.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Directive**"), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35 per cent.. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-European Union countries to the exchange of information relating to such payments.

A number of non-European Union countries, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

Factors which may affect the Borrowers' ability to fulfil their obligations under the Loan Agreement

Political Risk

Welfare Reform: The Welfare Reform Act 2012 was granted royal assent on 8th March, 2012. The Act provides for (i) the introduction of Universal Credit from October 2013, with direct payment of benefit to working-age tenants under a centralised IT system, (ii) the introduction of a benefit cap from April 2013 expected to be set at a maximum level of £26,000 per household, per year, and will include an amount in respect of housing costs, (iii) under-occupation penalties for working tenants from April 2013 and (iv) local housing allowances changes from April 2013.

The Government white paper entitled "Universal Credit: welfare that works" considered that there would be advantages in paying the housing component of Universal Credit directly to tenants, although it stated "we also recognise the importance of stable rental income for social landlords to support the delivery of new homes and will develop Universal Credit in a way that protects their financial position" with the acknowledgement that some households may go into rent arrears as a consequence of the introduction of Universal Credit.

Changes to the structure of the benefit system (including any system of direct payments of the housing component of Universal Credit to tenants) may affect the ability of claimants of housing benefit to pay their rent and may increase the Group's transactional costs of rent collection which, if material, may in turn affect the ability of the Issuer to meet its payment obligations under the Bonds.

Although a material proportion of the rent received by the Borrowers is currently derived from housing benefit payable by local authorities, there are some key mitigating factors reducing the implementation risk associated with Welfare Reform:

- (a) direct payments under Universal Credit is only applicable to working-age tenants, with the remaining share of non-working tenants exempt under the new system. As a result, direct payment to the Borrowers will continue to form a material amount of the Group's revenue. Across the Group approximately 56 per cent. of tenants are in receipt of Housing Benefit, of this approximately 75 per cent. are of working age. For Spire these figures are 61 per cent. and 63 per cent. respectively and for L&H 55 per cent. and 77 per cent.;
- (b) the legislation provides for a gradual implementation of Universal Credit from October 2013, which adds flexibility;
- (c) expectations are that the government intend to put in protection mechanisms to allow payment to be made direct to landlords if tenants are vulnerable or fall into arrears of rent and this is intended to act as a protection mechanism which safeguards landlords' income.

For the past 18 months, the Group has been using an integrated on-line risk management system to coordinate its work on risk and this has led to a consistent and well managed approach to its credit risks. As a result the Group has taken further steps to understand and manage the risks likely to manifest themselves in this area by: (i) developing projects to broaden financial inclusion through closer involvement with local credit unions, (ii) developing a "rent first" culture across the Group, (iii) setting key objectives to maximise and protect the Group's income streams, (iv) improving efficiency and reducing costs of collection, (v) further development of the "Just Rewards" scheme rewarding tenants for prompt payment and (vi) well developed processes for eviction.

Furthermore, the Group recognises (i) the willingness of existing employed tenants to preserve "life-time" tenancies, (ii) an acknowledgement amongst the Group's tenants that social rents are significantly lower than an equivalent private rented sector property (see below), (iii) the scarcity of social and affordable housing in

the Group's areas of operation that means demand for social and affordable housing is high and (iv) the ability to charge re-let tenancies on an "Affordable Rent" basis (as described below).

It is estimated that rent arrears may increase on a gradual basis by up to 0.5 per cent. per annum as a result of the proposed changes described above. This represents an increase of approximately £131,000 in L&H and approximately £105,000 in Spire.

Affordable Rent and Social Housing Grant: Whilst existing social tenancies and rent levels remain unchanged, the Housing Minister announced that new tenancies would be introduced that would carry intermediate rents up to a maximum of 80 per cent. of the market rent level on both newly developed stock and on a proportion of existing stock for permitted Registered Providers of Social Housing. This new rent and tenancy combination is known as Affordable Rent.

In 2010 the Government announced a new funding framework: the 2011-2015 Affordable Homes Programme (the "**Framework**"). The Framework largely replaces the existing social housing grant programme, although outstanding grants agreed under the previous arrangements will be paid to Registered Providers of Social Housing. The Framework is designed to offer more flexibility to registered housing providers, enabling them to use existing assets to support new development programmes, and to offer a wider range of housing options to people accessing social housing.

Housing development partners were asked to bid for grants under a new framework with the HCA for grant funding covering the period 2011-15. The Group submitted a bid, along with its Blue Sky Consortium partners, but was unsuccessful with its initial bid. Based on its very strong track record of delivery the Group has since entered into a framework development agreement with the HCA to deliver new homes under the Framework and has, to date, been awarded £2.5 million in grant funding for its development programme. The Group believes that this arrangement will provide more flexibility for the Group in that it is not tied in to the strict timetable of delivery that applies to other providers.

It is the Group's intention to develop around 1,700 new homes over the next 5 years, the Group business plan projects 1,200 new homes at Affordable Rent and around 500 Low Cost Home Ownership properties. This breaks down to 853 new properties in Spire and 820 in L&H. Given the limited amount of Social Housing Grant ("**SHG**") now available, the Group's business plans have been produced on the assumption that no SHG will be available beyond that which has already been awarded to schemes that are already under construction. To support the higher level of private finance required for the developments without grant, the Borrowers' business plans assume that the majority of new rented properties are let at Affordable Rents, however the Borrowers do not intend to convert existing properties to Affordable Rents and support this Programme.

In order to support the level of investment identified within the plan the Borrowers have assumed that a significant proportion (60 per cent. +) of their future developments will come via Section 106 opportunities (involving grants) with Local Authorities. The Borrowers believe that this is a conservative assumption based on the level of opportunities currently available and the relationships and reputation the Group has with its 40 local authority partners. If, however, these opportunities do not present themselves, the Borrowers will not commit to speculative building.

There is a risk that those tenants on Affordable Rent may find it harder to pay their rent, or may not prioritise rental payments causing an increase in the levels of arrears and bad debts of the Borrowers, and that this may, if material, have a corresponding effect on the ability of the Borrowers to meet their payment obligations under the loan agreement on a timely basis.

The Group business plans do not assume that any existing properties will be converted to Affordable Rents (which it may be able to do in the future) and to this extent the risk of non-payment of rent will only apply to these new units. There is a healthy gap between market (and hence affordable) and social rents across the Group's housing stock. For an average 3 bed property in L&H Homes the full market rent is around £135 per week compared to the current social rent of around £75 per week. At Spire the average 3 bed market rent is around £140 per week compared with the social rent of around £80 per week. The level of Local Housing Allowance is around £120 and £140 per week respectively. Planned affordable levels will be set at round 80 per cent. of the full market rent.

Income Risk

Rental Income: A high proportion of the rent received by the Borrowers is derived from housing benefit payable by local authorities. Aside from the risks associated with Welfare Reform, payments of housing benefit by local authorities may be delayed as a result of, among other things, the need to establish a new claimant's entitlement thereto. The receipt of rental payments by the Borrowers, as landlords, may be delayed by the failure of the claimant to regularly pay rent which is due in addition to the housing benefit and/or, in circumstances where the housing benefit is not paid direct to the landlord, a failure to pass on the housing benefit payments to the landlord. In such circumstances, the non-payment, or any delay in payment of material amounts of rental income, could affect the ability of the Issuer to meet its payment obligations under the Bonds. There will be some protection for Registered Providers of Social Housing with the provision to switch payments back to the landlord if tenants fall into arrears and for those initially identified as being vulnerable.

Non-Payment Risks: The tenants of the Borrowers' properties are personally responsible for the rental payments on the relevant occupied properties. There is a greater risk of non-payment for those tenants who are not in receipt of full or partial housing benefit. For Spire around 61 per cent. of its tenants are in receipt of housing benefit and for L&H the figure is 55 per cent. In the event that any such tenants fail to pay rent in full or fail to pay rent in full on a timely basis, this could also affect the ability of the relevant Borrower to meet its payment obligations on a timely basis under the Loan Facility Agreement to which it is a party.

Inflation: Levels of rental income are currently impacted each year by the Retail Price Index ("**RPI**") which refers back to the figure published in the September of the preceding year. The Chancellor announced in the Emergency Budget on 22 June 2010 that, from the financial year 2013-2014, housing benefit limits will be adjusted upwards in line with the Consumer Prices Index ("**CPI**") rather than RPI. The Borrowers will apply future rent increases, or decreases in the case of negative RPI, in accordance with the Government rent regimes in place at that time. The current regime for regulated rents allows for increases at RPI plus 0.5 per cent. For Spire a 1 per cent. increase or decrease in RPI would change its annual rental income by circa £210,000 and for L&H circa £260,000 per annum.

There is a risk that the Government could change the rent regime either by changing the "RPI plus 0.5 per cent." guideline to an RPI only increase or by changing the rental increase index to the CPI measure. Either of these measures would impact on the Borrowers ability to increase rents and could affect the ability of the relevant Borrower to meet its payment obligations under the Loan Agreement. In these scenarios there would also be a risk that the Borrowers' costs, which are generally assumed to increase by RPI could increase at a higher rate than the Borrowers would be able to increase their revenues.

The Group has a number of mechanisms in place to mitigate the scenario of negative inflation including control over its cost base, consideration of the correlation between inflation and interest rates when managing its variable rate interest bill and the ability to use treasury instruments such as inflation-linked hedging. The Group may also be able to take advantage of a "waiver" clause, whereby the Regulation Committee of the Homes and Communities Agency (the "**Regulator**") can allow extensions of the period in which target rents must be reached if it would otherwise mean that a covenant of a financing arrangement would be breached or a loan would otherwise default.

Shared Ownership Tenures: Shared ownership income is generated on the initial part of the property (known as the "first tranche") which is sold to the "shared owner"; on subsequent sales of further portions of the property to the shared owner (known as "staircasings"); and in the form of subsidised rent on the part of the property which the shared owner does not own until the property is fully owned by the shared owner.

There is a risk that if a tenant of a shared ownership property borrows monies through a mortgage from a commercial lender (having obtained consent from the relevant landlord) then that lender's mortgage may take priority ahead of any security arrangements that are in place. However, if that commercial lender were to enforce its security following a tenant defaulting on its mortgage, such lender could staircase (i.e. purchase a portion of the freehold property) up to 100 per cent. in order to be able to sell the whole leasehold interest in which case the relevant Borrower as landlord would receive such staircasing payments from the commercial lender. If the price for the full 100 per cent. receivable on sale is not sufficient to meet the

principal outstanding (plus 12 months interest and other statutorily permitted costs) then the shortfall will remain as a debt due to the landlord from the defaulting leaseholder. Under current HCA rules, any shortfall not recovered is borne first by the provider of any grant in respect of the property, and thus the Borrowers are only affected to the extent that the shortfall cannot be covered by grant monies. This only applies where shared ownership is grant-funded. The Borrowers would also consider buying back shared ownership properties in certain circumstances. Within L&H there are currently 675 properties that have options to staircase in the future and in Spire 116 properties. In 2011/12 there were 13 Staircasing Sales (up to 100 per cent.) in L&H and 1 in Spire.

This type of product is also provided as “shared equity” and “Leasehold Schemes for the Elderly” (“**LSE**”).

Sales Risk: The Group’s strategy has been to develop principally social rented (general needs, sheltered and supported) housing, which has a limited exposure to housing market downturn risk. Rental income from these properties provides the major source of the Group’s income. As part of its provision of affordable housing, the Borrowers have developed and receive income from sales of properties that are uneconomic to maintain, shared ownership first tranche receipts, shared ownership staircasing receipts and redemptions of shared equity properties. These markets are subject to the impact of falling property values and in some circumstances the availability of mortgages.

Shared ownership properties account for circa 26 per cent. of the Borrowers’ development programme 27 per cent. in Spire and 28 per cent. in L&H. Where shared ownership properties remain unsold for a period longer than envisaged, the Group will review a number of options that include reduced sales values and switching tenure to market rents or to intermediate market rents (which are between affordable and market rents). Both options will be for an interim period until the market recovers. The Borrowers do not, however, include future sales income in their business plan projections save for initial staircasing sales.

The Group is exposed to and is expected to increase its exposure to the trading performance of Keystone Developments (LG) Limited (Keystone), a wholly owned subsidiary, whose prime activity is the development of property for sale and whose surpluses are gifted to the Issuer. In addition, the Issuer will provide an on-lending loan facility to Keystone using funds drawn from a loan facility from Lloyds Banking Group. There is therefore a risk that Keystone’s trading performance could be affected by market conditions and in turn the Issuer’s ability to meet its obligations under the Bonds.

To mitigate the risk related to sales receipts, the Group’s policies take a conservative approach to financial planning and project appraisal ensuring that sales receipts are not relied upon to service debt obligations or to meet covenants in a stress tested environment. In addition the Group has a large element of discretion in the authorisation of spending relating to its maintenance expenditure control over the phasing and timing of development completions and, in the event of a market downturn, can be further protected by its ability to shift the homes into a rental tenure.

Furthermore, the Group’s development plan is targeted at areas where demand is high for the product that the Group is offering; primarily LSE schemes where the local demographics are proving that the product is in high demand as evidenced by strong off-plan sales even in the current market.

Right to Buy (RTB)

The change in legislation governing the maximum discount available under the Right To Buy Scheme came into force during the first quarter of 2012. The change in Right To Buy (“**RTB**”) discount will potentially result in more RTB sales taking place than under the previous level of discount. Across the Group’s stock the main risk of increased RTB sales is within Spire where there are still 1,645 tenants who have the option to buy their homes by virtue of having a secure tenancy. Of this number 722 tenants are on housing benefit. If the increase in discount does result in more sales taking place within Spire it is not likely to impact on the net proceeds that Spire will receive due to the RTB sharing agreement (that is structured to compensate Spire for the loss of future rental income if a RTB occurs and is contracted until at least 2026 for East Northamptonshire Properties and until at least 2034 for Rutland Properties) that exists between Spire and the Local Authorities in Rutland and East Northamptonshire.

Risk to Other Income: With the change to Affordable Rents the treatment of service charges will change and will be included in the Affordable Rent figure on which housing benefits is calculated rather than in addition to Target Social Housing rents which is currently the case. This means that service charges will need to be accurately calculated with the Affordable Rent agreed otherwise there is a risk that service costs will not be covered by the rent and, where applicable, housing benefits or in the future Universal Credit.

For the year ended 31 March 2011, the Group received approximately £3.8 million of revenue grants from Local Authorities, Supporting People (“SP”) income of £2.9 million and £2.5 million of rental income to cover services to tenants in need of additional care or support. The revenue grants and SP income relate solely to FCH and not the Borrowers. The rental income of £2.5 million relates in the main to residential care homes operated by L&H. This income will halve in 2012/13 following the sale of one of the care homes. These are administered and paid, in most cases, by the relevant local authority. The local authority Supported People’s budget is no longer ring fenced and in many cases has been reduced in line with overall budget cuts for local authorities. There is a risk that in certain cases this revenue stream will be reduced in forthcoming years.

This could have a short term impact on the Borrowers and result in a reduction in services to tenants who have received such services which have in the past been funded by Supported People grants. Within the Borrowers’ registered care homes there is a reliance on social services/primary care trusts or local authority funding for the majority of residents. In view of the public sector budgetary constraints, annual increases in fees from these areas have been limited and are likely to continue. There is a risk that costs could increase above revenue increases thus reducing surplus in this business.

As a result of the uncertainty surrounding this income the Group has adjusted its strategy in relation to the provision of care services. There will, in future, be more of a focus on provision of services to customers in their own homes rather than purpose built care provision, where services and assets can be adapted as the market dictates. To this end L&H has recently completed the sale of one of its registered care homes. The Group’s strategy is to move away from registered care for the elderly and most of the Group’s service provision is now focussed on niche markets (e.g. dementia, physical disabilities) where the income streams are more robust, demand is strong and funding streams are strongly supported by local authorities.

Market and Development Risk: Residential property investment is subject to varying degrees of market and development risks. Market risks which may impact upon both the rental market and the development of residential properties include the economic environment, the risk of changes to Government regulation, including, but not limited to, regulation relating to planning, taxation, landlords and tenants and welfare benefits which could affect positively and negatively tenant trends in the United Kingdom. Furthermore, the maintenance of existing properties, development of existing sites and acquisition of additional sites may be subject to economic and political conditions, the availability of finance facilities and the costs of facilities where interest rates and inflation may also have an effect.

Among other things, these market risks may impact upon the expenses incurred by the Borrowers associated with existing residential properties, rental income produced by these properties, the value of its existing investments, its ability to develop land that it has acquired, its ability to sell properties and its ability to acquire additional sites. This could, in turn, impact upon the Issuer’s cash flow and its ability to satisfy any covenants which it is required to maintain pursuant to the terms of any financing arrangements.

Operational Risks: Operational risks may result from major systems failure or breaches in systems security (although the Group has prepared business continuity plans in order to mitigate against this, it is dependent upon its technology in order to deliver business processes) and the consequences of theft, fraud, health and safety and environmental issues, natural disaster and acts of terrorism. These events could result in financial loss to the Group and hence to the Issuer.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that either the Issuer or the Group will be unable to comply with its obligations as a company with securities admitted to the Official List.

Legal and Compliance Risk: The Group knows the significance to its operations of, and is focused on, adhering to all legal and compliance legislation. The Group is not currently aware of any material failure to adhere to applicable health and safety or environmental laws, litigation or breach of regulatory laws, or failure to comply with corporate, employee or taxation laws. If any of this were to occur in the future, this could have an adverse impact on the Group's results of its operations. To date, there have been no litigation claims made against the Group, although there can be no assurance that the Group will not, in the future, be subject to a claim which may have a material impact upon its revenue or business.

Furthermore, the Group has the benefit of insurance for, among other things, employer's liability, public liability and professional indemnity at a level which the management of the Group considers to be prudent for the type of business in which the Group is engaged.

Permitted Reorganisation: The terms and conditions of the Bonds permit the Group to undertake Permitted Reorganisations. In such circumstances, the resulting entity's credit risk may change.

Housing Market Downturn Risk: The latest figures from the Nationwide House Price Index show that there has been little change in the generally weaker buyer demand for the UK housing market with a typical UK property price decreasing by a seasonally adjusted 0.2 per cent. month on month for April 2012. The figures seem to indicate that the property market remains fragile. It remains to be seen whether this trend will be sustained. Measures of activity in the housing market have remained relatively flat. A housing survey by the Royal Institute of Chartered Surveyors reported that demand weakened this month after a stamp duty exception for first time buyers ended. The gauge dropped to minus 19, from minus 11 in March, the highest level since June 2010. This risk does not impact on fixed asset values in the Group's accounts as these are recorded on a historic cost basis.

The Group's strategy has been to develop principally affordable rental housing, to which the impact of the fall in prices since 2008 did not have a significant effect on the Borrowers. As part of its provision of affordable housing, the Borrowers have developed a number of shared ownership properties, whereby a percentage share of a property is sold and an affordable rent is charged on the unsold portion. This market has been affected by the credit crunch both in terms of falling property values and a reduction in the availability of mortgages.

The Borrowers also provide shared ownership properties (leasehold schemes for the elderly) to older persons as retirement housing. This market has also been affected but, in the Group's experience, to a lesser degree than the mainstream market. The demand for retirement properties has remained high, and the supply of good quality homes low, in the Borrowers' areas of operation. L&H's latest scheme has already received 25 reservations out of a total of 69 properties at values in excess of the scheme appraisals.

The Borrowers have not developed general needs schemes which were reliant on cross subsidy from sales profits on housing for sale on the same developments. The only schemes the Borrowers have been involved in where there is an element of sales risk are the schemes described above.

Risk to Capital Resources and Treasury Risk: The on-going perceived credit worthiness of the Group, the Borrowers and hence the Issuer will depend on many factors, including the support of national government, economic factors, the on-going level of financial performance, the continuing strength of its management and governance structure and its on-going liquidity. Deterioration in any of these factors or a combination of these factors could result in a downgrade in the Group's perceived credit worthiness.

While the Group aims to maintain a capital structure which is consistent with its credit rating, deterioration in the perception amongst actual and potential creditors and the inability to renew maturing funding facilities or committed lines of credit could impact on the cost and accessibility of new funding thereby having an adverse impact on the Group and hence Issuer's ability to service debt.

The main financial risk faced by the Group and the Borrowers as a result of its financial instruments and treasury operations relate to interest rate risk of its variable rate borrowings, inflation risk on its income and expenditure streams, liquidity risk and counterparty risk. The Group and the Borrowers have entered into interest rate swaps to manage the interest rate volatility and uncertainty arising from the Group's operations

and financing. The Group is therefore exposed to negative mark-to-market exposure that may result in cash and /or property being posted as collateral beyond that already in place under its swap agreements.

A major event in any of these areas, such as economic or political instability or market forces, could affect the Group's operations and financing and thereby could have an adverse impact on the Issuer's ability to service debt.

Pensions Risk: The Group participates in a number of pension schemes, as shown below, via its member companies, not all of which can be broken down to Longhurst's individual assets and obligations.

- the Social Housing Pension Scheme ("SHPS") is industry wide multi-employer scheme. It is not possible, in the normal course of events, to readily identify the share of the underlying assets and liabilities attributable to each individual employer participating in this arrangement. The Group's (employer's) current contribution rate is 6.95 per cent. (1/60 Final Salary) and 7.25 (Career Average Related Earnings) per cent. of pensionable pay, an annual lump sum is paid for the deficit contribution of £624,103. As at 31 March 2011 there were 337 active members of the scheme employed by the Group;
- the Longhurst Group defined benefit scheme ("LGDB"), remains open to new entrants;
- the Local Government Pension Scheme administered by Northamptonshire County Council ("NCC"), Leicestershire County Council ("LCC") & West Midlands Metropolitan Authorities ("WMMA") as (each a "LGPS");
- The LGPS Funds are also multi-employer arrangements but, unlike the SHPS, it is possible to identify the share of the LGPS Fund's underlying assets and liabilities attributable to the Group. As at 31 March 2011, the fair market value of the assets held in LGPS Funds attributable to the Group amounted to £5.58 million. As at that date, the corresponding pension liabilities amounted to £7.62 million. The pension contributions payable by the Issuer to during the accounting period ending 31 March 2011 were NCC 36.9 per cent., LCC 18 per cent. and WMMA 15.1 per cent. of pensionable salary;

There remains an outstanding point surrounding the Social Housing Pension Schemes (SHPS), of which Longhurst Group and Spire are members. Both these companies received an expected high risk rating in review by SHPS, leading to a potential requirement to provide an indemnity for their pension liabilities. Both companies have appealed. Spire's appeal has been successful and has now been reclassified as a low risk rating. Longhurst Group is awaiting feedback from its appeal. The legal basis SHPS is using is also untested, and under review in other legal actions.

Factors which are material for the purpose of assessing the market risks associated with the Bonds

Liability under the Bonds: The Bonds are obligations of the Issuer only and do not establish any liability or other obligation of any other person mentioned in this Prospectus. The Bonds will constitute direct, general, secured obligations of the Issuer and will rank equally among themselves.

Interest rate risks: The Bonds bear interest at a fixed rate and therefore involve the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

Redemption prior to maturity: In the event that the Bonds become repayable prior to maturity either following the Loans becoming repayable as a result of a Borrower Default (which includes, *inter alia*, failure by a Borrower to make payments of interest under the Loan Agreement) or an Event of Default (as defined in Condition 12 (*Events of Default and Enforcement*)) or pursuant to Condition 9.3 (*Early Redemption for Tax Reasons*), the Bonds will be redeemed in full at their principal amount, plus accrued interest. In such circumstances it may not be possible for an investor to reinvest the redemption proceeds at an effective rate of interest as high as the interest rate on the Bonds. Furthermore, the optional redemption feature of the Bonds is likely to limit their market value as the market value generally will not rise substantially above the price at which they can be redeemed.

Modification, waivers and substitution: The Terms and Conditions of the Bonds and the Bond Trust Deed contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Bonds and the Bond Trust Deed also provide that the Bond Trustee may, without the consent of Bondholders (i) agree to any modification (except as stated in the Bond Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Bonds or any Transaction Document (to which it is a party) or (ii) determine without the consent of the Bondholders that any Potential Event of Default or Event of Default shall not be treated as such or (iii) agree to the substitution of another company as principal debtor under the Bonds in place of the Issuer, in the circumstances described in the Terms and Conditions, provided, in each case, that the Bond Trustee is of the opinion that to do so would not be materially prejudicial to the interest of Bondholders.

Denominations involve integral multiples: definitive Bonds: The Bonds have denominations consisting of a minimum of £100,000 plus one or more higher integral multiples of £1,000. It is possible that the Bonds may be traded in amounts that are not integral multiples of £100,000. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than £100,000 in his account with the relevant clearing system at the relevant time may not receive a definitive Bond in respect of such holding (should definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that its holding amounts to £100,000.

If definitive Bonds are issued, holders should be aware that definitive Bonds which have a denomination that is not an integral multiple of £100,000 may be illiquid and difficult to trade.

Change in Law: The structure of the issue of the Bonds is based on English law, regulatory and administrative practice in effect as at the date of this Prospectus, and has due regard to the expected tax treatment of the Issuer under United Kingdom tax law and the published practice of HM Revenue & Customs (“HMRC”) in force or applied in the United Kingdom as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to English law, regulatory or administrative practice in the United Kingdom, or to United Kingdom tax law, or the interpretation or administration thereof, or to the published practice of HMRC as applied in the United Kingdom after the date of this Prospectus.

European Monetary Union: It is possible that, prior to the repayment in full of the Bonds, the United Kingdom may become a participating member state in the European Economic and Monetary Union and that the Euro will become the lawful currency of the United Kingdom. The introduction of the Euro could be accompanied by a volatile interest rate environment which could adversely affect holders of the Bonds. It cannot be said with certainty what effect the adoption of the Euro by the United Kingdom (if it occurs) will have on the holders of the Bonds.

Potential conflicts of interest: Each of the Transaction Parties (other than the Issuer) and their affiliates in the course of each of their respective businesses may provide services to other Transaction Parties and to third parties and in the course of the provision of such services it is possible that conflicts of interest may arise between such Transaction Parties and their affiliates or between such Transaction Parties and their affiliates and such third parties. Each of the Transaction Parties (other than the Issuer) and their affiliates may provide such services and enter into arrangements with any person without regard to or constraint as a result of any such conflicts of interest arising as a result of it being a Transaction Party.

Taxation: Under the Terms and Conditions of the Bonds (see Condition 10 (*Taxation*) below), the Issuer may, but will not be obliged to, gross up payments in respect of the Bonds if any deduction or withholding on account of tax is imposed. In the event that any deduction or withholding on account of tax is imposed and the Issuer does not opt to gross up payments in respect of the Bonds (or, if having previously opted to gross up notifies the Bond Trustee and the Bondholders of its intention to cease grossing up payments in respect of the Bonds), the Bonds will be redeemed in accordance with Condition 9.3 (*Early Redemption for Tax Reasons*). In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Bonds. In addition, any amounts in respect of accrued interest which fall due on any such redemption of the Bonds (and, where the redemption

follows the next following Interest Payment Date, such Interest Payment Date) shall be paid subject to the required withholding or deduction and the Issuer shall not be obliged to pay any additional amounts in respect thereof. The Bondholders will therefore bear the risk of any such withholding or deduction in respect of the period from the previous Interest Payment Date to the date of redemption.

The Loan Agreement requires that if any withholding or deduction is required by law to be made by either Borrower thereunder, the amount of the payment due from such Borrower shall be increased to an amount which (after making the tax deduction) leaves an amount equal to the payment which would have been due if no tax deduction had been required.

For a description of the current United Kingdom law and practice relating to withholding tax treatment of the Bonds, see below in “*Taxation*”.

Exchange rate risks and exchange controls: The Issuer will pay principal and interest on the Bonds in Sterling. This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than Sterling. These include the risk that exchange rates may significantly change (including changes due to devaluation of Sterling or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to Sterling would decrease (1) the Investor’s Currency-equivalent yield on the Bonds, (2) the Investor’s Currency equivalent value of the principal payable on the Bonds and (3) the Investor’s Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Legal investment considerations may restrict certain investments: The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk based capital or similar rules.

Risks Relating to the Security of the Bonds

Considerations relating to the Issuer Security and the Underlying Security: The Bonds will be secured by the Issuer Security granted in favour of the Bond Trustee for the benefit of itself, the Bondholders and the other Secured Parties. Such Issuer Security will include security over the Loan Agreement, the Security Trust Deeds and the Legal Mortgages and the floating charge created pursuant to the Issuer Floating Charge Agreement. The Underlying Security created pursuant to the Security Trust Deeds and the Legal Mortgages includes first legal mortgages and first fixed charges and assignments over the property and rights set out in the relevant Legal Mortgage given by the Borrowers, and in the case of Spire, a first floating charge over the undertaking, property and assets given by Spire, in favour of the relevant Security Trustee for the benefit of itself and, *inter alios*, the Issuer.

The validity of any security given by a Borrower in connection with additions and substitutions of Charged Properties may depend on the solvency of such Borrower at the time of the grant.

Environmental considerations: Under relevant UK environmental legislation, liability for environmental matters can be imposed on the “owner” or “person in control” of land. The term “owner” is not specifically defined and could include anyone with a proprietary interest in a property, which could include a representative of a trustee as a mortgagee in possession (in respect of which see the risk factor entitled “*Mortgagee in Possession Liability*” below). Environmental laws may impose liability on the owner for clean up costs if a property is or becomes contaminated. A Borrower may therefore be liable for the entire amount of the clean up and redemption costs for a contaminated site regardless of whether the contamination was

caused by it or not. These costs may be significant and this could also affect the ability of such Borrower to meet its payment obligations under the Loan Agreement.

In addition, the presence of hazardous or toxic substances, or the failure to adequately remedy adverse environmental conditions at a Charged Property, may adversely affect the market value of the Charged Property, as well as the relevant Borrower's ability to sell, lease or refinance the Charged Property. Any environmental liability imposed on a Borrower could also affect the ability of such Borrower to meet its payment obligations under the Loan Agreement.

Sufficiency of insurance: Although each Charged Property is required to be insured at appropriate levels and against customary risks, there can be no assurance that any loss incurred will be of a type covered by such insurance, nor can there be any assurance that the loss will not exceed the limits of such insurance. Any interruption in income or any loss or damage caused to a Charged Property not adequately covered by insurance could result in a shortfall in funds available to service the relevant Borrower's payment obligations under the Loan Agreement.

Investment of Retained Proceeds in Permitted Investments: For so long as any part of the net proceeds of the issue of the Bonds remains undrawn pursuant to the Loan Agreement, the Issuer may invest such amounts in Permitted Investments in accordance with the Custody Agreement. Although Permitted Investments are limited to highly rated securities which satisfy certain specified criteria, the Issuer may be required to liquidate such Permitted Investments (a) prior to the enforcement of the Issuer Security, to fund advances to the Borrowers pursuant to the Loan Agreement or to fund redemptions of the Bonds in accordance with the Conditions or (b) following the enforcement of the Issuer Security, to make payments in accordance with the Post enforcement Priority of Payment, in either case at a time when the disposal proceeds of such Permitted Investments is less than the price paid by the Issuer upon the acquisition thereof. Prior to the enforcement of the Issuer Security, any losses realised by the Issuer in respect of a sale of Permitted Investments are passed on to the Borrowers pursuant to the terms of the Loan Agreement as a result of (i) the Issuer's obligation to fund a principal amount of an advance being such that it may be satisfied by funding such advance at a discount in proportion to any such losses and (ii) each Borrower's obligation to make further payments to the Issuer in respect of any prepayment of the Loans in full to enable the Issuer to fund any shortfall on a redemption of the Bonds. However, following the enforcement of the Issuer Security, any losses in respect of the Permitted Investments will reduce the amounts available to the Issuer in the Initial Cash Security Account to satisfy its payment obligations in respect of the Bonds. In addition, both the Retained Proceeds and the Charged Disposal Proceeds may also be invested in Permitted Investments. For the purpose of calculating the Borrowers' compliance with the Asset Cover Test, the value of such Permitted Investments will be the purchase price thereof and the Borrowers shall not be required to monitor the market value of such Permitted Investments. Consequently, the value attributed to the Permitted Investments for this purpose may be more than the realisable value from time to time.

In the event that the enforcement of the Issuer Security takes place prior to the Initial Properties and the Additional Properties being charged, with an aggregate Minimum Value equal to the principal amount of the Bonds, and/or at a time when the Permitted Investments have been acquired with the Disposal Proceeds, the value of the proceeds of enforcement of the Underlying Security may be insufficient to enable the Issuer to pay its obligations under the Bonds in full.

The Issuer's ability to meet its obligations under the Bonds after enforcement under the Loans: Following default by a Borrower, each Security Trustee may enforce the relevant Underlying Security and appoint a Receiver pursuant to its powers under the relevant Security Trust Deed.

The Issuer's ability to continue to pay principal and interest on the Bonds following default by a Borrower under the Loans is dependent upon the ability of the Issuer to receive from the relevant Security Trustee pursuant to the collection of rental income or a disposal of the Underlying Security, sufficient funds to make such payment.

Fixed charges may take effect under English law as floating charges: Pursuant to the Bond Security Deed, the Issuer has purported to grant fixed charges over, amongst other things, all rights and benefits under the Transaction Account, the Disposal Proceeds Account and the Initial Cash Security Account. The law of

England and Wales relating to the characterisation of fixed charges is unsettled. The fixed charges purported to be granted by the Issuer (other than assignment of security) may take effect under English law as floating charges only if, for example, it is determined that the Bond Trustee does not exert sufficient control over the charged assets for the security to be said to “fix” over those assets. If the charges take effect as floating charges instead of fixed charges, then the claims of the Bond Trustee will be subject to claims which are given priority over a floating charge by law, including, amongst other things, prior charges, certain subsequent charges, the expenses of any winding-up or administration and the claims of preferential creditors.

Appointment of Administrative Receiver to the Issuer: The provisions of the Enterprise Act 2002 (the “**Enterprise Act**”) restrict the right of the holder of a floating charge to appoint an administrative receiver (unless the security was created prior to 15 September 2003 or an exception applies) and instead give primacy to collective insolvency procedures (in particular, administration). The Insolvency Act 1986 contains provisions that continue to allow for the appointment of an administrative receiver in relation to certain transactions in the capital markets. The relevant exception provides that the appointment of an administrative receiver is not prohibited if it is made in pursuance of an agreement (being, in respect of the transactions described in this Prospectus, the Issuer Floating Charge Agreement) which is or forms part of a capital market arrangement (as defined in the Insolvency Act) under which a party (such as the Issuer) incurs or, when such agreement was entered into was expected to incur, a debt of at least £50,000,000 and if the arrangement involves the issue of a capital market investment (also defined in the Insolvency Act, but generally a rated, listed or traded debt instrument).

Although there is yet no case law on how this exception will be interpreted, the exception should be applicable so far as concerns the floating charge created by the Issuer pursuant to the Issuer Floating Charge Agreement. However, as this is partly a question of fact, were it not to be possible to appoint an administrative receiver in respect of the Issuer, the Issuer would be subject to administration if it became insolvent which may lead to the ability to realise the Issuer Security being delayed and/or the value of the Issuer Security being impaired.

Claims of Creditors of the Issuer other than Secured Parties: Under English law, any creditor (who has not entered into non-petition clauses) would (save where an administrator has been appointed) be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

Mortgagee in Possession Liability: There is a risk that a Security Trustee may be deemed to be a mortgagee in possession if it physically enters into possession of a Charged Property or performs an act of control or influence which may amount to possession, such as submitting a demand direct to tenants requiring them to pay rents to such Security Trustee. The consequence of being a mortgagee in possession would be that a Security Trustee may be obliged to account to the relevant Borrower for the income obtained from the Charged Property, be liable for any damage to the Charged Property, have a limited liability to repair the Charged Property and, in certain circumstances, may be obliged to make improvements or incur financial liabilities in respect of the Charged Property. A mortgagee in possession may also be liable to a tenant for any mis management of the relevant property and may incur liabilities to third parties in nuisance and negligence and, under certain statutes (including environmental legislation), the liabilities of a property owner. Pursuant to each Security Trust Deed, the Issuer and each Borrower, respectively, are required to indemnify each Security Trustee against all liabilities and expenses suffered or incurred by it. The Borrowers are required to jointly and severally indemnify the Issuer and each Security Trustee on demand against any loss or liability incurred in connection with the Loan Agreement. The obligation to indemnify the Security Trustees may mean that there is a shortfall in funds available to pay all amounts due and owing under the Bonds and/or the Loan Agreement.

Assignment of rents: The assignment of rents derived from the Charged Properties will, without notice being given to the tenants of the Charged Properties, take effect as an equitable assignment but will nevertheless be binding on any liquidator or other creditor of the relevant Borrower subject to certain equities. The failure to give notice to the tenants means that tenants will discharge those payment obligations under their tenancy agreements by making payments direct to the relevant Borrower until such time as notice is given to the tenants of the assignment of such rents.

In the event that a receiver is appointed in respect of a Borrower, a notice will be sent to the tenants of such Borrower instructing them to make rental payments to the receiver. However, there can be no guarantee that the tenants will receive the notice, or that they will act on the notice, even though they are legally required to do so. If the tenants continue to make payments to such Borrower, rather than to the receiver, the income received by the Bond Trustee for application in accordance with the Bond Security Deed may be adversely affected, which in turn may adversely affect the repayment of the Bonds. However, given the 28 working day moratorium procedure referred to below, it may be unlikely that such action will take place.

Moratorium: The Borrowers believe that it is unlikely that any formal enforcement proceedings would be utilised given the powers of the HCA to intervene in the affairs of non profit registered providers of social housing in England that fall into financial or managerial difficulties. In order to protect the interest of tenants and to preserve the housing stock of a housing association within the social housing sector and within the regulatory regime, a 28 working day moratorium on the disposal of land (including the enforcement of any security) by an insolvent non profit registered provider of social housing will apply, upon certain steps being taken in relation to that provider such as presenting a winding-up petition or appointing an administrator. The HCA will then seek to agree proposals about the future ownership and management of the provider's land with its secured creditors. The moratorium procedure may adversely affect the Issuer's ability to enforce its security over the Charged Properties, as the procedure stipulates actions that must be taken by a secured creditor prior to that secured creditor being able to enforce its security and gives powers to the HCA in respect of certain secured assets. This, in turn, could affect the Bond Trustee's ability to enforce its security against the Issuer under the Bond Security Deed.

Risks Relating to the Market Generally

Potential Limited Liquidity: The Bonds may not have an established trading market when issued. There can be no assurance of a secondary market for the Bonds or the continued liquidity of such market if one develops. The development or continued liquidity of any secondary market for the Bonds will be affected by a number of factors such as the state of credit markets in general and the creditworthiness of the Longhurst Group, as well as other factors such as the time remaining to the maturity of the Bonds. Investors may not be able to sell the Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of the Bonds.

Global economic disruption: In addition, Bondholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Bonds, concerns over the liquidity of major banks and building societies and the consequent effects on the general economy and the housing market. The Issuer cannot predict when these circumstances will change and, if and when they do, whether conditions of general market illiquidity for the Bonds and instruments similar to the Bonds will return in the future.

Credit ratings may not reflect all risks: It is expected that the Bonds will be rated "Aa3 (with a negative outlook)" by Moody's. This rating may not reflect the potential impact of all risks related to the Issuer, market and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the assigning rating agency at any time. In particular, on 15th February, 2012, Moody's took action in respect of selected European sub-sovereign issuers (including amending the outlook from stable to negative for all Moody's rated Registered Providers of Social Housing) on the view that Registered Providers of Social Housing are linked to the national government through financial, operational and economic factors. The relevant ratings (including the baseline credit assessment) of the Issuer remain unchanged. As with any rated entity, the rating of the Issuer (and, accordingly, the rating of the Bonds) may be susceptible to further adjustments (whether upward or downward) and in particular any adjustments which may be made as a result of a rating agency's methodology as applied to the Issuer.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the European Union

but is endorsed by a credit rating agency established in the European Union and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the European Union which is certified under the CRA Regulation. As of the date of this Prospectus, Moody's is established in the European Union and is registered under the CRA Regulation.

FORM OF THE BONDS AND SUMMARY OF PROVISIONS RELATING TO THE BONDS WHILE IN GLOBAL FORM

Form of the Bonds

Form, Exchange and Payments

The Bonds will be in bearer form and will be initially issued in the form of a temporary global bond (a “**Temporary Global Bond**”) which will be delivered on or prior to the issue date of the Bonds to a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”).

Whilst the Bonds are represented by the Temporary Global Bond, payments of principal, interest (if any) and any other amount payable in respect of the Bonds due prior to the Exchange Date (as defined below) will be made only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Global Bond are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the “**Exchange Date**”) which is 40 days after the Temporary Global Bond is issued, interests in the Temporary Global Bond will be exchangeable (free of charge) upon a request as described therein for interests recorded in the records of Euroclear or Clearstream, Luxembourg, as the case may be, in a permanent global bond (the “**Permanent Global Bond**” and, together with the Temporary Global Bond, the “**Global Bonds**”), against certification of beneficial ownership as described above unless such certification has already been given. The holder of the Temporary Global Bond will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Bond for an interest in the Permanent Global Bond is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on the Permanent Global Bond will be made through Euroclear and/or Clearstream, Luxembourg without any requirement for certification.

On each occasion of a payment in respect of a Global Bond the Principal Paying Agent shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records to reflect such payment.

The Permanent Global Bond will be exchangeable (free of charge), in whole but not in part, for definitive Bonds with interest coupons and talons attached only upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means that (i) an Event of Default (as defined in Condition 12 (*Events of Default and Enforcement*)) has occurred and is continuing, or (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Bond Trustee is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Bonds represented by the Permanent Global Bond in definitive form. The Issuer will promptly give notice to Bondholders in accordance with Condition 15 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Bond) may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

Legend concerning United States persons

The following legend will appear on all of the Bonds and on all interest coupons relating to the Bonds:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

Summary of Provisions relating to the Bonds while in Global Form

Notices

For so long as all of the Bonds are represented by one or both of the Global Bonds and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Bondholders (which includes, for this purpose, any Compliance Certificate or annual reports required to be made available pursuant to a request by any of the Bondholders pursuant to Condition 6.2 (*Information Covenants*)) may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relative Accountholders (as defined below) rather than by publication as required by Condition 15 (*Notices*). Any such notice shall be deemed to have been given to the holders of the Bonds on the day on which such notice was delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

For so long as all of the Bonds are represented by one or both of the Global Bonds and such Global Bond(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to be given by any Bondholder may be given to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg and otherwise in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

Accountholders

For so long as any of the Bonds is represented by a Global Bond held on behalf of Euroclear and/or Clearstream, Luxembourg, the bearer of the relevant Global Bond shall be treated as the holder of such principal amount of such Bonds in accordance with and subject to the terms of the relevant Global Bond and the expressions “**Bondholder**” and “**holder of Bonds**” and related expressions shall be construed accordingly.

Bonds which are represented by a Global Bond will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. In determining whether a particular person is entitled to a particular principal amount of Bonds as aforesaid, the Bond Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Prescription

Claims against the Issuer in respect of principal and interest on the Bonds represented by a Global Bond will be prescribed after 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date (as defined in Condition 11 (*Prescription*)).

Cancellation

Cancellation of any Bond represented by a Global Bond and required by the Conditions of the Bonds to be cancelled following its redemption or purchase will be effected by entry in the records of Euroclear or Clearstream, Luxembourg, as the case may be.

Exercise of Put Option

In order to exercise the option contained in Condition 9.7 (Investor Put Option) the bearer of the Permanent Global Bond must, within the period specified in the Conditions for the deposit of the relevant Bond and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Bonds in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

TERMS AND CONDITIONS OF THE BONDS

The following are the Terms and Conditions of the Bonds which will be endorsed on each Bond in definitive form (if issued).

The £250,000,000 5.125 per cent. Secured Bonds due 2038 (the “**Bonds**”) of Libra (Longhurst Group) Treasury plc (the “**Issuer**”) are constituted by a Bond Trust Deed (such Bond Trust Deed as modified and/or supplemented and/or restated from time to time, the “**Bond Trust Deed**”) and a Bond Security Deed (such Bond Security Deed as modified and/or supplemented and/or restated from time to time, the “**Bond Security Deed**”) dated 2 August 2012 made between the Issuer and Prudential Trustee Company Limited (as trustee pursuant to the Bond Trust Deed, the “**Bond Trustee**”, which expression shall include all persons for the time being appointed trustee or trustees of the Bond Trust Deed) as trustee for the holders of the Bonds (the “**Bondholders**”) and the holders of the interest coupons appertaining to the Bonds (the “**Couponholders**” and the “**Coupons**” respectively, which expressions shall, unless the context otherwise requires, include the talons for further interest coupons (the “**Talons**”) and the holders of the Talons).

The Bonds have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”) dated 2 August 2012 and made between the Issuer, the Bond Trustee, The Bank of New York Mellon as principal paying agent (the “**Principal Paying Agent**”, which expression shall include any successor agent) and the other paying agents named therein (together with the Principal Paying Agent, the “**Paying Agents**”, which expression shall include any additional or successor paying agents).

Copies of the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement, the Agency Agreement, the Loan Agreement, the Legal Mortgages and the Security Trust Deeds are available for inspection during normal business hours at the registered office for the time being of the Bond Trustee being at the date of the issue of the Bonds at Laurence Pountney Hill, London EC2R 0HH and at the specified office of each of the Paying Agents. The Bondholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement and the Agency Agreement. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Bond Trust Deed, which includes the form of the Bonds, and the Bond Security Deed.

1. DEFINITIONS

Words and expressions defined in the Bond Trust Deed, the Bond Security Deed or the Agency Agreement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated.

In these Conditions:

“**Account Agreement**” means the Account Agreement dated 2 August 2012 and made between the Issuer, the Bond Trustee and the Account Bank, as amended and/or supplemented and/or restated from time to time;

“**Account Bank**” means The Bank of New York Mellon, London Branch as account bank pursuant to the Account Agreement or any successor account bank appointed thereunder;

“**Accounting Profit**” has the meaning given to it in the Loan Agreement;

“**Appointee**” means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Bond Trustee under, or pursuant to, these Conditions, the Bond Trust Deed, the Bond Security Deed or the Issuer Floating Charge Agreement;

“**Bondholder Specific Withholding**” means any withholding or deduction of Taxes which is required in respect of any payment in respect of any Bond or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable to the Taxes in respect of the Bond or Coupon by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Bond or Coupon; or
- (b) where such withholding or deduction is imposed on a payment and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (c) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond or Coupon to another Paying Agent in a Member State of the European Union; or
- (d) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Payment Day (as defined in Condition 8.5 (*Payment Day*)).

“Borrower” means Spire Homes (LG) Limited or Longhurst & Havelok Homes Limited, as borrower under the Loan Agreement, together the **“Borrowers”**;

“Borrower Default” has the meaning given to it in the Loan Agreement;

“Cancelled Retained Proceeds” has the meaning given to it in the Loan Agreement;

“Charged Disposal Proceeds” means, at any time, the aggregate of all amounts (whether representing proceeds of disposal or other moneys) standing to the credit of the Disposal Proceeds Account and, to the extent invested in Permitted Investments in accordance with the Custody Agreement, such Permitted Investments and any income received by the Issuer in respect of such Permitted Investments, **provided however that**, for the purpose of determining the Borrowers’ compliance with the Asset Cover Test (as defined in the Loan Agreement), the value to be attributed to such Permitted Investments shall be the purchase price thereof;

“Compliance Certificate” has the meaning given to it in the Loan Agreement;

“Custodian” means The Bank of New York Mellon, London Branch as custodian pursuant to the Custody Agreement or any successor custodian appointed thereunder;

“Custody Account” means the account of the Issuer set up with the Custodian in respect of the Permitted Investments in accordance with the Custody Agreement;

“Custody Agreement” means the Custody Agreement dated 2 August 2012 and made between the Issuer, the Bond Trustee and the Custodian, as amended and/or supplemented and/or restated from time to time;

“Disposal Proceeds Account” means the account of the Issuer set up with the Account Bank in respect of the Charged Disposal Proceeds in accordance with the Account Agreement;

“Initial Cash Security Account” means the account of the Issuer set up with the Account Bank in respect of the Retained Proceeds in accordance with the Account Agreement;

“Interest Cover Test” has the meaning given to it in the Loan Agreement;

“Investor Put Amount” has the meaning given to it in Condition 9.7 (*Investor Put Option*);

“Investor Put Option” has the meaning given to it in Condition 9.7 (*Investor Put Option*);

“Issue Date” means 2 August 2012;

“Issuer Charged Property” has the meaning given to it in Condition 4 (*Security*);

“Issuer Floating Charge Agreement” means the Issuer Floating Charge Agreement dated 2 August 2012 and made between the Issuer and the Bond Trustee (as amended from time to time);

“Issuer Security” has the meaning given to it in Condition 4 (*Security*);

“Legal Mortgages” means each legal mortgage made between Spire Homes (LG) Limited and the Spire Security Trustee and each legal mortgage made between Longhurst & Havelok Homes Limited and the Longhurst Security Trustee, pursuant to which the relevant Borrower provides security in respect of its obligations and the obligations of the other Borrower under the Loan Agreement and any additional legal mortgage entered into between either Borrower and either Security Trustee substantially in the form set out in the relevant Security Trust Deed pursuant to which such Borrower provides security in respect of its obligations under the Loan Agreement;

“Loans” means the loans made by the Issuer to the Borrowers pursuant to the terms of the Loan Agreement;

“Loan Agreement” means the bond loan agreement dated on or about the date of issue of the Bonds between the Issuer, the Borrowers and the Security Trustees;

“Loan Payment Day” means a day on which principal or interest in respect of the Loans is due and payable by either of the Borrowers to the Issuer in accordance with the terms of the Loan Agreement;

“Longhurst Group” means the Borrowers and any other present or future, direct or indirect, subsidiaries of Longhurst Group Limited (which includes, for the avoidance of doubt, any entity with which a Borrower may merge or be consolidated with at any time including as a result of a Permitted Reorganisation);

“Longhurst Security Trustee” means Prudential Trustee Company Limited as security trustee under the Longhurst Security Trust Deed for, *inter alios*, the Issuer and which expression shall include all persons for the time being security trustee or security trustees appointed under the Longhurst Security Trust Deed;

“Permitted Investments” has the meaning given to it in the Loan Agreement;

“Permitted Investment Profit” means, in respect of any sale of Permitted Investments, the amount by which the sale price of such Permitted Investments exceeds the original purchase price of such Permitted Investments (if any);

“Permitted Reorganisation” has the meaning given to it in the Loan Agreement;

“Potential Event of Default” means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the forming of an opinion and/or the fulfilment of any similar condition, would constitute an Event of Default;

“Put Option Date” has the meaning given to it in Condition 9.7 (*Investor Put Option*);

“Registered Provider of Social Housing” has the meaning given to it in the Loan Agreement;

“Relevant Date” means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Principal Paying Agent or the Bond Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Bondholders by the Issuer in accordance with Condition 15 (*Notices*);

“Relevant Jurisdiction” means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Bonds or Coupons;

“Reserve Bonds” means £25,000,000 in principal amount of the Bonds to be subscribed by the Issuer on the Issue Date;

“Reserve Bond Premium Amount” means, in respect of any sale by the Issuer of Reserve Bonds, the amount by which the net sale price of such Reserve Bonds exceeds the principal amount of such Reserve Bonds (if any);

“Reserve Bond Profit” has the meaning given to it in the Loan Agreement;

“Retained Proceeds” means, at any time, (a) an amount of the net issue proceeds of the Bonds (other than the Reserve Bonds) which have not been advanced to the Borrowers pursuant to the Loan Agreement at such time (if any) plus (b) an amount of the net sale proceeds of the Reserve Bonds (less any Reserve Bond Premium Amount) which are not advanced to the Borrowers pursuant to the Loan Agreement immediately following receipt thereof by the Issuer and have not subsequently been advanced to the Borrowers (if any);

“Secured Parties” means the Bond Trustee (for itself and on behalf of the Bondholders and Couponholders), the Principal Paying Agent, the other Paying Agents, the Account Bank and the Custodian;

“Security Trust Deeds” means the Security Trust Deed dated 2 August 2012 between, *inter alios*, Spire Homes (LG) Limited and the Security Trustee (as amended from time to time) (the **“Spire Security Trust Deed”**) and the Security Trust Deed dated 2 August 2012 between, *inter alios*, Longhurst & Havelok Homes Limited and the Security Trustee (as amended from time to time) (the **“Longhurst Security Trust Deed”**), and references to **“Security Trust Deed”** mean either of them;

“Security Trustees” means the Spire Security Trustee and the Longhurst Security Trustee;

“Spire Security Trustee” means Prudential Trustee Company Limited as security trustee under the Spire Security Trust Deed for, *inter alios*, the Issuer and which expression shall include all persons for the time being security trustee or security trustees appointed under the Spire Security Trust Deed;

“Taxes” has the meaning given to it in Condition 10.1 (*Payments without withholding*);

“Transaction Account” means the account of the Issuer set up with the Account Bank in respect of the Bonds in accordance with the Account Agreement;

“Transaction Documents” means the Loan Agreement, the Bond Trust Deed, the Bond Security Deed, the Security Trust Deeds, the Issuer Floating Charge Agreement, the Agency Agreement, the Account Agreement and the Custody Agreement;

“Transaction Parties” means any person who is party to a Transaction Document; and

“UK Government Gilt” means Sterling denominated gilts or stock issued by or on behalf of Her Majesty’s Treasury.

2. **FORM, DENOMINATION, TITLE AND RESERVE BONDS**

- (a) The Bonds are in bearer form, serially numbered, in the denomination of £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000, with Coupons and Talons attached on issue. No Bonds will be issued with a denomination above £199,000.
- (b) Title to the Bonds and Coupons will pass by delivery. The Issuer, any Paying Agent and the Bond Trustee will (except as otherwise required by law) deem and treat the bearer of any Bond or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes.
- (c) £25,000,000 in principal amount of the Bonds issued on the Issue Date initially constitute Reserve Bonds (**“Reserve Bonds”**). Such Reserve Bonds (including related Coupons, Receipts

and Talons) have been subscribed by the Issuer on the Issue Date and will be held by or for the account of the Issuer by The Bank of New York Mellon pursuant to a custody agreement dated 2 August 2012 relating to the Reserved Bonds and shall cease to be Reserve Bonds upon sale by the Issuer to a third party.

- (d) Reserve Bonds shall carry the same rights and be subject in all respects to the same Conditions as other Bonds, except that the Reserve Bonds, pending sale or cancellation by the Issuer, will not be treated as outstanding (as defined in the Bond Trust Deed) for purposes of determining a quorum or voting at meetings of Bondholders and for various other purposes, save as otherwise provided in the Bond Trust Deed. Bonds which have ceased to be Reserve Bonds shall carry the same rights and be subject in all respects to the same Conditions as other Bonds.

3. STATUS

The Bonds and Coupons are direct obligations of the Issuer, secured in the manner set out in Condition 4 (*Security*), and rank *pari passu* without preference or priority amongst themselves.

4. SECURITY

The Issuer's obligations in respect of the Bonds are secured (subject as provided in these Conditions, the Bond Security Deed and the Issuer Floating Charge Agreement) pursuant to the Bond Security Deed and the Issuer Floating Charge Agreement in favour of the Bond Trustee for the benefit of itself and the Bondholders and the other Secured Parties as follows:

- (a) by an assignment by way of security of the Issuer's rights, title and interest arising under the Loan Agreement, the Security Trust Deeds, the Legal Mortgages, the Agency Agreement, the Custody Agreement and the Account Agreement;
- (b) by a charge by way of first fixed charge over all moneys and/or securities from time to time standing to the credit of the Transaction Account, the Disposal Proceeds Account, the Initial Cash Security Account and the Custody Account and all debts represented thereby; and
- (c) by a charge by way of first floating charge over the whole of its undertaking and all of its property, assets, present and future (including without limitation, its uncalled capital).

The property charged and assigned pursuant to the Bond Security Deed and the Issuer Floating Charge Agreement listed in (a) to (c) above, together with any other property or assets held by and/or assigned to the Bond Trustee and/or any deed or document supplemental thereto, is referred to herein as the "**Issuer Charged Property**" and the security created thereby, the "**Issuer Security**".

The Issuer Security shall become enforceable:

- (i) upon the delivery of an Acceleration Notice; or
- (ii) if a person who is entitled to do so presents an application to the court for the appointment of an administrator of the Issuer, gives notice of intention to appoint an administrator of the Issuer or files such notice with the court.

5. ORDER OF PAYMENTS

5.1 Pre enforcement

Prior to the enforcement of the Issuer Security, the Issuer shall apply the monies standing to the credit of the Transaction Account on each Interest Payment Date and such other dates on which a payment is due in respect of the Bonds in the following order of priority (the "**Pre-enforcement Priority of Payment**"):

- (a) first, in payment of any taxes due and owing by the Issuer to any taxing authority (insofar as they relate to the Bonds);

- (b) second, in payment of any unpaid fees, costs, charges, expenses and liabilities incurred by the Bond Trustee (including remuneration payable to it and any Appointee) in carrying out its functions under the Bond Trust Deed or the Bond Security Deed;
- (c) third, in payment of any unpaid fees and expenses of the Issuer owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement and the Custodian under the Custody Agreement on a *pro rata* and *pari passu* basis;
- (d) fourth, in payment of any other unpaid fees, expenses and liabilities of the Issuer (in so far as they relate to the Bonds) on a *pro rata* and *pari passu* basis;
- (e) fifth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any interest due and payable in respect of the Bonds;
- (f) sixth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any principal due and payable in respect of the Bonds;
- (g) seventh, in payment, on a *pro rata* and *pari passu* basis, to the Borrowers of any amount due and payable under the terms of the Loan Agreement; and
- (h) eighth, in payment of any Permitted Investment Profit, Accounting Profit, Reserve Bond Profit or Reserve Bond Premium Amount, as the case may be, to any charitable member of the Longhurst Group.

5.2 **Post enforcement**

Following the enforcement of the Issuer Security, all monies standing to the credit of the Transaction Account, the Disposal Proceeds Account, the Initial Cash Security Account and the Custody Account and the net proceeds of enforcement of the Issuer Security shall be applied in the following order of priority (the “**Post-enforcement Priority of Payment**”):

- (a) first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Bond Trustee, any Appointee or any receiver in preparing and executing the trusts under the Bond Trust Deed or the Bond Security Deed (including the costs of realising any Issuer Security and the Bond Trustee’s and such receiver’s remuneration);
- (b) second, in payment of all amounts owing to the Paying Agents under the Agency Agreement, the Account Bank under the Account Agreement and the Custodian under the Custody Agreement on a *pro rata* and *pari passu* basis;
- (c) third, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any interest due and payable in respect of the Bonds;
- (d) fourth, in payment, on a *pro rata* and *pari passu* basis, to the Bondholders of any principal due and payable in respect of the Bonds;
- (e) fifth, in payment of any other unpaid fees and expenses of the Issuer (in each case insofar as they relate to the Bonds) on a *pro rata* and *pari passu* basis;
- (f) sixth, in payment, on a *pro rata* and *pari passu* basis, to the Borrowers of any amount due and payable under the terms of the Loan Agreement; and
- (g) seventh, in payment of any Permitted Investment Profit, Accounting Profit, Reserve Bond Profit or Reserve Bond Premium Amount, as the case may be, to any charitable member of the Longhurst Group.

6. COVENANTS

6.1 General Covenants

In addition to the covenants of the Issuer set out in the Bond Trust Deed, the Bond Security Deed and the Issuer Floating Charge Agreement, for so long as any of the Bonds remains outstanding, the Issuer covenants that it will not without the consent in writing of the Bond Trustee engage in any activity, or do anything other than:

- (a) carry out the business of a company which has as its purpose raising finance and on lending such finance for the benefit of the Borrowers (including, without limitation, as envisaged by the Transaction Documents); and
- (b) acting as treasury manager for the Group and undertaking:
 - (i) the role of loans manager for Group members under their loan agreements;
 - (ii) loans to Group members;
 - (iii) stand alone derivative transactions on behalf of Group members (including itself); and
 - (iv) the management of the Group's relationship with its credit rating agencies; and
- (c) perform any act incidental to or necessary in connection with the above.

The Issuer also covenants, for so long as any of the Bonds remain outstanding, not to create or permit to subsist, over any of the Issuer Security, any mortgage or charge or any other security interest ranking in priority to, or *pari passu* with, the Issuer Security, save as expressly permitted by the Bond Security Deed or the Issuer Floating Charge Agreement.

6.2 Information Covenants

For so long as any of the Bonds remain outstanding, the Issuer shall:

- (a) send to the Bond Trustee and, upon request by any Bondholder to the Issuer, make available to such Bondholder at the Issuer's registered office during normal business hours, a copy of the Compliance Certificate promptly upon receipt of the same from each Borrower pursuant to the terms of the Loan Agreement;
- (b) send to the Bond Trustee and, upon request by any Bondholder to the Issuer, make available to such Bondholder at the Issuer's registered office during normal business hours, a copy of the annual reports of each Borrower (if any) promptly upon publication of the same by such Borrower; and
- (c) at the request of Bondholders holding not less than 33 per cent. in principal amount of the Bonds for the time being outstanding, convene a meeting of the Bondholders to discuss the financial position of the Issuer and the Longhurst Group, **provided, however, that** the Issuer shall not be required to convene any such meeting pursuant to this Condition 6.2(c) more than once in any calendar year. Upon the request of Bondholders to convene any such meeting, as aforesaid, the Issuer shall notify all Bondholders of the date (which such date shall be no more than 21 days following such request), time and place of the meeting in accordance with Condition 15 (*Notices*). The Issuer shall act in good faith in addressing any questions regarding the financial position of itself or any other member of the Longhurst Group raised at any such meeting, **provided, however, that** the Issuer shall not be obliged to disclose any information which it, in its absolute discretion, considers to be of a confidential nature. For the avoidance of doubt, the provisions of this Condition 6.2(c) are in addition to the meetings provisions set out in Condition 17 (*Meetings of Bondholders, Modification and Waiver*).

6.3 **Loan Agreement, Legal Mortgages and Security Trust Deeds Consents Covenant**

For so long as any of the Bonds remains outstanding, the Issuer covenants that it shall not consent to any waiver, amendment or modification of, or take any action or direct either Security Trustee to take any action pursuant to, the Loan Agreement, the Legal Mortgages or the Security Trust Deeds except with the prior consent of the Bond Trustee. The Bond Trustee may seek the consent of the Bondholders in accordance with the Bond Trust Deed prior to giving any such consent.

7. **INTEREST**

7.1 **Interest Rate and Interest Payment Dates**

The Bonds bear interest from (and including) 2 August 2012 at the rate of 5.125 per cent. per annum, payable semi annually in arrear in equal instalments on 2 February and 2 August in each year (each, an “**Interest Payment Date**”).

7.2 **Interest Accrual**

Each Bond will cease to bear interest from (and including) its due date for redemption unless, upon due presentation, payment of the principal in respect of the Bond is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event interest shall continue to accrue as provided in the Bond Security Deed.

7.3 **Calculation of Broken Interest**

When interest is required to be calculated in respect of a period of less than a full half year, it shall be calculated on the basis of (a) the actual number of days in the period from (and including) the date from which interest begins to accrue (the “**Accrual Date**”) to (but excluding) the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to (but excluding) the next following Interest Payment Date multiplied by 2, and multiplying this by the rate of interest specified in Condition 7.1 (*Interest Rate and Interest Payment Dates*) and the relevant principal amount of the Bonds.

8. **PAYMENTS**

8.1 **Payments in respect of Bonds**

Payments of principal and interest in respect of each Bond will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Bond, except that payments of interest on an Interest Payment Date will be made against presentation and surrender (or in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

8.2 **Method of Payment**

Payments will be made by credit or transfer to an account in Sterling maintained by the payee with, or, at the option of the payee, by a cheque in Sterling drawn on, a bank in London.

8.3 **Missing Unmatured Coupons**

Each Bond should be presented for payment together with all relative unmatured Coupons (which expression shall, for the avoidance of doubt, include Coupons falling to be issued on exchange of matured Talons), failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing

Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 11 (*Prescription*)) in respect of the relevant Bond (whether or not the Coupon would otherwise have become void pursuant to Condition 11 (*Prescription*)) or, if later, five years after the date on which the Coupon would have become due, but not thereafter.

8.4 **Payments subject to Applicable Laws**

Payments in respect of principal and interest on the Bonds are subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

8.5 **Payment Day**

If the date for payment of any amount in respect of any Bond or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, “**Payment Day**” means any day which (subject to Condition 11 (*Prescription*)):

- (a) is, or falls after, the relevant due date;
- (b) is, or falls at least one Business Day after, the corresponding Loan Payment Day;
- (c) is a Business Day in the place of the specified office of the Paying Agent at which the Bond or Coupon is presented for payment; and
- (d) in the case of payment by a credit or transfer to a Sterling account in London as referred to above, is a Business Day in London.

In this Condition, “**Business Day**” means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place.

8.6 **Initial Paying Agents**

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right, subject to the prior written approval of the Bond Trustee, at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents **provided that**:

- (a) there will at all times be a Principal Paying Agent;
- (b) there will at all times be at least one Paying Agent (which may be the Principal Paying Agent) having its specified office in a European city which so long as the Bonds are admitted to official listing on the London Stock Exchange shall be London or such other place as the UK Listing Authority may approve; and
- (c) the Issuer undertakes to maintain a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

Notice of any termination or appointment and of any changes in specified offices will be given to the Bondholders promptly by the Issuer in accordance with Condition 15 (*Notices*).

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Bond Trustee and do not assume any obligation to, or relationship of agency or trust with, any Bondholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with

which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

8.7 Interpretation of principal and interest

Any reference in these Conditions to principal in respect of the Bonds shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 10 (*Taxation*); and
- (b) any specific redemption price referred to in Condition 9 (*Redemption and Purchase*) which may be payable by the Issuer under or in respect of the Bonds.

Any reference in these Conditions to interest in respect of the Bonds shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 10 (*Taxation*).

9. REDEMPTION AND PURCHASE

9.1 Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified in these Conditions, the Bonds will be redeemed by the Issuer at their principal amount on 2 August 2038 (“**Maturity Date**”).

9.2 Early Redemption

Subject to Condition 9.4 (*Mandatory Early Redemption*) below, if in accordance with the Loan Agreement, a Borrower elects to prepay the Loans in whole or in part prior to the repayment date specified in the Loan Agreement or the Loans otherwise become prepayable in whole or in part prior to the repayment date specified in the Loan Agreement (other than as a result of the Bonds becoming due and repayable), then the Issuer shall redeem the Bonds in whole or, in respect of a prepayment in part, in an aggregate principal amount equal to the nominal amount of the Loans to be repaid on the date which is two Business Days after that on which payment is made by the relevant Borrower under the Loan Agreement (the “**Loan Prepayment Date**”).

Redemption of the Bonds pursuant to this Condition 9.2 shall be made at the higher of the following:

- (a) par; and
- (b) the amount (as calculated by a financial adviser nominated by the Issuer and approved by the Bond Trustee (the “**Nominated Financial Adviser**”) and reported in writing to the Issuer and the Bond Trustee) which is equal to the principal amount of the Bonds to be redeemed multiplied by the price (expressed as a percentage and calculated by the Nominal Financial Adviser) (rounded to three decimal places (0.0005 being rounded upwards)) at which the Gross Redemption Yield on the Bonds (if the Bonds were to remain outstanding until their original maturity) on the Determination Date would be equal to the sum of (i) the Gross Redemption Yield at 3:00 pm (London time) on the Determination Date of the Benchmark Gilt and (ii) 0.20 per cent.,

together with any interest accrued up to (but excluding) the Loan Prepayment Date.

For the purposes of this Condition:

“**Benchmark Gilt**” means the 4.75 per cent. Treasury Stock 2038 or such other conventional (i.e. not index linked) UK Government Gilt as the Issuer (with the advice of the Nominated Financial Adviser) may determine (failing such determination, as determined by the Bond Trustee with such advice) to be the most appropriate benchmark conventional UK Government Gilt;

“Determination Date” means three Business Days prior to the Loan Prepayment Date; and

“Gross Redemption Yield” means a yield calculated by the Nominated Financial Adviser on the basis set out by the United Kingdom Debt Management Office in the paper *“Formulae for Calculating Gilt Prices from Yields”* page 5, Section One: Price/Yield Formulae (Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date) (published on 8th June, 1998 and updated on 15th January, 2002 and 16th March, 2005) (as amended or supplemented from time to time).

9.3 Early Redemption for Tax Reasons

If as a result of any actual change in tax law, the Issuer certifies to the Bond Trustee, that it would, on the next following Interest Payment Date, be required to make a withholding or deduction in respect of payments to be made on such Interest Payment Date (other than in respect of a Bondholder Specific Withholding) and the Issuer does not opt to pay additional amounts pursuant to Condition 10 (*Taxation*) or, having so opted, notifies the Bond Trustee and the Bondholders, in accordance with Condition 15 (*Notices*) of its intention to cease paying such additional amounts, the Issuer shall redeem the Bonds in whole, but not in part, at their principal amount, plus accrued interest to (but excluding) the date of redemption, as soon as reasonably practicable prior to the next following Interest Payment Date or, if it is not reasonably practicable for the Issuer to redeem the Bonds prior to the next following Interest Payment Date, within three Business Days thereafter. For the avoidance of doubt, any amounts in respect of accrued interest which fall due on any such redemption of the Bonds (and, where the redemption follows the next following Interest Payment Date, such Interest Payment Date) shall be paid subject to the required withholding or deduction and the Issuer shall not be obliged to pay any additional amounts in respect thereof.

9.4 Mandatory Early Redemption

If the Loans become repayable:

- (a) as a result of a Borrower Default; or
- (b) following a Borrower ceasing to be a Registered Provider of Social Housing (other than if such Borrower regains its status as a Registered Provider of Social Housing within 180 days of such cessation),

then the Issuer shall redeem the Bonds in full at their principal amount, plus accrued interest to (but excluding) the date on which the Loans are repaid (the **“Loan Repayment Date”**), on the date which is two Business Days after the Loan Repayment Date.

9.5 Notice of Early Redemption

Notice of any early redemption in accordance with Condition 9.2 (*Early Redemption*), Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 9.4 (*Mandatory Early Redemption*) above shall be given by the Issuer to the Bond Trustee, the Paying Agents and the Bondholders, in accordance with Condition 15 (*Notices*), as promptly as practicable.

9.6 Partial Redemption

In the case of a partial redemption of Bonds, Bonds to be redeemed will be selected by drawing lots in such place as the Bond Trustee may approve and in such manner and at such time as the Bond Trustee may deem appropriate, subject to compliance with applicable law and the rules of each listing authority or stock exchange (if any) on which the Bonds have been admitted to listing and/or trading. Notice of any such selection will be given by the Issuer to the Bondholders as promptly as practicable. Each notice will specify the date fixed for redemption, the early redemption amount and the aggregate principal amount of the Bonds to be redeemed, the serial numbers of the Bonds called for redemption,

the serial numbers of Bonds previously called for redemption and not presented for payment and the aggregate principal amount of the Bonds which will be outstanding after the partial redemption.

9.7 **Investor Put Option**

- (a) Within 30 days of the Issuer becoming aware of any failure of the Borrowers to comply with the Interest Cover Test, the Issuer shall convene a meeting of Bondholders to consider, by Extraordinary Resolution and in accordance with Condition 17 (*Meetings of Bondholders, Modification and Waiver*), whether or not to approve the ability of Bondholders to exercise the investor put option described in paragraph (b) below (the “**Investor Put Option**”).
- (b) If the Bondholders approve such Extraordinary Resolution, then any Bondholder may, within 30 days of such approval, give an irrevocable notice to the Issuer of such Bondholder’s decision to require the Issuer to redeem some or all of the Bonds owned by such Bondholder on the day falling 45 days after the date on which the Extraordinary Resolution was so approved (the “**Put Option Date**”), together with any interest accrued up to (but excluding) the Put Option Date.
- (c) On the Put Option Date, the Issuer shall redeem, in whole (but not in part), all of the Bonds in respect of which the relevant Bondholders have exercised the Investor Put Option, at their aggregate principal amount together with any interest accrued up to (but excluding) the Put Option Date (the aggregate amount of principal and interest in respect of such redemption, the “**Investor Put Amount**”).

9.8 **Calculations**

Each calculation, by or on behalf of the Issuer, for the purposes of this Condition 9 shall, in the absence of manifest error, be final and binding on all persons. If the Issuer does not at any time for any reason calculate amounts referred to in this Condition 9, such amounts may be calculated by the Bond Trustee, or an agent appointed (at the expense of the Issuer) by the Bond Trustee for this purpose, (without any liability accruing to the Bond Trustee as a result) based on information supplied to it by the Issuer and each such calculation shall be deemed to have been made by the Issuer.

9.9 **Purchase of Bonds by the Borrowers or members of the Longhurst Group**

The Borrowers and any other member of the Longhurst Group (other than the Issuer) may at any time purchase Bonds in the open market or otherwise at any price. Following any such purchase, the Borrowers or such member of the Longhurst Group, as the case may be, may (but is not obliged to) surrender the Bonds to the Issuer for cancellation. An amount equal to the principal amount of the Bonds being surrendered shall be deemed to be prepaid under the relevant Loan (but, for the avoidance of doubt, without triggering a redemption under Condition 9.2 (*Early Redemption*)) or, to the extent that no Loan is then outstanding, an amount of the Undrawn Commitment equal to the Outstanding Balance of the Bonds surrendered shall be deemed to be cancelled for the purposes of the Loan Agreement and an amount of Retained Proceeds equal to the Cancelled Retained Proceeds shall be paid by the Issuer to the relevant Borrower or such member of the Longhurst Group, as the case may be.

9.10 **Purchase of Bonds by the Issuer**

The Issuer may not at any time purchase Bonds other than the Reserve Bonds.

9.11 **Cancellation of purchased or redeemed Bonds**

All Bonds redeemed by the Issuer pursuant to Conditions 9.2 (*Early Redemption*), Condition 9.3 (*Early Redemption for Tax Reasons*) or Condition 9.4 (*Mandatory Early Redemption*) or surrendered to the Issuer for cancellation pursuant to Condition 9.9 (*Purchase of Bonds by the Borrowers or members of the Longhurst Group*) shall be cancelled and may not be issued or resold.

The Issuer (a) may cancel any Reserve Bonds held by it or on its behalf following a request by the Borrowers, pursuant to the Loan Agreement, to cancel a corresponding amount of the Undrawn Commitment and (b) shall cancel all Reserve Bonds held by or on behalf of the Issuer (i) immediately prior to such Reserve Bonds being redeemed in accordance with Condition 9.1 (*Redemption at Maturity*), and (ii) forthwith upon notice that the Bonds are to be redeemed (and, in any event, prior to such redemption) in accordance with Condition 9.3 (*Early Redemption for Tax Reasons*), Condition 9.4 (*Mandatory Early Redemption*) or Condition 12 (*Events of Default and Enforcement*), and (iii) on the date falling 24 months after the Issue Date in the event that such Reserve Bonds have not been sold by the Issuer to a third party.

10. TAXATION

10.1 Payments without withholding

All payments of principal and interest in respect of the Bonds and Coupons by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of the Relevant Jurisdiction, unless such withholding or deduction is required by law in which case the relevant payment will be made subject to such withholding or deduction.

10.2 No obligation to pay additional amounts

Subject as follows, neither the Issuer, the Bond Trustee nor any Paying Agent shall be obliged to pay any additional amounts to the Bondholders or Couponholders as a result of any withholding or deduction made in accordance with Condition 10.1 (*Payments without withholding*).

Notwithstanding the foregoing, in the event that the Issuer would, on the next Interest Payment Date, be required to make a withholding or deduction in respect of tax (other than in respect of a Bondholder Specific Withholding), the Issuer may, **provided that** it has given notice to the Bond Trustee and the Bondholders, in accordance with Condition 15 (*Notices*), of its intention to do so prior to such Interest Payment Date, pay to Bondholders such additional amounts as may be necessary in order that the net amounts received by the Bondholders after such withholding or deduction will equal the amounts of principal and interest which would have been received in respect of the Bonds in the absence of such withholding or deduction. If at any time the Issuer intends to cease paying such additional amounts, it may do so by giving notice to the Bondholders and the Bond Trustee of its intention to do so with effect from the next Interest Payment Date.

11. PRESCRIPTION

The Bonds and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 8 (*Payments*) or any Talon which would be void pursuant to Condition 8 (*Payments*).

For the purposes of this Condition:

“**Relevant Date**” means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Principal Paying Agent or the Bond Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Bondholders by the Issuer in accordance with Condition 15 (*Notices*).

12. EVENTS OF DEFAULT AND ENFORCEMENT

12.1 Events of Default

The Bond Trustee at its discretion may, and if so requested in writing by the holders of at least one-fourth in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being secured and/or indemnified to its satisfaction), (but in the case of the happening of any of the events described in paragraphs 12.1(b) and (i) below, only if the Bond Trustee shall have certified in writing to the Issuer (an “**Acceleration Notice**”) that such event is, in its opinion, materially prejudicial to the interests of the Bondholders), give notice in writing to the Issuer that the Bonds are, and the Bonds shall thereupon immediately become, due and repayable at their principal amount together with accrued interest as provided in the Bond Trust Deed if any of the following events (each, an “**Event of Default**”) shall occur:

- (a) if default is made in the payment of any principal or interest due in respect of the Bonds or any of them and the default continues for a period of seven days in the case of principal and fourteen days in the case of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under, or in respect of, the Conditions, the Bond Trust Deed, the Bond Security Deed or the Issuer Floating Charge Agreement or if any representation given by the Issuer to the Bond Trustee in the Bond Trust Deed, the Bond Security Deed or the Issuer Floating Charge Agreement is found to be untrue, incorrect or misleading as at the time it was given and (except in any case where, in the opinion of the Bond Trustee, the failure or inaccuracy is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure or inaccuracy continues for the period of 30 days next following the service by the Bond Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) (A) any other present or future indebtedness of the Issuer for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised **provided that** the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as determined by the Bond Trustee); or
- (d) if any order is made by any competent court or resolution passed for the winding-up or dissolution of the Issuer save for the purposes of reorganisation on terms previously approved in writing by the Bond Trustee or by an Extraordinary Resolution; or
- (e) if the Issuer ceases or threatens to cease to carry on the whole or, in the opinion of the Bond Trustee, a substantial part of its business, save for the purposes of reorganisation on terms previously approved in writing by the Bond Trustee or by an Extraordinary Resolution; or
- (f) if the Issuer stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- (g) if (A) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, liquidator, manager, administrator or other similar official, or an administrative or other receiver, liquidator, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to all or substantially all of the Issuer’s undertaking or assets, or an

encumbrancer takes possession of all or substantially all of the Issuer's undertaking or assets, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the Issuer's undertaking or assets and (B) in any case (other than the appointment of an administrator) is not discharged within 14 days; or

- (h) if the Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium); or
- (i) if the Issuer makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- (j) if it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds, the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement or the Loan Agreement.

12.2 Enforcement

The Bond Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Issuer as it may think fit to enforce the provisions of the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement, the Bonds, the Coupons and/or any of the other Transaction Documents or otherwise, but it shall not be bound to take any such proceedings or other steps or action in relation to the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement, the Bonds, the Coupons or any of the other Transaction Documents or otherwise unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least one fourth in principal amount of the Bonds then outstanding and (ii) it shall have been secured and/or indemnified to its satisfaction.

No Bondholder, Couponholder or any Secured Party (other than the Bond Trustee) shall be entitled to (i) take any steps or action against the Issuer to enforce the performance of any of the provisions of the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement, the Bonds, the Coupons or any of the other Transaction Documents or (ii) take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, in each case unless the Bond Trustee, having become bound so to take any such steps, actions or proceedings, fails so to do within a reasonable period and the failure shall be continuing.

13. REPLACEMENT OF BONDS, COUPONS AND TALONS

Should any Bond, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (subject to all applicable laws and the requirements of the UK Listing Authority or the London Stock Exchange) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bonds, Coupons or Talons must be surrendered before replacements will be issued.

14. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Bond to which it appertains) a further Talon, subject to the provisions of Condition 11 (*Prescription*).

15. NOTICES

All notices regarding the Bonds will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bonds are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If, in the opinion of the Bond Trustee, publication as provided above is not practicable, a notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe.

Notices to be given by any Bondholder shall be in writing and given by lodging the same, together with the relative Bond or Bonds, with the Principal Paying Agent.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of the Bonds in accordance with this Condition 15 (*Notices*).

16. SUBSTITUTION

The Bond Trust Deed contains provisions permitting the Bond Trustee to, subject to any required amendment of the Bond Trust Deed, without the consent of the Bondholders or the Couponholders or any Secured Party, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Bonds, the Coupons and the Bond Trust Deed of another company, industrial and provident society or other entity subject to:

- (a) the Bond Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution; and
- (b) certain other conditions set out in the Bond Trust Deed, the Bond Security Deed and the Issuer Floating Charge Agreement being complied with.

Any such substitution shall be notified to the Bondholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

17. MEETINGS OF BONDHOLDERS, MODIFICATION AND WAIVER

17.1 Meetings of Bondholders

The Bond Trust Deed contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Bonds, the Coupons or any of the provisions of the Bond Trust Deed, the Bond Security Deed or the Issuer Floating Charge Agreement. Such a meeting may be convened by the Issuer or the Bond Trustee and shall be convened by the Issuer if required in writing by Bondholders holding not less than ten per cent. in principal amount of the Bonds for the time being remaining outstanding (other than in respect of a meeting requested by Bondholders to discuss the financial position of the Issuer and the Longhurst Group, which shall be requested in accordance with, and shall be subject to, Condition 6.2(c) (*Information Covenants*)). The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing in aggregate more than 50 per cent. in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Bonds or the Coupons, the Bond Trust Deed, the Bond Security Deed or the Issuer Floating Charge Agreement (namely modifying the date of maturity of the Bonds or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Bonds or altering the currency of payment of the Bonds or the Coupons, each a “**Reserved Matter**”), the quorum shall be one or more persons holding or

representing in aggregate not less than 75 per cent. in principal amount of the Bonds for the time being outstanding, or at any such adjourned meeting one or more persons holding or representing in aggregate not less than 25 per cent. in principal amount of the Bonds for the time being outstanding. The Bond Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Bond Trust Deed by a majority consisting of not less than 75 per cent. of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Bond Trustee) by or on behalf of the holders of not less than 75 per cent. in principal amount of the Bonds for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Bondholders. An Extraordinary Resolution passed by the Bondholders shall be binding on all the Bondholders, whether or not (in the case of Extraordinary Resolutions passed at any meeting) they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders.

17.2 Modification, Waiver, Authorisation and Determination

The Bond Trustee may agree, without the consent of the Bondholders, Couponholders or any Secured Party, to any modification (except as stated in the Bond Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Bonds, the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement, any Legal Mortgage or any other Transaction Document, or determine, without any such consent as aforesaid, that any Potential Event of Default or Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Bond Trustee, materially prejudicial to the interests of the Bondholders so to do or may agree, without any such consent as aforesaid, to any modification which, in the opinion of the Bond Trustee, is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Bond Trustee, proven. Any such modification, waiver, authorisation or determination shall be binding on the Bondholders, the Couponholders and the Secured Parties and (unless the Bond Trustee otherwise agrees) shall be notified to the Bondholders in accordance with Condition 15 (*Notices*) as soon as practicable thereafter.

17.3 Bond Trustee to have regard to interests of Bondholders as a class

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Bond Trustee shall: (i) have regard to the general interests of the Bondholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Bondholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub division thereof and the Bond Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer, the Bond Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders or Couponholders and (ii) shall not be required to have regard to the interests of any other Secured Parties.

18. INDEMNIFICATION OF THE BOND TRUSTEE AND BOND TRUSTEE CONTRACTING WITH THE ISSUER

The Bond Trust Deed, the Bond Security Deed and the Issuer Floating Charge Agreement contain provisions for the indemnification of the Bond Trustee and for its relief from responsibility, including provisions relieving it from taking action unless secured and/or indemnified to its satisfaction. The Bond Trustee is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Issuer Charged Property, from any obligation to insure all or any part of the Issuer Charged Property (including, in either such case, any documents evidencing, constituting or

representing the same or transferring any rights, benefits and/or obligations thereunder), or to procure the same to be insured.

The Bond Trust Deed also contains provisions pursuant to which the Bond Trustee is entitled, *inter alia*, (a) to enter into or be interested in any contract or financial or other transaction or arrangement with the Issuer or any other Transaction Party or any person or body corporate associated with the Issuer or any Transaction Party and (b) to accept or hold the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Issuer or any Transaction Party or any such person or body corporate so associated or any other office of profit under the Issuer or any Transaction Party or any such person or body corporate so associated.

The Bond Trustee shall not be bound to take any step or action in connection with the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement or the Bonds or obligations arising pursuant thereto or pursuant to the other Transaction Documents, where it is not satisfied that it is indemnified and/or secured against all its liabilities and costs incurred in connection with such step or action and may demand, prior to taking any such step or action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so as to indemnify it.

The Bond Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Issuer Security. The Bond Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents, neither shall the Bond Trustee be responsible for monitoring the compliance by either Borrower or any of the other parties to the Legal Mortgages and the Security Trust Deeds of their obligations under the Legal Mortgages, the Security Trust Deeds or any other document.

19. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Bondholders or the Couponholders to create and issue further bonds, in order to fund one or more further drawdowns under the Loan Agreement, having terms and conditions (and backed by the same assets) the same as the Bonds or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single series with the outstanding Bonds. Any further bonds so created and issued shall be constituted by a trust deed supplemental to the Bond Trust Deed.

20. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Bond under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

21. GOVERNING LAW

The Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement, the Loan Agreement, the Agency Agreement, the Account Agreement, the Bonds and the Coupons and any non contractual obligations or matters arising from or in connection with them are governed by English law.

USE OF PROCEEDS

Subject as set out below, the net proceeds from the issue of the Bonds or, in the case of the Reserve Bonds, the net proceeds of the sale of the Reserve Bonds to a third party (after deduction of expenses payable by the Issuer) will be advanced by the Issuer to the Borrowers pursuant to the Loan Agreement to be applied in the achievement of each Borrower's charitable objects (including, for the avoidance of doubt, the repayment of any existing indebtedness of the relevant Borrower and any other amounts due and payable thereunder) as permitted by that Borrower's constitutional documents.

For so long as insufficient security has been granted by the Borrowers in favour of either Security Trustee to permit the drawing of the Original Commitment in full, the Retained Proceeds shall (subject, in the case of any portion of the Original Commitment which is to be funded by a sale of Reserve Bonds, to receipt by the Issuer of the net sale proceeds thereof) be retained in the Initial Cash Security Account in accordance with the terms of the Account Agreement and the Custody Agreement (and may be invested in Permitted Investments). For the avoidance of doubt, in the event that the Borrowers have not drawn any part of the Original Commitment on the Issue Date, the Retained Proceeds at that date shall be the entire amount of the Original Commitment (less any amount which is to be funded by a sale of Reserve Bonds). Any Retained Proceeds (and any net sale proceeds from a sale by the Issuer of Reserve Bonds (less any Reserve Bond Premium Amount)) shall be advanced to the Borrowers at a later date pursuant to the Loan Agreement to the extent that Properties of a corresponding value have been charged in favour of the Issuer. In addition, in the event that any losses are made in respect of any Retained Proceeds which have been invested in Permitted Investments, each loan to be made by the Issuer to the Borrowers pursuant to the Loan Agreement shall be advanced at a discount in an amount equal to the Actual Advance Amount (as defined in the Loan Agreement).

DESCRIPTION OF THE LOAN AGREEMENT

The following description of the Loan Agreement consists of a summary of certain provisions of the Loan Agreement and is qualified by reference to the detailed provisions thereof. The Loan Agreement is not, however, incorporated by reference into, and therefore does not form part of, this Prospectus.

Definitions used in this section but not otherwise defined in this Prospectus have the meanings given to them in the Loan Agreement.

Facilities

Subject to the provisions of the loan agreement (the “**Loan Agreement**”) dated on or around the Issue Date between the Issuer, the Borrowers and the Security Trustees, the Issuer shall commit to make one or more loans to the Borrowers in the principal amount of £250,000,000 (the “**Original Commitment**” and, together with any further commitments, the “**Commitment**”). The “**Spire Loan**” is the principal amount of the Commitment that has been advanced to or novated to, Spire or the outstanding balance thereof. The “**Longhurst Loan**” is the principal amount of the Commitment that has been advanced to or novated to, Longhurst or the outstanding balance thereof. The “**Loans**” means the Spire Loan and the Longhurst Loan.

The Original Commitment may be drawn by either Borrower in one or more drawings and the maximum principal amount of each drawing shall be an amount which corresponds to the Minimum Value of the Initial Properties and any Additional Properties which have, on or before the date of such drawing, been charged in favour of either Security Trustee, for the benefit of the Issuer, less such amount of the Original Commitment which has previously been drawn. The initial drawing of the Original Commitment shall be advanced at a discount in an amount equal to the principal amount of such drawing multiplied by the Issue Price of the Bonds (and, for the avoidance of doubt, the difference between the principal amount of such drawing and the actual advance amount thereof shall be ignored in determining the amount of the Loans and, *inter alia*, the calculation of interest, principal and premium payments payable in respect thereon). The Original Commitment may not be drawn until the Borrowers have satisfied the conditions set out in the Loan Agreement in connection with the Initial Properties in respect of the first drawing and in respect of any subsequent drawings of amounts of the Original Commitment which exceed the Minimum Value of the Initial Properties. In addition, each of the Issuer and the Borrowers have acknowledged that any drawing of the Original Commitment shall be subject to each Security Trustee confirming that the relevant amount of Properties as may be required to satisfy the Asset Cover Test (based solely on the relevant Valuation Report provided to it, which the relevant Security Trustee shall be entitled to rely upon without further enquiry or investigation in respect thereof) have been charged in favour of such Security Trustee, for the benefit of the Issuer, to its satisfaction and, in respect of any part of the Original Commitment which is to be funded by the Issuer by a sale of Reserve Bonds, to receipt by the Issuer of the net sale proceeds thereof.

For so long as insufficient security has been granted by the Borrowers in favour of either Security Trustee to permit the drawing of the Original Commitment in full or the Borrowers have not otherwise drawn any part of the Original Commitment, the amount of the Original Commitment that remains undrawn shall (subject, in the case of any portion of the Original Commitment which is to be funded by a sale of Reserve Bonds, to receipt by the Issuer of the net sale proceeds thereof) be retained in the Initial Cash Security Account of the Issuer in accordance with the terms of the Account Agreement (and may be invested in Permitted Investments) (the “**Retained Proceeds**”). For the avoidance of doubt, in the event that the Borrowers have not drawn any part of the Original Commitment on the Issue Date, the Retained Proceeds at that date shall be the entire amount of the Original Commitment (less any amount which is to be funded by a sale of Reserve Bonds). Any Retained Proceeds (and any net sale proceeds from a sale by the Issuer of Reserve Bonds (less any Reserve Bond Premium Amount) shall be advanced to either or both of the Borrowers at a later date pursuant to the Loan Agreement to the extent that Properties of a corresponding value have been charged in favour of the Issuer and, if applicable, subject to the sale by the Issuer of Reserve Bonds.

Each Borrower has acknowledged that the Issuer may invest all or any part of the Retained Proceeds in Permitted Investments in accordance with the Custody Agreement and that, as a result of (i) any losses made by the Issuer in respect of such Permitted Investments and/or (ii) any issue or sale of Bonds by the Issuer

made at a discount to the principal amount of such Bonds, the amount of Retained Proceeds held by the Issuer, at the time of any drawdown request, may be less than the Undrawn Commitment (as defined in the Loan Agreement) which is to be funded from such Retained Proceeds. In such circumstances, each drawing to be funded from the Retained Proceeds shall be advanced at a discount in an amount equal to the Actual Advance Amount.

For this purpose, “**Actual Advance Amount**” means, in respect of each drawing funded from Retained Proceeds, the principal amount of such drawing multiplied by the result of dividing (i) the amount of Retained Proceeds held by the Issuer at the time of the drawdown request (for the avoidance of doubt, excluding any Permitted Investment Profit) by (ii) the Undrawn Commitment which is to be funded from such Retained Proceeds.

For the avoidance of doubt:

- (a) the Borrowers shall not be required to monitor the market value of any such Permitted Investments;
- (b) any difference between the principal amount of a drawing and the relevant Actual Advance Amount shall be ignored in determining the amount of the Loans and, *inter alia*, the calculation of interest, principal and premium payments payable in respect thereon; and
- (c) any income received by the Issuer in respect of such Permitted Investments shall not be credited to the Initial Cash Security Account but shall instead be credited to the Transaction Account in accordance with the Account Agreement.

The Issuer and the Borrowers have agreed that:

- (a) where the Issuer is required to sell any Permitted Investments to fund a drawing under the Loan Agreement and such sale results in a Permitted Investment Profit, the Issuer shall make a gift aid payment to a Charitable Group Member in an amount equal to the Permitted Investment Profit and, for the avoidance of doubt, such drawing shall be advanced at the principal amount requested; and
- (b) immediately prior to the end of each accounting period, to the extent that the Issuer would otherwise be required to recognise a profit for tax purposes in respect of its Permitted Investments and/or Reserve Bonds as a result of the movement in the fair value recognised in its accounts of such Permitted Investments and/or Reserve Bonds for that accounting period, the Issuer shall sell Permitted Investments in an aggregate amount equal to the Accounting Profit and shall, in the same accounting period, make a gift aid payment to a Charitable Group Member in an amount equal to the Accounting Profit.

The Issuer and the Borrowers have also agreed that, upon a sale (if any) of the Reserve Bonds by the Issuer:

- (a) in the event that such sale produces a Reserve Bond Premium Amount, the Issuer shall make a gift aid payment to a Charitable Group Member in an amount equal to the Reserve Bond Premium Amount and, for the avoidance of doubt, where the Issuer is required to sell such Reserve Bonds to directly fund a drawing under the Loan Agreement, such drawing shall be advanced at the principal amount requested; and
- (b) where the Issuer is required to sell any Reserve Bonds to directly fund a drawing under the Loan Agreement and such sale is made at a discount to the principal amount of such Reserve Bonds, such drawing shall be advanced at a discount in an amount equal to the Reserve Bond Actual Advance Amount.

For this purpose, “**Reserve Bond Actual Advance Amount**” means, in relation to each drawing under the Loan Agreement which is funded directly by a sale of Reserve Bonds, the principal amount of such drawing multiplied by the result of dividing (i) the net proceeds of sale of such Reserve Bonds by (ii) the principal amount of such Reserve Bonds.

For the avoidance of doubt:

- (a) the Borrowers shall not be required to monitor the market value of any Reserve Bonds; and

- (b) any difference between the principal amount of a drawing and the relevant Reserve Bond Actual Advance Amount shall be ignored in determining the amount of the Loans and, *inter alia*, the calculation of interest, principal and premium payments payable in respect thereon.

The Borrowers have agreed that, where the Issuer is required to sell any Reserve Bonds in order to fund a drawdown request, the Issuer's obligations to fund such drawdown will be subject to the ability of the Issuer to sell such Reserve Bonds to a third party.

For so long as any Reserve Bonds are held by or on behalf of the Issuer, the Borrowers may request that an amount of the Original Commitment be cancelled (**provided that** such amount does not exceed the principal amount of Reserve Bonds held by or on behalf of the Issuer at that time). As soon as practicable following any such request, the Issuer shall cancel Reserve Bonds in a corresponding amount. Such cancellation of the Original Commitment shall take effect upon the cancellation of such Reserve Bonds.

Each of the Issuer and the Borrowers have also agreed that, immediately prior to the end of each accounting period, the Issuer shall make a gift aid payment to a Charitable Group Member in an amount equal to the Reserve Bond Profit.

Subject to the conditions precedent set out in the Loan Agreement, the Issuer may make further commitment to the Borrowers, each in an amount to be agreed between the Issuer, each Borrower and the Security Trustees, following the issuance of further bonds pursuant to Condition 19 (*Further Issues*).

Purpose

The proceeds of the Loans may only be used by the Borrowers in accordance with each Borrower's charitable objects, as permitted by its constitutional documents.

Interest

Rate of Interest

Following its advance, each Loan will carry interest from (and including) 2 August 2012 at the rate of 5.125 per cent. per annum, payable in arrear by equal half yearly instalments on each Loan Payment Date (being four Business Days prior to each Interest Payment Date).

Interest Periods

Notwithstanding the fact that interest is payable on each Loan Payment Date, interest will accrue on each Loan from (and including) an Interest Payment Date (or, in the case of the first interest period of the Loan, 2 August 2012) to (but excluding) the immediately following Interest Payment Date (each, a Loan Interest Period).

Commitment Fee

The Borrowers shall pay to the Issuer (on a joint and several basis) a commitment fee in respect of the Undrawn Commitment on each Loan Payment Date in an amount equal to the aggregate of the interest payable by the Issuer under the Bonds on the following Interest Payment Date less (a) the interest received from the Borrowers under the Loan Agreement on such Loan Payment Date and (b) any interest otherwise received by the Issuer in respect of the Retained Proceeds in the relevant Loan Interest Period (including, but not limited to, any income received by the Issuer in respect of any Permitted Investments in which any Retained Proceeds are, for the time being, invested) and (c) to the extent not applied as a gift aid payment pursuant to the Loan Agreement, any income received by the Issuer in respect of the Reserve Bonds during that period (but excluding, for the avoidance of doubt, any income to be received by the Issuer on the Interest Payment Date immediately following the Loan Payment Date on which such commitment fee is due). The commitment fee shall accrue on a daily basis.

Repayment, Purchase and Prepayment

Repayment

Spire must repay the Spire Loan and Longhurst must repay the Longhurst Loan in full four Business Days prior to the Interest Payment Date in August 2038 (the “**Loan Maturity Date**”). Each of Spire and Longhurst may at any time agree with the other Borrower to transfer all or part of its respective repayment obligations in respect of the Longhurst Loan and the Spire Loan to that other Borrower, and the Borrowers’ shall give at least 5 Business Days’ notice thereof in writing to the Issuer and each Security Trustee. The Issuer and the Trustee shall be deemed to consent automatically to any such novation and the outstanding principal amount of the Longhurst Loan and the Spire Loan shall be adjusted accordingly. Any such novation shall not constitute a repayment or prepayment of the relevant loan and shall not require any corresponding repayment or prepayment of the Bonds.

Bond Purchase Option

The Borrowers or any other member of the Longhurst Group (other than the Issuer) may at any time purchase Bonds on the London Stock Exchange, by tender or by private treaty at any price. Following any such purchase, the relevant Borrower or the relevant member of the Longhurst Group, as the case may be, may (but is not obliged to) surrender the Bonds to the Issuer to be cancelled. An amount of the outstanding balance of the relevant Loan equal to the outstanding balance of the Bonds surrendered shall be deemed to be prepaid (or, to the extent that no Loan is then outstanding, then an amount of the Undrawn Commitment equal to the outstanding balance of the Bonds surrendered shall be deemed to be cancelled for the purposes of the Loan Agreement and a corresponding portion of the Retained Proceeds shall be paid by the Issuer to the relevant Borrower or the relevant member of the Longhurst Group, as the case may be).

The Borrowers have acknowledged that the terms of the Bond Security Deed provide that any Bonds which are for the time being held by or on behalf of, *inter alios*, the Borrowers or any member of the Longhurst Group as beneficial owner shall be deemed not to remain outstanding for the purpose of, *inter alia*, the right to attend and vote at any meeting of the Bondholders.

Optional Prepayment

Pursuant to the Loan Agreement, a Borrower may, at any time before the Loan Maturity Date, by giving not less than 45 nor more than 60 days’ notice in writing to the Issuer and each Security Trustee, prepay the whole or (as the case may be) any part of the outstanding balance of the Spire Loan or the Longhurst Loan, as the case may be, together with any interest accrued up to and including the date of prepayment and the relevant Prepayment Premium (being, for so long as any Bonds are outstanding, an amount equal to the excess of the amount notified to the relevant Borrower by the Issuer as being the price determined under the Bond Security Deed for the redemption of a corresponding principal amount of the Bonds over par).

Mandatory Prepayment – Redemption of Bonds

If the Bonds become redeemable prior to the Maturity Date, other than as a result of a prepayment or termination of the Loan Agreement or a breach of the Interest Cover Test, each Borrower shall prepay, at least one Business Day prior to the relevant date of redemption of the Bonds, the outstanding balance of the Spire Loan and the Longhurst Loan together with accrued interest and accrued commitment fee thereon up to and including the date of redemption.

If the Interest Cover Test is breached and the Bondholders approve and exercise the Investor Put Option in accordance with Condition 9.7 (*Investor Put Option*) the Borrowers shall, at least one Business Day prior to the Put Option Date, repay the Loan in an aggregate amount equal to the Investor Put Amount.

Mandatory Prepayment – Cancellation of Status

Pursuant to the Loan Agreement, a Borrower shall promptly notify the Issuer and each Security Trustee if it ceases to be a Registered Provider of Social Housing. Within 180 days of such cessation, the Borrowers shall

prepay the whole of the outstanding balance of the Loans, together with any interest and commitment fee accrued up to and including the date of prepayment, **provided, however, that** if the relevant Borrower regains its status as a Registered Provider of Social Housing within such period of 180 days, the Borrowers shall no longer be required to prepay the Loans in accordance with the Loan Agreement.

A “**Registered Provider of Social Housing**” is defined for the purpose of the Loan Agreement as meaning a person listed in the register of providers of social housing established under Chapter 3 of Part 2 of the Housing and Regeneration Act 2008 (as amended from time to time) or any substantially equivalent status under any replacement or successor legislation thereto.

Redemption of Bonds – Further Payment in Respect of Retained Proceeds Par Amount

In the event that a Borrower elects to, or is otherwise required to, prepay the whole of the outstanding balance of the Spire Loan or the Longhurst Loan, as the case may be, and the Issuer is required to notify such Borrower of the price determined under the Conditions for the redemption of a corresponding principal amount of the Bonds, then the Issuer shall be entitled to also take account of the redemption of such principal amount of the Bonds that shall correspond to the Retained Proceeds Par Amount (being an amount equal to the Retained Proceeds including, where any Retained Proceeds are invested in Permitted Investments, the purchase price of the relevant Permitted Investments and ignoring, for these purposes, any increase or decrease in such Retained Proceeds as a result of gains or losses in respect of such Permitted Investments and/or any discount on a sale of Reserve Bonds by the Issuer), and the redemption price notified to such Borrower shall be increased accordingly.

Warranties and Covenants

Each Borrower will make various warranties and covenants pursuant to the Loan Agreement. These warranties and covenants include, *inter alia*, the following:

Information Covenants

Each Borrower must supply to the Issuer and each Security Trustee not later than 180 days after the end of each relevant financial year (i) copies of the audited financial statements of the relevant Borrower for such financial year; and (ii) a certificate setting out, among other things, calculations in respect of the asset cover ratio substantially in the form set out in the Loan Agreement (the “**Compliance Certificate**”) signed by two Authorised Signatories of the relevant Borrower.

Each Borrower must, following receipt of a notice from the Issuer stating that it intends to sell any Reserve Bonds, supply to the Issuer not later than three Business Days prior to the date of such sale, a certificate setting out, among other things, calculations in respect of the asset cover ratio substantially in the form set out in the Loan Agreement (the “**Reserve Bond Compliance Certificate**”) signed by two Authorised Signatories of the relevant Borrower confirming that, immediately following such sale, the relevant Borrower will be in compliance with the Asset Cover Test.

Negative Pledge

Neither Borrower shall create or allow to exist any Security Interest on any of its assets which are Charged Assets, except as set out in the Loan Agreement which includes the Security Interests created pursuant to, *inter alia*, the Security Trust Deeds and the Legal Mortgages and any Security Interests created with the prior written consent of the Issuer or by operation of law.

Charged Properties

Each Borrower shall obtain any authorisation or licence required in order to enable each Security Trustee pursuant to the powers of enforcement conferred on it by the Security Documents to sell vacant Charged Properties and maintain insurances on and in relation to its Charged Properties.

Covenants

Each Borrower shall (unless each of the Security Trustees otherwise agrees in writing) comply with any covenants or restrictive covenants relating to a Charged Property which are binding on it.

Asset Cover Ratio

Pursuant to the Loan Agreement, the Borrowers shall procure that at all times the sum of:

- (a) the Minimum Value of the Properties forming part of the Issuer's Designated Security;
- (b) the Retained Proceeds Par Amount; and
- (c) the Charged Disposal Proceeds,

will not be less than the aggregate amount of the Outstanding Commitment, **provided however, that** from and including the Final Charging Date, the Retained Proceeds Par Amount shall be deemed to be zero for the purpose of determining the Borrowers' compliance with the Asset Cover Test.

Interpretation

For these purposes:

"Additional Properties" means any Properties (other than the Initial Properties) which have been charged in favour of a Security Trustee, for the benefit of the Issuer, for the purpose of providing underlying security for the Bonds;

"Designated Security" means the assets, rights and property mortgaged or charged or assigned pursuant to any Security Document, the proceeds of which are allocated in the reduction of all monies, liabilities and obligations owing by the Borrowers to the Issuer under the Loan Agreement;

"EUV-SH" means (provided that the Valuer determines that such basis is an appropriate basis for the valuation of those Charged Properties) the value of the Charged Properties determined on the basis of the existing use value for social housing (EUV-SH) as defined in VS 1.13 and in accordance with the guidelines set out in the RICS Valuation Standards (as amended from time to time);

"Final Charging Date" means six months after the issue date;

"Initial Properties" means the Properties which as at the Closing Date will have been charged in favour of a Security Trustee, for the benefit of the Issuer, and are set out in Schedule 9 (*Initial Properties in Respect of The Original Commitment*) to the Loan Agreement;

"Minimum Value" means:

$$\frac{A}{105} + \frac{B}{115} \times 100$$

where:

A = the Value of the residential EUV-SH Charged Properties determined on the basis of EUV-SH; and

B = the Value of the residential MV-ST Charged Properties determined on the basis of MV-ST.

The Properties forming part of the Issuer's Designated Security shall each be treated as EUV-SH Charged Properties for the purpose of determining the Minimum Value unless and until a Value, determined on the basis of MV-ST, is given by a Valuer in respect of any such Property and the Valuer has confirmed that it has reviewed a Certificate of Title in respect of such Property certifying that it may be disposed of by the relevant Borrower on an unfettered basis (meaning subject only to any existing tenancies disclosed in the Certificate of Title but not subject to any security interest, option or other encumbrance or to any restriction preventing or restricting its sale to, or use by, any person for residential use);

“**MV-ST**” means (provided the Valuer determines that such basis is an appropriate basis for the valuation of those Charged Properties) the value of the Charged Properties valued on the basis of Market Value as defined in VS 3.2 and in accordance with the guidelines set out in the RICS Valuation Standards (as amended from time to time) with an assumption that the properties would be subject to any secured or assured tenancies that may prevail, together with any other conditions or restrictions to which the property may be subject;

“**Outstanding Commitment**” means the aggregate principal amount of the Bonds, not including the aggregate principal amount of the Reserve Bonds;

“**Property**” means all estates or interests of the Borrowers in any freehold, heritable or leasehold property situated in England and Wales now or in future belonging to them and all buildings, fixtures, fittings (other than tenants fixtures and fittings) and fixed plant and machinery from time to time thereon (and “**Properties**” shall be construed accordingly);

“**Retained Proceeds Par Amount**” means an amount equal to the Retained Proceeds at the time of calculation and, for this purpose, (a) where any Retained Proceeds are at that time invested in Permitted Investments, the amount of such Retained Proceeds shall be taken as the purchase price of the relevant Permitted Investments ignoring any gains or losses in respect of those Permitted Investments since the date of purchase, and (b) where the source of any Retained Proceeds is the net sale proceeds of any Reserve Bonds which were sold at a discount, the amount of such Retained Proceeds shall be taken as the principal amount of such Reserve Bonds; and

“**Value**” means, at any time and in relation to the Charged Properties, the value of those properties as shown in the then latest Valuation Report or Desk Top Valuation on the basis of EUV-SH or, as the case may be, MV-ST (**provided that** if any Charged Property or part thereof is sold pursuant to a Right to Buy, the Value of the relevant Charged Property shall, for the purposes of this definition and with effect from the date of the relevant sale or release, be zero (if the entire relevant Charged Property has been sold) or (if only part of the relevant Charged Property has been sold) shall be the proportion of the value of the Charged Property which has not been sold pursuant to the relevant Right to Buy).

Interest Cover Test

Pursuant to the Loan Agreement the Borrowers shall procure that:

- (a) the Operating Surplus for each Financial Year of Longhurst Group Limited (“**LG**”) (determined by reference to LG’s most recent audited financial statements) divided by LG’s Total Finance Costs in relation to the same Financial Year (expressed as a percentage) shall not be less than 120 per cent; and
- (b) the aggregate Operating Surplus for each successive period of three Financial Years of LG (determined by reference to LG’s three most recent audited financial statements) divided by the aggregate of LG’s Total Finance Costs during the corresponding period (expressed as a percentage) shall not be less than 130 per cent,

together, the **Interest Cover Test**.

For the avoidance of doubt, a breach by the Borrowers of the Interest Cover Test will not constitute a Borrower Default. However, it may result in a requirement on the Issuer to redeem some or all of the Bonds in the event that the Bondholders approve the exercise of the Investor Put Option.

Interpretation

For these purposes:

Operating Surplus means, in respect of a Financial Year, the operating surplus of LG as shown in the audited financial statements of LG for that Financial Year and:

- (i) adding back any depreciation, amortisation or impairment;

- (ii) including (to the extent not included) the aggregate surplus or (as applicable) deducting the aggregate deficit arising from properties sold in the ordinary course of business in that period; and
- (iii) including (to the extent not included) any gift aid receipts in that period,

each as shown in the income and expenditure account comprised in the audited financial statements of LG for that Financial Year; and

Total Finance Costs means, in respect of a Financial Year, the aggregate of interest payable as shown in the income and expenditure account in the audited financial statements of LG for that Financial Year less interest received in that Financial Year (as shown in the audited financial statements of LG) but excluding any interest disclosed as exceptional or, to the extent included, any changes in the mark-to-market value of derivative financial instruments.

Accounting Policies

Pursuant to the Loan Agreement, the Borrowers have covenanted to procure that LG will prepare all information to be given to the Issuer for the purposes of showing compliance with the Interest Cover Test in accordance with applicable law, regulations and the most recent edition of the Statement of Recommended Practice Accounting by Registered Social Housing Providers (**SORP**) and will ensure that it fairly represents LG's financial condition.

The Borrowers and the Issuer shall negotiate in good faith with a view to agreeing such adjustments and/or amendments to the Interest Cover Test which may be necessary or desirable in the event of any change in the accounting principles or policies applied by LG consequent upon any change in any SORP or generally accepted accounting principles in England so that they have substantially the same effect as prior to the change.

In the event that the Borrowers and the Issuer cannot agree what adjustment and/or amendment is appropriate on a date not later than the earlier of 180 days after the end of the relevant accounting period and one week after the date of the auditors' report on the accounts in respect of such period (or such longer period as the Borrowers and the Issuer shall agree), there shall be no change to the basis on which the financial covenants are calculated.

The Issuer shall not consent to any such adjustment or amendment without the prior written consent of the Bond Trustee. For the purposes of giving its consent, the Bond Trustee shall be entitled to rely without further enquiry upon a certificate from LG's auditors certifying, in form and substance satisfactory to the Bond Trustee, that in the opinion of such auditors the ratios contained in the Interest Cover Test after such adjustment and/or amendment will have substantially the same effect as the ratios prior to such adjustment and/or amendment and prior to such change in accounting principles or policies.

Substitution and Release of Charged Properties and Statutory Disposals

Substitution

At the request and expense of either Borrower, the relevant Security Trustee shall (subject to receiving an amended Designated Properties Schedule from the relevant Borrower and the Issuer in accordance with the applicable Security Trust Deed) release from the Security (or reallocate, if applicable) such of the Properties forming part of the Issuer's Designated Security and substitute such of the Properties (each, a "**Substitute Property**") as may be selected by the relevant Borrower, **provided that** the relevant Borrower satisfies the conditions precedent specified in the Loan Agreement in relation to the Substitute Properties. Such conditions precedent include, *inter alia*, a completed Substitute Property Certificate certifying, *inter alia*, that the relevant Substitute Property is a residential property of a type and nature that is usually owned by Registered Providers of Social Housing and that, immediately following such release (or reallocation, if applicable), the Asset Cover Test and the Interest Cover Test will not be breached as a result of the substitution of the relevant Charged Properties, Valuation Reports in respect of each Substitute Property and a Certificate of Title in respect of the Substitute Properties.

Additional Properties

Pursuant to each Security Trust Deed (see “*Additional Security*” below), on or prior to creating a Legal Mortgage in respect of any Property for the benefit of the Issuer, the relevant Borrower must, in respect of such security, provide the conditions precedent documents specified in the relevant Security Trust Deed. In addition, pursuant to the Loan Agreement, the relevant Borrower must provide a completed Additional Property Certificate confirming that, *inter alia*, the proposed Additional Properties are residential properties of a type and nature that are usually owned by Registered Providers of Social Housing, Valuation Reports in respect of each Additional Property and a Certificate of Title in respect of each tranche of Additional Properties charged.

Disposal Proceeds

Pending the acquisition of any proposed Substitute Property by a Borrower, that Borrower may deposit the proceeds of disposal of the relevant Charged Properties which are released from charge under the relevant Security Trust Deed into the Disposal Proceeds Account for the purpose of maintaining the Asset Cover Test (for the avoidance of doubt, the Borrower shall not be required to monitor the market value of any Permitted Investments). The Charged Disposal Proceeds may be withdrawn from the Disposal Proceeds Account (a) to be applied by the either Borrower (provided, for the avoidance of doubt, that the relevant Borrower continues, at such time, to be a Registered Provider of Social Housing) in the acquisition of a Substitute Property or (b) to the extent that such withdrawal would not cause a breach of the Asset Cover Test.

Notwithstanding the above, each Borrower may, at any time, deposit, or arrange for the deposit of, any other money into the Disposal Proceeds Account for the purposes of satisfying the Asset Cover Test or the Interest Cover Test. Each Borrower has acknowledged that the money standing to the credit of the Disposal Proceeds Account shall be charged in favour of the Bond Trustee pursuant to the terms of the Bond Security Deed.

Each Borrower has also acknowledged that the Issuer may invest all or any part of the Charged Disposal Proceeds in Permitted Investments in accordance with the Custody Agreement and that, as a result of any gains or losses made by the Issuer in respect of such Permitted Investments and any income received thereon (which shall, for the avoidance of doubt, be credited to the Disposal Proceeds Account), the amount of such Charged Disposal Proceeds may be greater or less than the amount deposited in the Disposal Proceeds Account by the relevant Borrower. Each Borrower has acknowledged that it shall not have any recourse to the Issuer in respect of any losses realised by the Issuer in respect of the Charged Disposal Proceeds as a result of investment in any Permitted Investments.

Following the redemption in full of the Bonds, the Issuer shall return any amount standing to the credit of the Disposal Proceeds Account to the Borrowers, to the extent that such balance has not otherwise been applied in accordance with the terms of the Bond Security Deed.

Release and reallocation

At the request and expense of either Borrower, the relevant Security Trustee shall release (subject to receiving an amended Designated Properties Schedule from each Borrower and the Issuer in accordance with the applicable Security Trust Deed) from the Security and (or reallocate, if applicable) such of the Charged Properties as may be selected by the relevant Borrower **provided that** the relevant Borrower delivers to the Issuer and the relevant Security Trustee a completed Property Release Certificate, certifying that, immediately following such release (or reallocation, if applicable), the Asset Cover Test will not be breached as a result of the release (or reallocation, if applicable) of such part of the security. For the avoidance of doubt, any excess security immediately following the Issue Date of the Bonds may be withdrawn immediately.

Statutory Disposals

The Borrowers shall have the right to withdraw Property from the Issuer’s Designated Security pursuant to any Statutory Disposal and the relevant Borrower shall deliver to the Issuer and the relevant Security Trustee, as soon as reasonably practicable after it has received notice of such Statutory Disposal, a completed

Statutory Disposal Certificate, certifying that the relevant withdrawal relates to a Statutory Disposal, and that immediately following such release, the Interest Cover Test and the Asset Cover Test will not be breached as a result of the release.

Valuations

Full Valuations

The Borrowers shall deliver a Valuation Report to the Issuer and the Security Trustees within 60 days of 2 August 2017 and thereafter within 60 days of each consecutive fifth anniversary of such date in accordance with the Loan Agreement.

Desk Top Valuations

The Borrowers shall deliver to the Issuer and the Security Trustees a Desk Top Valuation (being a valuation prepared by a Valuer on a “desk top” basis) in the period between 31 March and the date falling 120 days thereafter in each year other than a year in respect of which a Valuation Report is required to be delivered under the Loan Agreement.

Loan Events of Default and Enforcement

Borrower Default

Each of the following (set out in more detail in the Loan Agreement) is a “**Borrower Default**”:

- (a) ***Non payment:*** Either Borrower does not pay on the due date any amount payable by it under the Finance Documents in the manner required under the Finance Documents (as defined in the Loan Agreement), unless the non payment continues for a period of not more than seven days in the case of principal and not more than 14 days in the case of interest.
- (b) ***Breach of other obligations:*** Either Borrower fails to perform or observe any of its obligations under the Finance Documents (other than as referred to in (a) above and (j) below) and (except in any case where, in the opinion of each Security Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by the Security Trustee on the relevant Borrower of notice requiring the same to be remedied.
- (c) ***Other non payment:*** (A) Any other present or future indebtedness of either or both of the Borrowers or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) either or both of the Borrowers fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised **provided that** the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in (A), (B) or (C) above in this paragraph (c) have occurred equals or exceeds £10,000,000 or its equivalent in other currencies (as reasonably determined by either Security Trustee) (and provided further, for the avoidance of doubt, that the amounts mentioned in this paragraph (c) shall exclude the amount of any Public Sector Subsidy except for any Public Sector Subsidy which is or becomes due and payable to the relevant grant making body or organisation).
- (d) ***Enforcement Event:*** An Enforcement Event occurs under a Finance Document.
- (e) ***Winding up:*** Any order is made by any competent court or resolution passed for the winding-up or dissolution of either or both of the Borrowers save for the purposes of a Permitted Reorganisation or a reorganisation on terms previously approved in writing by each Security Trustee.

- (f) **Cessation of Business:** Either or both of the Borrowers ceases or threatens to cease to carry on the whole or, as determined by either Security Trustee, a substantial part of its business, save for the purposes of a Permitted Reorganisation or a reorganisation on terms previously approved in writing by each Security Trustee.
- (g) **Failure or inability to pay debts:** Either or both of the Borrowers stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent.
- (h) **Insolvency:** Any of the insolvency related events occurs or proceedings are taken as referred to in the Loan Agreement (which exclude any Permitted Reorganisation or reorganisation on terms previously approved in writing by each Security Trustee).
- (i) **Unlawfulness:** It is or becomes unlawful for either or both of the Borrowers to perform any of its obligations under the Finance Documents.
- (j) **Breach of Asset Cover Test:** Either or both of the Borrowers fails to perform its obligation to maintain the Asset Cover Ratio or to provide a Valuation Report or Desk Top Valuation in accordance with the Loan Agreement and (except in any case where, in the opinion of each of the Security Trustees, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 60 days next following the service by the Security Trustee on the Borrowers of notice requiring the same to be remedied.

For these purposes “**Permitted Reorganisation**” means: any amalgamation, merger, consolidation or transfer of engagements (whether entering into or acceptance thereof) of the whole of the relevant Borrower’s property **provided that** any such transferee is a Registered Provider of Social Housing or any new amalgamated entity to be created as a result thereof will be a Registered Provider of Social Housing; (ii) following any such amalgamation, merger, consolidation or transfer of engagements in respect of which the property of Party A (including, for the avoidance of doubt, any liabilities) shall become vested in Party B or a new amalgamated entity, Party B or such new amalgamated entity will thereafter be responsible for all the liabilities of Party A; and (iii) a legal opinion confirming the above is provided to the Security Trustee.

Obligation to Notify the Issuer and the Security Trustee

Each Borrower shall notify the Issuer and each Security Trustee of any Borrower Default (and the steps, if any, being taken to remedy it) or potential Borrower Default promptly upon becoming aware of the same. The Issuer shall also notify each Security Trustee of any Borrower Default or potential Borrower Default promptly upon becoming aware of the same (unless the Issuer is aware that a notification has already been provided by the relevant Borrower) including, but not limited to, the non payment by the relevant Borrower of any amounts owing to the Issuer under the Loan Agreement on the due date for payment thereof.

Borrower Default Notice

Following the occurrence of a Borrower Default (but in the case of the happening of any of the events described in paragraph (b) (*Breach of other obligations*) above, only if a Security Trustee shall have certified in writing to the Borrowers that such event is, in its opinion, materially prejudicial to the interests of the Issuer), the Issuer may declare by notice to the Borrowers either:

- (a) that the security for the Loans has become, whereupon the security for the Loans shall become, immediately enforceable (and the Issuer shall notify the Security Trustee of the same in accordance with the Security Trust Deeds); and/or
- (b) (irrespective of whether a notice to the effect set out in (a) shall have already been given) that either or both the Loans have become due and repayable, whereupon the relevant Loan(s) shall become immediately due and repayable at the outstanding balance thereof together with accrued interest, premium (if any) and any other amounts and the security therefor shall become immediately enforceable.

Enforcement

If the security constituted under any Security Documents for the benefit of the Issuer becomes enforceable as a result of the service of a notice pursuant to the Loan Agreement, then each Security Trustee or any Receiver (where appropriate) shall hold the monies arising from any sale, calling in, collection or conversion under, or otherwise arising from the exercise of, the powers of conversion contained in the Security Documents after the security has become enforceable upon trust to apply the same:

- (a) first, in payment or retention of all costs, charges, expenses and liabilities incurred in or about the exercise of such powers or otherwise in accordance with the Security Documents and payments made by the relevant Security Trustee, any Appointee or any Receiver in accordance with the Security Documents and of all remuneration payable to the relevant Security Trustee, any Appointee or any Receiver in accordance with the Security Documents with interest thereon as provided in the Security Documents;
- (b) second, in or towards payment to the Issuer of all interest then due and remaining unpaid on the Loans and all commitment fees then due and remaining unpaid;
- (c) third, in or towards payment to the Issuer of all principal and premium (if any) then due and remaining unpaid in respect of the Loans; and
- (d) fourth, in or towards payment to the Issuer of all other amounts then due and remaining unpaid under the Loan Agreement.

Taxes

Each Borrower must make all payments to be made by it to the Issuer under, *inter alia*, the Loan Agreement, the Legal Mortgages and the Security Trust Deeds, without any deduction or withholding for or on account of tax, unless a deduction or withholding is required by law.

If a deduction or withholding from any such payment is required by law to be made by a Borrower, the amount of the payment due from that Borrower shall be increased to an amount which (after making such deduction or withholding) leaves an amount equal to the payment which would have been due if no deduction or withholding had been required.

If, as a result of any actual or proposed change in tax law, the Issuer determines (in its reasonable commercial judgement) that it would on the next following Interest Payment Date be required to make a withholding or deduction in respect of payments to be made by the Issuer to the Bondholders pursuant to the Conditions, the Borrowers may (but, for the avoidance of doubt, shall not be obliged to), in their sole discretion, pay to the Issuer such additional amounts as will enable the Issuer (after such withholding or deduction) to pay to the Bondholders the amounts of principal and interest which they would have received in respect of the Bonds in the absence of such withholding or deduction. The Borrowers shall continue to pay such additional amounts to the Issuer unless and until the Borrowers deliver to the Issuer a notice stating that they shall cease to make such additional payments with effect from the next following Interest Payment Date.

Governing Law

The Loan Agreement and any non contractual obligations or matters arising from or connected with it are governed by English law.

THE PROPERTIES

The properties consist of a total of 5,392 units (with a further 18 units with nil value) of which approximately 4,761 were acquired by Spire pursuant to two large scale voluntary transfers of council properties sold by East Northamptonshire District Council and Rutland County Council (each “**a Council**” and together “**the Councils**”) on 19 February 2001 and November 2009 (the “**LSVTs**”). A further 640 properties are owned by L&H. Pursuant to the sale agreements of the same date with the Council, two warranties for each LSVT were granted by the Council. These warranties were given by the Council to Spire and a collateral warranty was issued separately to the Prudential Trustee Company Limited at the time of the LSVT (the “**Funder**”). The warranty given to Spire is still subsisting and capable of enforcement and the collateral warranty given to the Spire Security Trustee for itself and on behalf of any beneficiaries will also continue to benefit the Spire Security Trustee and the Beneficiaries, including future beneficiaries. No assignment or notice is required to be made or served .

The four warranties warranted (amongst other matters) to each recipient that:

- (a) The Council were the beneficial and legal owner of the council properties and the Council had conveyed the title with full title guarantee so that Spire had good and marketable title.
- (b) All necessary easements and access for the use and enjoyment of the property were in existence as of right.
- (c) That the property was free from any encumbrance including mortgages, debentures, charges, rent charges, loan or other encumbrances securing the repayment of monies or other obligations.
- (d) The current use of the property was in accordance with valid planning permissions free from any unusual or materially onerous conditions and unlimited in time under the Town and Country Planning Act 1990.
- (e) That the Council had been in all material respects in full compliance with any applicable environmental laws and there were no environmental claims at the time of the LSVT or any known contaminated land amongst the council properties.

No material disclosures were made against these warranties.

The material terms relevant to any claim under the two warranties are set out below:

Collateral Warranty to the Funder

- (a) The term of the East Northamptonshire District Council warranty is for 31 years from 19 February 2001 and the term of the Rutland County Council Warranty is for 30 years from November 2009.
- (b) The East Northamptonshire District Council have not capped liability in respect any warranties. However, Rutland County Council have capped monies payable for an asbestos claim to £1.1 million (plus RPI). Otherwise, the claims are not capped.

All remaining Real Properties are the subject of certificates of title and/or duty of care letters issued by Trowers and Hamlins LLP or Wright Hassall which do not disclose any material matters.

148 of the properties are subject to shared ownership leases or are homebuy properties. 620 units are sheltered housing for the elderly or supported housing (although these are sheltered housing units amongst the general needs portfolio).

DESCRIPTION OF THE LEGAL MORTGAGES AND THE SECURITY TRUST DEEDS

The Issuer's obligations in respect of the Bonds are secured pursuant to the Bond Security Deed and the Issuer Floating Charge Agreement in favour of the Bond Trustee for the benefit of itself and the Bondholders and the other Secured Parties by the Issuer Security, which includes an assignment by way of security of the Issuer's rights, title and interest arising under the Legal Mortgages and the Security Trust Deeds.

The following description of the Legal Mortgage and the Security Trust Deeds consists of a summary of certain provisions of the Legal Mortgages and the Security Trust Deeds and is qualified by reference to the detailed provisions thereof. The Legal Mortgages and the Security Trust Deeds are not, however, incorporated by reference into, and therefore do not form part of, this Prospectus.

Definitions used in this section but not otherwise defined in this Prospectus have the meanings given to them in the Legal Mortgages and/or the Security Trust Deeds.

LEGAL MORTGAGES

The Borrowers have, in relation to the Spire Initial Properties or the Longhurst Initial Properties, as the case may be, entered into certain Legal Mortgages dated 19 February 2001, 19 March 2009 and 31 March 2010, each as supplemented and/or amended, and shall, in relation to any additional properties to be charged as underlying security for the Bonds, enter into further Legal Mortgages substantially in the form set out in the applicable Security Trust Deed.

Fixed Legal Mortgage and Charge

Pursuant to the Legal Mortgages, each Borrower, as security for the payment of all Secured Obligations, has charged, or will charge, in favour of the Spire Security Trustee or the Longhurst Security Trustee for the benefit of itself and, *inter alios*, the Issuer:

- (a) by way of a first fixed legal mortgage all the property specified therein together with all buildings and Fixtures, erections and structures thereon or in the course of construction thereon, the proceeds of sale of all or any part thereof and (so far as the same are capable of being mortgaged) the benefit of any covenants for title given or entered into by any predecessor in title of such Borrower and any moneys paid or payable in respect of such covenants; and
- (b) by way of first fixed charge:
 - (i) all plant and machinery now or in the future owned by such Borrower and its interest in any plant and machinery in its possession which form part of or are operated by such Borrower on the Real Property;
 - (ii) all benefits in respect of the Insurances and all claims and returns of premiums in respect thereof;
 - (iii) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with the Real Properties and the use of any of the Security Assets specified in (a) and (b)(i) above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof; and
 - (iv) if and in so far as the legal mortgage set forth in (a) above or the assignments set forth in the section entitled "*Assignment*" below shall for any reason be ineffective as legal mortgages or assignments, the assets referred to therein.

Assignment

Pursuant to the Legal Mortgages, each Borrower has covenanted or will covenant, as security for payment of the Secured Obligations, that on the request of the relevant Security Trustee it shall, following an Enforcement Event which has occurred and is continuing unremedied or unwaived and is not remedied

within any applicable grace period, with full title guarantee assign to the relevant Security Trustee for the benefit of itself and, *inter alios*, the Issuer all of its rights, title and interest in and to:

- (a) the personal agreements and covenants by the tenants, lessees, licensees or other parties under the Letting Documents and by all guarantors and all security held by such Borrower from time to time, whether present or future, in respect of the obligations of the tenants, lessees, licensees or other parties under the Letting Documents (including, without limiting the generality of the foregoing, all moneys due and owing to such Borrower or which may become due and owing to such Borrower at any time in the future in connection therewith);
- (b) all agreements now or from time to time entered into or to be entered into to enable the charging of the relevant Security Assets and for the sale, letting or other disposal or realisation of the whole or any part of the relevant Security Assets (including, without limiting the generality of the foregoing, all moneys due and owing to such Borrower or which may become due and owing to such Borrower at any time in the future in connection therewith);
- (c) all agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents (including all documents entered into now or in the future so as to enable such Borrower to perfect its rights under the Legal Mortgage or any such agreement, contract, deed, licence, undertaking, guarantee, covenant, warranty, representation or other documents) now or hereafter entered into by or given to such Borrower in respect of the Real Properties and all claims, remedies, awards or judgements paid or payable to such Borrower (including, without limitation, all liquidated and ascertained damages payable to such Borrower under the above) in each case relating to the Real Properties;
- (d) all licences held now or in the future in connection with the relevant Real Property and also the right to recover and receive all compensation which may at any time become payable to such Borrower in relation to the relevant Real Property;
- (e) all rights and claims to which such Borrower is now or may hereafter become entitled in relation to any development, construction project, redevelopment, refurbishment, repair or improvement of or on the relevant Real Property;
- (f) all guarantees, warranties, bonds and representations given or made now or hereafter by, and any rights or remedies against, all or any of the designers, builders, contractors, surveyors, valuers, professional advisers, sub contractors, manufacturers, suppliers and installers of any Fixtures in respect of the relevant Real Property; and
- (g) all rental income and disposal proceeds in each case relating to the relevant Real Property which has not been assigned as set forth in (a), (b) or (c) above and the right to make demand for and receive the same.

Representations, Warranties and Undertakings

Each Borrower makes various representations in respect of the Real Property including as to ownership, planning permission, covenants and security interests. In addition, each Borrower undertakes to, *inter alia*, repair, insure, pay or procure the payment of taxes in respect of and comply with all leases in respect of, the Real Property.

Enforcement of Security

Each Legal Mortgage provides, or will provide, that at any time after an Enforcement Event has occurred and is continuing and has not been remedied within any applicable grace period, the security created by or pursuant to such Legal Mortgage will be immediately enforceable and the relevant Security Trustee may enforce all or any part of such security.

The Legal Mortgages further entitle the Security Trustee and, *inter alios*, the Issuer to be indemnified out of the Security Assets in respect of, *inter alia*, all liabilities and expenses properly incurred by them in the

execution or purported execution of any of the powers, authorities or discretions vested in them pursuant to the Legal Mortgages.

Any moneys received by a Security Trustee pursuant to the enforcement of the Legal Mortgages shall be applied by such Security Trustee in the following order of priority:

- (a) first, in or towards payment of all Relevant Trustee Costs;
- (b) second, in or towards satisfaction of all monies, liabilities and obligations whatsoever (present or future, actual or contingent) payable, owing, due or incurred by the Borrowers to the Issuer (other than Relevant Trustee Costs) in accordance with the Loan Agreement and to the other Beneficiaries named in the relevant Security Trust Deed in accordance with their respective interests;
- (c) third, to the extent not recovered under (a) above, in or towards payment of all Trustee Costs; and
- (d) fourth, the balance, if any, to the relevant Borrower.

Governing Law

The Legal Mortgages and any non contractual obligations arising out of or in connection with them are, or will be, governed by English law.

SECURITY TRUST DEEDS

The benefit of the security created by the relevant Borrower pursuant to the Legal Mortgages shall be held by the relevant Security Trustee on trust for the benefit of itself and the Issuer on the terms of the relevant Security Trust Deed and for the other Beneficiaries named in the relevant Security Trust Deed.

The Security

Apportionment of Security Assets

Each Security Trust Deed provides that the relevant Borrower and, in the case of the Loan Agreement, the Issuer shall schedule and agree the allocation of properties which shall comprise the Issuer's Designated Security in respect of the Loan Agreement. Pursuant to the terms of the relevant Security Trust Deed, the properties described herein under "*The Properties*" and in the Valuation Report and any plant and machinery forming part of such property together with related Insurances, consents, licences and authorisations, have been designated as security for the relevant Borrower's obligations under the Loan Agreement only and not for any other liabilities of such Borrower to any other Beneficiary. All properties which are not part of the Issuer's Designated Security shall either be allocated to other Beneficiaries under the relevant Security Trust Deed or shall form the Undesignated Security.

Additional Security

Pursuant to the Loan Agreement, on or prior to the relevant Borrower creating a Legal Mortgage in respect of any Property for the benefit of the Issuer, that Borrower must deliver to each Security Trustee the documentation relating thereto as set out therein. Such documents must be in the form and substance satisfactory to each of the Security Trustees and the Issuer.

Release and Reallocation of Security

Pursuant to the terms of each Security Trust Deed, the relevant Borrower and the Issuer may agree to amend the Issuer's Designated Security by either removing Designated Security or by designating any Undesignated Security as the Issuer's Designated Security by, *inter alia*, delivering an amended Designated Properties Schedule signed by that Borrower and the Issuer to each Security Trustee.

At any time prior to the relevant Security Trustee taking any steps to enforce the Undesignated Security, upon receiving instructions from the relevant Borrower, the relevant Security Trustee shall release the benefit of

any encumbrance, rights or obligations held by it over the Undesignated Security as security for all or any of the Secured Obligations **provided that** the relevant Borrower shall have paid to the relevant Security Trustee, or provided for to the satisfaction of the relevant Security Trustee, all Trustee Costs which relate to that Undesignated Security.

Any such release or reallocation will be subject to the requirements (if any) set out in the Loan Agreement (see “*Description of the Loan Agreement*” above).

Application of Proceeds

Upon the enforcement of, *inter alia*, all rights vested in a Security Trustee by virtue of, or pursuant to, its holding the interests conferred on it by the Security Documents, and after satisfying claims which at law rank in priority to sums owing under or in respect of any of the Relevant Documents, the relevant Security Trustee shall apply all Proceeds and all money derived therefrom:

- (a) in respect of Designated Security in the following order:
 - (i) first, in or towards payment of all Relevant Trustee Costs;
 - (ii) second, in or towards satisfaction of all monies, liabilities and obligations whatsoever (present or future, actual or contingent) payable, owing, due or incurred by the Borrowers to the Issuer (other than Relevant Trustee Costs) in accordance with the Loan Agreement and to the other Beneficiaries named in the Security Trust Deed in accordance with their respective interests;
 - (iii) third, to the extent not recovered under (a) above, in or towards payment of all Trustee Costs; and
 - (iv) fourth, the balance, if any, to the relevant Borrower.
- (b) in respect of Undesignated Security in the following order:
 - (i) first, to the extent not recovered under paragraphs (i), (ii) or (iii)(a) above, in or towards payment of all Trustee Costs; and
 - (ii) second, to the relevant Borrower.

Enforcement of Security

Pursuant to each Security Trust Deed, the relevant Security Trustee shall only be required to take action to enforce or protect the security in respect of the Loan Agreement if so instructed by the Issuer (and then only if it has been indemnified and/or secured to its satisfaction).

In respect of instructions given by the Issuer, the Issuer has assigned its rights under, *inter alia*, the Security Trust Deeds and the Legal Mortgages to the Bond Trustee and, pursuant to Condition 6.3 (*Loan Agreement, Legal Mortgages and Security Trust Deeds Consents Covenant*), has covenanted not to take any action or direct a Security Trustee to take any action pursuant thereto except with the prior consent of the Bond Trustee. The Bond Trustee may, but is not obliged to, seek the consent of the Bondholders in accordance with the Bond Trust Deed prior to giving any such consent.

In enforcing the Issuer Security (including the Issuer’s rights, title and interests in the Security Trust Deeds and the Legal Mortgages insofar as they relate to the Bonds) the Bond Trustee may act in its discretion. It is, however, required to take action, pursuant to Condition 12.2 (*Enforcement*), where so directed by the requisite majority of the Bondholders **provided, however, that** it is secured and/or indemnified to its satisfaction.

Governing Law

Each Security Trust Deed and any non contractual obligations arising out of or in connection with it are governed by English law.

DESCRIPTION OF THE ISSUER FLOATING CHARGE AND INTERCREDITOR AGREEMENT

The following description of the Issuer Floating Charge Agreement and the Intercreditor Agreement consists of a summary of certain provisions of the Issuer Floating Charge Agreement and the Intercreditor Agreement and is qualified by reference to the detailed provisions thereof. The Issuer Floating Charge Agreement and the Intercreditor Agreement are not, however, incorporated by reference into, and therefore do not form part of, this Prospectus.

Definitions used in this section but not otherwise defined in this Prospectus have the meanings given to them in the Issuer Floating Charge Agreement and/or the Intercreditor Agreement.

Pursuant to the terms of a floating charge agreement dated on or about 2 August 2012 (the “**Issuer Floating Charge Agreement**”), the Issuer has charged by way of first floating charge, with full title guarantee, in favour of the Bond Trustee (as trustee for the itself, the Bondholders and the other Secured Parties), the whole of the Issuer’s undertaking and assets, present and future (together the “**Floating Charge Assets**”), by way of security for the discharge of, *inter alia*, the Issuer’s obligations in relation to the Bonds.

Subject to the terms of the Intercreditor Agreement described below, if an Enforcement Event occurs which is continuing, the Bond Trustee may, at any time before an administrator is appointed to the Issuer, crystallise the floating charge constituted in relation to the Floating Charge Assets (whether or not in conjunction with the enforcement of any other part of the Issuer Security) by appointing a receiver to the whole or substantially the whole of the assets and undertaking of the Issuer.

“**Enforcement Event**” means either: (i) the presentation of a petition to the court under Section 9 of the Insolvency Act 1986 for the making of an administration order in relation to the Issuer or (ii) the service of an Acceleration Notice in accordance with Condition 12 (*Events of Default and Enforcement*).

The Issuer has also granted separate floating charges in favour of Barclays Bank PLC and Lloyds TSB Bank plc as lenders (the “**Lenders**”) pursuant to the Bank Facilities described below under “Description of the Issuer – Group Funding/Loan Agreement” (the “**Bank Floating Charges**”) and a further floating charge in favour of Lloyds TSB Bank plc as swap counterparty (the “**Swap Counterparty**”) pursuant to the Swap Agreement as described below under “Description of the Issuer – Group Funding/Loan Agreement” (the “**Counterparty Floating Charge**”). Each of the Bank Floating Charge and the Counterparty Floating Charge shall be on substantially the same terms as the Issuer Floating Charge Agreement, and secure the obligations of the Issuer to the Lenders or the Swap Counterparty as applicable.

Each of the Bond Trustee, the Lenders and the Swap Counterparty (the “**Floating Charge Creditors**”) have, pursuant to the terms of an intercreditor agreement dated on or about 2 August 2012 (the “**Intercreditor Agreement**”) between themselves and the Issuer, agreed to share the proceeds of enforcement of the Issuer Floating Charge, the Bank Floating Charge and the Counterparty Floating Charge on a *pari passu* basis, pro rata to the outstanding principal amount of the relevant Bonds or loans or any termination payments in relation to the Swap Agreement (as applicable).

Each of the Floating Charge Creditors has further agreed that any such party may only take action to enforce the relevant Floating Charge if the prior consent of the Majority Lenders (being those whose liabilities then outstanding aggregate more than 50 per cent. of all the liabilities then due to the Lenders) the Swap Counterparty and the Bond Trustee is obtained except if an insolvency event occurs or the enforcement actions constitutes the appointment of an Administrative Receiver by or on behalf of the Bond Trustee in which case the relevant party may enforce the relevant Floating Charge independently.

DESCRIPTION OF THE ACCOUNT AGREEMENT, THE CUSTODY AGREEMENT AND THE RESERVE BOND CUSTODY AGREEMENT

The Issuer has appointed The Bank of New York Mellon, London Branch as Account Bank, Custodian and Reserve Bond Custodian pursuant to the Account Agreement, the Custody Agreement and the Reserve Bond Custody Agreement, respectively, in relation to the issue of the Bonds.

The following description of the Account Agreement, the Custody Agreement and the Reserve Bond Custody Agreement consists of a summary of certain provisions of the Account Agreement, the Custody Agreement and the Reserve Bond Custody Agreement and is qualified by reference to the detailed provisions thereof. The Account Agreement, the Custody Agreement and the Reserve Bond Custody Agreement are not, however, incorporated by reference into, and therefore do not form part of, this Prospectus.

Definitions used in this section but not otherwise defined in this Prospectus have the meanings given to them in the Account Agreement, the Custody Agreement and the Reserve Bond Custody Agreement.

ACCOUNT AGREEMENT

Accounts

The Account Bank shall maintain three accounts for the Issuer in respect of the Bonds: the Transaction Account, the Initial Cash Security Account and the Disposal Proceeds Account.

Initial Deposits

Pursuant to the Account Agreement, the Issuer shall on the issue date of the Bonds:

- (a) credit the Initial Cash Security Account with the Retained Proceeds; and
- (b) credit the Transaction Account with the net issue proceeds of the Bonds less the Retained Proceeds to the extent that such amount is not paid directly to the Borrowers pursuant to, and in accordance with, the Loan Agreement.

The Issuer shall, upon receipt, credit to the Disposal Proceeds Account all amounts received from the Borrowers pursuant to the Loan Agreement as a result of the disposal of any Properties.

Reserve Bond Deposits

Pursuant to the Account Agreement, the Issuer shall, upon the sale of any Reserve Bonds:

- (a) credit the Initial Cash Security Account with the net sale proceeds of such Reserve Bonds (less any Reserve Bond Premium Amount), to the extent that such amount is not paid directly to the Borrowers pursuant to, and in accordance with, the Loan Agreement; and
- (b) credit the Transaction Account with the Reserve Bond Premium Amount (if any), pending application in accordance with the Conditions.

Upon the receipt by the Issuer of any interest in respect of the Reserve Bonds held by it or on its behalf, the Issuer shall credit such interest to the Transaction Account pending application in accordance with the Conditions.

Future Deposits and Withdrawals

The Issuer has covenanted, pursuant to the Bond Security Deed that:

- (a) prior to the enforcement of the Issuer Security, payments from the Initial Cash Security Account shall only be made to fund:

- (i) the Original Commitment (as defined in the Loan Agreement) pursuant to, and in accordance with the terms of, the Loan Agreement;
 - (ii) payment to the Borrowers or a member of the Longhurst Group in respect of any Bonds surrendered for cancellation in accordance with the Loan Agreement;
 - (iii) the purchase of Permitted Investments pursuant to the Custody Agreement; or
 - (iv) redemptions of the Bonds in accordance with the Conditions;
- (b) prior to the enforcement of the Issuer Security, payments from the Disposal Proceeds Account shall only be made to the Borrowers pursuant to, and in accordance with the terms of, the Loan Agreement or to purchase Permitted Investments pursuant to the Custody Agreement; and
- (c) no payments from the Transaction Account will be made other than in accordance with the Conditions and the Issuer has undertaken to procure that amounts are paid into and out of the Transaction Account only in accordance with the Conditions, the Account Agreement and the Agency Agreement.

The Account Bank is under no obligation to monitor compliance with the above covenants.

Interest

Any monies standing to the credit of the Transaction Account, the Initial Cash Security Account and/or the Disposal Proceeds Account will earn interest at the rate(s) agreed from time to time between the Account Bank and the Issuer.

Pursuant to the Account Agreement, interest accrued on the Transaction Account and the Initial Cash Security Account shall be credited to the Transaction Account and interest accrued on the Disposal Proceeds Account shall be credited to the Disposal Proceeds Account.

Change of Account Bank

The appointment of the Account Bank may, with the prior written approval of the Bond Trustee, be terminated upon 45 days' written notice (subject to the appointment of a replacement Account Bank) or forthwith at any time the Account Bank is adjudged bankrupt or insolvent. The appointment of the Account Bank may also be terminated in the event that the short term senior, unsecured and unguaranteed indebtedness rating of the Account Bank as assigned by Moody's falls below "P 1" or is withdrawn and there are amounts standing to the credit of the Initial Cash Security Account or the Disposal Proceeds Account (subject to the appointment of a replacement Account Bank).

The Account Bank may resign its appointment upon giving at least 60 days' written notice (subject to the appointment of a replacement Account Bank).

Pursuant to the Account Agreement, the appointment of any replacement Account Bank shall be subject to the prior written approval of the Bond Trustee, be on substantially the same terms as the Account Agreement and be subject to the condition that it must have a short term senior, unsecured and unguaranteed indebtedness rating from Moody's of no less than "P 1".

CUSTODY AGREEMENT

Custody Account

Pursuant to the Custody Agreement, the Custodian shall, subject to receipt of such documents as it may require, open, in the name of the Issuer, the Disposal Proceeds Custody Sub-Account and the Initial Cash Security Custody Sub-Account (the "**Custody Sub-Accounts**") and the Disposal Proceeds Cash Sub-Account and the Initial Cash Security Cash Sub-Account (the "**Cash Sub-Accounts**") and, together with the Custody Sub-Accounts, the "**Custody Account**").

Payments and Delivery

The Issuer has authorised the Custodian to make payments and delivery out of the Custody Account only for the purpose of any acquisition or sale of Permitted Investments or as provided below.

Pursuant to the Custody Agreement, unless otherwise instructed pursuant to Instructions to make a payment out of the proceeds of any Distributions in respect of Permitted Investments held by the Issuer in the settlement of an acquisition of other Permitted Investments on or prior to the date of receipt of such Permitted Investments (subject as provided below), the Issuer has authorised and instructed the Custodian, forthwith upon receipt:

- (a) to transfer all Distributions credited to the Disposal Proceeds Cash Sub-Account to the Disposal Proceeds Account;
- (b) to transfer all Distributions (including any amount representing Permitted Investment Profit (if any)) credited to the Initial Cash Security Cash Sub Account (other than Distributions which represent redemption and/or sale proceeds less any Permitted Investment Profit (if any)) to the Transaction Account; and
- (c) to transfer all Distributions credited to the Initial Cash Security Cash Sub-Account (other than those to be credited to the Transaction Account pursuant to (b) above) to the Initial Cash Security Account,

subject, in each case, to any deductions in respect of any taxes or levies required by any revenue or governmental authority.

The Issuer has agreed that it shall not instruct the Custodian pursuant to Instructions to make a payment out of the proceeds of any Distributions standing to the credit of the Initial Cash Security Cash Sub-Account other than Distributions which represent redemption and/or sale proceeds (but excluding any amount representing Permitted Investment Profit (if any)) and that such amounts shall forthwith upon receipt be transferred to the Transaction Account in accordance with (b) above.

Interest

Notwithstanding the above, any monies standing to the credit of the Disposal Proceeds Cash Sub-Account and the Initial Cash Security Cash Sub-Account will earn interest at the rate(s) agreed between the Issuer and the Account Bank pursuant to the Account Agreement in respect of the Disposal Proceeds Account and the Initial Cash Security Account respectively.

Change of Custodian

The appointment of the Custodian may, with the prior written approval of the Bond Trustee, be terminated upon 45 days' written notice (subject to the appointment of a replacement Custodian) or forthwith at any time the Custodian is adjudged bankrupt or insolvent. The appointment of the Custodian may also be terminated in the event that the short term senior, unsecured and unguaranteed indebtedness rating of the Custodian as assigned by Moody's falls below "P 1" or is withdrawn and there are Permitted Investments standing to the credit of the Custody Account (subject to the appointment of a replacement Custodian).

The Custodian may resign its appointment upon giving at least 60 days' written notice (subject to the appointment of a replacement Custodian).

Pursuant to the Custody Agreement, the appointment of any replacement Custodian shall be subject to the prior written approval of the Bond Trustee, be on substantially the same terms as the Custody Agreement and be subject to the condition that it must have a short term senior, unsecured and unguaranteed indebtedness rating from Moody's of no less than "P 1".

RESERVE BOND CUSTODY AGREEMENT

Reserve Bond Custody Account

Pursuant to the Reserve Bond Custody Agreement, the Reserve Bond Custodian shall, subject to receipt of such documents as it may require, open, in the name of the Issuer, the Reserve Bond Custody Sub-Account and the Reserve Bond Cash Sub-Account (together with the Reserve Bond Custody Sub-Account, the “**Reserve Bond Custody Account**”).

Payments and Delivery

The Issuer has authorised the Reserve Bond Custodian to make payments and delivery out of the Reserve Bond Custody Account only as provided below.

Pursuant to the Reserve Bond Custody Agreement, the Reserve Bond Custodian shall not effect a transfer of any Reserve Bonds except following receipt from the Bond Trustee of a Reserve Bond Confirmation Letter which has been countersigned on behalf of the Bond Trustee.

Pursuant to the Reserve Bond Custody Agreement, unless otherwise instructed to make a payment out of any proceeds of sale of any Reserve Bonds (other than any Reserve Bond Premium Amount) to the Borrowers in satisfaction of the Issuer's obligation to make an advance pursuant to the Loan Agreement, the Issuer shall give instructions to the Reserve Bond Custodian, forthwith upon receipt by the Reserve Bond Custodian of any sale proceeds to transfer:

- (a) all sale proceeds (other than any Reserve Bond Premium Amount) to the Initial Cash Security Account, and
- (b) all Reserve Bond Premium Amounts to the Transaction Account,

in each case, subject to any withholding as required by applicable tax laws.

Payment Waiver

Notwithstanding any other provision of the Reserve Bond Custody Agreement to the contrary and subject to the following paragraph, the Issuer has, pursuant to the Reserve Bond Custody Agreement, unconditionally and irrevocably:

- (a) waived its rights to receive payments of interest, principal or otherwise in respect of the Reserve Bonds and, for the avoidance of doubt, such waiver by the Issuer of such rights will continue to be effective following the occurrence of an Event of Default or Potential Event of Default (each as defined in the Incorporated Terms Memorandum);
- (b) authorised the Reserve Bond Custodian to disclose the waiver referred to in (a) above in respect of the Reserve Bonds (and the Reserve Bonds position with the Reserve Bond Custodian) to the Principal Paying Agent and any applicable international clearing system for the Reserve Bonds to ensure that the waiver of the right to receive payments of interest, principal or otherwise in respect of the Reserve Bonds is effected; and
- (c) directed the Reserve Bond Custodian, in respect of each Reserve Bond held by the Reserve Bond Custodian on behalf of the Issuer in the Reserve Bond Custody Sub-Account in definitive certificated form, to (i) on each Interest Payment Date, surrender the interest coupon for such Reserve Bond corresponding to such Interest Payment Date to the Principal Paying Agent for cancellation, and (ii) surrender the definitive certificate representing such Reserve Bond to the Principal Paying Agent for cancellation on any date on which the Reserve Bonds are to be redeemed.

The Reserve Bond Custodian and the Issuer have each acknowledged and agreed that the waiver, authorisation and direction provided by the Issuer as described above are irrevocable.

Interest

Any monies standing to the credit of the Reserve Bond Cash Sub-Account will earn interest at the standard rate(s) set by the Reserve Bond Custodian in its deposit terms and conditions, as may be issued by it from time to time.

Termination of Reserve Bond Custody Agreement

Either of the Issuer or the Reserve Bond Custodian may terminate the Reserve Bond Custody Agreement by giving to at least 90 day's written notice to the other party.

Either of the Issuer or the Reserve Bond Custodian may further terminate the Reserve Bond Custody Agreement immediately upon notice to the other party upon the dissolution of that other party, or upon the commencement of any action or proceedings seeking liquidation (or equivalent) of that other party.

Pursuant to the Bond Trust Deed, the Issuer has covenanted for the benefit of the Bond Trustee that, in the event that the Reserve Bond Custody Agreement is terminated, it shall appoint a successor custodian to hold the Reserve Bonds on substantially the same terms as the Reserve Bond Custody Agreement, in particular, but without limitation to, the payment waiver and transfer restrictions applicable to the Reserve Bonds, as described above.

DESCRIPTION OF THE ISSUER

Incorporation and Status

Libra (Longhurst Group) Treasury plc (the “**Issuer**”) was incorporated under the Companies Act 2006 on 21 May 2012 and is a public limited company incorporated in England and Wales with registered number 8077172.

The registered address of the Issuer is Leverett House, Gilbert Drive, Endeavour Park, Boston PE21 7TQ. The telephone number of its registered address is 0845 30 90 700. The Issuer has no subsidiaries.

Principal Activities of the Issuer

The Issuer is a special purpose vehicle established for the purpose of issuing the Bonds described in this Prospectus and incurring other indebtedness including the Bank Facilities and Swap Agreement as described below under “Group Funding/Loan Agreement” but subject to the financial covenants set out in Condition 6.1. The Issuer will lend the proceeds of the issue of Bonds and the Bank Facilities to the Borrowers to be applied in the achievement of the relevant Borrower’s objects, and will manage these loan agreements on behalf of the Group.

Directors

The directors of the Issuer and their other principal activities are:

Name	Principal activities outside the Issuer
Bob Walder <i>Group Chief Executive - Longhurst Group</i> <i>Longhurst Group - Company Secretary</i>	• Past Chairman of the National Housing Federation (NHF) in the East Midlands and he was re-elected onto the regional executive committee in February 2012. • A former Chairman of the East Midlands Regional Housing Board and a member of the Regional Assembly
Rob Griffiths <i>Executive Director - Group Financial Services</i>	• Chair of the East Midlands Finance Forum • Member of the National Housing Federations Finance & Policy Advisory Group • Represents the NHF on the Statement of Recommended Practice (SORP) working party. • Appointed observer to the Accounting Standards Board Committee on Accounting for Public Benefit Entities
David Armes <i>Chairman - Longhurst Group</i>	• Retired Commercial Manager – East Midlands Electricity • Board member of the University of Evansville • Governor of Kings School - Grantham
Rob Lankey <i>Board Member - Spire Homes (LG) Limited</i> <i>Chairperson - Longhurst Group Finance and Treasury Committee</i> <i>Chairperson - Libra (Longhurst Group) Treasury plc</i>	• Managing Director of Commercial Mortgages, Aldermore Bank plc
Gary Snelson <i>Board Member - L & H Homes</i> <i>Member - Longhurst Group Finance and Treasury Committee</i> <i>Director - POD LLP</i>	• Retired Senior Branch Manager at Nationwide Building Society. • Currently Director of Lincolnshire Credit Union, and Chairman of Heighington Village Trust.

Name	Principal activities outside the Issuer
Penny Steel <i>Board Member - Spire Homes (LG) Limited</i> <i>Member - Longhurst Group Finance and Treasury Committee</i>	• Former Relationship Manager at Nationwide Building Society (for 23 years) until 2012 where she managed a loan portfolio of housing association customers.
Bob Hide <i>Board Member - Friendship Care and Housing</i>	• Managing Director and consultant risk analyst of specialist consultancy Equib Limited. • Guest lecturer on Project Management and Risk at Birmingham University.
Tim Godson <i>Independent Member - Longhurst Group Finance and Treasury Committee</i>	• Partner at Regional Audit Practice
Tina McCewan <i>Vice Chairperson - Longhurst Group</i>	• Consultant • Former CEO of a Lincolnshire Training and Enterprise Council

The business address of each of the Directors is Leverett House, Gilbert Drive, Endeavour Park, Boston, PE21 7TQ.

The Secretary of the Issuer is Bob Walder whose business address is Leverett House, Gilbert Drive, Endeavour Park, Boston, PE21 7TQ.

There are no potential conflicts of interest between the Director's duties to the Issuer and their private interests and/or duties. However, Bob Walder and Rob Griffiths are employees of Longhurst Group Limited and most of the other Directors are board members of one or more of the Borrowers as set out in more detail below.

The Issuer has no employees but has available to it the treasury and business resources of Longhurst Group Limited to enable it to administer its business and perform its obligations.

Share Capital and Major Shareholders

The entire issued share capital of the Issuer comprises 50,000 ordinary shares of £1 each, all of which are fully paid up with a nominal value of 25 pence.

Longhurst Group Limited holds all of the shares of the Issuer.

Operations

Since the date of incorporation, the Issuer has not commenced operations and consequently no financial statements have been prepared as at the date of this Prospectus.

Group Funding/Loan Agreement

The Issuer will act as the treasury vehicle for the Group and will manage the Loan Agreement described above (see "*Description of the Loan Agreement*") above, pursuant to which it will on-lend the proceeds of the Bonds to each of the Borrowers. In addition, the Issuer will enter into new Group borrowing facilities (the "**Bank Facilities**") with Lloyds TSB Bank plc ("**Lloyds**") and Barclays Bank PLC ("**Barclays**"). Under the provisions of the loan agreement with Lloyds the issuer will be permitted to on-lend to Keystone Developments, a wholly owned subsidiary of the Group.

Lloyds will be providing a loan facility of £100 million, £50 million on a revolving basis for up to 7 years and £50 million on a term basis for 25 years. Barclays will be providing a revolving loan facility of £35 million, £10 million for up to 2 years and £25 million for up to for 5 years. Fixed rates will be provided on an embedded basis. Interest rate hedging (around £120 million of existing hedging will be transferred) is

facilitated through a new ISDA agreement (the “**Swap Agreement**”) with the Issuer incorporating a £15 million unsecured threshold for future mark to market exposures.

Issuer Security

The Issuer’s obligations in respect of the Bonds are secured pursuant to the Bond Security Deed in favour of the Bond Trustee for the benefit of itself and the Bondholders, which comprises:

- (a) an assignment by way of security of the Issuer’s rights, title and interest arising under the Loan Agreement, the Legal Mortgages, the Security Trust Deeds, the Agency Agreement, the Account Agreement and the Custody Agreement; and
- (b) a charge by way of first fixed charge over all moneys and/or securities from time to time standing to the credit of the Transaction Account, the Disposal Proceeds Account, the Initial Cash Security Account and the Custody Account and all debts represented thereby.

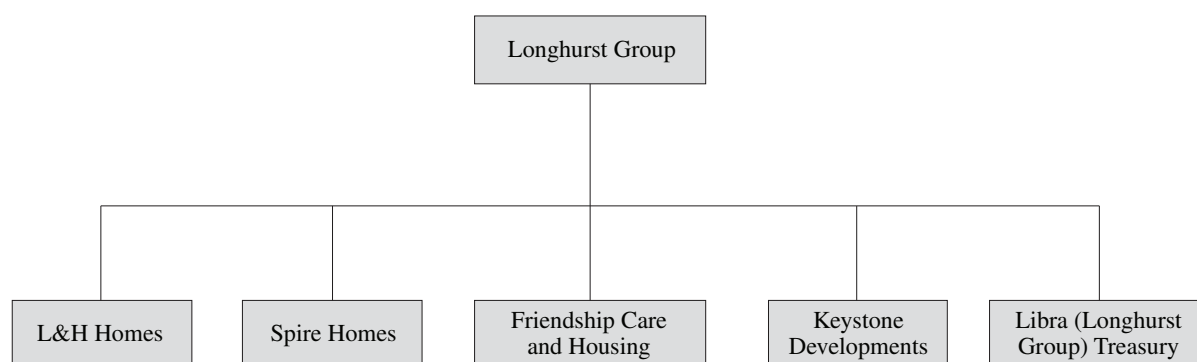
The property and assets charged and assigned pursuant to the paragraphs (a) and (b) above is secured solely in favour of the Bond Trustee for the benefit of itself, the Bondholders and the other Secured Parties. Such security will not be available to any other creditors (secured or unsecured) and in particular, will not be available to the lenders under the Bank Facilities.

The Issuer’s obligations in respect of the Bonds are also secured pursuant to the Issuer Floating Charge Agreement which includes a floating charge that should constitute a “qualifying floating charge” for the purposes of the Enterprise Act 2002. The floating charge will enable the Bond Trustee to block the appointment of an administrator to the Issuer, and ensure that the property and assets listed in paragraphs (a) and (b) above can be realised by the Bond Trustee in any enforcement. For further information on the security granted to secure the Issuer’s obligations in respect of the Bonds, see Condition 4 (“*Security*”) and “*Description of the Issuer Floating Charge Agreement and the Intercreditor Agreement*”.

DESCRIPTION OF THE LONGHURST GROUP

The Longhurst Group (the “**Group**”) is a group of registered providers of social housing (“**RPs**”) in the United Kingdom operating across 12 counties in the Midlands and the East of England with approximately 18,000 owned or managed homes. The Group’s properties are located across 40 local authority areas, predominately in Nottinghamshire, Birmingham, Derbyshire, Lincolnshire, Rutland and East Northamptonshire.

The Group consists of a parent, three subsidiary housing associations, and a development company. Longhurst Group Limited (“**LG**”) is the parent organisation and is a company limited by guarantee.



Background and History

The Group’s two oldest members are Longhurst Housing Society (which ultimately became L&H Homes), established in 1971 in Boston, Lincolnshire, and Friendship Care and Housing (“**FCH**”) established in Birmingham in 1955. The organisation has grown over the years through development of new properties, large scale voluntary transfers of local authority housing and other organisations joining the Group. LG was formed in 2001. The Group operates in the UK social housing environment, which receives direct and indirect government support.

The Group has experience in managing corporate growth and bringing people and organisations together with five major transfers and amalgamations in the past 10 years. It has a skilled and stable workforce which was recognised with a silver accreditation from Investors in People in 2011.

The Group has a track record of operating through partnerships and is currently the lead partner in the Blue Skies Consortium (a development consortium) and a joint partner in POD (Partnerships, Opportunities, Developments; an LLP providing project management services).

The Group employs over 900 people across the following offices:

LG	Boston Lincolnshire (Head Office)
L&H	Boston Grimsby Nottingham Lincoln
Spire	Rushden, Northants Oakham, Rutland
FCH	Birmingham (2) Derby Bedworth
Keystone	Boston

Strategy

The Group's mission is "to lead and inspire growth based on excellence in service provision".

To achieve the key themes, the Group has outlined 5 clear objectives:-

- To maintain and secure new funding streams;
- To continue to deliver excellent customer focused services supported by effective customer insight;
- To reduce its environmental impact;
- To provide the appropriate infrastructure to support the growth of the organisation;
- To grow the business through actively identifying and embracing new markets, products and activities within the social housing space, and within the Group's agreed objects, and by providing a range of services through selling a variety of corporate services.

Detailed Service Description

The Group provides the following services across its areas of operation:

- **General Needs rented properties:** A variety of rented properties, including houses and some flats; demand for homes is high.
- **Supported and Sheltered Housing:** Flats or bungalows designed to assist older or disabled people to lead independent lives. They provide certain facilities that ordinary housing does not include. Most schemes have a communal lounge, kitchen, laundry and guest room. Some schemes have lifts to first floors.
- **Care Homes:** Care homes are residential settings where older people, young adults with physical difficulties and adults with learning difficulties and mental health problems live and receive personal care. The Group is positioned to provide a range of services to people dependent on their required levels of care support. The Group's exposure to care homes is being reduced over the period of the business plan based on market conditions.
- **Leasehold schemes for the elderly:** Retirement schemes are designed to help the over 60s stay independent for longer. Residents own their flat or bungalow, while a scheme manager and 24 hour emergency alarm facility allow tenants and their families to enjoy peace of mind.
- **Shared ownership:** Allowing people to purchase a percentage of the value of property (usually 50%) and pay rent on the remainder. Allows first time buyers who cannot afford to buy a home outright a first step onto the property ladder.
- **Market rented properties:** Properties let on standard tenancy agreements at market rent. The Group does not have any additional commitments compared with a standard landlord.
- **Development:** Keystone is the development arm of the Group, its main focus in recent years has been in developing housing for sale, especially for retirement or family homes. Keystone also provides a Design & Build Service to Group members on the delivery of the social housing programme. This has generated significant savings for Group members on development costs.

Funding

The Group has established the Issuer as a new company, that will act as a treasury vehicle for the Group, managing the Loan Agreement for the on-lending the Bond proceeds to the Borrowers and managing two Bank Facilities with Lloyds TSB Bank plc and Barclays Bank PLC. (see *Description of the Issuer*).

Corporate Rating

The Group is expected to have a credit rating of “Aa3 (with a negative outlook)” from Moody’s.

Moody’s announced on 13 February 2012 that it had adjusted the sovereign debt ratings of a selected number of EU countries in order to reflect their susceptibility to the growing financial and macroeconomic risks emanating from the euro area crisis and how these risks exacerbate the affected countries’ own specific challenges. This included putting the UK’s Aaa rating on negative outlook. The change in rating outlook on the UK was for two reasons: first, the impact of the ongoing crisis in the euro area and the effect it would have on the UK through trade, the financial sector and the consumer and investor confidence and, second (and accordingly to Moody’s the primary driver), the “increased uncertainty regarding the pace of fiscal consolidation in the UK due to materially weaker growth prospects over the next few years, with risks skewed to the downside. Any further abrupt economic or fiscal deterioration would put into question the government’s ability to place its debt burden on a downward trajectory by fiscal year 2015-16”.

As well as affecting the sovereign debt rating, the negative outlook also applies to regional and local governments and government-related issuers. The latter definition includes RPs because of the close government support via the funding and regulator arrangements in place which underpins the ratings of all rated RPs, and the uplift that this provides to the overall rating. As a result Moody’s rating of the Group will have a negative outlook, as do all rated UK RPs, although the actual rating remains at Aa3. This action does not necessarily mean either the UK will be “down-graded” or, as a consequence, the Group’s rating will change downwards.

Moody’s was registered under CRA Regulation (EC No 1060/2009) on 31 October 2011 (and, as such, is included in the list of credit rating agencies published by the European Securities Market Authority on its website in accordance with the CRA Regulation).

The Group has a group structure arrangement that meets the regulatory requirements of the Regulator. Parental control is exercised by LG through powers contained in the rules or (as the case may be) articles of association of each of its subsidiaries which are RPs and in intra group agreements (“IGAs”) which together enable the Group to appoint all or a majority of board members or to remove all or any board members and to approve business, funding, operational and other financial plans of such subsidiaries. The IGAs also provide for dispute resolution between the parties, however none of the Group members can leave the Longhurst Group without the consent of LG or of the Regulator.

Corporate Governance

The Regulator’s governance and financial viability standard requires RPs:

- to have governance arrangements that ensure that they have structures, systems and processes to deliver their aims, objectives and intended outcomes for tenants and potential tenants in an effective, transparent and accountable manner; and, specifically, to adopt and comply with an appropriate code of governance; and
- to manage their resources effectively to ensure their viability is maintained and, specifically, to have effective controls and procedures to ensure security of assets and the proper use of public funds; to have effective systems to monitor and report delivery of their plans; to identify and effectively manage the risks to delivery of financial plans; and to have a robust and prudent business planning and control framework.

The Group aims to follow best practice with regard to corporate governance and will, where appropriate, comply with the National Housing Federation’s Excellence in Governance code for Members 2010.

The focus of LG’s Board is on strategy for the Group, though it also has responsibility for overseeing performance. LG’s Board powers include:

- Decisions to expand activities into completely new geographic areas or business forms;
- Decisions to cease any material business activity;

- Decisions to set up, admit, or create new company members of the Group;
- Decisions to sign off any new funding;
- Decisions related to the contract and terms of employment of the Chief Executive and, in consultation with the Chief Executive, the terms of employment of other senior staff;
- Decisions concerning the removal of Board Members of member companies of the Group;
- Decisions concerning the removal or discipline of Board Members of members of the Group;
- The approval of key policies/documents such as: Governance Policy, Code of Conduct, Procedure Agreements, Memorandum and Articles;
- Decisions concerning a non-contractual severance to a member of staff likely to exceed £75,000; and
- Subject to the advice of the Group Chief Executive, decisions related to the service contracts of Board Members

Specific responsibilities have been delegated to Group committees, which have their own approved terms of reference and these are as follows:

The **Chairperson's Committee** conducts business meetings in respect of:

The receipt and opening of tenders;

- For reports and related business outside of LG's normal Board timings and the instruction of consultants and officers;
- Ad hoc business of an urgent or special nature, which either cannot be left to a later date, or the Board decides can be delegated to the Chairperson's committee;
- The determination of matters of remuneration of staff not including the Chief Executive;
- To act as an appellate body in matters relating to employment disputes, disputes between members of the Group or other similar matters

The **Audit Committee** oversees the formal process of Audit, Risk Management and Business Excellence across all Group companies providing a link on these issues between the Group Board and member company Boards.

The chairperson of the Audit Committee will also sit on the Finance & Treasury Committee and provide a link between both Committees on issues of common interest. The Executive Director of Group Financial Services is an ex-officio member of the Audit Committee.

The **Finance & Treasury Committee** is responsible for:

- Reviewing the financial performance and Business Plans of each Group Company and considering any changes to the Group's accounting policies in light of changes made to the SORP or relevant Accounting Standards;
- Reviewing the Group's treasury management strategy and monitoring performance against the agreed strategy;
- Communicating back to member boards any matters regarding the Group's finances that the Committee believes requires further consideration;
- Ensuring a working knowledge of treasury management and current Financial Reporting Standards.

This committee will be transferring its responsibilities to the board of the Issuer at the date of the bond issuance. This has been agreed by LG's board as part of its governance arrangements.

Regulatory Environment

The Localism Act 2011 (the “**Act**”) received royal assent on 15 November 2011. The Act significantly amends parts of the Housing and Regeneration Act 2008 (the “**2008 Act**”) which established the objectives and certain powers of the social housing regulator. The provisions of the Act that make these changes are now largely in force as of 1 April 2012.

Pursuant to the Act, on 1 April 2012 responsibility for social housing regulation passed from the Tenant Services Authority to the Homes and Communities Agency (“**HCA**”) Regulation Committee (the “**Regulator**”). The new regulatory framework, “The regulatory framework for social housing in England from April 2012” came into force on 1 April 2012 and revisions were made to the previous regime in order to meet the revised statutory requirements and powers the Government has given the Regulator in the Act and directions that the Government has issued or intends to issue to the Regulator. The framework sets out the regulatory standards applying to all registered private and local authority providers from 1 April 2012. The standards are largely the same as with the previous regime but they are now classified as either “standards relating to economic matters” or “standards relating to consumer matters”.

Economic standards apply only to private RPs. RPs’ boards are responsible for ensuring their organisation meets the economic standards. The standards cover governance and viability, rent and value for money (which places an increased onus on boards to develop and deliver a clear strategy to drive value for money improvements). The Regulator has a proactive role in relation to economic standards and will engage with providers to obtain assurance that they are being met. Regulation will be carried out in a risk-based and proportionate way. The Regulator has a new statutory duty to minimise interference.

Consumer standards apply to all RPs. Providers’ boards are responsible for ensuring their organisation meets the consumer standards. The standards cover tenant involvement and empowerment (which has a greater focus on local mechanisms to resolve complaints and disputes, and an increased scope for more tenant involvement in repairs and maintenance), home standard (i.e. quality of accommodation, repairs and maintenance), tenancy standard (reflecting changes in government policy, allowing different lengths of tenancy and setting out expectations to promote mutual exchange arrangements) and the neighbourhood and community standard. The Regulator’s role is limited to setting the consumer standards and intervening only where the standard has been failed and there are reasonable grounds to suspect that the failure has resulted in serious harm or could lead to the risk of serious harm to tenants (the “serious detriment test”). For breaches of regulatory standards that do not give rise to serious detriment, tenants will have to look to others (such as local tenant panels, councillors and members of Parliament) to intervene if necessary.

In setting all standards the Regulator must have regard to the desirability of RPs being free to choose how to provide services and conduct business. Standards are to be set largely with a focus on outcomes, avoiding detailed prescription where possible.

DESCRIPTION OF GROUP MEMBERS

LONGHURST GROUP LIMITED

Incorporation and Status

Longhurst Group Limited (“LG”) is a company limited by guarantee, incorporated in England and Wales on 23 March 2000 (registered number 3958380) and is a not for profit RP registered with the HCA (registered number L4277).

LG is not a party to the Transaction Documents and does not provide any form of credit support to the Notes. It is however the parent company of the Group, and the Interest Cover Test set out in the Loan Agreement is tested by reference to the financial performance of LG. This is in order to ensure that Bondholders have the benefit of the same financial covenant that is granted to the lenders pursuant to the Group’s Bank Facilities as described under “*Description of the Issuer – Group Funding/Loan Agreement*”. The audited consolidated financial statements of LG for the years ended 31 March 2010 and 31 March 2011 are set out below under “*Consolidated Financial Information on the Group*” and further information is given in the section headed “*Recent Developments*” in order to enable investors to evaluate the ability of the Borrowers to comply with the Interest Cover Test set out under “*Description of the Loan Agreement – Interest Cover Test*”.

Principal Activities of LG

LG’s principal activity is the provision of corporate services and strategy developments for the Group.

Credit Rating

LG does not hold a credit rating in its own right.

LG Executive Team

The Group’s executive team comprises a Chief Executive, an Executive Director of Financial Services and a Managing Director of each company:

Name	Principal Activities Outside of the Group
Bob Walder <i>Group Chief Executive - Longhurst Group (since 1989)</i> <i>Longhurst Group - Company Secretary</i> <i>23 years of service</i>	• Past Chairman of the National Housing Federation (NHF) in the East Midlands and he was re-elected onto the regional executive committee in February 2012. • A former Chairman of the East Midlands Regional Housing Board and a member of the Regional Assembly
Jonathan Driffl <i>Managing Director - Friendship Housing and Care (since 2004)</i> <i>16 years of service</i>	• Former Chair Birmingham Social Housing Partnership and Board member of Birmingham City Housing Partnership • Chair of the Derby Social Housing Forum, Birmingham Voluntary Service and Birmingham Race Action Partnership
Rob Griffiths <i>Executive Director - Group Financial Services (since 2006)</i> <i>18 years of service</i>	• Chair of the East Midlands Finance Forum • Member of the National Housing Federations Finance & Policy Advisory Group • Represents the NHF on the Statement of Recommended Practice (SORP) working party. • Appointed observer to the Accounting Standards Board Committee on Accounting for Public Benefit Entities

Name	Principal Activities Outside of the Group
Julie Doyle <i>Managing Director - Spire Homes (LG) Limited (since 2001)</i> <i>Deputy Chief Executive - Longhurst Group (since 2000)</i> <i>17 years of service</i>	• MBA with distinction • Deputy Chair of the East Midland National Housing Federation Executive Committee • East Midlands representative on the National Housing Federation National Chairs Group • “Chair” of the East Northamptonshire Local Strategic Partnership
Peter Osborne <i>Managing Director - Longhurst Group (since 2009)</i> <i>10 years service</i>	• 25 years at Marks and Spencer • Achieved a 2 stars and “promising prospects” accreditation with the Audit Commission for Havelok Housing Association
Mike Hardy <i>Managing Director - Longhurst and Havelok Homes (since 2001)</i> <i>26 years of service</i>	• Fellow of Chartered Institute of House • MBA with distinction (University of Nottingham)

LG Board

The LG Board is made up of 10 persons all of whom operate in a non-executive capacity as listed below:

Name	Principal activities outside LG
David Armes <i>Chairperson</i>	• Retired Commercial Manager – East Midlands Electricity
Tina McCewan <i>Vice Chairperson</i>	• Consultant • Former CEO of a Lincolnshire Training and Enterprise Council
Roger Rudd <i>Independent member</i>	• Chairperson of Group Audit Committee • Retired Assistant Director of Regulation at the Housing Corporation
John Robson <i>Independent Member</i>	• Retired Chief Executive of a Housing Association • Fellow of the Chartered Institute of Housing
Sidney McFarlane MBE <i>Chairman - L&H Homes</i>	• Royal Air Force Career - 30 years from aircraftman to commissioned officer • Awarded MBE in 1999 for voluntary service to the community and for service with the Ministry of Defence
John Farrar <i>Board member</i> <i>Chairman - Spire Homes (LG) Limited</i> <i>Director - Keystone Developments</i>	• Part time Envoy in The Salvation Army • Irthlingborough Town Councillor • Chairman of Community Safety Forum

Name	Principal activities outside LG
Derek Young MBE JP <i>Independent board member</i>	• Trustee and Treasurer of The Royal National Mission to Deep Sea Fishermen • Trustee of the Grimsby Sailors' and Fishing Charity • Chairman of Channel 7 Community Interest Television Company • Board Member of Havelok Homes and Chairman from September 1996 until 2009 • Retired Managing Director of Grimsby Fish Dock Enterprises Ltd
Linda Bowen <i>Board member</i>	• Trustee/Non-executive Director Locksley Christian School, Louth • Town Councillor, Market Rasen Town Council
Rosie Weaver <i>Board member</i> <i>Chairperson - Friendship Care and Housing</i>	• Founder member and Chair of a not-for-profit community business and several charities for people with mental health problems, people with learning disabilities and disabled children
Julie Reader-Sullivan <i>Independent Board member</i>	• Business Adviser specialising in Leadership, Diversity and Human Resources

Recent Developments

There have been no recent events particular to LG or Group members that are, to a material extent, relevant to the evaluation of LG's solvency.

Conflicts of Interest

There are no potential conflicts of interest between any duties to LG of any of the directors listed above and their private interests or other duties.

LONGHURST & HAVELOK HOMES LIMITED

Incorporation and Status

Longhurst & Havelok Homes Limited ("L&H") was formed in October 2009 from the amalgamation of 2 former subsidiaries (Longhurst Homes Limited and Havelok Homes Limited). L&H is a charitable industrial and provident society (FSA registered number 30779R) registered with the HCA as a RP (registered number L4542).

The registered office of L&H is Leverett House, Gilbert Drive, Endeavour Park, Boston, PE21 7TQ. The telephone number of its registered address is 0845 30 90 700. L&H has no subsidiaries.

Principal Activities of L&H

L&H's principal activity is owning, managing and developing social rented housing in its core areas of operation. L&H currently owns and manages around 8,370 homes.

Share Capital and Major Shareholders

The entire issued share capital of L&H comprises 32 shares of £1.00 each, all of which are fully paid up. The shares are classified as non-equity. Each share carries voting rights but not rights to dividends, distributions on winding up or rights of redemption.

Credit Rating

L&H does not hold a credit rating in its own right.

L&H Board

The Board of L&H is made up of nine persons all of whom operate in a non-executive capacity as listed below:

Name	Principal activities outside L&H
Sidney McFarlane MBE <i>Chairperson - L&H Homes</i>	• Royal Air Force Career - 30 years from aircraftman to commissioned officer • Awarded MBE in 1999 for voluntary service to the community and for service with the Ministry of Defence
Keith Laidler <i>Vice- Chairperson</i>	• Retired director of planning for City of Lincoln Council • Board Member of the Lincoln and District Citizens Advice Bureau • Committee Member of the Lincolnshire Co operative • Board Member of Investors in Lincoln • Court Member of the University of Lincoln • Board Member of the Lincolnshire Economic Action Partnership
Elizabeth Bowers <i>Board Member</i>	• Retired litigation clerk for local solicitors • Associate Hospital Manager with the Lincolnshire Partnership NHS Foundation Trust (independent member)
Brenda Owen <i>Board Member</i>	• Retired health care professional • Former portfolio holder for housing and health at Boston Borough Council • Governor of Boston West Primary School.
Brendan Haigh <i>Board Member</i>	• Former cabinet portfolio holder for housing on Newark and Sherwood DC and retired solicitor • Member of the International Committee of the Nottingham Law Society • Member of Southwell Cathedral Council serving on the Cathedral's Finance and Investment Committee and the Library and Adult Education Committee • Non-executive Director of the Robin Hood Theatre, Notts • Member of the Committee of the Southwell Civic Society • Member of the Southwell U3A and the Burgage Probus Club
Rosemary Woodland <i>Board member</i>	• Retired local authority executive specialising in housing • President of Soroptimist International in Peterborough - undertaking voluntary work locally • Volunteer at Peterborough Citizens advice bureau, including delivering a weekly Welfare Rights form filing outreach service.

Name	Principal activities outside L&H
Linda Scott <i>Tenant Board Member</i>	• Chair of the L&H resident involvement panel • Vice chair of the L&H your home resident panel
Sue Strugnell <i>Board member</i>	• Retired business improvement/quality assurance manager in the private sector in NE Lincolnshire • Part of the charity group Grimsby & Cleethorpes Lady Birds raising money locally for people
Garry Snelson <i>Board Member</i>	• Retired branch manager of Nationwide Building society, Lincoln • Director of Lincolnshire Credit Union • Chairman of Heighington Village Trust • Member of Chartered Management Institute

The business address of each of the directors of L&H is Leverett House, Gilbert Drive, Endeavour Park, Boston, PE21 7TQ.

Conflicts of Interest

There are no potential conflicts of interest between any duties to L&H of any of the directors listed above and their private interests or other duties.

SPIRE HOMES (LG) LIMITED

Incorporation and Status

Spire Homes (LG) Limited (“**Spire**”) is a company limited by guarantee, incorporated in England and Wales on 20 July 2000 (with number 4043921) and a registered charity (number 1140935). It is a not for profit RP registered with the HCA (registered number LH4302).

The registered office of Spire is 1 Crown Court, Crown Way, Rushden, Northamptonshire NN10 6BS.

Principal Activities of Spire

Spire’s principal activity is owning, managing and developing social rented housing in its core areas of operation. Spire currently owns and manages approximately 4,915 homes, including 650 sheltered units. The majority of Spire’s assets were transferred to Spire pursuant to a stock transfer from East Northamptonshire District Council in February 2001, and a further stock transfer from Rutland County Council in November 2009.

Credit Rating

Spire does not hold a credit rating in its own right.

Spire Board

The Board of Spire is made up of 12 persons all of whom operate in a non-executive capacity as listed below:

Name	Principal activities outside Spire
John Farrar <i>Chairperson</i> <i>LG Board Member</i> <i>Director - Keystone Developments</i>	• Part time Envoy in The Salvation Army • Irthlingborough Town Councillor • Chairman of Community Safety Forum

Name	Principal activities outside Spire
Rob Lankey <i>Board Member</i> <i>Chairperson - Longhurst Group Finance and Treasury Committee</i> <i>Chairperson - Libra (Longhurst Group) Treasury plc</i>	Managing Director of Commercial Mortgages, AldermoreBank plc
Lesley Owen-Jones <i>Board Member</i>	- Development Manager for the Heritage Lottery Fund - Formerly worked at the Housing Corporation
Sarah Peacock <i>Board Member</i>	- Private sector sheltered housing worker - District Councillor - Leader of Rushden Town Council - Chairman of Rushden Museum
John Robson <i>Board Member</i>	- Retired Chief Executive of a Housing Association - Fellow of the Chartered Institute of Housing
Vikki Sargent <i>Board Member</i>	- Consultant with Vincent Sykes Solicitors in Oundle - Associate lecturer with the Open University in Law
Chris Breen <i>Board Member</i>	- Former PA - Fundraiser supporter for the Warwickshire and Northamptonshire Air Ambulance and a Volunteer researcher for the N.H.S.
Penny Steel <i>Board Member</i> <i>Member - Longhurst Group Finance and Treasury Committee</i>	Former Relationship Manager at Nationwide Building Society (for 23 years) until 2012 where she managed a loan portfolio of housing association customers.
Lucie Westbury <i>Board Member</i>	- Tenancy Services Manager at Three Oaks Homes - Former Regulation Manager at the Tenant Services Authority
Dr Ron Whittaker <i>Board Member</i>	- Former Chief Executive of SATRA Technology Centre - Non-executive Director and Deputy Chairman of SATRA - Board Member of North Northants Development Company (NNDC) - Honorary Fellow at the University of Northampton
Sarah Gilman <i>Board Member</i>	- Head of Property Services, Howard Cottage Housing Association - Previously worked at Aldwyck Housing Group and Aragon Housing Association
Derek Doran <i>Board Member</i>	- Owns and runs a Management Consultancy Business (DDc) - Former Midlands Regional Director of a National Housing Association (Riverside), - Lead Associate for the Centre for Comparative Housing Research at De Montford University

The business address of each of the directors of Spire is 1 Crown Court, Crown Way, Rushden, Northamptonshire NN10 6BS.

Conflicts of Interest

There are no potential conflicts of interest between any duties to Spire of any of the directors listed above and their private interests or other duties.

FRIENDSHIP CARE AND HOUSING

Incorporation and Status

Friendship Care and Housing Limited (“FCH”) is a charitable industrial and provident society (FSA registered number 31247R) registered with the HCA (registered number 4645).

Principal Activities of FCH

FCH’s principal activity is the management of the social rented housing stock that it owns across its core area of operation. Friendship is also involved in the provision of care and support services.

Share Capital and Major Shareholders

The entire issued share capital of FCH comprises 53 shares of £1.00 each, all of which are fully paid up. The shares are classified as non-equity. Each share carries voting rights but not rights to dividends, distributions on winding up or rights of redemption.

Credit Rating

FCH does not hold a credit rating in its own right.

FCH is not an approved borrower under the Bank Facilities.

KEYSTONE DEVELOPMENTS

Incorporation and Status

Keystone Developments (LG) Limited (“Keystone”) is a not for profit company limited by guarantee, incorporated in England and Wales (with number 04285612).

Principal Activities of Keystone

Keystone’s principal activity is providing a design and build service to Group members and the development of new housing on behalf of the Group specialising in private housing for sale, particularly retirement properties. Profit is reinvested back into the business.

Credit Rating

Keystone does not hold a credit rating in its own right.

Keystone is not an Approved Borrower.

APPROVED BORROWERS

The approved borrower under the Bank Facilities are:

- Libra (Longhurst Group) Treasury plc
- Longhurst & Havelok Homes Limited
- Spire Homes (LG) Limited

In the future FCH may become an approved borrower under the Bank Facilities subject to the provisions of the Bank Facilities, which include *inter alia*, approval by the board of LG and approval by the Lenders.

RECENT DEVELOPMENTS

Provisional financial information for the year ending 31 March 2012

The condensed consolidated financial statements for the year ending 31 March 2012 have not been audited but have been reviewed by the Group's external auditors. The unaudited condensed consolidated financial statements were published on 26 June 2012 on the Group's website.

During the year ending 31 March 2012, one of the Group's subsidiaries (FCH) amalgamated with another Housing Association (Beechdale Community Housing Association). The financial results for the financial year ended 31 March 2011 have been re-stated to include the results of Beechdale Community Housing to show a like for like comparison with the financial statements for the financial year ended 31 March 2012.

Key highlights from financial statements for the financial year ended 31 March 2012

Compared to 2010/11, total Group turnover decreased from £87.4 million to £82.5 million, the reduced level of turnover in 2011/12 was due to a reduction in design and build work undertaken outside the Group moving from £8.8 million in 2010/11 to £0m in 2011/12. The consolidated operating surplus for the financial year ended 31 March 2012 increased by 36% to £16 million when compared to the financial year ended 31 March 2011.

Turnover from social housing lettings increased from £65.7 million in 2010/11 to £69.4 million in 2012. The operating surplus on social housing lettings increased from £11.9 million in 2011 to £15.2 million in 2012. The increase in revenues generated through social housing lettings was achieved through new stock coming into management and the RPI increase applied to the Group's social housing stock. Total operating costs on social housing lettings in the period increased marginally by £445,000 to £54.15 million.

Turnover on shared ownership first tranche sales increased from £2.5 million in 2010/11 to £3.3 million in 2011/12, shared ownership first tranche sales achieved a break even position in 2011/12 an improvement on the £239,000 loss reported in 2010/11. Net interest payable for the Group increased to £15.7 million in 2011/12, up from £15 million in 2010/11. The increase in net interest costs reflects the increase in total debt held by the Group to fund new developments. The average cost of borrowing for the Group reduced from 5.19% in 2010/11 to 4.99%, the reduction in the average cost of borrowing was largely due to a higher proportion of the Group's debt being held on a variable basis.

Surpluses generated through the sale of assets not developed for sale dropped from £7.1 million in 2010/11 to £3.4 million in 2011/12. The reduction in asset sales reflects the one-off disposal in 2010/11 of some of the Group's housing stock outside its core area of operation.

The historic cost of the Group's housing assets increased from £627.3 million at the start of the year to £669.9 million at the end of the financial year. Total loans outstanding at the end of 2011/12 stood at £321.9 million, up from £288.9 million. The increase in debt has been used to fund the Group's on-going development programme for rent and low cost home ownership properties. The Group's total cash reserves increased to £12.1 million at the end of 2011/12, up from £9.95 million in 2010/11. The net cashflow from operating activities increased by £1.9 million to £24.6 million and reflects the focus of management to improve income generation and reduce costs. The total cash expenditure on new developments exceeded £40 million during 2011/12, up from £25 million the previous year. The increase in capital expenditure was primarily due to the development programmes of L&H and Spire on a mix of general needs rented stock and low cost home ownership properties.

The consolidated net position on pension liabilities increased to £2.5 million at the end of 2011/12 up from £2 million at the start of the financial year. The Group's total free reserves have increased from £41.5 million at the start of the year to £44.6 million at the end of the financial year.

CONSOLIDATED FINANCIAL INFORMATION ON THE BORROWERS AND THE GROUP

The Group's next published financial statements for the year ended 31 March 2012 are required to be prepared in accordance with the Statement of Recommended Practice "Accounting by registered social housing providers Update 2010" ("**SORP 2010**"). The Group adopted SORP 2010 in the consolidated audited accounts for the year ended 31 March 2011 which are included in this Prospectus. The financial statements for the year ended 31 March 2011 incorporate comparable restated figures for the year ended 31 March 2010.

The change in accounting policy was in respect of a different method of accounting for expenditure on housing properties known as "component accounting". Under component accounting, where tangible fixed assets have two or more major components with substantially different useful economic lives, each component is accounted for separately for depreciation purposes and depreciated over its useful economic life. The adoption of component accounting and prior period adjustment that was made resulted in the Group's reserves increasing by £27.6 million, as shown in notes 23 and 31 of the consolidated Group accounts for the year ending 31 March 2011. The Borrowers are of the opinion that this does not constitute a significant change in financial or trading position or future prospects.

The SORP 2010 also required another change in accounting policy in relation to previous acquisitions of other entities. Previously, under SORP 2008, where the fair value of the net assets of such acquired entities was greater than the fair value of the consideration paid, such excess was included within a separate reserve which was amortised within reserves to the income and expenditure account reserve. SORP 2010 changed this treatment so that in most circumstances a separate reserve was no longer required. This change in accounting policy had no impact on the Financial Statements of the Borrowers or the consolidated Group accounts.

The restated financial information on the Borrowers and the Group and the accountant's report thereon are set out below. Information relating to the Group has been accurately reproduced from information published by Longhurst Group Limited, and so far as the issuer is aware and able to ascertain from information published by Longhurst Group Limited no facts have been omitted which would render the information misleading.

A description of the adjustments made as a result of the application of SORP 2010 is set out in the notes to the relevant financial information.

Beever & Struthers, Chartered Accountants and Statutory Advisor (the "**Auditor**") have given and have not withdrawn their consent to the inclusion in this Prospectus of their Accountant's Reports on the financial information of the Borrowers and the Group, as set out below, in the form and context in which they appear and has authorised the contents of those parts of this Prospectus which comprise its reports.

Part 1 LONGHURST AND HAVELOK HOMES LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

LONGHURST AND HAVELOK HOMES LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

Part 2 SPIRE HOMES (LG) LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

SPIRE HOMES (LG) LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

Part 3 LONGHURST GROUP LIMITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

LONGHURST GROUP LIMITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

LONGHURST AND HAVELOK HOMES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

Industrial and Provident Society Registration Number: 30779R

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BOARD MEMBERS AND EXECUTIVE STAFF

Board Members:

Mr S McFarlane (Chairman)
Mrs E Bowers
Ms P Duncan
Mr B Haigh
Mrs R Lewis (resigned 28/06/10)
Mr K Laidler
Mrs B Owen
Mr K Pretty (resigned 21/04/10)
Mr T Smith (deceased 15/05/10)
Mrs S Strugnell
Mrs L Scott
Mr G Snelson
Mrs P Walker (resigned 30/03/11)
Mrs R Woodland (joined 28/07/10)

Executive Officers:

Mr M Hardy BA(Hons) MBA FCIH
Mrs A Ray BA(Hons) MCIH DMS
Mrs S Leivers
Mr R Barr

Managing Director
Director of Operation Services
Director of Leasehold Sales
Director of Care & Support

Senior Managers:

Mrs A Graves
Mr R Tweddell

Head of Tenancy Services
Head of Property Services

Registered Head Office:

Leverett House
Gilbert Drive
Endeavour Park
Boston
PE21 7TQ

Principal Bankers:

Lloyds TSB Bank plc
Market Place
Boston
Lincolnshire

Auditors:

Beever and Struthers
Chartered Accountants and Statutory Auditor
St George's House
215 - 219 Chester Road
Manchester M15 4JE

Solicitors:

Trowers and Hamlins
Heron House
Albert Square
Manchester M2 5HD

Freeth Cartwright
Express Buildings
29 Upper Parliament Street
Nottingham NG1 2AQ

Registered with the Tenant Services Authority No: L4542

REPORT OF THE BOARD

The Board of Longhurst & Havelok Homes Limited is pleased to present its financial statements for year ended 31 March 2011.

Background

Longhurst & Havelok (L&H) Homes is a dynamic new housing and care provider, owning and managing approximately 8,000 homes across the East and West Midlands, East of England and Yorkshire and Humberside.

Initially established as two separate organisations – Longhurst Homes and Havelok Homes, the two companies amalgamated in October 2009 to become a major provider of housing, care and support.

Corporate Mission and Aims

The L&H Homes' strategy and aims are set out in its Strategy Delivery Plan, produced annually and formally approved by the Board.

The Association's primary focus is *"to achieve, sustain and build on Customer Service Excellence"*. This vision is underpinned by six corporate aims:

- Growth and business development – delivering excellent affordable homes, care and support and management services
- Organisational culture and development – developing a shared culture, empowering colleagues and encouraging positive relationships
- Communication and access – furthering innovative and effective ways to communicate with customers, providing relevant business information and improving service delivery and efficiency through technology
- Customer insight and involvement – delivering services which meet customer needs and preferences, promoting resident involvement and using customer feedback to drive service improvements
- Delivering quality services – that meet our published standards, support and enhance local communities and demonstrate value for money
- Governance and viability – ensuring appropriate levels of scrutiny, assessing and monitoring success and maintaining financial viability.

The Association's core business priorities for 2011/12 are:

- To be awarded the Customer Service Excellence Standard for the entire business, achieving accreditation in September 2011
- Develop and implement our customer insight strategy
- Review the role of the Contact Centre
- To continue the programme of service charge reviews
- To implement the Board Approval Strategy to address losses in the associations two registered care homes
- Review sheltered housing schemes, and the Domiciliary Care Service (L&H @ Home)
- Bring into management a further 320 new homes.

In delivering its strategy, L&H Homes also contributes towards Longhurst Group's mission, *"to lead and inspire growth based on excellence in service provision"*.

Future Plans

L&H Homes, together with its Longhurst Group ‘parent’ and other member companies, manages and owns a major housing portfolio across several regions.

This, combined with our membership of the Blue Skies Consortium, highlights the Association’s strong track record and expertise in supporting communities. We relish this responsibility and will work hard to further build upon our solid reputation.

We are used to operating in a sector where change is the only constant. Through careful management and resourcing, both L&H Homes and Longhurst Group are well-placed to anticipate and respond to these shifts.

Like other new businesses within the UK and globally, L&H Homes has had to respond to the effects of the recession, and to the major changes to policy affecting our sector relating to both rents and tenure. The financial strength of the organisation has enabled us to manage the impact of care home losses whilst preparing to implement our strategy to address this position.

Within L&H Homes, we have identified key themes that we believe are fundamental to achieving customer service excellence. These themes provide a clear and simple framework for ensuring that our approach and services contribute towards achieving excellence; our progress against each theme follows.

Shared strength individual focus

As an asset-holding member of Longhurst Group, we have the best of both worlds; relative independence to operate efficiently, and the ability to both share strengths and to gain recognition for individual talents. Our shared commitment to retaining and developing our Board and workforce and maximising their potential is critical to maintaining our positive reputation and attracting new talent.

Our size, strength and autonomy makes us an even more attractive proposition for partners to work with – and it allows us to improve our collective purchasing and bargaining power. That’s good news for L&H Homes, Longhurst Group and individuals whom we serve.

We are aware that future capital investment activities will be significantly more modest. Our individual and group business strategies have carefully considered prevailing political, economic, social and technological risks and we assume that the years ahead are likely to feature:

- Less Government spending and subsidy
- Significant changes to our sector due to rent policy, flexible tenures and the major overhaul of the benefits system
- The cost of lending going up
- Significant impact on Supporting People funding.

Yet at the end of the year, our take on the economy – despite a tricky economic climate, particularly in housing – was relatively upbeat. L&H Homes has the capacity to deliver a sizable development programme; we expect to bring into management around 300 additional units over the next year, which represents the lion’s share of the group’s development. By completion, we will have over 8,000 homes in management.

Since the start of the year we have been working with our Group Development colleagues and the Blue Skies Consortium on a bid to the Homes & Communities Agency for the 2011-2015 Affordable Housing Programme. The bid that L&H Homes submitted was to deliver over 700 new properties over the next four years.

The results of the HCA bidding programme were announced on the 14th July 2011. L&H Homes, along with the rest of the Blue Skies Development Consortium were extremely disappointed to learn that our bid had not been awarded an allocation of Social Housing Grant over the next four years. The Group has been informed by the HCA that we will retain our development partner status and therefore have access to any new bidding rounds in the future. L&H Homes, along with the rest of the Group, are also considering

whether to enter into other arrangements with the HCA, that would enable L&H Homes to take advantage of any shortfall in delivery or if others do not take up funding allocations. Despite our obvious disappointment at missing out on an allocation from the HCA, the Board of L&H Homes remains committed to development and providing new homes in the areas we work. Our Group Development and Finance teams are now assessing what level of Development activity we can continue to deliver without Social Housing Grant.

This year has seen L&H Homes record a deficit, despite generating surpluses in the past. This has been due to a number of factors, including difficult trading conditions for our registered residential care homes, and overspends on repair contracts. As we look forward to the future we have plans in place to address the past difficulties in registered care, including remodelling services to include areas of high demand such as dementia care, we have re-tendered our responsive and void repair contract, consolidating this across our entire area of operation, and we are confident this will deliver greater value for money. Our budget for the coming year is for L&H Homes to return to generating a surplus.

So whilst the coming months are set to bring more change and volatility to the sector, we are geared up for the challenge. Our financial plans enable us to make the required investment to existing homes across our operating areas, as well develop new affordable units to meet local housing needs. Underpinning this investment is our commitment to maintain our position as a strong, efficient landlord that goes beyond the basics – providing extra services that engage, support and develop people.

Organisational Culture and Development

As a relatively new organisation, one of our most important tasks has been to develop a shared culture which will stand the test of time and reflect L&H Homes' status as a major regional player. Our approach is about empowering colleagues and encouraging positive relationships.

To develop and embed the culture of the organisation, we have worked with partners such as Oasis to embark on visioning initiatives, exploring what L&H Homes might look like in 2014. We are determined to set an exciting, compelling vision that all colleagues buy into as we move the organisation forward.

More recently we have held 'shaping the future' workshops, facilitated by the Equality Foundation and involved a large number of staff in agreeing and shaping the culture and values of our organisation.

Communication and Access

Communication with a wide range of customers and stakeholders is very important to L&H Homes. Our business covers a much wider area than other Longhurst Group members and our approach to communications reflects this; there are lots of opportunities for us to listen and act, and we adapt to meet the different situations.

We involve neighbourhoods in housing through estate walkabouts, healthy eating and keep fit programmes, focus groups and much more. There's an active tenant forum, which offers many ways for people to get involved. Our community vehicle helps us to be an accessible provider even in areas where people would otherwise be isolated. And we have our own mascot, Finn, which helps us to engage families and young people and ensure their views help to shape our business.

We also work with partners such as Groundworks, health professionals and police forces – in fact, the links are so strong that some PCSO's even receive training from L&H Homes as part of their induction!

Customer Insight and Involvement

A fundamental element of our future plans involves using the information we hold and obtain to target our services to meet the needs and preferences of our customers, and using customer feedback to drive service improvements.

Focusing on supported housing, we have recently launched a domiciliary care service within the Grimsby area which aligned with the social care personalisation agenda. Giving people as much choice as possible in

choosing care to suit their unique needs, rather than delivering set services. We believe there is a significant demand for this type of service and will use our customer insights and knowledge to build both the supply of this service and expertise in delivering it.

Delivering Quality Services

Within L&H Homes and the wider Group, we believe that growth and excellence are closely linked. Future growth – whether that means homes owned, turnover generated or additional services – will not be at the expense of achieving excellence in performance and innovation. Customer, partner and regulator validation will be key in helping us to benchmark our success.

During 2010/11 we retendered our repairs and gas servicing contracts and awarded contracts to Kier Property Services and Aaron Gas Servicing respectively. Residents were fully consulted throughout this process and both contracts started on 1st April 2011.

Like other housing providers, responding to the new regulatory framework in 2010 we have now agreed with our residents our ‘local offers’ and have published our service standards. The revised model of regulation will focus on the ability of the organisation to contribute to the localism agenda through efficient financial management using the standards established by the TSA but based on two key strands of consumer protection and economic outcomes which may require different levels of regulatory activity. We are confident that we are fully prepared to deal with a new approach and our association’s very high tenant satisfaction levels, CharterMark accreditation experience and work towards the new Customer Service Excellence Standard already give us a good benchmark as well as a clear focus for the future.

There are some priorities for us to address on the care and support side of the business. For example, we need to make changes to our residential care home provision; this may require some diversification to take account of changing expectations and the need for greater flexibility (for example, providing dementia care). We need to develop services that people want to buy and make sure schemes can generate the income needed to ensure their long term viability for all stakeholders. Given our strong track record in care and support we are confident of success in this area. We also need to review our sheltered housing schemes, ensuring that the schemes we retain will be suitable in the years ahead.

Corporate Governance

Maintaining a healthy board and committee structure is important to both L&H Homes and the wider Longhurst Group; this ensures that we make strong decisions and manage anticipated business risks effectively.

Governance arrangements are in place to deliver our aims and objectives to customers in a transparent, accountable manner – whilst also managing resources effectively to maintain viability. L&H Homes has its own governance policy, based on sector best practice. There is also a Group-wide Code of Conduct that applies to both Board members and staff.

In line with our company memorandum and articles and governance policy, the direction and control of the Association’s activity is managed by a Board – representing a broad cross-section of tenant, local and professional interests. The Chairman of the L&H Homes Board also serves as a representative on the Longhurst Group Board.

The L&H Homes Board meets regularly and we are committed to ongoing board development and support; through our appraisals process, with training needs agreed with all members annually.

Over the last 6 months we have spent considerable time carrying out a thorough governance review with our Board and as a result the Board has agreed a new set of competencies and a new appraisal process which is currently being implemented. The Board has also taken the decision to pay all Board Members (other than co-opted members) from April 1st 2011 and implemented a new capability policy for Board Members. A revised Governance Policy and Code of Conduct were agreed in February as were a number of further actions that are currently being progressed including; the development of a new application pack, a new

induction processes, more regular skills audit processes and new training and development plans across the Board.

At Group level, the Audit Committee also provides clear direction and helps to maintain strong governance across Longhurst Group and all of its member companies, including L&H Homes. Our Association is represented on the Audit Committee.

To enable effective leadership and governance, we provide timely, relevant information to the Board on strategic and operational performance. Also, by constantly reviewing our business plan objectives and outcomes, we can ensure both future organisational sustainability and our reputation in delivering promises and commitments. Finally in this respect, our governance structures ensure appropriate levels of financial scrutiny and monitoring and effective risk management.

We believe that the controls and policy framework in place satisfy the requirements of strong governance.

Statement of the Board's Responsibilities in Respect of the Accounts

The Board is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its income and expenditure for that period. In preparing these accounts the Board is required to:-

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. State whether applicable accounting standards have been followed.
4. Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable it to ensure that the accounts comply with the Industrial and Provident Societies Acts and the Housing and Regeneration Act 2008. In determining how amounts are presented within items in the income and expenditure account and balance sheet, the Board has had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice. The Board is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over the Association's accounting records, cash holdings and all its receipts and remittances.

As far as the Directors are aware there is no relevant audit information of which the auditors are unaware.

The Directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any audit information and to establish that the Association's auditors are aware of that information.

Statement on Internal Controls

The Board acknowledges its ultimate responsibility in ensuring that the Association has an effective system of internal controls in place. The system of internal controls is designed to manage key risks and provide reasonable assurance that planned business objectives are achieved and well-managed.

It is the Board's responsibility to establish and maintain appropriate systems of internal control. The Group Board also has overall responsibility for ensuring that the appropriate level of internal control is in place throughout all Group companies. Such systems of control can only provide reasonable and not absolute assurance against material financial misstatement or loss. The Group Board is supported in its responsibility in overseeing the adequacy and effectiveness of internal controls across the Group by the Audit Committee.

The Board's approach to risk management includes the regular evaluation of the nature and extent of the risks to which the Association is exposed. The approach is consistent with the Turnbull principles and accepted good practice. Key elements include:

- i) Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- ii) The Board has adopted a clear anti-fraud policy statement and approved a detailed fraud response plan. The policy statement has been communicated to staff and is part of the Governance Policy of the Association. The Audit Committee has reviewed the fraud register on a quarterly basis during 2010/11.
- iii) The Board has approved a risk management strategy and continues to develop procedures to identify, assess and manage risks to which the Association is exposed.
- iv) Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established for both Board and members of staff to maintain standards of performance.
- v) Forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are promptly prepared, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- vi) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.
- vii) The Audit Committee reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and being followed. This includes a review of the major risks facing each Association within the Group. The Audit Committee makes regular reports to the Boards.
- viii) Formal procedures have been established for instituting appropriate action to correct weaknesses identified by the internal and external auditors as well as issues identified by the Audit Committee and individual Boards.

The Board confirms that there is an ongoing process for identifying and managing the significant risks faced by the Association.

The Board has reviewed the effectiveness of the system of internal control in existence in the Association for the year ended 31 March 2011 and until the date of approval of these accounts. No weaknesses were found in internal controls that resulted in material losses, contingencies, or uncertainties that require disclosure in the financial statements or in the auditor's report on the financial statements.

Political and charitable

There were no political and charitable contributions during the financial year ended 31 March 2011 (2010: Nil).

Auditors

A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint Beever and Struthers as the Association's external auditors.

Approved by the Audit Committee on 21st July 2011 under delegated authority from the Board on 25th May 2011 and signed on its behalf by:

..... Mr M A Hardy

Date: 21st July 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LONGHURST AND HAVELOK HOMES LIMITED

We have audited the financial statements of Longhurst and Havelok Homes Limited for the year ended 31 March 2011 on pages 101-121. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Board and the Auditor

As explained more fully in the Statement of Board's Responsibilities set out on page 6, the Board is responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Board Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2011 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts, 1965 to 2002, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts, 1965 to 2002 require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records;
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

Beever and Struthers
Chartered Accountants and Statutory Auditor
St George's House
215/219 Chester Road
Manchester
M15 4JE

Date: 21st July 2011

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	2011 £'000	Restated 2010 £'000
Turnover	3	30,774	31,248
Cost of sales	3	(1,855)	(1,916)
Operating costs	3	(24,234)	(24,166)
Operating surplus		4,685	5,166
Surplus on sale of fixed assets	6	243	809
Interest receivable and other income	7	11	30
Interest payable and similar charges	8	(5,966)	(5,329)
(Deficit) / Surplus for the year	9	(1,027)	676

All amounts relate to continuing activities.

There is no difference between the (deficit) / surplus on ordinary activities before taxation and the retained surplus for the year stated above, and their historical cost equivalents.

The notes on pages 104 to 121 form an integral part of these financial statements.

**STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31 MARCH 2011**

	2011 £'000	Restated 2010 £'000
(Deficit)/surplus for the financial year	(1,027)	676
Total recognised surpluses and deficits relating to the year	(1,027)	676
Prior year adjustment (see note 34)	1,696	—
Total surpluses since the last annual report	669	676

BALANCE SHEET
AS AT 31 MARCH 2011

I&PS Registration No: 30779R

	Notes	Restated 2011 £'000	2010 £'000
Fixed assets			
Housing properties at depreciated cost	13	308,802	284,223
Less: Social Housing and other Grants	13	(159,193)	(151,683)
		<u>149,609</u>	<u>132,540</u>
Other fixed assets	14	10,173	10,391
Total fixed assets		<u>159,782</u>	<u>142,931</u>
Current assets			
Properties and other assets held for sale	15	2,692	3,046
Stocks	16	10	–
Debtors	17	2,229	2,710
Investments	18	–	–
Cash at bank and short term deposits		3,141	6,543
		<u>8,072</u>	<u>12,299</u>
Less Creditors			
Amounts falling due within one year	19	(13,071)	(11,426)
Net current (liabilities) / assets		<u>(4,999)</u>	<u>874</u>
Total assets less current liabilities		<u>154,783</u>	<u>143,804</u>
Creditors			
Amounts falling due after more than one year	20	121,818	109,812
Capital and reserves			
Share capital			
Revenue reserves	22	–	–
	23	32,965	33,992
Accumulated reserves		<u>32,965</u>	<u>33,992</u>
		<u>154,783</u>	<u>143,804</u>

The notes on pages 104-121 form an integral part of these financial statements.

The financial statements on pages 101-121 were approved by the Audit Committee on 21 July 2011 under delegated authority from the Board on 25 May 2011 and were signed on its behalf by:

Director Mr S McFarlane

Director Mr G Snelson

Secretary Mr M A Hardy

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	Restated 2011 £'000	2010 £'000
Net cash flow from operating activities	24	9,550	8,699
Returns on investments and servicing of finance	25	(6,086)	(6,280)
Capital expenditure and financial investment	25	(19,875)	(15,670)
Net cash (outflow) before use of liquid resources and financing		(16,411)	(13,251)
Management of liquid resources	25	–	–
Financing	27	13,009	11,705
(Decrease) in cash		(3,402)	(1,546)
Reconciliation of net cash flow to movement in net debt			
(Decrease) in cash	26	(3,402)	(1,546)
(Increase) in debt	26	(13,055)	(11,705)
Change in net borrowings due to cash flow	26	(16,457)	(13,251)
Net borrowings at beginning of period		(103,712)	(90,461)
Net borrowings at end of period	26	(120,169)	(103,712)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1. LEGAL STATUS

The Association is incorporated as an Industrial and Provident Society (registered number 30779R) and is registered with the Tenant Services Authority as a Registered Provider, as defined by the Housing and Regeneration Act 2008, (registration number L4542).

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and Statements of Recommended Practice of the United Kingdom. The accounts comply with the Industrial and Provident Societies Acts 1965 to 2002, the Housing and Regeneration Act 2008, the Accounting Requirements for Registered Social Landlords General Determination 2006, and the Statement of Recommended Practice: accounting by Registered Social Housing Providers Update 2010 published by the National Housing Federation. The accounts are prepared on the historical cost basis of accounting.

Turnover

Turnover represents rental income receivable, fees and grants from local authorities and the Homes and Communities Agency, income from the sale of shared ownership and other properties developed for outright sale and other income.

Housing Properties and Depreciation

Housing properties for rent are stated at cost less accumulated depreciation and related social housing grant. Houses are transferred to completed properties when they are ready for letting. The Association has undertaken an annual impairment exercise over all its properties with a useful life of greater than 50 years and this has not resulted in any reduction in the value of fixed assets at the present time.

Freehold land is not depreciated.

Housing properties in the course of construction are stated at cost and are not depreciated. These are reclassified as housing properties upon practical completion of construction.

Where a housing property comprises two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to the subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged on a straight line basis over the assets expected useful economic lives. For structure only, depreciation is charged after taking into account any social housing grant. The useful economic lives for the identified components is as follows:

Land	Not Depreciated	
Structure	120	Years
Roof	60	Years
Heating	20	Years
Windows	30	Years
Electrical	35	Years
Bathrooms	30	Years
Kitchens	20	Years
Lifts	15	Years
Doors	30	Years

Social Housing and Other Grants

Where developments have been financed wholly or partly by Social Housing and Other Grants, the grant received is allocated only against the land and structure components of the asset.

Social Housing Grant received for items of cost written off in the Income and Expenditure Account are matched against those costs as part of turnover.

Social Housing Grant is repayable in certain circumstances and in that event is a subordinated, unsecured, repayable debt is created.

The Social Housing Grant received and not spent is included in current liabilities, taking into account all properties under construction.

Social Housing Grant can be recycled by the Association under certain conditions, if a property is sold or another relevant event takes place. In these cases, the Social Housing Grant can be used for projects that meet the requirements of the HCA's Capital Funding Guide. However, Social Housing Grant may have to be repaid if certain conditions are not met.

Non Housing Fixed Assets

Non housing fixed assets include all fixed assets, excluding housing properties. Assets are held at cost, and depreciated, less any allocated grant, over their useful economic lives, which are stated below:

Freehold Offices	2% per annum on cost
Furniture and Fittings	15% per annum on cost
Office Equipment	20% per annum on cost
Motor Vehicles	20% per annum on cost
Computer Equipment	25% per annum on cost

Shared Ownership

The costs of shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets. The fixed asset element of the shared ownership property is split into land and structure, any social housing grant received is allocated against the structure element, and the net cost after grant is depreciated over 120 years.

Loan Finance Issue Costs

These are written off evenly over the life of the related loan. Loans are stated in the balance sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs, are recognised in the income and expenditure account in the year in which the redemption took place.

Capitalisation of Interest and Administration Costs

Interest on loans financing development is capitalised up to date of the completion of the scheme and only when development activity is in progress.

Specific administration costs relating to development activities are capitalised based on an apportionment of the management time spent on this activity. Non specific administration costs relating to the development department have not been capitalised.

VAT

The Association charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Association and not recoverable.

Properties managed by agents

Where the Association carries the majority of the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Income and Expenditure Account.

Where the agency carries the majority of the financial risk, the Income and Expenditure Account includes only that income and expenditure which relates solely to the Association.

In both cases, the assets and associated liabilities are included in the Association's balance sheet.

Sale of housing properties

Properties developed for outright sale are included in turnover and cost of sales. Properties not developed for outright sale are divided into first tranche sales and other sales. The appropriate proportion of costs of housing properties that are built with the intention of full or partial sale, including equity share and shared ownership properties, are disclosed as current assets and stated at the lower of cost or net realisable value.

First tranche sales proceeds and the relative proportion of the property cost are recognised in turnover and cost of sales respectively. Subsequent tranches are not included within turnover and cost of sales but are shown as a separate item after the operating surplus in the income and expenditure account. All other sales of fixed asset properties are dealt with in this way.

Where a property is part of a distinct development scheme with mixed tenure elements, the surplus recognised on the elements sold is limited to the surplus calculated on the entire scheme. For the elements that are retained as fixed assets, the surplus or deficit is calculated by reference to the assets' existing use value for social housing.

Impairment

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified.

Improvements to properties and major repairs

The Group capitalises expenditure on housing properties that results in an increase in rental income over the life of the property. This increase may be a result of an increase in rental income, reduction in maintenance costs or significant extension of the life of the property.

Major repairs expenditure of a capital nature has been capitalised in line with the above.

Major repairs expenditure of a revenue nature is reflected in the income and expenditure account together with any related grant funding.

Leased Assets

Within the housing stock of the Association there are a number of properties held on short-term leases. The lease costs are written off to the income and expenditure account as incurred.

Pension Scheme

The Association participates in the Social Housing Pension Scheme; a defined benefit final salary pension scheme. As the Pensions Trust is unable to identify the Association's underlying share of assets and liabilities, the Association has therefore accounted for contributions made to the Social Housing Pension Scheme as if it were a defined contribution scheme.

Taxation

The Association is registered as a Charitable Industrial and Provident Society and as such is exempt from UK Corporation Tax.

Stock and Work In Progress

Stock and work in progress are stated at the lower of cost and net realisable value.

Current Asset Investments

Current asset investments are included in the Balance Sheet at Market Value.

Loan Interest Costs

The full costs of deferred interest rate and indexation loans are shown in the Income and Expenditure Account.

Support Income and Costs including Supporting People Income and Costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the turnover note 3. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the income and expenditure from social housing lettings note 4 and matched against the relevant costs.

Operating Leases

Rentals paid under operating leases are charged to the Income and Expenditure Account as incurred.

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

2011				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	25,433	–	(20,386)	5,047
OTHER SOCIAL HOUSING ACTIVITIES				
Managed operations	1,859	–	(1,899)	(40)
Supporting People Contract Income	605	–	(644)	(39)
Development – First tranche shared ownership sales	1,714	(1,683)	(201)	(170)
Development – Other	796	–	(814)	(18)
Management Services	69	–	(17)	52
Other Activities	298	(172)	(273)	(147)
	5,341	(1,855)	(3,848)	(362)
TOTAL	30,774	(1,855)	(24,234)	4,685
Restated 2010				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	26,658	–	(21,096)	5,562
OTHER SOCIAL HOUSING ACTIVITIES				
Managed Operations	1,720	–	(1,680)	40
Supporting People Contract Income	–	–	–	–
Development – First tranche shared ownership sales	1,733	(1,826)	(229)	(322)
Development – Other	974	–	(1,056)	(82)
Management Services	53	–	(18)	35
Other Activities	110	(90)	(87)	(67)
	4,590	(1,916)	(3,070)	(396)
TOTAL	31,248	(1,916)	(24,166)	5,166

4. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT) FROM SOCIAL HOUSING LETTINGS

	2011					Restated 2010
	General Needs Housing £'000	Supported Housing and Housing for older people £'000	Residential Care Homes £'000	Low Cost Home Ownership £'000	2011 £'000	£'000
Income from social housing lettings						
Rents receivable net of identifiable service charges	18,100	1,346	2,380	1,154	22,980	22,477
Service charges	1,083	462	–	253	1,798	1,640
Charges for support services	2	479	–	–	481	1,166
Net rents receivable	19,185	2,287	2,380	1,407	25,259	25,283
Revenue grants from the Homes and Communities Agency	–	–	–	–	–	–
Revenue grants from Local Authorities and other agencies	–	–	–	–	–	375
Major Repair grant from RCGF	174	–	–	–	174	1,000
Total income from social housing lettings	19,359	2,287	2,380	1,407	25,433	26,658
Expenditure						
Management	2,528	530	352	244	3,654	3,412
Services	1,509	1,013	2,542	76	5,140	6,080
Routine Maintenance	4,837	467	115	27	5,446	4,918
Planned Maintenance	1,532	122	27	3	1,684	1,732
Major repairs expenditure	581	75	44	7	707	1,708
Rent losses from bad debts	110	7	3	–	120	203
Property Lease Costs	190	–	–	–	190	218
Depreciation of Housing Properties	3,243	–	39	95	3,377	2,777
Write down of Current Assets	–	–	–	61	61	35
Lease amortisation	7	–	–	–	7	13
Total expenditure on social housing lettings	14,537	2,214	3,122	513	20,386	21,096
Operating surplus on social housing lettings	4,822	73	(742)	894	5,047	5,562
Rent losses from voids	240	83	249	–	572	543

5. ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation owned for each class of accommodation was as follows:

	2011	2010
	No.	No.
Units in Management owned by the Association		
General housing	5,336	5,054
Supported and Sheltered Housing	441	466
Shared Ownership	675	683
Leasehold Schemes for the elderly	863	864
Care Homes	121	122
Total Social Housing Properties	7,436	7,189
Units in Management on stock not owned by the Association	454	469
Total owned and managed	7,890	7,658

At 31 March 2011 the Association owned 45 units (2010: 51 units) which were managed by agents.

6. SURPLUS ON SALE OF FIXED ASSETS

	Shared Ownership Staircasing £'000	Right to Buy and Voluntary Sales £'000	Total 2011 £'000	Total 2010 £'000
Proceeds of Sale	421	607	1,028	2,039
Less: Cost of Sales	(379)	(406)	(785)	(1,230)
	42	201	243	809

7. INTEREST RECEIVABLE AND OTHER INCOME

	2011	2010
	£'000	£'000
Interest receivable and similar income	11	30

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
	£'000	£'000
Repayable within 5 years by instalments	985	82
Repayable wholly or partly in more than 5 years by instalments	5,258	5,534
Other	173	296
Less: Interest payable capitalised on housing properties under construction	(450)	(583)
	5,966	5,329

The average interest rate used to determine the amount of finance costs capitalised during the period was 5.145% (2010: 5.292%)

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2011 £'000	Restated 2010 £'000
This is stated at after charging:		
Depreciation of housing properties	3,377	2,995
Depreciation on other tangible fixed assets	342	281
Bad debts	120	203
Auditors remuneration (inclusive of VAT):		
In their capacity as auditors	28	28
In respect of other services	—	—
Operating lease charges re HAMA shortlife properties	190	218

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

The Association is now registered as a Charitable Industrial and Provident Society and as such is exempt from UK Corporation Tax.

11. STAFF COSTS

	2011 £'000	2010 £'000
Staff costs, including the Executive Officers:		
Wages and salaries	5,418	6,095
Social security costs	350	390
Other pension costs	353	287
	6,121	6,772

	2011 Number	2010 Number
The average monthly number of persons (including the Executive Officers) employed during the year expressed as full time equivalents		
Office staff	114	113
Wardens, caretakers and cleaners	182	157
Total employees	296	270

12. DIRECTORS

Directors are defined as the Board Members and the Executive Officers who are employed by the Association identified on Page 93.

	2011	2010
	Number	Number
The number of Executive Officers, including the highest paid executive, who received emoluments	4	4

	2011	2010
	£'000	£'000
Emoluments, including pension contributions and benefits in kind		
Non Executive Board Members	12	15
Executive Officers	351	341
	363	356

	2011	2010
	£'000	£'000
The emoluments of staff disclosed above (excluding pension contributions) include amounts paid to :		
	Mr M	Mr M
	Hardy	Hardy
The highest paid Director (the Managing Director):	109	106

The Managing Director is an ordinary member of the Social Housing pension scheme. Contributions are payable in line with other members of the Association and no enhanced or special terms apply. A contribution by the Association of £11,055 (2010: £12,819) was paid in addition to the personal contributions of the Managing Director.

Benefits in kind relate to leased car, professional subscriptions, and health care insurance.

13. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

	Housing properties held for letting £'000	Housing properties under construction £'000	Shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
As at 1 April 2010	233,034	29,867	23,048	5,715	291,664
Prior Year Adjustment	13,815	(260)	112	167	13,834
At 1 April 2010 Restated	246,849	29,607	23,160	5,882	305,498
Additions	282	25,358	5	1,849	27,494
Schemes completed in year	43,229	(44,600)	4,648	(3,277)	–
Replacement of Components	1,761	–	–	–	1,761
Disposals	(1,901)	(81)	(352)	(4)	(2,338)
At 31 March 2011	290,220	10,284	27,461	4,450	332,415
Depreciation					
As at 1 April 2010	8,276	–	263	–	8,539
Prior Year Adjustment	12,477	–	259	–	12,736
At 1 April 2010 Restated	20,753	–	522	–	21,275
Charged in year	3,282	–	95	–	3,377
Released on disposal	(1,031)	–	(8)	–	(1,039)
At 31 March 2011	23,004	–	609	–	23,613
Depreciated cost at 31 March 2011	267,216	10,284	26,852	4,450	308,802
Social housing and Other grants					
As at 1 April 2010	124,492	16,211	9,607	1,972	152,282
Prior Year Adjustment	(586)	190	(16)	(187)	(599)
At 1 April 2010 Restated	123,906	16,401	9,591	1,785	151,683
Received during the year	–	8,974	–	366	9,340
Disposals – SHG recycled	(1,720)	–	(110)	–	(1,830)
Schemes completed in year	17,658	(18,003)	1,203	(858)	–
At 31 March 2011	139,844	7,372	10,684	1,293	159,193
Net book value					
At 31 March 2011	127,372	2,912	16,168	3,157	149,609
At 31 March 2010 Restated	102,190	13,206	13,047	4,097	132,540
Expenditure on works to existing properties					
				2011	2010
				£'000	£'000
Replacement of Components				1,761	1,315
Amounts charged to Income & Expenditure Account				707	1,708
				2,468	3,023

The Net Book Value of these properties is made up as follows:

	2011	2010
	£'000	£'000
Freehold	149,609	132,540
Long leasehold	–	–
Short leasehold	–	–
SHG Receivable	149,609	132,540

The total accumulated SHG received or receivable at the Balance Sheet date from capital or revenue sources was £168,957,521 (2010: £160,092,164).

14. TANGIBLE FIXED ASSETS – OTHER

	Scheme Furnishings And Equipment £'000	Freehold Offices £'000	Computer Equipment £'000	Motor Vehicles £'000	Office Furnishings and Equipment £'000	Total Other Fixed Assets £'000
COST						
At 1 April 2010	692	10,674	917	219	224	12,726
Additions	79	80	28	–	7	194
Disposals	(63)	–	(60)	–	(65)	(188)
At 31 March 2011	708	10,754	885	219	166	12,732
DEPRECIATION						
At 1 April 2010	366	752	709	174	184	2,185
Charge for the period	72	141	101	21	7	342
Disposals	(18)	–	(60)	–	(40)	(118)
At 31 March 2011	420	893	750	195	151	2,409
GRANTS						
At 1 April 2010 and 31 March 2011	–	150	–	–	–	150
NET BOOK VALUE						
At 31 March 2011	288	9,711	135	24	15	10,173
At 31 March 2010	326	9,772	208	45	40	10,391

15. PROPERTIES AND OTHER ASSETS HELD FOR SALE

	2011	2010
	£'000	£'000
Properties held for sale:		
Completed	1,406	2,406
In course of construction	1,286	640
At 31 March 2011	2,692	3,046

16. STOCKS

	2011	2010
	£'000	£'000
Consumable stocks	10	—

17. DEBTORS

	2011	2010
	£'000	£'000
Amounts falling due within one year		
Rental debtors	1,315	1,366
Less: Provision for bad and doubtful debts	(589)	(513)
	726	853
Prepayments and accrued income	380	331
SHG receivable	591	674
Other debtors	75	131
Intercompany debtor	457	721
	2,229	2,710

18. CURRENT ASSET INVESTMENTS

	2011	2010
	£'000	£'000
Short term money market deposits	—	—

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£'000	£'000
Housing loans	2,601	1,708
Funders interest	1,186	1,047
Rents and service charges received in advance	275	295
Trade creditors	876	1,177
Other taxation and social security costs	191	173
Accruals and deferred income	1,279	2,610
Other Creditors	47	63
Funds held in trust (Sinking Fund)	1,901	1,996
Intercompany creditors	3,290	1,310
Recycled capital grant fund (note 21)	1,425	1,047
	13,071	11,426

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2011	2010
	£'000	£'000
Housing loans	120,709	108,547
Recycled Capital Grant Fund (note 21)	1,109	1,265
	121,818	109,812
Amounts repayable by instalments:		
Repayable in less than one year	2,601	1,708
Repayable between one to two years	3,727	2,367
Repayable between two to five years	12,860	9,256
Repayable after five years	104,999	97,782
	124,187	111,113
Add: Loan premium	9	11
Less: issue costs	(886)	(869)
	123,310	110,255

Loans from banks and building societies are secured by specific charges on the Association's housing properties. The loans are repayable at varying rates of interest. The average rate of interest at 31 March 2011 was 5.145% (2010: 5.292%).

21. RECYCLED CAPITAL GRANT FUND (RCGF)

	£'000
Opening balance at 1 April 2010	2,312
Grants recycled	382
Recycled grant utilised	(174)
Interest accrued	14
At 31 March 2011	2,534

22. SHARE CAPITAL

	£
At 31 March 2010 and 31 March 2011	39

The shares do not have a right to a dividend or distribution in the event of a winding up, and are not redeemable. Each share has full voting rights.

23. REVENUE RESERVES

	Revenue Reserve £'000
At April 1st 2010 as previously stated	32,296
Prior Year Adjustment (Note 34)	1,696
At April 1st 2010 restated	33,992
Deficit for the year	(1,027)
Revenue Reserve at 31 March 2011	32,965

24. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £'000	2010 £'000
Operating surplus for the year	4,685	5,166
Depreciation charges	3,726	3,276
Impairment	61	35
Movement in stocks	344	(361)
Movement in debtors	(707)	1,209
Movement in creditors	1,441	(626)
Net cash inflow from operating activities	9,550	8,699

25. ANALYSIS OF CHANGES IN CASH AND EQUIVALENTS

	2011 £'000	2010 £'000
Returns on investments and servicing of finance		
Interest received	6	11
Interest paid	(6,092)	(6,291)
	(6,086)	(6,280)
Capital expenditure and financial investment		
Purchase of housing properties	(30,132)	(32,154)
Sale of housing properties (net of cost of sales)	1,028	2,039
SHG received	9,423	14,607
Purchase of other fixed assets	(194)	(162)
	(19,875)	(15,670)
Management of liquid resources		
Short term deposits	—	—
Financing		
Increase in debt due after one year (note 27)	(13,009)	(11,705)

26. ANALYSIS OF NET BORROWINGS

	At 1 April 2010 £'000	Cash Flows March 2011 £'000	At 31 March 2011 £'000
Cash at bank and in hand excluding short term deposits	6,543	(3,402)	3,141
Short term deposits	—	—	—
Housing & non - housing loans < 1 year	(1,708)	(893)	(2,601)
Housing & non - housing loans > 1 year	(108,547)	(12,162)	(120,709)
Total	<u>(103,712)</u>	<u>(16,457)</u>	<u>(120,169)</u>

27. ANALYSIS OF CHANGES IN FINANCING

	2011 £'000	2010 £'000
Loans received	15,000	13,602
Loans repaid	(1,926)	(1,645)
Issue costs incurred	(65)	(252)
	<u>13,009</u>	<u>11,705</u>

28. CAPITAL COMMITMENTS

	2011 £'000	2010 £'000
Capital expenditure		
Capital expenditure contracted for but not provided for in the accounts	25,402	30,062
Expenditure authorised by the Board but not contracted	596	17,221
	<u>25,998</u>	<u>47,283</u>
Future capital expenditure will be part funded by social housing grant and borrowing:		
Social Housing Grant	5,870	11,805
Private Finance	20,128	35,478
	<u>25,998</u>	<u>47,283</u>

29. OTHER FINANCIAL COMMITMENTS

At 31 March 2011 the Association was committed to making the following annual payments under non-cancellable operating leases in the year to 31 March 2012.

	2011 £'000	2010 £'000
Land and Buildings		
Operating leases which expire:		
Within 1 year	–	24
Within 2 to 5 years	100	98
Over 5 years	7	22
	<u>107</u>	<u>144</u>
Equipment and Vehicles		
Operating leases which expire:		
Within 1 year	18	6
Within 2 to 5 years	161	130
Over 5 years	–	–
	<u>179</u>	<u>136</u>

30. PENSIONS

Longhurst & Havelok Homes Limited participates in the Social Housing Pension Scheme (SHPS). This Scheme is a multi-employer defined benefit scheme which is contracted out of the state scheme. Longhurst & Havelok Homes has elected to operate a final salary with a 1/60 accrual rate and the career average re-valued earning with a 1/60 accrual rate benefit for active members as at 1st April 2007. For new entrants to the scheme from 1st April 2007, the career average re-valued earnings structure is the only option available.

During the year under review, Longhurst & Havelok Homes paid contributions at the rate of 6.95% for the final salary scheme and 7.25% for the career average scheme plus a monthly lump sum to fund past deficit amounts. Contributions by members varied between 6.05% and 11.25% depending on their age. At the Balance Sheet date there were 88 active members of the scheme employed by Longhurst & Havelok Homes and the scheme remains open to new members.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from total scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2010. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £1,985 million and indicated a decrease in the shortfall of assets compared to liabilities to approximately £497 million, equivalent to a past service funding level of 80.0%.

The next triennial formal valuation of the Scheme is due as at 30 September 2011. The results of the valuation will be available in the autumn of 2012.

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the scheme. The debt is due in the event of the employer ceasing to participate in the scheme, or the scheme winding up. The estimated amount of employer debt on withdrawal liability for Longhurst & Havelok Homes as at 30 September 2010 has been calculated as £15,833,000

Growth Plan

Longhurst & Havelok Homes Limited participates in the Pension Trust's multi-employers Growth Plan. The plan is funded and is not contracted out of the state scheme.

The rules of the Growth Plan state that the proportion of obligatory contributions, to be borne by the member and the member's employer, shall be determined by agreement between them. Longhurst & Havelok Homes paid contributions at the rate of 0% during the accounting period. Members paid contributions at varying rates during the accounting period. As at the Balance Sheet date, there was one active member of the plan employed by Longhurst & Havelok Homes. Longhurst & Havelok Homes continues to offer membership of the plan to its employees.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The last formal valuation of the scheme was carried out at 30th September 2008 by a professionally qualified actuary, using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £742m, compared to past service liabilities of £771m. The valuation therefore revealed a shortfall in assets of £29m, equivalent to a funding level of 96%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2010. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The market value of the Plan's assets as that date was £765m compared to past service liabilities of £820m. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £55m, equivalent to a funding level of 93%.

The next full actuarial valuation will be carried out as at 30 September 2011.

The estimated amount of employer debt on withdrawal liability for Longhurst & Havelok Homes as at 30 September 2010 has been calculated as £49,520.

31. RELATED PARTIES

It is the Association's policy that the tenancies of any tenant member of the Board are on normal commercial terms, and they are not able to use their position to their advantage.

At the date of these financial statements two Board Members were Councillors or employees of related local authorities.

32. SUBSIDIARIES

Longhurst Homes (now Longhurst and Havelok Homes Limited) was appointed as sole trustee of Jubilee Teetotal Homes in May 1998, providing housing management and technical services/advice. Jubilee Teetotal Homes is a registered charity which exists to provide housing for retired people in Ruskington, Lincolnshire.

Home From Home (Lincs) Ltd became a subsidiary of Longhurst Homes on 1 April 1999. Home From Home is a registered charity and has two furnished bungalows which are adapted for the needs of the elderly and disabled.

The results of the subsidiaries can be summarised as follows:-

	2011		2010	
	Net Current Assets £000	Surplus/ (Deficit) £000	Net Current Assets £000	Surplus/ (Deficit) £000
Jubilee Teetotal Homes	32	(1)	32	(2)
Home From Home Lincs Ltd	303	(25)	326	(375)

33. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking in which the results of the Association are consolidated is Longhurst Group Limited, a company registered in England. The consolidated accounts of the Group are available to the public and may be obtained from Leverett House, Gilbert Drive, Endeavour Park, Boston PE21 7TQ.

The Company has taken advantage of the exemption conferred to it in FRS8 not to disclose transactions with other members of Longhurst Group Limited.

34. PRIOR YEAR ADJUSTMENT

Longhurst & Havelok Homes Ltd has adopted the Statement of Recommended Practice (SORP): accounting by registered social housing providers Update 2010 in this current year ended 31st March 2011. This has resulted in the provisions for component accounting being implemented this year.

Housing properties are now analysed by major component. Major repairs undertaken in recent years and representing replacements of components are now capitalised. Brought forward accumulated depreciation has been adjusted accordingly.

The financial impact of these changes is as follows:

	£'000's
Transfer of expenditure from Major Repairs to capitalized housing property improvements	14,432
Additional depreciation charged as a result of component accounting	(12,736)
Total transfer to revenue reserves (note 23)	1,696

LONGHURST AND HAVELOK HOMES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

Industrial and Provident Society Registration Number: 30779R

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BOARD MEMBERS AND EXECUTIVE STAFF

Board Members:

Mr S McFarlane (Chairman)
Mrs E Bowers
Ms P Duncan
Mr B Haigh
Mrs R Lewis (resigned 28/06/10)
Mr K Laidler
Mrs B Owen
Mr K Pretty (resigned 21/04/10)
Mr T Smith (deceased)
Mrs S Strugnell
Mrs L Scott
Mr G Snelson
Mrs P Walker

All Board members were appointed on 1st October 2009.

Executive Officers:

Mr M Hardy BA(Hons) MBA FCIH	Managing Director
Mrs A Ray BA(Hons) MCIH DMS	Director of Operation Services
Mrs S Leivers	Director of Leasehold Sales
Mr R Barr	Director of Care & Support

Senior Managers:

Mrs A Graves	Head of Tenancy Services
Mr R Tweddell	Head of Property Services

Registered Head Office:

Leverett House
Gilbert Drive
Endeavour Park
Boston
PE21 7TQ

Principal Bankers:

Lloyds TSB Bank plc
Market Place
Boston
Lincolnshire

Auditors:

Beever and Struthers
Chartered Accountants and Statutory Auditor
St George's House
215 - 219 Chester Road
Manchester M15 4JE

Solicitors:

Trowers and Hamlins
Heron House
Albert Square
Manchester M2 5HD

Freeth Cartwright
Express Buildings
29 Upper Parliament Street
Nottingham NG1 2AQ

Registered with the Tenant Services Authority No: L4542

REPORT OF THE BOARD

The Board of Longhurst & Havelok Homes Limited is pleased to present its financial statements for year ended 31 March 2010.

Background

Longhurst & Havelok (L&H) Homes is a dynamic new housing and care provider, managing more than 7,000 homes across the East and West Midlands, East of England and Yorkshire and Humberside.

Initially established as two separate organisations – Longhurst Homes and Havelok Homes the two companies amalgamated in October 2009 to become a major provider of housing, care and support.

Corporate mission and aims

The L&H Homes strategy and aims are set out in its Strategy Delivery Plan, produced annually and formally approved by the Board.

The Association's primary focus is *"to achieve, sustain and build on Customer Service Excellence"*. This vision is underpinned by six corporate aims:

- Growth and business development – delivering excellent affordable homes, care and support and management services
- Organisational culture and development – developing a shared culture, empowering colleagues and encouraging positive relationships
- Communication and access – furthering innovative and effective ways to communicate with customers, providing relevant business information and improving service delivery and efficiency through technology
- Customer insight and involvement – delivering services which meet customer needs and preferences, promoting resident involvement and using customer feedback to drive service improvements
- Delivering quality services – that meet our published standards, support and enhance local communities and demonstrate value for money
- Governance and viability – ensuring appropriate levels of scrutiny, assessing and monitoring success and maintaining financial viability.

The Association's core business priorities for 2010/11 are to:

- Extend Charter Mark across the entire business, achieving accreditation by September 2010
- Develop and implement a programme of 'local offers' across the business
- Retendering our responsive repairs, gas servicing and boiler replacement programmes
- Design and implement an internal quality framework
- Conduct a service charge review
- Develop and implement a customer insight strategy
- Develop a performance management framework
- Review sheltered housing schemes, accommodation-based supported housing and registered care home provision.

Pages 131-138 outline the progress made against these aims over the past year.

In delivering its strategy, L&H Homes also contributes towards Longhurst Group's mission, *"to lead and inspire growth based on excellence in service provision"*.

Future plans

L&H Homes, together with its Longhurst Group ‘parent’ and other member companies, manages and owns a major housing portfolio across several regions.

This, combined with our membership of the Blue Skies Consortium, highlights the Association’s strong track record and expertise in supporting communities. We relish this responsibility and will work hard to further build upon our solid reputation.

We are used to operating in a sector where change is the only constant. Through careful management and resourcing, both L&H Homes and Longhurst Group are well-placed to anticipate and respond to these shifts.

Like other new businesses within the UK and globally, L&H Homes has had to manage the effects of the recession. Despite this, the first few months of operating were strong; the amalgamation has given us a financially stronger organisation where we can better utilise our combined business assets.

Within L&H Homes, we have identified key themes that we believe are fundamental to achieving customer service excellence. These themes provide a clear and simple framework for ensuring that our approach and services contribute towards achieving excellence; our progress against each theme follows.

Growth and Business Development

As an asset-holding member of Longhurst Group, we have the best of both worlds; relative independence to operate efficiently, and the ability to both share strengths and to gain recognition for individual talents. And our shared commitment to retaining and developing our Board and workforce and maximising their potential is critical to maintaining the Group’s positive reputation and attracting new talent.

Our size, strength and independence makes us an even more attractive proposition for partners to work with – and it allows us to improve our collective purchasing and bargaining power. That’s good news for L&H Homes, Longhurst Group and individuals whom we serve.

We expect that future capital investment activities will be more modest. Our individual and group business strategies have carefully considered prevailing political, economic, social and technological risks and we assume that the years ahead are likely to feature:

- Less Government spending and subsidy
- Greater competition for development – including other landlords, private builders and developers
- Subsidy being provided as an ‘investment’ that needs to be repaid over time
- The cost of lending going up.

Yet at the end of the year, our take on the economy – despite a tricky economic climate, particularly in housing – was relatively upbeat. L&H Homes has the capacity to deliver a substantial development programme; we expect to build around 400 additional units over the next year, which represents the lion’s share of the group’s development. By completion, we will have around 8,000 homes in management.

So whilst the coming months are set to bring more change and volatility to the sector, we are geared up for the challenge. Our financial plans in place to help us make the required investment to existing homes across our operating areas, as well developing new affordable units in response to housing needs. Underpinning this investment is our commitment to maintain our position as a strong, efficient landlord that goes beyond the basics – providing extra services that engage, support and develop people.

Organisational Culture and Development

As a relatively new organisation, one of our most important tasks is to develop a shared culture, which will stand the test of time and reflect L&H's status as a major regional player. Our approach is all about empowering colleagues and encouraging positive relationships.

To develop and embed the culture of the organisation, we are working with partners Oasis to embark on a visioning exercise, to explore what L&H Homes might look like in 2014. We are determined to set an exciting, compelling vision that all colleagues will buy into as we move the organisation forward.

Communication and access

Communication with a wide range of customers and stakeholders is very important to L&H Homes. Our business covers a much wider area than other Longhurst Group members and our approach to communications reflects this; there are lots of opportunities for us to listen and act, and we adapt to meet the different situations.

We involve neighbourhoods in housing through estate walkabouts, healthy eating and keep fit programmes, focus groups and much more. There's an active tenant forum, which offers many ways for people to get involved. We have a community vehicle strategy, which helps us to be an accessible provider even in areas where people would otherwise be isolated. And we have our own mascot, Finn, which helps us to engage families and young people and ensure their views help to shape our business.

Our business also works with partners such as Groundworks, health professionals and police forces – in fact, the links are so strong that PCSOs in some areas even receive training from L&H Homes as part of their induction!

Customer Insight and Involvement

A fundamental element of our future plans involves delivering services that meet customer needs and preferences – promoting resident involvement, and using customer feedback to drive service improvements.

Specifically on supported housing, we have launched a domiciliary care service. We achieved registration of the service at the end of 2009 and have prepared the service for launch to market within the Grimsby area to begin with. Understanding customer needs is business critical; we are providing a service that the town seems to want. The care is not sector-dependent, but can be provided to people irrespective of who owns the home they live in. This perfectly aligns with the social care 'personalisation agenda' – giving people as much choice as possible in choosing care to suit their unique needs, rather than delivering set services. We believe there is a significant demand for this type of service and will use our customer insights and knowledge to build both the supply of this service and expertise in delivering it.

Delivering Quality Services

Within L&H Homes and the wider Group, we believe that growth and excellence are closely linked. We expect future growth – whether that means homes owned, turnover generated or additional services – to be clearly measurable through excellence in performance and innovation. Customer, partner and regulator validation will be key in helping us to benchmark our success.

Like other housing providers, we are preparing for the new regulatory framework in 2010. Whilst the Tenant Services Authority is due to be disbanded, there are currently no indications what the new framework will be; if anything, the latest political signs suggest that direct accountability to tenants (with some regulatory input from the Homes and Communities Agency) will be more business-critical than ever. So our association's very high tenant satisfaction levels, CharterMark accreditation experience and work towards the new Customer Service Excellence Standard will give us a good benchmark as well as a clear focus for the future.

There are some priorities for us to address on the care and support side of the business. For example, we need to make sure that our residential care home provision is fit-for-purpose and financially viable going forward; this may require services to diversify to take account of changing expectations and the need for greater flexibility (for example, providing respite care and dementia care). We need to develop services that people want to buy and make sure schemes can generate the income needed to stack up financially. Given our strong track record in provision (with schemes highly-rated by the Care Quality Commission) we are confident of success in this area.

We also need to review our sheltered housing schemes, ensuring that provision will be suitable in the years ahead so that we can continue delivering services.

Corporate Governance

Maintaining a healthy board and committee structure is important to both L&H Homes and the wider Longhurst Group; this ensures that we take strong decisions and manage anticipated business risks effectively.

Governance arrangements are in place to deliver our aims and objectives to customers in a transparent, accountable manner – whilst also managing resources effectively to maintain viability. L&H Homes has its own governance policy, based on sector best practice. There is also a Group-wide Code of Conduct that applies to both Board members and staff.

In line with our company memorandum and articles and governance policy, the direction and control of the Association's activity is managed by a Board – representing a broad cross-section of tenant, local and professional interests. One member of the L&H Homes Board also serves as a representative on the Longhurst Group Board.

The L&H Homes Board has met regularly post-amalgamation. We are committed to ongoing organisational development and support; through our Board appraisals process, training needs and plans are agreed with all members annually.

At Group level, the Audit Committee also provides clear direction and helps to maintain strong governance across Longhurst Group and all of its member companies, including L&H Homes. Our Association is represented on the Audit Committee.

To enable effective leadership and governance, we provide timely, relevant information to the Board on regulatory requirements and operational performance. Also, by constantly reviewing our business plan objectives and outcomes, we can ensure both future organisational sustainability and our reputation in delivering promises and commitments. Finally in this respect, our governance structures ensure appropriate levels of financial scrutiny and monitoring and effective risk management.

We believe that the controls and policy framework in place satisfy the requirements of strong governance.

Statement of the Board's Responsibilities in Respect of the Accounts

The Board is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its income and expenditure for that period. In preparing these accounts the Board is required to:-

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. State whether applicable accounting standards have been followed.
4. Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable it to ensure that the accounts comply with the Housing Act 1996 (as amended by the Housing Act 2004). In determining how amounts are presented within items in the income and expenditure account and balance sheet, the Board has had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice. The Board is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over the Association's accounting records, cash holdings and all its receipts and remittances.

As far as the Directors are aware there is no relevant audit information of which the auditors are unaware.

The Directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any audit information and to establish that the Company's auditors are aware of that information.

Statement on Internal Controls

The Board is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of its income and expenditure for that period. In preparing these accounts the Board is required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgement and estimates that are reasonable and prudent.
3. State whether applicable accounting standards have been followed.
4. Prepare the accounts on a going concern basis unless it is inappropriate to presume that the Association will continue in business.

It is the Board's responsibility to establish and maintain appropriate systems of internal control. The Group Board also has overall responsibility for ensuring that the appropriate level of internal control is in place throughout all Group companies. Such systems of control can only provide reasonable and not absolute assurance against material financial misstatement or loss. The Group Board is supported in its responsibility in overseeing the adequacy and effectiveness of internal controls across the Group by the Audit Committee.

The Board's approach to risk management includes the regular evaluation of the nature and extent of the risks to which the Association is exposed. The approach is consistent with the Turnbull principles and accepted good practice. Key elements include:

- i) Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets.
- ii) The Board has adopted a clear anti-fraud policy statement and approved a detailed fraud response plan. The policy statement has been communicated to staff and is part of the Governance Policy of the Association. The Audit Committee has reviewed the fraud register on a quarterly basis during 2009/10.
- iii) The Board has approved a risk management strategy and continues to develop procedures to identify, assess and manage risks to which the Association is exposed.
- iv) Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established for both Board and members of staff to maintain standards of performance.
- v) Forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are promptly prepared, providing relevant, reliable and

up-to-date financial and other information and significant variances from budgets are investigated as appropriate.

- vi) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.
- vii) The Audit Committee reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and being followed. This includes a review of the major risks facing each Association within the Group. The Audit Committee makes regular reports to the Boards.
- viii) Formal procedures have been established for instituting appropriate action to correct weaknesses identified by the internal and external auditors as well as issues identified by the Audit Committee and individual Boards.

The Board confirms that there is an ongoing process for identifying and managing the significant risks faced by the Association.

The Board has reviewed the effectiveness of the system of internal control in existence in the Association for the year ended 31 March 2010 and until the date of approval of these accounts. No weaknesses were found in internal controls that resulted in material losses, contingencies, or uncertainties that require disclosure in the financial statements or in the auditor's report on the financial statements.

Political and charitable

There were no political and charitable contributions during the financial year ended 31 March 2010 (2009: Nil).

Auditors

A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint Beever and Struthers as the Association's external auditors.

Approved by the Audit Committee on 22 July 2010 under delegated authority from the Board on 26 May 2010 and signed on its behalf by:

..... Mr M A Hardy

Date: 22 July 2010

LONGHURST AND HAVELOK HOMES LIMITED

OPERATING AND FINANCIAL REVIEW FOR THE YEAR ENDED 31 MARCH 2010

Operating and financial review

Shared strength, individual focus

L&H Homes is highly-regarded for its innovative approaches to community regeneration, resident involvement, tackling crime and anti-social behaviour and providing high-quality care to older people.

Longhurst Group, as parent, provides strategic direction, support and corporate services to all member companies. This helps everyone to share expertise, avoid duplication and be recognised for their distinctive strengths.

As a group member company, L&H Homes is led by a managing director. Key milestones in the Association's history are shown on the right.

June 2000 Longhurst Group registers with Housing Corporation	2000	
	2001	April 2001 Longhurst Homes celebrates 30 years of trading as founder member of Group
	2002	
October 2003 Havelok Homes joins Longhurst Group	2003	
	2004	
November 2005 Longhurst Homes and Longhurst Group move to new head office in Boston	2005	June 2005 Longhurst Homes launches community vehicle strategy to broaden opportunities for resident involvement
	2006	
	2007	
	2008	
February 2009 Two Havelok Homes care homes achieve CSCI three-star excellent rating	2009	September 2009 Longhurst Homes achieves 'full-service' Charter Mark
October 2009 Completion of amalgamation between Longhurst & Havelok Homes		

Summary of key events for 2009/10

The past year saw a challenging operating environment, with changes to regulation, development funding and the economy making a significant impact on the housing sector.

Yet despite the tough conditions, L&H Homes has achieved a successful start, and position the business positively for future growth. Our team works hard to improve services and make better use of the resources that were already in place.

Prudent resource management

L&H Homes is financially strong, with a five-year and 30-year business plan in place that demonstrates this strength. As such, we can support our ambitious medium-term growth and investment programmes.

Clearly there are still question marks over the new government's proposals for development funding but cuts are on the horizon. This does not faze our business as providing we can secure properties cost-effectively, then we will be able to fund a programme of some sort.

L&H Homes provides housing development, management and support services to a diverse range of customers. Examples of this work include affordable housing for rent and sale; sheltered housing and registered care provision; and community regeneration.

Through continued prudent financial management, we achieved some notable results during 2009/10. For example, we worked with Longhurst Group to secure £81 million of new funding to finance development plans for L&H Homes and another member company.

Also, the amalgamation process is starting to generate management efficiencies, through shared procurement and more collaborative working. This approach also ensures that customers benefit from continuously improved standards.

Growth and business development

The Association's portfolio includes both rented homes and shared ownership. We provide much-needed housing in areas where affordability is a real problem for many people.

As a member of Blue Skies Consortium, L&H Homes secures collective strength through shared skills, expertise and resources. This means we can access development opportunities that would not be available to us individually. We are also the largest developer of homes within Longhurst Group.

During the year, we secured 298 starts-on-site and completed 271 homes (this includes work prior to the amalgamation in October). We also have numerous schemes in the pipeline to make an even bigger impact in bringing housing across our operating regions in future.

We also continued to invest in residents' homes across our areas of operation, spending £4.7m on improvements such as new windows, doors, kitchens, bathrooms and heating systems. This helps us to preserve the quality of our asset base and make sure that our customers are living in decent, safe housing.

Organisational culture and development

Creating and maintaining the right culture is of paramount importance to L&H Homes; our Board and executive team sets the tone to getting everyone working in the right direction. That process involves both listening and active, responsive dialogue.

As a new organisation, we have a fantastic opportunity to build a shared culture, empower colleagues and encourage positive relationships. In early 2010 we conducted an employee survey around diversity, to reflect the close relationship between diversity and customer excellence. In developing our approach to both, we've established a wider grouping of the management team, known as the Customer Excellence Group. Members of this group will serve as 'champions' of the cultural development of our organisation.

Communication and access

L&H Homes is dedicated to furthering innovative and effective ways to communicate with customers and improve service delivery and efficiency.

We are known for our commitment to establishing and maintaining strong partnerships, and a lot of good joint working has transformed some of the areas in which we operate. We have expanded both the locations where we work, and how we work with residents. We use estate walkabouts, focus groups and our local community vehicle to provide accessible opportunities to meet people, even those living in isolated areas. This will help us to demonstrate in our 'local offers' that we have consulted people as widely as possible.

Customer insight and involvement

Our ongoing commitment to seeking customer insight and feedback helps us to achieve clear, tangible outcomes. Examples of our achievements over the last year include:

- Pioneering a successful neighbourhood initiative to improve one of Worksoy's most troubled areas and dramatically cut crime rates
- Progressing a 'build your future' project with North Lincolnshire Council and ROOF to help young people find homes, secure jobs and build positive futures
- Work with Spalding residents, Lincolnshire Police and Groundworks to facilitate environmental improvements and raise money to build a state-of-the-art skate park on communal land.

These are just three examples among many, yet they illustrate the powerful impact that listening to customers can have on all aspects of our business – from day-to-day housing management services, through to development and community regeneration.

Delivering quality services

This theme continues to be the major driver for our business; everything we do as an organisation and culturally is geared towards ensuring we deliver customer service excellence.

The most recent 'Status' customer survey (drawn from research among Longhurst Homes tenants and Havelok Homes tenants) shows that L&H Homes is both the number one registered provider and in the top quartile of all sectors surveyed. We also won gold, silver and bronze awards in the Association of Retirement Housing Managers survey of leasehold residents.

L&H Homes pursues accreditations and awards where these will result in clear benefits for our customers and employees. We are confident of extending our existing Charter Mark accreditation across the entire business by September 2010, and have a pre-assessment for the Customer Service Excellence Standard with a view to achieving the full award in summer 2011.

We have also delivered services to other organisations over the past year where this achieves improved quality and/or value for money. This includes, taking over the management of stock in part of the Midlands, and assuming responsibility for a couple of leasehold schemes. We are well-positioned to provide an excellent management arrangement service to other organisations (both within the Group and to external partners)

Strategy and objectives

The association's strategic aims are considered annually as part of the business planning process. Our Board has agreed key objectives for the year ahead, and strategies that we believe will help to achieve those objectives.

The key objectives for L&H Homes for 2010/11, and our agreed strategies for achieving business success, are summarised in the table below.

Area	Objective	Strategy
Growth and business development	To manage our housing assets wisely, ensuring as a minimum they meet the Decent Homes Standard; and to make best use of the properties, land and sites we own	• Increase stock levels within L&H Homes' ownership • Deliver on the development targets within our business plan • Invest £3.5 million on planned maintenance during 2010 • Work with Group colleagues to explore new sources of finance to fund growth objectives • Consider alternative tenure types for future developments, where the need reflects this
Organisational culture and development	To value our staff as our greatest asset, foster a team spirit and culture of continuous improvement; and to undertake service reviews, benchmark performance and seek out best practice and innovation in service delivery	• Complete visioning exercise to identify aspirations for next three years • Review findings of employee diversity survey • Progress 'employee champions' role within Customer Excellence Group
Communication and access	To review service provision and accessibility, particularly in the care and support functions	• Involve customers in the development of local offers, frameworks and performance reviews • Ensure that service standards reflect customer expectations and choice, in line with the Tenant Services Authority's emerging framework • Share best practice on community involvement and regeneration, giving all tenants an opportunity to get involved in line with their preferred methods of engagement/amount of time • Review the association's sheltered housing provision and registered care schemes • Establish and market the newly-launched domiciliary care service • Position L&H Homes as an organisation that can deliver management services to other organisations, building on our existing track record
Customer insight and involvement	To mainstream customer feedback into service planning and delivery, ensuring that resident views drive the association's plans and performance	• Develop and implement a Customer Insight Strategy • Consult upon and develop 'local offers' with residents by 1 October 2010 • Continue to use the community vehicle as part of the association's strategy for accessible local services • Share best practice on community involvement and regeneration across the Group, giving all tenants an opportunity to get involved in line with their preferred methods of engagement and amount of time available to contribute • Review the 'Just Rewards' tenant incentive scheme

The key objectives for L&H Homes for 2010/11, and our agreed strategies for achieving business success, are summarised in the table below.

Area	Objective	Strategy
Delivering quality services	To provide excellent quality services to our customers, measured both through external accreditations and customer feedback	• Maintain top-quartile performance (and number one housing provider spot) for tenant satisfaction • Achieve Charter Mark accreditation across all areas of operation • Achieve new Customer Service Excellence Standard in summer 2011 • Identify further areas of our work where we can work more collaboratively on joint projects and procurement • Continue to build our Board through appraisals and skills development

Financial management

Turnover and operating surplus performance for L&H Homes during 2009/10 are shown in the table below.

	2010 £000	2009 £000
Income and Expenditure Account		
Turnover	31,248	29,683
Operating costs and cost of sales	(25,514)	(23,651)
Operating Surplus	5,734	6,032
Surplus on the sale of assets	809	684
Net Interest Costs	(5,299)	(4,975)
Tax	–	49
Surplus for the year after tax	1,244	1,790
Balance Sheet		
Housing properties at cost less depreciation	283,125	253,045
Social Housing Grant	(152,282)	(139,283)
	130,843	113,762
Other tangible Fixed Assets	10,391	10,387
Net Current Assets	874	6,568
	142,108	130,717
Creditors due after one year	109,812	99,665
Other long term liabilities	–	–
Reserves	32,296	31,052
	142,108	130,717

Longhurst Group has a reputation for strong financial management across all areas of the business. Part of the 2009/10 Group Corporate Plan involved the centralisation of all Finance staff into the parent company. Through the use of common systems and shared resources the Group expects to provide a more efficient and effective Financial Service to Group members.

The Financial service is led by the Executive Director – Group Financial Services with local staff providing day to day Financial Services in each office location.

Income and Expenditure

The surplus for 2009/10 of £1.25m shows a movement of £0.55m from the £1.8m surplus in 2008/09. Key results for the year were:

Income

- Total turnover increased by £1.6m
- Turnover on Social Housing Lettings increased by £2.5m during the year

Expenditure

- Total operating costs increased by £1.8m, £1.6m of this being due to investment in major repairs
- Net interest costs rose by £324k to £5.3m for the year
- Gross Interest payable for the year (excluding capitalised interest and other funding costs) increased by £160k in the year

Balance Sheet

The key results from the Balance Sheet were:

- The Historical costs on Housing Assets increased by £30m in the year to £283m
- Social Housing Grant increased by £13m in the year
- Loan balances increased during the year from £99.6m to £109.8m
- Reserves increased from £31m to £32m

Treasury Management

Treasury Management is managed by the parent company to ensure that Group members have sufficient cash to meet ongoing capital and revenue commitments and to protect member companies against movement in interest rates.

The Group's Treasury Management strategy is reviewed annually by the Audit Committee and then monitored quarterly throughout the year. The Group's Treasury Management strategy states that:

- Between 70% and 90% of drawn funds should be fixed or hedged for periods ranging from 2 – 30 years
- The remaining 10% – 30% should be held as variable rate debt or hedged on a short-term basis

Loan Structure

The loan facilities across the Group are all held at member company level with security provided from the housing assets owned by each company.

Loan Covenant Compliance

The loan covenants for L&H Homes are primarily based on interest cover and loan gearing ratios. Loan covenants are monitored monthly and were met throughout the year and at the year end for all loan facilities.

The continued instability of the money markets in 2009/10 has continued to make a major impact on the housing and development sectors.

At the end of the year there were historically low base interest rates, but much higher margins on lending. Lenders have also become much more cautious. This means that borrowing has become harder to arrange and more expensive, both for businesses and individual customers applying for mortgages.

The economic recession has reversed the higher levels of inflation characteristic in recent years, leading to the Government increasing money supply.

The prevailing economic conditions should ensure continuing high demand for L&H Homes' rented housing stock. At the same time, demand for home purchase options is expected to fall. This means that income from our sale and other development activities may be relatively restricted – reinforcing the need to contain costs in future years. Where the need for extra resources is identified, we anticipate these will be funded through efficiency controls, restructuring and demonstrating creativity in new business development.

L&H Homes and Longhurst Group remain concerned about the long-term economic impact of high energy, oil and food prices for customers. These factors disproportionately affect people on low and fixed incomes; so we expect that rental accounts may be under pressure in future and are planning for this possibility.

The collapse of several major British financial institutions and subsequent rescue by the government has created unprecedented levels of public debt. This suggests difficult times ahead for public funding.

The review of the local authority subsidy system signifies changes on the horizon. We are now exploring the potential impacts on our business, and potential opportunities that this presents.

Risk management

Risk management is an important part of the overall internal control system across L&H Homes and the Group as a whole.

We have developed robust systems to identify, evaluate and manage key business risks. Work is now progressing to implement a Group-wide reporting system, refine the quality of management reporting and secure even more effective co-ordination of risk management activities. The new system will have been implemented in L&H Homes by the end of 2010.

The recession, continued economic uncertainty and the fast-evolving business environment reinforces the need for effective risk management, including analyses of emerging Government policy and its implications for the housing sector.

At the same time, challenging economic conditions have created numerous business opportunities at both L&H Homes and Group level. Any new areas of business or major projects are individually risk-assessed and reported to the Board prior to work commencing. This process includes a prudent financial assessment, sensitivity analysis and an exploration of whether additional management controls or insurance is required to mitigate against significant risks.

The risks shown below are those prioritised by L&H Homes for the year ahead.

1. The volume of institutional and legislative change in the sector, which requires us to manage relationships with powerful bodies and local government interests.
2. The continued volatility of financial markets and increased competition for funding will bring increased cost and uncertainty.
3. Housing sales strategies have already been reviewed and our new Group-wide Home Ownership service will focus resources and performance targets. We will also review our financial strategies to cope with potential costs.

Changing landscape

The new political establishment, changes to sector regulation and increased competition for funding are all key considerations for L&H Homes.

We are proud of our historically-strong links with regulators and residents as we move towards developing 'local offers', and look forward to this continuing in future. Examples of our strengths in this area include:

- Being identified as the number one registered provider for tenant satisfaction (externally verified by The Leadership Factor)
- Winning gold, silver and bronze awards in the Association of Retirement Housing Managers survey of leasehold residents

- Charter Mark accreditation for part of the business, and work towards the new Customer Service Excellence Standard.

We are quick to recognise and share best practice on resident involvement across Longhurst Group, and continually seek feedback to help the association develop and improve.

Combined with our drive towards excellence in all we do, there is a confidence in our direction and a real sense of optimism for the future.

STATEMENT OF COMPLIANCE

The Board confirms that this Operating and Financial Review has been prepared in accordance with the principles set out in Part 3 of the 2008 SORP for registered social landlords.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LONGHURST AND HAVELOK HOMES LIMITED

We have audited the financial statements of Longhurst and Havelok Homes Limited for the year ended 31 March 2010 on pages 141-161 which have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Association's Members, as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the Association's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's Members as a body, for our audit work, for this report or for the opinions we have formed.

Respective Responsibilities of the Board and Auditors

The Board's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of the Board's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002, the Housing Act 1996 (as amended by the Housing Act 2004) and the Accounting Requirements for Registered Social Landlords General Determination 2006.

We also report to you if the Association has not kept proper accounting records, if the Association has not maintained a satisfactory control over its transactions and if we have not received all the information and explanations that are necessary for the purpose of our audit.

We read information in the Annual Report, and consider whether it is consistent with the audited financial statements. This information comprises only the Board's Report and the Operating and Financial Review. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularities or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Association's affairs as at 31 March 2010 and of its surplus for the year then ended; and
- the financial statements have been properly prepared in accordance with the requirements of the Industrial and Provident Societies Acts 1965 to 2002, Schedule 1 of the Housing Act 1996 (as amended by the Housing Act 2004) and the Accounting Requirements for Registered Social Landlords General Determination 2006.

St George's House
215/219 Chester Road
Manchester
M15 4JE

BEEVER AND STRUTHERS
Chartered Accountants and
Statutory Auditor

22 July 2010

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £'000	2009 £'000
Turnover	3	31,248	29,683
Cost of sales	3	(1,916)	(2,418)
Operating costs	3	(23,598)	(21,233)
Operating surplus		5,734	6,032
Surplus on sale of fixed assets	6	809	684
Interest receivable and other income	7	30	191
Interest payable and similar charges	8	(5,329)	(5,166)
Surplus on ordinary activities before taxation for the year	9	1,244	1,741
Tax on surplus on ordinary activities	10	–	49
Surplus for the year		1,244	1,790

All amounts relate to continuing activities.

There is no difference between the surplus on ordinary activities before taxation and the retained surplus for the year stated above, and their historical cost equivalents.

The notes on pages 144-161 form an integral part of these financial statements.

Longhurst and Havelok Homes Limited was formed on 1 October 2009. The results and comparative figures prior to that date are the amalgamation of the financial statements of Longhurst Homes Limited and Havelok Homes Limited.

**STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £'000	2009 £'000
Surplus for the financial year	1,244	1,790
Prior year adjustment *	–	4,784
Total surplus recognised since the last annual report	1,244	6,574

* The prior year adjustment in 2008/09 related to a change in accounting policy for shared ownership properties.

**RECONCILIATION OF MOVEMENTS IN THE ASSOCIATION'S FUNDS
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £'000	2009 £'000
Total recognised surplus relating to the year		1,244	1,790
Opening total funds	23	31,052	29,262
Closing total funds	23	32,296	31,052

BALANCE SHEET
AS AT 31 MARCH 2010

I&PS Registration No: 30779R

	Notes	2010 £'000	2009 £'000
Fixed assets			
Housing properties at depreciated cost	13	283,125	253,045
Less: Social Housing and other Grants	13	(152,282)	(139,283)
		130,843	113,762
Other fixed assets	14	10,391	10,387
Total fixed assets		141,234	124,149
Current assets			
Properties and other assets held for sale	15	3,046	2,675
Stocks	16	–	10
Debtors	17	2,711	5,325
Investments	18	–	–
Cash at bank and short term deposits		6,543	8,089
		12,300	16,099
Less Creditors			
Amounts falling due within one year	19	(11,426)	(9,531)
Net current assets		874	6,568
Total assets less current liabilities		142,108	130,717
Creditors			
Amounts falling due after more than one year	20	109,812	99,665
Capital and reserves			
Share capital	22	–	–
Revenue reserves	23	32,296	31,052
Accumulated reserves		32,296	31,052
		142,108	130,717

The notes on pages 144-161 form an integral part of these financial statements.

The financial statements on pages 141-161 were approved by the Audit Committee on 22 July 2010 under delegated authority from the Board on 26 May 2010 and were signed on its behalf by:

Director Mr G Snelson

Director Mr S McFarlane

Secretary Mr M A Hardy

* Longhurst Homes Limited and Havelok Homes Limited combined balance sheet as at 31 March 2009.

Longhurst and Havelok Homes Limited was formed on 1 October 2009. The results and comparative figures prior to that date are the amalgamation of the financial statements of Longhurst Homes Limited and Havelok Homes Limited.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2010 £'000	2009 £'000
Net cash flow from operating activities	24	7,179	5,943
Returns on investments and servicing of finance	25	(6,280)	(4,736)
Taxation	25	–	(92)
Capital expenditure and financial investment	25	(14,150)	(13,796)
Net cash (outflow) before use of liquid resources and financing		(13,251)	(12,681)
Management of liquid resources	25	–	1,000
Financing	27	11,705	13,722
(Decrease)/Increase in cash		(1,546)	2,041
Reconciliation of net cash flow to movement in net debt			
(Decrease)/Increase in cash	26	(1,546)	2,041
(Increase) in debt	26	(11,705)	(13,755)
Decrease in liquid resources	26	–	(1,000)
Change in net borrowings due to cash flow	26	(13,251)	(12,714)
Net borrowings at beginning of period		(90,461)	(77,747)
Net borrowings at end of period	26	(103,712)	(90,461)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1. LEGAL STATUS

The Association is incorporated as an Industrial and Provident Society (registered number 30779R) and is registered with the Tenant Services Authority as a Registered Provider, as defined by the Housing and Regeneration Act 2008, (registration number L4542).

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and Statements of Recommended Practice. The financial statements comply with Schedule 1 of the Housing Act 1996 (as amended by the Housing Act 2004), the Statement of Recommended Practice for Registered Social Landlords 2008, and the Accounting Requirements for Registered Social Landlords General Determination 2006. The accounts are prepared under the historical cost basis of accounting.

On 1 October 2009 Longhurst Homes Limited amalgamated with another subsidiary of the Longhurst Group Limited, Havelok Homes Limited, to form Longhurst and Havelok Homes Limited. The figures for 2009/10 represent the combined results of Longhurst Homes Limited and Havelok Homes Limited for the six months ended 30 September 2009, together with the results of the amalgamated association for the six months from 1 October 2009 to 31 March 2010. The figures for 2008/09 represent the combined results of Longhurst Homes Limited and Havelok Homes for that year.

Turnover

Turnover represents rental income receivable, fees and grants from local authorities and the Homes and Communities Agency, income from the sale of shared ownership and other properties developed for outright sale and other income.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Housing Properties	1% per annum on cost net of grant
Freehold Offices	Between 1 and 2% per annum on cost
Furniture and Fittings	15% per annum on cost
Office Equipment	20% per annum on cost
Motor Vehicles	20% per annum on cost
Computer Equipment	25% per annum on cost

Freehold land is not depreciated.

Housing Properties

Housing properties included in fixed assets are stated at cost with only actual costs incurred in the acquisition, construction and improvement of housing properties being capitalised. The Association has undertaken an annual impairment exercise over all its properties with a useful life of greater than 50 years and this has not resulted in any reduction in the value of fixed assets at the present time.

Where developments have been financed wholly or partly by Social Housing Grant, the net cost of properties in the balance sheet has been reduced accordingly.

Housing properties in the course of construction are stated at cost and are not depreciated.

Housing properties are transferred to completed properties when they are ready for letting.

2. ACCOUNTING POLICIES (CONTINUED)

Shared Ownership

The costs of shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Loan Finance Issue Costs

These are written off evenly over the life of the related loan. Loans are stated in the balance sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs, are recognised in the income and expenditure account in the year in which the redemption took place.

Social Housing and Other Grants

Where developments have been financed wholly or partly by Social Housing and Other Grants, the cost of those developments has been reduced by the amount of the grant received.

Social Housing Grant received for items of cost written off in the Income and Expenditure Account are matched against those costs as part of turnover.

Social Housing Grant is repayable in certain circumstances and in that event is a subordinated, unsecured, repayable debt.

The net housing association grant received and not spent is included in current liabilities, taking into account all properties under construction.

Social Housing Grant can be recycled by the Association under certain conditions, if a property is sold or another relevant event takes place. In these cases, the Social Housing Grant can be used for projects that meet the requirements of the HCA's Capital Funding Guide. However, Social Housing Grant may have to be repaid if certain conditions are not met.

Capitalisation of Interest and Administration Costs

Interest on loans financing development is capitalised up to date of the completion of the scheme and only when development activity is in progress.

Specific administration costs relating to development activities are capitalised based on an apportionment of the management time spent on this activity. Non specific administration costs relating to the development department have not been capitalised.

VAT

The Association charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Association and not recoverable.

Properties managed by agents

Where the Association carries the majority of the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Income and Expenditure Account.

Where the agency carries the majority of the financial risk, the Income and Expenditure Account includes only that income and expenditure which relates solely to the Association.

In both cases, the assets and associated liabilities are included in the Association's balance sheet.

Sale of housing properties

Properties developed for outright sale are included in turnover and cost of sales. Properties not developed for outright sale are divided into first tranche sales and other sales. The appropriate proportion of costs of housing properties that are built with the intention of full or partial sale, including equity share and shared ownership properties, are disclosed as current assets and stated at the lower of cost or net realisable value.

First tranche sales proceeds and the relative proportion of the property cost are recognised in turnover and cost of sales respectively. Subsequent tranches are not included within turnover and cost of sales but are shown as a separate item after the operating surplus in the income and expenditure account. All other sales of fixed asset properties are dealt with in this way.

Where a property is part of a distinct development scheme with mixed tenure elements, the surplus recognised on the elements sold is limited to the surplus calculated on the entire scheme. For the elements that are retained as fixed assets, the surplus or deficit is calculated by reference to the assets' existing use value for social housing.

Impairment

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified.

Improvements to properties and major repairs

The Group capitalises expenditure on housing properties that results in an increase in rental income over the life of the property. This increase may be a result of an increase in rental income, reduction in maintenance costs or significant extension of the life of the property.

Major repairs expenditure of a capital nature has been capitalised in line with the above.

Major repairs expenditure of a revenue nature is reflected in the income and expenditure account together with any related grant funding.

Leased Assets

Within the housing stock of the Association there are a number of properties held on short-term leases. The lease costs are written off to the income and expenditure account as incurred.

Pension Scheme

The Association participates in the Social Housing Pension Scheme; a defined benefit final salary pension scheme. As the Pensions Trust is unable to identify the Association's underlying share of assets and liabilities, the Association has therefore accounted for contributions made to the Social Housing Pension Scheme as if it were a defined contribution scheme.

Taxation

The Association is registered as a Charitable Industrial and Provident Society and as such is exempt from UK Corporation Tax.

Stock and Work In Progress

Stock and work in progress are stated at the lower of cost and net realisable value.

Current Asset Investments

Current asset investments are included in the Balance Sheet at Market Value.

Loan Interest Costs

The full costs of deferred interest rate and indexation loans are shown in the Income and Expenditure Account.

Support Income and Costs including Supporting People Income and Costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the turnover note 3. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the income and expenditure from social housing lettings note 4 and matched against the relevant costs.

Operating Leases

Rentals paid under operating leases are charged to the Income and Expenditure Account as incurred.

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2010		
	Turnover	Cost of Sales	Operating
	£'000	Sales £'000	costs £'000
			Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	26,658	–	(20,528)
OTHER SOCIAL HOUSING ACTIVITIES			
Managed operations	1,720	–	(1,680)
Supporting People Contract Income	–	–	–
Development – First tranche shared ownership sales	1,733	(1,826)	(229)
Development – Other	974	–	(1,056)
Management Services	53	–	(18)
Other Activities	110	(90)	(87)
	4,590	(1,916)	(3,070)
NON-SOCIAL HOUSING ACTIVITIES			
Lettings – market rented	–	–	–
Community Based Activities	–	–	–
Other	–	–	–
TOTAL	31,248	(1,916)	(23,598)

	2009			
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	24,119	-	(18,268)	5,851
OTHER SOCIAL HOUSING ACTIVITIES				
Managed Operations	1,897	–	(1,908)	(11)
Supporting People Contract Income	–	–	–	–
Development – First tranche shared ownership sales	2,828	(2,418)	(140)	270
Development – Other	538	–	(681)	(143)
Management Services	45	–	(17)	28
Other Activities	256	-	(219)	37
	5,564	(2,418)	(2,965)	181
TOTAL	29,683	(2,418)	(21,233)	6,032

4. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT) FROM SOCIAL HOUSING LETTINGS

	2010					Restated 2010
	General Needs Housing £'000	Supported Housing and Housing for older people £'000	Residential Care Homes £'000	Low Cost Home Ownership £'000	2011 £'000	£'000
Income from social housing lettings						
Rents receivable net of identifiable service charges	17,394	1,471	2,531	1,081	22,477	21,077
Service charges	934	475	–	231	1,640	1,508
Charges for support services	110	1,056	–	–	1,166	957
Net rents receivable	18,438	3,002	2,531	1,312	25,283	23,542
Revenue grants from the Homes and Communities Agency	–	–	–	–	–	83
Revenue grants from Local Authorities and other agencies	375	–	–	–	375	–
Major Repair grant from RCGF	1,000	–	–	–	1,000	494
Total income from social housing lettings	19,813	3,002	2,531	1,312	26,658	24,119
Expenditure						
Management	2,304	542	327	239	3,412	3,459
Services	1,854	1,715	2,428	83	6,080	5,014
Routine Maintenance	4,326	466	109	17	4,918	3,799
Planned Maintenance	1,523	188	19	2	1,732	1,704
Major repairs expenditure	2,785	215	23	–	3,023	2,624
Rent losses from bad debts	193	7	3	–	203	158
Property Lease Costs	218	–	–	–	218	235
Depreciation of Housing Properties	742	27	23	102	894	753
Write down of Current Assets	–	–	–	35	35	297
Lease amortisation	13	–	–	–	13	76
Other Costs	–	–	–	–	–	149
Total expenditure on social housing lettings	13,958	3,160	2,932	478	20,528	18,268
Operating surplus on social housing lettings	5,855	(158)	(401)	834	6,130	5,851
Rent losses from voids	248	126	169	-	543	393

5. ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation owned for each class of accommodation was as follows:

	2010	2009
	No.	No.
Units in Management owned by the Association		
General housing	5,054	4,792
Supported and Sheltered Housing	466	545
Shared Ownership	683	720
Leasehold Schemes for the elderly	864	813
Care Homes	122	102
Total Social Housing Properties	7,189	6,972
Units in Management on stock not owned by the Association	469	573
Total owned and managed	7,658	7,545

At 31 March 2010 the Association owned 51 units (2009: 67 units) which were managed by agents.

6. SURPLUS ON SALE OF FIXED ASSETS

	Shared Ownership Staircasing £'000	Right to Buy and Voluntary Sales £'000	Total 2010 £'000	Total 2009 £'000
Proceeds of Sale	839	1,200	2,039	1,697
Less: Cost of Sales	(564)	(666)	(1,230)	(1,013)
	275	534	809	684

7. INTEREST RECEIVABLE AND OTHER INCOME

	2010	2009
	£'000	£'000
Interest receivable and similar income	30	191

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£'000	£'000
Repayable within 5 years by instalments	82	90
Repayable wholly or partly in more than 5 years by instalments	5,534	5,493
Other	296	59
Less: Interest payable capitalised on housing properties under construction	(583)	(476)
	5,329	5,166

The average interest rate used to determine the amount of finance costs capitalised during the period was 5.292% (2009: 5.876%)

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2010 £'000	2009 £'000
This is stated at after charging:		
Depreciation of housing properties	907	685
Depreciation on other tangible fixed assets	281	466
Bad debts	203	158
Auditors remuneration (inclusive of VAT):		
In their capacity as auditors	28	32
In respect of other services	—	—
Operating lease charges re HAMA shortlife properties	218	235

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

(a) Analysis of the tax charge in the year

The Association is now registered as a Charitable Industrial and Provident Society and as such is exempt from UK Corporation Tax.

	2010 £'000	2009 £'000
Current Tax:		
(Over) provision in previous years	—	(49)
	—	(49)

(a) Current tax reconciliation

	2010 £'000	2009 £'000
Surplus on ordinary activities before tax	—	1,741
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009: 28%)		487
Effects of:		
(Profits)/losses arising in non taxable entities		(487)
Adjustments to tax charge in respect of previous periods	—	(49)
Current tax charge for the year	—	(49)

11. STAFF COSTS

	2010 £'000	2009 £'000
Staff costs, including the Executive Officers:		
Wages and salaries	6,095	5,799
Social security costs	390	445
Other pension costs	287	303
	6,772	6,547

	2010 Number	2009 Number
The average monthly number of persons (including the Executive Officers) employed during the year expressed as full time equivalents		
Office staff	113	159
Wardens, caretakers and cleaners	157	131
Total employees	270	290

12. DIRECTORS

Directors are defined as the Board Members and the Executive Officers who are employed by the Association identified on Page 124.

	2010 Number	2009 Number
The number of Executive Officers, including the highest paid executive, who received emoluments	4	6

	2010 £'000	2009 £'000
Emoluments, including pension contributions and benefits in kind		
Non Executive Board Members	15	39
Executive Officers	341	493
	356	532

	2010 £'000	2009 £'000
The emoluments of staff disclosed above (excluding pension contributions) include amounts paid to :	Mr M	Mr M
The highest paid Director (the Managing Director):	Hardy	Hardy
	106	98

The Managing Director is an ordinary member of the Social Housing pension scheme. Contributions are payable in line with other members of the Association and no enhanced or special terms apply. A contribution by the Association of £12,819 (2009: £12,119) was paid in addition to the personal contributions of the Managing Director.

Benefits in kind relate to leased car, professional subscriptions, and health care insurance.

13. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

	Housing properties held for letting £'000	Housing properties under construction £'000	Shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
At 1 April 2009 – proforma	221,265	11,993	20,311	7,260	260,829
Reclassification	(111)	1,341	186	(1,416)	–
Additions	359	29,214	3	3,102	32,678
Schemes completed in year	12,569	(12,569)	3,027	(3,027)	–
Transfer of assets	(288)	–	–	–	(288)
Disposals	(760)	(112)	(479)	(204)	(1,555)
At 31 March 2010	233,034	29,867	23,048	5,715	291,664
Depreciation					
At 1 April 2009 – proforma	7,623	–	161	–	7,784
Charged in year	805	–	102	–	907
Released on disposal	(152)	–	–	–	(152)
At 31 March 2010	8,276	–	263	–	8,539
Depreciated cost at 31 March 2010	224,758	29,867	22,785	5,715	283,125
Social housing and Other grants					
At 1 April 2009 – proforma	121,284	7,068	9,651	1,280	139,283
Received during the year	24	12,784	–	907	13,715
Reclassification	–	100	–	(100)	–
Disposals – SHG recycled	(557)	–	(159)	–	(716)
Schemes completed in year	3,741	(3,741)	115	(115)	–
At 31 March 2010	124,492	16,211	9,607	1,972	152,282
Net book value					
At 31 March 2010	100,266	13,656	13,178	3,743	130,843
At 31 March 2009	92,358	4,925	10,499	5,980	113,762

	2010 £'000	2009 £'000
Expenditure on works to existing properties		
Amounts capitalised	–	–
Amounts charged to Income & Expenditure Account	3,023	2,624
	3,023	2,624
		Proforma
	2010	2009
	£'000	£'000
The Net Book Value of these properties is made up as follows:		
Freehold	130,843	113,680
Long leasehold	–	–
Short leasehold	–	82
SHG Receivable	130,843	113,762

The total accumulated SHG received or receivable at the Balance Sheet date from capital or revenue sources was £160,092,164 (2009: £146,377,164).

14. TANGIBLE FIXED ASSETS – OTHER

	Scheme Furnishings And Equipment £'000	Freehold Offices £'000	Computer Equipment £'000	Motor Vehicles £'000	Office Furnishings and Equipment £'000	Total Other Fixed Assets £'000
Cost						
At 1 April 2009 – proforma	593	10,498	1,024	287	274	12,676
Additions	122	–	18	–	22	162
Disposals	(23)	–	(125)	(68)	(72)	(288)
Transfer of Assets	–	176	–	–	–	176
At 31 March 2010	692	10,674	917	219	224	12,726
DEPRECIATION						
At 1 April 2009 – proforma	307	615	756	230	231	2,139
Charge for the period	69	137	40	10	25	281
Disposals	(10)	–	(87)	(66)	(72)	(235)
At 31 March 2010	366	752	709	174	184	2,185
GRANTS						
At 1 April 2009 and 31 March 2010	–	150	–	–	–	150
NET BOOK VALUE						
At 31 March 2010	326	9,772	208	45	40	10,391
At 31 March 2009	286	9,733	268	57	43	10,387

15. PROPERTIES AND OTHER ASSETS HELD FOR SALE

	2010	2009
	£'000	£'000
Properties held for sale:		
Completed	2,406	1,793
In course of construction	640	882
At 31 March 2010	3,046	2,675

16. STOCKS

	2010	2009
	£'000	£'000
Consumable stocks	–	10

17. DEBTORS

	2010	2009
	£'000	£'000
Amounts falling due within one year		
Rental debtors	1,366	1,316
Less: Provision for bad and doubtful debts	(513)	(450)
	853	866
Prepayments and accrued income	332	461
SHG receivable	674	2,016
Other debtors	131	541
Intercompany debtor	721	1,441
	2,711	5,325

18. CURRENT ASSET INVESTMENTS

	2010	2009
	£'000	£'000
Short term money market deposits	–	–

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£'000	£'000
Housing loans	1,708	1,540
Funders interest	1,047	823
Rents and service charges received in advance	295	275
Trade creditors	1,177	1,509
Other taxation and social security costs	173	171
Accruals and deferred income	2,610	2,164
Other Creditors	63	9
Funds held in trust (Sinking Fund)	1,996	2,088
Intercompany creditors	1,310	557
Recycled capital grant fund (note 21)	1,047	395
	11,426	9,531

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2010	2009
	£'000	£'000
Housing loans	108,547	97,010
Recycled Capital Grant Fund (note 21)	1,265	2,655
	109,812	99,665
Amounts repayable by instalments:		
Repayable in less than one year	1,708	1,540
Repayable between one to two years	2,367	2,190
Repayable between two to five years	9,256	7,375
Repayable after five years	97,782	88,205
	111,113	99,310
Add: Loan premium	11	13
Less: issue costs	(869)	(773)
	110,255	98,550

Loans from banks and building societies are secured by specific charges on the Association's housing properties. The loans are repayable at varying rates of interest. The average rate of interest at 31 March 2010 was 5.292% (2009: 5.876%).

21. RECYCLED CAPITAL GRANT FUND (RCGF)

	£'000
Opening balance at 1 April 2009	3,050
Grants recycled	701
Recycled grant utilised	(1,450)
Interest accrued	11
At 31 March 2010	2,312

22. SHARE CAPITAL

	<u>£</u>
At 31 March 2009	47
Issued during the year	
Forfeited during the year	(8)
	<u>39</u>
At 31 March 2010	<u><u>39</u></u>

The shares do not have a right to a dividend or distribution in the event of a winding up, and are not redeemable. Each share has full voting rights.

23. REVENUE RESERVES

	Revenue Reserve £'000
Revenue Reserve at 1 April 2009	31,052
Surplus for the year	1,244
Revenue Reserve at 31 March 2010	<u><u>32,296</u></u>

24. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £'000	2009 £'000
Operating surplus for the year	5,734	6,032
Depreciation charges	1,188	1,151
Impairment	35	249
Movement in properties and other assets in the course of sale	–	–
Movement in stocks	(361)	362
Movement in debtors	1,209	(1,312)
Movement in creditors	(626)	(555)
Deficit on sale of other fixed assets	–	16
Net cash inflow from operating activities	<u><u>7,179</u></u>	<u><u>5,943</u></u>

25. ANALYSIS OF CHANGES IN CASH AND EQUIVALENTS

	2010 £'000	2009 £'000
Returns on investments and servicing of finance		
Interest received	11	124
Interest paid	(6,291)	(4,860)
	(6,280)	(4,736)
Capital expenditure and financial investment		
Purchase of housing properties	(30,634)	(28,932)
Sale of housing properties (net of cost of sales)	2,039	3,007
SHG received	14,607	12,648
Purchase of other fixed assets	(162)	(535)
Sale of other fixed assets	–	16
	(14,150)	(13,796)
Taxation	–	(92)
Management of liquid resources		
Short term deposits	–	(1,000)
Financing		
Increase in debt due after one year (note 27)	(11,705)	(13,755)

26. ANALYSIS OF NET BORROWINGS

	At 1 April 2009 £'000	Cash Flows £'000	At 31 March 2010 £'000
Cash at bank and in hand excluding short term deposits	8,089	(1,546)	6,543
Short term deposits	–	–	–
Housing & non – housing loans < 1 year	(1,540)	(168)	(1,708)
Housing & non – housing loans > 1 year	(97,010)	(11,537)	(108,547)
Total	(90,461)	(13,251)	(103,712)

27. ANALYSIS OF CHANGES IN FINANCING

	2010 £'000	2009 £'000
Loans received	13,602	15,500
Loans repaid	(1,645)	(1,500)
Issue costs incurred	(252)	(245)
Balance at 31 March 2010	11,705	13,755

28. CAPITAL COMMITMENTS

	2010 £'000	2009 £'000
Capital expenditure		
Capital expenditure contracted for but not provided for in the accounts	30,062	20,809
Expenditure authorised by the Board but not contracted	17,221	1,599
Future capital expenditure will be part funded by social housing grant and borrowing:		
Social Housing Grant	11,805	5,567
Private Finance	35,478	16,841
	47,283	22,408

29. OTHER FINANCIAL COMMITMENTS

At 31 March 2010 the Association was committed to making the following annual payments under non-cancellable operating leases in the year to 31 March 2011.

	2010 £'000	Proforma 2009 £'000
Land and Buildings		
Operating leases which expire:		
Within 1 year	24	27
Within 2 to 5 years	98	111
Over 5 years	22	14
	144	152
Equipment and Vehicles		
Operating leases which expire:		
Within 1 year	6	11
Within 2 to 5 years	130	124
Over 5 years	–	–
	136	135

30. PENSIONS

Longhurst & Havelok Homes Limited participates in the Social Housing Pension Scheme (SHPS). This Scheme is a multi-employer defined benefit scheme which is contracted out of the state scheme. Longhurst & Havelok Homes has elected to operate a final salary with a 1/60 accrual rate and the career average re-valued earning with a 1/60 accrual rate benefit for active members as at 1st April 2007. For new entrants to the scheme from 1st April 2007, the career average re-valued earnings structure is the only option available.

During the year under review, Longhurst & Havelok Homes paid contributions at the rate of 11.7%. Contributions by members varied between 3.1% and 6.1% depending on their age. At the Balance Sheet date there were 93 active members of the scheme employed by Longhurst & Havelok Homes and the scheme remains open to new members.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi employer scheme where the scheme assets are co-mingled for investment purposes, and benefits

are paid from total scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2009. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £1,723 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £738 million, equivalent to a past service funding level of 70.0%.

The next triennial formal valuation of the Scheme is due as at 30 September 2011. The results of the valuation will be available in the autumn of 2012.

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the scheme. The debt is due in the event of the employer ceasing to participate in the scheme, or the scheme winding up. The estimated amount of employer debt on withdrawal liability for Longhurst & Havelok Homes as at 30 September 2009 has been calculated as £18,497,000.

Growth Plan

Longhurst & Havelok Homes Limited participates in the Pension Trust's multi-employers Growth Plan. The plan is funded and is not contracted out of the state scheme.

The rules of the Growth Plan state that the proportion of obligatory contributions, to be borne by the member and the member's employer, shall be determined by agreement between them. Longhurst & Havelok Homes paid contributions at the rate of 0% during the accounting period. Members paid contributions at varying rates during the accounting period. As at the Balance Sheet date, there was one active member of the plan employed by Longhurst & Havelok Homes. Longhurst & Havelok Homes continues to offer membership of the plan to its employees.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The last formal valuation of the scheme was carried out at 30th September 2008 by a professionally qualified actuary, using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £742m, compared to past service liabilities of £771m. The valuation therefore revealed a shortfall in assets of £29m, equivalent to a funding level of 96%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2009. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The market value of the Plan's assets as that date was £765m compared to past service liabilities of £820m. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £55m, equivalent to a funding level of 93%.

The next full actuarial valuation will be carried out as at 30 September 2011.

The estimated amount of employer debt on withdrawal liability for Longhurst & Havelok Homes as at 30 September 2009 has been calculated as £45,076.

31. RELATED PARTIES

It is the Association's policy that the tenancies of any tenant member of the Board are on normal commercial terms, and they are not able to use their position to their advantage.

At the date of these financial statements two Board Members were Councillors or employees of related local authorities.

32. SUBSIDIARIES

Longhurst Homes (now Longhurst and Havelok Homes Limited) was appointed as sole trustee of Jubilee Teetotal Homes in May 1998, providing housing management and technical services/advice. Jubilee Teetotal Homes is a registered charity which exists to provide housing for retired people in Ruskington, Lincolnshire.

Home From Home (Lincs) Ltd became a subsidiary of Longhurst Homes on 1 April 1999. Home From Home is a registered charity and has two furnished bungalows which are adapted for the needs of the elderly and disabled.

The results of the subsidiaries can be summarised as follows:-

	2010		2009	
	Net Current Assets £000	Surplus/ (Deficit) £000	Net Current Assets £000	Surplus/ (Deficit) £000
Jubilee Teetotal Homes	32	(2)	33	7
Home From Home (Lincs) Ltd	326	(375)	700	5

33. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking in which the results of the Association are consolidated is Longhurst Group Limited, a company registered in England. The consolidated accounts of the Group are available to the public and may be obtained from Leverett House, Gilbert Drive, Endeavour Park, Boston PE21 7TQ.

The Company has taken advantage of the exemption conferred to it in FRS8 not to disclose transactions with other members of Longhurst Group Limited.

SPIRE HOMES (LG) LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

Company Registration Number: 4043921

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BOARD MEMBERS AND EXECUTIVE STAFF

Board Members:

Mr J Farrar (Chairman)	
Mr R Jakeman (Vice Chairman)	
Mr R Lankey (Vice Chairman)	
Miss J Atkins	resigned on 25/01/11
Mrs P Bradberry	resigned on 25/01/11
Mrs C Breen	resigned on 25/01/11
Mr A Campbell	resigned on 25/01/11
Mr M Dobson	
Ms G Holloway	resigned on 21/10/10
Mrs M Hurst	resigned on 25/01/11
Mr P MacGovern	
Mrs S Peacock	
Mr J Robson	
Ms V Sargent	
Mrs P Steel	

Executive Officers:

Ms J Doyle DMS, MBA, MCMI Managing Director – Spire Homes and Group Deputy Chief Executive
Mrs L Stubbs DMS Director of Business Services
Ms K Sagoe BA (Hons) Director of Housing Services

Senior Managers:

Sam Horne	Head of Customer Services
Paul Manning	Head of Housing Services
Mark Rogers	Head of Property Services
Carol Underwood	Head of Supported Housing Services

Registered Head Office:

1 Crown Court
Crown Way
Rushden
Northants
NN 10 6BS

Principal Bankers:

Lloyds TSB Bank plc
133 High Street
Rushden
Northants
NN10 0NY

Auditors:

Beever and Struthers
Chartered Accountants and Statutory Auditor
St George's House
215 - 219 Chester Road
Manchester M15 4JE

Solicitors:

Vincent Sykes and Higham
Montague House
Chancery Lane
Thrapston
Northants NN14 4LN

Lawrence Graham
4 More London Riverside
London SE1 2AU

Roythorne & Co
10 Pinchbeck Road
Spalding
Lincolnshire PE11 1PZ

Wilson Browne Solicitors
The Manor House
Market Square
Higham Ferrers
Northants NN10 8BT

Trowers and Hamlins
Heron House
Albert Square
Manchester M2 5HD

Freeth Cartwright Hunt & Dickens
Express Buildings
29 Upper Parliament Street
Nottingham NG1 2AQ

Registered with the Tenant Services Authority No: LH4302

REPORT OF THE BOARD

The Board of Spire Homes Limited is pleased to present its Financial Statements for the year ended 31 March 2011.

Background

Spire Homes is a successful and thriving housing provider with around 5,000 properties across Northamptonshire and Rutland. Initially established as East Northamptonshire Housing Limited, the Association later became known as Spire Homes (LG) Ltd.

In 2009, Rutland County Council tenants voted overwhelmingly in favour of their homes transferring to Spire Homes. The transfer subsequently completed on 11 November 2009, bringing the number of homes in the Association's portfolio to over 4,850 and securing the prospect of much-needed improvements to homes and services for residents.

Over the past year, we reached an important milestone in the life of Spire Homes as we completed our tenth anniversary. This important milestone provided a time to reflect on and celebrate the many achievements of the past decade in providing high quality homes and housing services and most importantly making a difference to the lives of people and communities.

To date we have spent in excess of £74 million with £10.1 million invested in repairs and improvements to our homes in Northamptonshire and Rutland in the last year alone.

From 1st April 2011, we became a charity, registered with the Charities Commission. As a community focused organisation, becoming a charity was a natural step and complementary to the ethos that underpins our work. An additional benefit of charitable status is that our tax liabilities alter which mean that monies saved in the future can be re-invested into new and existing homes and services.

Corporate Mission and Aims

The Spire Homes strategy and aims are set out in its Business Plan, produced annually by members, customers and stakeholders and formally approved by the Board.

The Association's vision is:

"Inspired by the communities we serve ...

- *to be the first choice for quality homes and services;*
- *to make a positive difference to people's lives"*

This vision is underpinned by five core values:

- Quality – in everything we do
- People – who really care and make a difference
- Pride – in our work
- Community – focused and conscious
- Environmentally – aware and active.

The Association's core business aims for 2011/12 are to:

- Manage our assets wisely, investing in our existing homes and delivering our promises to tenants in Rutland
- Deliver service excellence and nurture our 'can do' culture
- Provide efficient services and be cost conscious
- Grow the business by providing new homes and services
- Reduce our environmental impact

Pages 166-170 outline the progress made against these aims over the past year.

In delivering its vision, Spire Homes also contributes towards Longhurst Group's mission, *"to lead and inspire growth based on excellence in service provision"*.

Future plans

Spire Homes, together with its Longhurst Group 'parent' and other member companies, manages and owns a major housing portfolio across several regions.

This, combined with our membership of the Blue Skies Consortium, highlights our strong track record and expertise in supporting communities. We relish this responsibility and will work hard to further build upon our solid reputation.

We are used to operating in a sector where change is the only constant. Through careful management and resourcing, both Spire Homes and Longhurst Group are well-placed to anticipate and respond to these shifts.

Like other businesses within the UK and globally, the association has had to manage the effect of the economic downturn and the recession. Despite this, 2010/11 was another successful year for Spire Homes; we remain strong and have managed to avoid cuts that have prevailed in other parts of the housing sector. In particular, we have made progress against our key business aims that will help us to keep moving forward positively.

Shared strength individual focus

As an asset-holding member of Longhurst Group, we have the best of both worlds; relative independence to operate efficiently, and the ability to both share strengths and to gain recognition for individual talents. And our shared commitment to retaining and developing our Board and workforce and maximising their potential is critical to maintaining the Group's positive reputation and attracting new talent.

Our size, strength and independence makes us an even more attractive proposition for partners to work with – and it allows us to improve our collective purchasing and bargaining power. That's good news for Spire Homes, Longhurst Group and the individuals whom we serve.

We are aware that future capital investment activities will be significantly more modest. Our individual and Group business strategies have carefully considered prevailing political, economic, social and technological risks and we know that the years ahead are likely to feature:

- Less Government spending and subsidy
- Greater competition for development – including other landlords, private builders and developers
- Subsidy being provided as an 'investment' that needs to be repaid over time
- The cost of lending going up.

So whilst the coming months are set to bring more change and volatility to the sector, our Association is geared up for the challenge. We have financial plans in place to help us continue the required investment to existing homes in Northamptonshire, transferred properties in Rutland and also develop new affordable units

in response to housing needs. Underpinning this investment is our commitment to maintain our position as a strong, efficient landlord that goes beyond the basics – providing extra services that engage, support and develop people.

Service Excellence

Within Spire Homes and the wider Group, we believe that growth and excellence are closely linked. We expect future growth – whether that means homes owned, turnover generated or additional services – to be clearly measurable through excellence in performance and innovation. Customer, partner and regulator validation will be key in helping us to benchmark our success.

We are immensely proud of our strong relationships with the TSA and HCA, and always welcome the opportunity for dialogue or feedback so that we can keep improving. Clearly with the closure of the TSA pending however and the shift of some regulatory powers to the HCA our relationships and communication with these bodies will change. We are however confident that we have built firm foundations over the years which will enable us to develop our relationships positively over the forthcoming period.

The revised model of regulation will focus on the ability of the organisation to contribute to the localism agenda through efficient financial management using the standards established by the TSA but based on two key strands of consumer protection and economic outcomes which will require substantially different levels of regulatory activity. We are confident that we are fully prepared to deal with a new approach and our association's experience as a trailblazer for the initial consultation – and early adopter and pilot for the local standards approach – should stand us in good stead for the future.

Efficiency and Financial Inclusion

We are conscious that the difficulties presented in the current economy make it difficult for many people to cope financially. With this in mind, we have established an even more robust financial inclusion strategy, and sought opportunities to help people make the most of employment and training opportunities.

Delivering Promises to Tenants

Following support from Rutland County Council tenants to transfer homes back in 2009, we successfully secured funding to allow the transfer to complete in November 2009. This was a significant milestone in our development, which will result in £21 million investment in local homes and neighbourhoods by 2015.

Awareness of Environmental Impact

This aim has been developed following extensive dialogue with our stakeholders; residents, in particular, wanted to see our association take a stronger focus on 'green' issues. This will shift the foundations of our business and we are now exploring opportunities to mainstream environmental impacts into our business.

The Board concludes that the general outlook for Spire Homes and its position within Longhurst Group remains extremely positive. Members therefore look to the future with confidence.

Corporate Governance

Maintaining a healthy board and committee structure is important to both Spire Homes and the wider Longhurst Group; this ensures that we take strong decisions and manage anticipated business risks effectively.

Spire Homes has its own governance policy, based on sector best practice. There is also a Group-wide Code of Conduct that applies to both Board members and staff.

In line with our company memorandum and articles and governance policy, the direction and control of the Association's activity is managed by a Board – representing a broad cross-section of tenant, local and professional interests. One member of the Spire Homes Board also serves as a representative on Longhurst Group Board.

Following the Rutland transfer, we reviewed our governance arrangements to ensure an appropriate mix of skills and local representation. As a result of this, a Rutland Management Board was established, comprising equal numbers of tenants, elected members and independent representatives.

We made changes to both the size and structure of our Board during early 2011. The Board now comprises of 11 Directors, recruited on a skills basis to ensure they provide the highest calibre of governance. This moves away from the traditional constituency groups formerly in place, which was more appropriate when Spire Homes was first established as a new transfer organisation. The changes also mean that the Local Authority no longer has membership of Spire Homes.

To ensure that the Board attracts and retains the right level of Board Directors, Spire Homes has introduced payment for Board members alongside a new performance framework from April 2011. Remuneration levels have been independently assessed and are comparable to similar sized and types of associations nationally. Work will continue during 2011, to further enhance the work of the Board and the Committee structures to ensure the highest standards of governance are in place and to respond to the changing regulatory framework as it continues to emerge.

Spire Homes currently has three committees to develop organisational policies and make recommendations to the Board:

- Housing Services Committee
- Development Services Committee
- Chairman's Committee.

At Group level, the Audit Committee also provides clear direction and helps to maintain strong governance across Longhurst Group and all of its member companies, including Spire Homes. Our association is represented on the Audit Committee.

The Spire Homes Board continued to meet regularly during 2010/11. We are committed to ongoing organisational development and support; through our new Board appraisals process, training needs and plans will be agreed with all members annually. We believe that the controls and policy framework in place satisfy the requirements of strong governance.

Statement of Directors' Responsibilities

The Board is required to prepare financial statements for each financial year that give a true and fair view of the Company's state of affairs, and income and expenditure for that period.

In preparing those financial statements, the Board is required to:

- i) Select suitable accounting policies and then apply them consistently
- ii) Make judgements and estimates that are reasonable, impartial and prudent
- iii) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- iv) Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at anytime, the financial position of the Company and enable it to ensure that the financial statements comply with the Companies Acts. The Board is also responsible for safeguarding Company assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over the Company's accounting records, cash holdings and all its receipts and remittances.

As far as the Directors are aware there is no relevant audit information of which the auditors are unaware.

The Directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any audit information and to establish that the Company's auditors are aware of that information.

Directors' Statement on Internal Controls

The Board acknowledges its ultimate responsibility in ensuring that the Association has an effective system of internal controls in place. The system of internal controls is designed to manage key risks and provide reasonable assurance that planned business objectives are achieved and well-managed.

It is the Board's responsibility to establish and maintain appropriate systems of internal control for Spire Homes. The Group Board also has overall responsibility for ensuring that the appropriate level of internal control is in place throughout all Group companies. Such systems of control can only provide reasonable and not absolute assurance against material financial misstatement or loss. The Group Board is supported in its responsibility in overseeing the adequacy and effectiveness of internal controls across the Group by the Audit Committee.

The Board's approach to risk management includes the regular evaluation of the nature and extent of the risks to which the Association is exposed. The approach is consistent with Turnbull principles and accepted good practice. Key elements include:-

- i) Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Company's assets
- ii) The Board has adopted a clear anti-fraud policy statement and approved a detailed fraud response plan. The policy statement has been communicated to staff and is part of the Governance Policy of the Company. The Audit Committee has reviewed the fraud register on a quarterly basis during 2010/11
- iii) The Board has approved a risk management strategy and continues to develop procedures to identify, assess and manage risks to which the Company is exposed
- iv) Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established for both Board and members of staff to maintain standards of performance
- v) Forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are promptly prepared, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate
- vi) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others

The Audit Committee reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and being followed. This includes a review of the major risks facing each Company within the Group. This committee makes regular reports to the Boards and formal procedures have been established for instituting appropriate action to correct weaknesses identified by the internal and external auditors as well as issues identified by the Audit Committee and individual Boards.

The Board has reviewed the effectiveness of the system of internal control in existence in the Association for the year ended 31 March 2011 and until the date of approval of these accounts. No weaknesses were found in internal controls that resulted in material losses, contingencies, or uncertainties that require disclosure in the financial statements or in the auditor's report on the financial statements.

Political and charitable donations

There were no political and charitable contributions during the financial year ended 31 March 2011 (nil: 2010). Charitable contributions were made within the Company's normal activities.

Auditors

A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint Beever and Struthers as the Association's external auditors.

Approved by the Audit Committee on 21 July 2011 under delegated authority from the Board on 24 May 2011 and signed on its behalf by:

.....

Mrs L Stubbs
Company Secretary

Date: 21 July 2011

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SPIRE HOMES (LG) LIMITED

We have audited the financial statements of Spire Homes (LG) Limited for the year ended 31 March 2011 on pages 173-196. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Statement of the Director's Responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Board Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2011 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination 2006.

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Board Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

21 July 2011

CHRISTOPHER PORRITT (Senior Statutory Auditor)
For and on behalf of
BEEVER AND STRUTHERS
Chartered Accountants
& Statutory Auditor

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	2011 £'000	Restated 2010 £'000
Turnover	3	20,735	16,490
Cost of sales	3	(362)	(397)
Operating costs	3	(15,844)	(14,747)
Operating surplus		4,529	1,346
Surplus/(Deficit) on sale of fixed assets	6	254	(235)
Interest receivable and similar income	7	3	7
Interest payable and similar charges	8	(4,818)	(3,905)
Deficit on ordinary activities before taxation for the year	10	(32)	(2,787)
Tax on deficit on ordinary activities	10	–	–
Deficit for the year		(32)	(2,787)

All amounts relate to continuing activities.

There is no difference between the deficit on ordinary activities before taxation and the retained deficit for the year stated above and their historical cost equivalents.

The notes on pages 177-196 form an integral part of these financial statements.

**STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	2011 £'000	Restated 2010 £'000
Deficit for the financial year		(32)	(2,787)
Actuarial surplus/(deficit) on pension schemes		884	(1,166)
Total recognised surplus/(deficit) for the year		852	(3,953)
Prior year adjustment	32	25,890	–
Total surplus/(deficit) recognised since the last annual report		26,742	(3,953)

BALANCE SHEET
AS AT 31 MARCH 2011

Company Registration No. 4043921

	Notes	2011 £'000	Restated 2010 £'000
Fixed assets			
Housing properties at depreciated cost	13	95,888	87,121
Less: Social Housing and other Grants	13	(19,475)	(19,413)
		<u>76,413</u>	<u>67,708</u>
Other fixed assets	14	1,784	1,866
Total fixed assets		<u>78,197</u>	<u>69,574</u>
Current assets			
Properties and other assets held for sale	15	350	1,442
Stocks	16	–	–
Debtors	17	1,224	1,340
Investments	18	–	–
Cash at bank and short term deposits		1,218	825
		<u>2,792</u>	<u>3,607</u>
Less Creditors			
Amounts falling due within one year	19	(4,449)	(3,946)
Net current liabilities excluding pension liability		<u>(1,657)</u>	<u>(339)</u>
Pension liability	29	(1,358)	(2,736)
Net current liabilities including pension liability		<u>(3,015)</u>	<u>(3,075)</u>
Total assets less current liabilities		<u>75,182</u>	<u>66,499</u>
Creditors			
Amounts falling due after more than one year	20	89,575	81,744
Capital and reserves			
Called up share capital			
Revenue reserves	21	–	–
	22	(14,393)	(15,245)
Accumulated reserves		<u>75,182</u>	<u>66,499</u>

The notes on pages 177-196 form an integral part of these financial statements.

The financial statements on pages 173-196 were approved by the Audit Committee on 21 July 2011 under delegated authority from the Board on 24 May 2011 and were signed on its behalf by:

J Farrar
Director

L Owen-Jones
Director

L Stubbs
Company Secretary

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £'000	Restated 2010 £'000
Net cash flow from operating activities	23	7,095	3,797
Returns on investments and servicing of finance	24	(4,434)	(3,851)
Taxation		–	–
Capital expenditure and financial investment	24	(10,099)	(13,305)
Net cash outflow before use of liquid resources and financing		(7,438)	(13,359)
Management of liquid resources	24	–	2,000
Financing	26	7,831	8,656
Increase/(Decrease) in cash		393	(2,703)
Reconciliation of net cash flow to movement in net debt			
Increase/(Decrease) in cash	25	393	(2,703)
Increase in debt	25	(7,831)	(8,226)
Decrease in liquid resources	25	–	(2,000)
Change in net borrowings due to cash flow	25	(7,438)	(12,929)
Net borrowings at beginning of period		(80,919)	(67,990)
Net borrowings at end of period	25	(88,357)	(80,919)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1. LEGAL STATUS

The Company is incorporated under the Companies Act 1985 as a company limited by guarantee without share capital (registered number 4043921) and is registered with the Tenant Services Authority as a Registered Provider, as defined by the Housing and Regeneration Act 2008, (registration number LH4302).

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and Statements of Recommended Practice. The financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008, the Accounting Requirements for Registered Social Landlords General Determination 2006, and the Statement of Recommended Practice: accounting by Registered Social housing Providers Update 2010 published by the National Housing Federation. The accounts are prepared under the historical cost basis of accounting.

Turnover

Turnover represents rental income receivable, fees and grants from local authorities and the Homes and Communities Agency, income from the sale of shared ownership and other properties developed for outright sale and other income.

Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, less accumulated depreciation and capital grants.

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Where a housing property comprises two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its useful economic life. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

Freehold land is not depreciated.

The Association depreciates freehold housing properties by component on a straight-line basis over the estimated useful economic lives of the component categories. For structure only, depreciation is charged after taking into account any social housing grant.

The useful economic lives for identified components are as follows:

	Years
Structure	120
Roof	60
Heating	20
Windows	30
Electrical	35
Bathrooms	30
Kitchens	20
Lifts	15
Doors	30

The Association depreciates housing properties held on long leases in the same manner as freehold properties, except where the unexpired lease term is shorter than the longest component life envisaged, in which case the unexpired term of the lease is adopted as the useful economic of the relevant component category.

Housing Fixed Assets

Depreciation is charged on other tangible fixed assets on a straight-line basis over the expected economic useful lives which are as follows:

Freehold Offices	Between 1 and 2% per annum on cost
Furniture and Fittings	15% per annum on cost
Office Equipment	20% per annum on cost
Motor Vehicles	20% per annum on cost
Computer Equipment	25% per annum on cost

Shared Ownership

The costs of shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets. The fixed asset element of the shared ownership property is split into land and structure, any social housing grant received is allocated against the structure element, and the net cost after grant is depreciated over 120 years.

Loan Finance Issue Costs

These are written off evenly over the life of the related loan. Loans are stated in the balance sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs are recognised in the income and expenditure account in the year in which the redemption took place.

Social Housing and Other Grants

Where developments have been financed wholly or partly by Social Housing and Other Grants, the grant received is allocated only against the land and structure components of the asset.

Social Housing Grant received for items of cost written off in the Income and Expenditure Account are matched against those costs as part of turnover.

Social Housing Grant is repayable in certain circumstances and in that event is a subordinated, unsecured, repayable debt is created.

The net housing association grant received and not spent is included in current liabilities, taking into account all properties under construction.

Social Housing Grant can be recycled by the Association under certain conditions, if a property is sold or another relevant event takes place. In these cases, the Social Housing Grant can be used for projects that meet the requirements of the HCA's Capital Funding Guide. However, Social Housing Grant may have to be repaid if certain conditions are not met.

Capitalisation of Interest and Administration Costs

Interest on loans financing development is capitalised up to date of the completion of the scheme and only when development activity is in progress.

Specific administration costs relating to development activities are capitalised based on an apportionment of the management time spent on this activity. Non specific administration costs relating to the development department have not been capitalised.

VAT

The Company charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Company and not recoverable.

Properties managed by agents

Where the Company carries the majority of the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Income and Expenditure Account.

Where the agency carries the majority of the financial risk, the Income and Expenditure Account includes only that income and expenditure which relates solely to the Company.

In both cases, the assets and associated liabilities are included in the Company's balance sheet.

Sale of housing properties

Properties developed for outright sale are included in turnover and cost of sales. Properties not developed for outright sale are divided into first tranche sales and other sales. The appropriate proportion of costs of housing properties that are built with the intention of full or partial sale, including equity share and shared ownership properties, are disclosed as current assets and stated at the lower of cost or net realisable value.

First tranche sales proceeds and the relative proportion of the property cost are recognised in turnover and cost of sales respectively. Subsequent tranches are not included within turnover and cost of sales but are shown as a separate item after the operating surplus in the income and expenditure account. All other sales of fixed asset properties are dealt with in this way.

Where a property is part of a distinct development scheme with mixed tenure elements, the surplus recognised on the elements sold is limited to the surplus calculated on the entire scheme. For the elements that are retained as fixed assets, the surplus or deficit is calculated by reference to the assets' existing use value for social housing.

Impairment

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified.

Improvements to properties and major repairs

The Group capitalises expenditure on housing properties that results in an increase in rental income over the life of the property. This increase may be a result of an increase in rental income, reduction in maintenance costs or significant extension of the life of the property.

Major repairs expenditure of a capital nature has been capitalised in line with the above.

Major repairs expenditure of a revenue nature is reflected in the income and expenditure account together with any related grant funding.

Leased Assets

Within the housing stock of the Company there are a number of properties held on short-term leases. The lease costs are written off to the income and expenditure account as incurred.

Pension Scheme

The Company operates three defined benefit schemes. As the Pensions Trust is unable to identify the Company's underlying share of assets and liabilities, the Company has therefore accounted for contributions made to the Social Housing Pension Scheme as if it were a defined contribution scheme. In respect of the pension schemes with Northamptonshire County Council and Leicestershire County Council, the liabilities are shown in the accounts in line with FRS17.

Deferred Tax

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Except as noted below, full provision for deferred income is made under the liability method on all timing differences that have arisen, but not reversed by the balance sheet date.

In accordance with FRS 19, deferred tax is not provided for gains on sale of non- monetary assets, if the taxable gain will probably be rolled over.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Stock and Work In Progress

Stock and work in progress are stated at the lower of cost and net realisable value.

Current Asset Investments

Current asset investments are included in the Balance Sheet at Market Value.

Loan Interest Costs

The full costs of deferred interest rate and indexation loans are shown in the Income and Expenditure Account.

Corporation Tax

The Company pays corporation tax at the rate applicable at 31 March 2011.

Support Income and Costs including Supporting People Income and Costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the turnover note 2. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the income and expenditure from social housing lettings note 3 and matched against the relevant costs.

Operating Leases

Rentals paid under operating leases are charged to the Income and Expenditure Account as incurred.

Commitment to the Supply of Qualifying Works

There is a financial commitment in place as part of the transfer agreement to carry out the improvement works under the VAT shelter arrangements. There is therefore a long term commitment to complete these works.

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2011			
	Turnover £'000	Cost of Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	18,647	–	(14,608)	4,039
OTHER SOCIAL HOUSING ACTIVITIES				
Supporting People Contract Income	319	–	(278)	41
Development – Other	263	–	(85)	178
Development – First tranche shared ownership sales	360	(362)	(16)	(18)
Management Services	269	–	(344)	(75)
Managed Operations	–	–	(235)	(235)
Other Activities	877	–	(278)	599
	2,088	(362)	(1,236)	490
TOTAL	20,735	(362)	(15,844)	4,529

	Restated 2010			
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	14,873	–	(12,458)	2,415
OTHER SOCIAL HOUSING ACTIVITIES				
Supporting People Contract Income	353	–	(394)	(41)
Development – Other	191	–	(448)	(257)
Development – First tranche shared ownership sales	461	(397)	(365)	(301)
Management Services	577	–	(1,171)	(594)
Managed Operations	–	–	125	125
Other Activities	35	–	(36)	(1)
	1,617	(397)	(2,289)	(1,069)
TOTAL	16,490	(397)	(14,747)	1,346

4. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT) FROM SOCIAL HOUSING LETTINGS

	General Housing £'000	2011 Supported Housing for older people £'000	Low Cost Home Ownership £'000	2011 £'000	2010 Restated £'000
Income from social housing lettings					
Rents receivable net of identifiable service charges	15,344	2,015	288	17,647	14,348
Service charges	216	305	1	522	185
Charges for support services	97	381	–	478	340
Total income from social housing lettings	15,657	2,701	289	18,647	14,873
Expenditure					
Management	1,305	925	52	2,282	1,315
Services	1,903	411	44	2,358	2,175
Routine Maintenance	2,747	558	–	3,305	2,467
Planned Maintenance	915	105	–	1,020	853
Major repairs expenditure	2,995	961	–	3,956	3,610
Rent losses from bad debts	270	–	–	270	56
Depreciation of Housing Properties	1,636	278	38	1,952	1,982
Write down of Current Assets	–	–	1	1	–
Past Service Pension Gain (Note 23)	(536)	–	–	(536)	–
Total expenditure on social housing lettings	11,235	3,238	135	14,608	12,458
Operating surplus on social housing lettings	4,422	(537)	154	4,039	2,415
Rent losses from voids	448	163	28	639	618

5. ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation owned for each class of accommodation was as follows:

	2011	2010
	No.	No.
Units in Management owned by the Group		
General housing	3,165	3,179
Supported and Sheltered Housing	1,516	1,461
Shared Ownership	116	105
Leasehold Schemes for the elderly	114	129
Total Social Housing Properties	4,911	4,874

At 31 March 2011 the Company owned 23 units (2010: 23 units) which were managed by agents.

6. PROFIT ON SALE OF FIXED ASSETS

	Shared Ownership Staircasing £'000	Right to Buy and Voluntary Sales £'000	Total 2011 £'000	Total 2010 £'000
Proceeds of Sale	–	255	255	444
Less: Cost of Sales	(3)	2	(1)	(679)
	(3)	257	254	(235)

7. INTEREST RECEIVABLE AND OTHER INCOME

	2011 £'000	2010 £'000
Interest receivable and similar income	3	7

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £'000	2010 £'000
Repayable within 5 years by instalments	–	–
Repayable wholly or partly in more than 5 years by instalments	4,506	4,008
Other	371	63
Less: Interest payable capitalised on housing properties under construction	(59)	(166)
	4,818	3,905

The average interest rate used to determine the amount of finance costs capitalised during the period was 4.96% (2010: 5.00%).

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2011 £'000	Restated 2010 £'000
This is stated at after charging		
Depreciation of housing properties	1,952	1,982
Depreciation on other tangible fixed assets	114	131
Bad debts	270	56
Auditors remuneration (inclusive of VAT):		
In their capacity as auditors	23	30
In respect of other services	–	11
Operating lease charges re HAMA shortlife properties	–	–

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

(a) Analysis of the tax charge in the year

	2011 £'000	2010 £'000
Current Tax:		
Corporation Tax at 28%	–	–
Under/(over) provision in previous years	–	–
Deferred Tax:		
Origination and reversal of timing differences	–	–
Tax on deficit on ordinary activities	–	–

(b) Current tax reconciliation

	2011 £'000	Restated 2010 £'000
Deficit on ordinary activities before tax	(32)	(2,787)
Deficit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010: 28%)	(9)	(780)
Effects of:		
(Profits)/losses arising in non taxable entities	–	–
Expenses not deductible for tax purposes	543	–
(primarily property depreciation and capital items included in expenditure)	–	157
Movement on deferred tax other fixed assets	10	–
Rollover relief/indexation on profit on disposal of property	1	1
Adjustments to tax charge in respect of previous periods	–	–
Increase in losses c/fwd	(528)	659
Group relief surrendered free of charge	–	–
Capitalised interest	(17)	9
Other short term timing differences	–	(46)
Current tax charge for the year	–	–

(c) Factors that may affect future tax charges

No provision has been made for deferred tax gains recognised on the sale of properties where taxable gains have been rolled over into replacement assets. Such tax would become payable only if the properties were sold without it being possible to claim rollover relief. The total amount unprovided is £674,000 (31 March 2010 - £714,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

Spire Homes (LG) Limited has not recognised a deferred tax asset of £2,227,000 as at 31 March 2011 (31 March 2010 - £8,959,000). This asset has not been recognised in the financial statements by the Board as they are of the opinion that the level of profits in the future will not exceed the losses being created during the significant refurbishment phase on the current housing stock.

11. STAFF COSTS

	2011 £'000	2010 £'000
Staff costs, including the Executive Directors:		
Wages and salaries	2,684	2,830
Social security costs	210	222
Other pension costs	276	254
	3,170	3,306
	2011 Number	2010 Number
The average monthly number of persons (including the Executive Directors) employed during the year expressed as full time equivalents		
Office staff	76	74
Wardens, caretakers and cleaners	25	22
Total employees	101	96

12. EXECUTIVE DIRECTORS

Directors are defined as the Board Members and the Executive Officers who are employed by the Company identified on Page 164.

	2011 Number	2010 Number
The number of Executive Officers, including the highest paid executive, who received emoluments	3	3
	2011 £'000	2010 £'000
Emoluments, including pension contributions and benefits in kind		
Board Members	8	11
Executive Officers	298	302
	306	313

2011	2010
£'000	£'000

The emoluments of staff disclosed above
(excluding pension contributions) include amounts paid to :

The highest paid Director (the Managing Director):	117	116

The Managing Director is an ordinary member of the SHPS pension scheme. Contributions are payable in line with other members of the Company and no enhanced or special terms apply. A contribution by the Company of £11,951 (2010: £13,497) was paid in addition to the personal contribution of the Managing Director.

Benefits in kind relate to leased car, professional subscriptions and health care insurance.

13. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

	Housing properties held for letting £'000	Housing properties under construction £'000	Shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
At 1 April 2010	52,182	3,502	5,120	1,967	62,771
Prior year adjustment	32,411	145	174	(438)	32,292
At 1 April 2010 (as restated)	84,593	3,647	5,294	1,529	95,063
Additions	220	3,906	315	2,034	6,475
Schemes completed in Year	6,209	(6,209)	1,449	(1,449)	–
Replacement of Components	5,896	–	–	–	5,896
Disposals	(1,793)	–	–	–	(1,793)
At 31 March 2011	95,125	1,344	7,058	2,114	105,641
Depreciation & Impairment					
At 1 April 2010	1,499	–	41	–	1,540
Prior year adjustment	6,294	–	108	–	6,402
At 1 April 2010 (as restated)	7,793	–	149	–	7,942
Charge in year	1,914	–	38	–	1,952
Impairment losses	–	–	–	1	1
Released on disposals	(142)	–	–	–	(142)
At 31 March 2011	9,565	–	187	1	9,753
Depreciated Cost at 31 March 2011	85,560	1,344	6,871	2,113	95,888
Social Housing Grants					
At 1 April 2010	14,775	1,733	1,520	1,385	19,413
Additions	–	1,670	–	287	1,957
Disposals	(1,895)	–	–	–	(1,895)
Schemes completed in year	3,811	(3,060)	323	(1074)	–
At 31 March 2011	16,691	343	1,843	598	19,475
Net book value					
At 31 March 2011	68,869	1,001	5,028	1,515	76,413
At 31 March 2010 (restated)	62,025	1,914	3,625	144	67,708

Expenditure on works to existing properties

	2011 £'000	2010 £'000
Replacement of Components	5,896	3,228
Amounts charged to Income & Expenditure Account	3,956	3,610
	9,852	6,838

The Net Book Value of these properties is made up as follows:

	2011 £'000	2010 £'000
Freehold	76,413	67,708
Long leasehold	–	–
Short leasehold	–	–
	76,413	67,708

SHG Receivable

The total accumulated SHG received or receivable at the Balance Sheet date from capital or revenue sources was £21,370k (2010: £19,413k).

14. TANGIBLE FIXED ASSETS – OTHER

	Freehold Offices £'000	Computer Equipment £'000	Motor Vehicles £'000	Office Furnishings and Equipment £'000	Total Other Fixed Assets £'000
COST					
At 1 April 2010	2,001	723	11	362	3,097
Additions	–	14	–	18	32
At 31 March 2011	2,001	737	11	380	3,129
DEPRECIATION					
At 1 April 2010	316	636	11	268	1,231
Charge for the period	40	51	–	23	114
At 31 March 2011	356	687	11	291	1,345
NET BOOK VALUE					
At 31 March 2011	1,645	50	–	89	1,784
At 31 March 2010	1,685	87	–	94	1,866

15. PROPERTIES AND OTHER ASSETS IN THE COURSE OF SALE

	2011	2010
	£'000	£'000
Properties held for sale:		
Completed	350	476
In course of construction	–	966
At 31 March 2011	350	1,442

16. STOCKS

	2011	2010
	£'000	£'000
Consumable stocks	–	–

17. DEBTORS

	2011	2010
	£'000	£'000
Amounts falling due within one year		
Rental debtors	1,003	1,125
Less: Provision for bad and doubtful debts	(455)	(416)
	548	709
Prepayments and accrued income	269	295
SHG receivable	–	18
Other debtors	349	318
Deferred Tax	–	–
Corporation Tax	–	–
Intercompany debtor	58	–
	1,224	1,340

18. CURRENT ASSET INVESTMENTS

	2011	2010
	£'000	£'000
Short term money market deposits	–	–

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£'000	£'000
Housing loans	—	—
Funders interest	533	464
Rents and service charges received in advance	284	178
Trade creditors	1,145	56
Other taxation and social security costs	98	118
Accruals and deferred income	1,200	2,298
Other Creditors	441	370
Corporation tax	—	—
Inter company creditors	748	462
	4,449	3,946

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2011	2010
	£'000	£'000
Housing loans	89,575	81,744
Amounts repayable by instalments:		
Repayable between one to two years	—	—
Repayable between two to five years	—	—
Repayable after five years	90,300	82,500
	90,300	82,500
Less: issue costs	(725)	(756)
	89,575	81,744

Loans from banks and building societies are secured by specific charges on the Company's housing properties. The loans are repayable at varying rates of interest. The average rate of interest at 31 March 2011 was 4.96% (2010: 5.08%).

21. SHARE CAPITAL

The Company is limited by guarantee and has no equity or non-equity share capital. Members of the Company guarantee to contribute a maximum of £1 should there be a call on their guarantee.

22. REVENUE RESERVES

	Revenue Reserve
	£'000
At 1 April 2010 as previously stated	(41,135)
Prior year adjustment (Note 32)	25,890
At 1 April 2010 restated	(15,245)
Deficit for the year	(32)
Actuarial surplus	884
Revenue Reserves at 31 March 2011	(14,393)

23. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £'000	2010 £'000
Operating surplus for the year	4,529	1,346
Depreciation charges	2,066	2,111
Movement in properties and other assets in the course of sale	1,092	(310)
Movement in debtors	98	(314)
Movement in creditors	(944)	1,199
(Surplus)/Deficit on sale of other fixed assets	254	(235)
Net cash inflow from operating activities	7,095	3,797

24. ANALYSIS OF CHANGES IN CASH AND EQUIVALENTS

	2011 £'000	2010 £'000
Returns on investments and servicing of finance		
Interest received	3	7
Interest paid	(4,437)	(3,858)
	(4,434)	(3,851)
Capital expenditure and financial investment		
Purchase of housing properties	(12,291)	(17,120)
Sale of housing properties (net of cost of sales)	249	443
SHG received	1,975	3,431
Purchase of other fixed assets	(32)	(59)
Sale of other fixed assets	–	–
	(10,099)	(13,305)
Management of liquid resources		
Short term deposits	–	2,000
Financing		
Increase in debt due after one year	7,831	8,656

25. ANALYSIS OF NET BORROWINGS

	At 1 April 2010 £'000	Cash Flows £'000	Other Changes £'000	At 31 March 2011 £'000
Cash at bank and in hand excluding short term deposits	825	393	–	1,218
Housing & non - housing loans > 1 year	(81,744)	(7,800)	(31)	(89,575)
Total	(80,919)	(7,407)	(31)	(88,357)

26. ANALYSIS OF CHANGES IN FINANCING

	2011 £'000	2010 £'000
Loans received	7,800	8,700
Loans repaid	—	—
Issue costs incurred/(amortised)	31	(44)
Balance at 31 March 2011	<u>7,831</u>	<u>8,656</u>

27. CAPITAL COMMITMENTS

	2011 £'000	2010 £'000
Capital expenditure		
Capital expenditure contracted for but not provided for in the accounts	11,246	4,808
Expenditure authorised by the Board but not contracted	8,019	2,255
	<u>19,265</u>	<u>7,063</u>
 Future capital expenditure will be part funded by social housing grant and borrowing:		
Social Housing Grant	1,938	3,204
Private Finance	17,327	3,859
	<u>19,265</u>	<u>7,063</u>

The Company received the transfer of 1,242 properties from Rutland County Council District Council on 9 November 2009. As part of the transfer, the Council has made a commitment to the Company to have the properties refurbished and modernised and brought into a good state of repair. Immediately prior to transfer, the Council contracted with the Company to carry out the refurbishment works on its behalf. The Council's obligation to carry out the works is in effect matched by the Company's obligations to bring the properties into a good state of repair. As a specific right of set off exists, a net basis has been adopted in respect of these obligations and neither the assets or liabilities have been recognised. At 31 March 2011 the gross values of the balances that have been offset are £16,806,251 with VAT of £3,361,250 arising on the works totalling £20,167,501.

28. OTHER FINANCIAL COMMITMENTS

At 31 March 2011 the Company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2012.

	2011 £'000
Land and Buildings	
Operating leases which expire:	
Within 1 year	—
Within 2 to 5 years	—
Over 5 years	—
	<u>—</u>
 Equipment and Vehicles	
Operating leases which expire	
Within 1 year	13
Within 2 to 5 years	58
Over 5 years	4
	<u>4</u>

29. PENSIONS

Social Housing Pension Scheme

Spire Homes (LG) Ltd participates in the Social Housing Pension Scheme (SHPS). This scheme is a multi-employer defined benefit scheme which is contracted out of the scheme. Spire Homes (LG) Ltd has elected to operate a final salary with a 1/60 accrual rate and the career average revalued earning with a 1/60 accrual rate benefit for active members as at 1st April 2007. For new entrants to the scheme from 1st April 2007, the career average revalued earnings structure is the only option available.

During the year under review, Spire Homes (LG) Ltd paid contributions at the rate of 6.95% for the final salary scheme and 7.25% for the career average scheme plus a lump sum to fund past deficit amounts. Contributions by members varied between 6.05% and 11.25% depending on their age. At the Balance sheet date there were 44 active members of the scheme employed by Spire Homes (LG) Ltd and the scheme remains open to new members.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from total scheme assets. Accordingly, due to the nature of the scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the financial position of the scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified Actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2010. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £1,985 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £497 Million, equivalent to a past service funding level of 80.0%.

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the scheme. The debt is due in the event of the employer ceasing to participate in the scheme, or the scheme winding up. The estimated amount of employer debt on withdrawal liability for Spire Homes (LG) Limited as at 30 September 2010 has been calculated as £2,131,000.

The next triennial formal valuation of the Scheme is due as at 30 September 2011. The results of the valuation will be available in the autumn of 2012.

Spire Homes (LG) Limited

Spire Homes (LG) Limited contributes to the Northamptonshire County Council Pension Fund and the Leicestershire County Council Pension Fund schemes which are defined benefit schemes.

Contributions

The defined benefit scheme employers' contributions for the year ended 31 March 2011 were £121k (2010: £148.0K) and the employers contribution rate has been fixed at 36.9% (NCC) and 18% (LCC) of pensionable pay until 31 March 2011.

Assumptions

The major assumptions used by the actuary in assessing scheme liabilities on a FRS 17 basis were:

	At 31 March 2011 %	At 31 March 2010 %
Rate of increase in salaries	5.1	5.3
Rate of increase in pensions in payment	2.8	3.8
Discount rate	5.5	5.5
Inflation assumptions	3.6	3.8

Fair value and expected returns on assets

The fair value of employer assets and the expected rate of return were:

	Fair Value 31 March 2011 £'000	Expected Return 31 March 2011 %	Fair value 31 March 2010 £'000	Expected Return 31 March 2010 %
Equities	2,460	7.5	2,470	7.8
Bonds	577	4.9	481	5.0
Property	233	5.5	224	5.8
Cash	56	4.6	58	4.8
Total	3,326		3,233	

There is no provision for unitising the assets of a fund under the Local Government Pension Scheme. The above assets as a whole are allocated to participating bodies on a consistent and reasonable basis.

	Value at 31 March 2011 £'000	Value at 31 March 2010 £'000
Fair value of assets related to the Company	3,326	3,233
Value placed on liabilities related to the Company	(4,681)	(5,965)
Value placed on unfunded liabilities related to the Company	(1,355)	(2,732)
Deficiency related to the Company	(3)	(4)
Net pension liability	(1,358)	(2,736)

Recognition in the profit or loss

	2011 £'000 NCC	2011 £'000 LCC	2011 % of pay NCC	2011 % of pay LCC
Current service costs	55	36	25.0	20.0
Interest cost	255	48	116.4	26.7
Expected return on employer assets	(185)	(46)	(84.5)	(25.6)
Past service cost / (gain)	(435)	(101)	(198.6)	(56.1)
Total	(310)	(63)	(141.7)	(35.0)
Actual return on plan assets	176	55		
	2010 £'000 NCC	2010 £'000 LCC	2010 % of pay NCC	2010 % of pay LCC
Current service costs	44	20	15.7	11.1
Interest cost	231	35	82.2	19.3
Expected return on employer assets	(123)	(28)	(43.8)	(15.5)
Past service cost / (gain)	–	–	–	–
Total	152	27	54.1	14.9
Actual return on plan assets	706	159		

Reconciliation of defined benefit obligation

	2011 £'000	2010 £'000
Opening defined benefit obligation	5,969	3,886
Current service cost	91	64
Interest cost	303	266
Contribution by members	26	29
Actuarial losses / (gains)	(961)	1,880
Past service costs / (gains)	(536)	–
Estimated benefits paid	(208)	(156)
Closing defined benefit obligation	4,684	5,969

Reconciliation of fair value of employer assets

	2011 £'000	2010 £'000
Opening fair value of employer assets	3,233	2,347
Expected return on assets	231	151
Contributions by members	26	29
Contributions by the employer	121	148
Contributions in respect of unfunded benefits	0	0
Actuarial gains / (losses)	(77)	714
Benefits paid	(208)	(156)
Closing fair value of employer assets	3,326	3,233

Analysis of amount recognised in statement of total recognised surpluses and deficits (STRSD)

	2011 £'000	2010 £'000	2009 £'000	2008 £'000	2007 £'000
Actuarial gains / (losses)	884	(1,166)	(74)	(418)	198
Actuarial gains / (losses) recognised in STRSD	884	(1,166)	(74)	(418)	198
Cumulative actuarial gains and losses	(577)	(1,461)	(295)	(221)	197

Amounts for the current and previous accounting periods

	2011 £'000	2010 £'000	2009 £'000	2008 £'000	2007 £'000
Fair value of employer assets	3,326	3,233	2,347	3,000	3,422
Present value of defined benefit obligation	(4,684)	(5,969)	(3,886)	(4,436)	(4,454)
Deficit	(1,358)	(2,736)	(1,539)	(1,436)	(1,032)
Experience Gains / Losses on assets	(77)	(714)	(891)	(541)	(27)
Experience Gains / Losses on liabilities	–	(3)	–	194	–

Principal Actuarial Assumptions (per annum)

	2011	2010
Discount Rate	5.50%	5.50%
Expected return on asset	6.80%	7.20%
Inflation assumption	5.10%	5.30%
Rate of increase in salaries	2.80%	3.80%
Rate of increase in pensions in payment: RPI subject to a maximum of 5% pa		

Post retirement mortality

Is based on the average future life expectancies at age 65	Males	Females
Current Pensioners	21.4 years	23.3 years
Future Pensioners	23.4 years	25.5 years

30. RELATED PARTIES

It is the Company's policy that the tenancies of any tenant member of the Board are on normal commercial terms, and they are not able to use their position to their advantage.

At the date of these financial statements five Board Members were Councillors or employees of related local authorities.

31. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking in which the results of the Company are consolidated is headed by Longhurst Group Limited, a company registered in England. The consolidated accounts of the Group are available to the public and may be obtained from Leverett House, Gilbert Drive, Endeavour Park, Boston PE21 7TQ.

The Company has taken advantage of the exemption conferred to it in FRS8 not to disclose transactions with other members of Longhurst Group Limited.

32. PRIOR YEAR ADJUSTMENT

Spire Homes (LG) Ltd has adopted the Statement of Recommended Practice (SORP): accounting by registered social housing providers Update 2010 in this current year ended 31st March 2011. This has resulted in the provisions for component accounting being implemented this year.

Housing properties are now analysed by major component. Major repairs undertaken in recent years and representing replacements of components are now capitalised. Brought forward accumulated depreciation has been adjusted accordingly.

The financial impact of these changes is as follows:

	<u>£'000's</u>
Transfer of expenditure from Major Repairs to capitalised housing property improvements to 31st March 2010 (Note 13)	32,292
Additional depreciation charged as a result of component accounting (Note 13)	<u>(6,402)</u>
Total transfer to revenue reserves (Note 22)	<u>25,890</u>

SPIRE HOMES (LG) LIMITED
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

Company Registration Number: 4043921

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BOARD MEMBERS AND EXECUTIVE STAFF

Board Members:

Mr J Farrar (Chairman)
Mr R Jakeman (Vice Chairman)
Mr R Lankey (Vice Chairman)
Miss J Atkins
Mrs P Bradberry
Mrs C Breen
Mr A Campbell
Mr M Dodson
Ms G Holloway
Mrs M Hurst
Mr P MacGovern
Mrs S Peacock
Mr J Robson
Ms V Sargent
Mrs P Steel

Executive Officers:

Ms J Doyle DMS, MBA, MCMI

Managing Director – Spire Homes and Group Deputy
Chief Executive

Mrs L Stubbs DMS

Director of Business Services

Ms K Sagoe BA (Hons)

Director of Housing Services

Senior Managers:

Sam Horne
Paul Manning
Mark Rogers
Carol Underwood

Head of Customer Services
Head of Housing Services
Head of Property Services
Head of Supported Housing Services

Registered Head Office:

1 Crown Court
Crown Way
Rushden
Northants
NN 10 6BS

Principal Bankers:

Lloyds TSB Bank plc
133 High Street
Rushden
Northants
NN10 0NY

Auditors:

Beever and Struthers
Chartered Accountants and Statutory Auditor
St George's House
215 - 219 Chester Road
Manchester M15 4JE

Solicitors:

Vincent Sykes and Higham
Montague House
Chancery Lane
Thrapston
Northants NN14 4LN

Lawrence Graham
4 More London Riverside
London SE1 2AU

Wilson Browne Solicitors
The Manor House
Market Square
Higham Ferrers
Northants NN10 8BT

Trowers and Hamblins
Heron House
Albert Square
Manchester M2 5HD

Roythorne & Co
10 Pinchbeck Road
Spalding
Lincolnshire PE11 1PZ

Freeth Cartwright Hunt & Dickens
Express Buildings
29 Upper Parliament Street
Nottingham NG1 2AQ

Registered with the Tenant Services Authority No: LH4302

REPORT OF THE BOARD

The Board of Spire Homes Limited is pleased to present its Financial Statements for the year ended 31 March 2010.

Background

Spire Homes is a successful and thriving housing provider with around 5,000 properties across Northamptonshire and Rutland. Initially established as East Northamptonshire Housing Limited, the Association later became known as Spire Homes (LG) Ltd.

In 2009, Rutland County Council tenants voted overwhelmingly in favour of their homes transferring to Spire Homes. The transfer subsequently completed on 11 November 2010, bringing the number of homes in the Association's portfolio to around 5,000 and securing the prospect of much-needed improvements to homes and services for residents.

Corporate mission and aims

The Spire Homes strategy and aims are set out in its business plan, produced annually by members, customers and stakeholders and formally approved by the Board.

The Association's vision is:

"Inspired by the communities we serve ...

- to be the first choice for quality homes and services;*
- to make a positive difference to people's lives"*

This vision is underpinned by five core values:

- Quality – in everything we do
- People – who really care and make a difference
- Pride – in our work
- Community – focused and conscious
- Environmentally – aware and active.

The Association's core business aims for 2010/11 are to:

- Invest in existing homes and build new ones
- Deliver service excellence and nurture a 'can do' culture
- Provide efficient services and promote financial inclusion
- Deliver promises to tenants in Rutland
- Be aware of the organisation's environmental impact.

Pages 205-211 outline the progress made against these aims over the past year.

In delivering its vision, Spire Homes also contributes towards Longhurst Group's mission, *"to lead and inspire growth based on excellence in service provision"*.

Future plans

Spire Homes, together with its Longhurst Group 'parent' and other member companies, manages and owns a major housing portfolio across several regions.

This, combined with our membership of the Blue Skies Consortium, highlights our strong track record and expertise in supporting communities. We relish this responsibility and will work hard to further build upon our solid reputation.

We are used to operating in a sector where change is the only constant. Through careful management and resourcing, both Spire Homes and Longhurst Group are well-placed to anticipate and respond to these shifts.

Like other businesses within the UK and globally, the association has had to manage the effect of the economic downturn and the recession. Despite this, 2010 was another successful year for Spire Homes; we remain strong and have managed to avoid cuts that have prevailed in other parts of the housing sector. In particular, we have made progress against our key business aims that will help us to keep moving forward positively.

Investment in existing and new homes

As an asset-holding member of Longhurst Group, we have the best of both worlds; relative independence to operate efficiently, and the ability to both share strengths and to gain recognition for individual talents. And our shared commitment to retaining and developing our Board and workforce and maximising their potential is critical to maintaining the Group's positive reputation and attracting new talent.

Our size, strength and independence makes us an even more attractive proposition for partners to work with – and it allows us to improve our collective purchasing and bargaining power. That's good news for Spire Homes, Longhurst Group and individuals whom we serve.

We expect that future capital investment activities will be more modest. Our individual and group business strategies have carefully considered prevailing political, economic, social and technological risks and we assume that the years ahead are likely to feature:

- Less Government spending and subsidy
- Greater competition for development – including other landlords, private builders and developers
- Subsidy being provided as an 'investment' that needs to be repaid over time
- The cost of lending going up.

Yet at the end of the year, our take on the economy – despite a tricky economic climate, particularly in housing – was relatively upbeat. Spire Homes achieved additional funding for new developments and continued exactly as we had before with staff training; this is important as it allows us to make best use of our greatest resource – our people.

So whilst the coming months are set to bring more change and volatility to the sector, our association is geared up for the challenge. We have financial plans in place to help us make the required investment to existing homes in Northamptonshire, newly-transferred properties in Rutland and also develop new affordable units in response to housing needs. Underpinning this investment is our commitment to maintain our position as a strong, efficient landlord that goes beyond the basics – providing extra services that engage, support and develop people.

Service excellence

Within Spire Homes and the wider Group, we believe that growth and excellence are closely linked. We expect future growth – whether that means homes owned, turnover generated or additional services – to be clearly measurable through excellence in performance and innovation. Customer, partner and regulator validation will be key in helping us to benchmark our success.

Like other housing providers, we are preparing for the new regulatory framework in 2010. Whilst the Tenant Services Authority is due to be disbanded, there are currently no indications what the framework will be; if anything, the latest political signs suggest that direct accountability to tenants (with some regulatory input from the Homes and Communities Agency) will be more business-critical than ever. So our association's

experience as a trailblazer for the initial consultation – and early adopter and pilot for the local standards approach – should stand us in good stead for the future.

Efficiency and financial inclusion

We are conscious that the difficulties presented in the current economy make it difficult for many people to cope financially. With this in mind, we have established an even more robust financial inclusion strategy, and sought opportunities to help people make the most of employment and training opportunities.

Delivering promises to tenants

Following support from Rutland County Council tenants to transfer homes last year, we successfully secured funding to allow the transfer to complete in November 2009. This is a significant milestone in our development, which will result in £21 million investment on local homes and neighbourhoods by 2015.

Awareness of environmental impact

This aim has been developed following extensive dialogue with our stakeholders; residents, in particular, wanted to see our association take a stronger focus on ‘green’ issues. This will shift the foundations of our business and we are now exploring opportunities to mainstream environmental impacts into our business.

The Board concludes that the general outlook for Spire Homes and its position within Longhurst Group remains extremely positive. Members therefore look to the future with confidence.

Corporate Governance

Maintaining a healthy board and committee structure is important to both Spire Homes and the wider Longhurst Group; this ensures that we take strong decisions and manage anticipated business risks effectively.

Spire Homes has its own governance policy, based on sector best practice. There is also a Group-wide Code of Conduct that applies to both Board members and staff.

In line with our company memorandum and articles and governance policy, the direction and control of the Association’s activity is managed by a Board – representing a broad cross-section of tenant, local and professional interests. One member of the Spire Homes Board also serves as a representative on Longhurst Group Board.

Following the Rutland transfer, we reviewed our governance arrangements to ensure an appropriate mix of skills and local representation. As a result of this, a Rutland Management Board was established, comprising equal numbers of tenants, elected members and independent representatives.

Spire Homes has established three committees to develop organisational policies and make recommendations to the Board:

- Housing Services Committee
- Development Services Committee
- Chairman’s Committee.

At Group level, the Audit Committee also provides clear direction and helps to maintain strong governance across Longhurst Group and all of its member companies, including Spire Homes. Our association is represented on the Audit Committee.

The Spire Homes Board continued to meet regularly during 2009/10. We are committed to ongoing organisational development and support; through our Board appraisals process, training needs and plans are agreed with all members annually. We believe that the controls and policy framework in place satisfy the requirements of strong governance.

Statement of directors' responsibilities

The Board is required to prepare financial statements for each financial year that give a true and fair view of the Company's state of affairs, and income and expenditure for that period.

In preparing those financial statements, the Board is required to:

- i) Select suitable accounting policies and then apply them consistently
- ii) Make judgements and estimates that are reasonable, impartial and prudent
- iii) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- iv) Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at anytime, the financial position of the Company and enable it to ensure that the financial statements comply with the Companies Acts. The Board is also responsible for safeguarding Company assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over the Company's accounting records, cash holdings and all its receipts and remittances.

As far as the Directors are aware there is no relevant audit information of which the auditors are unaware.

The Directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any audit information and to establish that the Company's auditors are aware of that information.

Directors' statement on internal controls

The Board acknowledges its ultimate responsibility in ensuring that the Association has an effective system of internal controls in place. The system of internal controls is designed to manage key risks and provide reasonable assurance that planned business objectives are achieved and well-managed.

It is the Board's responsibility to establish and maintain appropriate systems of internal control for Spire Homes. The Group Board also has overall responsibility for ensuring that the appropriate level of internal control is in place throughout all Group companies. Such systems of control can only provide reasonable and not absolute assurance against material financial misstatement or loss. The Group Board is supported in its responsibility in overseeing the adequacy and effectiveness of internal controls across the Group by the Audit Committee.

The Board's approach to risk management includes the regular evaluation of the nature and extent of the risks to which the Association is exposed. The approach is consistent with Turnbull principles and accepted good practice. Key elements include:—

- i) Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Company's assets
- ii) The Board has adopted a clear anti-fraud policy statement and approved a detailed fraud response plan. The policy statement has been communicated to staff and is part of the Governance Policy of the Company. The Audit Committee has reviewed the fraud register on a quarterly basis during 2009/10
- iii) The Board has approved a risk management strategy and continues to develop procedures to identify, assess and manage risks to which the Company is exposed
- iv) Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established for both Board and members of staff to maintain standards of performance

- v) Forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are promptly prepared, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate
- vi) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others
- vii) The Audit Committee reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and being followed. This includes a review of the major risks facing each Company within the Group. The Audit Committee makes regular reports to the Boards
- viii) Formal procedures have been established for instituting appropriate action to correct weaknesses identified by the internal and external auditors as well as issues identified by the Audit Committee and individual Boards.

The Board has reviewed the effectiveness of the system of internal control in existence in the Association for the year ended 31 March 2010 and until the date of approval of these accounts. No weaknesses were found in internal controls that resulted in material losses, contingencies, or uncertainties that require disclosure in the financial statements or in the auditor's report on the financial statements.

Political and charitable donations

There were no political and charitable contributions during the financial year ended 31 March 2010 (nil: 2009). Charitable contributions were made within the Company's normal activities.

Auditors

A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint Beever and Struthers as the Association's external auditors.

Approved by the Audit Committee on 22 July 2010 under delegated authority from the Board on 11 June 2010 and signed on its behalf by:

Mrs L Stubbs
Company Secretary
22 July 2010

OPERATING AND FINANCIAL REVIEW FOR THE YEAR ENDED 31 MARCH 2010

Shared strength, individual focus

Spire Homes is well-known as a resident involvement trailblazer; we were selected as a local standards pilot by the Tenant Services Authority, and have experience of managing two highly-successful stock transfers.

Longhurst Group, as parent, provides strategic direction, support and corporate services to all member companies. This helps everyone to share expertise, avoid duplication and be recognised for their distinctive strengths.

As a group member company, Spire Homes is led by a managing director. Key milestones in the association's history are shown on the right.

June Longhurst Group registers with Housing Corporation	2000	August 2000 East Northamptonshire Housing Ltd agrees to join Group structure
February 2001 Group helps East Northamptonshire Housing to achieve stock transfer and register as social landlord	2001	April 2001 Full operation of Group structure achieved
	2002	
	2003	
	2004	
January 2005 East Northamptonshire Housing becomes Spire Homes (LG) Ltd	2005	
	2006	February 2006 Spire Homes takes over management of Rutland County Council housing stock through contract
	2007	
March 2008 Spire Homes awarded more than £1.8 million in Government funding to develop new affordable homes	2008	
November 2009 Spire Homes takes ownership of Rutland housing stock	2009	April 2009 Spire Homes approached to be trailblazer in the Tenant Services Authority's 'National Conversation'
	2010	March 2010 The association's properties meet the Decent Homes Standard

Summary of key events for 2009/10

The past year saw a continuation of the challenging operating environment that prevailed during 2008/09, with ongoing changes to regulation, development funding and the economy making a significant impact on the housing sector.

Yet despite the tough conditions, Spire Homes has continued to thrive, and in fact position the business positively for future growth. Our team works hard to improve services and make better use of the resources that were already in place.

Prudent resource management

Spire Homes provides housing development, management and support services to a diverse range of customers. Examples of this work include affordable housing for rent and sale; sheltered housing; and money management and debt advice.

Through continued prudent financial management, we achieved some notable results during 2009/10, including:

- Working with Longhurst Group to secure £81 million of new funding to finance the Rutland stock transfer
- Progressing new development plans to meet identified housing needs.

The association also worked hard to secure management efficiencies during the year, through shared procurement and more collaborative working. This approach also ensures that customers benefit from continuously improved standards.

Organisational culture

Creating and maintaining the right culture is a headline issue at Spire Homes; our Board and executive team sets the tone to getting everyone working in the right direction. That process involves both listening and active, responsive dialogue.

Last year we undertook a significant review of the association's mission and values. This process involved dialogue with Board members, staff and tenants. We asked people for feedback on our values and direction, and as a result made some real changes – including adding a new business aim around environmental impact.

Investment in existing and new homes

The Association's portfolio includes both rented homes and shared ownership. We provide much-needed housing in areas where affordability is a real problem for many people.

As a member of Blue Skies Consortium, Spire Homes secures collective strength through shared skills, expertise and resources. This means we can access development opportunities that would not be available to us individually.

During the year, we secured 81 starts-on-site (73 rent and 8 for sale) and completed 66 homes. This means that we have built more than 300 properties since Spire Homes was formed; we also have numerous schemes in the pipeline to make an even bigger impact in bringing housing to the region in future.

We also continued to invest in residents' homes across East Northamptonshire and Rutland. This helps us to preserve the quality of our asset base and make sure that our customers are living in decent, safe housing.

Service excellence

Customer service continues to be high across all areas of our service. Our most recent 'Status' customer survey shows that 91 per cent of residents are satisfied with the overall service provided by Spire Homes, and 86 per cent of tenants are satisfied with the opportunities for getting involved in decision-making.

To maintain our high standards, we are developing a new system to encourage and reward resident feedback. Set to launch in February 2011, this system intends to put customers at the heart of our future plans, however they choose to contribute opinions and ideas to our business.

The Association is also committed to pursuing accreditations and awards where these will result in clear benefits for our customers and employees. Already an Investor in People, we intend to pursue the Code of Practice for Supported Housing in the coming year.

Efficiency and financial inclusion

To help people manage in the difficult economic climate we established an even more robust financial inclusion strategy, with a dedicated team on hand to support residents in handling household budgets and tackling debts.

We also applied for Future Jobs Fund monies – securing 15 placements for young people aged 16-25 years who have received benefits for at least six months, to help them get back into work (for example, through apprenticeships with contractors).

Delivering promises to tenants

Spire Homes continues to place residents at the heart of services, maximising customer influence and giving people choice in service delivery. Examples of our achievements in this area over the past year include:

- Attaining both a very high resident turnout and one of the highest ‘yes’ votes in history for the Rutland ballot
- Being selected as a ‘trailblazer’ for the Tenant Services Authority (TSA) ‘National Conversation’ campaign
- Being chosen as one of just 37 local standards pilots by the TSA to develop local offers under the new regulatory framework (our role focused on the topic of empty properties and letting standards, and we received complimentary feedback from the regulator on our approach).

The development of the standards framework and requirement to develop ‘local offers’ with residents has significant implications for all housing providers; even though the future of the TSA looks uncertain, the framework is still anticipated to go ahead as planned.

Following completion of the Rutland transfer in November 2009, we started work on the major improvement programme from day one; by 2015, all homes in the area will meet the Decent Homes Standard.

Additionally we are already developing new services and opportunities in line with our stated pre-transfer commitments. The next steps involve developing a handyperson service, reviewing grounds maintenance and spending £450 thousand on environmental improvements.

Awareness of environmental impact

Following feedback from our stakeholders, this new aim is being mainstreamed into our core business. We will ensure that Spire Homes considers the environmental impact of its plans in future, to make the best use of limited resources and consider the needs of future generations. We will also work with our community partners (for example, local strategic partnerships) to share resources wherever practical.

Whilst this is still a relatively new aim, we have already made an impact. For example, 94 per cent of construction waste from our exceptions site development in North Luffenham was recycled, as part of the ‘halve waste to landfill’ campaign.

The association’s strategic aims are considered annually as part of the business planning process. In early 2010 the Board agreed key objectives for the year ahead, and strategies that we believe will help to achieve those objectives.

The key objectives for Spire Homes for 2010/11, and our agreed strategies for achieving business success, are summarised in the table below.

Area	Objective	Strategy
Investment in new and existing homes	To manage our housing assets wisely, ensuring as a minimum they meet the Decent Homes Standard; and to make best use of the properties, land and sites we own	• Increase stock levels within Spire Homes' ownership • Deliver on the development targets within our business plan • Work with Group colleagues to explore new sources of finance to fund growth objectives • Consider alternative tenure types for future developments, where the need reflects this
Service excellence	To value our staff as our greatest asset, foster a team spirit and culture of continuous improvement; and to undertake service reviews, benchmark performance and seek out best practice and innovation in service delivery	• Consult upon and develop 'local offers' with residents by 1 October 2010 • Share best practice on community involvement and regeneration across the Group, giving all tenants an opportunity to get involved in line with their preferred methods of engagement and amount of time available to contribute • Pursue the Code of Practice for Supported Housing during 2010/11 • Identify performance improvements that will benefit the association • Maintain Investor in People status
Efficiency and financial inclusion	To ensure there is a culture of achieving value for money, ensuring residents receive quality service provision and use technology to provide more efficient services to customers	• Explore options that will help Spire Homes to work with other Group members more effectively – generating cost savings, freeing up resources or leading to improved ways of working • Participate in benchmarking clubs and take note of best practice • Ensure that value for money is integrated into performance frameworks
Delivering promises to tenants	To deliver all promises outlined in the Rutland offer document by 2015	• Achieve 'year one' improvements to kitchens, bathrooms and heating systems as scheduled • Develop a new tenancy support service, helping young and vulnerable people to live independently • Broaden opportunities for people to contact Spire Homes (for example, by introducing a new text service) • Providing access to the Allpay scheme to give tenants more choice in how to pay their rent
Awareness of environmental impact	To mainstream environmental issues into the association's day-to-day operations	• Recycle construction waste from Spire Homes development sites, reducing our contribution to landfill

Financial Performance in the Year

Turnover and operating surplus performance for Spire Homes during 2009/10 are shown in the table below, alongside the previous two years results.

	2010	2009	2008
Income and Expenditure Account	£000	£000	£000
Turnover	16,490	15,280	14,962
Operating costs and cost of sales	(16,614)	(13,912)	(12,733)
Operating surplus	(124)	1,368	2,229
Surplus on the sale of assets	(235)	8	6
Net interest costs	(3,898)	(3,477)	(3,407)
Tax	—	—	—
(Deficit) for the year after tax	(4,257)	(2,101)	(1,172)
Balance Sheet			
Housing properties at cost less depreciation	61,231	48,798	41,545
Social Housing Grant	(19,413)	(16,227)	(12,769)
	41,818	32,571	28,776
Other tangible Fixed Assets	1,866	1,938	1,976
Net Current Assets	(339)	4,836	3,187
	43,345	39,345	33,939
Creditors due after one year	81,744	73,518	66,053
Other long term liabilities	2,736	1,539	1,423
Reserves	(41,135)	(35,712)	(33,537)
	43,345	39,345	33,939

Spire Homes continues to show a strong balance sheet position, with financial results and performance in line with the long term business plan.

During the year 1,242 properties were transferred to Spire Homes from Rutland County Council delivering even greater economies of scale and improved operating costs per property.

Financial Services staff from Spire Homes was transferred in to the parent company (Longhurst Group) during the year, this was in line with the long term strategy of being able to further enhance economies, expertise, and shared systems & practices that a central Finance function can deliver.

Income and Expenditure

The deficit for the year 2009/10 of £4.3m shows an increase of £2.2m from the 2008/09 position; this was due to greater investment in planned maintenance and major repairs.

Key results for the year were:

Income

- Turnover increased by £1.1m
- Social housing letting income rose by 18%

Expenditure

- Total operating costs increased by £3.5m, £3.3m of this being due to investment in major repairs.
- Net interest costs increased by £400k to £3.9m, in line with investment and acquisition activity during the financial year.

Balance Sheet

- The key results from the balance sheet were:
- The historic costs on housing assets increased by £12.4m in the year to £61.2m.
- The increase in housing assets was due to £5.6m for Rutland stock and the remainder new build development investment.
- Social Housing Grant increased by £3.2m in the year.
- During 2009/10 Spire Homes completed the transfer of housing stock from Rutland County Council for £5.6m.
- Loan balances increased during the year from £73.5m to £81.7m.

Treasury Management

Spire Homes benefit from a Group wide approach to Treasury Management to ensure sufficient cash is in place to meet ongoing capital and revenue commitments and to protect against movements in interest rates.

The Group's Treasury Management strategy is reviewed annually by the Audit Committee and then monitored quarterly throughout the year. The Group's Treasury Management strategy states that:

Between 70% and 90% of drawn funds should be fixed or hedged for periods ranging from 2 – 30 years.

The remaining 10% - 30% should be held as variable debt or hedged on a short-term basis.

Loan Structure

At the 31 March 2010 Spire Homes had total drawn loans of £81.7m, undrawn facilities at the end of March 2010 totalled £44.5m, and security was in place for this entire amount.

Loan Covenant Compliance

Loan covenants are based on cashflow ratios agreed annually with the Lloyds Banking Group, Loan covenants are monitored monthly and were met throughout the year and at the year end for all loan facilities.

Risk management

Risk management is an important part of the overall internal control system across Spire Homes and the Group as a whole.

We have developed robust systems to identify, evaluate and manage key business risks. Work is now progressing to implement a Group-wide reporting system, refine the quality of management reporting and

secure even more effective co-ordination of risk management activities. The new system will have been implemented in Spire Homes by the end of 2010.

The recession, continued economic uncertainty and the fast-evolving business environment reinforces the need for effective risk management, including analyses of emerging Government policy and its implications for the housing sector.

At the same time, challenging economic conditions have created numerous business opportunities at both member company and Group level. Any new areas of business or major projects are individually risk-assessed and reported to the Board prior to work commencing. This process includes a prudent financial assessment, sensitivity analysis and an exploration of whether additional management controls or insurance is required to mitigate against significant risks.

Changing landscape

The new political establishment, changes to sector regulation and increased competition for funding are all key considerations for Spire Homes.

We are immensely proud of our strong relationship with the TSA as we move towards developing 'local offers', and look forward to this continuing even with a shift to a new regulator. Spire Homes is quick to recognise and share best practice on resident involvement; after all, our expertise includes 'trailblazer status' through to developing cutting-edge incentive schemes.

We always welcome the opportunity for dialogue or feedback so that we can keep improving. Clearly the market is becoming stronger but we are always ready to step up to the plate and show we can deliver solid results; even if that means finding new ways of making schemes happen, identifying needs or engaging customers and partners.

Combined with our drive towards excellence in all we do, there is a confidence in our direction and a real sense of optimism for the future.

STATEMENT OF COMPLIANCE

The Board confirms that this Operating and Financial Review has been prepared in accordance with the principles set out in Part 3 of the 2008 SORP for registered social landlords.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SPIRE HOMES (LG) LIMITED

We have audited the financial statements of Spire Homes (LG) Limited for the year ended 31 March 2010 on pages 214-237. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Schedule 1 to the Housing Act 1996 (as amended by the Housing Act 2004) and Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Statement of Board's Responsibilities set out on pages 4 and 5, the Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2010 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, Schedule 1 to the Housing Act 1996 (as amended by the Housing Act 2004) and the Accounting Requirements for Registered Social Landlords General Determination 2006.

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Board Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CHRISTOPHER PORRITT (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Chartered Accountants

& Statutory Auditor

St. George's House
215 - 219 Chester Road
Manchester
22 July 2010

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £'000	2009 £'000
Turnover	3	16,490	15,280
Cost of sales		(397)	(1,132)
Operating costs	3	(16,217)	(12,780)
Operating (deficit)/surplus		(124)	1,368
(Loss)/Profit on sale of fixed assets	6	(235)	8
Interest receivable and other income	7	7	105
Interest payable and similar charges	8	(3,905)	(3,582)
Deficit on ordinary activities before taxation for the year	9	(4,257)	(2,101)
Tax on deficit on ordinary activities	10	–	–
Deficit for the year		(4,257)	(2,101)

All amounts relate to continuing activities.

There is no difference between the deficit on ordinary activities before taxation and the retained deficit for the year stated above, and their historical cost equivalents.

The notes on pages 217-237 form an integral part of these financial statements.

**STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 £'000	2009 £'000
Deficit for the financial year	(4,257)	(2,101)
Actuarial deficit on pension schemes	(1,166)	(74)
Total recognised deficits for the year	(5,423)	(2,175)
Prior year adjustment*	–	1,129
Total deficit recognised since the last annual report	(5,423)	(1,046)

* The prior year adjustment in 2008/09 related to a change in accounting policy for shared ownership properties.

**RECONCILIATION OF MOVEMENTS IN COMPANY'S FUNDS
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £'000	2009 £'000
Total recognised deficit relating to the year		(4,257)	(2,101)
Actuarial deficit on pensions		(1,166)	(74)
Opening total funds	22	(35,712)	(33,537)
Closing total funds	22	(41,135)	(35,712)

BALANCE SHEET AS AT 31 MARCH 2010

	Notes	2010 £'000	2009 £'000
Fixed assets			
Housing properties at depreciated cost	13	61,231	48,798
Less: Social Housing and other Grants	13	(19,413)	(16,227)
		41,818	32,571
Other fixed assets	14	1,866	1,938
Total fixed assets		43,684	34,509
Current assets			
Properties and other assets in the course of sale	15	1,442	736
Stocks	16	–	–
Debtors	17	1,340	1,271
Investments	18	–	2,000
Cash at bank and short term deposits		825	3,528
		3,607	7,535
Less Creditors			
Amounts falling due within one year	19	(3,946)	(2,699)
Net current (liabilities)/assets excluding pension liability		(339)	4,836
Pension liability	29	(2,736)	(1,539)
Net current (liabilities)/assets including pension liability		(3,075)	3,297
Total assets less current liabilities		40,609	37,806
Creditors			
Amounts falling due after more than one year	20	81,744	73,518
Capital and reserves			
Called up share capital	21	–	–
Revenue reserves		(41,135)	(35,712)
Accumulated reserves		40,609	37,806

The notes on pages 217-237 form an integral part of these financial statements.

The financial statements on pages 214-237 were approved by the Audit Committee on 22 July 2010 under delegated authority from the Board on 11 June 2010 and were signed on its behalf by:

J Farrar
Director

R Jakeman
Director

L Stubbs
Company Secretary

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2010 £'000	2009 £'000
Net cash flow from operating activities	23	570	3,573
Returns on investments and servicing of finance	24	(3,851)	(3,477)
Taxation		—	—
Capital expenditure and financial investment	24	(10,078)	(4,940)
Net cash outflow before use of liquid resources and financing		(13,359)	(4,844)
Management of liquid resources	24	2,000	(2,000)
Financing	26	8,656	7,453
(Decrease)/Increase in cash		(2,703)	609
Reconciliation of net cash flow to movement in net debt			
(Decrease)/Increase in cash	25	(2,703)	609
Increase in debt	25	(8,226)	(7,465)
(Decrease)/Increase in liquid resources	25	(2,000)	2,000
Change in net borrowings due to cash flow	25	(12,929)	(4,856)
Net borrowings at beginning of period		(67,990)	(63,134)
Net borrowings at end of period	25	(80,919)	(67,990)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1. LEGAL STATUS

The Company is incorporated under the Companies Act 1985 as a company limited by guarantee without share capital (registered number 4043921) and is registered with the Tenant Services Authority as a Registered Provider, as defined by the Housing and Regeneration Act 2008, (registration number LH4302).

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and Statements of Recommended Practice. The financial statements comply with the Companies Act 2006, Schedule 1 of the Housing Act 1996 (as amended by the Housing Act 2004), the Statement of Recommended Practice for Registered Social Landlords 2008, and the Accounting Requirements for Registered Social Landlords General Determination 2006. The accounts are prepared under the historical cost basis of accounting.

Turnover

Turnover represents rental income receivable, fees and grants from local authorities and the Housing Corporation, income from the sale of shared ownership and other properties developed for outright sale and other income.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Housing Properties	1% per annum on cost net of grant
Freehold Offices	Between 1 and 2% per annum on cost
Furniture and Fittings	15% per annum on cost
Office Equipment	20% per annum on cost
Motor Vehicles	20% per annum on cost
Computer Equipment	25% per annum on cost

Freehold land is not depreciated.

Housing Properties

Housing properties included in fixed assets are stated at cost with only actual costs incurred in the acquisition, construction and improvement of housing properties being capitalised. The Company has undertaken an annual impairment exercise over all its properties with a useful life of greater than 50 years and this has not resulted in any reduction in the value of fixed assets at the present time.

Where developments have been financed wholly or partly by Social Housing Grant, the net cost of properties in the balance sheet has been reduced accordingly.

Housing properties in the course of construction are stated at cost and are not depreciated.

Housing properties are transferred to completed properties when they are ready for letting.

The cost of works qualifying under the VAT development agreement are included at cost including only the amount of VAT recovered that has been paid to the Local Authority under the VAT sharing agreement.

Shared Ownership

The costs of shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Loan Finance Issue Costs

These are written off evenly over the life of the related loan. Loans are stated in the balance sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs are recognised in the income and expenditure account in the year in which the redemption took place.

Social Housing and Other Grants

Where developments have been financed wholly or partly by Social Housing and Other Grants, the cost of those developments has been reduced by the amount of the grant received.

Social Housing Grant received for items of cost written off in the Income and Expenditure Account are matched against those costs as part of turnover.

Social Housing Grant is repayable in certain circumstances and in that event is a subordinated, unsecured, repayable debt.

The net housing association grant received and not spent is included in current liabilities, taking into account all properties under construction.

Social Housing Grant can be recycled by the Company under certain conditions, if a property is sold or another relevant event takes place. In these cases, the Social Housing Grant can be used for projects that meet the requirements of the HCA's Capital Funding Guide. However, Social Housing Grant may have to be repaid if certain conditions are not met.

Capitalisation of Interest and Administration Costs

Interest on loans financing development is capitalised up to date of the completion of the scheme and only when development activity is in progress.

Specific administration costs relating to development activities are capitalised based on an apportionment of the management time spent on this activity. Non specific administration costs relating to the development department have not been capitalised.

VAT

The Company charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Company and not recoverable.

Properties managed by agents

Where the Company carries the majority of the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Income and Expenditure Account.

Where the agency carries the majority of the financial risk, the Income and Expenditure Account includes only that income and expenditure which relates solely to the Company.

In both cases, the assets and associated liabilities are included in the Company's balance sheet.

Sale of housing properties

Properties developed for outright sale are included in turnover and cost of sales. Properties not developed for outright sale are divided into first tranche sales and other sales. The appropriate proportion of costs of housing properties that are built with the intention of full or partial sale, including equity share and shared ownership properties, are disclosed as current assets and stated at the lower of cost or net realisable value.

First tranche sales proceeds and the relative proportion of the property cost are recognised in turnover and cost of sales respectively. Subsequent tranches are not included within turnover and cost of sales but are shown as a separate item after the operating surplus in the income and expenditure account. All other sales of fixed asset properties are dealt with in this way.

Where a property is part of a distinct development scheme with mixed tenure elements, the surplus recognised on the elements sold is limited to the surplus calculated on the entire scheme. For the elements that are retained as fixed assets, the surplus or deficit is calculated by reference to the assets' existing use value for social housing.

Impairment

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified.

Improvements to properties and major repairs

The Group capitalises expenditure on housing properties that results in an increase in rental income over the life of the property. This increase may be a result of an increase in rental income, reduction in maintenance costs or significant extension of the life of the property.

Major repairs expenditure of a capital nature has been capitalised in line with the above.

Major repairs expenditure of a revenue nature is reflected in the income and expenditure account together with any related grant funding.

Leased Assets

Within the housing stock of the Company there are a number of properties held on short-term leases. The lease costs are written off to the income and expenditure account as incurred.

Pension Scheme

The Company operates three defined benefit schemes. As the Pensions Trust is unable to identify the Company's underlying share of assets and liabilities, the Company has therefore accounted for contributions made to the Social Housing Pension Scheme as if it were a defined contribution scheme. In respect of the pension schemes with Northamptonshire County Council and Leicestershire County Council, the liabilities are shown in the accounts in line with FRS17.

Deferred Tax

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Except as noted below, full provision for deferred income is made under the liability method on all timing differences that have arisen, but not reversed by the balance sheet date.

In accordance with FRS 19, deferred tax is not provided for gains on sale of non-monetary assets, if the taxable gain will probably be rolled over.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Stock and Work In Progress

Stock and work in progress are stated at the lower of cost and net realisable value.

Current Asset Investments

Current asset investments are included in the Balance Sheet at Market Value.

Loan Interest Costs

The full costs of deferred interest rate and indexation loans are shown in the Income and Expenditure Account.

Corporation Tax

The Company pays corporation tax at the rate applicable at 31 March 2010.

Support Income and Costs including Supporting People Income and Costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the turnover note 2. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the income and expenditure from social housing lettings note 3 and matched against the relevant costs.

Operating Leases

Rentals paid under operating leases are charged to the Income and Expenditure Account as incurred.

Commitment to the Supply of Qualifying Works

There is a financial commitment in place as part of the transfer agreement to carry out the improvement works under the VAT shelter arrangements. There is therefore a long term commitment to complete these works.

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

2010				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	14,873	–	(13,928)	945
OTHER SOCIAL HOUSING ACTIVITIES				
Supporting People Contract Income	353	–	(394)	(41)
Development – Other	191	–	(448)	(257)
Development – First tranche shared ownership sales	461	(397)	(365)	(301)
Management Services	577	–	(1,171)	(594)
Managed Operations	–	–	125	125
Other Activities	35	–	(36)	(1)
	1,617	(397)	(2,289)	1,069
NON-SOCIAL HOUSING ACTIVITIES				
Sale of properties	–	–	–	–
Lettings – market rented	–	–	–	–
Community Based Activities	–	–	–	–
Other	–	–	–	–
TOTAL	16,490	(397)	(16,217)	(124)
2009				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	12,648	–	(10,491)	2,157
OTHER SOCIAL HOUSING ACTIVITIES				
Supporting People Contract Income	339	–	(408)	(69)
Development – Other	164	–	(656)	(492)
Development – First tranche shared ownership sales	1,367	(1,132)	–	235
Management Services	687	–	(1,249)	(562)
Managed Operations	–	–	–	–
Other Activities	75	–	24	99
	2,632	(1,132)	(2,289)	(789)
TOTAL	15,280	(1,132)	(12,780)	1,368

4. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT) FROM SOCIAL HOUSING LETTINGS

	2010				
	General Needs Housing £'000	Supported Housing and Housing for older people £'000	Low Cost Home Ownership £'000	2011 £'000	2010 £'000
Income from social housing lettings					
Rents receivable net of identifiable service charges	12,607	1,518	223	14,348	11,936
Service charges	(62)	246	1	185	295
Charges for support services	32	308	–	340	417
Net rents receivable	12,577	2,072	224	14,873	12,648
Revenue grants from the Homes and Communities Agency	–	–	–	–	–
Revenue grants from Local Authorities and other agencies	–	–	–	–	–
Major Repair grant from RCGF	–	–	–	–	–
Total income from social housing lettings	12,577	2,072	224	14,873	12,648
Expenditure					
Management	868	408	39	1,315	1,301
Services	–	2,175	–	2,175	1,955
Routine Maintenance	2,242	225	–	2,467	2,531
Planned Maintenance	848	5	–	853	828
Major repairs expenditure	6,797	41	–	6,838	3,513
Rent losses from bad debts	56	–	–	56	156
Property Lease Costs	–	–	–	–	–
Depreciation of Housing Properties	205	–	19	224	207
Write down of Current Assets	–	–	–	–	–
Lease amortisation	–	–	–	–	–
Other Costs	–	–	–	–	–
Total expenditure on social housing lettings	11,016	2,854	58	13,928	10,491
Operating surplus on social housing lettings	1,561	(782)	166	945	2,157
Rent losses from voids	366	205	47	618	388

5. ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation owned for each class of accommodation was as follows:

	2010	2009
	No.	No.
Units in Management owned by the Group		
General housing	3,179	2,370
Supported and Sheltered Housing	1,461	992
Shared Ownership	105	101
Leasehold Schemes for the elderly	129	90
Total Social Housing Properties	4,874	3,553
Market Rented Properties	–	–
Student Accommodation	–	–
Total Non-Social housing	–	–
Units in Management on stock not owned by the Group	–	1,319
Total owned and managed	4,874	4,872

At 31 March 2010 the Company owned 23 units (2009: 23 units) which were managed by agents

6. PROFIT ON SALE OF FIXED ASSETS

	Shared Ownership Staircasing £'000	Right to Buy and Voluntary Sales £'000	Other Fixed Assets £'000	Total 2010 £'000	Total 2009 £'000
Proceeds of Sale	20	424	–	444	122
Less: Cost of Sales	(24)	(655)	–	(679)	(114)
	(4)	(231)	–	(235)	8

7. INTEREST RECEIVABLE AND OTHER INCOME

	2010 £'000	2009 £'000
Interest receivable and similar income	7	105

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £'000	2009 £'000
Repayable within 5 years by instalments	–	–
Repayable wholly or partly in more than 5 years by instalments	4,008	3,802
Other	63	(29)
Less: Interest payable capitalised on housing properties under construction	(166)	(191)
	<u>3,905</u>	<u>3,582</u>
Interest rate used to determine the amount of finance costs capitalised during the period	5.00%	5.21%

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2010 £'000	2009 £'000
This is stated at after charging/(crediting):		
Depreciation of housing properties	224	207
Depreciation on other tangible fixed assets	131	126
Bad debts	49	156
Auditors remuneration (inclusive of VAT):		
In their capacity as auditors	30	24
In respect of other services	11	3
Operating lease charges re HAMA shortlife properties	<u>–</u>	<u>–</u>

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

(a) Analysis of the tax charge in the year

	2010 £'000	2009 £'000
Current Tax:		
Corporation Tax at 28%	–	–
Under/(over) provision in previous years	<u>–</u>	<u>–</u>
Deferred Tax:		
Origination and reversal of timing differences	<u>–</u>	<u>–</u>
Tax on deficit on ordinary activities	<u>–</u>	<u>–</u>

10. TAX ON ORDINARY ACTIVITIES (CONTINUED)

(b) Current tax reconciliation

	2010 £'000	2009 £'000
Deficit on ordinary activities before tax	(4,257)	(2,023)
Deficit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009: 28%)	(1,192)	(566)
Effects of:		
(Profits)/losses arising in non taxable entities	–	–
Expenses not deductible for tax purposes	–	–
(primarily property depreciation and capital items included in expenditure)	157	437
Movement on deferred tax other fixed assets	–	2
Rollover relief/indexation on profit on disposal of property	1	(2)
Adjustments to tax charge in respect of previous periods	–	–
Increase in losses c/fwd	1,071	182
Group relief surrendered free of charge	–	(53)
Capitalised interest	9	–
Other short term timing differences	(46)	–
Current tax charge for the year	–	–

(c) Factors that may affect future tax charges

No provision has been made for deferred tax gains recognised on the sale of properties where taxable gains have been rolled over into replacement assets. Such tax would become payable only if the properties were sold without it being possible to claim rollover relief. The total amount unprovided is £714,000 (31/3/09 – £819,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

Spire Homes (LG) Limited has not recognised a deferred tax asset of £9,859,000 as at 31.3.10 (£8,709,000 – 31.3.09). This asset has not been recognised in the financial statements by the Board as they are of the opinion that the level of profits in the future will not exceed the losses being created during the significant refurbishment phase on the current housing stock.

11. STAFF COSTS

	2010 £'000	2009 £'000
Staff costs, including the Executive Directors:		
Wages and salaries	2,830	2,743
Social security costs	222	202
Other pension costs	254	243
	3,306	3,188
The average monthly number of persons (including the Executive Directors) employed during the year expressed as full time equivalents	2010 Number	2009 Number
Office staff	74	91
Wardens, caretakers and cleaners	22	19
Total employees	96	110

12. EXECUTIVE DIRECTORS

Directors are defined as the Board Members and the Executive Officers who are employed by the Company identified on Page 199.

	2010	2009
	Number	Number
The number of Executive Officers, including the highest paid executive, who received emoluments	3	4
	2010	2009
	£'000	£'000
Emoluments, including pension contributions and benefits in kind		
Board Members	11	8
Executive Officers	302	328
	313	336
	2010	2009
	£'000	£'000
The emoluments of staff disclosed above (excluding pension contributions) include amounts paid to:		
The highest paid Director (the Managing Director):	116	102

The Managing Director is an ordinary member of the SHPS pension scheme. Contributions are payable in line with other members of the Company and no enhanced or special terms apply. A contribution by the Company of £13,497 (2009: £12,557) was paid in addition to the personal contribution of the Managing Director.

Benefits in kind relate to leased car, professional subscriptions and health care insurance.

13. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES

	Housing properties held for letting £'000	Housing properties under construction £'000	Shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
At 1 April 2009	40,368	2,917	4,300	2,547	50,132
Reclassification	338	(338)	525	(525)	–
Additions	5,862	6,879	11	269	13,021
Schemes completed in year	5,927	(5,927)	308	(308)	–
Disposals	(313)	(29)	(24)	(16)	(382)
At 31 March 2010	52,182	3,502	5,120	1,967	62,771
Depreciation					
At 1 April 2009	1,307	–	27	–	1,334
Charged in year	211	–	14	–	225
Reclassification	–	–	–	–	–
Released on disposal	(19)	–	–	–	(19)
At 31 March 2010	1,499	–	41	–	1,540
Social housing and Other grants					
At 1 April 2009	11,703	1,338	1,340	1,846	16,227
Received during the year	–	2,986	–	200	3,186
Reclassification	481	–	(481)	–	–
Schemes completed in year	2,591	(2,591)	661	(661)	–
At 31 March 2010	14,775	1,733	1,520	1,385	19,413
Net book value					
At 31 March 2010	35,908	1,769	3,559	582	41,818
At 31 March 2009	27,358	1,579	2,933	701	32,571

Expenditure on works to existing properties

	2010 £'000	2009 £'000
Amounts capitalised	–	–
Amounts charged to Income & Expenditure Account	6,838	3,513
	6,838	3,513

The Net Book Value of these properties is made up as follows:

	2010 £'000	2009 £'000
Freehold	41,818	32,571
Long leasehold	–	–
Short leasehold	–	–
	41,818	32,571

SHG Receivable

The total accumulated SHG received or receivable at the Balance Sheet date from capital or revenue sources was £19,413K (2009: £16,277k).

14. TANGIBLE FIXED ASSETS – OTHER

	Freehold Offices £'000	Computer Equipment £'000	Motor Vehicles £'000	Office Furnishings and Equipment £'000	Total Other Fixed Assets £'000
COST					
At 1 April 2009	2,001	688	11	338	3,038
Additions	–	35	–	37	72
Disposals	–	–	–	(13)	(13)
At 31 March 2010	2,001	723	11	362	3,097
DEPRECIATION					
At 1 April 2009	276	570	11	243	1,100
Charge for the period	40	66	–	25	131
Disposals	–	–	–	–	–
At 31 March 2010	316	636	11	268	1,231
NET BOOK VALUE					
At 31 March 2010	1,685	87	–	94	1,866
At 31 March 2009	1,725	118	–	95	1,938

15. PROPERTIES AND OTHER ASSETS IN THE COURSE OF SALE

	2010 £'000	2009 £'000
Properties held for sale:		
Completed	476	561
In course of construction	966	175
At 31 March 2010	1,442	736

16. STOCKS

	2010 £'000	2009 £'000
Consumable stocks	–	–

17. DEBTORS

	2010 £'000	2009 £'000
Amounts falling due within one year		
Rental debtors	1,125	947
Less: Provision for bad and doubtful debts	(416)	(273)
	709	674
Prepayments and accrued income	295	134
SHG receivable	18	263
Other debtors	318	107
Deferred Tax	–	–
Corporation Tax	–	–
Intercompany debtor	–	93
	1,340	1,271

18. CURRENT ASSET INVESTMENTS

	2010 £'000	2009 £'000
Short term money market deposits	–	2,000

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Housing loans	–	–
Funders interest	464	417
Rents and service charges received in advance	178	119
Trade creditors	56	219
Other taxation and social security costs	118	127
Accruals and deferred income	2,298	1,206
Other Creditors	370	84
Corporation tax	–	–
Inter company creditors	462	527
	3,946	2,699

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2010 £'000	2009 £'000
Housing loans	81,744	73,518
Amounts repayable by instalments:		
Repayable between one to two years	–	–
Repayable between two to five years	–	4,233
Repayable after five years	82,500	69,567
	82,500	73,800
Add: Loan premium	–	–
Less: issue costs	(756)	(282)
	81,744	73,518

Loans from banks and building societies are secured by specific charges on the Company's housing properties. The loans are repayable at varying rates of interest. The average rate of interest at 31 March 2010 was 5.08% (2009: 4.91%).

21. SHARE CAPITAL

The Company is limited by guarantee and has no equity or non-equity share capital. Members of the Company guarantee to contribute a maximum of £1 should there be a call on their guarantee.

22. REVENUE RESERVES

	Revenue Reserve £'000
Revenue Reserve at 1 April 2009	(35,712)
Deficit for the year	(4,257)
Actuarial losses	(1,166)
Revenue Reserve at 31 March 2010	(41,135)

23. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £'000	2009 £'000
Operating (deficit)/surplus for the year	(124)	1,368
Depreciation charges	354	333
Movement in properties and other assets in the course of sale	(310)	2,251
Movement in stocks	–	–
Movement in debtors	(314)	(294)
Movement in creditors	1,199	(93)
Deficit on sale of other fixed assets	(235)	8
Net cash inflow from operating activities	570	3,573

24. ANALYSIS OF CHANGES IN CASH AND EQUIVALENTS

	2010 £'000	2009 £'000
Returns on investments and servicing of finance		
Interest received	7	105
Interest paid	(3,858)	(3,582)
	(3,851)	(3,477)
Capital expenditure and financial investment		
Purchase of housing properties	(13,893)	(8,045)
Sale of housing properties (net of cost of sales)	443	122
SHG received	3,431	3,078
Purchase of other fixed assets	(59)	(95)
Sale of other fixed assets	—	—
	(10,078)	(4,940)
Management of liquid resources		
Short term deposits	2,000	(2,000)
Financing		
Increase in debt due after one year	8,656	7,453

25. ANALYSIS OF NET BORROWINGS

	At 1 April 2009 £'000	Cash Flows £'000	Other Changes £'000	At 31 March 2010 £'000
Cash at bank and in hand excluding short term deposits	3,528	(2,703)	—	825
Short term deposits	2,000	(2,000)	—	—
Housing & non - housing loans < 1 year	—	—	—	—
Housing & non - housing loans > 1 year	(73,518)	(8,700)	474	(81,744)
Total	(67,990)	(13,403)	474	(80,919)

26. ANALYSIS OF CHANGES IN FINANCING

	2010 £'000	2009 £'000
Loans received	8,700	7,500
Loans repaid	—	—
Issue costs incurred	(44)	(47)
Balance at 31 March 2010	8,656	7,453

27. CAPITAL COMMITMENTS

	2010 £'000	2009 £'000
Capital expenditure		
Capital expenditure contracted for but not provided for in the accounts	4,808	4,977
Expenditure authorised by the Board but not contracted	2,255	5,054
	7,063	10,031
Future capital expenditure will be part funded by social housing grant and borrowing:		
Social Housing Grant	3,204	4,497
Private Finance	3,859	5,534
	7,063	10,031

The Company received the transfer of 1,242 properties from Rutland County Council District Council on 9 November 2009. As part of the transfer, the Council has made a commitment to the Company to have the properties refurbished and modernised and brought into a good state of repair. Immediately prior to transfer, the Council contracted with the Company to carry out the refurbishment works on its behalf. The Council's obligation to carry out the works is in effect matched by the Company's obligations to bring the properties into a good state of repair. As a specific right of set off exists, a net basis has been adopted in respect of these obligations and neither the assets or liabilities have been recognised. At 31 March 2010 the gross values of the balances that have been offset are £21,881,792 with VAT of £3,282,268 arising on the works totalling £25,164,060.

28. OTHER FINANCIAL COMMITMENTS

At 31 March 2010 the Company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2011.

	2010 £'000
Land and Buildings	
Operating leases which expire:	
Within 1 year	–
Within 2 to 5 years	–
Over 5 years	–
	–
Equipment and Vehicles	
Operating leases which expire:	
Within 1 year	22
Within 2 to 5 years	97
Over 5 years	–
	119

29. PENSIONS

Social Housing Pension Scheme

Spire Homes (LG) Ltd participates in the Social Housing Pension Scheme (SHPS). This scheme is a multi-employer defined benefit scheme which is contracted out of the scheme. Longhurst Group has elected to

operate a final salary with a 1/60 accrual rate and the career average revalued earning with a 1/60 accrual rate benefit for active members as at 1st April 2007. For new entrants to the scheme from 1st April 2007, the career average revalued earnings structure is the only option available.

During the year under review, Longhurst Group paid contributions at the rate of 11.7%. Contributions by members varied between 3.1% and 6.1% depending on their age. At the Balance sheet date there were 44 active members of the scheme employed by Longhurst Group and the scheme remains open to new members.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from total scheme assets. Accordingly, due to the nature of the scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the financial position of the scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified Actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2009. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £1,723 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £738 Million, equivalent to a past service funding level of 70.0%.

Social Housing Pension Scheme (continued)

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the scheme. The debt is due in the event of the employer ceasing to participate in the scheme, or the scheme winding up. The estimated amount of employer debt on withdrawal liability for Spire Homes (LG) Limited as at 30 September 2009 has been calculated as £3,768,000.

The next triennial formal valuation of the Scheme is due as at 30 September 2011. The results of the valuation will be available in the autumn of 2012.

Spire Homes (LG) Limited

Spire Homes (LG) Limited contributes to the Northamptonshire County Council Pension Fund and the Leicestershire County Council Pension Fund schemes which are defined benefit schemes.

Contributions

The defined benefit scheme employers' contributions for the year ended 31 March 2010 were £148k (2009: £133.1K) and the employers contribution rate has been fixed at 21.6% (NCC) and 18% (LCC) of pensionable pay until 31 March 2010.

Assumptions

The major assumptions used by the actuary in assessing scheme liabilities on a FRS 17 basis were:

	At 31 March 2010 %	At 31 March 2009 %
Rate of increase in salaries	5.3	4.6
Rate of increase in pensions in payment	3.8	3.1
Discount rate	5.5	6.9
Inflation assumptions	3.8	3.1

Fair value and expected returns on assets

The fair value of employer assets and the expected rate of return were:

	Fair Value 31 March 2010 £'000	Expected Return 31 March 2010 %	Fair value 31 March 2009 £'000	Expected Return 31 March 2009 %
Equities	2,470	7.8	1,680	7.0
Bonds	481	5.0	405	5.4
Property	224	5.8	185	4.9
Cash	58	4.8	77	4.0
Total	3,233		2,347	

There is no provision for unitising the assets of a fund under the Local Government Pension Scheme. The above assets as a whole are allocated to participating bodies on a consistent and reasonable basis.

	Value at 31 March 2010 £'000	Value at 31 March 2009 £'000
Fair value of assets related to the Company	3,233	2,347
Value placed on liabilities related to the Company	(5,969)	(3,886)
Value placed on unfunded liabilities related to the Company	(2,732)	(1,539)
Deficiency related to the Company	(4)	—
Net pension liability	(2,736)	(1,539)

Recognition in the profit or loss

	2010 £'000 NCC	2010 £'000 LCC	2010 % of pay NCC	2010 % of pay LCC
Current service costs	44	20	15.7	11.1
Interest cost	231	35	82.2	19.3
Expected return on employer assets	(123)	(28)	(43.8)	(15.5)
Past service cost / (gain)	–	–	–	–
Total	152	27	54.1	14.9
Actual return on plan assets	706	159		
	2009 £'000 NCC	2009 £'000 LCC	2009 % of pay NCC	2009 % of pay LCC
Current service costs	74	23	22.2	13.1
Interest cost	240	35	72.3	19.9
Expected return on employer assets	(178)	(38)	(53.6)	(21.6)
Past service cost / (gain)	–	6	–	3.4
Total	136	26	40.8	14.8
Actual return on plan assets	(548)	(130)		

Reconciliation of defined benefit obligation

	2010 £'000	2009 £'000
Opening defined benefit obligation	3,886	4,436
Current service cost	64	97
Interest cost.....	266	275
Contribution by members	29	31
Actuarial losses / (gains)	1,880	(817)
Past service costs / (gains)	–	6
Estimated unfunded benefits paid	–	–
Estimated benefits paid	(156)	(142)
Closing defined benefit obligation.....	5,969	3,886

Reconciliation of fair value of employer assets

	2010 £'000	2009 £'000
Opening fair value of employer assets	2,347	3,000
Expected return on assets	151	216
Contributions by members	29	31
Contributions by the employer	148	133
Contributions in respect of unfunded benefits	0	0
Actuarial gains / (losses)	714	(891)
Unfunded benefits paid	–	–
Benefits paid	(156)	(142)
Closing fair value of employer assets	3,233	2,347

Analysis of amount recognised in statement of total recognised surpluses and deficits (STRSD)

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Actuarial gains / (losses)	(1,166)	(74)	(418)	198	7
Actuarial gains / (losses) recognised in STRSD	(1,166)	(74)	(418)	198	7
Cumulative actuarial gains and losses	(1,461)	(295)	(221)	197	(1)

Amounts for the current and previous accounting periods

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Fair value of employer assets	3,233	2,347	3,000	3,422	3,328
Present value of defined benefit obligation	(5,969)	(3,886)	(4,436)	(4,454)	(4,491)
Deficit	(2,736)	(1,539)	(1,436)	(1,032)	(1,163)
Experience Gains / Losses on assets	714	(891)	(541)	(27)	410
Experience Gains / Losses on liabilities	(3)	–	194	–	(117)

Principal Actuarial Assumptions (per annum)

	2010	2009
Discount Rate		
Expected return on asset	5.5%	6.9%
Inflation assumption	3.8%	3.1%
Rate of increase in salaries	5.3%	4.6%
Rate of increase in pensions in payment: RPI subject to a maximum of 5% pa	3.8%	3.1%

Post retirement mortality

Is based on the average future life expectancies at age 65	Males	Females
Current Pensioners	20.8 years	24.1 years
Future Pensioners	22.3 years	25.7 years

30. RELATED PARTIES

It is the Company's policy that the tenancies of any tenant member of the Board are on normal commercial terms, and they are not able to use their position to their advantage.

At the date of these financial statements five Board Members were Councillors or employees of related local authorities.

31. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking in which the results of the Company are consolidated is headed by Longhurst Group Limited, a company registered in England. The consolidated accounts of the Group are available to the public and may be obtained from Leverett House, Gilbert Drive, Endeavour Park, Boston PE21 7TQ.

The Company has taken advantage of the exemption conferred to it in FRS8 not to disclose transactions with other members of Longhurst Group Limited.

LONGHURST GROUP LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

Company Registration Number: 3958380

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BOARD MEMBERS AND EXECUTIVE STAFF

Board Members:

Mr D Armes (Chairman)
Ms L Bowen
Mr J Farrar
Mrs C McEwen (Vice Chair)
Mr S McFarlane MBE
Ms J Reader-Sullivan
Mr J Robson FCIH
Mr R Rudd
Ms R Weaver
Mr D Young MBE, JP

Executive Officers:

Mr R V Walder BSc, FCIH
Ms J Doyle DMS, MBA, ACIH

Mr R Griffiths FCCA
Mr M A Hardy BA (Hons), MBA, FCIH
Mr P Osborne
Mr J Drifill BA (Hons), MSc, MRTPI, ACIH

Group Chief Executive
Managing Director – Spire Homes and Group Deputy
Chief Executive
Executive Director – Group Financial Services
Managing Director- Longhurst and Havelok Homes
Managing Director –Longhurst Group
Managing Director - Friendship Care and Housing

Senior Managers:

Mr J Fletcher BA (Hons), MIPD
Mr I Jackson
Mrs J Matthews
Mrs K North ACA
Mr K Edwards
Mrs K A Wood MAAT
Mrs Y Lowe PGDipMS, MCMI, MCIH
Mrs Z Wortley BA (Hons)

Director of Human Resources
Director of Development POD/LG
Director of Marketing
Director of Operational Finance
Director of Operational Finance
Director of Group Treasury
Director of Business Excellence & ICT
Group Strategy Director

Registered Head Office:

Leverett House
Gilbert Drive
Endeavour Park
Boston
Lincolnshire PE21 7TQ

Principal Bankers:

Lloyds TSB Bank Plc
Market Place
Boston
Lincolnshire

Auditors:

Beever and Struthers
Chartered Accountants and Statutory Auditor
St George's House
215 - 219 Chester Road
Manchester M15 4JE

Solicitors:

Chattertons
28 Wide Bargate
Boston
Lincolnshire PE21 6RT

Freeth Cartwright
Express Buildings
29 Upper Parliament Street
Nottingham NG1 2AQ

Trowers and Hamlins
Heron House
Albert Square
Manchester M2 5HD
Langleys
Newporte House
Doddington Road Business Park
Lincoln LN6 3JY

Lawrence Graham
190 Strand
London WC2R 1JN

Registered with the Tenant Services Authority No: L4277

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2011

The Directors of Longhurst Group Limited are delighted to present the eleventh Annual Report and Audited Accounts for year ended 31 March 2011. Consolidated and Company Accounts have been prepared for the year ended 31 March 2011.

Background

Longhurst Group is a leading provider of affordable housing, care services and supported housing across the East and West Midlands. Longhurst Group Limited was first registered at Companies House on 23 March 2000 and started trading during the 2000/01 financial year.

The Group was formed with the assistance of the Board of Longhurst Housing Association Limited (now Longhurst & Havelok Homes). The initial Group structure consisted of Longhurst Housing Association, East Northamptonshire Housing Limited - later known as Spire (LG) Homes - and Home from Home (Lincs) Limited.

A new subsidiary of the Group, Keystone Developments (LG) Limited, was formed on 11 September 2001. This company widened the Group's activities, allowing housing for sale to be developed in partnership with other member companies.

Havelok Housing Association (later Havelok Homes) joined the Group on 1 October 2003, to grow the organisation and benefit from central support services.

During 2005, negotiations were conducted with fch Housing and Care of Birmingham (later Friendship Care and Housing) about potential Group membership. Following regulatory approval of the business cases, Friendship Care and Housing formally joined Longhurst Group on 15 May 2006.

From 2006 to 2008, Longhurst Group worked with Nottingham Community Housing Association in a development consortium. In 2008, the two partners formalised this arrangement by creating POD, a joint venture LLP owned equally by both organisations.

On 1 October 2009, company members Longhurst Homes and Havelok Homes amalgamated to form a new subsidiary, Longhurst and Havelok Homes.

During 2010 Friendship Care and Housing were selected as preferred partner by Beechdale Community Housing Association. The partnership proposal was for both organisations to amalgamate and this was formally approved by the Boards of Friendship and Beechdale at the end of 2010. The amalgamation was completed on the 28th April 2011 and the new organisation will retain the name Friendship Care and Housing.

Corporate Mission and Objectives

The Group's strategy and objectives are set out in a business plan, reviewed annually and approved by the Board.

The Group mission remains unchanged – ***“to lead and inspire growth based on excellence in service provision”***. The corporate strategy is based on three key objectives:

Growth – this includes organic development as well as growth achieved through acquiring new homes and diversifying services

Excellence – we will continually strive for the highest quality in our systems and performance, and through the way we innovate

Communications – by securing the necessary technical infrastructure and operational frameworks, developing closer internal communications networks and clear responsibility for relationship management and using the appropriate communications channels to connect with people and support our business aspirations.

Principal Activities

The Group is a leading provider of affordable housing in the East Midlands region, now managing over seventeen thousand homes in the region.

The Company's principal role is that of parent company for the Longhurst Group of companies.

The Group consists of the following organisations:-

- Longhurst and Havelok Homes Limited
- Spire Homes (LG) Limited
- Friendship Care and Housing
- Keystone Developments (LG) Limited

Basis of consolidation

The results of the constituent members of the Group have been aggregated as this provides the most meaningful consolidated results for the Group.

The results for the Group are for the year ended 31 March 2011.

Board Members

The Members of the Board who served during the year are shown on page 237.

Disabled Employees

Applications for employment by disabled employees are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and appropriate training made available. It is the policy of the group that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employees

The group places considerable value on the involvement of its employees and continues its practice of keeping them informed on matters involving them as employees and on the various factors involving performance of the group. This is achieved through regular formal and informal meetings.

Statement of Directors' Responsibilities in Respect of the Accounts

The Board is required to prepare financial statements for each financial year that give a true and fair view of the Company's state of affairs, and income and expenditure for that period.

In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Company and enable it to ensure that the financial statements comply with the Companies Acts. The Board is also responsible for safeguarding Company assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing, and maintaining a satisfactory system of control over the Company's accounting records, cash holdings and all its receipts and remittances.

As far as the Directors are aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' Statement on Internal Controls

The Board acknowledges its ultimate responsibility in ensuring that the Company has an effective system of internal controls in place. The system of internal controls is designed to manage key risks and provide reasonable assurance that planned business objectives are achieved and well-managed.

It is the Board's responsibility to establish and maintain appropriate systems of internal control for Longhurst Group. The Group Board also has overall responsibility for ensuring that the appropriate level of internal control is in place throughout all Group companies. Such systems of control can only provide reasonable and not absolute assurance against material financial misstatement or loss. The Group Board is supported in its responsibility in overseeing the adequacy and effectiveness of internal controls across the Group by the Audit Committee.

The Board's approach to risk management includes the regular evaluation of the nature and extent of the risks to which the Company is exposed. This approach is consistent with the Turnbull principles as incorporated in the Housing Corporations (now the Tenant Services Authority) Circular 07/07: internal controls assurance. Key elements include:

- i) Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Company's assets.
- ii) The Board has adopted a clear anti-fraud policy statement and approved a detailed fraud response plan. The policy statement has been communicated to staff and is part of the Governance Policy of the Company. The Audit Committee has reviewed the fraud register on a quarterly basis during 2010/11.
- iii) The Board has approved a risk management strategy and continues to develop procedures to identify, assess and manage risks to which the Company is exposed.
- iv) The Group has implemented an integrated Group wide risk management system to coordinate work on key risks across the Group and to ensure that risks are appropriately managed and reported to the Board
- v) Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established for both Board and members of staff to maintain standards of performance.
- vi) Forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are promptly prepared, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- vii) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.
- viii) The Audit Committee reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and being followed. This includes a review of the major risks facing each Company within the Group. The Audit Committee makes regular reports to the Boards.

- vix) Formal procedures have been established for instituting appropriate action to correct weaknesses identified by the internal and external auditors as well as issues identified by the Audit Committee and individual Boards.

The Board has reviewed the effectiveness of the system of internal control in existence in the Group for the year ended 31 March 2011 and until the date of approval of these accounts. No weaknesses were found in internal controls that resulted in material losses, contingencies, or uncertainties that require disclosure in the financial statements or in the auditor's report on the financial statements.

Political and charitable

There were no political and charitable contributions during the financial year ended 31 March 2011 (2010: Nil).

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution to re-appoint the Company's auditors, Messrs Beever and Struthers, will be proposed at the Annual General Meeting.

Approved by the Audit Committee on 21 July 2011 under delegated authority from the Board on 18 May 2011 and signed on its behalf by:

.....

R V Walder

Company Secretary

Date: 21 July 2011

OPERATING AND FINANCIAL REVIEW FOR THE YEAR ENDED 31 MARCH 2011

Longhurst Group, as the parent, led by a Group Chief Executive provides strategic direction, support and corporate services to all member companies. This helps Group members to share expertise, avoid duplication and be recognised for their distinctive strengths.

The Group has grown significantly over the past 10 years and in 2009 strategic change provided the foundations for further expansion and development.

Each year, Longhurst Group sets a budget to reflect the costs of services provided to Group members. These services, provided in accordance with service level agreements (SLAs) for each area of operation, were adhered to in 2010/11. Each SLA has been reviewed with the relevant member company to confirm its suitability.

Summary of key events for 2010/11

The past year has seen a continuation of the challenging operating environment that we have become accustomed to over the last 2-3 years, with changes to regulation, development funding and the economy continuing to make a significant impact on the housing sector.

Yet despite the tough conditions, Longhurst Group thrives and is positioned positively for future growth. We set out with a bold strategy to address the economic and financial challenges facing us and we have continued to deliver. Across the Group, our team worked hard to improve services and make better use of the resources that were already in place.

We expanded our development activities and through our lead in the Blue Skies Consortium, provided more new homes than ever before.

As well as continued growth through the construction of new housing, the Group has also grown in other ways. During 2010 the Board of Friendship Care & Housing agreed to an amalgamation with Beechdale Community Housing Association. The formal process to complete the amalgamation was finalised at the end of April 2011 and the new organization will continue to be known as Friendship Care and Housing with a local Management Board continuing at Beechdale.

We remain financially strong and committed to the values that underpin our work; deploying sound business practices whilst ensuring we challenge and innovate to maintain our excellent reputation as a leading performer in housing and care in the Midlands. All of this means that we are facing the future with great confidence.

We have continued to improve the quality and range of our services, enjoying the accreditation of several awards for excellence and improved satisfaction with our customers and staff.

Nonetheless we know that the next few years will be the most challenging yet.

So despite the challenges facing our sector, Longhurst Group has reason to be proud of its business credentials. We are financially strong, with a steadfast reputation for success and a powerful presence within our areas of operation.

Prudent resource management

Through continued prudent financial management, we again achieved some notable results during 2010/11, including:

- A record £82.6 million turnover, which reflects the size and scope of our growing operations
- Securing £30 million loan facility for L&H Homes
- The Group's development team delivered 372 homes for our member companies and 1,300 homes for the Blue Skies Consortium and local authority customers through our development consultancy, POD.

The Group also worked hard to secure management efficiencies during the year, through shared procurement and more collaborative working. To help achieve this we are reviewing our Value for Money Strategy and Procurement Policy which will guide our approach and decision making processes.

Increased customer choice

Longhurst Group continues to place customers at the heart of services, maximising their influence and giving them choice in service delivery. Examples of major Group achievements in this area over the past year include:

- Spire Homes with its new Community Grants Fund donated over £18,000 to residents to help with their community improvement projects
- Friendship Care and Housing (Friendship) were selected to partner with Beechdale Community Housing Association, in which residents were closely involved at every stage
- The L&H Homes domiciliary care team which was formed in January 2010 went on to achieve a 2 star rating just seven months later in July 2010; the highest a new service can be awarded
- Friendship helped to fulfil the need for larger housing in Birmingham when it was awarded £500,000 grant funding towards a £1.3million scheme to convert small flats into 10 three storey family homes, comfortably housing up to 11 people.

Continued development activity

During 2010/11 Longhurst Group continued its status as a designated partner of the Homes and Communities Agency (HCA) – for the sixth consecutive year. We were one of the first registered social landlords to be selected for partnering and have been proud to work closely with the government agency and its predecessor demonstrating a strong track record in achieving established targets and supporting national objectives.

Since 2005/06 the Group has jointly led (together with Nottingham Community Housing Association) the Blue Skies Consortium. This partnership of 16 housing organisations provides collective strength through shared skills, expertise and resources – enabling members to access development opportunities that would not be available to them individually.

During the year, both Consortium and Longhurst Group members delivered a remarkable development programme of 1,300 homes.

To summarise our achievements during 2010/11, we:-

- achieved a £30.4 million programme against an original target of £27.1 million
- secured 206 starts-on-site compared to the 75 properties envisaged at the start of the year
- completed 372 homes in the year, against an original target of 358

Our development consultancy, POD (in partnership with Nottingham Community Housing Association) also continued to trade successfully during the year.

Our Construction Services team continued to grow, with Building Surveying and the Code for Sustainable Homes Assessments, Employers Agents and Clerk of Works roles were introduced as part of the service offer, bringing substantial income into the Group whilst delivering significant savings to member companies.

Future Development Activity

Over the next four years the programme of affordable housing and the way this is funded will be completely different to previous funding regimes.

Since the start of the year, Longhurst Group has been working with the Blue Skies Consortium on a bid to the HCA for the 2011-2015 Affordable Housing Programme. Following a period of negotiation with the HCA Midlands team, the Blue Skies Consortium submitted a bid for over 2700 homes to be delivered over

the next four years. Within this bid the Group was looking to deliver over 1,500 new homes for L&H Homes, Spire Homes and Friendship Care & Housing.'

The results of the HCA bidding programme were announced on the 14th July 2011. Longhurst Group and the rest of the Blue Skies Consortium were extremely disappointed to discover that our bid had not received an allocation of Social Housing Grant from the HCA for the next four years.

We have been informed by the HCA that we will retain our development partner status and therefore have access to any new bidding rounds in the future. We are also considering whether to enter into other arrangements with the HCA, that would enable the Group to take advantage of any shortfall in delivery or if others do not take up their funding allocations.

Despite our obvious disappointment at missing out on an allocation from the HCA, the Group remains committed to development and providing new homes in the areas that we work in. Our Development and Finance teams are now assessing what level of development activity we can continue to support across the Group without the need for Social Housing Grant. Whilst we will not be able to achieve the number of new homes identified in the Group's bid to the HCA, we are confident of maintaining a programme across the Group at similar levels to those we have delivered over the last three years.

Consistently strong partnerships

Joint ventures and partnership working are fundamental to the continued success of Longhurst Group. Collaboration and mutually supportive ventures mean that we can pool expertise, share risks, widen markets and manage growth.

The Group is proud to support a range of organisations including: local authorities, local strategic partnerships, specialist consortia, regional boards and national groups. Whilst housing specialists, we often go beyond this remit – contributing to community development, education, health and safety and regeneration initiatives. Examples of key achievements within the Group during 2010/11 include:-

- being one of only 32 national registered providers to achieve the Sustainable Homes Index for Tomorrow (SHIFT) accreditation in recognition of our achievements and our plans concerning our sustainability strategy
- our Corporate Services team achieving accreditation from the Investors in Excellence Standard
- further developing our partnership with the University of Lincoln to create training and development opportunities for young people
- Spire Homes achieving Best Companies accreditation
- L&H Homes' staff winning a prestigious regional award for their outstanding work with the Humber Education Business Partnership providing work experience for the local college students. The programme has since developed into a strong partnership with the college
- Friendship Care and Housing being accredited with the prestigious GAP award in recognition of their excellent governance protocols
- L&H Homes achieving an extension to their Charter Mark for excellence in customer services for the whole of L&H Homes as a newly amalgamated company
- Friendship Care and Housing being selected to partner with Beechdale Community Housing Association
- Group Marketing providing cost effective creative design and marketing support to other Housing associations contributing a healthy income into the Group.

We are dedicated to maintaining and developing these successful partnerships even further in the months and years ahead. The chief executive team's primary role is to sustain and develop relationships – both with external stakeholders and within the business. With this in mind, we anticipate developing local partnerships and joint ventures, progressing new management agreements, supporting member companies and exploring finance initiatives.

Strategy and objectives

The Group's strategic objectives are considered annually as part of the business planning process. In early 2010 the Group Board agreed key objectives for the year ahead, and strategies that we believe will help to achieve those objectives.

The key objectives for Longhurst Group for 2010/2011, and our agreed strategies for achieving business success, are summarised in the table below.

Area	Objective	Strategy
Growth	• To increase the number of units owned and managed in the Group • To increase Group Turnover	• Seek new transfers of stock to existing or new member companies, where there are like-minded partners and a genuine desire to engage • Bid for one-off management contracts in the Group's areas of activity, provided they are of adequate scale, offer long-term opportunities for business growth and achieve efficiency savings • Deliver on the development targets within operating companies' business plans • Explore new sources of finance to fund growth objectives • Consider alternative tenure types for future developments
Growth	To develop new retirement housing schemes and other market-related development opportunities through Keystone Developments (LG) Limited	• Maintain awareness of market conditions and progress schemes with partners where these are viable • Identify potential sites for development with full market search before entering into any commitments • Ensure appropriate funding facilities are in place
Growth	To deliver Group targets on the 2008-11 programme and retain preferred partnership status with the Homes and Communities Agency	• Regular monitoring and review by Group development team • Keep Homes and Communities Agency up-to-date on any schemes experiencing delays • Regular review of targets and performance within the whole consortium • Monitor grant levels and funding mechanisms • Identify best ways of working with partners to secure funding and develop homes • Explore new and innovative ways to develop across the Group

Area	Objective	Strategy
Excellence	To support Group members in maintaining and improving performance across key business areas	• Identify performance improvements that will benefit the whole Group • Explore options that will help member companies to work together more effectively – generating cost savings, freeing up resources or leading to improved ways of working • Participate in benchmarking clubs and take note of best practice • Continue to promote and facilitate collective procurement opportunities, ensuring that value for money is integrated into performance frameworks
Excellence	To reduce costs and improve efficiency across the Group	• To identify further areas of our work where we can work more collaboratively on joint projects and procurement • To increase stock levels within member companies' ownership, and achieve reduced unit costs
Communication	To enhance communication, ensuring that customer feedback and choice influences service delivery across the Group, and underpins everything we do	• Completion of a group-wide intranet and enhanced customer relationship management systems • Develop a compelling proposition to attract stakeholders who share our aspirations for growth • Ensure that tenant Board members continue to influence the work of Longhurst Group and its member companies • Involve the Group's customers in the development of local offers, frameworks and performance reviews • Ensure that service standards reflect customer expectations and choice, in line with the Tenant Services Authority's emerging framework • Share best practice on community involvement and regeneration across the Group, giving all tenants an opportunity to get involved in line with their preferred methods of engagement and amount of time available to contribute

Financial Performance in the Year

Longhurst Group turnover and operating surplus performance for 2010/11 are shown in the table below.

	2011 £'000	Restated 2010 £'000
Income and Expenditure Account		
Turnover	82,614	70,725
Operating costs and cost of sales	(72,481)	(60,816)
Operating Surplus	10,133	9,909
Surplus on the sale of assets	7,131	1,025
Net Interest Costs	(13,849)	(12,143)
Tax	(82)	(53)
(Deficit)/Surplus for the year after tax	3,333	(1,262)
Balance Sheet		
Housing properties at cost less depreciation	562,868	535,093
Social Housing Grant	(265,417)	(261,897)
	297,451	273,196
Other tangible Fixed Assets	14,661	14,708
Net Current Assets	(3,332)	672
	308,780	288,576
Creditors due after one year	266,541	249,175
Other long term liabilities (pensions)	1,358	2,736
Reserves	40,881	36,665
	308,780	288,576

Income and Expenditure

We are pleased to present the consolidated Group Financial Statements for the year ending 31st March 2011. The consolidated Group surplus for the year was £3.33m compared to a deficit of £1.23m in 2010.

The notes to the Financial Statements are shown in detail on pages 260-288, some key areas of performance during the year were:

Income

- Total Group turnover increased from £70.7m to £82.6m. £8m of the additional turnover was achieved through Design and Build fees generated by Keystone Developments on services provided outside of the Group.
- Turnover from Social Housing Lettings rose from £58.4m to £61.0m as a result of more new properties coming into management and the Rutland stock being in management for a full year
- Income generated from the sale of Housing properties increased from £3.9m in 2010 to £11.2m in 2011. Over £6m of this was due to the sale of 160 properties in Malvern by Friendship as part of a stock rationalisation programme.

Expenditure

- Total Group operating costs increased from £58.7m to £61.9m at the end of March 2011.
- There was a net increase in management and service costs of £547k. The net reduction in service costs from 2010 to 2011 was due to a re-classification of some costs as management costs.

- Expenditure on reactive maintenance increased by £1.39m as a result of an increased number of void unit repairs, a higher volume of reactive repairs and the Rutland stock being in management for a full year.

Component Accounting

During 2010/11 the Group updated its accounting policies to comply with the requirements in the 2010 SORP for the adoption of Component Accounting. The changes resulted in a Prior Year adjustment for L&H Homes and Spire Homes.

The implementation of Component Accounting has resulted in a five fold increase in the annual depreciation charge in 2011 and the capitalisation of £10.2m of improvement works out of a total expenditure on major repairs of £16.6m in 2011.

Balance Sheet

The key highlights from the consolidated Group Balance Sheet are as follows:

- Expenditure on the new Housing Developments totalled £32.2m for the Group, Social Housing Grant received during the year for new developments was £12.5m
- Cash in hand and deposits held for the Leaseholders totalled £9m at the end of March 2011.
- The total loans outstanding across the Group increased from £251m in 2010 to £269m at the end of March 2011.
- Total Reserves across the Group amounted to £40.9m at the end of March 2011. This is an increase of £31m when compared with the unadjusted 2010 accounts, £27m of which was due to the Prior Year Adjustment.

Treasury Management

The Group is financed through a combination of Social Housing Grant, short and long term loan facilities and surpluses generated through our normal business activities.

The loan facilities that are in place across the Group are all held by the asset owning Registered Providers within the Group; L&H Homes, Spire Homes and Friendship Care & Housing. Longhurst Group Ltd does not own any housing assets nor does it have any debt in its own name.

The Treasury Management function for all Group members is managed by the Group's Finance Team. The guiding principle of the Group's approach to Treasury Management is to ensure that member companies have sufficient cash to meet on-going capital and revenue commitments and to protect the Group against adverse movements in interest rates.

The Treasury strategy is reviewed annually by the Group's Finance & Treasury Committee and monitored on a quarterly basis. The Group's Treasury Management strategy states that:

- between 70% and 90% of drawn funds should be fixed or hedged for periods ranging from 2 – 30 years
- the remaining 10% – 30% should be held as variable rate debt or hedged on a short-term basis.

The Group's Treasury Policy defines Treasury Transactions that give the lender the option to cancel, as a short, medium or long term hedge depending on the next date that the lender could exercise that option.

Group Loan Facilities

At the 31st March 2011 the Group had total drawn debt of £269.6m and undrawn facilities totalling £61m. A new five year facility for £30m was agreed after the Balance Sheet date with Yorkshire Bank.

The combined mix of fixed and variable debt across the Group is summarised in the table below.

		2010/11			2009/10		
		Debt £'m	Interest Rate	Percentage of Borrowings	Debt £'m	Interest Rate	Percentage of Borrowings
Fixed Long Term	10+	107,719	6.10%	39.95%	95,886	6.65%	37.59%
Fixed Medium Term	6 to 10	53,443	5.41%	19.82%	42,421	5.70%	16.63%
Fixed Short Term	2 to 5	37,806	4.15%	14.02%	50,361	4.45%	19.74%
Medium/Long Term		14,580	5.30%	5.41%	4,733	5%	1.86%
Total Fixed		213,548	5.53%	79.20%	193,400	5.84%	75.82%
Variable	0 to 1	27,289	1.49%	10.12%	22,907	1.45%	8.98%
Hedged Short Term		28,800	5.09%	10.68%	38,800	5.13%	15.20%
Total Variable		56,089	3.34%	20.80%	61,707	3.76%	24.18%
Total		269,637	5.07%	100.00%	255,107	5.34%	100.00%

The majority of the Group's Loans have been arranged under long term facility periods. The repayment profile for the debt held across the Group is summarised in the table below.

	2011 £'m	2010 £'m
0 to 1 year	2,727	1,826
1 to 2 years	3,858	2,493
2 to 5 years	13,333	9,695
Greater than 5 years	249,233	236,847
Total	269,151	250,861

Loan Covenants

There are a number of different Loan Covenants in place on the individual facilities held by Group members. The key covenants measure asset cover, interest cover, gearing and cash flow performance and vary across each Group company. Compliance against Loan Covenants is monitored by the Group's Treasury Team and reported to the Group's Finance & Treasury Committee. There were no breaches of any Loan Covenants during the year.

Loan Structure

The loan facilities across the Group are all held at member company level with security provided from the housing assets owned by each company.

Loan Covenant Compliance

The loan covenants for loans held by Friendship Care and Housing and L&H Homes are primarily based on interest cover and loan gearing ratios. For Spire Homes the loan covenants are based on cash flow ratios agreed annually with the Lloyds Banking Group. Loan covenants are monitored monthly and were met throughout the year and at the year end for all loan facilities.

Risk management

Risk management is an important part of the overall internal control system across Longhurst Group and its member companies. The continued difficult economic climate and the fast-evolving business environment

reinforces the need for effective risk management (including analyses of changing government policy and its implications for the housing sector); at the same time, challenging economic conditions have created numerous business opportunities within the Group.

We have developed robust systems to identify, evaluate and manage key business risks. Any new areas of business or major projects are individually risk-assessed and reported to the Board prior to work commencing. This process includes a prudent financial assessment, sensitivity analysis and exploration of whether additional management controls or insurance is required to mitigate against significant loss.

The Group has now implemented a risk management database system across all companies, which will refine the quality of management reporting, secure even more effective co-ordination of risk management activities and provide efficiencies in the administration of risks.

The risks identified below are the five risks which are currently those seen as presenting the greatest potential impact to our operations and as such requiring extra monitoring and management.

RISK	RESPONSE
Comprehensive Spending Review & Funding Streams	This has led to significant reduction in government spending, especially in departments associated with housing budgets. Capital funding for new developments is being significantly reduced. Controls in place include: • Business plans have been re-modelled on various scenarios which reduce funding to the Group • Affordable Rent bid has been submitted to HCA • Board reports and briefings are being produced to communicate changes to Board Members • Different funding and investment models being investigated
Financial Markets	Following the banking sector crisis and associated challenging economic climate, availability of funding is scarcer and the terms offered are more expensive. Controls in place include: • Currently researching alternative sources of finance • Treasury Management policy in use to manage loan portfolios • Regular review of Groups position with external consultants
International Financial Reporting Standards (IFRS)	IFRS is expected to be required to be used in the RP sector within the next 3 years; changes in financial reporting likely to create increase volatility within financial statements and potentially affect loan covenants. Controls in place include: • Business Plans are being modelled for changes • Discussions with funders • Responding to consultations on the changes
Care and Support Services	This is an area in which local authorities have been reducing spending and offers of new contracts will be financially challenging. Controls in place include: • A Board review of strategy in this area has been conducted • The Groups inspection results and reputation for these services are good • Business Plans have been modelled on various scenarios
Contractor Failure or Withdrawal of Service	The building and maintenance sector are facing particularly difficult trading and economic conditions. Controls in place include: • Financial assessments and credit rating checks on contractors • Performance monitoring meetings • Prompt payment of contractors

The Future of Regulation

We are immensely proud of our strong relationships with the TSA and HCA, and always welcome the opportunity for dialogue or feedback so that we can keep improving – both at Group level and within member companies. Clearly with the pending closure of the TSA and the shift of some regulatory powers to the HCA our relationships and communication with these bodies will change. Nonetheless we are confident that we have built firm foundations over the years which will enable us to positively develop our relationships over the forthcoming period.

The revised model of regulation will focus on the ability of the organisation to contribute to the localism agenda through efficient financial management using the standards established by the TSA but based on two key strands of consumer protection and economic outcomes which will require substantially different levels of regulatory activity.

Consumer protection focuses on the management and quality of housing, the opportunity for tenants to be actively involved with the ability to hold their landlord to account for the contribution to the social and economic well-being of the areas in which the landlord operates. To ensure we continue to comply with regulatory expectations co-regulation will be retained and enhanced through the provision of support for tenant panels that scrutinise the handling of complaints, landlords' performance on local offers and overall performance of the organisation.

We will continue to build strong relationships with our key local authority stakeholders to meet the demands of increased involvement in complaints, with tenant panels, councillors and MPs being involved. The setting, monitoring and scrutiny of local standards delivery will be done 'formally' by tenants, linking co-regulatory activity to self assessment reviews and through co-regulatory activity analyse any complaints received in negotiating service improvement to mitigate serious failures of performance.

Whilst performance information is no longer seen as critical in terms of regulation we will continue to collect and analyse performance data to compare with our peers and provide timely and relevant information on how we perform to our tenants to ensure we are achieving a balanced performance that satisfies the needs of our customers and proves to be value for money. The Annual Report to tenants will continue to be produced with regular consultation on the content that takes into account local standards.

Governance

Longhurst Group has always been aware of the importance of good governance and has worked hard to ensure that robust structures and processes of review are in place. Over this last year we have:-

- finalised our board development systems
- arranged to pay the whole board rather than just chairs
- thoroughly reviewed our code of governance and
- implemented a board member capability policy

The Group is working to further refine the board self assessment framework following the completion of a full round of board member interviews in 2010. Through our Board appraisals process, training needs and plans are agreed with members annually.

The format of Group Board meetings has changed to provide for greater time to discuss strategy and for board development and ensure that the service provision of the parent corporate services is open to better scrutiny. We have been working closely with our member companies to provide governance support, including carrying out reviews of their current arrangements, supporting them in the consideration of board payment, reviewing board assessment processes and competencies, providing policy guidance, developing training plans, ensuring that effective succession planning measures and development/training programmes are in place.

The Group's Audit Committee and Finance & Treasury Committee support the work of the Group Board. The Finance & Treasury Committee was established during the year in recognition of the increasing complexity of the Group's finances and to reduce the burden of work of the Audit Committee. The Audit

Committee now concentrate on work associated with Internal and External Audit, Risk Management and reviewing the work of the Business Excellence Group. Membership of the Audit Committee and Finance & Treasury Committee is drawn from across the Group and via independent members.

Economic and Political Environment

The General Election of 2010 was the spur to the formation of the Conservative and Liberal Democrat Coalition. Their joint programme for government has had a major impact on economic and political life. The housing world has been radically affected; in fact the changes for our sector are as profound as any since 1974. Clearly the new government's priority is to reduce public spending. For us this means that public subsidy for new housing developments has been reduced considerably and support services for our customers have also faced severe reduction locally. We are also expecting that changes to the welfare system will mean that many of our customers may well find themselves under greater financial pressure than ever. In order to carry on developing homes we shall be required to increase rent levels to (approx.) 80% of local market rents and to shoulder a greater level of debt in order to finance each new home we provide. This will mean that public funds can go further and provide more homes than would have been possible under the old system. Over the period of this business plan the crucial calculation will be whether the government's strategy can bring about economic growth and stimulate private sector job creation. Clearly we expect the short and medium term (6 months to 2 years) to be very challenging as the economy adjusts and as we have to take on greater financial risk. Nonetheless we are committed to our aim of providing new homes and we will continue to build where we can and to find innovative ways to finance a smaller development programme. The economy of the Midlands tends to be slower to recover than the South East and we expect local economic drivers and the local housing market to take much longer to get back to the activity and value levels of pre-recession days. Furthermore job creation in the Midlands tends to give rise to relatively low wage levels. Hence we expect rent levels to be constrained in many parts of the Midlands. Nonetheless there are some areas of our activity where the new flexibilities offered in housing policy will give rise to opportunities for us.

Politically we expect the national coalition government to try to govern for 4-5 years and therefore the national political context may well be quite stable provided there are no further economic shocks. However, the effects of current policy on local government, especially the expected reductions in local services in many areas suggest that we could well see quite significant changes in the local political situation. Clearly the closure of many, if not all, of the regional government structures, the substantial cuts in Local Government budgets and the growth of the idea of the "Big Society" suggest that there will be organisational changes to how things get done locally.

Some of the key economic factors influencing our planning are as follows:-

- We expect general inflation to remain high until the Autumn of 2011 at least.
- We expect wage levels to be constrained for the medium term at least.
- We expect the Base Rate to increase by the start of the next Financial Year.
- We expect unemployment to rise and for most new jobs created in the Midlands to be low or minimum waged.
- We expect house sales to remain flat for the medium term.

Some of the political and social factors we expect to influence our work are:-

- We expect the numbers of people retiring to increase and for the East Midlands in particular to be a destination of choice for older people to live.
- We expect the change in regulation affecting us to create opportunities for us to serve a wider social sector.
- We expect there to be challenging implications for housing services and local communities arising from the loss of local services, welfare reform and job losses among our customers.
- We expect the political composition of local government to change as elections are held.
- We expect changes in planning processes to create uncertainty in the short term which may well create delays in the process of scheme development.

- Overall, we face challenging times in our sector, as do many others, but the team at Longhurst Group are as dedicated as ever to providing good quality services to our customers no matter how challenging the circumstances.

Sustainability

Having rationalised our ethical and environmental responsibilities, in 2010 we took two positive steps to address these issues. The Board decided that Longhurst Group should join the Sustainable Homes Index For Tomorrow (SHIFT), a benchmarking club that conducts a comprehensive assessment of its Housing Association members both as a landlord and an employer. The regime is a tough one, and has received accreditation from the HCA.

Our first SHIFT submission resulted in a Bronze ranking, which is a testament to the work implemented in this field already and a great indicator that further improvements can be achieved.

In developing Sustainability action plans we will help ensure we meet the challenges of climate change. For example by:-

- including energy, water, waste, travel, ethical sourcing and biodiversity initiatives
- adopting Green Travel Plans to reduce travel, CO2 emissions, and costs
- installing micro-generation/renewables in our existing properties taking full advantage of the Feed-In Tariff and the Renewable Heat Incentive, to maximise use of non CO2 emitting energy sources and tackle fuel poverty

Statement of Compliance

The Board confirms that this Operating and Financial Review has been prepared in accordance with the principles set out in Part 2 of the SORP for Registered Social Landlords.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LONGHURST GROUP LIMITED

We have audited the financial statements of Longhurst Group Limited for the year ended 31 March 2011 on pages 260-288. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Statement of the Directors' Responsibilities set out on page 3, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Board Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the Group and the Company as at 31 March 2011 and of their income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination 2006.

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Board Report and in the Operating and Financial Review for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

St. George's House
215 - 219 Chester Road
Manchester

CHRISTOPHER PORRITT (Senior Statutory Auditor)
For and on behalf of
BEEVER AND STRUTHERS
Chartered Accountants
& Statutory Auditor

21 July 2011

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	Group 2011 £'000	Parent Company 2011 £'000	Restated Group 2010 £'000	Parent Company 2010 £'000
Turnover	3	82,614	7,068	70,725	5,560
Cost of sales		(11,687)	–	(3,038)	–
Operating costs	3	(60,794)	(6,846)	(57,778)	(5,343)
Operating surplus		10,133	222	9,909	217
Surplus on sale of fixed assets	6	7,131	–	1,025	–
Interest receivable and other income	7	41	1	21	2
Interest payable and similar charges	8	(13,890)	–	(12,164)	(1)
Surplus / (deficit) on ordinary activities before taxation for the year	10	3,415	223	(1,209)	218
Tax on (deficit)/surplus on ordinary activities	10	(82)	(78)	(53)	(139)
Surplus (Deficit) for the year		3,333	145	(1,262)	79

All amounts relate to continuing activities.

There is no difference between the surplus on ordinary activities before taxation and the retained surplus for the year stated above, and their historical cost equivalents.

The notes on pages 263-288 form an integral part of these financial statements.

**STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	Group 2011 £'000	Parent Company 2011 £'000	Restated Group 2010 £'000	Parent Company 2010 £'000
Surplus / (Deficit) for the financial year		3,333	145	(1,262)	79
Actuarial gains / (losses) on pension schemes	30	884	–	(1,166)	–
Total recognised surplus / deficit for the year		4,217	145	(2,428)	79
Prior year adjustment	31	27,586	–	–	–
Total surplus / (deficit) recognised since the last annual report		31,803	145	(2,428)	79

BALANCE SHEET
AS AT 31 MARCH 2011

	Notes	Group 2011 £'000	Parent Company 2011 £'000	Restated Group 2010 £'000	Parent Company 2010 £'000
Fixed assets					
Housing properties at depreciated cost	13	562,868	–	535,093	–
Less: Social Housing and other Grants	13	(265,417)	–	(261,897)	–
		297,451	–	273,196	–
Other fixed assets	14	14,661	680	14,708	492
Total fixed assets		312,112	680	287,904	492
Current assets					
Properties and other assets held for sale	15	3,436	–	5,345	–
Stocks	16	10	–	–	–
Debtors	17	6,939	791	6,050	598
Investments	18	17	–	17	–
Cash at bank and short term deposits		9,249	464	9,472	338
		19,651	1,255	20,884	936
Less Creditors					
Amounts falling due within one year	19	(22,983)	(983)	(20,212)	(621)
Net current assets excluding pension liability		(3,332)	272	672	315
Pension liability	30	(1,358)	–	(2,736)	–
Net current (liabilities) / assets including pension liability		(4,690)	272	(2,064)	315
Total assets less current liabilities		307,422	952	285,840	807
Creditors					
Amounts falling due after more than one year	20	266,541	–	249,176	–
Capital and reserves					
Designated reserves	23	1,000	–	1,000	–
Revenue reserves	23	39,881	952	35,664	807
Accumulated reserves		40,881	952	36,664	807
		307,422	952	285,840	807

The notes on pages 263-288 form an integral part of these financial statements.

The financial statements on pages 260-288 were approved by the Audit Committee on 21 July 2011 under delegated authority from the Board on 18 May 2011 and were signed on its behalf by:

D Armer
Director

C McEwen
Director

R V Walder
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £'000	2010 £'000
Net cash inflow from operating activities	24	19,909	17,307
Returns on investments and servicing of finance	25	(13,599)	(12,991)
Taxation		–	(69)
Capital expenditure and financial investment	25	(24,643)	(36,590)
Net cash (outflow) before use of liquid resources and financing		(18,333)	(32,343)
Management of liquid resources	25	–	2,000
Financing	27	18,110	25,257
(Decrease) / Increase in cash		(223)	(5,086)
Reconciliation of net cash flow to movement in net debt			
(Decrease) / Increase in cash	26	(223)	(5,086)
(Increase) in debt	26	(18,302)	(22,357)
(Decrease) / Increase in liquid resources	26	–	(2,000)
Change in net borrowings due to cash flow	26	(18,525)	(29,443)
Net borrowings at beginning of period		(239,758)	(210,315)
Net borrowings at end of period	26	(258,283)	(239,758)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1. LEGAL STATUS

The Company is incorporated under the Companies Act 1985 as a company limited by guarantee without share capital (registered number 3958380) and is registered with the Tenant Services Authority as a Registered Provider, as defined by the Housing and Regeneration Act 2008, (registration number L4277).

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and Statements of Recommended Practice. The financial statements comply with the Companies Act 2006, the Housing Regeneration Act 2008, the Statement of Recommended Practice: accounting by Registered Social Housing Providers Update 2010 published by the National Housing Federation, Registered Social Landlords 2010, and the Accounting Requirements for Registered Social Landlords General Determination 2006. The accounts are prepared under the historical cost basis of accounting.

Basis of consolidation

These financial statements are Group statements and have been prepared by consolidating the results of Longhurst Group Ltd and its subsidiary companies (see note 33) from 1 April 2010 to 31 March 2011.

Turnover

Turnover represents rental income receivable, fees and grants from local authorities and the Homes and Communities Agency, income from the sale of shared ownership and other properties developed for outright sale and other income.

Equipment - Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Furniture and Fittings	15% per annum on cost
Office Equipment	20% per annum on cost
Motor Vehicles	20% per annum on cost
Computer Equipment	25% per annum on cost

Housing Properties and Depreciation

Housing properties for rent are stated at cost less accumulated depreciation and related social housing grant. Houses are transferred to completed properties when they are ready for letting.

Freehold land is not depreciated

Housing properties in the course of construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Where a housing property comprises two or more major components with substantially different useful economic lives (UEL), each component is accounted for separately and depreciated over its individual useful economic life. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

Depreciation is charged on a straight-line basis after taking into account social housing grant over the assets expected economic useful life as shown below:-

Component	Useful Economic Life
Housing structure	120
Roofs	60
Heating systems	20
Windows	30
Doors	30
Electrical	35
Bathrooms	30
Kitchens	20
Lifts	15

Shared Ownership

The costs of shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets. The fixed asset element of the shared ownership property is split into land and structure, any social housing grant received is allocated against the structure element, and the net cost after grant is depreciated over 120 years.

Loan Finance Issue Costs

These are written off evenly over the life of the related loan. Loans are stated in the balance sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs, are recognised in the income and expenditure account in the year in which the redemption took place.

Social Housing and Other Grants

Where developments have been financed wholly or partly by Social Housing and Other Grants, the grant received is allocated only against the land and structure components of the asset.

Social Housing Grant received for items of cost written off in the Income and Expenditure Account are matched against those costs as part of turnover.

Social Housing Grant is repayable in certain circumstances and in that event is a subordinated, unsecured, repayable debt.

The net housing association grant received and not spent is included in current liabilities, taking into account all properties under construction.

Social Housing Grant can be recycled by the Group under certain conditions, if a property is sold or another relevant event takes place. In these cases, the Social Housing Grant can be used for projects that meet the requirements of the HCA's Capital Funding Guide. However, Social Housing Grant may have to be repaid if certain conditions are not met.

Capitalisation of Interest and Administration Costs

Interest on loans financing development is capitalised up to date of the completion of the scheme and only when development activity is in progress.

Specific administration costs relating to development activities are capitalised based on an apportionment of the management time spent on this activity. Non specific administration costs relating to the development department have not been capitalised.

VAT

The Company charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Group and not recoverable.

Properties managed by agents

Where the Company carries the majority of the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Income and Expenditure Account.

Where the agency carries the majority of the financial risk, the Income and Expenditure Account includes only that income and expenditure which relates solely to the Company.

In both cases, the assets and associated liabilities are included in the Company's balance sheet.

Sale of housing properties

Properties developed for outright sale are included in turnover and cost of sales. Properties not developed for outright sale are divided into first tranche sales and other sales. The appropriate proportion of costs of housing properties that are built with the intention of full or partial sale, including equity share and shared ownership properties, are disclosed as current assets and stated at the lower of cost or net realisable value.

First tranche sales proceeds and the relative proportion of the property cost are recognised in turnover and cost of sales respectively. Subsequent tranches are not included within turnover and cost of sales but are shown as a separate item after the operating surplus in the income and expenditure account. All other sales of fixed asset properties are dealt with in this way.

Where a property is part of a distinct development scheme with mixed tenure elements, the surplus recognised on the elements sold is limited to the surplus calculated on the entire scheme. For the elements that are retained as fixed assets, the surplus or deficit is calculated by reference to the assets' existing use value for social housing.

Impairment

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified.

Improvements to properties and major repairs

The Group capitalises expenditure on housing properties that results in an increase in net rental income over the life of the property. This increase may be a result of an increase in rental income, reduction in maintenance costs or significant extension of the life of the property.

Major repairs expenditure of a capital nature has been capitalised in line with the above.

Major repairs expenditure of a revenue nature is reflected in the income and expenditure account together with any related grant funding.

Leased Assets

Within the housing stock of Longhurst and Havelok Homes Limited there are a number of properties held on short-term leases. The lease costs are written off to the income and expenditure account as incurred.

Pension Scheme

The Group operates three defined benefit schemes. As the Pensions Trust is unable to identify the Group's underlying share of assets and liabilities, the Group has therefore accounted for contributions made to the Social Housing Pension Scheme as if it were a defined contribution scheme. In respect of the pension schemes with Northamptonshire County Council and Leicestershire County Council, the liabilities are shown in the accounts in line with FRS17.

Deferred Tax

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Except as noted below, full provision for deferred income is made under the liability method on all timing differences that have arisen, but not reversed by the balance sheet date.

In accordance with FRS 19, deferred tax is not provided for gains on sale of non- monetary assets, if the taxable gain will probably be rolled over.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Stock and Work In Progress

Stock and work in progress are stated at the lower of cost and net realisable value.

Current Asset Investments

Current asset investments are included in the Balance Sheet at Market Value.

Disposal Proceeds Fund

Voluntary Purchase Grant net disposal proceeds are credited to this fund which appears as a creditor until spent.

Recycling of Capital Grant

Where Social Housing Grant is recycled, as described above, the SHG is credited to a fund which appears as a creditor until spent.

Loan Interest Costs

The full costs of deferred interest rate and indexation loans are shown in the Income and Expenditure Account.

Corporation Tax

The Group pays corporation tax at the rate applicable at 31 March 2011.

Support Income and Costs including Supporting People Income and Costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the turnover note 3. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the income and expenditure from social housing lettings note 4 and matched against the relevant costs.

Designated Reserves

A mixed funded major repairs reserve has been established to provide for the cost of future major repairs on properties developed with fixed SHG following the Housing Act 1988.

Operating Leases

Rentals paid under operating leases are charged to the Income and Expenditure Account as incurred.

Commitment to the Supply of Qualifying Works

Spire Homes (LG) Limited received the transfer of 1,242 properties from Rutland County Council District Council on 9 November 2009. As part of the transfer, the Council has made a commitment to Spire Homes (LG) Limited to have the properties refurbished and modernised and brought into a good state of repair. Immediately prior to transfer, the Council contracted with Spire Homes (LG) Limited to carry out the refurbishment works on its behalf. The Council's obligation to carry out the works is in effect matched by Spire Homes (LG) Limited's obligations to bring the properties into a good state of repair. As a specific right of set off exists, a net basis has been adopted in respect of these obligations and neither the assets or liabilities have been recognised.

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS – GROUP

2011				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	61,030	–	(50,555)	10,475
OTHER SOCIAL HOUSING ACTIVITIES				
Managed operations	1,979	–	(2,287)	(308)
Supporting People Contract Income	2,937	–	(2,987)	(50)
Development – Other	1,059	–	(899)	160
Development – First tranche shared ownership sales	2,473	(2,495)	(217)	(239)
Management Services	338	–	(361)	(23)
Other Activities	1,391	(172)	(551)	668
	10,177	(2,667)	(7,302)	208
NON-SOCIAL HOUSING ACTIVITIES				
Sale of properties	150	(188)	–	(38)
Lettings – market rented	159	–	(109)	50
Community Based Activities	1,756	–	(2,021)	(265)
Design & Build Agreements	8,864	(8,832)	–	32
Other	478	–	(807)	(329)
	11,407	(9,020)	(2,937)	(550)
TOTAL	82,614	(11,687)	(60,794)	10,133
2010 (Restated)				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	58,463	–	(47,398)	11,065
OTHER SOCIAL HOUSING ACTIVITIES				
Managed operations	1,896	–	(1,753)	143
Supporting People Contract Income	2,680	–	(2,590)	90
Development – Other	1,345	(90)	(1,591)	(336)
Development – First tranche shared ownership sales	2,410	(2,469)	(594)	(653)
Management Services	577	–	(1,171)	(594)
Other Activities	184	–	(38)	146
	9,092	(2,559)	(7,737)	(1,204)
NON-SOCIAL HOUSING ACTIVITIES				
Sale of properties	128	(129)	–	(1)
Lettings – market rented	184	–	(116)	68
Community Based Activities	1,807	–	(1,698)	109
Design & Build Agreements				
Other	673	–	(829)	(156)
	3,170	(479)	(2,643)	48
TOTAL	70,725	(3,038)	(57,778)	9,909

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS - PARENT COMPANY

	2011			2010		
	Turnover	Operating	Operating	Turnover	Operating	Operating
	£'000	Costs	(Deficit)/	£'000	Costs	(Deficit)/
		£'000	Surplus		£'000	Surplus
			£'000			£'000
OTHER SOCIAL						
HOUSING ACTIVITIES						
Development	1,465	(1,343)	122	1,741	(1,413)	328
General Management	963	(1,000)	(37)	567	(649)	(82)
Health & Safety	203	(198)	5	219	(170)	49
IT	1,465	(1,426)	39	1,299	(1,334)	(35)
Marketing	471	(407)	64	468	(482)	(14)
Human Resources	710	(713)	(3)	779	(738)	41
Group Financial Services	1,750	(1,758)	(8)	415	(446)	(31)
Other	41	(1)	40	72	(2)	70
Group Restructuring Costs	–	–	–	–	(109)	(109)
	7,068	(6,846)	222	5,560	(5,343)	217

The parent Company's turnover for 2011 and 2010 relates predominantly to the provision of central services to other subsidiaries in the Group. A small proportion of turnover is generated from external organisations. The parent company's operating costs relate to staff and other overhead costs.

4. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT) FROM SOCIAL HOUSING LETTINGS - GROUP

	2011					Re-stated
	Supported General Needs Housing £'000	Housing and Housing for older people £'000	Residential Care Homes £'000	Low Cost Home Ownership £'000	2011 £'000	2010 £'000
Income from social housing lettings						
Rents receivable net of identifiable service charges	44,428	3,588	2,546	1,731	52,293	48,613
Service charges	1,704	1,149	–	296	3,149	2,718
Charges for support service	99	860	–	–	959	1,506
Net rents receivable	46,231	5,597	2,546	2,027	56,401	52,837
Revenue grants from Local Authorities and other agencies	–	286	3,769	–	4,055	4,436
Major Repair grant from RCGF	574	–	–	–	574	1,190
Total income from social housing lettings	46,805	5,883	6,315	2,027	61,030	58,463
Expenditure						
Management	7,024	1,752	1,251	430	10,457	8,729
Services	4,164	1,713	6,366	130	12,373	13,207
Routine Maintenance	9,950	1,142	200	29	11,321	9,925
Planned Maintenance	2,630	231	44	3	2,908	2,833
Major repairs expenditure	3,924	1,052	137	7	5,120	6,141
Rent losses from bad debts	426	53	3	–	482	417
Property Lease Costs	365	–	–	–	365	356
Depreciation of Housing Properties	7,603	49	148	154	7,954	5,298
Write down of Current Assets	–	–	–	82	82	78
Lease amortisation	31	–	–	–	31	37
Past service pension gain	(536)	–	–	–	(536)	–
Other Costs	(2)	–	–	–	(2)	377
Total expenditure on social housing lettings	35,579	5,992	8,149	835	50,555	47,398
Operating surplus / (deficit) on social housing lettings	11,226	(109)	(1,834)	1,192	10,475	11,065
Rent losses from voids	336	134	251	–	721	1,340

5. GROUP ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

	2011 No.	2010 No.
Units in Management owned by the Group		
General housing	11,278	11,138
Supported and Sheltered Housing	2,063	2,034
Shared Ownership	978	962
Care Homes	227	231
Leasehold Schemes for the elderly	977	993
Total Social Housing Properties	15,523	15,358
Market Rented Properties	12	12
Student Accommodation	41	41
Total Non-Social housing	53	53
Units in Management on stock not owned by the Group	690	755
Total owned and managed	16,266	16,166

At 31 March 2011 the Group owned 78 units (2010: 84 units) which were managed by agents (Parent Company: Nil).

6. SURPLUS ON SALE OF FIXED ASSETS

	Shared Ownership Staircasing £'000	Right to Buy and Voluntary Sales £'000	Total 2011 £'000	Total 2010 £'000
Proceeds of Sale	558	10,619	11,177	3,910
Less: Cost of Sales	(571)	(3,475)	(4,046)	(2,885)
	(13)	7,144	7,131	1,025

7. INTEREST RECEIVABLE AND OTHER INCOME

	Group 2011 £'000	Parent Company 2011 £'000	Group 2010 £'000	Parent Company 2010 £'000
Interest receivable and similar income	41	1	21	2

8. INTEREST PAYABLE AND SIMILAR CHARGES

	Group 2011 £'000	Parent Company 2011 £'000	Group 2010 £'000	Parent Company 2010 £'000
Repayable within 5 years by instalments	4,069	–	7,084	–
Repayable wholly or partly in more than 5 years by instalments	9,764	–	5,534	–
Other	579	–	409	1
Less: Interest payable capitalised on housing properties under construction	(522)	–	(863)	–
	13,890	–	12,164	1
Interest rate used to determine the amount of finance costs capitalised during the period	5.19%	N/A	5.25%	N/A

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	Group 2011 £'000	Parent Company 2011 £'000	Group 2010 £'000	Parent Company 2010 £'000
This is stated at after charging/(crediting):				
Depreciation of housing properties	7,954	–	5,298	–
Depreciation on other tangible fixed assets	1,052	352	887	229
Bad debts	482	–	417	–
Auditors remuneration (inclusive of VAT):				
In their capacity as auditors	90	9	85	9
In respect of other services	23	23	28	17
(Surplus) on disposal of fixed assets	(7,131)	–	(1,025)	–
Operating lease charges re HAMA shortlife properties	365	–	356	–

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

(a) Analysis of the tax charge in the year

	Group 2011 £'000	Parent Company 2011 £'000	Group 2010 £'000	Parent Company 2010 £'000
Current Tax:				
Corporation Tax at 28%	83	79	39	42
Under/(over) provision in previous years	5	5	(14)	69
	88	84	25	111
Deferred Tax:				
Origination and reversal of timing differences	(6)	(6)	28	28
Tax on UK surplus on ordinary activities	82	78	53	139

10. TAX ON ORDINARY ACTIVITIES (CONTINUED)

(b) Current tax reconciliation

	Group 2011 £'000	Parent Company 2011 £'000	Group 2010 £'000	Parent Company 2010 £'000
(Deficit)/surplus on ordinary activities before tax	3,415	223	(1,209)	218
(Deficit)/surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010: 28%)	955	61	(339)	61
Effects of:				
(Profits)/losses arising in non taxable entities	(897)	–	(384)	–
Expenses not deductible for tax purposes (primarily property depreciation and capital items included in expenditure)	555	12	167	10
Movement on deferred tax other fixed assets	16	6	(28)	(28)
Rollover relief/indexation on profit on disposal of property	–	–	1	–
Adjustments to tax charge in respect of previous periods	5	5	(14)	69
Increase in losses c/fwd	(528)	–	659	–
Capitalised interest	(17)	–	(46)	–
Other short term timing differences	–	–	9	–
Marginal relief	(1)	–	–	(1)
Current tax charge for the year	88	84	25	111

(c) Factors that may affect future tax charges

No provision has been made for deferred tax gains recognised on the sale of properties in the subsidiary company Spire Homes (LG) Limited where taxable gains have been rolled over into replacement assets. Such tax would become payable only if the properties were sold without it being possible to claim rollover relief. The total amount unprovided for is £679,000 (2010 - £714,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

The subsidiary company Spire Homes (LG) Limited has not recognised a deferred tax asset of £2,227,000 as at 31 March 2011 (2010: £9,859,000). This asset has not been recognised in the financial statements by the Board as they are of the opinion that the level of profits in the foreseeable future will not exceed the losses being created during the significant refurbishment phase on the current housing stock.

11. STAFF COSTS

	Group 2011 £'000	Parent Company 2011 £'000	Group 2010 £'000	Parent Company 2010 £'000
Staff costs, including the Executive Officers:				
Wages and salaries	19,295	3,963	19,535	3,273
Social security costs	1,349	313	1,385	280
Other pension costs	1,281	338	1,121	298
	21,925	4,614	22,041	3,851

	Group 2011 £'000	Parent Company 2011 £'000	Group 2010 £'000	Parent Company 2010 £'000
The average monthly number of persons (including the Executive Officers) employed during the year expressed as full time equivalents	Number	Number	Number	Number
Office staff	375	125	368	115
Wardens, caretakers and cleaners	510	–	491	–
Total employees	885	125	859	115

12. DIRECTORS

Directors are defined as the Board Members together with the Executive Officers who are employed by the Longhurst Group Limited identified on Page 241.

	2011 Number	2010 Number
The number of Executive Officers, including the highest paid executive, who received emoluments	3	3
(Managing Directors post addition from 1/10/2009)		
	2011 No.	2010 No.
Emoluments, including pension contributions and benefits in kind		
Board Members	48	42
Executive Officers	378	321
	426	363
	2011 No.	2010 No.
The emoluments of staff disclosed above (excluding pension contributions) include amounts paid to :	Mr R V Walder	Mr R V Walder
The highest paid Director (the Chief Executive):	151	147

The Chief Executive is an ordinary member of the Social Housing Pension Scheme. Contributions are payable in line with other members of the Longhurst Group Limited and no enhanced or special terms apply. A contribution by the Company of £10,147 (2010: £17,666) was paid in addition to the personal contribution

of the Chief Executive. The amount of pension paid during the year has decreased as a new method of collection now levies a lump sum on the Group as well as contributions based on earnings.

Benefits in kind relate to leased cars, professional subscriptions and health care insurance.

13. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES (GROUP)

	Housing properties held for letting £'000	Housing properties under construction £'000	Shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
At 1 April 2010	441,755	36,619	35,861	8,871	523,106
Prior year adjustment	46,226	(115)	286	(271)	46,126
At 1 April 2010 restated	487,981	36,504	36,147	8,600	569,232
Additions	1,084	29,720	320	3,864	34,988
Schemes completed in year	54,323	(55,694)	6,097	(4,726)	–
Replacement of components in the year	11,590	–	–	–	11,590
Transfers	–	935	–	(935)	–
Disposals	(12,791)	(81)	(553)	(85)	(13,510)
At 31 March 2011	542,187	11,384	42,011	6,718	602,300
Depreciation					
At 1 April 2010	14,494	–	507	–	15,001
Prior year Adjustment	18,771	–	367	–	19,138
At 1 April 2010 restated	33,265	–	874	–	34,139
Charged in year	7,800	–	154	–	7,954
Released on disposal	(2,649)	–	(13)	1	(2,661)
At 31 March 2011	38,416	–	1,015	1	39,432
Depreciated Cost at 31 March 2011	503,771	11,384	40,996	6,717	562,868
Social housing and Other grants					
At 1 April 2010	225,886	19,053	13,714	3,843	262,496
Prior year adjustment	(586)	290	(16)	(287)	(599)
At 1 April 2010 restated	225,300	19,343	13,698	3,556	261,897
Received during the year	–	11,826	–	684	12,510
Disposals – SHG recycled	(8,822)	–	(168)	–	(8,990)
Transfers	3,521	(2,770)	323	(1,074)	–
Schemes completed in year	20,199	(20,544)	1,203	(858)	–
At 31 March 2011	240,198	7,855	15,056	2,308	265,417
Net book value					
At 31 March 2011	263,573	3,529	25,940	4,409	297,451
At 31 March 2010 (restated)	229,416	17,161	21,575	5,044	273,196

Expenditure on works to existing properties

	2011 £'000	Restated 2010 £'000
Replacement of components	11,590	5,623
Amounts charged to Income & Expenditure Account	5,120	6,141
	16,710	11,764

The Net Book Value of these properties is made up as follows:

	2011 £'000	Restated 2010 £'000
Freehold	295,315	270,024
Long leasehold	1,775	2,576
Short leasehold	361	596
	297,451	273,196

The total accumulated SHG received or receivable at the Balance Sheet date from capital or revenue sources was £277,539k (2010: £265,029k).

14. TANGIBLE FIXED ASSETS – OTHER

	Scheme Furnishings And Equipment £'000	Freehold Offices £'000	Computer Equipment £'000	Motor Vehicles £'000	Office Furnishings and Equipment £'000	Total Other Fixed Assets £'000
COST						
At 1 April 2010	1,311	14,466	4,974	230	883	21,864
Additions	126	236	663	–	50	1,075
Disposals	(63)	–	(60)	–	(95)	(218)
At 31 March 2011	1,374	14,702	5,577	230	838	22,721
CAPITAL GRANTS						
At 1 April 2010 and 31 March 2011	–	150	–	–	–	150
DEPRECIATION						
At 1 April 2010	666	1,527	3,938	185	690	7,006
Charge for the period	161	199	614	20	58	1,052
Disposals	(18)	–	(60)	–	(70)	(148)
At 31 March 2011	809	1,726	4,492	205	678	7,910
NET BOOK VALUE						
At 31 March 2011	565	12,826	1,085	25	160	14,661
At 31 March 2010	645	12,789	1,036	45	193	14,708

14. TANGIBLE FIXED ASSETS – OTHER (PARENT COMPANY)

	Computer Equipment £'000	Office Furniture Fittings £'000	Total £'000
COST			
At 1 April 2010	2,236	70	2,306
Additions	523	17	540
Disposals	–	(30)	(30)
At 31 March 2011	2,759	57	2,816
DEPRECIATION			
At 1 April 2010	1,754	60	1,814
Charge for the year	344	8	352
Disposals	–	(30)	(30)
At 31 March 2011	2,098	38	2,136
NET BOOK VALUE			
At 31 March 2011	661	19	680
At 31 March 2010	482	10	492

15. PROPERTIES AND OTHER ASSETS HELD FOR SALE (GROUP)

	2011 £'000	2010 £'000
Properties held for sale:		
Completed	1,960	3,256
In course of construction	1,476	2,089
At 31 March 2011	3,436	5,345

16. STOCKS (GROUP)

	2011 £'000	2010 £'000
Consumable stocks	10	–

17. DEBTORS

	Group	Parent		Parent
	2011	Company	Group	Company
	£'000	2011	2010	2010
		£'000	£'000	£'000
Amounts falling due within one year				
Rental debtors	3,505	–	3,699	–
Less: Provision for bad and doubtful debts	(1,531)	–	(1,416)	–
	1,974	–	2,283	–
Prepayments and accrued income	2,030	337	1,571	340
SHG receivable	591	–	692	–
Other debtors	2,272	11	1,352	58
Deferred Tax	72	72	66	66
Corporation Tax overpayment	–	–	86	–
Intercompany debtor	–	371	–	134
	6,939	791	6,050	598

18. CURRENT ASSET INVESTMENTS

	Group	Parent		Parent
	2011	Company	Group	Company
	£'000	2011	2010	2010
		£'000	£'000	£'000
Short term money market deposits	17	–	17	–

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Parent		Parent
	2011	Company	Group	Company
	£'000	2011	2010	2010
		£'000	£'000	£'000
Housing loans	2,727	–	1,826	–
Funders interest	2,320	–	2,112	–
Rents and service charges received in advance	1,031	–	1,022	–
Trade creditors	5,124	409	1,742	353
Other taxation and social security costs	645	172	641	148
Recycled Capital Grant Fund (note 21)	1,425	–	1,248	–
Disposal Proceeds Fund (note 21)	–	–	95	–
Accruals and deferred income	5,940	78	7,675	45
Other Creditors	1,451	10	1,596	–
Funds held in trust (Sinking Fund)	2,195	–	2,213	–
Corporation tax	125	121	42	42
Inter company creditors	–	193	–	33
	22,983	983	20,212	621

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR (GROUP)

	2011	2010
	£'000	£'000
Housing loans	264,822	247,421
Recycled Capital Grant Fund (note 21)	1,719	1,755
Disposal Proceeds Fund (note 21)	—	—
	266,541	249,176
Amounts repayable by instalments:		
Repayable between one to two years	6,585	4,319
Repayable between two to five years	13,333	9,695
Repayable after five years	249,717	236,847
	269,635	250,861
Add: Loan premium	9	11
Less: issue costs	(2,095)	(1,625)
	267,549	249,247

Loans from banks and building societies are secured by specific charges on the Group's housing properties. The loans are repayable at varying rates of interest. The average rate of interest at 31 March 2011 was 5.19% (2010: 5.25%).

21. RECYCLED CAPITAL GRANT FUND (RCGF)

	RCGF	TOTAL
	£'000	£'000
Opening Balance at 1 April 2010	3,002	3,002
Grants recycled	703	703
Additions for the Year	—	—
Recycled grant utilised	(574)	(574)
Interest Accrued	13	13
Closing Balance at 31 March 2011	3,144	3,144

22. SHARE CAPITAL

The Company is limited by guarantee and has no equity or non-equity share capital. Members of the Company guarantee to contribute a maximum of £1 should there be a call on their guarantee.

23. RESERVES – GROUP

Designated Reserves (Group)

	Major Repairs Reserve £'000	Total £'000
Designated reserves at 1 April 2010 and 31 March 2011	1,000	1,000

Revenue Reserve (Group)

	Revenue Reserve £'000
Revenue Reserve at 1 April 2010	8,078
Prior year adjustment (note 31)	27,586
At April 1st 2010 restated	35,664
Surplus for the year	3,333
Actuarial gains	884
Revenue Reserve at 31 March 2011	39,881

Revenue Reserve (Parent Company)

	Revenue Reserve £'000
Revenue Reserve at 1 April 2010	807
Surplus for the year	145
Revenue Reserve at 31 March 2011	952

24. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £'000	2010 £'000
Operating surplus for the year	10,052	9,909
Depreciation charges	7,867	2,662
Movement in properties and other assets in the course of sale	763	(268)
Movement in stocks	1,586	601
Movement in debtors	(4,206)	2,257
Movement in creditors	3,593	2,381
(Surplus)/deficit on sale of other fixed assets	254	(235)
Net cash inflow from operating activities	19,909	17,307

25. ANALYSIS OF CHANGES IN CASH AND EQUIVALENTS

Returns on investments and servicing of finance

	2011 £'000	2010 £'000
Interest received	42	2
Interest paid	(13,641)	(12,993)
	<u>(13,599)</u>	<u>(12,991)</u>

Capital expenditure and financial investment

Purchase of housing properties	(47,110)	(58,817)
Sale of housing properties (net of cost of sales)	10,931	4,125
SHG received	12,611	19,098
Purchase of other fixed assets	(1,075)	(996)
	<u>(24,643)</u>	<u>(36,590)</u>

Management of liquid resources
Short term deposits

–	2,000

Financing
Increase in debt due after one year

(18,110)	(25,257)

26. ANALYSIS OF NET BORROWINGS

	At 1 April 2010 £'000	Cash Flows £'000	Other Changes £'000	At 31 March 2011 £'000
Cash at bank and in hand excluding short term deposits	9,472	(223)	–	9,249
Short term deposits	17	–	–	17
Housing & non - housing loans < 1 year	(1,826)	(901)	–	(2,727)
Housing & non - housing loans > 1 year	(247,421)	(17,370)	(31)	(264,822)
Total	<u>(239,758)</u>	<u>(18,494)</u>	<u>(31)</u>	<u>(258,283)</u>

27. ANALYSIS OF CHANGES IN FINANCING

	2011 £'000	2010 £'000
Loans received	22,863	28,693
Loans repaid	(4,657)	(3,140)
Issue costs incurred / (amortised)	(96)	(296)
Balance at 31 March 2011	<u>18,110</u>	<u>25,257</u>

28. CAPITAL COMMITMENTS

	Group	Parent		Parent
	2011	Company	Group	Company
	£'000	2011	2010	2010
		£'000	£'000	£'000
Capital expenditure				
Capital expenditure contracted for but not provided for in the accounts	43,667	–	35,440	–
Expenditure authorised by the Board but not contracted	8,615	–	19,476	–
	52,282	–	54,916	–
Future capital expenditure will be part funded by social housing grant and borrowing:				
Social Housing Grant	7,808	–	15,579	–
Private Finance	44,474	–	39,337	–
	52,282	–	54,916	–

Spire Homes (LG) Limited received the transfer of 1,242 properties from Rutland County Council District Council on 9 November 2009. As part of the transfer, the Council has made a commitment to Spire Homes (LG) Limited to have the properties refurbished and modernised and brought into a good state of repair. Immediately prior to transfer, the Council contracted with Spire Homes (LG) Limited to carry out the refurbishment works on its behalf. The Council's obligation to carry out the works is in effect matched by Spire Homes (LG) Limited's obligations to bring the properties into a good state of repair. As a specific right of set off exists, a net basis has been adopted in respect of these obligations and neither the assets or liabilities have been recognised. At 31 March 2011 the gross values of the balances that have been offset are £16,806,252, with VAT of £3,361,250 arising on the works totalling £20,166,502.

29. OTHER FINANCIAL COMMITMENTS

Group

At 31 March 2011 the Group was committed to making the following annual payments under non-cancellable operating leases in the year to 31 March 2012.

	Group	Parent		Parent
	2011	Company	Group	Company
	£'000	2011	2010	2010
		£'000	£'000	£'000
Land and Buildings				
Operating leases which expire:				
Within 1 year	39	–	37	–
Within 2 to 5 years	174	–	43	–
Over 5 years	80	–	32	–
	293	–	112	–
Equipment and Vehicles				
Operating leases which expire:				
Within 1 year	57	26	34	–
Within 2 to 5 years	660	345	621	331
Over 5 years	3	–	–	–
	720	371	655	331

30. PENSIONS

Social Housing Pension Scheme

Longhurst Group participates in the Social Housing Pension Scheme (SHPS). This Scheme is a multi-employer defined benefit scheme which is contracted out of the state scheme. Longhurst Group has elected to operate a final salary with a 1/60 accrual rate and the career average revalued earning with a 1/60 accrual rate benefit for active members as at 1st April 2007. For new entrants to the scheme from 1st April 2007, the career average revalued earnings structure is the only option available.

During the year under review, Longhurst Group paid contributions at the rate of 6.95% for the final salary scheme and 7.25% for the career average scheme plus a monthly lump sum to fund past deficit amounts. Contributions by members varied between 6.05% and 11.25% depending on their age.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from total scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2010. Such a report is required by legislation for years in which a full actuarial valuation is not carried out.

The funding update revealed an increase in the assets of the Scheme to £1,985 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £497 million, equivalent to a past service funding level of 80.0%.

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the scheme. The debt is due in the event of the employer ceasing to participate in the scheme, or the scheme winding up. The estimated amount of employer debt on withdrawal liability for Longhurst Group as at 30th September 2010 has been calculated as £38,433,000.

The next triennial formal valuation of the Scheme is due as at 30 September 2011. The results of the valuation will be available in the autumn of 2012.

Growth Plan

Longhurst Group participates in the Pension Trust's multi-employers Growth Plan. The plan is funded and is not contracted out of the state scheme.

The rules of the Growth Plan state that the proportion of obligatory contributions, to be borne by the member and the member's employer, shall be determined by agreement between them. Longhurst Group paid contributions at the rate of 0% during the accounting period. Members paid contributions at varying rates during the accounting period. As at the Balance Sheet date, there were three active members of the plan employed by Longhurst Group. Longhurst Group continues to offer membership of the plan to its employees.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The last formal valuation of the scheme was carried out at 30th September 2008 by a professionally qualified actuary, using the

Projected Unit Method. The market value of the Scheme's assets at the valuation date was £742m, compared to past service liabilities of £771m. The valuation therefore revealed a shortfall in assets of £29m, equivalent to a funding level of 96%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2010. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The market value of the Plan's assets as that date was £765m compared to past service liabilities of £820m. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £55m, equivalent to a funding level of 93%.

The estimated amount of employer debt on withdrawal liability for Longhurst Group Ltd as at 30 September 2010 has been calculated as £73,483

Spire Homes (LG) Limited

Spire Homes (LG) Limited contributes to the Northamptonshire County Council Pension Fund (NCC) and the Leicestershire County Council Pension Fund (LCC) schemes which are defined benefit schemes.

Contributions

The defined benefit scheme employers' contributions for the year ended 31 March 2011 were £121k (2010: £148k) and the employers contribution rate has been fixed at 36.9% (NCC) and 18% (LCC) of pensionable pay until 31 March 2011.

Assumptions

The major assumptions used by the actuary in assessing scheme liabilities on a FRS 17 basis were:

	At 31 March 2011 %	At 31 March 2010 %
Rate of increase in salaries	5.1	5.3
Rate of increase in pensions in payment	2.8	3.8
Discount rate	5.5	5.5
Inflation assumptions	3.6	3.8

Fair value and expected returns on assets

The fair value of the expected rate of return were:

	Fair Value 31 March 2011 £'000	Expected Return 31 March 2011 %	Fair value 31 March 2010 £'000	Expected Return 31 March 2010 %
Equities	2,460	7.5	2,470	7.8
Bonds	577	4.9	481	5.0
Property	233	5.5	224	5.8
Cash	56	4.6	58	4.8

There is no provision for unitising the assets of a fund under the Local Government Pension Scheme. The above assets as a whole are allocated to participating bodies on a consistent and reasonable basis.

	Value at 31 March 2011 £'000	Value at 31 March 2010 £'000
Fair value of assets related to the Company	3,326	3,233
Value placed on liabilities related to the Company	(4,681)	(5,969)
Value placed on unfunded liabilities related to the Company	(1,355)	(2,732)
Deficiency related to the Company	(3)	(4)
Net pension liability	(1,358)	(2,736)

Recognition in the profit or loss

	2011 £'000 NCC	2011 £'000 LCC	2011 £'000 NCC	2011 £'000 LCC
Current service costs	55	36	25.0	20.01
Interest cost	255	48	116.4	26.7
Expected return on employer assets	(185)	(46)	(84.5)	(25.6)
Past service cost / (gain)	(435)	(101)	(198.6)	(56.1)
Total	(310)	(63)	54.1	14.9
Actual return on plan assets	176	55		

	2011 £'000 NCC	2011 £'000 LCC	2011 £'000 NCC	2011 £'000 LCC
Current service costs	44	20	15.7	11.1
Interest cost	231	35	82.2	19.3
Expected return on employer assets	(123)	(28)	(43.8)	(15.5)
Past service cost / (gain)	–	–	–	–
Total	152	27	54.1	14.9
Actual return on plan assets	706	159		

Reconciliation of defined benefit obligation

	2011 £'000	2010 £'000
Opening defined benefit obligation	5,969	3,886
Current service cost	91	64
Interest cost	303	266
Contribution by members	26	29
Actuarial losses / (gains)	(961)	1,880
Past service costs / (gains)	(536)	–
Estimated unfunded benefits paid	–	–
Estimated benefits paid	(208)	(156)
Closing defined benefit obligation	4,684	5,969

Reconciliation of fair value of employer assets

	2011 £'000	2010 £'000
Opening fair value of employer assets	3,233	2,347
Expected return on assets	231	151
Contributions by members	26	29
Contributions by the employer	121	148
Contributions in respect of unfunded benefits	–	–
Actuarial gains / (losses)	(77)	714
Unfunded benefits paid	–	–
Benefits paid	(208)	(156)
Closing defined Benefit Obligation	3,326	3,233

Analysis of amount recognised in statement of total recognised surpluses and deficits (STRSD)

	2011 £'000	2010 £'000	2009 £'000	2008 £'000	2007 £'000
Actuarial gains / (losses)	884	(1,166)	(74)	(418)	198
Actuarial gains / (losses) recognised in STRSD	884	(1,166)	(74)	(418)	198
Cumulative actuarial gains and losses	(577)	(1,461)	(295)	(221)	197

Amounts for the current and previous accounting periods

	2011 £'000	2010 £'000	2009 £'000	2008 £'000	2007 £'000
Fair value of employer assets	3,326	3,233	2,347	3,000	3,422
Present value of defined benefit obligation	(4,684)	(5,969)	(3,886)	(4,436)	(4,454)
Surplus / deficit	(1,358)	(2,736)	(1,539)	(1,436)	(1,032)
Experience Gains / Losses on assets	(77)	(714)	(891)	(541)	(27)
Experience Gains / Losses on liabilities-	–	(3)	–	(194)	–

Principal Actuarial Assumptions (per annum)

	2011 %	2010 %
Discount Rate		
Expected return on asset	5.5	5.5
Inflation assumption	6.8	3.8
Rate of increase in salaries	5.1	5.3
Rate of increase in pensions in payment: RPI subject to a maximum of 5% pa	2.8	3.8
Post retirement mortality	Males	Females
Is based on the average future life expectancies at age 65		
Current Pensioners	21.4 years	23.3 years
Future Pensioners	23.4 years	25.5 years

31. PRIOR YEAR ADJUSTMENT

Longhurst Group Limited has adopted the Statement of Recommended Practice (SORP): accounting by registered social housing providers Update 2010 in this current year ended 31st March 2011. This has resulted in the provisions for component accounting being implemented this year.

Housing properties are now analysed by major component. Major repairs undertaken in recent years and representing replacements of components are now capitalised. Brought forward accumulated depreciation has been adjusted accordingly.

The financial impact of these changes is as follows:

	2011 £'000
The transfer of spend from major repairs and routine maintenance to capital housing improvements	46,724
The effect of adoption of component accounting on Depreciation charged	(19,138)
Total relating to revenue reserve (note 23)	27,586

32. POST BALANCE SHEET EVENT - AMALGAMATION

During 2010 the Board of Friendship Care and Housing agreed to an amalgamation with Beechdale Community Housing Association. The formal process to complete the amalgamation was finalised at the end of April 2011, the new organisation will continue to be known as Friendship Care and Housing.

33. RELATED PARTIES

It is the Group's policy that the tenancies of any tenant member of the Board are on normal commercial terms, and they are not able to use their position to their advantage.

At the date of these financial statements there were no Board Members that were Councilors or employees of related local authorities.

Longhurst Group Limited has taken advantage of the exemption conferred to it in FRS8 not to disclose related party transactions with its wholly owned subsidiaries (note 34).

34. GROUP SUBSIDIARIES

Longhurst Group Limited is the parent company of the Longhurst Group of companies. It provides services to the subsidiary companies within the Group and also receives services from its subsidiary companies.

The following companies are wholly owned subsidiaries of Longhurst Group Limited.

- i) **Longhurst Homes and Havelok Homes Limited**
Registered under the Industrial & Provident Societies Act 1965, the principal activity of this association is the provision of social housing.
- ii) **Spire Homes (LG) Limited**
Registered Charity, the principal activity of this association is the provision of social housing.
- iii) **Home from Home (Lincs) Limited**
Registered under the Companies Act, the principal activity of this company is the provision of housing for disabled people.
- iv) **Jubilee Teetotal Homes**
Registered under the Industrial & Provident Societies Act 1965, the principal activity of this charity is the provision of housing for elderly people.
- v) **Keystone Developments (LG) Limited**
Registered under the Companies Act, the principal activity of this company is to build housing for sale.
- vi) **Friendship Care and Housing**
Registered under the Industrial & Provident Societies Act 1965, the principal activity of this association is the provision of social housing.

LONGHURST GROUP LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

Company Registration Number: 3958380

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BOARD MEMBERS AND EXECUTIVE STAFF

Board Members:

Mr D Armes (Chairman)
Ms L Bowen
Mrs E Bowers (resigned Sept 09)
Mr M Dodson (resigned Sept 09)
Mr J Farrar
Mr B Gosling (resigned Mar 10)
Mrs C McEwen
Mr S McFarlane MBE (elected Sept 09)
Mr T Oldham (resigned Sept 09)
Ms J Reader-Sullivan (elected Sept 09)
Mr J Robson FCIH
Mr R Rudd
Ms R Weaver
Mr D Young MBE, JP

Executive Officers:

Mr R V Walder BSc, FCIH
Ms J Doyle DMS, MBA, ACIH

Mr R Griffiths FCCA
Mr M A Hardy BA (Hons), MBA, FCIH
Mr P Osborne
Mr J Drifill BA (Hons), MSc, MRTPI, ACIH

Group Chief Executive
Managing Director – Spire Homes and Group Deputy
Chief Executive
Executive Director – Group Financial Services
Managing Director- Longhurst and Havelok Homes
Managing Director –Longhurst Group
Managing Director – Friendship Care and Housing

Senior Managers:

Mr A Whyte, BSc, DIPT
Mr J Fletcher BA (Hons), MIPD
Mr I Jackson
Mrs J Matthews
Mrs K North ACA
Mrs K A Wood MAAT
Mrs Y Lowe PGDipMS, MCMI, MCIH
Mrs Z Wortley BA (Hons)

Partnership Director
Director of Human Resources
Director of Development POD/LG
Director of Marketing
Director of Operational Finance
Director of Group Treasury
Director of Business Excellence
Group Strategy Director

Registered Head Office:Principal Bankers:

Leverett House
Gilbert Drive
Endeavour Park
Boston
Lincolnshire PE21 7TQ

Lloyds TSB Bank Plc
Market Place
Boston
Lincolnshire

Auditors:

Beever and Struthers
Chartered Accountants and Statutory Auditor
St George's House
215 - 219 Chester Road
Manchester M15 4JE

Solicitors:

Chattertons
28 Wide Bargate
Boston
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Trowers and Hamlins
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Albert Square
Manchester M2 5HD

Langleys
Newporte House
Doddington Road Business Park
Lincoln LN6 3JY

Freeth Cartwright
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Nottingham NG1 2AQ

Lawrence Graham
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London WC2R 1JN

Registered with the Tenant Services Authority No: L4277

REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2010

The Directors of Longhurst Group Limited are delighted to present the tenth Annual Report and Audited Accounts for year ended 31 March 2010. Consolidated and Company Accounts have been prepared for the year ended 31 March 2010.

Background

Longhurst Group Limited was first registered at Companies House on 23 March 2000 and started trading during the 2000/01 financial year.

The Group was formed with the assistance of the Board of Longhurst Housing Association Limited (now Longhurst & Havelok Homes). The initial Group structure consisted of Longhurst Housing Association, East Northamptonshire Housing Limited - later known as Spire (LG) Homes - and Home from Home (Lincs) Limited.

A new subsidiary of the Group, Keystone Developments (LG) Limited, was formed on 11 September 2001. This company widened the Group's activities, allowing housing for sale to be developed in partnership with other member companies.

Havelok Housing Association (later Havelok Homes) joined the Group on 1 October 2003, to grow the organisation and benefit from central support services.

During 2005, negotiations were conducted with fch Housing and Care of Birmingham (later Friendship Care and Housing) about potential Group membership. Following regulatory approval of the business cases, Friendship Care and Housing formally joined Longhurst Group on 15 May 2006.

From 2006 to 2008, Longhurst Group worked with Nottingham Community Housing Association in a development consortium. In 2008, the two partners formalised this arrangement by creating POD, a joint venture LLP owned equally by both organisations.

On 1 October 2009, company members Longhurst Homes and Havelok Homes amalgamated to form a new subsidiary, Longhurst and Havelok Homes.

Corporate Mission and Objectives

The Group's strategy and objectives are set out in a business plan, reviewed annually and approved by the Board.

The Group mission remains unchanged – ***“to lead and inspire growth based on excellence in service provision”***. The corporate strategy is based on three key objectives:

Growth – this includes organic development as well as growth achieved through acquiring new homes and diversifying services

Excellence – we will continually strive for the highest quality in our systems and performance, and through the way we innovate

Communications – by securing the necessary technical infrastructure and operational frameworks, developing closer internal communications networks and clear responsibility for relationship management and using the appropriate communications channels to connect with people and support our business aspirations.

Pages 294-295 outline the progress made against these three objectives over the past year.

Principal Activities

The Group is a leading provider of affordable housing in the East Midlands region, now managing over sixteen thousand homes in the region.

The Company's principal role is that of parent company for the Longhurst Group of companies.

The Group consists of the following organisations:-

- Longhurst and Havelok Homes Limited
- Spire Homes (LG) Limited
- Friendship Care and Housing
- Keystone Developments (LG) Limited
- Jubilee Teetotal Homes
- Home from Home (Lincs) Limited

Basis of consolidation

The results of the constituent members of the Group have been aggregated as this provides the most meaningful consolidated results for the Group.

The results for the Group are for the year ended 31 March 2010.

Board Members

The Members of the Board who served during the year are shown on page 1.

Future plans

The Board recognises that Longhurst Group and its member companies together manage and own a major housing portfolio across several regions. This, combined with our 'lead partner' status in the Blue Skies Consortium, highlights our strong track record and expertise in supporting communities. We relish this responsibility and will work hard to further build upon our solid reputation.

We are used to operating in a sector where change is the only constant. Through careful management and resourcing, the group is well-placed to anticipate and respond to these shifts.

Our business strategy is subject to regular Board review. The latest analysis, conducted in early 2010, confirmed that our approach remains effective and that continued focus on performance excellence is right for the Group.

Growth

The strength of the parent company is to lead the group as a strategic body and service provider - facilitating collaboration and ensuring that member companies support each other in mutually beneficial ways. Longhurst Group is unlikely to become an asset owner in its own right; the member companies, as operating units, hold the assets. This approach is potentially attractive to prospective group members, since it offers relative independence and the ability to both share strengths and to gain recognition for individual talents.

Additionally our commitment to retaining and developing our Board and workforce and maximising their potential is critical to maintaining the group's positive reputation and attracting new talent.

Our size, strength and independence makes us an even more attractive proposition for partners to work with – and it allows us to improve our collective purchasing and bargaining power. That's good news for Longhurst Group, our member companies and individuals whom we serve.

The Group remains receptive to welcoming new members – this could be new organisations formed from transfer, arms-length management organisations or welcoming existing registered providers who wish to benefit from the collective strength and support of a larger structure. Despite market conditions, we are still optimistic about the prospects for further growth and diversification through working with like-minded partners.

We are also anticipating that future capital investment activities will be more modest. Our business strategy has carefully considered prevailing political, economic, social and technological risks and we assume that the years ahead are likely to feature:

- Less Government spending and subsidy
- Greater competition for development – including other landlords, private builders and developers
- Subsidy being provided as an 'investment' that needs to be repaid over time
- The cost of lending going up.

Excellence

Within the Group, we believe that growth and excellence are closely linked. We expect future growth – whether that means homes owned, turnover generated or additional services – to be clearly measurable through excellence in performance and innovation. Customer, partner and regulator validation will be key in helping us to benchmark our success.

Another aspect of excellence involves making sure that our systems can sustain high-quality data and information to help us manage risk, protect our assets, improve customer profiling and facilitate services for member companies and other partners.

Communications

At strategic level, so far we have concentrated on improving the group's ICT infrastructure. This work is nearing completion, with a common telephone system and wide area network having been successfully implemented.

The next stage of our work involves introducing a group-wide intranet and closer communication and customer relationship networks across the organisation. This will enhance our brand and help us to develop a compelling proposition to stakeholders who share our growth aspirations.

The Board concludes that the outlook for both Longhurst Group and its member companies remain extremely positive. Members therefore look to the future with confidence.

Governance

Maintaining a healthy board and committee structure is important to our group; this ensures that we take strong decisions and manage anticipated business risks effectively.

Longhurst Group Limited has adopted its own governance policy on formation, based on sector best practice and policy reports on governance matters affecting corporate entities in general. There is also a Group-wide Code of Conduct that applies to both Board members and staff.

During 2009/10 we made big changes to group governance. This included amalgamating two member companies and restructuring the Longhurst Group board. The review is set to conclude this year; during that

time we expect to recruit up to two new group board members, finalise our board development systems, fully implement a board members' payment system and review our code of governance.

We have already reviewed board meeting effectiveness and introduced a system where more emphasis is placed on discussing strategy and development. This ensures that the service provision of the parent company is open to stronger scrutiny. We also have a new chairman and vice-chairman, and are creating foundations for the next phase of group growth.

The Group reviewed its self-assessment system last year. Through our Board appraisals process, training needs and plans are agreed with all members annually.

The Group Board continued to meet regularly during 2009/10. Two-thirds of its membership is drawn from member companies, with a minimum of one-third independent persons. Further details are shown below.

The Company is limited by guarantee. None of the Board members hold any shareholding interest.

At Group level, the Audit Committee also provides clear direction and helps to maintain strong governance across Longhurst Group and all of its member companies. The committee includes representatives both from member companies and independent people recruited for their financial and auditing expertise. This body has clear terms of reference and wide-ranging powers, including the ability to report independently to the Board and to regulators if appropriate.

Statement of the Board's Responsibilities in Respect of the Accounts

The Board is responsible for preparing the Board Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Board must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable it to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' Statement on Internal Controls

The Board acknowledges its ultimate responsibility in ensuring that the Company has an effective system of internal controls in place. The system of internal controls is designed to manage key risks and provide reasonable assurance that planned business objectives are achieved and well-managed.

It is the Board's responsibility to establish and maintain appropriate systems of internal control for Longhurst Group. The Group Board also has overall responsibility for ensuring that the appropriate level of internal control is in place throughout all Group companies. Such systems of control can only provide reasonable and not absolute assurance against material financial misstatement or loss. The Group Board is supported in its responsibility in overseeing the adequacy and effectiveness of internal controls across the Group by the Audit Committee.

The Board's approach to risk management includes the regular evaluation of the nature and extent of the risks to which the Company is exposed. This approach is consistent with the Turnbull principles and accepted good practice. Key elements include:

- i) Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Company's assets.
- ii) The Board has adopted a clear anti-fraud policy statement and approved a detailed fraud response plan. The policy statement has been communicated to staff and is part of the Governance Policy of the Company. The Audit Committee has reviewed the fraud register on a quarterly basis during 2009/10.
- iii) The Board has approved a risk management strategy and continues to develop procedures to identify, assess and manage risks to which the Company is exposed.
- iv) Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established for both Board and members of staff to maintain standards of performance.
- v) Forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the year and the medium term; regular management accounts are promptly prepared, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate.
- vi) All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.
- vii) The Audit Committee reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and being followed. This includes a review of the major risks facing each Company within the Group. The Audit Committee makes regular reports to the Boards.
- viii) Formal procedures have been established for instituting appropriate action to correct weaknesses identified by the internal and external auditors as well as issues identified by the Audit Committee and individual Boards.

The Board has reviewed the effectiveness of the system of internal control in existence in the Group for the year ended 31 March 2010 and until the date of approval of these accounts. No weaknesses were found in internal controls that resulted in material losses, contingencies, or uncertainties that require disclosure in the financial statements or in the auditor's report on the financial statements.

Political and charitable

There were no political and charitable contributions during the financial year ended 31 March 2010 (2009: Nil).

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution to re-appoint the Company's auditors, Messrs Beever and Struthers, will be proposed at the Annual General Meeting.

Approved by the Audit Committee on 22 July 2010 under delegated authority from the Board on 21 July 2010 and signed on its behalf by:

.....

R V Walder
Company Secretary

Date: 22 July 2010

OPERATING AND FINANCIAL REVIEW FOR THE YEAR ENDED 31 MARCH 2010

Operating and financial review

Shared strength, individual focus

Longhurst Group, as parent, provides strategic direction, support and corporate services to all member companies. This helps everyone to share expertise, avoid duplication and be recognised for their distinctive strengths.

The parent company is led by a group chief executive. Group development over the past 10 years is highlighted in the timeline on the right. In 2009 two new senior roles were created to reflect the increased emphasis on strategic development – the posts of managing director and director of excellence are business-critical to help us achieve our stated strategy.

Each year, Longhurst Group sets a budget to reflect the costs of services provided to group members. These services, provided in accordance with service level agreements (SLAs) for each area of operation, were adhered to in 2009/10. Each SLA is subject to review with the relevant member company, to confirm its suitability.

Through continued prudent financial management, the parent company again performed within budget last year.

June 2000 Longhurst Group registers with Housing Corporation	2000	August 2000 East Northamptonshire Housing Ltd agrees to join Group structure
February 2001 Group helps East Northamptonshire Housing to achieve stock transfer and register as social landlord	2001	April 2001 Full operation of Group structure achieved
December 2002 Keystone concludes negotiations and loan agreement with Longhurst Homes for first major project	2002	
	2003	October 2003 Havelok Homes joins Longhurst Group
	2004	
January 2005 East Northamptonshire Housing becomes Spire Homes (LG) Ltd achieved	2005	April 2005 Longhurst Group signs partnering agreement with the Housing Corporation
November 2005 Longhurst Group and Longhurst Homes move to new head office in Boston		
April 2006 Longhurst Group forms Blue Skies Consortium with Nottingham Community Housing Association and 13 other partners	2006	March 2006 Housing Corporation offers Group new partnering agreement
	2007	May 2006 Friendship Care and Housing joins Group

	2008	April 2008 Longhurst Group and Nottingham Community Housing Association jointly creates development consultancy POD LLP
March 2009 POD achieves all performance targets in its first full year of trading	2009	October 2009 Completion of amalgamation between Longhurst & Havelok Homes
November 2009 Spire Homes takes over ownership of Rutland housing stock		

Summary of key events for 2009/10

The past year saw a continuation of the challenging operating environment that prevailed during 2008/09, with ongoing changes to regulation, development funding and the economy making a significant impact on the housing sector.

Yet despite the tough conditions, Longhurst Group continued to thrive, and in fact position the business positively for future growth. We set out with a bold strategy to address the economic and financial challenges facing us – and delivered it on time and on budget. Across the Group, our team worked hard to improve services and make better use of the resources that were already in place.

Our Group strategy covered five key themes:

- Amalgamating Group members Longhurst Homes & Havelok Homes
- Creating a new chief executive's office, to centralise core strategic services
- Appointing managing director and director of excellence roles within the Group, to reflect our commitment to strengthening strategic focus
- Centralising Group financial services to streamline processes, share best practice and benefit from collective procurement opportunities
- Reviewing care provision, as our sector moves away from provider-defined services towards 'personalisation' and customers choosing the support and suppliers they want.

So despite the challenges facing our world, Longhurst Group has reason to be proud of its business credentials. We are financially strong, a significant group within our regions of operations and we have a successful reputation.

Prudent resource management

Our member companies provide housing development, management and support services to a diverse range of customers. Examples of this work include affordable housing for rent and sale; sheltered housing; home improvement agency support to elderly and disabled residents; advocacy services to vulnerable client groups; money management and debt advice; and residential care.

Through continued prudent financial management, the parent company again achieved some notable results during 2009/10, including:

- A record £71 million turnover, which reflects the size and scope of our growing operations
- Securing £81 million of new funding to finance the Rutland stock transfer and development plans for Spire Homes and L&H Homes
- The Group's development team almost trebling its financial targets for the year, and delivering 380 homes instead of the 92 originally anticipated.

The Group also worked hard to secure management efficiencies during the year, through shared procurement and more collaborative working. This approach also ensures that customers benefit from continuously improved standards.

As a group, we remain committed to continuous improvement - exploring more ways of achieving either resource savings, and delivering greater outputs for the same financial outlay.

Increased customer choice

During the year, the Tenant Services Authority (TSA) exerted increasing influence in the housing arena. The development of the standards framework and requirement to develop 'local offers' with residents has significant implications for all housing providers.

Longhurst Group continues to place residents at the heart of services, maximising customer influence and giving people choice in service delivery. Examples of key Group achievements in this area over the past year include:

- Spire Homes bucking the national stock transfer trend – achieving both a very high resident turnout and one of the highest ‘yes’ votes in history at Rutland
- Friendship Care and Housing working with residents to review its approach to asset management and develop restructured maintenance services
- L&H Homes achieving the number one spot for customer satisfaction out of all registered providers, in an independent report produced by The Leadership Factor
- Spire Homes being selected as one of just 37 local standards pilots by the TSA.

Continued development activity

During 2009/10 Longhurst Group continued its status as a designated partner of the Homes and Communities Agency – a role that we have been proud to fulfil with the government agency and its predecessor for five years. As one of the first registered social landlords to be selected for partnering, we can demonstrate a strong track record in achieving established targets and supporting national objectives.

Since 2005/06 the Group has jointly led (together with Nottingham Community Housing Association) the Blue Skies Consortium. This partnership of 16 housing organisations provides collective strength through shared skills, expertise and resources – enabling members to access development opportunities that would not be available to them individually.

During the year, both the consortium and Longhurst Group members achieved a phenomenal development programme – more than doubling the value of grant funding, and delivering around one per cent of the total national house-building programme for 2009. Taking our Group finance borrowings and work with our development partners into account, we estimate that around £140 million worth of investment went into homes, communities and jobs across the midlands and eastern regions last year.

To put the development programme in context:

- Longhurst Group achieved a £25.6 million programme during 2009/10, against an original target of £10 million
- We secured 494 starts-on-site in the Group last year, compared to the 121 properties envisaged at the start of the year
- The Group completed 505 homes in the year, against its original target of 362
- Around 130 extra units were secured by L&H Homes through the Homes and Communities Agency’s KickStart programme - where developer partners bid for funds for private housing sites and weave affordable housing into them.

Our joint development consultancy venture with Nottingham Community Housing Association – POD – also continued to trade successfully during the year.

Consistently strong partnerships

Joint ventures and partnership working are fundamental to the continued success of Longhurst Group. Collaboration and mutually supportive ventures mean that we can pool expertise, share risks, widen markets and manage growth.

The Group is proud to support a range of organisations, including local authorities, local strategic partnerships, specialist consortia, regional boards and national groups. Whilst housing specialists, we often go beyond this remit - contributing to community development, education, health and safety and regeneration initiatives.

Examples of key achievements within the Group during 2009/10 include:

- Establishing a partnership with the University of Lincoln to create training and development opportunities for young people and
- Our group-wide health and safety team having an exclusive tie-up with Nottinghamshire Fire Service
- L&H Homes pioneering a successful neighbourhood initiative to improve one of Worksop's most troubled areas and dramatically cut crime rates
- Friendship Care and Housing securing a £2.5 million contract from Birmingham City Council to provide care and support services through the Supporting People framework
- L&H Homes progressing a 'build your future' project with North Lincolnshire Council and ROOF to help young people find homes , secure jobs and build positive futures
- Spire Homes working with residents and the TSA to develop a local standard for letting homes.
- Friendship Care and Housing securing over £0.5 million of working neighbourhoods funding to support the deconversions of ten houses of multiple occupation in Birmingham to larger family housing

We are dedicated to maintaining and developing these successful partnerships even further in the months and years ahead. The chief executive's team primary role is to sustain and develop relationships – both with external stakeholders and within the business. With this in mind, we anticipate developing local partnerships and joint ventures, progressing new management agreements, supporting member companies and exploring finance initiatives.

Strategy and objectives

The Group's strategic objectives are considered annually as part of the business planning process. In early 2010 the Group Board agreed key objectives for the year ahead, and strategies that we believe will help to achieve those objectives.

The key objectives for Longhurst Group for 2010/2011, and our agreed strategies for achieving business success, are summarised in the table below.

Area	Objective	Strategy
Growth	- To increase the number of units owned and managed in the Group - To increase Group Turnover	- Seek new transfers of stock to existing or new member companies, where there are like-minded partners and a genuine desire to engage - Bid for one-off management contracts in the Group's areas of activity, provided they are of adequate scale, offer long-term opportunities for business growth and achieve efficiency savings - Deliver on the development targets within operating companies' business plans - Explore new sources of finance to fund growth objectives - Consider alternative tenure types for future developments
Growth	To develop new retirement housing schemes and other market-related development opportunities through Keystone Developments (LG) Limited	- Maintain awareness of market conditions and progress schemes with partners where these are viable - Identify potential sites for development with full market search before entering into any commitments - Ensure appropriate funding facilities are in place
Growth	To deliver Group targets on the 2008-11 programme and retain preferred partnership status with the Homes and Communities Agency	- Regular monitoring and review by Group development team - Keep Homes and Communities Agency up-to-date on any schemes experiencing delays - Regular review of targets and performance within the whole consortium - Monitor grant levels and funding mechanisms - Identify best ways of working with partners to secure funding and develop homes - Explore new and innovative ways to develop across the Group
Excellence	To support Group members in maintaining and improving performance across key business areas	- Identify performance improvements that will benefit the whole Group - Explore options that will help member companies to work together more effectively – generating cost savings, freeing up resources or leading to improved ways of working - Participate in benchmarking clubs and take note of best practice - Continue to promote and facilitate collective procurement opportunities, ensuring that value for money is integrated into performance frameworks

Area	Objective	Strategy
Excellence	To reduce costs and improve efficiency across the Group	• To identify further areas of our work where we can work more collaboratively on joint projects and procurement • To increase stock levels within member companies' ownership, and achieve reduced unit costs
Communication	To enhance communication, ensuring that customer feedback and choice influences service delivery across the Group, and underpins everything we do	• Completion of a group-wide intranet and enhanced customer relationship management systems • Develop a compelling proposition to attract stakeholders who share our aspirations for growth • Ensure that tenant Board members continue to influence the work of Longhurst Group and its member companies • Involve the Group's customers in the development of local offers, frameworks and performance reviews • Ensure that service standards reflect customer expectations and choice, in line with the Tenant Services Authority's emerging framework • Share best practice on community involvement and regeneration across the Group, giving all tenants an opportunity to get involved in line with their preferred methods of engagement and amount of time available to contribute

Longhurst Group turnover and operating surplus performance for 2009/10 are shown in the table below.

	2010 £000	2009 £000	2008 £0000
Income and Expenditure Account			
Turnover	70,725	67,074	74,785
Operating costs and cost of sales	(61,718)	(56,390)	(61,271)
Operating Surplus	9,007	10,684	13,514
Surplus on the sale of assets	1,025	1,274	1,938
Net Interest Costs	(12,143)	(11,647)	(11,714)
Tax	(53)	41	(309)
(Deficit)/Surplus for the year after tax	(2,164)	352	3,429
Balance Sheet			
Housing properties at cost less depreciation	508,105	460,113	421,109
Social Housing Grant	(262,496)	(245,567)	(228,321)
	245,609	214,546	192,788
Other tangible Fixed Assets	14,708	14,480	14,446
Net Current Assets	672	13,390	9,092
	260,989	242,416	216,326
Creditors due after one year	249,175	228,469	202,773
Other long term liabilities (pensions)	2,736	1,539	1,423
Reserves	9,078	12,408	12,130
	260,989	242,416	216,326

Longhurst Group has a reputation for strong financial management across all areas of the business. Part of the 2009/10 Group Corporate Plan involved the centralisation of all Finance staff into the parent company. Through the use of common systems and shared resources the Group expects to provide a more efficient and effective Financial Service to Group members.

The financial service is led by the Executive Director – Group Financial Services with local staff providing day to day Financial Services in each office location.

Income and Expenditure

The Group deficit before tax for 2009/10 of £2.1m shows a movement of £2.4m from the £352k surplus from 2008/09. Key results for the year were:

Income

- Total turnover across the Group increased by £3.7m
- A reduced programme on shared ownership across the Group resulted in a £2.3m reduction in turnover on first tranche sales
- Turnover on Social Housing Lettings increased by £6m during the year

Expenditure

- Total operating costs across the Group increased by £6.5m, £4m of this being due to investment in major repairs
- Net interest costs rose by £500k to £12.1m for the year

- Gross Interest payable for the year (excluding capitalised interest and other funding costs) increased by £25k in the year

Balance Sheet

The key results from the Group Balance Sheet were:

- The Historical costs on the Group's Housing Assets increased by £48m in the year to £508m
- Social Housing Grant increased by £17m in the year
- During 2009/10 Spire Homes completed the transfer of Housing stock from Rutland County Council for £5.6m
- Loan balances increased during the year from £228m to £251m
- Group Reserves reduced from £12.4m to £9.1m

Treasury Management

The Group's approach to Treasury Management is to ensure that Group members have sufficient cash to meet ongoing capital and revenue commitments and to protect member companies against movement in interest rates.

The Group's Treasury Management strategy is reviewed annually by the Audit Committee and then monitored quarterly throughout the year. The Group's Treasury Management strategy states that:

- Between 70% and 90% of drawn funds should be fixed or hedged for periods ranging from 2 – 30 years
- The remaining 10% - 30% should be held as variable rate debt or hedged on a short-term basis

Loan Structure

At the 31 March 2010 the Group had total drawn loans of £251.3m, undrawn facilities at the end of March 2010 totalled £94m, of this security was in place and charged for £69.2m.

The loan facilities across the Group are all held at member company level with security provided from the housing assets owned by each company.

Loan Covenant Compliance

The loan covenants for loans held by FCH and L&H Homes are primarily based on interest cover and loan gearing ratios. For Spire Homes the loan covenants are based on cashflow ratios agreed annually with the Lloyds Banking Group. Loan covenants are monitored monthly and were met throughout the year and at the year end for all loan facilities.

Risk management

Risk management is an important part of the overall internal control system across Longhurst Group and its member companies. The recession, continued economic uncertainty and the fast-evolving business environment reinforces the need for effective risk management (including analyses of emerging Government policy and its implications for the housing sector); at the same time, challenging economic conditions have created numerous business opportunities within the Group.

We have developed robust systems to identify, evaluate and manage key business risks. Any new areas of business or major projects are individually risk-assessed and reported to the Board prior to work commencing. This process includes a prudent financial assessment, sensitivity analysis and an exploration of whether additional management controls or insurance is required to mitigate against significant risks.

Work is now progressing to implement a Group-wide reporting system, refine the quality of management reporting and secure even more effective co-ordination of risk management activities. Already operational within Longhurst Group, the new system will have been implemented across all member companies by the end of 2010.

Changing landscape

The new political establishment, changes to sector regulation and increased competition for funding are all key considerations for Longhurst Group.

We are immensely proud of our strong relationships with the TSA and HCA, and always welcome the opportunity for dialogue or feedback so that we can keep improving – both at Group level and within member companies. Clearly the market is becoming stronger but we are always ready to step up to the plate and show we can deliver solid results; even if that means finding new ways of making schemes happen, identifying needs or engaging customers and partners.

The Group is committed to achieving growth across our entire operating area. Clearly the formation of the new Government will have an impact on investment strategies (especially given the anticipated level of cuts to public services) – but it will also create different opportunities for us to expand, review and innovate.

Our member companies continue to participate in dialogue with the TSA and residents as we move towards the development of local ‘offers’. We are also quick to recognise and share best practice on resident involvement; after all, our member companies have expertise that varies from rural consultations through to incentive schemes and engaging people with learning disabilities.

We recognise that there is still high demand for products and services, and have therefore started to develop products that respond to that demand. Examples include working with partners on developments that with less reliance on public subsidy, piloting advocacy services with health partners and launching new domiciliary care services in response to the ‘personalisation agenda’. Combined with our drive towards excellence in all we do, there is a confidence in our direction and a real sense of optimism for the future.

Statement of Compliance

The Board confirms that this Operating and Financial Review has been prepared in accordance with the principles set out in Part 3 of the SORP for Registered Social Landlords.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LONGHURST GROUP LIMITED

We have audited the financial statements of Longhurst Group Limited for the year ended 31 March 2010 on pages 311-340. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Schedule 1 to the Housing Act 1996 (as amended by the Housing Act 2004) and Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Statement of Board's Responsibilities set out on page 5, the Board are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the Group and the Company as at 31 March 2010 and of their results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, Schedule 1 to the Housing Act 1996 (as amended by the Housing Act 2004) and the Accounting Requirements for Registered Social Landlords General Determination 2006.

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Board Report and in the Operating and Financial Review for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

CHRISTOPHER PORRITT (Senior Statutory Auditor)

For and on behalf of

BEEVER AND STRUTHERS

Chartered Accountants

& Statutory Auditor

St. George's House
215 - 219 Chester Road
Manchester
22 July 2010

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2010**

		Group	Parent	Group	Parent
	Notes	2010	Company	2009	Company
		£'000	£'000	£'000	£'000
Turnover	3	70,725	5,560	67,074	4,683
Cost of sales		(3,038)	–	(4,329)	–
Operating costs	3	(58,680)	(5,343)	(52,061)	(4,451)
Operating surplus		9,007	217	10,684	232
Surplus on sale of fixed assets	6	1,025	–	1,274	–
Interest receivable and other income	7	21	2	279	21
Interest payable and similar charges	8	(12,164)	(1)	(11,926)	(3)
(Deficit)/surplus on ordinary activities before taxation for the year	9	(2,111)	218	311	250
Tax on (deficit)/surplus on ordinary activities	10	(53)	(139)	41	(8)
(Deficit) / Surplus for the year		(2,164)	79	352	242

All amounts relate to continuing activities.

There is no difference between the surplus on ordinary activities before taxation and the retained surplus for the year stated above, and their historical cost equivalents.

The notes on pages 315-340 form an integral part of these financial statements.

**STATEMENT OF TOTAL RECOGNISED SURPLUSES AND DEFICITS
FOR THE YEAR ENDED 31 MARCH 2010**

		Group	Parent		
		2010	Company	Group	Parent
	Notes	£'000	2010	2009	Company
			£'000	£'000	2009
					£'000
(Deficit) / Surplus for the financial year		(2,164)	79	352	242
Actuarial (losses) on pension schemes	30	(1,166)	–	(74)	–
Total recognised (deficit)/surplus for the year		(3,330)	79	278	242
Prior year adjustment*		–	–	6,271	–
Total (deficit)/surplus recognised since the last annual report		(3,330)	79	6,549	242

* The prior year adjustment in 2008/09 related to a change in accounting policy for Shared Ownership properties.

**RECONCILIATION OF MOVEMENTS IN GROUP'S AND PARENT COMPANY'S FUNDS
FOR THE YEAR ENDED 31 MARCH 2010**

		Group	Parent		
		2010	Company	Group	Parent
	Notes	£'000	2010	2009	Company
			£'000	£'000	2009
					£'000
Total recognised (deficits)/surpluse relating to the year		(2,164)	79	352	242
Actuarial (deficit) on pensions	30	(1,166)	–	(74)	–
Opening total funds		12,408	728	12,130	486
Closing total funds		9,078	807	12,408	728

LONGHURST GROUP LIMITED

Company Registration Number: 3958380

BALANCE SHEET

AS AT 31 MARCH 2010

		Group	Parent	Group	Parent
	Notes	2010	Company	2009	Company
		£'000	£'000	£'000	£'000
Fixed assets					
Housing properties at depreciated cost	13	508,105	–	460,113	–
Less: Social Housing and other Grants	13	(262,496)	–	(245,567)	–
		245,609	–	214,546	–
Other fixed assets	14	14,708	492	14,480	277
Total fixed assets		260,317	492	229,026	277
Current assets					
Properties and other assets held for sale	15	5,345	–	5,147	–
Stocks	16	–	–	16	–
Debtors	17	6,050	598	8,050	804
Investments	18	17	–	2,016	–
Cash at bank and short term deposits		9,472	338	14,558	403
		20,884	936	29,787	1,207
Less Creditors					
Amounts falling due within one year	19	(20,212)	(621)	(16,397)	(756)
Net current assets excluding pension liability		672	315	13,390	451
Pension liability	30	(2,736)	–	(1,539)	–
Net current (liabilities)/assets including pension liability		(2,064)	315	11,851	451
Total assets less current liabilities		258,253	807	240,877	728
Creditors					
Amounts falling due after more than one year	20	249,175	–	228,469	–
Capital and reserves					
Designated reserves	23	1,000	–	1,100	100
Revenue reserves	23	8,078	807	11,308	628
Accumulated reserves		9,078	807	12,408	728
		258,253	807	240,877	728

The notes on pages 315-340 form an integral part of these financial statements.

The financial statements on pages 311-340 were approved by the Audit Committee on 22 July 2010 under delegated authority from the Board on 21 July 2010 and were signed on its behalf by:

D Armes
Director

J Robson
Director

R V Walder
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

	Notes	2010 £'000	2009 £'000
Net cash inflow from operating activities	24	17,307	14,885
Returns on investments and servicing of finance	25	(12,991)	(11,379)
Taxation		(69)	(265)
Capital expenditure and financial investment	25	(36,590)	(25,578)
Net cash (outflow) before use of liquid resources and financing		(32,343)	(22,337)
Management of liquid resources	25	2,000	(1,001)
Financing	27	25,257	25,359
(Decrease) / Increase in cash		(5,086)	2,021
Reconciliation of net cash flow to movement in net debt			
(Decrease) / Increase in cash	26	(5,086)	2,021
(Increase) in debt	26	(22,357)	(25,419)
(Decrease) / Increase in liquid resources	26	(2,000)	1,001
Change in net borrowings due to cash flow	26	(29,443)	(22,397)
Net borrowings at beginning of period		(210,315)	(187,918)
Net borrowings at end of period	26	(239,758)	(210,315)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1. LEGAL STATUS

The Company is incorporated under the Companies Act 1985 as a company limited by guarantee without share capital (registered number 3958380) and is registered with the Tenant Services Authority as a Registered Provider, as defined by the Housing and Regeneration Act 2008, (registration number L4277).

2. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and Statements of Recommended Practice. The financial statements comply with the Companies Act 2006, Schedule 1 of the Housing Act 1996 (as amended by the Housing Act 2004), the Statement of Recommended Practice for Registered Social Landlords 2008, and the Accounting Requirements for Registered Social Landlords General Determination 2006. The accounts are prepared under the historical cost basis of accounting.

Basis of consolidation

These financial statements are Group statements and have been prepared by consolidating the results of Longhurst Group Ltd and its subsidiary companies (see note 32) from 1 April 2009 to 31 March 2010.

Turnover

Turnover represents rental income receivable, fees and grants from local authorities and the Homes and Communities Agency, income from the sale of shared ownership and other properties developed for outright sale and other income.

Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight line basis over the expected economic useful lives of the assets at the following annual rates:

Housing Properties	1% per annum on cost net of grant
Freehold Offices	Between 1 and 2% per annum on cost
Furniture and Fittings	15% per annum on cost
Office Equipment	20% per annum on cost
Motor Vehicles	20% per annum on cost
Computer Equipment	25% per annum on cost

Freehold land is not depreciated.

Housing Properties

Housing properties included in fixed assets are stated at cost with only actual costs incurred in the acquisition, construction and improvement of housing properties being capitalised. The Group has undertaken an annual impairment exercise over all its properties with a useful life of greater than 50 years and this has not resulted in any reduction in the value of fixed assets at the present time.

Where developments have been financed wholly or partly by Social Housing Grant, the net cost of properties in the balance sheet has been reduced accordingly.

Housing properties in the course of construction are stated at cost and are not depreciated.

Housing properties are transferred to completed properties when they are ready for letting.

Shared Ownership

The costs of shared ownership properties are split between current and fixed assets on the basis of the first tranche portion. The first tranche portion is accounted for as a current asset and sale proceeds shown in turnover. The remaining element of the shared ownership property is accounted for as a fixed asset and subsequent sales treated as sales of fixed assets.

Loan Finance Issue Costs

These are written off evenly over the life of the related loan. Loans are stated in the balance sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off. Where loans are redeemed in the year, any redemption penalty and any connected loan finance issue costs, are recognised in the income and expenditure account in the year in which the redemption took place.

Social Housing and Other Grants

Where developments have been financed wholly or partly by Social Housing and Other Grants, the cost of those developments has been reduced by the amount of the grant received.

Social Housing Grant received for items of cost written off in the Income and Expenditure Account are matched against those costs as part of turnover.

Social Housing Grant is repayable in certain circumstances and in that event is a subordinated, unsecured, repayable debt.

The net housing association grant received and not spent is included in current liabilities, taking into account all properties under construction

Social Housing Grant can be recycled by the Group under certain conditions, if a property is sold or another relevant event takes place. In these cases, the Social Housing Grant can be used for projects that meet the requirements of the HCA's Capital Funding Guide. However, Social Housing Grant may have to be repaid if certain conditions are not met.

Capitalisation of Interest and Administration Costs

Interest on loans financing development is capitalised up to date of the completion of the scheme and only when development activity is in progress.

Specific administration costs relating to development activities are capitalised based on an apportionment of the management time spent on this activity. Non specific administration costs relating to the development department have not been capitalised.

VAT

The Company charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Group and not recoverable.

Properties managed by agents

Where the Company carries the majority of the financial risk on property managed by agents, all the income and expenditure arising from the property is included in the Income and Expenditure Account.

Where the agency carries the majority of the financial risk, the Income and Expenditure Account includes only that income and expenditure which relates solely to the Company.

In both cases, the assets and associated liabilities are included in the Company's balance sheet.

Sale of housing properties

Properties developed for outright sale are included in turnover and cost of sales. Properties not developed for outright sale are divided into first tranche sales and other sales. The appropriate proportion of costs of housing properties that are built with the intention of full or partial sale, including equity share and shared ownership properties, are disclosed as current assets and stated at the lower of cost or net realisable value.

First tranche sales proceeds and the relative proportion of the property cost are recognised in turnover and cost of sales respectively. Subsequent tranches are not included within turnover and cost of sales but are shown as a separate item after the operating surplus in the income and expenditure account. All other sales of fixed asset properties are dealt with in this way.

Where a property is part of a distinct development scheme with mixed tenure elements, the surplus recognised on the elements sold is limited to the surplus calculated on the entire scheme. For the elements that are retained as fixed assets, the surplus or deficit is calculated by reference to the assets' existing use value for social housing.

Impairment

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified.

Improvements to properties and major repairs

The Group capitalises expenditure on housing properties that results in an increase in net rental income over the life of the property. This increase may be a result of an increase in rental income, reduction in maintenance costs or significant extension of the life of the property.

Major repairs expenditure of a capital nature has been capitalised in line with the above.

Major repairs expenditure of a revenue nature is reflected in the income and expenditure account together with any related grant funding.

Leased Assets

Within the housing stock of Longhurst and Havelok Homes Limited there are a number of properties held on short-term leases. The lease costs are written off to the income and expenditure account as incurred.

Pension Scheme

The Group operates three defined benefit schemes. As the Pensions Trust is unable to identify the Group's underlying share of assets and liabilities, the Group has therefore accounted for contributions made to the Social Housing Pension Scheme as if it were a defined contribution scheme. In respect of the pension schemes with Northamptonshire County Council and Leicestershire County Council, the liabilities are shown in the accounts in line with FRS17.

Deferred Tax

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Except as noted below, full provision for deferred income is made under the liability method on all timing differences that have arisen, but not reversed by the balance sheet date.

In accordance with FRS 19, deferred tax is not provided for gains on sale of non-monetary assets, if the taxable gain will probably be rolled over.

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Stock and Work In Progress

Stock and work in progress are stated at the lower of cost and net realisable value.

Current Asset Investments

Current asset investments are included in the Balance Sheet at Market Value.

Disposal Proceeds Fund

Voluntary Purchase Grant net disposal proceeds are credited to this fund which appears as a creditor until spent.

Recycling of Capital Grant

Where Social Housing Grant is recycled, as described above, the SHG is credited to a fund which appears as a creditor until spent.

Loan Interest Costs

The full costs of deferred interest rate and indexation loans are shown in the Income and Expenditure Account.

Corporation Tax

The Group pays corporation tax at the rate applicable at 31 March 2010.

Support Income and Costs including Supporting People Income and Costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the turnover note 3. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the income and expenditure from social housing lettings note 4 and matched against the relevant costs.

Designated Reserves

A mixed funded major repairs reserve has been established to provide for the cost of future major repairs on properties developed with fixed SHG following the Housing Act 1988.

Operating Leases

Rentals paid under operating leases are charged to the Income and Expenditure Account as incurred.

Commitment to the Supply of Qualifying Works

Spire Homes (LG) Limited received the transfer of 1,242 properties from Rutland County Council District Council on 9 November 2009. As part of the transfer, the Council has made a commitment to Spire Homes (LG) Limited to have the properties refurbished and modernised and brought into a good state of repair. Immediately prior to transfer, the Council contracted with Spire Homes (LG) Limited to carry out the refurbishment works on its behalf. The Council's obligation to carry out the works is in effect matched by Spire Homes (LG) Limited's obligations to bring the properties into a good state of repair. As a specific right of set off exists, a net basis has been adopted in respect of these obligations and neither the assets or liabilities have been recognised.

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS – GROUP

2010				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	58,463	–	(48,300)	10,163
OTHER SOCIAL HOUSING ACTIVITIES				
Managed operations	1,896	–	(1,753)	143
Supporting People Contract Income	2,680	–	(2,590)	90
Development – Other	1,345	(90)	(1,591)	(336)
Development – First tranche shared ownership sales	2,410	(2,469)	(594)	(653)
Management Services	577	–	(1,171)	(594)
Other Activities	184	–	(38)	146
	9,092	(2,559)	(7,737)	(1,204)
NON-SOCIAL HOUSING ACTIVITIES				
Sale of properties	128	(129)	–	(1)
Lettings – market rented	184	–	(116)	68
Community Based Activities	1,807	–	(1,698)	109
Design & Build Agreements	378	(350)	–	28
Other	673	–	(829)	(156)
	3,170	(479)	(2,643)	48
TOTAL	70,725	(3,038)	(58,680)	9,007
2009				
	Turnover £'000	Cost of Sales £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
SOCIAL HOUSING LETTINGS (note 4)	52,518	–	(41,839)	10,679
OTHER SOCIAL HOUSING ACTIVITIES				
Managed operations	2,070	–	(2,074)	(4)
Supporting People Contract Income	3,060	–	(2,620)	440
Development – Other	702	–	(1,337)	(635)
Development – First tranche shared ownership sales	4,680	(4,057)	(140)	483
Management Services	598	–	(972)	(374)
Other Activities	993	–	(826)	167
	12,103	(4,057)	(7,969)	77
NON-SOCIAL HOUSING ACTIVITIES				
Sale of properties	229	(272)	–	(43)
Lettings – market rented	193	–	(135)	58
Community Based Activities	1,391	–	(1,411)	(20)
Other	640	–	(707)	(67)
	2,453	(272)	(2,253)	(72)
TOTAL	67,074	(4,329)	(52,061)	10,684

3. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS - PARENT COMPANY

	2010			2009		
	Turnover	Operating	Operating	Turnover	Operating	Operating
	£'000	Costs	(Deficit)/	£'000	Costs	(Deficit)/
		£'000	Surplus		£'000	Surplus
			£'000			£'000
OTHER SOCIAL HOUSING ACTIVITIES						
Development	1,741	(1,413)	328	1,403	(1,322)	81
General Management	567	(649)	(82)	515	(497)	18
Health & Safety	219	(170)	49	136	(113)	23
IT	1,299	(1,334)	(35)	1,116	(1,131)	(15)
Marketing	468	(482)	(14)	416	(387)	29
Human Resources	779	(738)	41	697	(653)	44
Group Financial Services	415	(446)	(31)	359	(348)	11
Other	72	(2)	70	41	–	41
Group Restructuring Costs	-	(109)	(109)	–	–	–
	5,560	(5,343)	217	4,683	(4,451)	232

The parent Company's turnover for 2010 and 2009 relates predominantly to the provision of central services to other subsidiaries in the Group. A small proportion of turnover is generated from external organisations. The parent company's operating costs relate to staff and other overhead costs.

4. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS/(DEFICIT) FROM SOCIAL HOUSING LETTINGS – GROUP

	General Needs Housing £'000	2010 Supported Housing and Housing for older people £'000	Residential Care Homes £'000	Low Cost Home Ownership £'000	2010 £'000	Restated 2009 £'000
Income from social housing lettings						
Rents receivable net of identifiable service charges	41,115	3,208	2,717	1,573	48,613	44,225
Service charges	1,275	1,115	47	281	2,718	2,720
Charges for support services	142	1,364	–	–	1,506	779
Net rents receivable	42,532	5,687	2,764	1,854	52,837	47,724
Revenue grants from the Homes and Communities Agency	–	–	–	–	–	83
Revenue grants from Local Authorities and other agencies	375	211	3,850	–	4,436	4,139
Major Repair grant from RCGF	1,190	–	–	–	1,190	572
Total income from social housing lettings	44,097	5,898	6,614	1,854	58,463	52,518
Expenditure						
Management	6,061	1,219	1,084	365	8,729	9,120
Services	2,475	4,287	6,338	107	13,207	11,137
Routine Maintenance	8,902	806	199	17	9,924	8,965
Planned Maintenance	2,562	209	60	2	2,833	2,648
Major repairs expenditure	10,352	286	46	–	10,684	6,706
Rent losses from bad debts	375	34	8	–	417	667
Property Lease Costs	356	–	–	–	356	436
Depreciation of Housing Properties	1,433	32	41	151	1,657	1,453
Write down of Current Assets	–	–	–	35	35	297
Lease amortisation	37	–	–	–	37	117
Other Costs	378	–	–	43	421	293
Total expenditure on social housing lettings	32,931	6,873	7,776	720	48,300	41,839
Operating surplus / (deficit) on social housing lettings	11,166	(975)	(1,162)	1,134	10,163	10,679
Rent losses from voids	342	189	191	–	722	558

5. GROUP ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

	2010 No.	2009 No.
Units in Management owned by the Group		
General housing	11,138	10,048
Supported and Sheltered Housing	2,034	1,648
Shared Ownership	962	998
Care Homes	231	214
Leasehold Schemes for the elderly	993	903
Total Social Housing Properties	15,358	13,811
Market Rented Properties	12	12
Student Accommodation	41	45
Total Non-Social housing	53	57
Units in Management on stock not owned by the Group	755	2,194
Total owned and managed	16,166	16,062

At 31 March 2010 the Group owned 84 units (2009: 128 units) which were managed by agents (Parent Company: Nil).

6. SURPLUS ON SALE OF FIXED ASSETS

	Shared Ownership Staircasing £'000	Right to Buy and Voluntary Sales £'000	Total 2010 £'000	Total 2009 £'000
Proceeds of Sale	1,000	2,910	3,910	3,244
Less: Cost of Sales	(735)	(2,150)	(2,885)	(1,970)
	265	760	1,025	1,274

7. INTEREST RECEIVABLE AND OTHER INCOME

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
Interest receivable and similar income	21	2	279	21

8. INTEREST PAYABLE AND SIMILAR CHARGES

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
Repayable within 5 years by instalments	7,084	–	683	–
Repayable wholly or partly in more than 5 years by instalments	5,534	–	11,912	–
Other	409	1	149	3
Less: Interest payable capitalised on housing properties under construction	(863)	–	(818)	–
	12,164	1	11,926	3
Interest rate used to determine the amount of finance costs capitalised during the period	5.25%	N/A	5.66%	N/A

9. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
This is stated at after charging/(crediting):				
Depreciation of housing properties	1,695	–	1,573	–
Depreciation on other tangible fixed assets	887	229	861	194
Bad debts	410	–	667	–
Auditors remuneration (inclusive of VAT):				
In their capacity as auditors	85	9	84	9
In respect of other services	28	17	12	9
(Surplus) on disposal of fixed assets	(1,025)	–	(1,274)	–
Operating lease charges re HAMA shortlife properties	356	–	548	–

10. TAX ON SURPLUS ON ORDINARY ACTIVITIES

(a) Analysis of the tax charge in the year

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
Current Tax:				
Corporation Tax at 28%	39	42	–	–
Under/(over) provision in previous years	(14)	69	(49)	–
	25	111	(49)	–
Deferred Tax:				
Origination and reversal of timing differences	28	28	8	8
Tax on UK surplus on ordinary activities	53	139	(41)	8

(b) Current tax reconciliation

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
(Deficit)/surplus on ordinary activities before tax	(2,111)	218	311	250
(Deficit)/surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009: 28%)	(591)	61	87	70
Effects of:				
(Profits)/losses arising in non taxable entities	(544)	–	(679)	–
Expenses not deductible for tax purposes (primarily property depreciation and capital items included in expenditure)	167	10	444	7
Movement on deferred tax other fixed assets	(28)	(28)	(6)	(8)
Rollover relief/indexation on profit on disposal of property	1	–	(2)	–
Adjustments to tax charge in respect of previous periods	(14)	69	(49)	–
Increase in losses c/fwd	1,071	–	215	–
Group relief surrendered free of charge	–	–	–	(69)
Capitalised interest	(46)	–	(53)	–
Other short term timing differences	9	–	(6)	–
Marginal relief	–	(1)	–	–
Effect of reduced tax rates	–	–	–	–
Current tax charge for the year	25	111	(49)	–

(c) Factors that may affect future tax charges

No provision has been made for deferred tax gains recognised on the sale of properties in the subsidiary company Spire Homes (LG) Limited where taxable gains have been rolled over into replacement assets. Such tax would become payable only if the properties were sold without it being possible to claim rollover relief. The total amount unprovided for is £714,000 (31/3/09 - £819,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

The subsidiary company Spire Homes (LG) Limited has not recognised a deferred tax asset of £9,859,000 as at 31.3.10 (31.03.09: £8,709,000). This asset, has not been recognised in the financial statements by the Board as they are of the opinion that the level of profits in the foreseeable future will not exceed the losses being created during the significant refurbishment phase on the current housing stock.

11. STAFF COSTS

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
Staff costs, including the Executive Officers:				
Wages and salaries	19,535	3,273	17,562	2,213
Social security costs	1,385	280	1,295	202
Other pension costs	1,121	298	1,003	173
	22,041	3,851	19,860	2,588

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
The average monthly number of persons (including the Executive Officers) employed during the year expressed as full time equivalents				
Office staff	368	115	401	77
Wardens, caretakers and cleaners	491	–	438	–
Total employees	859	115	839	77

12. DIRECTORS

Directors are defined as the Board Members together with the Executive Officers who are employed by the Longhurst Group Limited identified on Pages 291-292.

	2010 Number	2009 Number
The number of Executive Officers, including the highest paid executive, who received emoluments	3	2

(Managing Directors post addition from 1/10/2009)

	2010 £'000	2009 £'000
Emoluments, including pension contributions and benefits in kind	—	—
Board Members	42	18
Executive Officers	321	249
	363	67

	2010 £'000	2009 £'000
The emoluments of staff disclosed above (excluding pension contributions) include amounts paid to :	Mr R V Walder	Mr R V Walder
The highest paid Director (the Chief Executive):	147	130

The Chief Executive is an ordinary member of the Social Housing Pension Scheme. Contributions are payable in line with other members of the Longhurst Group Limited and no enhanced or special terms apply. A contribution by the Company of £17,666 (2009: £16,047) was paid in addition to the personal contribution of the Managing Director.

Benefits in kind relate to leased car, professional subscriptions and health care insurance.

13. TANGIBLE FIXED ASSETS – HOUSING PROPERTIES (GROUP)

	Housing properties held for letting £'000	Housing properties under construction £'000	Shared ownership housing properties £'000	Shared ownership housing properties under construction £'000	Total £'000
Cost					
At 1 April 2009	414,208	17,759	30,458	11,186	473,611
Reclassification	227	1,003	711	(1,941)	–
Additions	6,925	39,435	14	6,223	52,597
Schemes completed in year	21,437	(21,437)	6,377	(6,377)	–
Expenditure on works to existing properties	1,080	–	–	–	1,080
Transfers	(288)	–	(1,049)	–	(1,337)
Disposals	(1,834)	(141)	(650)	(220)	(2,845)
At 31 March 2010	441,755	36,619	35,861	8,871	523,106
Depreciation					
At 1 April 2009	13,142	–	356	–	13,498
Charged in year	1,547	–	152	–	1,699
Released on disposal	(195)	–	(1)	–	(196)
At 31 March 2010	14,494	–	507	–	15,001
Social housing and Other grants					
At 1 April 2009	218,253	10,286	13,444	3,584	245,567
Received during the year	24	16,721	–	1,216	17,961
Disposals – SHG recycled	(826)	–	(206)	–	(1,032)
Transfers	481	–	(481)	–	–
Schemes completed in year	7,954	(7,954)	957	(957)	–
At 31 March 2010	225,886	19,053	13,714	3,843	262,496
Net book value					
At 31 March 2010	201,375	17,566	21,640	5,028	245,609
At 31 March 2009	186,894	3,392	16,658	7,602	214,546

Expenditure on works to existing properties

	2010 £'000	2009 £'000
Amounts capitalised	1,080	830
Amounts charged to Income & Expenditure Account	10,684	6,706
	11,764	7,536

The Net Book Value of these properties is made up as follows:

	2010	2009
	£'000	£'000
Freehold	242,437	211,246
Long leasehold	2,576	2,592
Short leasehold	596	708
	245,609	214,546

The total accumulated SHG received or receivable at the Balance Sheet date from capital or revenue sources was £270,265k (2009: £253,212k).

14. TANGIBLE FIXED ASSETS – OTHER (GROUP)

	Scheme Furnishings And Equipment £'000	Freehold Offices £'000	Computer Equipment £'000	Motor Vehicles £'000	Office Furnishings and Equipment £'000	Total Other Fixed Assets £'000
At 1 April 2009	1,107	14,158	4,522	298	899	20,984
Additions	231	308	577	–	69	1,185
Disposals	(27)	–	(125)	(68)	(85)	(305)
At 31 March 2010	1,311	14,466	4,974	230	883	21,864
CAPITAL GRANTS						
At 1 April 2009 and 31 March 2010	–	150	–	–	–	150
DEPRECIATION						
At 1 April 2009	526	1,332	3,572	241	683	6,354
Charge for the period	152	195	453	10	79	889
Disposals	(12)	–	(87)	(66)	(72)	(237)
At 31 March 2010	666	1,527	3,938	185	690	7,006
NET BOOK VALUE						
At 31 March 2010	645	12,789	1,036	45	193	14,708
At 31 March 2009	581	12,676	950	57	216	14,480

14. TANGIBLE FIXED ASSETS – OTHER (PARENT COMPANY)

	Computer Equipment £'000	Office Furniture Fittings £'000	Total £'000
COST			
At 1 April 2009	1,793	69	1,862
Additions	443	1	444
Disposals	–	–	–
At 31 March 2010	2,236	70	2,306
DEPRECIATION			
At 1 April 2009	1,533	52	1,585
Charge for the year	221	8	229
Disposals	–	–	–
At 31 March 2010	1,754	60	1,814
NET BOOK VALUE			
At 31 March 2010	482	10	492
At 31 March 2009	260	17	277

15. PROPERTIES AND OTHER ASSETS HELD FOR SALE (GROUP)

	2010 £'000	2009 £'000
Properties held for sale:		
Completed	3,256	3,503
In course of construction	2,089	1,644
At 31 March 2010	5,345	5,147

16. STOCKS (GROUP)

	2010 £'000	2009 £'000
Consumable stocks	–	16

17. DEBTORS

	Group	Parent		
	2010	Company	Group	Parent
	£'000	2010	2009	Company
		£'000	£'000	2009
			£'000	£'000
Amounts falling due within one year				
Rental debtors	3,699	–	3,671	–
Less: Provision for bad and doubtful debts	(1,416)	–	(1,262)	–
	2,283	–	2,409	–
Prepayments and accrued income	1,571	340	1,469	393
SHG receivable	692	–	2,279	–
Other debtors	1,352	58	1,799	1
Deferred Tax	66	66	94	94
Corporation Tax overpayment	86	–	–	–
Intercompany debtor	–	134	–	316
	6,050	598	8,050	804

18. CURRENT ASSET INVESTMENTS

	Group	Parent		
	2010	Company	Group	Parent
	£'000	2010	2009	Company
		£'000	£'000	2009
			£'000	£'000
Short term money market deposits	17	–	2,016	–

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Parent		
	2010	Company	Group	Parent
	£'000	2010	2009	Company
		£'000	£'000	2009
			£'000	£'000
Housing loans	1,826	–	1,649	–
Funders interest	2,112	–	1,755	–
Rents and service charges received in advance	1,022	–	924	–
Trade creditors	1,742	353	2,310	403
Other taxation and social security costs	641	148	607	125
Recycled Capital Grant Fund (note 21)	1,248	–	395	–
Disposal Proceeds Fund (note 21)	95	–	95	–
SHG received in advance	–	–	–	–
Accruals and deferred income	7,675	45	3,867	8
Other Creditors	1,596	–	2,707	–
Funds held in trust (Sinking Fund)	2,213	–	2,088	–
Corporation tax	42	42	–	–
Inter company creditors	–	33	–	220
	20,212	621	16,397	756

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR (GROUP)

	2010	2009
	£'000	£'000
Housing loans	247,421	225,240
Recycled Capital Grant Fund (note 21)	1,754	3,229
Disposal Proceeds Fund (note 21)	–	–
	249,175	228,469
Amounts repayable by instalments:		
Repayable between one to two years	4,319	2,308
Repayable between two to five years	9,695	12,016
Repayable after five years	236,847	211,958
	250,861	226,282
Add: Loan premium	11	13
Less: issue costs	(1,625)	(1,055)
	249,247	225,240

Loans from banks and building societies are secured by specific charges on the Group's housing properties. The loans are repayable at varying rates of interest. The average rate of interest at 31 March 2010 was 5.25% (2009: 5.18%).

21. RECYCLED CAPITAL GRANT FUND (RCGF) AND DISPOSAL PROCEEDS FUND (DPF)

	DPF	RCGF	TOTAL
	£'000	£'000	£'000
Opening Balance at 1 April 2009	95	3,624	3,719
Grants recycled	–	1,007	1,007
Additions for the Year	–	–	–
Recycled grant utilised	–	(1,640)	(1,640)
Interest Accrued	–	11	11
Closing Balance at 31 March 2010	95	3,002	3,097

22. SHARE CAPITAL

The Company is limited by guarantee and has no equity or non-equity share capital. Members of the Company guarantee to contribute a maximum of £1 should there be a call on their guarantee.

23. RESERVES – GROUP

Designated Reserves (Group)

	Major Repairs Reserve £'000	Group Restructuring Reserve £'000	Total £'000
Designated reserve at 1 April 2009	1,000	100	1,100
Transfer (to)/from revenue reserve	–	(100)	(100)
Designated reserves at 31 March 2010	1,000	–	1,000

Designated Reserves (Parent Company)

	Group Restructuring Reserve £'000	Total £'000
Designated Reserve at 1 April 2009	100	100
Transfer	(100)	(100)
Designated reserves at 31 March 2010	–	–

Revenue Reserve (Group)

	Revenue Reserve £'000
Revenue Reserve at 1 April 2009	11,308
(Deficit) for the year	(2,164)
Transfers (to)/from designated reserves	100
Actuarial losses	(1,166)
Revenue Reserve at 31 March 2010	8,078

Revenue Reserve (Parent Company)

	Revenue Reserve £'000
Revenue Reserve at 1 April 2009	628
Transfer from Designated Reserves	100
Surplus for the year	79
Revenue Reserve at 31 March 2010	807

24. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £'000	2009 £'000
Operating surplus for the year	9,007	10,684
Depreciation charges	2,662	2,435
Movement in properties and other assets in the course of sale	(268)	4,051
Movement in stocks	601	1,884
Movement in debtors	2,257	(2,213)
Movement in creditors	3,283	(1,980)
(Surplus)/deficit on sale of other fixed assets	(235)	24
Net cash inflow from operating activities	17,307	14,885

25. ANALYSIS OF CHANGES IN CASH AND EQUIVALENTS

	2010 £'000	2009 £'000
Returns on investments and servicing of finance		
Interest received	2	212
Interest paid	(12,993)	(11,591)
	(12,991)	(11,379)
Capital expenditure and financial investment		
Purchase of housing properties	(58,817)	(45,112)
Sale of housing properties (net of cost of sales)	4,125	2,248
SHG received	19,098	18,250
Purchase of other fixed assets	(996)	(980)
Sale of other fixed assets	–	16
	(36,590)	(25,578)
Management of liquid resources		
Short term deposits	2,000	(1,001)
Financing		
Increase in debt due after one year	(14,793)	(25,359)

26. ANALYSIS OF NET BORROWINGS

	At 1 April 2009 £'000	Cash Flows £'000	Other Changes £'000	At 31 March 2010 £'000
Cash at bank and in hand excluding short term deposits	14,558	(5,086)	–	9,472
Short term deposits	2,016	(2,000)	1	17
Housing & non - housing loans < 1 year	(1,649)	(177)	–	(1,826)
Housing & non - housing loans > 1 year	(225,240)	(22,655)	474	(247,421)
Total	(210,315)	(29,918)	475	(239,758)

27. ANALYSIS OF CHANGES IN FINANCING

	2010 £'000	2009 £'000
Loans received	28,693	27,184
Loans repaid	(3,140)	(1,500)
Issue costs incurred	(296)	(325)
Balance at 31 March 2010	25,257	25,359

28. CAPITAL COMMITMENTS

	Group 2010 £'000	Parent Company 2010 £'000	Group 2009 £'000	Parent Company 2009 £'000
Capital expenditure				
Capital expenditure contracted for but not provided for in the accounts	35,440	–	31,606	–
Expenditure authorised by the Board but not contracted	19,476	–	6,987	–
	54,916	–	38,593	–
Future capital expenditure will be part funded by social housing grant and borrowing:				
Social Housing Grant	15,579	–	11,595	–
Private Finance	39,337	–	26,998	–
	54,916	–	38,593	–

Spire Homes (LG) Limited received the transfer of 1,242 properties from Rutland County Council District Council on 9 November 2009. As part of the transfer, the Council has made a commitment to Spire Homes (LG) Limited to have the properties refurbished and modernised and brought into a good state of repair. Immediately prior to transfer, the Council contracted with Spire Homes (LG) Limited to carry out the refurbishment works on its behalf. The Council's obligation to carry out the works is in effect matched by Spire Homes (LG) Limited's obligations to bring the properties into a good state of repair. As a specific right of set off exists, a net basis has been adopted in respect of these obligations and neither the assets or liabilities have been recognised. At 31 March 2010 the gross values of the balances that have been offset are £21,881,792, with VAT arising on the works totalling £3,282,268.

29. OTHER FINANCIAL COMMITMENTS

Group

At 31 March 2010 the Group was committed to making the following annual payments under non-cancellable operating leases in the year to 31 March 2011.

	Group	Parent		Parent
	2010	Company	Group	Company
	£'000	2010	2009	2009
		£'000	£'000	£'000
Land and Buildings				
Operating leases which expire:				
Within 1 year	37	–	70	–
Within 2 to 5 years	43	–	156	–
Over 5 years	32	–	46	–
	112	–	272	–
Equipment and Vehicles				
Operating leases which expire:				
Within 1 year	34	–	63	40
Within 2 to 5 years	621	331	313	121
Over 5 years	–	–	4	–
	655	331	380	161

30. PENSIONS

Social Housing Pension Scheme

Longhurst Group participates in the Social Housing Pension Scheme (SHPS). This Scheme is a multi-employer defined benefit scheme which is contracted out of the state scheme. Longhurst Group has elected to operate a final salary with a 1/60 accrual rate and the career average revalued earning with a 1/60 accrual rate benefit for active members as at 1st April 2007. For new entrants to the scheme from 1st April 2007, the career average revalued earnings structure is the only option available.

During the year under review, Longhurst Group paid contributions at the rate of 11.7%. Contributions by members varied between 3.1% and 6.1% depending on their age.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from total scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,527 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £663 million, equivalent to a past service funding level of 70%

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2009. Such a report is required by legislation for years in which a full actuarial valuation is not carried out.

The funding update revealed an increase in the assets of the Scheme to £1,723 million and indicated an increase in the shortfall of assets compared to liabilities to approximately £738 million, equivalent to a past service funding level of 70.0%.

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the scheme. The debt is due in the event of the employer ceasing to participate in the scheme, or the scheme winding up. The estimated amount of employer debt on withdrawal liability for Longhurst Group as at 30th September 2009 has been calculated as £43,438,000.

The next triennial formal valuation of the Scheme is due as at 30 September 2011. The results of the valuation will be available in the autumn of 2012.

Growth Plan

Longhurst Group participates in the Pension Trust's multi-employers Growth Plan. The plan is funded and is not contracted out of the state scheme.

The rules of the Growth Plan state that the proportion of obligatory contributions, to be borne by the member and the member's employer, shall be determined by agreement between them. Longhurst Group paid contributions at the rate of 0% during the accounting period. Members paid contributions at varying rates during the accounting period. As at the Balance Sheet date, there were three active members of the plan employed by Longhurst Group. Longhurst Group continues to offer membership of the plan to its employees.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The last formal valuation of the scheme was carried out at 30th September 2008 by a professionally qualified actuary, using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £742m, compared to past service liabilities of £771m. The valuation therefore revealed a shortfall in assets of £29m, equivalent to a funding level of 96%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2009. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The market value of the Plan's assets as that date was £765m compared to past service liabilities of £820m. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £55m, equivalent to a funding level of 93%.

The estimated amount of employer debt on withdrawal liability for Longhurst Group Ltd as at 30 September 2009 has been calculated as £110,336

Spire Homes (LG) Limited

Spire Homes (LG) Limited contributes to the Northamptonshire County Council Pension Fund (NCC) and the Leicestershire County Council Pension Fund (LCC) schemes which are defined benefit schemes.

Contributions

The defined benefit scheme employers' contributions for the year ended 31 March 2010 were £148,000 (2009: £133,100) and the employers contribution rate has been fixed at 21.6% (NCC) and 18% (LCC) of pensionable pay until 31 March 2010.

Assumptions

The major assumptions used by the actuary in assessing scheme liabilities on a FRS 17 basis were:

	At 31 March 2010 %	At 31 March 2009 %
Rate of increase in salaries	5.3	4.6
Rate of increase in pensions in payment	3.8	3.1
Discount rate	5.5	6.9
Inflation assumptions	3.8	3.1

Fair value and expected returns on assets

The fair value of the expected rate of return were:

	Fair Value 31 March 2010 £'000	Expected Return 31 March 2010 %	Fair value 31 March 2009 £'000	Expected Return 31 March 2009 %
Equities	2,470	7.8	1,680	7.0
Bonds	481	5.0	405	5.4
Property	224	5.8	185	4.9
Cash	58	4.8	77	4.0

There is no provision for unitising the assets of a fund under the Local Government Pension Scheme. The above assets as a whole are allocated to participating bodies on a consistent and reasonable basis.

	Value at 31 March 2010 £'000	Value at 31 March 2009 £'000
Fair value of assets related to the Company	3,233	2,347
Value placed on liabilities related to the Company	(5,965)	(3,886)
Value placed on unfunded liabilities related to the Company	(2,732)	(1,539)
Deficiency related to the Company	(4)	—
Net pension liability	(2,736)	(1,539)

Recognition in the profit or loss

	2010 £'000 NCC	2010 £'000 LCC	2010 % of Pay NCC	2010 % of Pay LCC
Current service costs	44	20	15.7	11.1
Interest cost	231	35	82.2	19.3
Expected return on employer assets	(123)	(28)	(43.8)	(15.5)
Past service cost / (gain)	0	0		
Total	152	27	54.1	14.9
Actual return on plan assets	706	159		
	2009 £'000 NCC	2009 £'000 LCC	2009 % of pay NCC	2009 % of pay LCC
Current service costs	74	23	22.2	13.1
Interest cost	240	35	72.3	19.9
Expected return on employer assets	(178)	(38)	(53.6)	(21.6)
Past service cost / (gain)	0	6	0	3.4
Total	136	26	40.8	14.8
Actual return on plan assets	(548)	(130)		

Reconciliation of defined benefit obligation

	2010 £'000	2009 £'000
Opening defined benefit obligation	3,886	4,436
Current service cost	64	97
Interest cost	266	275
Contribution by members	29	31
Actuarial losses / (gains)	1,880	(817)
Past service costs / (gains)	–	6
Estimated unfunded benefits paid	–	–
Estimated benefits paid	(156)	(142)
Closing defined benefit obligation	5,969	3,886

Reconciliation of fair value of employer assets

	2010 £'000	2009 £'000
Opening fair value of employer assets	2,347	3,000
Expected return on assets	151	216
Contributions by members	29	31
Contributions by the employer	148	133
Contributions in respect of unfunded benefits	–	–
Actuarial gains / (losses)	714	(891)
Unfunded benefits paid	–	–
Benefits paid	(156)	(142)
Closing defined Benefit Obligation	3,233	2,347

Analysis of amount recognised in statement of total recognised surpluses and deficits (STRSD)

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Actuarial gains / (losses)	(1,166)	(74)	(418)	198	7
Actuarial gains / (losses) recognised in STRSD	(1,166)	(74)	(418)	198	7
Cumulative actuarial gains and losses	(1,461)	(295)	(221)	197	(1)

Amounts for the current and previous accounting periods

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Fair value of employer assets	3,233	2,347	3,000	3,422	3,328
Present value of defined benefit obligation	(5,969)	(3,886)	(4,436)	(4,454)	(4,491)
Surplus / deficit	(2,736)	(1,539)	(1,436)	(1,032)	(1,163)
Experience Gains / Losses on assets	714	(891)	(541)	(27)	410
Experience Gains / Losses on liabilities	(3)	–	194	–	(117)

Principal Actuarial Assumptions (per annum)

	2010 %	2009 %
Discount Rate		
Expected return on asset	5.5	6.9
Inflation assumption	3.8	3.1
Rate of increase in salaries	5.3	4.6
Rate of increase in pensions in payment: RPI subject to a maximum of 5% pa	3.8	3.1
Post retirement mortality	Males	Females
Is based on the average future life expectancies at age 65		
Current Pensioners	20.8 years	24.1 years
Future Pensioners	22.3 years	25.7 years

31. RELATED PARTIES

It is the Group's policy that the tenancies of any tenant member of the Board are on normal commercial terms, and they are not able to use their position to their advantage.

At the date of these financial statements there were no Board Members that were Councilors or employees of related local authorities.

Longhurst Housing Group has taken advantage of the exemption conferred to it in FRS8 not to disclose related party transactions with its wholly owned subsidiaries (note 32).

32. GROUP SUBSIDIARIES

Longhurst Group Limited is the parent company of the Longhurst Group of companies. It provides services to the subsidiary companies within the Group and also receives services from its subsidiary companies.

The following companies are wholly owned subsidiaries of Longhurst Group Limited.

- i) **Longhurst Homes and Havelok Homes Limited**
Registered under the Industrial & Provident Societies Act 1965, the principal activity of this association is the provision of social housing.
- ii) **Spire Homes (LG) Limited**
Registered under the Companies Act, the principal activity of this company is the provision of social housing.
- iii) **Home from Home (Lincs) Limited**
Registered under the Companies Act, the principal activity of this company is the provision of housing for disabled people.
- iv) **Jubilee Teetotal Homes**
Registered under the Industrial & Provident Societies Act 1965, the principal activity of this charity is the provision of housing for elderly people.
- v) **Keystone Developments (LG) Limited**
Registered under the Companies Act, the principal activity of this company is to build housing for sale.
- vi) **Friendship Care and Housing**
Registered under the Industrial & Provident Societies Act 1965, the principal activity of this association is the provision of social housing.

VALUATION REPORT



Real value in a changing world

Longhurst Group Bond Issue

Valuation of 5,392 Affordable Housing Units Owned by Longhurst and Havelok Homes Limited and Spire Homes (LG) Limited

July 2012



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Prudential Trustee Company Limited
Laurence Pountney Hill
London EC4R 0HH

Lloyds TSB Bank PLC
10 Gresham Street
London
EC2V 7AE

Barclays Bank PLC
5 The North Colonnade
London
E14 4BB

2 July 2012

To:

1. Prudential Trustee Company Limited in its capacities as security trustees (the "Security Trustee") for itself and on behalf of the Beneficiaries as defined in two Security Trust Deeds set out below :-

- (a) a Security Trust Deed dated 19 March 2009 made between Prudential Trustee Company Limited as security trustee for itself and on behalf of the Beneficiaries (as defined therein) (1) Longhurst Homes Limited, as borrower (2) Lloyds TSB Bank plc as Beneficiary (2) and Lloyds TSB Bank plc as hedging counterparty as amended, novated, restated or varied from time to time); and
- (b) a Security Trust Deed dated 19 February 2001 made between Prudential Trustee Company Limited as security trustee for itself and on behalf of the Beneficiaries (as defined therein) (1) East Northamptonshire Housing Ltd. As borrower (2) and Halifax plc as Agent (3) as amended, novated, restated or varied from time to time.

Each a Security Trust Deed and together the Security Trust Deeds (the "Security Trust Deeds"); and

- 2. Libra (Longhurst Group) Treasury Limited (the "Issuer") as lender under the Bond Loan Agreement dated on or about the date hereof and made between, inter alia, the Issuer and Longhurst Homes Limited as amended, novated, restated, or varied from time to time as defined in the Security Trust Deeds.
- 3. Lloyds TSB Bank plc as joint bookrunner
Barclays Bank PLC as joint bookrunner

Dear Sirs

Valuation of housing stock relating to the issue of the £250,000,000 5.125 per cent. Secured Bonds due 2038.

We are pleased to attach our Valuation Report in connection with the above.

We hereby confirm that the addressees to this letter can rely upon our Valuation on the same terms as set out in the Valuation and that we owe them a duty of care.

If you have any questions about this report, or require further information, please contact Marc Burns (e: marc.burns@eu.jll.com ; t: 0207 087 5978).

Yours faithfully



Richard Petty
Director



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EC2V 7AE

Barclays Bank PLC
5 The North Colonnade
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E14 4BB

20 July 2012

To:

1. Prudential Trustee Company Limited in its capacities as security trustees (the "Security Trustee") for itself and on behalf of the Beneficiaries as defined in two Security Trust Deeds set out below :-

- (a) a Security Trust Deed dated 19 March 2009 made between Prudential Trustee Company Limited as security trustee for itself and on behalf of the Beneficiaries (as defined therein) (1) Longhurst Homes Limited, as borrower (2) Lloyds TSB Bank plc as Beneficiary (2) and Lloyds TSB Bank plc as hedging counterparty as amended, novated, restated or varied from time to time); and
- (b) a Security Trust Deed dated 19 February 2001 made between Prudential Trustee Company Limited as security trustee for itself and on behalf of the Beneficiaries (as defined therein) (1) East Northamptonshire Housing Ltd. As borrower (2) and Halifax plc as Agent (3) as amended, novated, restated or varied from time to time.

Each a Security Trust Deed and together the Security Trust Deeds (the "Security Trust Deeds"); and

- 2. Libra (Longhurst Group) Treasury Limited (the "Issuer") as lender under the Bond Loan Agreement dated on or about the date hereof and made between, inter alia, the Issuer and Longhurst Homes Limited as amended, novated, restated, or varied from time to time as defined in the Security Trust Deeds.
- 3. Lloyds TSB Bank plc as joint bookrunner
Barclays Bank PLC as joint bookrunner

Dear Sirs

Valuation of housing stock relating to the issue of the £250,000,000 5.125 per cent. Secured Bonds due 2038.

We refer to our Valuation Report dated 2 July 2012 in connection with the above. The date of valuation was 2 July 2012.

We acknowledge receipt of the Final Certificate of Title sent by email from Carol Matthews at Wright Hassall on 10 July 2012 relating to properties owned by Spire Homes Ltd and Longhurst & Havelok Homes Limited. We are writing formally to confirm that we have reviewed the Certificates and that none of the disclosures made therein have a material, adverse effect on our valuation with the exception of the matter stated below.

We note the disclosure made in relation to the following general needs properties owned by Spire Homes Ltd:

- 9 Flowerhill Drive, Wellingborough, NN8 4GF;
- 2,4,6 Bluebell Close, Wellingborough, NN8 4GG;
- 22,24,26,28,30,32,34 Flowerhill Drive, Wellingborough, NN8 4GF;
- 12,14,16 Pym Close, Wellingborough, NN8 4GE;

- 1,2,3,4 Blackbird Court, Wellingborough, NN8 4GH;
- 18 and 20 Nest Lane, Wellingborough, NN8 4AU;
- 3,5,7,9 Wittlich Road, Wellingborough, NN8 4GD;
- 8,10 Pym Close, Wellingborough, NN8 4GE; and
- 35, 37 Bluebell Close, Wellingborough, NN8 4GG.

The Property is subject to a Section 106 Agreement dated 17th January 2006 which provides for the use of 25 of the units as Affordable Housing. The S106 agreement does not specify which of the units are restricted in use, and there is no mortgagee exclusion clause. Accordingly, we have restricted the value of these units to EUV-SH.

Revised Opinions of Value

Our opinion of value, in aggregate, of the 722 unrestricted general needs units within the Portfolio, on the basis of MV-T is:

£39,310,000

(thirty nine million, three hundred and ten thousand pounds)

Our opinion of value, in aggregate, of the 4,508 restricted general needs and sheltered units within the Portfolio, on the basis of EUV-SH is:

£196,640,000

(one hundred and ninety six million, six hundred and forty thousand pounds)

A schedule containing the revised apportioned values is appended to this letter.

Our valuation of the Rent to HomeBuy, shared ownership and supported properties is unchanged, as are all other assumptions in our report dated 2 July 2012. Moreover, we confirm that there are no other matters at the date of this letter of which we are aware that have a materially adverse effect on the valuation.

The date of valuation remains **2 July 2012**.

We can confirm that, aside from the revisions stated in this letter, no material changes have occurred to the values of the properties disclosed in the Valuation Report since the date of the valuation.

We hereby confirm that the addressees to this letter can rely upon our Valuation on the same terms as set out in the Valuation and that we owe them a duty of care.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'R. Petty', is written over a faint, light blue rectangular background.

Richard Petty
Director

Executive Summary

This summary should be read in conjunction with the main body of our Report. Section numbers are supplied where relevant.

Introduction

Jones Lang LaSalle Ltd has been instructed to value a Portfolio of 5,392 properties for loan security purposes (the “Portfolio”) which are to be charged as security in favour of Prudential Trustee Company Limited (the “Security Trustee”) for itself and Longhurst Group Treasury plc (the “Issuer”). The Portfolio is broken down as follows (section 3):

- 750 general needs units which have been confirmed to have no title restrictions and are valued on the basis of MV-T (section 4);
- 4,480 general needs and sheltered units for which it has been confirmed that affordable housing restrictions exist and have been valued on the basis of EUV-SH (section 5);
- 28 Rent to HomeBuy units which have been confirmed to have no title restrictions and are valued on the basis of MV-T (section 6);
- 1 Rent to Homebuy unit for which it has been confirmed that affordable housing restrictions exist and has been valued on the basis of EUV-SH (section 6);
- 119 shared ownership units (section 7);
- 10 supported housing units which have been confirmed to have no title restrictions and are valued on the basis of MV-T (section 8);
- 4 supported housing units for which it has been confirmed that affordable housing restrictions exist and have been valued on the basis of EUV-SH (section 8); and
- 18 units which have been included at nil value as set out in this report.

This report addresses those units which carry a value for the purpose of this exercise and consequently refers to the valuation of 5,392 units only. However, a schedule of all 5,410 units is included in Appendix 2.

We have inspected the exterior of all units in the Portfolio, and have seen a representative sample internally (section 2).

Valuations

The Valuation Date is **2 July 2012**.

Our valuation of all 4,604 properties being valued on the basis of EUV-SH, in aggregate (section 9), is:

£201,170,000
(two hundred and one million, one hundred and seventy thousand pounds)

Our valuation of all 788 properties being valued on the basis of MV-T, in aggregate, (section 9) is:

£43,190,000
(forty three million, one hundred and ninety thousand pounds)

We confirm that, in our opinion, should the Security Trustee become a mortgagee in possession of this Portfolio of properties, then it would be possible to achieve a sale of the residential properties either to another Registered Provider of Social Housing (RP) that would be at a price at least equivalent to our valuation on the basis of EUV-SH, or, in principle, to a private purchaser at a price equivalent to our valuation on the basis of MV-T.

Stock Count

Property Type	Unit Count
Room	3
Studio	65
1 Bed Flat	650
2 Bed Flat	745
3 Bed Flat	63
0 Bed Bungalow	3
1 Bed House / Bungalow	662
2 Bed House / Bungalow	1,176
3 Bed House / Bungalow	1,940
4+ Bed House / Bungalow	85
Total	5,392

We have been informed by Longhurst Group that the gross annual rent receivable for the portfolio is £22,961,526. We have relied on this information as being accurate, and have not verified the rent roll otherwise.

Assumptions

We have prepared our valuations using the discounted cashflow method (section 2). For ease of reference, the tables below summarises our key valuation assumptions. Since our appraisals are in real terms, all the appropriate figures given are in addition to an implicit rate of inflation. Costs are expressed per unit per annum.

EUV-SH

Category of Expenditure	General needs & sheltered	Rent to HomeBuy	Supported
Discount rate	6.0%	6.5%	6.5%
Bad debts and voids	2.0%	5.0%	2.5%
Management	£600	£600	£650
Major repairs and renewals – Year 1	£580 - £620	£600	£600
Cyclical repairs – Year 1	£325	£325	£325
Day-to-day repairs	£300	£300	£300

MV-T

Category of Expenditure	General needs & sheltered	Rent to HomeBuy	Supported
Discount rate – rental income	8.0%	8.0%	8.0%
Discount rate - sales	10.0%	10.0%	10.0%
Bad debts and voids – Year 1	10.0%	8.0%	10.0%
Management - % of rental income	10.0%	10.0%	10.0%
Major repairs and renewals – Year 1	£2,000	£2,000	£2,000
Cyclical repairs – Year 1	£300	£300	£300
Day-to-day repairs	£275	£275	£275

EUV-SH Shared Ownership

Category of Expenditure	Shared ownership
Discount rate – rental income	5.75%
Discount rate – tranche sales	8.25 – 8.5%
Outgoings - % of income	5 - 6.0%
Tranche sales - Years 0-1	0
Tranche sales -Years 2-6	6
Tranche sales -Years 11-25	4
Tranche sales –Years 26- 50	2

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1 Introduction

1.1 Background

Longhurst Group Limited (hereafter “Longhurst”) has instructed Jones Lang LaSalle Limited (“JLL”) to prepare a valuation of 5,392 properties (the “Portfolio”) which are owned by either Longhurst & Havelok Homes Limited (“L&H”) or Spire Homes (LG) Limited (“Spire”, and together with L&H the “Chargors”).

We understand that the Chargors are due to charge the properties to a security pool for the benefit of the Issuer who will then create further security in respect of its rights relating to the properties in favour of, inter alios, the holders of the £250,000,000 5.125 per cent. Secured Bonds due 2038 (the “Bonds”) due to be issued by it. This valuation is required to assess the level of security which the Portfolio provides.

This Report has been prepared by Marc Burns under the supervision of Richard Petty BA MRICS (Valuer No: 0089005), Head of Affordable Housing and a Director of JLL.

Our valuations have been prepared in accordance with Royal Institution of Chartered Surveyors’ RICS Valuation - Professional Standards, March 2012 (commonly known as the “Red Book”).

The date of valuation is **2 July 2012**.

We can confirm that no conflict of interest has occurred as a result of our production of this Report.

For the avoidance of doubt, we confirm that it would not be appropriate or possible to compare this valuation with any values appearing in either of the Chargors’ accounts. This Report has been prepared in accordance with the Red Book. The valuations are prepared on this basis so that we can determine the value recoverable if the charges over the properties were enforced at the date of this Report. We understand that values given in the Chargors’ accounts are prepared on a historic cost basis, which considers how much the properties have cost and will continue to cost the Chargors. This is an entirely different basis of valuation from that used for loan security purposes.

1.2 Instructions

Our Report is prepared in accordance with Longhurst’s formal instruction, a copy of which is attached as Appendix 1 to this Report.

We are instructed to prepare our valuations on the basis of Market Value subject to Existing Tenancies (“MV-T”) or Existing Use Value for Social Housing (“EUV-SH”) where the former is not applicable because of restrictions on the use of the properties.

1.3 Certificates of Title

We have reviewed the final draft Certificates of Title for the Portfolio provided by Wright Hassall LLP to be dated on or around 31 July 2012 and can confirm that our valuations fully reflect the disclosures contained therein. In particular, in respect of each unit which we have valued on the basis of MV-T, we can confirm that (based on our review of the Certificate of Title) such units may be disposed of by or on behalf of the Security Trustee on an unfettered basis (meaning subject to existing tenancies disclosed in the Certificate of Title but not subject to any security of interest, option or other encumbrance or to any restriction preventing or restricting its sale to, or use by, any person for residential use).

In addition, and for guidance only, we are instructed to provide our opinion of value on the basis of Market Value assuming Vacant Possession ("MV-VP").

This Report is issued for the benefit and use of the addressees and for inclusion in the Prospectus for the issue of the Bonds by the Issuer and may only be used in connection with the Prospectus and the issue of the Bonds.

We hereby give our consent to the publication of this Report within the Prospectus and accept responsibility for the information contained in this Report.

To the best of our knowledge (having taken all reasonable care to ensure that such is the case) the information given in this Report is in accordance with the facts and does not omit anything likely to affect the import of such information.

Before this Report or any part of it is reproduced or referred to in any document, circular or statement (other than the Prospectus), our written approval as to the form and context of such publication must be obtained.

1.4 Compliance

This valuation qualifies as a Regulated Purpose Valuation ("RPV") as defined by the Red Book. A RPV is a valuation which is intended for the information of third parties in addition to the addressees. It is a requirement of UKVS 4.3 of the Red Book in relation to disclosures that we declare our prior involvement with Longhurst, or the properties being valued, to ensure that there is no conflict of interest.

We confirm that the total fee income earned from Longhurst is substantially less than 5% of the fee income earned by JLL in our last financial year (ending 31 December 2012) and that we do not anticipate this situation changing in the foreseeable future.

1.5 Status of Valuer

In preparing this Report, we confirm that JLL is acting as an external valuer as defined in the Red Book. We can also confirm that we consider ourselves to be independent for the purposes of this instruction.

We confirm that we have had no prior formal involvement with the properties during the past 24 months. After the appropriate due diligence, we consider that we do not have any conflict of interest in providing the advice that you have requested.

This is the first time we have carried out this exercise for Longhurst, with Marc Burns as principal valuer and Richard Petty having overall responsibility. In accordance with RICS guidance, and our own rotation policy, we recommend that a rotation of overall responsibility is considered no later than the end of 2019.

1.6 Portfolio

The Portfolio comprises the following properties as described in section 3, schedules of which form Appendix 2:

- 750 general needs units which have been confirmed to have no title restrictions and are valued on the basis of MV-T (section 4);
- 4,480 general needs and sheltered units for which it has been confirmed that affordable housing restrictions exist and have been valued on the basis of EUV-SH (section 5);

- 28 Rent to HomeBuy units which have been confirmed to have no title restrictions and are valued on the basis of MV-T (section 6);
- 1 Rent to Homebuy unit for which it has been confirmed that affordable housing restrictions exist and have been valued on the basis of EUV-SH (section 6);
- 119 shared ownership units (section 7);
- 10 supported housing units which have been confirmed to have no title restrictions and are valued on the basis of MV-T (section 8); and
- 4 supported housing units for which it has been confirmed that affordable housing restrictions exist and have been valued on the basis of EUV-SH (section 8).

In addition there are 18 units in which the Chargors' interest is considered to be de minimis for the purpose of this exercise and so they are included at nil value at this time. Please note that these units are not included in any unit counts or other statistics in this report. A schedule of these units is included at Appendix 2.

1.7 Affordable Rent

As you will know, the Affordable Rent framework has been introduced by the Government and Homes and Communities Agency in an effort to improve delivery of affordable housing whilst reducing grant subsidy. This model provides RPs with more flexibility in the length of tenancies issued, and the level of rent which they charge to tenants. The contracts allow RPs to let properties at a level of up to 80% of Market Rent ("Affordable Rent") inclusive of service charge (although the actual level is different in each contract and there are substantial regional variations).

The investment contracts are individual to each RP and the terms therein will not be bound to the land or title, nor will the details of the contracts be disclosed to the market. This has ramifications for the value of properties which are owned by the RPs because it follows that, in a bidding situation, the value which the vendor could achieve when selling a portfolio will be related to the rent level which the eventual purchaser could charge future tenants, rather than the level set out in the vendor's contract.

This introduces uncertainty in the assumptions which we make about the rental income which could be realised in the future, after a hypothetical transfer of stock (the concept upon which all valuations are based). Funders are wary about lending money against security with such valuations attributed to them and, in light of this and in accordance with our instructions, we have valued the portfolio on the assumption that the properties are not let at Affordable Rents, as defined above. We have assumed that the portfolio is rented in line with the Rent Influencing Regime into perpetuity, and we have not included any additional hope value for Affordable Rent.

Our report now follows and is divided into five main parts:

- Methodology;
- Commentaries;
- Valuation;
- Bases of Valuation; and
- Sources and Verification of Information.

2 Methodology

2.1 Valuation Model

We have undertaken our valuation of the housing stock using fully explicit discounted cashflow models, over a 50-year period, with the net income in the final year capitalised into perpetuity.

Against the income receivable for each Portfolio, we have made allowances for voids and bad debts; the costs of management and administration; major repairs; cyclical maintenance; day-to-day repairs; and for future staircasing (where applicable). We have assumed an appropriate level of future growth in these costs (expenditure inflation).

We have then discounted the resulting net income stream at an appropriate rate which reflects our judgement of the overall level of risk associated with the long term income. A more detailed explanation of the discount rate is included in section 4.

2.2 Information Provided

The principal source of background data for the Portfolio has been the rent roll for each property provided by the Chargors. This detailed the number and type of units and the rent payable.

This information was supplemented with our market research and other data we have gathered from similar instructions undertaken recently and involving comparable stock.

From these sources we have collated information on the following:

- rents;
- bad debts, voids and arrears;
- cost of maintenance and repairs; and
- management and administration expenses.

A location plan of the Portfolio is provided as Appendix 4.

2.3 Inspections

In accordance with our instructions, we have inspected all schemes externally and a representative sample of the stock was inspected internally. Our inspections were carried out between 23 April and 4 May 2012.

We derived our inspections strategy by giving full regard to:

- the geographical spread of the stock;
- the concentration (and thereby its exposure to risk); and
- the property types.

We have satisfied ourselves as to the quality of location and the general condition and level of fixtures and fittings provided to the properties, and we have derived our valuation assumptions accordingly.

Analysis of the portfolio is provided at Appendix 5 and a representative selection of photographs is provided as Appendix 6.

2.4 Market Research

In arriving at our valuation, we have undertaken a comprehensive programme of research to supplement our knowledge and understanding of the properties. This has included:

- researching local vacant possession values through conversations with local estate agents together with internet research and using Hometrack, a bespoke tool for comparable evidence;
- examining local benchmark affordable rents and comparing these with the Chargors' rents; and
- analysing data provided by the Chargors.

3 General Commentary

Schedules summarising the following data for each property within the Portfolio form Appendix 2 of this Report:

- address;
- unit type;
- equity retained; and
- gross weekly rent.

3.1 Locations

The properties are located across the East of England and East Midlands as shown in the table below. A location plan of the Portfolio is provided at Appendix 4:

Government Office Region	County	Unit Count
East Midlands	Leicestershire	12
	Lincolnshire	878
	Northamptonshire	3,329
	Nottinghamshire	1
	Rutland	1,060
	Total	5,280
East Of England	Norfolk	112
	Total	112
	Grand Total	5,392

3.2 Property Types

All properties have been valued as either general needs rented, sheltered rented, Rent to HomeBuy, shared ownership, or supported properties as set out in this report.

They majority are all self-contained accommodation (i.e. having independent kitchens, bathrooms, living-rooms and bedrooms), and physically suitable for open market letting and sales, notwithstanding any use class restrictions. There are 3 rooms in the Portfolio which we have valued according to their respective income streams, and with the assumption that they would not be sold piecemeal.

The table overleaf summarises the different property types within this Portfolio

Beds	Bungalow	Flat	House	Room	Total	%age
0	3	65		3	71	1%
1	577	650	85		1,312	24%
2	574	745	602		1,921	36%
3	14	63	1,926		2,003	37%
4+			85		85	2%
Total	1,168	1,523	2,698	3	5,392	
%age	22%	28%	50%	0%		

3.3 Property Ages

We have inspected the majority of the units externally. We have produced the following table based on a sample of the portfolio that has been split into archetypes. Percentages of the portfolio in each region are given as follows:

Government Office Region	Age Category	Count	Percentage of Sample
East Midlands	Pre 1919	45	1%
	1920 – 1959	1,800	33%
	1960 – 1979	2,146	40%
	1980 – 1999	718	13%
	Post 2000	571	11%
East of England	1960 – 1979	44	1%
	Post 2000	68	1%
	Total	5,392	

3.4 Condition

We have not carried out a condition survey, this being outside the scope of our instructions.

The properties in the Portfolio are a mixture of ages as shown in the table above. Based on our inspections, we are satisfied that the properties we inspected internally, are being maintained to an acceptable social housing standard, in line with HCA regulatory requirements and commensurate with the likely demands of the target tenant group.

Overall we have assumed that each property has a useful economic life of 50 years providing short term compliance with Decent Homes Standards and, beyond that period, that the properties continue to be properly maintained in the future.

3.5 Caveats and Disclaimers

Unless otherwise stated in this report, in carrying out our valuations we have made assumptions relating to the following factors which are either beyond the remit of our instructions, or for which we have not received information:

- ground condition;
- environmental considerations;

- planning;
- tenure;
- titles; and
- nominations agreements.

These factors are discussed in Section 12.

4 General Needs Unrestricted Units Commentary

4.1 Introduction

There are 750 general needs properties in the Portfolio that we are instructed to value on the basis of MV-T. We can confirm that these units are not subject to any restrictions on the title which would prevent a successor in title from letting or selling the properties on the open market.

4.2 Tenancies

The majority of the properties (690) are let on assured tenancies. We have assumed that these are 'standard' assured tenancies although we have not seen example tenancy agreements. The remaining 60 units are let on secure tenancies.

4.3 Rental Income

The total gross rent receivable from the unrestricted general needs units amounts to £3,069,917 per annum (based on a 52-week year). A breakdown per property is included within the schedule at Appendix 2. The average gross weekly rent is £78.72

4.4 Local Reference Rents (LRR)

Local reference rents (LRRs) are determined by rent officers from the Valuation Office Agency and are calculated for 1, 2, 3 and 4 bedroom properties at the 30th percentile of average market rents for each local authority. The LRRs cap the maximum level of housing benefit entitlement that a claimant can receive and therefore are a useful benchmark against which the sustainability of existing rents can be judged. We have compared average passing rents and market rents of these units to the respective LRRs as follows:

Bedrooms	The Chargers' Average Weekly Passing Rents	Average Weekly Market Rent	LRR
1	£67.92	£86.49	£92.13
2	£78.76	£110.55	£120.28
3	£86.97	£139.65	£147.34
4	£98.88	£171.96	£187.55

4.5 Rental Growth

Passing rents are currently below market levels, resulting in good prospects for future rental growth when considering the market value of the unrestricted general needs units.

We have assumed that it will take approximately 2 years for assured rents to increase to market levels and thereafter for rent increases to rise at RPI plus 1.0% per annum. The average increase we have modelled is 23.8% per year for houses and 12.6% per year for flats.

We have grown the secure rents at a rate of RPI plus 5.0% every other year in line with legislation.

4.6 Outgoings

In forming our opinion of the net rental income the unrestricted general needs units will generate we have considered the following outgoings:

- bad debts and voids;
- management costs; and
- repair and maintenance costs.

We emphasise that, under the definitions of the bases of valuation we have been instructed to adopt, we are not valuing the Chargors' stewardship of the stock – rather, we are assessing what a hypothetical purchaser in the market would pay for the stock, based on the market's judgement of the capabilities of the Portfolio.

The assumptions we have made in our appraisals reflect our opinion of the view the market would adopt on the future performance of the Portfolio. In forming our opinion, we have had regard to other recent valuations we have undertaken of comparable stock.

4.7 Bad Debts and Voids

We have incorporated into our valuation the potential for future voids and bad debts. The rate applied is similar to allowances used by other RPs providing a management and maintenance service in the areas where the properties are situated.

Any loss of income for void properties is reflected in a deduction made from the gross rental income. Similarly we have also made an allowance for bad debts based on our experience. In our MV-T valuation we have assumed that any voids would be sold in the open market.

We have adopted a rate of 10.0% of gross income for the first 3 years of our MV-T cashflow, 5.0% in all years thereafter. This is because we are assuming high rates of rental growth in the first few years of the cashflow. In our opinion, these rent increases would inevitably be reflected in a high level of voids and bad debts. The associated risk has been factored into our discount rate on the income.

4.8 Management Costs

We have adopted rates for management and administration in our valuation. This is based on our experience of other RPs operating in similar areas to the Chargors. These rates are subject to an annual inflator of 1.0% over inflation for the duration of the cashflow reflecting long-term earnings, growth predictions and potential management savings.

We have assumed that a successor in title would expect to spend 10.0% of rental income on management, and have factored that into our valuation accordingly.

4.9 Repairs and Maintenance

Although the properties are generally in a fair, reasonable or good condition, renewal, day-to-day and cyclical maintenance will all be required to keep the stock in its present condition.

The table below sets out the various assumptions we have made in our cashflows. The values reflect the consideration we have had for the different age and condition of properties across the units. We have assumed that these costs per unit will inflate by 1.0% in real terms each year.

Category of Expenditure	MV-T
Major repairs and renewals – Year 1	£2,000
Cyclical repairs – Year 1	£300
Day-to-day repairs – Year 1	£275
Total	£2,575

We have adopted high costs per unit for major repairs in the first 2 years of our MV-T cashflow as some of the properties will require refurbishment and redecoration in order to attract buyers or to be let or sold on the open market. After this initial period, our costs settle to a lower level as shown below:

Years	Major Repairs Costs
Years 1-2	£2,000
Years 3-5	£550
Years 6-10	£575
Years 11-15	£600
Years 16-20	£625
Years 21-25	£650
Years 26 onwards	£675 increasing by £25 every 5 years thereafter

4.10 Sales Rates

The frequency of Right-To-Buy sales (RTBs) has declined over the last few years as house prices have become less affordable. It is imprudent to include capital receipts from sales in an existing use valuation. In light of this, we have not included any right to buy sales in the valuation.

We note that approximately 6.0% of the unrestricted general needs units are let on secure tenancies which are subject to rent restrictions, governing the rate at which rent increases over the life of the tenancies. Accordingly, there would not be a pressure on these tenants to vacate the units, as there may be for assured tenants. We have reflected this accordingly in our sales rates.

We have included open market sales rates of 3.0% per annum for houses and 4.0% per annum for flats.

4.11 Discount Rate

Our cashflow valuations are based on constant prices and therefore explicitly exclude inflation. The chosen discount rate reflects our judgement of the economic conditions at the time of the valuation and the level of risk involved in each cashflow, taking all factors and assumptions into account.

To determine the risk involved we have looked at:

- the sustainability of the existing rental income;
- the likely rate of future rental growth;
- the condition of the Portfolio;
- the level of outgoings required to maintain the maximum income stream;
- the likely performance of the Portfolio in relation to its profile and location;
- the real cost of borrowing; and
- the long-term rate of gilts.

We have adopted discount rates of 8.0% (rental income), and 10.0% (sales) for our MV-T cashflow. These rates reflect any additional risk resulting from the significant rental growth that we have assumed during the first 2 years of our valuation model.

4.12 Market Value Subject to Vacant Possession (MV-VP)

We have undertaken research into MV-VPs in the locations covered by the Portfolio. We have assessed the average value for dwellings on a property by property basis. The values adopted are based on comparable research and reflect the diversity of the stock and the different areas.

The average MV-VP for the unrestricted general needs units is £94,000.

4.13 House Price Growth

Our model assumes house price growth of 0% (real) for years 1-3 and long term house price growth (real) of 1.0% per annum. We have applied these rates of growth in all our valuation models.

5 General Needs and Sheltered Restricted Units Commentary

5.1 Introduction

There are 4,480 general needs and sheltered properties in the Portfolio that are either subject to restrictions on title that prohibit the use of the properties for any purpose other than affordable housing for any successors of the Chargor, or any successors of a mortgagee in possession, or where there are non-financial obligations outstanding. In light of this, we have restricted the value of those units to EUV-SH.

5.2 Tenancies

1,982 of the properties are let on assured tenancies. We have assumed that these are 'standard' assured tenancies although we have not seen example tenancy agreements. The remaining 2,497 units are let on secure tenancies.

5.3 Rental Income

The total gross rent receivable from the restricted general needs units amounts to £19,374,707 per annum (based on a 52-week year). A breakdown per property is included within the schedule at Appendix 2. The average gross weekly rent is £83.17

We are unable to verify the accuracy of the rent rolls provided to us by the Chargors.

The table below sets out a comparison of the Chargors' average rents for these units, with the Department for Communities and Local Government's Continuous Recording System (CORE) data for all general needs lettings in the East Midlands for Fiscal Q3 (October to December 2011). These are the latest figures available. The CORE data does not provide a separate analysis for flats and houses, and the figures shown are therefore averages across both property types. All rents are shown on the basis of 52 weeks.

Government Office Region	Property Size (Bedrooms)	The Chargors' Average Weekly Rents	CORE Data Average Weekly Rent
East Midlands	1	£72.31	£72.78
	2	£84.04	£83.82
	3+	£89.44	£95.20

Compared with the average rents being charged by other RPs, each of the Chargors' weekly rents are broadly lower than those charged in the same locality. If the Chargors' average rent of £83.17 for the East Midlands is compared with average gross weekly earnings for the East Midlands of £443.90, this is 23.6% of estimated net weekly earnings. In our opinion this demonstrates that the rents being charged in the East Midlands, by each Chargor, are affordable.

5.4 Rental Growth

As the Security Trustee will be aware the Homes and Communities Agency (HCA), formerly the Tenant Service Authority (TSA), required RPs to restructure their rents from current levels to target rents by March 2012. Moreover, rent restructuring was to be carried out within the parameters of RPI plus 0.5%, plus or minus £2 per

week, until target rents were reached. Thereafter, the normal maximum permissible growth is RPI plus 0.5% per annum.

In our valuation models, we have used the target rents provided by the Chargors for each property and have capped these where necessary. We have then modelled growth in the average target rent and derived from this an average growth rate to be applied for current rents to reach target rents within the permitted 5% tolerance.

Our valuations take into account the latest guidance on target rent caps from the former TSA in the publication titled "Rents, rent differentials and service charges for housing associations 2012-13."

We understand that the rents charged for the properties owned by L&H have reached target rent levels. We have modelled future rental growth for these units at RPI plus 0.5% per annum.

The rents charged for the properties owned by Spire remain broadly below target rent levels. We have therefore assumed rents for these properties grow in line with calculated real rates as shown in the table below, and thereafter at RPI plus 0.5% per annum, in accordance with the Rent Influencing Regime.

Property Type	Restructuring Period	Growth Rate
Secure Houses	4 Years	2.3%
Secure Flats	4 Years	2.5%
Assured Houses	1 Year	1.1%
Assured Flats	1 Year	1.3%

5.5 Bad Debts and Voids

In our EUV-SH valuation we have adopted a rate for bad debts and voids of 2.0% of gross income for the restricted general needs units.

5.6 Management Costs

We have adopted a rate of £600 per unit for management and administration in our valuation on the basis of EUV-SH.

5.7 Repairs and Maintenance

The following table sets out the various assumptions we have made in our EUV-SH cashflows. The range of values reflects the consideration we have had for the different age and condition of properties across the units. We have assumed that these costs per unit will inflate by 1.00% in real terms each year.

Category of Expenditure	EUV-SH
Major repairs and renewals – Year 1	£580 - £620
Cyclical repairs – Year 1	£325
Day-to-day repairs – Year 1	£300
Total	£1,205 - £1,245

5.8 Right to Buy Sales

We have not included any right to buy sales in the valuation.

5.9 Discount Rate

For our EUV-SH valuation we have adopted a discount rate of 6.0% on net rental income.

6 Rent to HomeBuy Units Commentary

6.1 Introduction

There are 28 Rent to HomeBuy properties within the Portfolio that we are instructed to value on the basis of MV-T. We can confirm that these units are not subject to any restrictions on the title which would prevent a successor in title from letting or selling the properties on the open market.

In addition, there is 1 restricted Rent to HomeBuy properties in the Portfolio that is either subject to restrictions on title that prohibit the use of the property for any purpose other than affordable housing for any successors of the Issuer, or any successors of a mortgagee in possession, or where there are non-financial obligations outstanding. In light of this, we have restricted the value of this unit to EUV-SH.

As you may know, the Rent to HomeBuy product offers a potential purchaser the opportunity to rent their property for a period of time at a sub-market rent in order for them to save a deposit. At the end of this period the arrangement reverts to shared ownership if the tenant takes an option to purchase the property.

The Chargers have not provided information regarding the number of tenants that have accepted an offer to purchase a share in their properties at the end of the option period. Therefore, given that it is extremely difficult to estimate if and when any sales may occur, we have not modelled any future tranche sales in either of our Rent to HomeBuy cashflow models.

6.2 Tenancies

All of the properties are let on assured shorthold tenancies. We have reviewed an example tenancy agreement and can confirm that is a standard assured shorthold tenancy agreement.

6.3 Rental Income

The total gross rent receivable from the Rent to HomeBuy properties in the Portfolio amounts to £168,129 per annum (based on a 52-week year). A breakdown per property is included within the schedule at Appendix 2. The average gross weekly rent is £111.49.

We are unable to verify the accuracy of the rent roll provided to us by the Chargers.

6.4 EUV-SH Rental Growth

The Homes and Communities Agency's restriction on future rental growth through section 4.2.2 of the Capital Funding Guide allows a maximum of 0.5% real growth per annum only. We understand that this permissible rate of growth is also in line with the tenants' leases. We have had regard for this guidance when setting the rental growth for our valuation on the basis of EUV-SH.

6.5 MV-T Rental Growth

We have assumed that it will take approximately 1 year for assured rents to increase to market levels and thereafter for rent increases to rise at RPI + 1.0% per annum.

6.6 Outgoings

In forming an opinion of the net rental income the portfolio will generate, we have considered the following outgoings:

- bad debts and voids;
- management costs; and
- repair and maintenance costs.

6.7 Bad Debts and Voids

For our valuation on the basis of EUV-SH we have adopted a rate for bad debts and voids of 5.0% of gross income in all years of the cashflow.

In our MV-T valuation, we have adopted a rate of 8.0% of gross income for the first 2 years of our MV-T cashflow, and 5.0% in all years thereafter.

6.8 Management Costs

We have adopted a rate of £600 per unit for management and administration in our valuation on the basis of EUV-SH.

We have assumed that a mortgagee in possession would expect to spend 10.0% of rental income in our valuation on the basis of MV-T.

We have assumed that this unit cost will increase at a rate of RPI + 1.0% for the duration of the cashflow reflecting long-term earnings, growth predictions and potential management savings.

6.9 Repairs and Maintenance

The following table sets out the various assumptions we have made for our cashflows. Our appraisals assume that these costs will inflate by 1.0% in real terms each year.

Category of Expenditure	EUV-SH	MV-T
Major repairs and renewals – Year 1	£600	£2,000
Cyclical repairs – Year 1	£325	£300
Day-to-day repairs – Year 1	£300	£275
Total	£1,225	£2,575

6.10 Sales Rate

In our MV-T valuation we have included open market sales rates of 3.0% per annum for houses and 4.0% per annum for flats.

6.11 Discount Rate

For our restricted Rent to HomeBuy EUV-SH valuations we have adopted a discount rate of 6.50% on net rental income.

We have adopted discount rates of 8.0% (rental income), and 10.0% (sales) for our MV-T cashflow.

6.12 Market Values subject to Vacant Possession (MV-VP)

The average MV-VP of the Rent to HomeBuy properties in the Portfolio is £116,000.

7 Shared Ownership Units Commentary

7.1 Introduction

There are 119 shared ownership properties within the Portfolio. The Chargors currently own 58.7% of equity in the units and a rent is charged on the remaining percentage. The portfolio is broken down as follows:

Bedrooms	Bungalow	Flat	House	Total	%age
1		1		1	1%
2	4	13	52	69	58%
3			47	47	40%
4			2	2	1%
Total	4	14	101	119	
%age	3%	12%	85%		

7.2 Rent Levels

According to the information provided by the Chargors, the average net weekly rental level is £47.34 against the average retained equity. All rents are expressed on the basis of 52 rent weeks per year.

7.3 Rental Growth

The Homes and Communities Agency's restriction on future rental growth through section 4.2.2 of the Capital Funding Guide allows a maximum of 0.5% real growth per annum only. The imposition of this formula effectively constrains the net present value of the cashflow to the basis of EUV-SH.

We have grown the rent at a rate of RPI + 0.5% in line with this guidance.

7.4 Outgoings

In forming an opinion of the net rental income the property will generate, we have allowed between 5.0% and 6.0% of gross rental income for management.

7.5 Repairs and Maintenance

We have assumed any repair obligations will lie with the leaseholder. We would expect that repair/renewal, day-to-day and cyclical maintenance would be required to keep the property in its present condition. However, we have assumed that, where appropriate, service charge income fully covers expenditure.

7.6 Discount Rate

We have adopted a discount rate of 5.75% on the rental income and 8.25% on sales.

7.7 Rate of Sales

We have adopted what we would expect to be a long-term sustainable rate of sales of further tranches over the 50 years of our cashflow model. We have assumed that equity is sold in 25% tranches.

The rates we have adopted in our cashflows are as follows:

Years	Tranche Sales
Years 0-1	0
Years 2-6	6
Years 11-25	4
Years 26-50	2

It is difficult to judge when tenants will purchase additional tranches so the income from sales proceeds has been discounted at a higher rate, in line with paragraph 7.6, to reflect the additional risk of realising the value. However, it should be noted that in our valuation, the majority of the value (circa 64.7%) is attributed to the rental income.

8 Supported Units Commentary

8.1 Introduction

There are 10 supported properties within the Portfolio that we are instructed to value on the basis of MV-T. We can confirm that these units are not subject to any restrictions on the title which would prevent a successor in title from letting or selling the properties on the open market.

In addition, there are 4 restricted supported properties in the Portfolio that are either subject to restrictions on title that prohibit the use of the properties for any purpose other than affordable housing for any successors of the Issuer, or any successors of a mortgagee in possession, or where there are non-financial obligations outstanding. In light of this, we have restricted the value of those units to EUV-SH.

The portfolio is broken down as follows:

Bedrooms	Bungalow	Flat	Rooms	Total	%age
0		6	3	9	64%
1	4			4	29%
2		1		1	7%
Total	4	7	3	14	
%age	29%	50%	21%		

8.2 Tenancies

All of the properties are let on either assured tenancies or licences. We have assumed that these are 'standard' assured tenancies or licences although we have not seen example agreements.

8.3 Rental Income

The total gross rent receivable from the supported portfolio amounts to £55,855 per annum (based on a 52-week year). A breakdown per property is included within the schedule at Appendix 2. The average gross weekly rent is £76.72.

8.4 EUV-SH Rental Growth

In accordance with the Rent Influencing Regime we have grown the rents at a rate of RPI plus 0.5% per annum.

8.5 MV-T Rental Growth

In our MV-T valuation we have assumed that it will take approximately two years for assured rents to increase to market levels and thereafter for rent increases to rise at RPI plus 1.0% per annum. The average increase we have modelled is 3.9% per annum for flats.

8.6 Bad Debts and Voids

For our valuation on the basis of EUV-SH we have adopted a rate for bad debts and voids of 2.5% of gross income in all years of the cashflow.

In our MV-T cashflow we have adopted a rate of 10.0% gross income for the first 3 years and 5.0% in all years thereafter.

8.7 Management, Repairs and Maintenance

The table below sets out the various assumptions we have made for our cashflows. Our appraisals assume that these costs will inflate by 1.0% in real terms each year.

Category of Expenditure	EUV-SH	MV-T
Management	£650	10.0% of gross rental income
Major repairs and renewals – Year 1	£600	£2,000
Cyclical repairs – Year 1	£325	£300
Day-to-day repairs – Year 1	£300	£275
Total	£1,875	£2,575 (excluding management)

8.8 Sales Rate

In our MV-T cashflow we have included sales rates of 10.0% per annum for flats and 10.0% for bungalows. This relatively high rate is due to the low numbers of properties. We have not allowed for sales of any of the units that have been valued as rooms, as these are not self-contained.

8.9 Discount Rate

For our restricted supported EUV-SH valuations we have adopted a discount rate of 6.50% on net rental income.

We have adopted discount rates of 8.0% (rental income) and 10.0% (sales incomes) in our MV-T cashflow.

8.10 Market Value subject to Vacant Possession (MV-VP)

The average MV-VP is £57,500.

9 Valuation

9.1 Introduction

We have prepared our valuations on the following bases:

- Existing Use Value for Social Housing (EUV-SH); and
- Market Value subject to existing Tenancies (MV-T).

We have also provided an aggregate valuation of the Portfolio on the basis of Market Value assuming Vacant Possession (MV-VP) for indicative purposes only.

Our valuations have been prepared in accordance with the Royal Institution of Chartered Surveyors' RICS Valuation - Professional Standards, March 2012 (commonly known as the "Red Book").

Apportionments of the valuations have been calculated and are included in the schedules at Appendix 2. These are not valuations of the individual properties, and should not be relied upon or treated as such.

The valuations below represent our opinion of the Portfolio as a whole. It is important to note that Portfolios of this size rarely come to the market, and it is possible that a prospective purchaser would seek a discount to reflect the quantity of the properties concerned. Conversely, there is also potential for additional value being added to the Portfolio if it were to be broken up and sold piecemeal. We stress that, in forming our opinion of the value of the Portfolio as a whole, we have neither applied a discount for quantum nor added a premium to reflect break-up potential.

The definitions of the bases of valuation are set out in full in Section 10 of this Report.

9.2 Opinions of Value

Our opinion of value, in aggregate, of the 750 unrestricted general needs units within the Portfolio, on the basis of MV-T is:

£41,060,000
(forty one million and sixty thousand pounds)

Our opinion of value, in aggregate, of the 4,480 restricted general needs and sheltered units within the Portfolio, on the basis of EUV-SH is:

£195,250,000
(one hundred and ninety five million, two hundred and fifty thousand pounds)

Our opinion of value, in aggregate, of the 28 unrestricted Rent to HomeBuy properties, on the basis of MV-T is:

£1,890,000
(one million, eight hundred and ninety thousand pounds)

Our opinion of value, in aggregate, of the 1 restricted Rent to HomeBuy property, on the basis of EUV-SH is:

£70,000
(seventy thousand pounds)

Our opinion of value, in aggregate, of the 119 shared ownership properties, on the basis of EUV-SH is:

£5,780,000
(five million, seven hundred and eighty thousand pounds)

Our opinion of value, in aggregate, of the 10 unrestricted supported properties, on the basis of MV-T is:

£240,000
(two hundred and forty thousand pounds)

Our opinion of value, in aggregate, of the 4 restricted supported properties, on the basis of EUV-SH is:

£70,000
(seventy thousand pounds)

Our opinion of value, in aggregate, of the 5,392 properties in the Portfolio, on the basis of MV-VP, on an indicative basis is:

£581,590,000
(five hundred and eighty one million, five hundred and ninety thousand pounds)

9.3 Suitability as Security

Your instructions require us to comment on whether the properties we have valued provide adequate security for the loan.

It is difficult for any valuer, without being asked to consider a specific credit or risk assessment policy, to make an absolute, unqualified statement that those assets will provide suitable security because our instructions do not explain what criteria the Security Trustee is applying in making this assessment.

However we confirm that, in our opinion, should the Security Trustee become a mortgagee in possession of this Portfolio of properties, then it would be possible to achieve a sale to another RP that would be at a price at least equivalent to our valuation on the basis of EUV-SH or, in principle, to a private purchaser at a price equivalent to our valuation on the basis of MV-T as set out in our Report. However, the valuation assumes implicitly that a purchaser could obtain debt finance on commercially viable terms to facilitate a purchase of the Portfolio.

Furthermore, we have identified the following attributes of the Portfolio which should Security Trustee in its assessment:

- given the divergence between property prices and local average earnings, demand for these properties should be sustainable in the medium to long term;
- the level of rental income for all areas is broadly in line with other RPs in the respective areas;
- the level of rental income is, in aggregate, below the Local Reference Rents for each region;

- the EUV-SH and MV-T values per unit and percentage relationships to MV-VP, are at levels appropriate to the current climate, having regard to the Portfolio's location and composition; and
- we have made conservative assumptions with regard to the respective rent and sales contributions to the valuations of the shared ownership units and they are not overly dependent on proceeds from sales.

With the above factors in mind, and with specific regard to the continuing need for well-maintained social housing accommodation, we believe it reasonable to conclude an acceptable demand for a Portfolio of this nature from commensurate social housing landlords and private institutional investment firms.

Subject to the information presented within this Report, and at the values formally Reported, we are satisfied to recommend to Security Trustee that this Portfolio is suitable for security purposes.

10 Bases of Valuation

As stated in paragraph 9.1, our valuations have been prepared in accordance with the Red Book.

10.1 Existing Use Value for Social Housing

The basis of Existing Use Value for Social Housing is defined in UKVS 1.13 of the Red Book as follows:

- *“Existing use value for social housing (EUV-SH) is the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion - subject to the following special assumptions that the property will continue to be let by a body pursuant to delivery of a service for the existing use::*
- *at the valuation date any regulatory body in applying its criteria for approval, would not unreasonably fetter the vendor’s ability to dispose of the property to organisations intending to manage their housing stock in accordance with that regulatory body’s requirements;*
- *properties temporarily vacant pending re-letting would be valued, if there is a letting demand, on the basis that the prospective purchaser intends to re-let them, rather than with vacant possession; and*
- *Any subsequent sales would be subject to all of the above special assumptions.”*

10.2 Market Value

The basis of Market Value is defined in VS3.2 of the Red Book as follows:

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Market Value subject to Tenancies is in accordance with the above definition, with the addition of the point below:

“That the properties would be subject to any secure or assured tenancies that may prevail, together with any other conditions or restrictions to which property may be subject.”

10.3 Expenses

No allowance is made in our valuations for any expenses of realisation.

10.4 Tax

No allowance is made in our valuations for any liability for payment of Corporation Tax, or for any liability for Capital Gains Tax, whether existing or which may arise in the future.

10.5 VAT

Our valuations are exclusive of VAT on disposal.

11 Market Commentary

11.1 UK Housing Market Overview

The UK housing market has been strengthening for several months now. The market will have been boosted by an increase in buyers and transactions in the run up to the closing of the first-time-buyer stamp duty holiday on purchases below £250,000, but closer analysis reveals a more long standing and deep seated strengthening. It remains to be seen, however, whether recent momentum continues into Q2 following the stamp duty fillip and the recent downbeat UK and European economic news.

The market has improved in several respects over the past six months or so. House prices have increased during some months in early 2012 while the rate of annual house price declines has slowed to around 0%. Transaction levels have been on a steady incline, so too have mortgage lending and buyer demand. The number of properties on the market has remained reasonably constant.

However, recent improvements have only been marginal and the UK housing market is still trapped in a pretty weak state. Transactions and mortgage lending are both around half recent peak levels.

The London and South outperformance saga has continued into early 2012 when compared to Midland and Northern regions, although there are some signs that this may be diminishing.

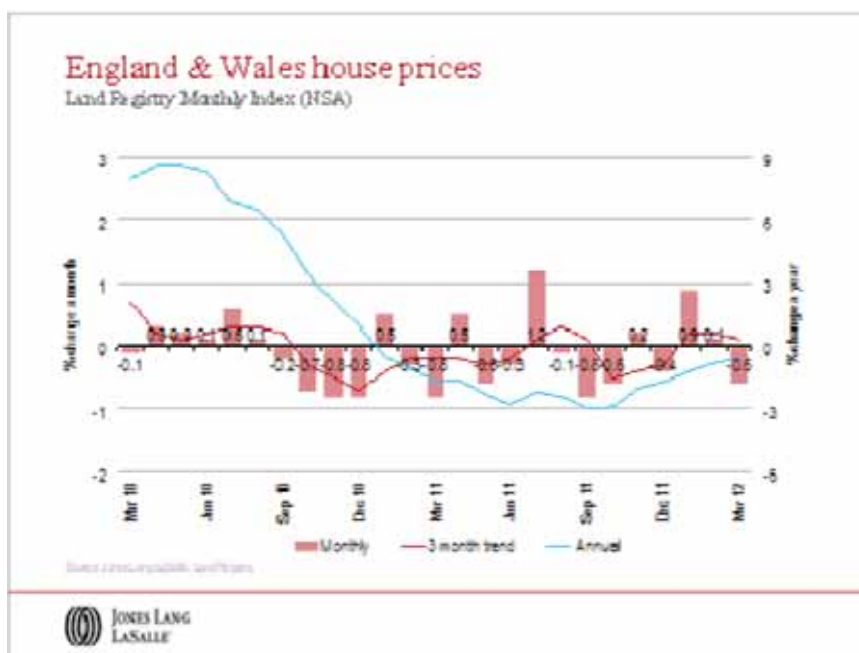
Development activity has been quite stable during the 18 months to Q4 2011 but starts at circa 100,000 a year is significantly below the 180,000 pa peak and the 230,000 pa projected demand.

Exactly how the market plays out for the rest of 2012 is relatively certain. Underlying fundamentals are likely to remain weak with sluggish UK economic growth, contraction in the Eurozone and subdued global expansion. But there are unlikely to be notable negative influences, assuming no catastrophe in Europe, so the UK housing market is likely to remain in a weak state in terms of transactions, mortgage lending and development with little change in house prices.

11.2 Housing Market Analysis

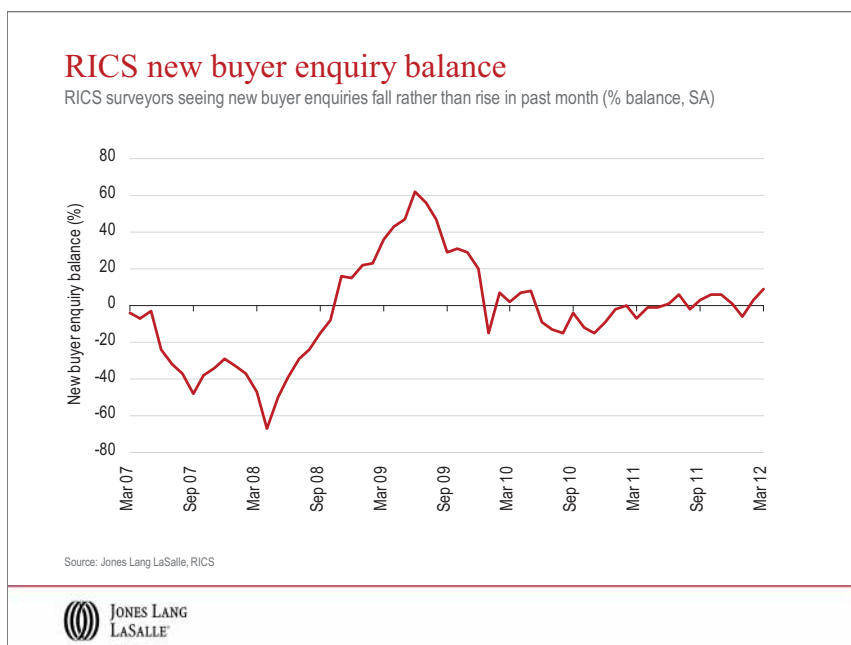
Several indices are now reporting that house prices have increased during some months in 2012 but three month trend rates and annual growth rates are typically slightly negative still.

Land Registry data shows that house prices in England & Wales have increased in three of the last five months. The three-month trend rate, at +0.1% across England & Wales, has moved back into positive territory for the first time since September 2011 although annual price growth is still marginally negative at -0.6% in March 2012.



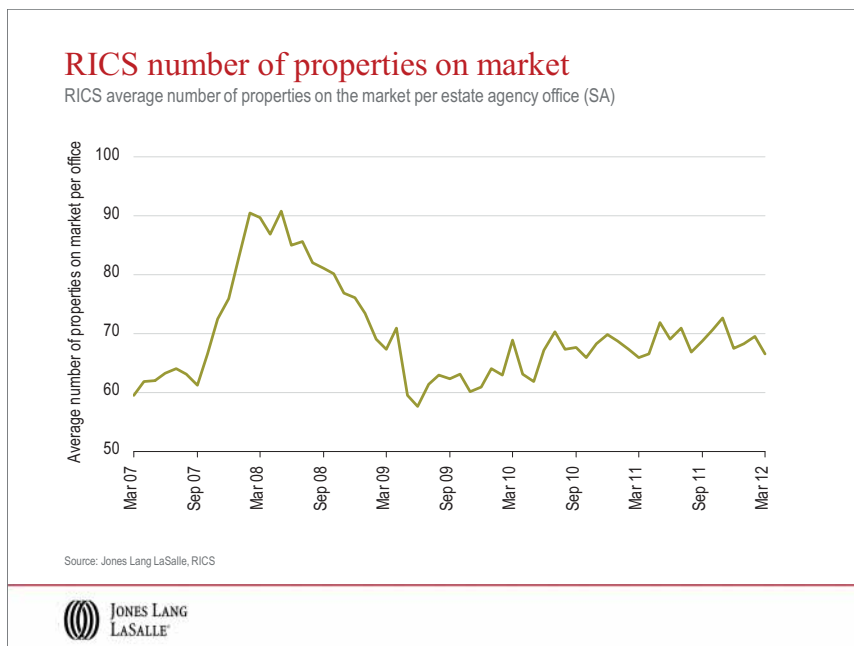
The various publicly available house price indices all claim slightly different levels of annual house price growth, but by and large they are all around 0%. Nationwide claim prices decreased by 0.9% over the year to March 2012 while Lloyds/Halifax quote a 0.8% rise.

On a seasonally-adjusted basis, housing demand has been increasing steadily for the past six months or so. New buyer enquiries have risen in six of the last seven months up to March which is an improvement from 2010 and the first half of 2011.



The number of properties on the market has been reasonably steady over the past year, fluctuating between 65 and 73 per estate agency office. It had been on a gradual incline from mid-2009 until March 2011 but has flattened-out since then. On a seasonally-adjusted basis the average number of properties on the market per

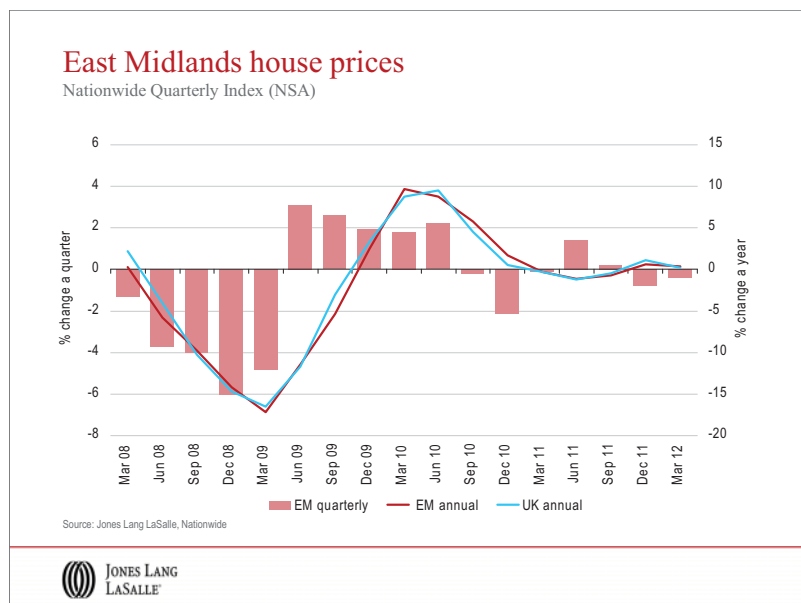
estate agency office in March 2012 was 67, marginally higher than a year previously but nowhere near the circa 90 properties per estate agency office seen in early 2008.



11.3 East Midlands Housing Market

House prices in the East Midlands increased by 0.4% during Q1 2012 following a fall of 0.8% during Q4 2011. The quarterly increase was healthier than the UK average of -1.3%. Annual house price growth in the East Midlands, at 0.4%, is slightly above the 0.2% UK average. (Source: Nationwide Quarterly House Price Index non-seasonally-adjusted).

Prices in the East Midlands fell by slightly more than in the UK following the global financial crisis, declining by 19.3% compared to 18.7%. During the period Q1 2009 to Q2 2010 residential prices in the East Midlands increased by an average of 12.2% compared to a rise of 12.7% in the UK. Since Q2 2010 quarterly price growth has been volatile, but East Midlands prices have decreased by 2.1% during this time compared to a 3.6% fall throughout the UK. Prices are now 11.3% below their 2007 peak, a little better than the 11.6% average shortfall in the UK. (Source: Nationwide Quarterly House Price Index non-seasonally-adjusted).



In annual terms the number of property transactions had been slowing steadily during the year leading up to July 2011, however since this time the number of transactions has generally been increasing. The increase in transactions looks to be a medium-term trend although latter months are likely to have been boosted by first-time-buyers prior to the closing of the stamp duty holiday. The current low level of transactions compared to most times in the past ten years remains a key feature of the regional and UK housing markets. (Source: Land Registry).

The number of transactions in the East Midlands in December 2011 was 7% higher than a year earlier. In England & Wales the number of transactions was 8% higher. During the year to December 2011 transaction levels in the East Midlands were no different to the preceding year, whilst the transaction levels in England & Wales decreased by 1%. (Source: Land Registry).

Compared to the average level of transactions during 2006, current annual levels in the East Midlands are 45% lower, and are 44% lower in England & Wales. (Source: Land Registry).

12 Sources and Verification of Information

12.1 General

We have relied upon the property descriptions provided to us by the Chargors and have verified their accuracy where we have inspected properties internally.

We have also relied upon the tenancy types and current rental income for each unit as provided. We have not audited the rent roll, nor have we been able to verify the accuracy of the data. However, we consider that the general rent levels in the Portfolio to be reasonable in the context of affordable housing and we have relied on the information provided as being current and accurate.

12.2 Tenure

Each of the Chargors holds a freehold interest or long leasehold interest with not less than 80 years unexpired in respect of its properties, unless otherwise stated in this Report. We confirm that there will be no material difference in the MV-T and EUV-SH cashflow valuations between these two holding interests and we do not therefore feel that separate summaries are required. This is not in breach of the RICS Valuation Standards.

12.3 Title

We have not carried out our own investigations of title and our valuations have assumed good title, free from onerous covenants and other encumbrances other than as set out in this Report.

12.4 Nomination Agreements

Our valuations are prepared on the basis that there are no nomination agreements. If any nomination rights are found to be in existence, they are assumed not to be binding on the Security Trustee or successor in title unless otherwise stated in this Report.

12.5 Structural Conditions

We have not carried out condition surveys of the properties, this being outside the scope of our instructions. The Portfolio comprises a mixture of modern and older properties, with the majority of the portfolio (over 65%) built in the 1960s or later. From our inspections these appeared to be well maintained, subject to the usual wear and tear one would expect for properties of these ages.

In our opinion the economic life of each property should comfortably exceed 50 years providing the properties are properly maintained.

We have not carried out a structural survey of the properties, neither have any parts been opened up or examined and those areas which were covered or inaccessible including roofs could not be inspected. No advice can therefore be given with regard to the condition of the property or whether it is free from rot, beetle or other defects.

We have been unable to determine whether wood wool slabs, blue asbestos, calcium chloride or other deleterious materials were used in the construction of these properties and therefore our advice regarding condition is given on the assumption that these materials are not present.

12.6 Ground Conditions

Our valuations are prepared on the assumption that there are no adverse ground conditions affecting any of the properties.

In forming our assessment, we have not carried out our own investigations into the presence or otherwise of contaminative substances, or substances which may give rise to contamination in any form whatsoever. We are unable to guarantee or warrant that the sites are not, nor have ever been, subject to contaminative uses or are not contaminated. These are matters upon which the client, or anyone else relying upon this valuation, must satisfy themselves. However, our valuations are prepared on the assumption that no contaminative substances are present on the sites or nearby.

However, if during the normal course of our business we identified obvious environmental or contaminative issues we would bring these to the Security Trustee's attention. As far as we are aware, no such issues arise in respect of any properties in the Portfolio.

12.7 Planning

We have prepared our valuations on the basis that each property exists in accordance with a valid planning permission.

12.8 Services

None of the mains services have been tested by us.

12.9 Compliance with Building Regulations and Statutory Requirements

We have assumed that the properties conform to the Fire Precaution Regulations and any other statutory requirements.

12.10 Right to Buy (RTB) and Voluntary Purchase Grants

We understand that the tenants of some of the properties within the Portfolio have either the Right to Buy (RTB) or the Right to Acquire (RTA). However, the level and frequency of RTB sales has declined over the last few years as house prices have become less affordable and discounts have been reduced. Whilst we recognise that RTB is just being reformed, the impact of the changes on the number of sales has yet to be seen. We consider it would be imprudent, therefore, to reflect additional value from capital receipts and we have therefore assumed that neither RTB nor RTA will be exercised.

There are no applications for Voluntary Purchase Grants that have been disclosed in the Certificates of Title.

Appendix 1

Letter of Instruction

Richard Petty
Director
Jones Lang LaSalle
30 Warwick Street
London W1B 5NH

23 May 2012

25 MAY 2012

Dear Sirs

Longhurst Group: Bond Issue Valuation

Jones Lang LaSalle is requested to provide a valuation report in relation to Longhurst's Bond issue. The scope of work in relation to this exercise is detailed below.

1. Basis Valuation

Your report should include your opinion of:-

- Market Value – subject to tenancies (MV-T);
- Existing Use Value for Social Housing (EUV-SH);
- MV assuming Vacant Possession Value (MV-VP) – for Guidance Purposes Only; and
- The full reinstatement value of the property for buildings insurance purposes for Guidance Purposes only.

2. Confirmation of Valuation and Review of Certificates

The certificates sample basis will be decided at a later date depending upon the likely make up of the security portfolio.

3. Detail of the Report

The Format and Wording of the Report will be required to comply with the UK Listing Authority Rules – this may differ from your firm's standard report format for such work.

Member of the Longhurst Group of Companies

A Not-for-Profit organisation registered in England as a Company Limited by Guarantee (Reg. No. 3958385).
Registered Office: Leverett House, Gilbert Drive, Endeavour Park, Boston, Lincolnshire, PE21 7TQ.
Registered with the Tenant Services Authority under 1996 Housing Act (No. LA277) - VAT Reg No 763 7502 19.
A member of the National Housing Federation



The report is to provide:

A full description or schedule of the properties, including:

- a location plan of the area, identifying (where practicable) the main locations of the housing stock;
- the apparent state of repair of the stock, the availability of all usual services, and access to the stock;
- presence of any structural problems or properties of non-standard construction together with the effect on marketability;
- a summary of the effects of any planning restriction or nominations rights;
- agreements binding either on the land or any purchases of the units;
- a description of the economic and social characteristics of the area, indicating whether it is a primary, secondary, or tertiary;
- a breakdown of the stock into unit types e.g. one bed flats, two bed flats, etc., together with a breakdown by class of existing tenure (secure/assured tenancies etc.);
- an overview of the localised property market and its valuation trends; and
- any other relevant information.

The date of valuation is to be the date of your Report which will reflect the signing date. The date of your inspections should also be stated.

Please also provide within your report:

- colour photographs of each property (where practicable); and
- a general location map.

An indication, for insurance purposes (which is given solely as a guide, as a formal estimate for insurance purposes can be given only a quantity surveyor, or other person with sufficient current experience of replacement costs) of the current reinstatement cost of:

- the buildings in their present form (unless otherwise states); or
- buildings being constructed as proposed to be completed; each including the costs of clearance and professional fees but excluding; (i) VAT (except on fees); (ii) loss of rent; and/or (iii) cost of alternative accommodation for the reinstatement period.

4. Addressees for The Report

The report will be addressed to:

- Libra (Longhurst Group) Treasury plc;
- Prudential Trustee Company Limited (in its capacity as security trustee and bond trustee);
- Longhurst and Havelok Homes Limited;
- Spire Homes (LG) Limited;
- Lloyds TSB Bank plc; and
- Barclays Bank plc.

Please specify the date of inspection and the name and qualifications of the person who visited the property and confirm that the person has the relevant experience and knowledge of valuing the type of properties concerned in the particular locality. Moreover, please confirm that the valuer is an external valuer in relation to the report and particular aspects thereof.

5. Professional Indemnity

Under the UK listing rules, any valuation report (either full or abbreviated) as included within the bond Prospectus may not contain any limitation of liability. Please note that this requirement is not negotiable in respect of a transaction of this nature.

6. Valuation Methodology

Please provide detail and commentary on the following, including what assumptions made and why:

- valuation methods use;
- yields use;
- discount rate used;
- vacant possession values;
- likely effects on valuation of statutory changes – e.g. rent restructuring;
- current levels of voids and bad debt;
- adjustments for inflation;
- management costs;
- maintenance costs; and
- rental levels.

7. Suitable Security for a bond

Suitability of property for a 30 year bond – with reasons, in addition to the marketability of the properties, likely future demand for rental property, and any other factors that you consider are likely to materially affect the status of the property as security.

8. Hazardous materials, contamination and environmental problems

Likely present of the above, taking in account:

- property age and construction;
- surrounding/nearby land uses;
- former land uses of subject site; and
- effect on marketability.

9. Red Book and RICS Compliance

The valuations are to be prepared in accordance with the Royal Institution of Chartered Surveyors' Valuation RICS Valuation - Professional Standards, March 2012 (commonly known as the "Red Book").

The delivery deadline is 29 June 2012.

Yours faithfully



Kate Wood
Director of Group Treasury

Appendix 2

Property Schedules

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot #	Property Ref (UPRN)	JLL Valuation Category	House	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Relinquished	EUV-SH	MV-T	MV-VP
Lot A	10049001	1.8 H General Needs & Sheltered - Unrestricted	7	BIRKDALE	LS19 9UJ	£71.50	£71.50	Secured	House	3			£44,200	£105,000
Lot A	10049002	1.8 H General Needs & Sheltered - Unrestricted	2	BIRKDALE	LS19 9UJ	£69.45	£69.45	Assured	Flat	2		£53,900	£80,000	£80,000
Lot A	10049006	1.8 H General Needs & Sheltered - Unrestricted	6	BIRKDALE	LS19 9UJ	£63.90	£63.90	Assured	Flat	1		£43,500	£60,000	£60,000
Lot A	10049007	1.8 H General Needs & Sheltered - Unrestricted	7	BIRKDALE	LS19 9UJ	£77.98	£77.98	Assured	House	3			£60,500	£105,000
Lot A	10049008	1.8 H General Needs & Sheltered - Unrestricted	8	BIRKDALE	LS19 9UJ	£64.08	£64.08	Assured	Flat	1			£43,500	£60,000
Lot A	10049010	1.8 H General Needs & Sheltered - Unrestricted	10	BIRKDALE	LS19 9UJ	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10049012	1.8 H General Needs & Sheltered - Unrestricted	12	BIRKDALE	LS19 9UJ	£69.64	£69.64	Assured	Flat	2			£54,100	£80,000
Lot A	10049013	1.8 H General Needs & Sheltered - Unrestricted	13	BIRKDALE	LS19 9UJ	£71.50	£71.50	Secured	House	3			£44,200	£105,000
Lot A	10049014	1.8 H General Needs & Sheltered - Unrestricted	14	BIRKDALE	LS19 9UJ	£68.08	£68.08	Assured	Flat	1			£43,500	£60,000
Lot A	10049015	1.8 H General Needs & Sheltered - Unrestricted	15	BIRKDALE	LS19 9UJ	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10049018	1.8 H General Needs & Sheltered - Unrestricted	18	BIRKDALE	LS19 9UJ	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10049020	1.8 H General Needs & Sheltered - Unrestricted	20	BIRKDALE	LS19 9UJ	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10049027	1.8 H General Needs & Sheltered - Unrestricted	34	BIRKDALE	LS19 9UJ	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10049028	1.8 H General Needs & Sheltered - Unrestricted	36	BIRKDALE	LS19 9UJ	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10049029	1.8 H General Needs & Sheltered - Unrestricted	38	BIRKDALE	LS19 9UJ	£67.08	£67.08	Assured	Bungalow	1			£52,100	£80,000
Lot A	10049030	1.8 H General Needs & Sheltered - Unrestricted	40	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049031	1.8 H General Needs & Sheltered - Unrestricted	42	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049032	1.8 H General Needs & Sheltered - Unrestricted	44	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049033	1.8 H General Needs & Sheltered - Unrestricted	46	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049034	1.8 H General Needs & Sheltered - Unrestricted	48	BIRKDALE	LS19 9UJ	£54.91	£54.91	Assured	Flat	1			£33,900	£50,000
Lot A	10049035	1.8 H General Needs & Sheltered - Unrestricted	50	BIRKDALE	LS19 9UJ	£67.08	£67.08	Assured	Bungalow	1			£52,100	£80,000
Lot A	10049036	1.8 H General Needs & Sheltered - Unrestricted	52	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049037	1.8 H General Needs & Sheltered - Unrestricted	54	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049038	1.8 H General Needs & Sheltered - Unrestricted	56	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049039	1.8 H General Needs & Sheltered - Unrestricted	58	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049040	1.8 H General Needs & Sheltered - Unrestricted	60	BIRKDALE	LS19 9UJ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049041	1.8 H General Needs & Sheltered - Unrestricted	20	EDGEHILL	LS19 9TZ	£72.57	£72.57	Secured	House	3			£44,800	£105,000
Lot A	10049043	1.8 H General Needs & Sheltered - Unrestricted	24	EDGEHILL	LS19 9TZ	£83.53	£83.53	Assured	House	4			£64,800	£115,000
Lot A	10049046	1.8 H General Needs & Sheltered - Unrestricted	29	EDGEHILL	LS19 9TZ	£71.50	£71.50	Secured	House	3			£44,200	£105,000
Lot A	10049048	1.8 H General Needs & Sheltered - Unrestricted	34	EDGEHILL	LS19 9TZ	£72.57	£72.57	Secured	House	3			£44,800	£105,000
Lot A	10049050	1.8 H General Needs & Sheltered - Unrestricted	38	EDGEHILL	LS19 9TZ	£67.28	£67.28	Secured	House	2			£41,600	£90,000
Lot A	10049055	1.8 H General Needs & Sheltered - Unrestricted	48	EDGEHILL	LS19 9TZ	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10049056	1.8 H General Needs & Sheltered - Unrestricted	50	EDGEHILL	LS19 9TZ	£72.52	£72.52	Secured	House	3			£44,800	£105,000
Lot A	10049057	1.8 H General Needs & Sheltered - Unrestricted	52	EDGEHILL	LS19 9TZ	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10049058	1.8 H General Needs & Sheltered - Unrestricted	54	EDGEHILL	LS19 9TZ	£71.51	£71.51	Secured	House	3			£44,200	£105,000
Lot A	10049059	1.8 H General Needs & Sheltered - Unrestricted	56	EDGEHILL	LS19 9TZ	£71.51	£71.51	Secured	House	3			£44,200	£105,000
Lot A	10049060	1.8 H General Needs & Sheltered - Unrestricted	58	EDGEHILL	LS19 9TZ	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10049061	1.8 H General Needs & Sheltered - Unrestricted	60	EDGEHILL	LS19 9TZ	£77.98	£77.98	Assured	House	3			£60,500	£105,000
Lot A	10049064	1.8 H General Needs & Sheltered - Unrestricted	66	EDGEHILL	LS19 9TZ	£71.50	£71.50	Secured	House	3			£44,200	£105,000
Lot A	10049065	1.8 H General Needs & Sheltered - Unrestricted	68	EDGEHILL	LS19 9TZ	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10049066	1.8 H General Needs & Sheltered - Unrestricted	70	EDGEHILL	LS19 9TZ	£63.60	£63.60	Assured	Flat	1			£43,500	£60,000
Lot A	10049070	1.8 H General Needs & Sheltered - Unrestricted	78	EDGEHILL	LS19 9TZ	£69.64	£69.64	Assured	Flat	2			£54,100	£80,000
Lot A	10049072	1.8 H General Needs & Sheltered - Unrestricted	82	EDGEHILL	LS19 9TZ	£67.28	£67.28	Secured	House	2			£41,600	£90,000
Lot A	10049073	1.8 H General Needs & Sheltered - Unrestricted	84	EDGEHILL	LS19 9TZ	£67.28	£67.28	Secured	House	2			£41,600	£90,000
Lot A	10049074	1.8 H General Needs & Sheltered - Unrestricted	86	EDGEHILL	LS19 9TZ	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10049075	1.8 H General Needs & Sheltered - Unrestricted	88	EDGEHILL	LS19 9TZ	£61.38	£61.38	Secured	Bungalow	1			£37,900	£80,000
Lot A	10049076	1.8 H General Needs & Sheltered - Unrestricted	90	EDGEHILL	LS19 9TZ	£66.90	£66.90	Assured	Flat	1			£51,900	£80,000
Lot A	10049077	1.8 H General Needs & Sheltered - Unrestricted	92	EDGEHILL	LS19 9TZ	£67.08	£67.08	Assured	Bungalow	1			£52,100	£80,000
Lot A	10049078	1.8 H General Needs & Sheltered - Unrestricted	94	EDGEHILL	LS19 9TZ	£59.31	£59.31	Secured	Bungalow	1			£36,600	£80,000
Lot A	10049079	1.8 H General Needs & Sheltered - Unrestricted	96	EDGEHILL	LS19 9TZ	£77.98	£77.98	Assured	House	3			£60,500	£105,000
Lot A	10049082	1.8 H General Needs & Sheltered - Unrestricted	4	LARNE CLOSE	LS19 9UH	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10049083	1.8 H General Needs & Sheltered - Unrestricted	6	LARNE CLOSE	LS19 9UH	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10049084	1.8 H General Needs & Sheltered - Unrestricted	8	LARNE CLOSE	LS19 9UH	£63.83	£63.83	Secured	Flat	2			£39,400	£80,000
Lot A	10049086	1.8 H General Needs & Sheltered - Unrestricted	12	LARNE CLOSE	LS19 9UH	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10049087	1.8 H General Needs & Sheltered - Unrestricted	14	LARNE CLOSE	LS19 9UH	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10049090	1.8 H General Needs & Sheltered - Unrestricted	16	LARNE ROAD	LS19 9UA	£54.95	£54.95	Assured	Flat	1			£40,100	£50,000
Lot A	10049091	1.8 H General Needs & Sheltered - Unrestricted	277	LARNE ROAD	LS19 9UA	£72.57	£72.57	Secured	House	3			£44,800	£105,000
Lot A	10049092	1.8 H General Needs & Sheltered - Unrestricted	279	LARNE ROAD	LS19 9UA	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10049093	1.8 H General Needs & Sheltered - Unrestricted	281	LARNE ROAD	LS19 9UA	£77.98	£77.98	Assured	House	3			£60,500	£105,000
Lot A	10049094	1.8 H General Needs & Sheltered - Unrestricted	283	LARNE ROAD	LS19 9UA	£72.52	£72.52	Secured	House	3			£44,800	£105,000
Lot A	10049096	1.8 H General Needs & Sheltered - Unrestricted	287	LARNE ROAD	LS19 9UA	£77.98	£77.98	Assured	House	3			£60,500	£105,000
Lot A	10050001	1.8 H General Needs & Sheltered - Unrestricted	141	LARNE ROAD	LS19 9TP	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10050002	1.8 H General Needs & Sheltered - Unrestricted	143	LARNE ROAD	LS19 9TP	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10050003	1.8 H General Needs & Sheltered - Unrestricted	145	LARNE ROAD	LS19 9TP	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10050005	1.8 H General Needs & Sheltered - Unrestricted	149	LARNE ROAD	LS19 9TP	£67.08	£67.08	Assured	Bungalow	1			£52,100	£80,000
Lot A	10050006	1.8 H General Needs & Sheltered - Unrestricted	151	LARNE ROAD	LS19 9TP	£71.45	£71.45	Secured	House	3			£44,100	£105,000
Lot A	10050008	1.8 H General Needs & Sheltered - Unrestricted	155	LARNE ROAD	LS19 9TP	£72.64	£72.64	Assured	House	2			£56,400	£95,000
Lot A	10050009	1.8 H General Needs & Sheltered - Unrestricted	1	RYECROFT	LS19 9UL	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10050010	1.8 H General Needs & Sheltered - Unrestricted	2	RYECROFT	LS19 9UL	£65.45	£65.45	Secured	House	2			£40,400	£95,000
Lot A	10050012	1.8 H General Needs & Sheltered - Unrestricted	7	RYECROFT	LS19 9UL	£72.64	£72.64	Assured	House	2			£56,400	£95,000
Lot A	10050014	1.8 H General Needs & Sheltered - Unrestricted	6	RYECROFT	LS19 9UL	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10050016	1.8 H General Needs & Sheltered - Unrestricted	8	RYECROFT	LS19 9UL	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10050018	1.8 H General Needs & Sheltered - Unrestricted	10	RYECROFT	LS19 9UL	£78.20	£78.20	Assured	House	3			£60,700	£105,000
Lot A	10050019	1.8 H General Needs & Sheltered - Unrestricted	11	RYECROFT	LS19 9UL	£72.45	£72.45	Assured	House	2			£56,200	£95,000
Lot A	10050020	1.8 H General Needs & Sheltered - Unrestricted	12	RYECROFT	LS19 9UL	£77.98	£77.98	Assured	House	3			£60,500	£105,000
Lot A	10050027	1.8 H General Needs & Sheltered - Unrestricted	19	RYECROFT	LS19 9UL	£71.45	£71.45	Secured	House	3			£44,100	£105,000
Lot A	10050028	1.8 H General Needs & Sheltered - Unrestricted	20	RYECROFT	LS19 9UL	£66.90	£66.90	Assured	Bungalow	1			£51,900	£80,000
Lot A	10050034	1.8 H General Needs & Sheltered - Unrestricted	27	RYECROFT	LS19 9UL	£64.08	£64.08	Assured	Flat	1			£43,500	£60,000
Lot A	10050035	1.8 H General Needs & Sheltered - Unrestricted	28	RYECROFT	LS19 9UL	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10050036	1.8 H General Needs & Sheltered - Unrestricted	29	RYECROFT	LS19 9UL	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10050037	1.8 H General Needs & Sheltered - Unrestricted	30	RYECROFT	LS19 9UL	£69.64	£69.64	Assured	Flat	2			£54,100	£80,000
Lot A	10050038	1.8 H General Needs & Sheltered - Unrestricted	31	RYECROFT	LS19 9UL	£69.64	£69.64	Assured	Flat	2			£54,100	£80,000
Lot A	10050039	1.8 H General Needs & Sheltered - Unrestricted	32	RYECROFT	LS19 9UL	£69.64	£69.64	Assured	Flat	2			£54,100	£80,000
Lot A	10050040	1.8 H General Needs & Sheltered - Unrestricted	33	RYECROFT	LS19 9UL	£64.08	£64.08	Assured	Flat	1			£43,500	£60,000
Lot A	10050041	1.8 H General Needs & Sheltered - Unrestricted	34	RYECROFT	LS19 9UL	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10050042	1.8 H General Needs & Sheltered - Unrestricted	35	RYECROFT	LS19 9UL	£69.45</								

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot ref	Property Ref (UPRN)	JLL Valuation Category	House No	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Equated Relativity	EUV-SH	MV-T	MV-VP
Lot A	10051058	LA H General Needs & Sheltered - Unrestricted	165	LARNE ROAD	LNS 9UP	£69.64	£69.64	Assured	Flat	2			£54,100	£80,000
Lot A	10051059	LA H General Needs & Sheltered - Unrestricted	167	LARNE ROAD	LNS 9UP	£65.64	£65.64	Secured	Flat	2			£40,500	£80,000
Lot A	10051060	LA H General Needs & Sheltered - Unrestricted	171	LARNE ROAD	LNS 9UP	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10051061	LA H General Needs & Sheltered - Unrestricted	173	LARNE ROAD	LNS 9UP	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10051062	LA H General Needs & Sheltered - Unrestricted	175	LARNE ROAD	LNS 9UP	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10051063	LA H General Needs & Sheltered - Unrestricted	177	LARNE ROAD	LNS 9UP	£65.64	£65.64	Secured	Flat	2			£40,500	£80,000
Lot A	10051065	LA H General Needs & Sheltered - Unrestricted	182	LARNE ROAD	LNS 9UP	£72.64	£72.64	Assured	Flat	2			£56,400	£95,000
Lot A	10051067	LA H General Needs & Sheltered - Unrestricted	185	LARNE ROAD	LNS 9UP	£65.64	£65.64	Assured	Flat	2			£40,500	£80,000
Lot A	10051068	LA H General Needs & Sheltered - Unrestricted	187	LARNE ROAD	LNS 9UP	£69.64	£69.64	Assured	Flat	2			£54,100	£80,000
Lot A	10051070	LA H General Needs & Sheltered - Unrestricted	191	LARNE ROAD	LNS 9UP	£63.90	£63.90	Assured	Flat	1			£43,500	£60,000
Lot A	10051071	LA H General Needs & Sheltered - Unrestricted	193	LARNE ROAD	LNS 9UP	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10051072	LA H General Needs & Sheltered - Unrestricted	195	LARNE ROAD	LNS 9UP	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10051073	LA H General Needs & Sheltered - Unrestricted	197	LARNE ROAD	LNS 9UP	£60.39	£60.39	Secured	Flat	1			£37,300	£60,000
Lot A	10051076	LA H General Needs & Sheltered - Unrestricted	203	LARNE ROAD	LNS 9UP	£64.08	£64.08	Assured	Flat	1			£43,500	£60,000
Lot A	10051077	LA H General Needs & Sheltered - Unrestricted	205	LARNE ROAD	LNS 9UP	£69.45	£69.45	Starter Tenancy	Flat	2			£53,900	£80,000
Lot A	10051078	LA H General Needs & Sheltered - Unrestricted	207	LARNE ROAD	LNS 9UP	£69.45	£69.45	Assured	Flat	2			£53,900	£80,000
Lot A	10051079	LA H General Needs & Sheltered - Unrestricted	209	LARNE ROAD	LNS 9UP	£66.81	£66.81	Secured	Bungalow	2			£38,100	£60,000
Lot A	10051080	LA H General Needs & Sheltered - Unrestricted	169	LARNE ROAD	LNS 9UP	£66.81	£66.81	Secured	Bungalow	2			£41,300	£90,000
Lot A	10060001	LA H General Needs & Sheltered - Unrestricted	1	EDGEHIRE	LNS15 TES	£80.34	£80.34	Starter Tenancy	House	2			£47,200	£65,000
Lot A	10060002	LA H General Needs & Sheltered - Unrestricted	2	EDGEHIRE	LNS15 TES	£86.49	£86.49	Assured	House	3			£54,400	£75,000
Lot A	10060005	LA H General Needs & Sheltered - Unrestricted	5	EDGEHIRE	LNS15 TES	£80.34	£80.34	Starter Tenancy	House	2			£47,200	£65,000
Lot A	10060006	LA H General Needs & Sheltered - Unrestricted	6	EDGEHIRE	LNS15 TES	£86.73	£86.73	Assured	House	3			£54,400	£75,000
Lot A	10060007	LA H General Needs & Sheltered - Unrestricted	7	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060008	LA H General Needs & Sheltered - Unrestricted	8	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060009	LA H General Needs & Sheltered - Unrestricted	9	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060010	LA H General Needs & Sheltered - Unrestricted	10	EDGEHIRE	LNS15 TES	£86.85	£86.85	Secured	House	3			£42,400	£75,000
Lot A	10060011	LA H General Needs & Sheltered - Unrestricted	11	EDGEHIRE	LNS15 TES	£80.55	£80.55	Assured	House	2			£47,200	£65,000
Lot A	10060012	LA H General Needs & Sheltered - Unrestricted	12	EDGEHIRE	LNS15 TES	£80.55	£80.55	Assured	House	2			£47,200	£65,000
Lot A	10060014	LA H General Needs & Sheltered - Unrestricted	15	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060015	LA H General Needs & Sheltered - Unrestricted	16	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060016	LA H General Needs & Sheltered - Unrestricted	17	EDGEHIRE	LNS15 TES	£71.52	£71.52	Starter Tenancy	Flat	2			£36,300	£50,000
Lot A	10060017	LA H General Needs & Sheltered - Unrestricted	18	EDGEHIRE	LNS15 TES	£71.52	£71.52	Shortltd	Flat	2			£36,300	£50,000
Lot A	10060018	LA H General Needs & Sheltered - Unrestricted	19	EDGEHIRE	LNS15 TES	£86.49	£86.49	Assured	House	3			£54,400	£75,000
Lot A	10060019	LA H General Needs & Sheltered - Unrestricted	20	EDGEHIRE	LNS15 TES	£80.34	£80.34	Starter Tenancy	House	2			£47,200	£65,000
Lot A	10060020	LA H General Needs & Sheltered - Unrestricted	21	EDGEHIRE	LNS15 TES	£67.38	£67.38	Secured	House	3			£41,600	£75,000
Lot A	10060021	LA H General Needs & Sheltered - Unrestricted	22	EDGEHIRE	LNS15 TES	£64.96	£64.96	Secured	House	2			£40,100	£65,000
Lot A	10060023	LA H General Needs & Sheltered - Unrestricted	24	EDGEHIRE	LNS15 TES	£71.52	£71.52	Starter Tenancy	Flat	2			£36,300	£50,000
Lot A	10060024	LA H General Needs & Sheltered - Unrestricted	25	EDGEHIRE	LNS15 TES	£71.52	£71.52	Starter Tenancy	Flat	2			£36,300	£50,000
Lot A	10060025	LA H General Needs & Sheltered - Unrestricted	26	EDGEHIRE	LNS15 TES	£80.34	£80.34	Starter Tenancy	House	2			£47,200	£65,000
Lot A	10060026	LA H General Needs & Sheltered - Unrestricted	27	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060027	LA H General Needs & Sheltered - Unrestricted	28	EDGEHIRE	LNS15 TES	£80.34	£80.34	Starter Tenancy	House	2			£47,200	£65,000
Lot A	10060028	LA H General Needs & Sheltered - Unrestricted	29	EDGEHIRE	LNS15 TES	£86.73	£86.73	Assured	House	3			£54,400	£75,000
Lot A	10060029	LA H General Needs & Sheltered - Unrestricted	30	EDGEHIRE	LNS15 TES	£63.81	£63.81	Secured	House	2			£39,400	£65,000
Lot A	10060030	LA H General Needs & Sheltered - Unrestricted	31	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060031	LA H General Needs & Sheltered - Unrestricted	32	EDGEHIRE	LNS15 TES	£68.65	£68.65	Secured	House	3			£42,400	£75,000
Lot A	10060033	LA H General Needs & Sheltered - Unrestricted	34	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060034	LA H General Needs & Sheltered - Unrestricted	35	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060035	LA H General Needs & Sheltered - Unrestricted	36	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060036	LA H General Needs & Sheltered - Unrestricted	37	EDGEHIRE	LNS15 TES	£86.73	£86.73	Assured	House	3			£54,400	£75,000
Lot A	10060037	LA H General Needs & Sheltered - Unrestricted	38	EDGEHIRE	LNS15 TES	£66.12	£66.12	Secured	House	2			£40,800	£65,000
Lot A	10060038	LA H General Needs & Sheltered - Unrestricted	39	EDGEHIRE	LNS15 TES	£65.55	£65.55	Assured	Flat	1			£32,700	£45,000
Lot A	10060040	LA H General Needs & Sheltered - Unrestricted	41	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060041	LA H General Needs & Sheltered - Unrestricted	42	EDGEHIRE	LNS15 TES	£86.73	£86.73	Assured	House	3			£54,400	£75,000
Lot A	10060042	LA H General Needs & Sheltered - Unrestricted	43	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060043	LA H General Needs & Sheltered - Unrestricted	44	EDGEHIRE	LNS15 TES	£70.28	£70.28	Shortltd	Flat	2			£36,300	£50,000
Lot A	10060044	LA H General Needs & Sheltered - Unrestricted	45	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060045	LA H General Needs & Sheltered - Unrestricted	46	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060046	LA H General Needs & Sheltered - Unrestricted	47	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060047	LA H General Needs & Sheltered - Unrestricted	48	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060049	LA H General Needs & Sheltered - Unrestricted	50	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060050	LA H General Needs & Sheltered - Unrestricted	51	EDGEHIRE	LNS15 TES	£71.52	£71.52	Starter Tenancy	Flat	2			£36,300	£50,000
Lot A	10060051	LA H General Needs & Sheltered - Unrestricted	52	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060052	LA H General Needs & Sheltered - Unrestricted	53	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060053	LA H General Needs & Sheltered - Unrestricted	54	EDGEHIRE	LNS15 TES	£65.37	£65.37	Starter Tenancy	Flat	1			£32,700	£45,000
Lot A	10060054	LA H General Needs & Sheltered - Unrestricted	55	EDGEHIRE	LNS15 TES	£65.37	£65.37	Assured	Flat	1			£32,700	£45,000
Lot A	10060055	LA H General Needs & Sheltered - Unrestricted	56	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060056	LA H General Needs & Sheltered - Unrestricted	57	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060057	LA H General Needs & Sheltered - Unrestricted	58	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060058	LA H General Needs & Sheltered - Unrestricted	59	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060059	LA H General Needs & Sheltered - Unrestricted	60	EDGEHIRE	LNS15 TES	£65.55	£65.55	Assured	Flat	2			£32,700	£45,000
Lot A	10060060	LA H General Needs & Sheltered - Unrestricted	61	EDGEHIRE	LNS15 TES	£56.46	£56.46	Secured	Flat	1			£30,400	£45,000
Lot A	10060061	LA H General Needs & Sheltered - Unrestricted	62	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060062	LA H General Needs & Sheltered - Unrestricted	63	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060063	LA H General Needs & Sheltered - Unrestricted	64	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060064	LA H General Needs & Sheltered - Unrestricted	65	EDGEHIRE	LNS15 TES	£71.52	£71.52	Assured	Flat	2			£36,300	£50,000
Lot A	10060065	LA H General Needs & Sheltered - Unrestricted	66	EDGEHIRE	LNS15 TES	£80.55	£80.55	Assured	House	2			£47,200	£65,000
Lot A	10060069	LA H General Needs & Sheltered - Unrestricted	70	EDGEHIRE	LNS15 TES	£65.37	£65.37	Assured	Flat	1			£32,700	£45,000
Lot A	10060070	LA H General Needs & Sheltered - Unrestricted	71	EDGEHIRE	LNS15 TES	£65.37	£65.37	Assured	Flat	1			£32,700	£45,000
Lot A	10060071	LA H General Needs & Sheltered - Unrestricted	72	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060072	LA H General Needs & Sheltered - Unrestricted	73	EDGEHIRE	LNS15 TES	£71.72	£71.72	Assured	Flat	2			£36,300	£50,000
Lot A	10060073	LA H General Needs & Sheltered - Unrestricted	74	EDGEHIRE	LNS15 TES	£65.37	£65.37	Assured	Flat	1			£32,700	£45,000
Lot A	10060074	LA H General Needs & Sheltered - Unrestricted	75	EDGEHIRE	LNS15 TES	£65.37	£65.37	Starter Tenancy	Flat	1			£32,700	£45,000
Lot A	10060075	LA H General Needs & Sheltered - Unrestricted	76	EDGEHIRE	LNS15 TES	£65.37	£65.37	Starter Tenancy	Flat	1			£32,700	£45,000
Lot A	10060076	LA H General Needs & Sheltered - Unrestricted	77	EDGEHIRE	LNS15 TES	£65.52	£65.52	Shortltd	Flat	1			£32,700	£45,000
Lot A	10060077	LA H General Needs & Sheltered - Unrestricted	78	EDGEHIRE	LNS15 TES	£65.55	£65.55	Assured	Flat	1			£32,700	£45,000
Lot A	10060078	LA H General Needs & Sheltered - Unrestricted	79	EDGEHIRE	LNS15 TES	£65.37	£65.37	Assured	Flat	1			£32,700	£45,000
Lot A	10060081	LA H General Needs & Sheltered - Unrestricted	82	EDGEHIRE	LNS15 TES	£80.34	£80.34	Assured	House	2			£47,200	£65,000
Lot A	10060082	LA H General Needs & Sheltered - Unrestricted	83	EDGEHIRE	LNS15 TES	£80.34	£80.34	Starter Tenancy	House	2			£47,200	£65,000
Lot A	10060083	LA H General Needs & Sheltered - Unrestricted	84	EDGEHIRE	LNS15 TES	£80.34								

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security – £725m Issue

	Property Ref (UPRN)	JLL Valuation Category	House No.	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Equity	Retained	EUV-SH	MV-T	MV-VP
Lot A	10149005	L & H General Needs & Sheltered - Unrestricted	6	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149007	L & H General Needs & Sheltered - Unrestricted	7	PENNY GARDENS	PE20 1HN	£60.87	£60.87	Secured	Bungalow	1				£37,600	£90,000
Lot A	10149008	L & H General Needs & Sheltered - Unrestricted	8	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149009	L & H General Needs & Sheltered - Unrestricted	9	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149010	L & H General Needs & Sheltered - Unrestricted	10	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149011	L & H General Needs & Sheltered - Unrestricted	11	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Starter Tenancy	Bungalow	1				£55,900	£90,000
Lot A	10149012	L & H General Needs & Sheltered - Unrestricted	12	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149013	L & H General Needs & Sheltered - Unrestricted	13	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149014	L & H General Needs & Sheltered - Unrestricted	14	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149015	L & H General Needs & Sheltered - Unrestricted	15	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	Bungalow	1				£55,900	£90,000
Lot A	10149016	L & H General Needs & Sheltered - Unrestricted	16	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Starter Tenancy	Flat	2				£50,800	£70,000
Lot A	10149017	L & H General Needs & Sheltered - Unrestricted	17	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Assured	Flat	2				£50,800	£70,000
Lot A	10149018	L & H General Needs & Sheltered - Unrestricted	18	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Assured	Flat	2				£50,800	£70,000
Lot A	10149019	L & H General Needs & Sheltered - Unrestricted	19	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Assured	Flat	2				£50,800	£70,000
Lot A	10149020	L & H General Needs & Sheltered - Unrestricted	20	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Starter Tenancy	Flat	2				£50,800	£70,000
Lot A	10149021	L & H General Needs & Sheltered - Unrestricted	21	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Assured	Flat	2				£50,800	£70,000
Lot A	10149022	L & H General Needs & Sheltered - Unrestricted	22	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Assured	Flat	2				£50,800	£70,000
Lot A	10149023	L & H General Needs & Sheltered - Unrestricted	23	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Starter Tenancy	Flat	2				£50,800	£70,000
Lot A	10149024	L & H General Needs & Sheltered - Unrestricted	24	PENNY GARDENS	PE20 1HN	£88.60	£88.60	Assured	House	4				£68,800	£110,000
Lot A	10149026	L & H General Needs & Sheltered - Unrestricted	26	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10149027	L & H General Needs & Sheltered - Unrestricted	27	PENNY GARDENS	PE20 1HN	£68.95	£68.95	Secured	House	3				£42,600	£95,000
Lot A	10149028	L & H General Needs & Sheltered - Unrestricted	28	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10149029	L & H General Needs & Sheltered - Unrestricted	29	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10149030	L & H General Needs & Sheltered - Unrestricted	30	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10149032	L & H General Needs & Sheltered - Unrestricted	32	PENNY GARDENS	PE20 1HN	£72.14	£72.14	Assured	House	3				£44,600	£110,000
Lot A	10149033	L & H General Needs & Sheltered - Unrestricted	33	PENNY GARDENS	PE20 1HN	£68.95	£68.95	Secured	House	3				£42,600	£95,000
Lot A	10149034	L & H General Needs & Sheltered - Unrestricted	34	PENNY GARDENS	PE20 1HN	£68.95	£68.95	Secured	House	3				£42,600	£95,000
Lot A	10149035	L & H General Needs & Sheltered - Unrestricted	36	PENNY GARDENS	PE20 1HN	£88.60	£88.60	Assured	House	4				£68,800	£110,000
Lot A	10149036	L & H General Needs & Sheltered - Unrestricted	37	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10149038	L & H General Needs & Sheltered - Unrestricted	39	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10149039	L & H General Needs & Sheltered - Unrestricted	40	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10149040	L & H General Needs & Sheltered - Unrestricted	41	PENNY GARDENS	PE20 1HN	£68.95	£68.95	Secured	House	3				£42,600	£95,000
Lot A	10149042	L & H General Needs & Sheltered - Unrestricted	43	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Starter Tenancy	House	3				£64,500	£95,000
Lot A	10149043	L & H General Needs & Sheltered - Unrestricted	44	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	House	3				£54,400	£75,000
Lot A	10149045	L & H General Needs & Sheltered - Unrestricted	46	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	House	1				£54,400	£75,000
Lot A	10149046	L & H General Needs & Sheltered - Unrestricted	47	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	House	1				£54,400	£75,000
Lot A	10149047	L & H General Needs & Sheltered - Unrestricted	48	PENNY GARDENS	PE20 1HN	£71.97	£71.97	Assured	House	1				£54,400	£75,000
Lot A	10177011	L & H General Needs & Sheltered - Unrestricted	34	SPRINGVALE	PE12 1QZ	£87.03	£87.03	Assured	House	3				£67,600	£120,000
Lot A	10177012	L & H General Needs & Sheltered - Unrestricted	35	SPRINGVALE	PE12 1QZ	£87.03	£87.03	Assured	House	3				£67,600	£120,000
Lot A	10654008	L & H General Needs & Sheltered - Unrestricted	10	SPRINGVALE	PE12 1QY	£87.03	£87.03	Assured	House	3				£67,600	£120,000
Lot A	10654009	L & H General Needs & Sheltered - Unrestricted	64	SPRINGVALE	PE12 1QZ	£87.03	£87.03	Starter Tenancy	House	3				£67,600	£120,000
Lot A	10741001	L & H General Needs & Sheltered - Unrestricted	2	PENNY GARDENS	PE20 1HN	£69.79	£69.79	Starter Tenancy	Flat	2				£50,800	£70,000
Lot A	10741002	L & H General Needs & Sheltered - Unrestricted	3	PENNY GARDENS	PE20 1HN	£83.07	£83.07	Assured	House	3				£64,500	£95,000
Lot A	10741003	L & H General Needs & Sheltered - Unrestricted	31	PENNY GARDENS	PE20 1HN	£88.60	£88.60	Assured	House	4				£68,800	£110,000
Lot A	10840001	L & H General Needs & Sheltered - Restricted	4	GARDENERS WALK	PE11 7LB	£77.52	£77.52	Assured	House	2		£36,500		£105,000	
Lot A	10840002	L & H General Needs & Sheltered - Restricted	6	GARDENERS WALK	PE11 7LB	£77.52	£77.52	Assured	House	2		£36,500		£105,000	
Lot A	10840003	L & H General Needs & Sheltered - Restricted	8	GARDENERS WALK	PE11 7LB	£77.52	£77.52	Assured	Bungalow	2		£36,500		£125,000	
Lot A	10840004	L & H General Needs & Sheltered - Restricted	10	GARDENERS WALK	PE11 7LB	£77.52	£77.52	Assured	Bungalow	2		£36,500		£125,000	
Lot A	10840001	L & H General Needs & Sheltered - Unrestricted	5	WESTFIELD CLOSE	PE11 7GQ	£83.07	£83.07	Assured	House	3				£64,500	£120,000
Lot A	10840002	L & H General Needs & Sheltered - Unrestricted	4	WESTFIELD CLOSE	PE11 7GQ	£83.07	£83.07	Assured	House	3				£64,500	£120,000
Lot A	10840003	L & H General Needs & Sheltered - Unrestricted	3	WESTFIELD CLOSE	PE11 7GQ	£83.07	£83.07	Assured	House	3				£64,500	£120,000
Lot A	10840004	L & H General Needs & Sheltered - Unrestricted	25	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	Bungalow	2				£58,900	£115,000
Lot A	10843002	L & H General Needs & Sheltered - Unrestricted	27	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	Bungalow	2				£58,900	£115,000
Lot A	10843003	L & H General Needs & Sheltered - Unrestricted	29	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	Bungalow	2				£58,900	£115,000
Lot A	10843004	L & H General Needs & Sheltered - Unrestricted	31	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	Bungalow	2				£58,900	£115,000
Lot A	10843005	L & H General Needs & Sheltered - Unrestricted	45	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	Bungalow	2				£58,900	£115,000
Lot A	10843006	L & H General Needs & Sheltered - Unrestricted	47	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	Bungalow	2				£58,900	£115,000
Lot A	10843007	L & H General Needs & Sheltered - Unrestricted	49	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	House	2				£58,900	£110,000
Lot A	10843008	L & H General Needs & Sheltered - Unrestricted	32	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	House	2				£58,900	£110,000
Lot A	10843009	L & H General Needs & Sheltered - Unrestricted	33	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	House	2				£58,900	£110,000
Lot A	10843010	L & H General Needs & Sheltered - Unrestricted	36	SHARMAN WAY	PE11 1US	£75.88	£75.88	Assured	House	2				£58,900	£110,000
Lot A	10845001	L & H General Needs & Sheltered - Unrestricted	1	FIR TREE LANE	NG32 3RX	£82.62	£82.62	Assured	House	3			£35,800	£100,000	
Lot A	10845002	L & H General Needs & Sheltered - Unrestricted	3	FIR TREE LANE	NG32 3RX	£82.62	£82.62	Assured	House	3				£100,000	
Lot A	10845003	L & H General Needs & Sheltered - Unrestricted	9	FIR TREE LANE	NG32 3RX	£82.62	£82.62	Assured	House	3				£100,000	
Lot A	10848001	L & H General Needs & Sheltered - Unrestricted	9	CHAUCER CLOSE	NG31 9EG	£77.07	£77.07	Assured	Bungalow	2				£59,800	£125,000
Lot A	10848002	L & H General Needs & Sheltered - Unrestricted	11	CHAUCER CLOSE	NG31 9EG	£77.07	£77.07	Assured	Bungalow	2				£59,800	£125,000
Lot A	10848003	L & H General Needs & Sheltered - Unrestricted	10	CHAUCER CLOSE	NG31 9EG	£77.07	£77.07	Assured	Bungalow	2				£59,800	£125,000
Lot A	10848004	L & H General Needs & Sheltered - Unrestricted	12	CHAUCER CLOSE	NG31 9EG	£77.07	£77.07	Assured	Bungalow	2				£59,800	£125,000
Lot A	10848005	L & H General Needs & Sheltered - Unrestricted	14	CHAUCER CLOSE	NG31 9EG	£77.07	£77.07	Assured	Bungalow	2				£59,800	£125,000
Lot A	10850001	L & H General Needs & Sheltered - Restricted	134	ST THOMAS ROAD	PE11 27J	£75.88	£75.88	Assured	House	2		£35,800		£100,000	
Lot A	10850002	L & H General Needs & Sheltered - Restricted	132	ST THOMAS ROAD	PE11 27J	£75.88	£75.88	Starter Tenancy	House	2				£100,000	
Lot A	10850003	L & H General Needs & Sheltered - Restricted	130	ST THOMAS ROAD	PE11 27J	£75.88	£75.88	Assured	House	2				£100,000	
Lot A	10850004	L & H General Needs & Sheltered - Restricted	128	ST THOMAS ROAD	PE11 27J	£75.88	£75.88	Assured	House	2				£100,000	
Lot A	10851001	L & H General Needs & Sheltered - Restricted	9	MILLERS REST	PE12 6UT	£75.88	£75.88	Assured	House	2				£110,000	
Lot A	10851002	L & H General Needs & Sheltered - Restricted	11	MILLERS REST	PE12 6UT	£75.88	£75.88	Assured	House	2				£110,000	
Lot A	10851003	L & H General Needs & Sheltered - Restricted	11	MILLERS REST	PE12 6UT	£75.88	£75.88	Assured	House	2				£110,000	
Lot A	10851004	L & H General Needs & Sheltered - Restricted	12	MILLERS REST	PE12 6UT	£75.88	£75.88	Assured	House	2				£110,000	
Lot A	10851005	L & H General Needs & Sheltered - Restricted	13	MILLERS REST	PE12 6UT	£75.88	£75.88	Assured	House	2				£110,000	
Lot A	10851006	L & H General Needs & Sheltered - Restricted	14	MILLERS REST	PE12 6UT	£75.88	£75.88	Starter Tenancy	House	2				£110,000	
Lot A	10851007	L & H General Needs & Sheltered - Restricted	15	MILLERS REST	PE12 6UT	£81.43	£81.43	Assured	House	3				£125,000	
Lot A	10851008	L & H General Needs & Sheltered - Restricted	16	MILLERS REST	PE12 6UT	£81.43	£81.43	Assured	House	3				£125,000	
Lot A	10851009	L & H General Needs & Sheltered - Restricted	17	MILLERS REST	PE12 6UT	£81.43	£81.43	Assured	House	3				£125,000	
Lot A	10851010	L & H General Needs & Sheltered - Restricted	18	MILLERS REST	PE12 6UT	£81.43	£81.43	Assured	House	3				£125,000	
Lot A	10851011	L & H General Needs & Sheltered - Restricted	19	MILLERS REST	PE12 6UT	£75.88	£75.88	Assured							

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (LPRN)	RL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Target Rent	Tenure Desc	Flat Type	JLL Beds	Retained Equity	ELV:SH	MV-T	MV:VP
Lot A	10874003		L & H General Needs & Sheltered - Unrestricted	12	BASIL DRIVE	PE38 9UH	£70.11	£70.11	Starter Tenancy	Flat	2		£54,400	£54,400	£90,000
Lot A	10874004		L & H General Needs & Sheltered - Unrestricted	148	BASIL DRIVE	PE38 9UH	£70.11	£70.11	Assured	Flat	2		£54,400	£54,400	£90,000
Lot A	10874005		L & H General Needs & Sheltered - Unrestricted	14A	BASIL DRIVE	PE38 9UH	£70.11	£70.11	Assured	Flat	2		£54,400	£54,400	£90,000
Lot A	10874006		L & H General Needs & Sheltered - Unrestricted	14C	BASIL DRIVE	PE38 9UH	£64.25	£64.25	Assured	Flat	1		£49,900	£49,900	£75,000
Lot A	10874007		L & H General Needs & Sheltered - Unrestricted	168	BASIL DRIVE	PE38 9UH	£70.11	£70.11	Assured	Flat	2		£54,400	£54,400	£90,000
Lot A	10874008		L & H General Needs & Sheltered - Unrestricted	16A	BASIL DRIVE	PE38 9UH	£70.11	£70.11	Assured	Flat	2		£54,400	£54,400	£90,000
Lot A	10874009		L & H General Needs & Sheltered - Unrestricted	16C	BASIL DRIVE	PE38 9UH	£64.25	£64.25	Assured	Flat	1		£49,900	£49,900	£75,000
Lot A	10874010		L & H General Needs & Sheltered - Unrestricted	188	BASIL DRIVE	PE38 9UH	£70.11	£70.11	Starter Tenancy	Flat	2		£54,400	£54,400	£90,000
Lot A	10874011		L & H General Needs & Sheltered - Unrestricted	18A	BASIL DRIVE	PE38 9UH	£70.11	£70.11	Assured	Flat	2		£54,400	£54,400	£90,000
Lot A	10874012		L & H General Needs & Sheltered - Unrestricted	18C	BASIL DRIVE	PE38 9UH	£64.25	£64.25	Assured	Flat	1		£49,900	£49,900	£75,000
Lot A	10875001		L & H General Needs & Sheltered - Unrestricted	1	ABEL CLOSE	PE6 8TN	£84.49	£84.49	Assured	House	3		£65,600	£65,600	£145,000
Lot A	10875002		L & H General Needs & Sheltered - Unrestricted	3	ABEL CLOSE	PE6 8TN	£84.49	£84.49	Assured	House	3		£65,600	£65,600	£145,000
Lot A	10875003		L & H General Needs & Sheltered - Unrestricted	5	ABEL CLOSE	PE6 8TH	£84.49	£84.49	Assured	House	3		£65,600	£65,600	£145,000
Lot A	10875004		L & H General Needs & Sheltered - Unrestricted	7	ABEL CLOSE	PE6 8TN	£84.49	£84.49	Assured	House	3		£65,600	£65,600	£145,000
Lot A	10875005		L & H General Needs & Sheltered - Unrestricted	12	ABEL CLOSE	PE6 8TN	£78.89	£78.89	Assured	House	2		£61,200	£61,200	£130,000
Lot A	10875006		L & H General Needs & Sheltered - Unrestricted	10	ABEL CLOSE	PE6 8TN	£78.89	£78.89	Starter Tenancy	House	2		£61,200	£61,200	£130,000
Lot A	10875007		L & H General Needs & Sheltered - Unrestricted	8	ABEL CLOSE	PE6 8TN	£78.89	£78.89	Assured	House	2		£61,200	£61,200	£130,000
Lot A	10875008		L & H General Needs & Sheltered - Unrestricted	6	ABEL CLOSE	PE6 8TN	£78.89	£78.89	Assured	House	2		£61,200	£61,200	£130,000
Lot A	10875009		L & H General Needs & Sheltered - Unrestricted	4	ABEL CLOSE	PE6 8TN	£84.49	£84.49	Assured	House	3		£65,600	£65,600	£145,000
Lot A	10875010		L & H General Needs & Sheltered - Unrestricted	2	ABEL CLOSE	PE6 8TN	£84.49	£84.49	Assured	House	3		£65,600	£65,600	£145,000
Lot A	10876001		L & H Rent to Homebuy	14	ABEL CLOSE	PE6 8TN	£113.23	£113.23	Shorthold	House	2		£76,800	£76,800	£130,000
Lot A	10876002		L & H Rent to Homebuy	16	ABEL CLOSE	PE6 8TH	£113.23	£113.23	Shorthold	House	2		£76,800	£76,800	£130,000
Lot A	10876003		L & H Rent to Homebuy	18	ABEL CLOSE	PE6 8TN	£113.23	£113.23	Shorthold	House	2		£76,800	£76,800	£130,000
Lot A	10885001		L & H General Needs & Sheltered - Restricted	62	BELVOIR GARDENS	NG31 8LG	£76.05	£76.05	Assured	Bungalow	2	£35,800	£120,000	£120,000	
Lot A	10885002		L & H General Needs & Sheltered - Restricted	64	BELVOIR GARDENS	NG31 8LG	£76.05	£76.05	Assured	Bungalow	2	£35,800	£120,000	£120,000	
Lot A	10885003		L & H General Needs & Sheltered - Restricted	66	BELVOIR GARDENS	NG31 8LG	£85.97	£85.97	Assured	House	3	£40,500	£130,000	£130,000	
Lot A	10885004		L & H General Needs & Sheltered - Restricted	68	BELVOIR GARDENS	NG31 8LG	£85.97	£85.97	Assured	House	3	£40,500	£130,000	£130,000	
Lot A	10885005		L & H General Needs & Sheltered - Restricted	70	BELVOIR GARDENS	NG31 8LG	£76.05	£76.05	Assured	Bungalow	2	£35,800	£120,000	£120,000	
Lot A	10885006		L & H General Needs & Sheltered - Restricted	72	BELVOIR GARDENS	NG31 8LG	£76.05	£76.05	Assured	Bungalow	2	£35,800	£120,000	£120,000	
Lot A	10885007		L & H General Needs & Sheltered - Restricted	83	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885008		L & H General Needs & Sheltered - Restricted	63	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885009		L & H General Needs & Sheltered - Restricted	79	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885010		L & H General Needs & Sheltered - Restricted	77	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885011		L & H General Needs & Sheltered - Restricted	75	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Starter Tenancy	House	2	£36,600	£115,000	£115,000	
Lot A	10885012		L & H General Needs & Sheltered - Restricted	73	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885013		L & H General Needs & Sheltered - Restricted	71	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885014		L & H General Needs & Sheltered - Restricted	69	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885015		L & H General Needs & Sheltered - Restricted	67	BELVOIR GARDENS	NG31 8LG	£85.97	£85.97	Assured	House	3	£40,500	£130,000	£130,000	
Lot A	10885016		L & H General Needs & Sheltered - Restricted	65	BELVOIR GARDENS	NG31 8LG	£85.97	£85.97	Assured	House	3	£40,500	£130,000	£130,000	
Lot A	10885017		L & H General Needs & Sheltered - Restricted	64	BELVOIR GARDENS	NG31 8LG	£85.97	£85.97	Assured	House	3	£40,500	£130,000	£130,000	
Lot A	10885018		L & H General Needs & Sheltered - Restricted	61	BELVOIR GARDENS	NG31 8LG	£85.97	£85.97	Assured	House	3	£40,500	£130,000	£130,000	
Lot A	10885019		L & H General Needs & Sheltered - Restricted	59	BELVOIR GARDENS	NG31 8LG	£85.97	£85.97	Assured	House	3	£40,500	£130,000	£130,000	
Lot A	10885020		L & H General Needs & Sheltered - Restricted	57	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885021		L & H General Needs & Sheltered - Restricted	55	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885022		L & H General Needs & Sheltered - Restricted	53	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10885023		L & H General Needs & Sheltered - Restricted	51	BELVOIR GARDENS	NG31 8LG	£77.68	£77.68	Assured	House	2	£36,600	£115,000	£115,000	
Lot A	10886001		L & H Shared Ownership	50	BELVOIR GARDENS	NG31 8LG	£32.26		Shared Owner	House	2	50%	£33,000	£57,500	
Lot A	10886002		L & H Shared Ownership	42	BELVOIR GARDENS	NG31 8LG	£41.94		Shared Owner	House	2	50%	£44,000	£77,500	
Lot A	10886003		L & H Shared Ownership	54	BELVOIR GARDENS	NG31 8LG	£2.63		Shared Owner	House	3	75%	£39,000	£67,500	
Lot A	10886004		L & H Shared Ownership	56	BELVOIR GARDENS	NG31 8LG	£36.47		Shared Owner	House	3	50%	£38,000	£65,000	
Lot A	10886005		L & H Shared Ownership	58	BELVOIR GARDENS	NG31 8LG	£33.67		Shared Owner	Bungalow	2	50%	£35,000	£60,000	
Lot A	10886006		L & H Shared Ownership	60	BELVOIR GARDENS	NG31 8LG	£36.86		Shared Owner	Bungalow	2	50%	£38,000	£66,000	
Lot A	10893001		L & H General Needs & Sheltered - Unrestricted	40	MILFIELD ROAD	LN4 3HZ		£76.39	Assured	House	2		£59,300	£59,300	
Lot A	10893002		L & H General Needs & Sheltered - Unrestricted	1	BARLEY CLOSE	LN4 3XB	£81.13	£81.13	Assured	House	3		£63,000	£115,000	
Lot A	10893003		L & H General Needs & Sheltered - Unrestricted	3	BARLEY CLOSE	LN4 3XB	£81.13	£81.13	Assured	House	3		£63,000	£115,000	
Lot A	10893004		L & H General Needs & Sheltered - Unrestricted	5	BARLEY CLOSE	LN4 3XB	£81.13	£81.13	Assured	House	3		£63,000	£115,000	
Lot A	10893005		L & H General Needs & Sheltered - Unrestricted	7	BARLEY CLOSE	LN4 3XB	£81.13	£81.13	Assured	House	3		£63,000	£115,000	
Lot A	10893006		L & H General Needs & Sheltered - Unrestricted	9	BARLEY CLOSE	LN4 3XB	£81.13	£81.13	Assured	House	3		£63,000	£115,000	
Lot A	10893007		L & H General Needs & Sheltered - Unrestricted	11	BARLEY CLOSE	LN4 3XB	£81.13	£81.13	Assured	House	3		£63,000	£115,000	
Lot A	10893008		L & H General Needs & Sheltered - Unrestricted	15	BARLEY CLOSE	LN4 3XB	£81.13	£81.13	Assured	House	3		£63,000	£115,000	
Lot A	10893009		L & H General Needs & Sheltered - Unrestricted	17	BARLEY CLOSE	LN4 3XB	£76.39	£76.39	Assured	House	2		£59,300	£105,000	
Lot A	10893010		L & H General Needs & Sheltered - Unrestricted	19	BARLEY CLOSE	LN4 3XB	£76.39	£76.39	Assured	House	2		£59,300	£105,000	
Lot A	10893011		L & H General Needs & Sheltered - Unrestricted	21	BARLEY CLOSE	LN4 3XB	£76.39	£76.39	Assured	House	2		£59,300	£105,000	
Lot A	10893012		L & H General Needs & Sheltered - Unrestricted	23	BARLEY CLOSE	LN4 3XB	£76.39	£76.39	Starter Tenancy	House	2		£59,300	£105,000	
Lot A	10894001		L & H Shared Ownership	32	MILFIELD ROAD	LN4 3HZ	£30.86		Shared Owner	House	2	50%	£32,000	£52,500	
Lot A	10894002		L & H Shared Ownership	34	MILFIELD ROAD	LN4 3HZ	£33.20		Shared Owner	House	2	50%	£35,000	£57,500	
Lot A	10894003		L & H Shared Ownership	36	MILFIELD ROAD	LN4 3HZ	£43.20		Shared Owner	House	2	70%	£45,000	£73,500	
Lot A	10894004		L & H Shared Ownership	38	MILFIELD ROAD	LN4 3HZ	£48.40		Shared Owner	House	2	75%	£50,000	£78,750	
Lot A	10895001		L & H General Needs & Sheltered - Unrestricted	8	ELDERFLOWER WAY	PE7 8RG	£102.40	£102.40	Assured	House	3		£79,500	£165,000	
Lot A	10895002		L & H General Needs & Sheltered - Unrestricted	9	ELDERFLOWER WAY	PE7 8RG	£102.40	£102.40	Assured	House	3		£79,500	£165,000	
Lot A	10895003		L & H General Needs & Sheltered - Unrestricted	10	ELDERFLOWER WAY	PE7 8RG	£102.40	£102.40	Assured	House	3		£79,500	£165,000	
Lot A	10895004		L & H General Needs & Sheltered - Unrestricted	11	ELDERFLOWER WAY	PE7 8RG	£102.40	£102.40	Assured	House	3		£79,500	£165,000	
Lot A	10895005		L & H General Needs & Sheltered - Unrestricted	12	ELDERFLOWER WAY	PE7 8RG	£102.40	£102.40	Assured	House	3		£79,500	£165,000	
Lot A	10895006		L & H General Needs & Sheltered - Unrestricted	26	FRESHWATER ROAD	PE7 8UJ	£108.77	£108.77	Assured	House	4		£84,400	£180,000	
Lot A	10895007		L & H General Needs & Sheltered - Unrestricted	14	FRESHWATER ROAD	PE7 8UJ	£108.77	£108.77	Assured	House	4		£84,400	£180,000	
Lot A	10895008		L & H General Needs & Sheltered - Unrestricted	15	ELDERFLOWER WAY	PE7 8RG	£92.01	£92.01	Assured	House	2		£71,400	£145,000	
Lot A	10895009		L & H General Needs & Sheltered - Unrestricted	14	ELDERFLOWER WAY	PE7 8RG	£92.01	£92.01	Assured	House	2		£71,400	£145,000	
Lot A	10895010		L & H General Needs & Sheltered - Unrestricted	7	ELDERFLOWER WAY	PE7 8RG	£87.57	£87.57	Assured	Flat	2		£68,000	£110,000	
Lot A	10895011		L & H General Needs & Sheltered - Unrestricted	6	ELDERFLOWER WAY	PE7 8RG	£87.57	£87.57	Assured	Flat	2		£68,000	£110,000	
Lot A	10895012		L & H General Needs & Sheltered - Unrestricted	5	ELDERFLOWER WAY	PE7 8RG	£87.57	£87.57	Assured	Flat	2		£68,000	£110,000	
Lot A	10896001		L & H General Needs & Sheltered - Unrestricted	56	WAYSIDE CRESCENT	PE7 8HX	£81.09								

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (UPRN)	IL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	IL Type	IL Refs	Retained Equity	FLV:SH	MV-T	MV-VP
Lot A	10900002		L & H General Needs & Sheltered - Unrestricted	18	BAY WALK	PE38 9WE	£92.88	£92.88	Assured	House	4			£72,100	£120,000
Lot A	10907001		L & H Shared Ownership	17	BAY WALK	PE38 9WE	£37.89		Shared Owner	House	3	50%	£39,000		£60,000
Lot A	10907002		L & H Shared Ownership	22	BAY WALK	PE38 9WE	£48.50		Shared Owner	House	2	70%	£50,000		£73,500
Lot A	10907003		L & H Shared Ownership	24	BAY WALK	PE38 9WE	£51.97		Shared Owner	House	2	75%	£54,000		£78,500
Lot A	10915001		L & H General Needs & Sheltered - Unrestricted	6	TEAL DRIVE	PE7 8PA	£102.40	£102.40	Assured	House	3			£79,500	£165,000
Lot A	10915002		L & H General Needs & Sheltered - Unrestricted	8	TEAL DRIVE	PE7 8PA	£102.40	£102.40	Assured	House	3			£79,500	£165,000
Lot A	10915003		L & H General Needs & Sheltered - Unrestricted	11	TEAL DRIVE	PE7 8PA	£95.08	£95.08	Starter Tenancy	House	2			£73,800	£145,000
Lot A	10915004		L & H General Needs & Sheltered - Unrestricted	9	TEAL DRIVE	PE7 8PA	£95.08	£95.08	Assured	House	2			£73,800	£145,000
Lot A	10915005		L & H General Needs & Sheltered - Unrestricted	7	TEAL DRIVE	PE7 8PA	£95.08	£95.08	Assured	House	2			£73,800	£145,000
Lot A	10915006		L & H General Needs & Sheltered - Unrestricted	5	TEAL DRIVE	PE7 8PA	£102.40	£102.40	Assured	House	3			£79,500	£165,000
Lot A	10915007		L & H General Needs & Sheltered - Unrestricted	3	TEAL DRIVE	PE7 8PA	£102.40	£102.40	Assured	House	3			£79,500	£165,000
Lot A	10916001		L & H General Needs & Sheltered - Unrestricted	7	GREAT NORTHERN GARDENS	PE10 9EH	£90.11	£90.11	Assured	House	3			£69,900	£135,000
Lot A	10916002		L & H General Needs & Sheltered - Unrestricted	9	GREAT NORTHERN GARDENS	PE10 9EH	£90.11	£90.11	Assured	House	3			£69,900	£135,000
Lot A	10916003		L & H General Needs & Sheltered - Unrestricted	11	GREAT NORTHERN GARDENS	PE10 9EH	£90.11	£90.11	Assured	House	3			£69,900	£135,000
Lot A	10916004		L & H General Needs & Sheltered - Unrestricted	15	GREAT NORTHERN GARDENS	PE10 9EH	£77.70	£77.70	Assured	House	2			£60,300	£100,000
Lot A	10916005		L & H General Needs & Sheltered - Unrestricted	17	GREAT NORTHERN GARDENS	PE10 9EH	£87.50	£87.50	Assured	House	2			£60,300	£100,000
Lot A	10916006		L & H General Needs & Sheltered - Unrestricted	19	GREAT NORTHERN GARDENS	PE10 9EH	£87.50	£87.50	Assured	House	3			£67,900	£135,000
Lot A	10916007		L & H General Needs & Sheltered - Unrestricted	21	GREAT NORTHERN GARDENS	PE10 9EH	£87.50	£87.50	Assured	House	3			£67,900	£135,000
Lot A	10916008		L & H General Needs & Sheltered - Unrestricted	23	GREAT NORTHERN GARDENS	PE10 9EH	£87.50	£87.50	Assured	House	3			£67,900	£135,000
Lot A	10916009		L & H General Needs & Sheltered - Unrestricted	25	GREAT NORTHERN GARDENS	PE10 9EH	£87.50	£87.50	Starter Tenancy	House	3			£67,900	£135,000
Lot A	10931001		L & H General Needs & Sheltered - Restricted	2	HARROW DRIVE	PE25 1GJ	£85.71	£85.71	Assured	Bungalow	3		£40,400		£150,000
Lot A	10931002		L & H General Needs & Sheltered - Restricted	3	HARROW DRIVE	PE25 1GJ	£85.71	£85.71	Assured	Bungalow	3		£40,400		£150,000
Lot A	10931003		L & H General Needs & Sheltered - Restricted	4	HARROW DRIVE	PE25 1GJ	£85.71	£85.71	Assured	Bungalow	3		£40,400		£150,000
Lot A	10931004		L & H General Needs & Sheltered - Restricted	5	HARROW DRIVE	PE25 1GJ	£79.99	£79.99	Assured	Bungalow	2			£37,700	£125,000
Lot A	10931005		L & H General Needs & Sheltered - Restricted	6	HARROW DRIVE	PE25 1GJ	£79.99	£79.99	Assured	Bungalow	2			£37,700	£125,000
Lot A	10931006		L & H General Needs & Sheltered - Restricted	7	HARROW DRIVE	PE25 1GJ	£79.99	£79.99	Assured	Bungalow	2			£37,700	£125,000
Lot A	10931007		L & H General Needs & Sheltered - Restricted	6	BLENHEIM CLOSE	PE25 1GQ	£79.99	£79.99	Assured	Bungalow	2			£37,700	£125,000
Lot A	10931008		L & H General Needs & Sheltered - Restricted	2	BLENHEIM CLOSE	PE25 1GQ	£85.71	£85.71	Assured	Bungalow	3		£40,400		£150,000
Lot A	11012001		L & H General Needs & Sheltered - Unrestricted	1	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012002		L & H General Needs & Sheltered - Unrestricted	2	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012003		L & H General Needs & Sheltered - Unrestricted	3	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012004		L & H General Needs & Sheltered - Unrestricted	4	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012005		L & H General Needs & Sheltered - Unrestricted	5	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012006		L & H General Needs & Sheltered - Unrestricted	6	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012007		L & H General Needs & Sheltered - Unrestricted	7	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Starter Tenancy	Flat	1			£27,200	£37,500
Lot A	11012008		L & H General Needs & Sheltered - Unrestricted	8	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012009		L & H General Needs & Sheltered - Unrestricted	9	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012010		L & H General Needs & Sheltered - Unrestricted	10	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012011		L & H General Needs & Sheltered - Unrestricted	11	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012012		L & H General Needs & Sheltered - Unrestricted	12	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012013		L & H General Needs & Sheltered - Unrestricted	12A	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012014		L & H General Needs & Sheltered - Unrestricted	14	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012015		L & H General Needs & Sheltered - Unrestricted	15	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012016		L & H General Needs & Sheltered - Unrestricted	16	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012017		L & H General Needs & Sheltered - Unrestricted	17	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012018		L & H General Needs & Sheltered - Unrestricted	18	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012019		L & H General Needs & Sheltered - Unrestricted	19	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012020		L & H General Needs & Sheltered - Unrestricted	20	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012021		L & H General Needs & Sheltered - Unrestricted	21	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012022		L & H General Needs & Sheltered - Unrestricted	22	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012023		L & H General Needs & Sheltered - Unrestricted	23	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot A	11012024		L & H General Needs & Sheltered - Unrestricted	24	FRANK WALSHAM COURT	DN32 7NN	£65.37	£65.37	Assured	Flat	1			£27,200	£37,500
Lot B	71280050		Spire General Needs & Sheltered - Restricted	50	Rectory Gardens	DN19 2LA	£86.23		Assured	Flat	1		£34,500		£70,000
Lot B	7005000010		Spire General Needs & Sheltered - Restricted	1	Acreead	PE8 6TP	£85.72	£94.22	Shelt.Ten.Prese	Bungalow	2		£46,100		£125,000
Lot B	7005000020		Spire General Needs & Sheltered - Restricted	2	Acreead	PE8 6TP	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900		£125,000
Lot B	7005000030		Spire General Needs & Sheltered - Restricted	3	Acreead	PE8 6TP	£94.22	£94.22	Shelt.Ten.Prese	Bungalow	2		£50,600		£125,000
Lot B	7005000040		Spire General Needs & Sheltered - Restricted	4	Acreead	PE8 6TP	£87.07	£94.22	Shelt.Ten.Prese	Bungalow	2		£46,800		£125,000
Lot B	7005000050		Spire General Needs & Sheltered - Restricted	5	Acreead	PE8 6TP	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900		£125,000
Lot B	7005000060		Spire General Needs & Sheltered - Restricted	6	Acreead	PE8 6TP	£89.94	£89.94	Assured	Flat	2		£41,900		£85,000
Lot B	7005000070		Spire General Needs & Sheltered - Restricted	7	Acreead	PE8 6TP	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900		£125,000
Lot B	7005000080		Spire General Needs & Sheltered - Restricted	8	Acreead	PE8 6TP	£93.18	£94.22	Supp.Ten.Assure	Flat	2		£41,900		£85,000
Lot B	7005000090		Spire General Needs & Sheltered - Restricted	9	Acreead	PE8 6TP	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900		£125,000
Lot B	7005000100		Spire General Needs & Sheltered - Restricted	10	Acreead	PE8 6TP	£93.18	£94.22	Supp.Ten.Assure	Flat	2		£41,900		£85,000
Lot B	7005000160		Spire General Needs & Sheltered - Restricted	16	Acreead	PE8 6TP	£75.46	£94.22	Shelt.Ten.Prese	Flat	2		£40,200		£85,000
Lot B	7005000180		Spire General Needs & Sheltered - Restricted	18	Acreead	PE8 6TP	£75.46	£94.22	Supp.Ten.Assure	Flat	2		£41,900		£85,000
Lot B	7005000190		Spire General Needs & Sheltered - Restricted	19	Acreead	PE8 6TP	£88.06	£94.22	Preserved Right	Flat	3		£47,300		£160,000
Lot B	7005000200		Spire General Needs & Sheltered - Restricted	20	Acreead	PE8 6TP	£75.46	£89.94	Preserved Right	Flat	2		£40,200		£85,000
Lot B	7005000260		Spire General Needs & Sheltered - Restricted	26	Acreead	PE8 6TP	£92.43	£97.06	Preserved Right	House	3		£49,700		£160,000
Lot B	7007000190		Spire General Needs & Sheltered - Restricted	19	Adnitt Road	NN10 9TR	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£39,600		£85,000
Lot B	7007000210		Spire General Needs & Sheltered - Restricted	21	Adnitt Road	NN10 9TR	£87.63	£90.33	Shelt.Ten.Prese	Bungalow	1		£47,100		£100,000
Lot B	7007000230		Spire General Needs & Sheltered - Restricted	23	Adnitt Road	NN10 9TR	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£39,600		£85,000
Lot B	7007000250		Spire General Needs & Sheltered - Restricted	25	Adnitt Road	NN10 9TR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7007000270		Spire General Needs & Sheltered - Restricted	27	Adnitt Road	NN10 9TR	£87.63	£90.33	Shelt.Ten.Prese	Bungalow	2		£47,100		£100,000
Lot B	7007000290		Spire General Needs & Sheltered - Restricted	29	Adnitt Road	NN10 9TR	£87.63	£90.33	Shelt.Ten.Prese	Bungalow	2		£47,100		£100,000
Lot B	7007000310		Spire General Needs & Sheltered - Restricted	31	Adnitt Road	NN10 9TR	£88.77	£90.33	Shelt.Ten.Prese	Bungalow	2		£47,300		£100,000
Lot B	7009000220		Spire General Needs & Sheltered - Restricted	22	Allied Drive	NN14 4IQ	£90.35	£94.22	Supp.Ten.Assure	Bungalow	2		£53,300		£110,000
Lot B	7009000240		Spire General Needs & Sheltered - Restricted	24	Allied Drive	NN14 4IQ	£74.46	£87.52	Shelt.Ten.Prese	Bungalow	1		£37,900		£80,000
Lot B	7009000260		Spire General Needs & Sheltered - Restricted	26	Allied Drive	NN14 4IQ	£90.35	£94.22	Supp.Ten.Assure	Bungalow	2		£53,300		£110,000
Lot B	7009000280		Spire General Needs & Sheltered - Restricted	28	Allied Drive	NN14 4IQ	£80.92	£87.52	Shelt.Ten.Prese	Bungalow	2		£37,900		£80,000
Lot B	7009000310		Spire General Needs & Sheltered - Restricted	39	Allied Drive	NN14 4IQ	£79.32	£94.22	Shelt.Ten.Prese	Bungalow	2		£42,600		£110,000
Lot B	7009000410		Spire General Needs & Sheltered - Restricted	41	Allied Drive	NN14 4IQ	£90.35	£94.22	Supp.Ten.Assure	Bungalow	2		£53,300		£110,000
Lot B	7009000430		Spire General Needs & Sheltered - Restricted	43	Allied Drive	NN14 4IQ	£90.35	£94.22	Supp.Ten.Assure	Bungalow	2		£53,300		£110,000
Lot B	7009000450		Spire General Needs & Sheltered - Restricted	45	Allied Drive	NN14 4IQ									

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref	Property Ref (LPRN)	JLL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Retained Equity	ELUV SH	MV-T	MV-VP
Lot B	7015500200	Spire General Needs & Sheltered - Unrestricted	20	Arden Close	NN18 8FY	£95.18	£101.55	Assured	House	3			£67,300	£130,000
Lot B	7015500220	Spire General Needs & Sheltered - Unrestricted	22	Arden Close	NN18 8FY	£84.91	£88.00	Assured	Flat	2			£55,700	£75,000
Lot B	7015500240	Spire General Needs & Sheltered - Unrestricted	24	Arden Close	NN18 8FY	£87.11	£88.00	Assured	Flat	2			£55,700	£75,000
Lot B	7015500460	Spire General Needs & Sheltered - Unrestricted	46	Arden Close	NN18 8FY	£85.64	£88.00	Assured	House	2			£160,500	£120,000
Lot B	7015500480	Spire General Needs & Sheltered - Unrestricted	48	Arden Close	NN18 8FY	£88.00	£88.00	Introd. Tenancy	Flat	2			£55,700	£75,000
Lot B	7015500500	Spire General Needs & Sheltered - Unrestricted	50	Arden Close	NN18 8FY	£85.64	£88.00	Assured	House	2			£60,500	£120,000
Lot B	7015500520	Spire General Needs & Sheltered - Unrestricted	52	Arden Close	NN18 8FY	£95.92	£101.55	Assured	House	3			£67,800	£130,000
Lot B	7015500540	Spire General Needs & Sheltered - Unrestricted	54	Arden Close	NN18 8FY	£92.42	£101.55	Assured	House	3			£69,600	£130,000
Lot B	7016000400	Spire General Needs & Sheltered - Restricted	40	Ashfield Avenue	NN9 6DY	£77.65		Preserved Right	Bungalow	1	£41,700			£95,000
Lot B	7016000420	Spire General Needs & Sheltered - Restricted	42	Ashfield Avenue	NN9 6DY	£79.65	£81.35	Supp.Ten.Assure	Bungalow	1	£46,900			£95,000
Lot B	7016000460	Spire General Needs & Sheltered - Restricted	46	Ashfield Avenue	NN9 6DY	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7016000630	Spire General Needs & Sheltered - Restricted	63	Ashfield Avenue	NN9 6DX	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7016000690	Spire General Needs & Sheltered - Restricted	69	Ashfield Avenue	NN9 6DX	£92.58	£94.50	Preserved Right	House	3	£49,800			£120,000
Lot B	7016000730	Spire General Needs & Sheltered - Restricted	73	Ashfield Avenue	NN9 6DX	£90.12	£94.50	Preserved Right	House	3	£48,400			£120,000
Lot B	7016000750	Spire General Needs & Sheltered - Restricted	75	Ashfield Avenue	NN9 6DX	£92.58	£94.50	Preserved Right	House	3	£49,800			£120,000
Lot B	7016000770	Spire General Needs & Sheltered - Restricted	77	Ashfield Avenue	NN9 6DX	£88.23	£90.33	Supp.Ten.Assure	Bungalow	2	£51,800			£105,000
Lot B	7017000010	Spire General Needs & Sheltered - Restricted	1	Aughton Road	PE8 4BY	£93.47	£97.06	Preserved Right	House	3	£51,900			£190,000
Lot B	7017000040	Spire General Needs & Sheltered - Restricted	4	Aughton Road	PE8 4BY	£90.31	£97.06	Preserved Right	House	3	£51,900			£190,000
Lot B	7017000060	Spire General Needs & Sheltered - Restricted	6	Aughton Road	PE8 4BY	£97.06	£97.06	Assured	House	3	£57,200			£190,000
Lot B	7017000090	Spire General Needs & Sheltered - Restricted	9	Aughton Road	PE8 4BY	£97.06	£97.06	Assured	House	3	£57,200			£190,000
Lot B	7017000110	Spire General Needs & Sheltered - Restricted	11	Aughton Road	PE8 4BY	£87.86	£97.06	Preserved Right	House	3	£51,900			£190,000
Lot B	7017000120	Spire General Needs & Sheltered - Restricted	12	Aughton Road	PE8 4BY	£97.06		Assured	House	3	£57,200			£190,000
Lot B	7018000270	Spire General Needs & Sheltered - Restricted	27	Back Lane	NN14 4DR	£66.49	£77.65	Assured	Bungalow	1	£39,200			£80,000
Lot B	7018000290	Spire General Needs & Sheltered - Restricted	29	Back Lane	NN14 4DR	£70.59	£77.65	Preserved Right	Bungalow	1	£37,900			£80,000
Lot B	7018000310	Spire General Needs & Sheltered - Restricted	31	Back Lane	NN14 4DR	£77.65	£77.65	Assured	Bungalow	1	£39,500			£80,000
Lot B	7018000330	Spire General Needs & Sheltered - Restricted	33	Back Lane	NN14 4DR	£77.65	£77.65	Introd.Tenancy	Bungalow	1	£39,500			£80,000
Lot B	7018000370	Spire General Needs & Sheltered - Restricted	37	Back Lane	NN14 4DR	£86.23	£86.23	Assured	House	2	£50,800			£110,000
Lot B	7019000060	Spire General Needs & Sheltered - Restricted	6	Baker Street	NN9 5PR	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2	£53,200			£110,000
Lot B	7019000080	Spire General Needs & Sheltered - Restricted	8	Baker Street	NN9 5PR	£81.34	£90.33	Shelt.Ten.Prese	Bungalow	2	£43,700			£110,000
Lot B	7019000100	Spire General Needs & Sheltered - Restricted	10	Baker Street	NN9 5PR	£85.60	£90.33	Shelt.Ten.Prese	Bungalow	2	£46,000			£110,000
Lot B	7019000120	Spire General Needs & Sheltered - Restricted	12	Baker Street	NN9 5PR	£90.33	£90.33	Shelt.Ten.Prese	Flat	2	£48,500			£110,000
Lot B	7019000260	Spire General Needs & Sheltered - Restricted	26	Baker Street	NN9 5PR	£86.23	£86.23	Introd.Tenancy	Flat	2	£34,500			£70,000
Lot B	7019000280	Spire General Needs & Sheltered - Restricted	28	Baker Street	NN9 5PR	£76.91	£90.33	Shelt.Ten.Prese	Flat	2	£33,100			£70,000
Lot B	7019000300	Spire General Needs & Sheltered - Restricted	30	Baker Street	NN9 5PR	£86.23	£86.23	Assured	Flat	2	£34,500			£70,000
Lot B	7019000340	Spire General Needs & Sheltered - Restricted	34	Baker Street	NN9 5PR	£82.49	£90.33	Preserved Right	Flat	2	£33,100			£70,000
Lot B	7019000360	Spire General Needs & Sheltered - Restricted	36	Baker Street	NN9 5PR	£76.71	£90.33	Shelt.Ten.Prese	Flat	2	£33,100			£70,000
Lot B	7019000380	Spire General Needs & Sheltered - Restricted	38	Baker Street	NN9 5PR	£76.71	£90.33	Shelt.Ten.Prese	Flat	2	£33,100			£70,000
Lot B	7019000400	Spire General Needs & Sheltered - Restricted	40	Baker Street	NN9 5PR	£86.23	£86.23	Assured	Flat	2	£34,500			£70,000
Lot B	7019000420	Spire General Needs & Sheltered - Restricted	42	Baker Street	NN9 5PR	£86.23	£86.23	Introd.Tenancy	Flat	2	£34,500			£70,000
Lot B	7019000440	Spire General Needs & Sheltered - Restricted	44	Baker Street	NN9 5PR	£90.33	£90.33	Supp.Ten.Assure	Flat	2	£34,500			£70,000
Lot B	7019000480	Spire General Needs & Sheltered - Restricted	48	Baker Street	NN9 5PR	£86.23	£86.23	Assured	Flat	2	£34,500			£70,000
Lot B	7020000020	Spire General Needs & Sheltered - Restricted	2	Balmoral Avenue	NN10 0BE	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7020000080	Spire General Needs & Sheltered - Restricted	8	Balmoral Avenue	NN10 0BE	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000140	Spire General Needs & Sheltered - Restricted	14	Balmoral Avenue	NN10 0BE	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000280	Spire General Needs & Sheltered - Restricted	28	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000320	Spire General Needs & Sheltered - Restricted	32	Balmoral Avenue	NN10 0BU	£86.23	£86.23	Preserved Right	House	2	£46,300			£105,000
Lot B	7020000340	Spire General Needs & Sheltered - Restricted	34	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000350	Spire General Needs & Sheltered - Restricted	35	Balmoral Avenue	NN10 0BE	£93.62	£93.62	Assured	House	3	£50,300			£120,000
Lot B	7020000390	Spire General Needs & Sheltered - Restricted	39	Balmoral Avenue	NN10 0BE	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000440	Spire General Needs & Sheltered - Restricted	44	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000500	Spire General Needs & Sheltered - Restricted	50	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7020000710	Spire General Needs & Sheltered - Restricted	71	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7020000730	Spire General Needs & Sheltered - Restricted	73	Balmoral Avenue	NN10 0BU	£98.08	£98.08	Shelt.Ten.Prese	House	3	£52,700			£120,000
Lot B	7020000750	Spire General Needs & Sheltered - Restricted	75	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000850	Spire General Needs & Sheltered - Restricted	85	Balmoral Avenue	NN10 0BU	£86.23	£86.23	Assured	House	2	£50,800			£105,000
Lot B	7020000890	Spire General Needs & Sheltered - Restricted	89	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7020000950	Spire General Needs & Sheltered - Restricted	95	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020000970	Spire General Needs & Sheltered - Restricted	97	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020001030	Spire General Needs & Sheltered - Restricted	103	Balmoral Avenue	NN10 0BU	£93.62	£93.62	Preserved Right	House	3	£50,300			£120,000
Lot B	7020001050	Spire General Needs & Sheltered - Restricted	105	Balmoral Avenue	NN10 0BU	£86.23	£86.23	Introd.Tenancy	House	2	£50,800			£105,000
Lot B	7021000050	Spire General Needs & Sheltered - Restricted	5	Barwards Way	NN14 3JE	£90.72	£90.72	Assured	Flat	2	£37,000			£75,000
Lot B	7021000090	Spire General Needs & Sheltered - Restricted	9	Barwards Way	NN14 3JE	£90.72	£90.72	Assured	Flat	2	£37,000			£75,000
Lot B	7021001010	Spire General Needs & Sheltered - Restricted	11	Barwards Way	NN14 3JE	£78.01	£90.72	Preserved Right	Bungalow	2	£41,900			£130,000
Lot B	7022000010	Spire General Needs & Sheltered - Restricted	1	Barrett Close	NN10 8HG	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1	£37,000			£75,000
Lot B	7022000020	Spire General Needs & Sheltered - Restricted	2	Barrett Close	NN10 8HG	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1	£37,000			£75,000
Lot B	7022000030	Spire General Needs & Sheltered - Restricted	3	Barrett Close	NN10 8HG	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1	£37,000			£75,000
Lot B	7022000040	Spire General Needs & Sheltered - Restricted	4	Barrett Close	NN10 8HG	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2	£41,900			£85,000
Lot B	7022000050	Spire General Needs & Sheltered - Restricted	5	Barrett Close	NN10 8HG	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2	£41,900			£85,000
Lot B	7022000060	Spire General Needs & Sheltered - Restricted	6	Barrett Close	NN10 8HG	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1	£35,500			£75,000
Lot B	7022000070	Spire General Needs & Sheltered - Restricted	7	Barrett Close	NN10 8HG	£88.77	£90.33	Shelt.Ten.Prese	Bungalow	1	£40,200			£85,000
Lot B	7022000080	Spire General Needs & Sheltered - Restricted	8	Barrett Close	NN10 8HG	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1	£35,500			£75,000
Lot B	7022000090	Spire General Needs & Sheltered - Restricted	9	Barrett Close	NN10 8HG	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2	£41,900			£85,000
Lot B	7022000100	Spire General Needs & Sheltered - Restricted	10	Barrett Close	NN10 8HG	£97.22	£98.08	Shelt.Ten.Prese	Bungalow	3	£52,200			£115,000
Lot B	7022500090	Spire General Needs & Sheltered - Unrestricted	9	Beckworth Grove	LE15 8PL	£87.34	£90.24	Assured	House	2	£64,300	£64,300		£145,000
Lot B	7022500110	Spire General Needs & Sheltered - Unrestricted	11	Beckworth Grove	LE15 8PL	£87.34	£90.24	Introd.Tenancy	House	2	£64,300	£64,300		£145,000
Lot B	7022500130	Spire General Needs & Sheltered - Unrestricted	13	Beckworth Grove	LE15 8PL	£90.24	£90.24	Assured	House	2	£64,300	£64,300		£145,000
Lot B	7022500140	Spire Shared Ownership	14	Beckworth Grove	LE15 8PL	£74.77		Shared Ownership	House	3	75%	£80,000		£131,250
Lot B	7022500150	Spire General Needs & Sheltered - Unrestricted	15	Beckworth Grove	LE15 8PL	£87.34	£90.24	Assured	House	2	£64,300	£64,300		£145,000
Lot B	7022500160	Spire General Needs & Sheltered - Unrestricted	16	Beckworth Grove	LE15 8PL	£89.66		Assured	House	3	£77,600	£77,600		£175,000
Lot B	7022500170	Spire General Needs & Sheltered - Unrestricted	17	Beckworth Grove	LE15 8PL	£87.34	£90.24	Assured	House	2	£64,300	£64,300		£145,000
Lot B	7022500180	Spire Shared Ownership	18	Beckworth Grove	LE15 8PL	£45.68		Shared Ownership	House	2	50%	£49,000		£72,500
Lot B	7022500190	Spire General Needs & Sheltered - Unrestricted	19	Beckworth Grove	LE15 8PL	£87.34	£90.24	Assured	House	2	£64,300	£64,300		£145,000
Lot B	7022500200	Spire Shared Ownership	20	Beckworth Grove	LE15 8PL	£68.52		Shared Ownership	House	2	75%	£73,000		£108,750
Lot B	7022500210	Spire General Needs & Sheltered - Unrestricted	21	Beckworth Grove	LE15 8PL	£87.34	£90.24	Assured	House	2	£64,300	£64,300		£145,000
Lot B	7022500220	Spire Shared Ownership	22	Beckworth Grove	LE15 8PL	£45.68		Shared Ownership	House	2	50%	£49,000		£72,500
Lot B	7022500240	Spire Shared Ownership	24	Beckworth Grove	LE15 8PL	£68.52								

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot ref	Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	JL Refs	Retained Equity	FLUV SH	MV-T	MV-VP
Lot B	7010000530	Spire General Needs & Sheltered - Restricted	53	Blinco Road	NN10 0EA	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7010000570	Spire General Needs & Sheltered - Restricted	57	Blinco Road	NN10 0EA	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7010000690	Spire General Needs & Sheltered - Restricted	69	Blinco Road	NN10 0EA	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7010000740	Spire General Needs & Sheltered - Restricted	74	Blinco Road	NN10 0EA	£93.62	£93.62	Assured	House	3		£51,200		£120,000
Lot B	7011000300	Spire General Needs & Sheltered - Restricted	3	Board Street	NN9 5TP	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7011000500	Spire General Needs & Sheltered - Restricted	5	Board Street	NN9 5TP	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7011000700	Spire General Needs & Sheltered - Restricted	7	Board Street	NN9 5TP	£79.90	£77.65	Preserved Right	Flat	1		£23,700		£50,000
Lot B	7011001100	Spire General Needs & Sheltered - Restricted	11	Board Street	NN9 5TP	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7011001130	Spire General Needs & Sheltered - Restricted	13	Board Street	NN9 5TP	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7011001500	Spire General Needs & Sheltered - Restricted	15	Board Street	NN9 5TP	£82.57	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7011001700	Spire General Needs & Sheltered - Restricted	17	Board Street	NN9 5TP	£80.19	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7011001900	Spire General Needs & Sheltered - Restricted	19	Board Street	NN9 5TP	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7011002100	Spire General Needs & Sheltered - Restricted	21	Board Street	NN9 5TP	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7012000010	Spire General Needs & Sheltered - Restricted	1	Borough Court	NN10 8AQ	£88.77	£90.33	Supp.Ten.Assure	Flat	2		£34,500		£70,000
Lot B	7012000020	Spire General Needs & Sheltered - Restricted	2	Borough Court	NN10 8AQ	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7012000300	Spire General Needs & Sheltered - Restricted	3	Borough Court	NN10 8AQ	£88.77	£90.33	Shelt.Ten.Prese	Flat	2		£33,100		£70,000
Lot B	7012000400	Spire General Needs & Sheltered - Restricted	4	Borough Court	NN10 8AQ	£86.25	£86.25	Introd.Tenancy	Flat	2		£34,500		£70,000
Lot B	7012000500	Spire General Needs & Sheltered - Restricted	5	Borough Court	NN10 8AQ	£70.35	£70.35	Preserved Right	Flat	1		£26,000		£55,000
Lot B	7012000600	Spire General Needs & Sheltered - Restricted	6	Borough Court	NN10 8AQ	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7012000700	Spire General Needs & Sheltered - Restricted	7	Borough Court	NN10 8AQ	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7012000800	Spire General Needs & Sheltered - Restricted	8	Borough Court	NN10 8AQ	£70.35	£70.35	Assured	Flat	1		£27,100		£55,000
Lot B	7012000900	Spire General Needs & Sheltered - Restricted	9	Borough Court	NN10 8AQ	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7012001000	Spire General Needs & Sheltered - Restricted	10	Borough Court	NN10 8AQ	£88.77	£90.33	Shelt.Ten.Prese	Flat	2		£33,100		£70,000
Lot B	7012001100	Spire General Needs & Sheltered - Restricted	11	Borough Court	NN10 8AQ	£88.77	£90.33	Supp.Ten.Assure	Flat	2		£34,500		£70,000
Lot B	7012001200	Spire General Needs & Sheltered - Restricted	12	Borough Court	NN10 8AQ	£86.23	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7012001400	Spire General Needs & Sheltered - Restricted	14	Borough Court	NN10 8AQ	£86.23	£86.23	Introd.Tenancy	Flat	2		£34,500		£70,000
Lot B	7012001500	Spire General Needs & Sheltered - Restricted	15	Borough Court	NN10 8AQ	£86.05	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7012001600	Spire General Needs & Sheltered - Restricted	16	Borough Court	NN10 8AQ	£90.33	£90.33	Supp.Ten.Assure	Flat	2		£34,500		£70,000
Lot B	7012001700	Spire General Needs & Sheltered - Restricted	17	Borough Court	NN10 8AQ	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7012001800	Spire General Needs & Sheltered - Restricted	18	Borough Court	NN10 8AQ	£86.23	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7012001900	Spire General Needs & Sheltered - Restricted	19	Borough Court	NN10 8AQ	£86.23	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7012002010	Spire General Needs & Sheltered - Restricted	21	Borough Court	NN10 8AQ	£86.05	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7012002020	Spire General Needs & Sheltered - Restricted	22	Borough Court	NN10 8AQ	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7012002100	Spire General Needs & Sheltered - Restricted	23	Borough Court	NN10 8AQ	£88.77	£90.33	Shelt.Ten.Prese	Flat	2		£33,100		£70,000
Lot B	7012002400	Spire General Needs & Sheltered - Restricted	24	Borough Court	NN10 8AQ	£70.35	£70.35	Preserved Right	Flat	1		£27,100		£55,000
Lot B	7012002600	Spire General Needs & Sheltered - Restricted	26	Borough Court	NN10 8AQ	£70.35	£70.35	Assured	Flat	1		£27,100		£55,000
Lot B	7012002700	Spire General Needs & Sheltered - Restricted	27	Borough Court	NN10 8AQ	£86.05	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7013000010	Spire General Needs & Sheltered - Restricted	1	Boundary Avenue	NN10 9QW	£102.61	£102.61	Rented leased	House	4		£60,500		£125,000
Lot B	7013000070	Spire General Needs & Sheltered - Restricted	7	Boundary Avenue	NN10 9QW	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7013000080	Spire General Needs & Sheltered - Restricted	8	Boundary Avenue	NN10 9QW	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7013000110	Spire General Needs & Sheltered - Restricted	11	Boundary Avenue	NN10 9QW	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7013000140	Spire General Needs & Sheltered - Restricted	14	Boundary Avenue	NN10 9QW	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7013000240	Spire General Needs & Sheltered - Restricted	24	Boundary Avenue	NN10 9QW	£102.61	£102.61	Assured	House	4		£60,500		£125,000
Lot B	7013000300	Spire General Needs & Sheltered - Restricted	30	Boundary Avenue	NN10 9QW	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7013000320	Spire General Needs & Sheltered - Restricted	32	Boundary Avenue	NN10 9QW	£93.62	£93.62	Licensed Accom	House	3		£55,200		£115,000
Lot B	7013000420	Spire General Needs & Sheltered - Restricted	42	Boundary Avenue	NN10 9QW	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7013000580	Spire General Needs & Sheltered - Restricted	58	Boundary Avenue	NN10 9QW	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7013500210	Spire Shared Ownership	11	Briarwood Way	NN29 7GR	£88.32	£88.32	Shared Ownership	House	2	50%	£43,000	£62,400	£115,000
Lot B	7013500250	Spire General Needs & Sheltered - Unrestricted	25	Briarwood Way	NN29 7GR	£88.32	£88.32	Assured	House	2		£46,000	£62,400	£115,000
Lot B	7014000010	Spire General Needs & Sheltered - Restricted	1	Brookside	PE8 5QA	£95.87	£97.06	Preserved Right	House	3		£51,500		£140,000
Lot B	7015000110	Spire General Needs & Sheltered - Restricted	1	Brookside	PE8 5BG	£83.54	£83.54	Introd.Tenancy	Bungalow	1		£49,200		£105,000
Lot B	7015000200	Spire General Needs & Sheltered - Restricted	2	Brookside	PE8 5BG	£83.54	£83.54	Preserved Right	Bungalow	1		£48,400		£105,000
Lot B	7015000400	Spire General Needs & Sheltered - Restricted	4	Brookside	PE8 5BG	£78.03	£89.94	Preserved Right	House	2		£41,900		£110,000
Lot B	7015000600	Spire General Needs & Sheltered - Restricted	6	Brookside	PE8 5BG	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7015000120	Spire General Needs & Sheltered - Restricted	12	Brookside	PE8 5BG	£89.94	£89.94	Assured	House	2		£53,000		£110,000
Lot B	7016000020	Spire General Needs & Sheltered - Restricted	2	Brookside	PE8 5BN	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7016000130	Spire General Needs & Sheltered - Restricted	13	Brookside	PE8 5BN	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7016000150	Spire General Needs & Sheltered - Restricted	15	Brookside	PE8 5BN	£82.00	£97.06	Preserved Right	House	3		£44,100		£140,000
Lot B	7018000010	Spire General Needs & Sheltered - Restricted	1	Burnell Close	NN14 4DP	£77.65	£77.65	Assured	Bungalow	1		£39,500		£80,000
Lot B	7018000020	Spire General Needs & Sheltered - Restricted	2	Burnell Close	NN14 4DP	£70.83	£77.65	Preserved Right	Bungalow	1		£37,900		£80,000
Lot B	7018000040	Spire General Needs & Sheltered - Restricted	4	Burnell Close	NN14 4DP	£94.50	£94.50	Assured	House	3		£55,700		£135,000
Lot B	7018000050	Spire General Needs & Sheltered - Restricted	5	Burnell Close	NN14 4DP	£94.50	£94.50	Assured	House	3		£55,700		£135,000
Lot B	7018000060	Spire General Needs & Sheltered - Restricted	6	Burnell Close	NN14 4DP	£94.50	£94.50	Introd.Tenancy	House	3		£55,700		£135,000
Lot B	7018000080	Spire General Needs & Sheltered - Restricted	8	Burnell Close	NN14 4DP	£86.23	£86.23	Assured	House	2		£50,800		£110,000
Lot B	7018000100	Spire General Needs & Sheltered - Restricted	10	Burnell Close	NN14 4DP	£86.23	£86.23	Assured	House	2		£50,800		£110,000
Lot B	7018000110	Spire General Needs & Sheltered - Restricted	11	Burnell Close	NN14 4DP	£86.23	£86.23	Assured	House	2		£50,800		£110,000
Lot B	7018000130	Spire General Needs & Sheltered - Restricted	13	Burnell Close	NN14 4DP	£83.18	£86.23	Preserved Right	House	2		£44,700		£110,000
Lot B	7018000140	Spire General Needs & Sheltered - Restricted	14	Burnell Close	NN14 4DP	£86.23	£86.23	Introd.Tenancy	House	2		£50,800		£110,000
Lot B	7018000160	Spire General Needs & Sheltered - Restricted	16	Burnell Close	NN14 4DP	£86.23	£86.23	Assured	House	2		£50,800		£110,000
Lot B	7018000170	Spire General Needs & Sheltered - Restricted	17	Burnell Close	NN14 4DP	£82.09	£86.23	Preserved Right	House	2		£44,100		£110,000
Lot B	7018000250	Spire General Needs & Sheltered - Restricted	25	Burnell Close	NN14 4DP	£77.65	£77.65	Introd.Tenancy	Bungalow	1		£39,500		£80,000
Lot B	7018000260	Spire General Needs & Sheltered - Restricted	26	Burnell Close	NN14 4DP	£77.65	£77.65	Assured	Bungalow	1		£39,500		£80,000
Lot B	7018400090	Spire General Needs & Sheltered - Restricted	9	Flowerhill Drive	NN8 4GF	£91.96	£100.05	Assured	House	3		£51,000		£140,000
Lot B	7018400220	Spire General Needs & Sheltered - Restricted	22	Flowerhill Drive	NN8 4GF	£88.32	£88.32	Assured	Flat	2		£49,000		£110,000
Lot B	7018400240	Spire General Needs & Sheltered - Restricted	24	Flowerhill Drive	NN8 4GF	£88.32	£88.32	Introd.Tenancy	Flat	2		£49,000		£110,000
Lot B	7018400260	Spire General Needs & Sheltered - Restricted	26	Flowerhill Drive	NN8 4GF	£88.32	£88.32	Assured	Flat	2		£49,000		£110,000
Lot B	7018400280	Spire General Needs & Sheltered - Restricted	28	Flowerhill Drive	NN8 4GF	£88.32	£88.32	Assured	Flat	2		£49,000		£110,000
Lot B	7018400300	Spire General Needs & Sheltered - Restricted	30	Flowerhill Drive	NN8 4GF	£88.32	£88.32	Introd.Tenancy	Flat	2		£49,000		£110,000
Lot B	7018400320	Spire General Needs & Sheltered - Restricted	32	Flowerhill Drive	NN8 4GF	£88.32	£88.32	Assured	Flat	2		£49,000		£110,000
Lot B	7018400340	Spire General Needs & Sheltered - Restricted	34	Flowerhill Drive	NN8 4GF	£88.32	£88.32	Assured	Flat	2		£49,000		£110,000
Lot B	7018500110	Spire Shared Ownership	11	Flowerhill Drive	NN8 4GF	£50.90	£50.90	Shared Ownership	House	3	50%	£53,000		£70,000
Lot B	7018600010	Spire General Needs & Sheltered - Restricted	1	Blackbird Court	NN8 4GH	£99.62	£111.04	Assured	House	4		£60,000		£165,000
Lot B	7018600020	Spire General Needs & Sheltered - Restricted	2	Blackbird Court	NN8 4GH	£99.62	£111.04	Assured	House	4		£60,000		£165,000
Lot B	7018600030	Spire General Needs & Sheltered - Restricted	3	Blackbird Court	NN8 4GH	£99.62	£100.05	Assured	House	3		£52,000		£140,000
Lot B	7018600040	Spire General Needs & Sheltered - Restricted	4	Blackbird Court	NN8 4GH	£92.45	£100.05	Assured	House	3		£52,000		£140,000
Lot B	7018600050	Spire Shared Ownership	5	Blackbird Court	NN8 4GH	£56.05	£56.05	Shared Ownership	House	3	50%	£53,000		£70,000
Lot B	7018600060	Spire Shared Ownership	6	Blackbird Court	NN8 4GH	£56.05	£56.05	Shared Ownership	House	3	50%	£5		

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot ref		Property Ref (LPRN)	IL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	IL Type	IL Refs	Retained Equity	FLV:SH	MV-T	MV-VP
Lot B	7043000170		Spire General Needs & Sheltered - Restricted	17	Caulin Close	NN14 3EU	£80.24	£95.03	Shelt.Ten.Prese	Bungalow	2		£43,100		£110,000
Lot B	7044000020		Spire General Needs & Sheltered - Restricted	2	Cedar Drive	NN14 4UY	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B	7044000040		Spire General Needs & Sheltered - Restricted	4	Cedar Drive	NN14 4UY	£80.24	£81.99	Shelt.Ten.Prese	Bungalow	1		£37,900		£80,000
Lot B	7044000060		Spire General Needs & Sheltered - Restricted	6	Cedar Drive	NN14 4UY	£86.92	£95.03	Shelt.Ten.Prese	Bungalow	2		£46,700		£110,000
Lot B	7044000080		Spire General Needs & Sheltered - Restricted	8	Cedar Drive	NN14 4UY	£81.99	£81.99	Supp.Ten.Assure	Bungalow	1		£39,500		£80,000
Lot B	7044000100		Spire General Needs & Sheltered - Restricted	10	Cedar Drive	NN14 4UY	£80.24	£81.99	Shelt.Ten.Prese	Bungalow	1		£37,900		£80,000
Lot B	7044000120		Spire General Needs & Sheltered - Restricted	12	Cedar Drive	NN14 4UY	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B	7044000140		Spire General Needs & Sheltered - Restricted	14	Cedar Drive	NN14 4UY	£91.70	£95.03	Shelt.Ten.Prese	Bungalow	2		£49,300		£110,000
Lot B	7045000680		Spire General Needs & Sheltered - Restricted	68	Chapel Street	PE8 6TH	£86.92	£91.68	Shelt.Ten.Prese	Bungalow	3		£46,700		£140,000
Lot B	7045000700		Spire General Needs & Sheltered - Restricted	70	Chapel Street	PE8 6TH	£83.56	£94.22	Shelt.Ten.Prese	Bungalow	2		£44,900		£125,000
Lot B	7045000720		Spire General Needs & Sheltered - Restricted	72	Chapel Street	PE8 6TH	£83.56	£94.22	Shelt.Ten.Prese	Bungalow	2		£44,900		£125,000
Lot B	7045000740		Spire General Needs & Sheltered - Restricted	74	Chapel Street	PE8 6TH	£93.18	£94.22	Shelt.Ten.Prese	Bungalow	2		£50,100		£125,000
Lot B	7045000760		Spire General Needs & Sheltered - Restricted	76	Chapel Street	PE8 6TH	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900		£125,000
Lot B	7045000780		Spire General Needs & Sheltered - Restricted	78	Chapel Street	PE8 6TH	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900		£125,000
Lot B	7045000800		Spire General Needs & Sheltered - Restricted	80	Chapel Street	PE8 6TH	£84.78	£87.52	Supp.Ten.Assure	Bungalow	1		£46,900		£95,000
Lot B	7045000820		Spire General Needs & Sheltered - Restricted	82	Chapel Street	PE8 6TH	£87.52	£87.52	Supp.Ten.Assure	Bungalow	1		£46,900		£95,000
Lot B	7046000070		Spire General Needs & Sheltered - Restricted	7	Charles Close	NN10 8DS	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7046000100		Spire General Needs & Sheltered - Restricted	10	Charles Close	NN10 8DS	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7047000020		Spire General Needs & Sheltered - Restricted	2	Charles Street	NN14 4NU	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B	7047000040		Spire General Needs & Sheltered - Restricted	4	Charles Street	NN14 4NU	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B	7047000050		Spire General Needs & Sheltered - Restricted	5	Charles Street	NN14 4NU	£78.01	£90.72	Preserved Right	Flat	2		£41,300		£95,000
Lot B	7047000060		Spire General Needs & Sheltered - Restricted	6	Charles Street	NN14 4NU	£83.56	£95.03	Shelt.Ten.Prese	Bungalow	2		£44,900		£110,000
Lot B	7047000070		Spire General Needs & Sheltered - Restricted	7	Charles Street	NN14 4NU	£91.70	£95.03	Supp.Ten.Assure	Flat	2		£46,900		£95,000
Lot B	7047000080		Spire General Needs & Sheltered - Restricted	8	Charles Street	NN14 4NU	£83.20	£95.03	Supp.Ten.Assure	Bungalow	2		£49,000		£110,000
Lot B	7047000090		Spire General Needs & Sheltered - Restricted	9	Charles Street	NN14 4NU	£81.27	£95.03	Shelt.Ten.Prese	Flat	2		£43,700		£95,000
Lot B	7047000100		Spire General Needs & Sheltered - Restricted	10	Charles Street	NN14 4NU	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B	7047000110		Spire General Needs & Sheltered - Restricted	11	Charles Street	NN14 4NU	£78.01	£90.72	Preserved Right	Flat	2		£41,300		£95,000
Lot B	7047000120		Spire General Needs & Sheltered - Restricted	12	Charles Street	NN14 4NU	£95.03	£95.03	Supp.Ten.Assure	Bungalow	2		£54,300		£110,000
Lot B	7047000140		Spire General Needs & Sheltered - Restricted	14	Charles Street	NN14 4NU	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B	7047000180		Spire General Needs & Sheltered - Restricted	18	Charles Street	NN14 4NU	£95.03	£95.03	Shelt.Ten.Prese	Bungalow	2		£51,100		£110,000
Lot B	7048000010		Spire General Needs & Sheltered - Restricted	1	Cherry Street	NN9 5QR	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7048000020		Spire General Needs & Sheltered - Restricted	2	Cherry Street	NN9 5QR	£90.33	£90.33	Shelt.Ten.Prese	Bungalow	2		£48,500		£110,000
Lot B	7048000030		Spire General Needs & Sheltered - Restricted	3	Cherry Street	NN9 5QR	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7048000040		Spire General Needs & Sheltered - Restricted	4	Cherry Street	NN9 5QR	£84.70	£90.33	Shelt.Ten.Prese	Bungalow	2		£45,500		£110,000
Lot B	7048000050		Spire General Needs & Sheltered - Restricted	5	Cherry Street	NN9 5QR	£84.70	£90.33	Shelt.Ten.Prese	Bungalow	2		£45,500		£110,000
Lot B	7048000060		Spire General Needs & Sheltered - Restricted	6	Cherry Street	NN9 5QR	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7048000070		Spire General Needs & Sheltered - Restricted	7	Cherry Street	NN9 5QR	£84.70	£90.33	Shelt.Ten.Prese	Bungalow	2		£45,500		£110,000
Lot B	7048000080		Spire General Needs & Sheltered - Restricted	8	Cherry Street	NN9 5QR	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7048000090		Spire General Needs & Sheltered - Restricted	9	Cherry Street	NN9 5QR	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7048000100		Spire General Needs & Sheltered - Restricted	10	Cherry Street	NN9 5QR	£84.70	£90.33	Shelt.Ten.Prese	Bungalow	2		£45,500		£110,000
Lot B	7048000110		Spire General Needs & Sheltered - Restricted	11	Cherry Street	NN9 5QR	£84.70	£90.33	Shelt.Ten.Prese	Bungalow	2		£45,500		£110,000
Lot B	7048000120		Spire General Needs & Sheltered - Restricted	12	Cherry Street	NN9 5QR	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7049000010		Spire General Needs & Sheltered - Restricted	1	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7049000020		Spire General Needs & Sheltered - Restricted	2	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7049000030		Spire General Needs & Sheltered - Restricted	3	Cherry Orchard	NN10 0LR	£69.52	£73.71	Supp.Ten.Assure	Bungalow	1		£41,000		£90,000
Lot B	7049000040		Spire General Needs & Sheltered - Restricted	4	Cherry Orchard	NN10 0LR	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£39,600		£90,000
Lot B	7049000050		Spire General Needs & Sheltered - Restricted	5	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7049000060		Spire General Needs & Sheltered - Restricted	6	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7049000070		Spire General Needs & Sheltered - Restricted	7	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7049000080		Spire General Needs & Sheltered - Restricted	8	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7049000090		Spire General Needs & Sheltered - Restricted	9	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7049000100		Spire General Needs & Sheltered - Restricted	10	Cherry Orchard	NN10 0LR	£72.00	£73.71	Shelt.Ten.Prese	Bungalow	1		£38,700		£90,000
Lot B	7049000110		Spire General Needs & Sheltered - Restricted	11	Cherry Orchard	NN10 0LR	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	7050000160		Spire General Needs & Sheltered - Restricted	16	Cherry Street	NN9 5QR	£80.79	£94.50	Preserved Right	House	3		£43,400		£110,000
Lot B	7050000180		Spire General Needs & Sheltered - Restricted	18	Cherry Street	NN9 5QR	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7050000210		Spire General Needs & Sheltered - Restricted	21	Cherry Street	NN9 5QR	£94.50	£94.50	Preserved Right	House	3		£50,800		£110,000
Lot B	7050000300		Spire General Needs & Sheltered - Restricted	30	Cherry Street	NN9 5QR	£83.48	£94.50	Preserved Right	House	3		£44,900		£110,000
Lot B	7050000320		Spire General Needs & Sheltered - Restricted	32	Cherry Street	NN9 5QR	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7050000330		Spire General Needs & Sheltered - Restricted	33	Cherry Street	NN9 5QR	£94.50	£94.50	Preserved Right	House	3		£50,800		£110,000
Lot B	7052000030		Spire General Needs & Sheltered - Restricted	3	Chester Road	NN10 9QG	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7052000040		Spire General Needs & Sheltered - Restricted	4	Chester Road	NN10 9QG	£102.63	£102.63	Assured	House	4		£60,500		£125,000
Lot B	7052000070		Spire General Needs & Sheltered - Restricted	7	Chester Road	NN10 9QG	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7052000090		Spire General Needs & Sheltered - Restricted	9	Chester Road	NN10 9QG	£86.23	£86.23	Preserved Right	House	2		£45,000		£95,000
Lot B	7052000120		Spire General Needs & Sheltered - Restricted	12	Chester Road	NN10 9QG	£85.84	£86.23	Preserved Right	House	2		£45,000		£95,000
Lot B	7053000010		Spire General Needs & Sheltered - Restricted	1	Chichele Close	NN10 8EB	£73.31	£73.31	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7053000020		Spire General Needs & Sheltered - Restricted	2	Chichele Close	NN10 8EB	£73.31	£73.31	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7053000030		Spire General Needs & Sheltered - Restricted	3	Chichele Close	NN10 8EB	£73.31	£73.31	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7053000040		Spire General Needs & Sheltered - Restricted	4	Chichele Close	NN10 8EB	£73.31	£73.31	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7053000050		Spire General Needs & Sheltered - Restricted	5	Chichele Close	NN10 8EB	£73.31	£73.31	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7053000060		Spire General Needs & Sheltered - Restricted	6	Chichele Close	NN10 8EB	£73.31	£73.31	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7053000070		Spire General Needs & Sheltered - Restricted	7	Chichele Close	NN10 8EB	£73.31	£73.31	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7053000080		Spire General Needs & Sheltered - Restricted	8	Chichele Close	NN10 8EB	£73.31	£73.31	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7053000090		Spire General Needs & Sheltered - Restricted	9	Chichele Close	NN10 8EB	£73.31	£73.31	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7053000100		Spire General Needs & Sheltered - Restricted	10	Chichele Close	NN10 8EB	£73.31	£73.31	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7053000110		Spire General Needs & Sheltered - Restricted	11	Chichele Close	NN10 8EB	£73.31	£73.31	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7053000120		Spire General Needs & Sheltered - Restricted	12	Chichele Close	NN10 8EB	£73.31	£70.35	Assured	Bungalow	1		£37,000		£75,000
Lot B	7054000290		Spire General Needs & Sheltered - Restricted	29	Church Lane	NN10 0SR	£88.90	£93.62	Preserved Right	House	3		£47,800		£120,000
Lot B	7055000010		Spire General Needs & Sheltered - Restricted	1	Church Lane	PE8 6TH	£91.18	£97.06	Preserved Right	House	3		£49,000		£140,000
Lot B	7056000280		Spire General Needs & Sheltered - Restricted	28	Church Street	PE8 6TH	£76.15	£83.54	Preserved Right	House	1		£40,900		£110,000
Lot B	7057000060		Spire General Needs & Sheltered - Restricted	6	Church Street	PE8 6TE	£93.63	£97.06	Preserved Right	House	3		£50,300		£160,000
Lot B	7057000090		Spire General Needs & Sheltered - Restricted	9	Church Street	PE8 6TE	£93.79	£97.06	Preserved Right	House	3		£50,400		£160,000
Lot B	7059000120		Spire General Needs & Sheltered - Restricted	12	Clare Street	NN9 6NQ	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7059000140		Spire General Needs & Sheltered - Restricted	14	Clare Street	NN9 6NQ	£94.86	£94.50	Preserved Right	House	3		£49,400		

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security – £725m Issue

Lot #	Property Ref (UPRN)	JLL Valuation Category	House No.	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Relinquished	EUV\$H	MV-T	MV-VP
Lot B	7066000005	Spire General Needs & Sheltered - Restricted	5	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000006	Spire General Needs & Sheltered - Restricted	6	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000007	Spire General Needs & Sheltered - Restricted	7	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000080	Spire General Needs & Sheltered - Restricted	8	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000090	Spire General Needs & Sheltered - Restricted	9	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000100	Spire General Needs & Sheltered - Restricted	10	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000110	Spire General Needs & Sheltered - Restricted	11	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000120	Spire General Needs & Sheltered - Restricted	12	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000130	Spire General Needs & Sheltered - Restricted	13	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000140	Spire General Needs & Sheltered - Restricted	14	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000150	Spire General Needs & Sheltered - Restricted	15	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000160	Spire General Needs & Sheltered - Restricted	16	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000170	Spire General Needs & Sheltered - Restricted	17	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000180	Spire General Needs & Sheltered - Restricted	18	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000190	Spire General Needs & Sheltered - Restricted	19	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000200	Spire General Needs & Sheltered - Restricted	20	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000210	Spire General Needs & Sheltered - Restricted	21	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000220	Spire General Needs & Sheltered - Restricted	22	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000230	Spire General Needs & Sheltered - Restricted	23	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000240	Spire General Needs & Sheltered - Restricted	24	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7066000250	Spire General Needs & Sheltered - Restricted	25	Crispian Court	NN10 9RT	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£16,600		£35,000
Lot B	7066000260	Spire General Needs & Sheltered - Restricted	26	Crispian Court	NN10 9RT	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£17,300		£35,000
Lot B	7067000320	Spire General Needs & Sheltered - Restricted	32	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000330	Spire General Needs & Sheltered - Restricted	34	Cromwell Court	NN10 0DS	£93.62	£93.62	Introd.Tenancy	Flat	3		£44,400		£90,000
Lot B	7067000340	Spire General Needs & Sheltered - Restricted	36	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000380	Spire General Needs & Sheltered - Restricted	38	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000400	Spire General Needs & Sheltered - Restricted	40	Cromwell Court	NN10 0DS	£88.42	£93.62	Preserved Right	Flat	3		£42,600		£90,000
Lot B	7067000420	Spire General Needs & Sheltered - Restricted	42	Cromwell Court	NN10 0DS	£93.62	£93.62	Introd.Tenancy	Flat	3		£44,400		£90,000
Lot B	7067000440	Spire General Needs & Sheltered - Restricted	46	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000480	Spire General Needs & Sheltered - Restricted	48	Cromwell Court	NN10 0DS	£70.35	£70.35	Preserved Right	Flat	1		£24,700		£50,000
Lot B	7067000500	Spire General Needs & Sheltered - Restricted	50	Cromwell Court	NN10 0DS	£93.62	£93.62	Introd.Tenancy	Flat	3		£44,400		£90,000
Lot B	7067000540	Spire General Needs & Sheltered - Restricted	54	Cromwell Court	NN10 0DS	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	7067000560	Spire General Needs & Sheltered - Restricted	56	Cromwell Court	NN10 0DS	£70.35	£70.35	Preserved Right	Flat	1		£23,700		£50,000
Lot B	7067000580	Spire General Needs & Sheltered - Restricted	58	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000600	Spire General Needs & Sheltered - Restricted	60	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000620	Spire General Needs & Sheltered - Restricted	62	Cromwell Court	NN10 0DS	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	7067000640	Spire General Needs & Sheltered - Restricted	64	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000660	Spire General Needs & Sheltered - Restricted	66	Cromwell Court	NN10 0DS	£84.28	£93.62	Preserved Right	Flat	3		£42,600		£90,000
Lot B	7067000680	Spire General Needs & Sheltered - Restricted	68	Cromwell Court	NN10 0DS	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	7067000700	Spire General Needs & Sheltered - Restricted	70	Cromwell Court	NN10 0DS	£70.35	£70.35	Preserved Right	Flat	1		£23,700		£50,000
Lot B	7067000720	Spire General Needs & Sheltered - Restricted	72	Cromwell Court	NN10 0DS	£88.42	£93.62	Preserved Right	Flat	3		£42,600		£90,000
Lot B	7067000740	Spire General Needs & Sheltered - Restricted	74	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000760	Spire General Needs & Sheltered - Restricted	76	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000780	Spire General Needs & Sheltered - Restricted	78	Cromwell Court	NN10 0DS	£88.42	£93.62	Assured	Flat	3		£42,600		£90,000
Lot B	7067000800	Spire General Needs & Sheltered - Restricted	80	Cromwell Court	NN10 0DS	£85.21	£93.62	Preserved Right	Flat	3		£42,600		£90,000
Lot B	7067000820	Spire General Needs & Sheltered - Restricted	82	Cromwell Court	NN10 0DS	£85.21	£93.62	Preserved Right	Flat	3		£42,600		£90,000
Lot B	7067000840	Spire General Needs & Sheltered - Restricted	84	Cromwell Court	NN10 0DS	£93.62	£93.62	Assured	Flat	3		£44,400		£90,000
Lot B	7067000860	Spire General Needs & Sheltered - Restricted	86	Cromwell Court	NN10 0DS	£93.62	£93.62	Introd.Tenancy	Flat	3		£44,400		£90,000
Lot B	7067000900	Spire General Needs & Sheltered - Restricted	90	Cromwell Court	NN10 0DS	£93.62	£93.62	Introd.Tenancy	Flat	3		£44,400		£90,000
Lot B	7068000010	Spire General Needs & Sheltered - Restricted	1	Crouch Road	NN9 5PS	£86.23	£86.23	Assured	Bungalow	2		£46,900		£95,000
Lot B	7068000020	Spire General Needs & Sheltered - Restricted	2	Crouch Road	NN9 5PS	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7068000040	Spire General Needs & Sheltered - Restricted	4	Crouch Road	NN9 5PS	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7068000050	Spire General Needs & Sheltered - Restricted	5	Crouch Road	NN9 5PS	£86.23	£86.23	Assured	Bungalow	2		£46,900		£95,000
Lot B	7068000060	Spire General Needs & Sheltered - Restricted	6	Crouch Road	NN9 5PS	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7068000080	Spire General Needs & Sheltered - Restricted	8	Crouch Road	NN9 5PS	£89.97	£90.33	Shelt.Ten.Prese	Bungalow	2		£48,300		£110,000
Lot B	7068000090	Spire General Needs & Sheltered - Restricted	9	Crouch Road	NN9 5PS	£67.77	£94.50	Preserved Right	House	3		£36,400		£110,000
Lot B	7068000100	Spire General Needs & Sheltered - Restricted	10	Crouch Road	NN9 5PS	£89.97	£90.33	Shelt.Ten.Prese	Bungalow	2		£48,300		£110,000
Lot B	7068000120	Spire General Needs & Sheltered - Restricted	12	Crouch Road	NN9 5PS	£89.97	£90.33	Shelt.Ten.Prese	Bungalow	2		£48,300		£110,000
Lot B	7068000130	Spire General Needs & Sheltered - Restricted	13	Crouch Road	NN9 5PS	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7068000140	Spire General Needs & Sheltered - Restricted	14	Crouch Road	NN9 5PS	£89.97	£90.33	Shelt.Ten.Prese	Bungalow	2		£48,300		£110,000
Lot B	7068000150	Spire General Needs & Sheltered - Restricted	15	Crouch Road	NN9 5PS	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7068000160	Spire General Needs & Sheltered - Restricted	16	Crouch Road	NN9 5PS	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7068000170	Spire General Needs & Sheltered - Restricted	17	Crouch Road	NN9 5PS	£67.85	£94.50	Preserved Right	House	3		£36,500		£110,000
Lot B	7068000180	Spire General Needs & Sheltered - Restricted	18	Crouch Road	NN9 5PS	£89.97	£90.33	Shelt.Ten.Prese	Bungalow	2		£48,300		£110,000
Lot B	7068000190	Spire General Needs & Sheltered - Restricted	19	Crouch Road	NN9 5PS	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7068000200	Spire General Needs & Sheltered - Restricted	20	Crouch Road	NN9 5PS	£86.23	£86.23	Assured	House	3		£50,800		£110,000
Lot B	7068000210	Spire General Needs & Sheltered - Restricted	21	Crouch Road	NN9 5PS	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7068000230	Spire General Needs & Sheltered - Restricted	23	Crouch Road	NN9 5PS	£67.82	£94.50	Preserved Right	House	3		£36,400		£110,000
Lot B	7068000330	Spire General Needs & Sheltered - Restricted	33	Crouch Road	NN9 5PS	£94.50	£94.50	Preserved Right	House	3		£50,800		£110,000
Lot B	7069000010	Spire General Needs & Sheltered - Restricted	1	Cumberbund Avenue	NN9 6PR	£76.35	£77.65	Assured	Bungalow	1		£41,000		£95,000
Lot B	7069000020	Spire General Needs & Sheltered - Restricted	2	Cumberbund Avenue	NN9 6PR	£77.65	£77.65	Assured	Bungalow	1		£45,800		£95,000
Lot B	7069000030	Spire General Needs & Sheltered - Restricted	3	Cumberbund Avenue	NN9 6PR	£76.35	£77.65	Preserved Right	Bungalow	1		£41,000		£95,000
Lot B	7069000050	Spire General Needs & Sheltered - Restricted	5	Cumberbund Avenue	NN9 6PR	£77.65	£77.65	Assured	Bungalow	1		£45,800		£95,000
Lot B	7069000060	Spire General Needs & Sheltered - Restricted	6	Cumberbund Avenue	NN9 6PR	£76.35	£77.65	Preserved Right	Bungalow	1		£41,000		£95,000
Lot B	7069000080	Spire General Needs & Sheltered - Restricted	8	Cumberbund Avenue	NN9 6PR	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7069000090	Spire General Needs & Sheltered - Restricted	9	Cumberbund Avenue	NN9 6PR	£73.21	£86.23	Preserved Right	House	2		£39,300		£95,000
Lot B	7069000110	Spire General Needs & Sheltered - Restricted	11	Cumberbund Avenue	NN9 6PR	£76.89	£86.23	Preserved Right	House	2		£41,900		£95,000
Lot B	7069000130	Spire General Needs & Sheltered - Restricted	13	Cumberbund Avenue	NN9 6PR	£85.43	£94.50	Assured	House	3		£51,200		£120,000
Lot B	7069000140	Spire General Needs & Sheltered - Restricted	14	Cumberbund Avenue	NN9 6PR	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7069000150	Spire General Needs & Sheltered - Restricted	15	Cumberbund Avenue	NN9 6PR	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7069000170	Spire General Needs & Sheltered - Restricted	17	Cumberbund Avenue	NN9 6PR	£76.89	£86.23	Preserved Right	House	2		£41,900		£95,000
Lot B	7069000190	Spire General Needs & Sheltered - Restricted	19	Cumberbund Avenue	NN9 6PR	£73.21	£86.23	Introd.Tenancy	House	2		£43,100		£95,000
Lot B	7069000200	Spire General Needs & Sheltered - Restricted	20	Cumberbund Avenue	NN9 6PR	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	7069000210	Spire General Needs & Sheltered - Restricted	21	Cumberbund Avenue	NN9 6PR	£75.64	£86.23	Preserved Right	House	2		£40,600		£95,000
Lot B	7069000220	Spire General Needs & Sheltered - Restricted	22	Cumberbund Avenue	NN9 6PR	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7069000240	Spire General Needs & Sheltered - Restricted	24	Cumberbund Avenue	NN9 6PR	£88.61	£102.61	Preserved Right	House	4		£47,600		£135,000
Lot B	7069000250	Spire General Needs & Sheltered - Restricted	25	Cumberbund Avenue	NN9 6PR	£94.50	£94.50							

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref	Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	JL Refs	Retained Equity	FLUV SH	MV-T	MV-VP
Lot B	7074000110	Spire General Needs & Sheltered - Restricted	11	Devon Walk	NN10 0BZ	£90.33	£90.33	Supp.Ten.Assure	Flat	2	£37,000			£75,000
Lot B	7074000120	Spire General Needs & Sheltered - Restricted	12	Devon Walk	NN10 0BZ	£73.71	£73.71	Shelt.Ten.Prese	Flat	1	£23,700			£50,000
Lot B	7074000130	Spire General Needs & Sheltered - Restricted	13	Devon Walk	NN10 0BZ	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7074000140	Spire General Needs & Sheltered - Restricted	14	Devon Walk	NN10 0BZ	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7074000150	Spire General Needs & Sheltered - Restricted	15	Devon Walk	NN10 0BZ	£90.33	£90.33	Supp.Ten.Assure	Flat	2	£37,000			£75,000
Lot B	7074000160	Spire General Needs & Sheltered - Restricted	16	Devon Walk	NN10 0BZ	£84.44	£90.33	Shelt.Ten.Prese	Flat	2	£35,500			£75,000
Lot B	7074000170	Spire General Needs & Sheltered - Restricted	17	Devon Walk	NN10 0BZ	£68.73	£73.71	Shelt.Ten.Prese	Flat	0	£18,900			£40,000
Lot B	7074000180	Spire General Needs & Sheltered - Restricted	18	Devon Walk	NN10 0BZ	£73.71	£73.71	Supp.Ten.Prese	Flat	0	£23,700			£50,000
Lot B	7074000190	Spire General Needs & Sheltered - Restricted	19	Devon Walk	NN10 0BZ	£86.23	£86.23	Assured	Flat	2	£37,000			£75,000
Lot B	7074000200	Spire General Needs & Sheltered - Restricted	20	Devon Walk	NN10 0BZ	£86.23	£86.23	Assured	Flat	2	£37,000			£75,000
Lot B	7074000210	Spire General Needs & Sheltered - Restricted	21	Devon Walk	NN10 0BZ	£90.33	£90.33	Supp.Ten.Assure	Flat	2	£37,000			£75,000
Lot B	7074000220	Spire General Needs & Sheltered - Restricted	22	Devon Walk	NN10 0BZ	£73.71	£73.71	Supp.Ten.Assure	Flat	1	£24,700			£50,000
Lot B	7074000230	Spire General Needs & Sheltered - Restricted	23	Devon Walk	NN10 0BZ	£51.92	£51.92	Assured	Flat	0	£19,700			£40,000
Lot B	7074000240	Spire General Needs & Sheltered - Restricted	24	Devon Walk	NN10 0BZ	£73.71	£73.71	Supp.Ten.Assure	Flat	1	£24,700			£50,000
Lot B	7074000250	Spire General Needs & Sheltered - Restricted	25	Devon Walk	NN10 0BZ	£85.52	£90.33	Shelt.Ten.Prese	Flat	2	£35,500			£75,000
Lot B	7074000260	Spire General Needs & Sheltered - Restricted	26	Devon Walk	NN10 0BZ	£88.77	£90.33	Supp.Ten.Assure	Flat	2	£37,000			£75,000
Lot B	7074000270	Spire General Needs & Sheltered - Restricted	27	Devon Walk	NN10 0BZ	£51.92	£51.92	Assured	Flat	0	£19,700			£40,000
Lot B	7074000280	Spire General Needs & Sheltered - Restricted	28	Devon Walk	NN10 0BZ	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7074000290	Spire General Needs & Sheltered - Restricted	29	Devon Walk	NN10 0BZ	£81.81	£86.23	Preserved Right	Flat	2	£35,500			£75,000
Lot B	7074000300	Spire General Needs & Sheltered - Restricted	30	Devon Walk	NN10 0BZ	£86.23	£86.23	Assured	Flat	2	£37,000			£75,000
Lot B	7075000010	Spire General Needs & Sheltered - Restricted	1	Dolben Avenue	NN9 6QW	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7075000020	Spire General Needs & Sheltered - Restricted	3	Dolben Avenue	NN9 6QW	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7075000100	Spire General Needs & Sheltered - Restricted	10	Dolben Avenue	NN9 6QW	£92.51	£94.50	Preserved Right	House	3	£49,700			£120,000
Lot B	7075000130	Spire General Needs & Sheltered - Restricted	13	Dolben Avenue	NN9 6QW	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7075000180	Spire General Needs & Sheltered - Restricted	18	Dolben Avenue	NN9 6QW	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7075000210	Spire General Needs & Sheltered - Restricted	21	Dolben Avenue	NN9 6QW	£83.72	£86.23	Preserved Right	House	3	£45,000			£95,000
Lot B	7075000250	Spire General Needs & Sheltered - Restricted	25	Dolben Avenue	NN9 6QW	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7075000270	Spire General Needs & Sheltered - Restricted	27	Dolben Avenue	NN9 6QW	£94.50	£94.50	Introd.Tenancy	House	3	£55,700			£120,000
Lot B	7075000300	Spire General Needs & Sheltered - Restricted	30	Dolben Avenue	NN9 6QW	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7075000540	Spire General Needs & Sheltered - Restricted	54	Dolben Avenue	NN9 6QW	£88.06	£94.50	Preserved Right	House	3	£47,300			£120,000
Lot B	7076000020	Spire General Needs & Sheltered - Restricted	2	Dowcote Close	PE8 6PT	£97.06	£97.06	Assured	House	3	£48,500			£110,000
Lot B	7076000060	Spire General Needs & Sheltered - Restricted	6	Dowcote Close	PE8 6PT	£97.06	£97.06	Assured	House	3	£57,200			£160,000
Lot B	7076000080	Spire General Needs & Sheltered - Restricted	8	Dowcote Close	PE8 6PT	£97.06	£97.06	Assured	House	3	£57,200			£160,000
Lot B	7076000100	Spire General Needs & Sheltered - Restricted	10	Dowcote Close	PE8 6PT	£85.84	£97.06	Preserved Right	House	3	£46,100			£160,000
Lot B	7076000110	Spire General Needs & Sheltered - Restricted	11	Dowcote Close	PE8 6PT	£97.06	£97.06	Assured	House	3	£57,200			£160,000
Lot B	7076000120	Spire General Needs & Sheltered - Restricted	12	Dowcote Close	PE8 6PT	£97.06	£97.06	Assured	House	3	£57,200			£160,000
Lot B	7077000050	Spire General Needs & Sheltered - Restricted	5	Drayton Close	NN14 3LS	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7077000100	Spire General Needs & Sheltered - Restricted	10	Drayton Close	NN14 3LS	£78.26	£78.26	Assured	Bungalow	1	£46,100			£115,000
Lot B	7077000110	Spire General Needs & Sheltered - Restricted	11	Drayton Close	NN14 3LS	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7077000120	Spire General Needs & Sheltered - Restricted	12	Drayton Close	NN14 3LS	£78.01	£78.26	Preserved Right	Bungalow	1	£41,800			£115,000
Lot B	7077000180	Spire General Needs & Sheltered - Restricted	18	Drayton Close	NN14 3LS	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7077000200	Spire General Needs & Sheltered - Restricted	20	Drayton Close	NN14 3LS	£78.26	£78.26	Assured	Bungalow	1	£46,100			£115,000
Lot B	7077000220	Spire General Needs & Sheltered - Restricted	22	Drayton Close	NN14 3LS	£79.15	£90.72	Preserved Right	Bungalow	2	£42,500			£130,000
Lot B	7077000240	Spire General Needs & Sheltered - Restricted	24	Drayton Close	NN14 3LS	£78.26	£90.72	Preserved Right	Bungalow	2	£46,100			£130,000
Lot B	7077000260	Spire General Needs & Sheltered - Restricted	26	Drayton Close	NN14 3LS	£75.64	£90.72	Preserved Right	Bungalow	2	£40,600			£130,000
Lot B	7077000280	Spire General Needs & Sheltered - Restricted	28	Drayton Close	NN14 3LS	£90.72	£90.72	Assured	Bungalow	2	£53,500			£130,000
Lot B	7077000300	Spire General Needs & Sheltered - Restricted	30	Drayton Close	NN14 3LS	£78.26	£78.26	Assured	Bungalow	1	£46,100			£115,000
Lot B	7077000310	Spire General Needs & Sheltered - Restricted	31	Drayton Close	NN14 3LS	£91.63	£97.06	Preserved Right	Bungalow	1	£49,200			£150,000
Lot B	7078000080	Spire General Needs & Sheltered - Restricted	8	Dryden Street	NN9 6EL	£79.35	£86.23	Preserved Right	House	2	£42,600			£95,000
Lot B	7078000110	Spire General Needs & Sheltered - Restricted	11	Dryden Street	NN9 6EL	£86.23	£86.23	Assured	House	2	£46,900			£95,000
Lot B	7078000120	Spire General Needs & Sheltered - Restricted	12	Dryden Street	NN9 6EL	£89.18	£94.50	Preserved Right	House	3	£47,900			£120,000
Lot B	7079000020	Spire General Needs & Sheltered - Restricted	2	Drydens Close	NN14 3DD	£92.51	£94.50	Preserved Right	House	3	£49,700			£120,000
Lot B	7079000010	Spire General Needs & Sheltered - Restricted	1	Drydens Close	NN14 3DD	£81.24	£94.50	Shelt.Ten.Prese	Bungalow	1	£40,400			£115,000
Lot B	7079000020	Spire General Needs & Sheltered - Restricted	2	Drydens Close	NN14 3DD	£91.21	£97.06	Preserved Right	House	3	£49,000			£150,000
Lot B	7079000050	Spire General Needs & Sheltered - Restricted	5	Drydens Close	NN14 3DD	£91.21	£97.06	Preserved Right	House	3	£49,000			£150,000
Lot B	7079000060	Spire General Needs & Sheltered - Restricted	6	Drydens Close	NN14 3DD	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7079000100	Spire General Needs & Sheltered - Restricted	10	Drydens Close	NN14 3DD	£91.93	£97.06	Preserved Right	House	3	£49,400			£150,000
Lot B	7079000110	Spire General Needs & Sheltered - Restricted	11	Drydens Close	NN14 3DD	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7079000140	Spire General Needs & Sheltered - Restricted	14	Drydens Close	NN14 3DD	£91.21	£97.06	Preserved Right	House	3	£49,000			£150,000
Lot B	7079000170	Spire General Needs & Sheltered - Restricted	17	Drydens Close	NN14 3DD	£91.33	£97.06	Preserved Right	House	3	£49,100			£150,000
Lot B	7079000300	Spire General Needs & Sheltered - Restricted	30	Drydens Close	NN14 3DD	£85.72	£90.72	Preserved Right	Bungalow	2	£46,100			£130,000
Lot B	7079000320	Spire General Needs & Sheltered - Restricted	32	Drydens Close	NN14 3DD	£90.72	£90.72	Assured	Bungalow	2	£50,500			£130,000
Lot B	7079000340	Spire General Needs & Sheltered - Restricted	34	Drydens Close	NN14 3DD	£90.72	£90.72	Assured	Bungalow	2	£53,500			£130,000
Lot B	7079000360	Spire General Needs & Sheltered - Restricted	36	Drydens Close	NN14 3DD	£75.64	£78.26	Preserved Right	Bungalow	1	£40,600			£115,000
Lot B	7079000380	Spire General Needs & Sheltered - Restricted	38	Drydens Close	NN14 3DD	£86.07	£90.72	Preserved Right	Bungalow	2	£46,300			£130,000
Lot B	7080000010	Spire General Needs & Sheltered - Restricted	1	Duck Street	NN10 9ZA	£70.35	£70.35	Introd.Tenancy	Flat	1	£24,700			£50,000
Lot B	7080000030	Spire General Needs & Sheltered - Restricted	3	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000040	Spire General Needs & Sheltered - Restricted	4	Duck Street	NN10 9ZA	£65.54	£70.35	Preserved Right	Flat	1	£23,700			£50,000
Lot B	7080000050	Spire General Needs & Sheltered - Restricted	5	Duck Street	NN10 9ZA	£70.35	£70.35	Introd.Tenancy	Flat	1	£24,700			£50,000
Lot B	7080000060	Spire General Needs & Sheltered - Restricted	6	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000070	Spire General Needs & Sheltered - Restricted	7	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000080	Spire General Needs & Sheltered - Restricted	8	Duck Street	NN10 9ZA	£65.54	£70.35	Introd.Tenancy	Flat	1	£24,700			£50,000
Lot B	7080000090	Spire General Needs & Sheltered - Restricted	9	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000100	Spire General Needs & Sheltered - Restricted	10	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000110	Spire General Needs & Sheltered - Restricted	11	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000120	Spire General Needs & Sheltered - Restricted	12	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000130	Spire General Needs & Sheltered - Restricted	13	Duck Street	NN10 9ZA	£71.71	£70.35	Introd.Tenancy	Flat	1	£24,700			£50,000
Lot B	7080000140	Spire General Needs & Sheltered - Restricted	14	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000150	Spire General Needs & Sheltered - Restricted	15	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000170	Spire General Needs & Sheltered - Restricted	17	Duck Street	NN10 9ZA	£70.35	£70.35	Introd.Tenancy	Flat	1	£24,700			£50,000
Lot B	7080000180	Spire General Needs & Sheltered - Restricted	18	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000190	Spire General Needs & Sheltered - Restricted	19	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000200	Spire General Needs & Sheltered - Restricted	20	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000210	Spire General Needs & Sheltered - Restricted	21	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000220	Spire General Needs & Sheltered - Restricted	22	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000230	Spire General Needs & Sheltered - Restricted	23	Duck Street	NN10 9ZA	£70.35	£70.35	Assured	Flat	1	£24,700			£50,000
Lot B	7080000240	Spire General Needs & Sheltered - Restricted	24	Duck Street</										

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot Ref	Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	JL Refs	Retained Equity	FLV/SH	MV-T	MV-MP
Lot B	7087000040	Spire General Needs & Sheltered - Restricted	4	Farm Close	NN14 3EF	£64.99	£90.72	Preserved Right	Flat	2		£34,900		£75,000
Lot B	7087000050	Spire General Needs & Sheltered - Restricted	5	Farm Close	NN14 3EF	£90.72	£90.72	Assured	Flat	2		£37,000		£75,000
Lot B	7087000060	Spire General Needs & Sheltered - Restricted	6	Farm Close	NN14 3EF	£67.06	£78.26	Preserved Right	Flat	1		£26,000		£55,000
Lot B	7087000070	Spire General Needs & Sheltered - Restricted	7	Farm Close	NN14 3EF	£78.26	£78.26	Assured	Flat	1		£27,100		£55,000
Lot B	7087000010	Spire General Needs & Sheltered - Restricted	1	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087000030	Spire General Needs & Sheltered - Restricted	3	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087000050	Spire General Needs & Sheltered - Restricted	5	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087000070	Spire General Needs & Sheltered - Restricted	7	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087000090	Spire General Needs & Sheltered - Restricted	9	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087001010	Spire General Needs & Sheltered - Restricted	11	Farrar Court	NN9 5SD	£77.65	£77.65	Preserved Right	Flat	1		£23,700		£50,000
Lot B	7087001015	Spire General Needs & Sheltered - Restricted	15	Farrar Court	NN9 5SD	£77.65	£77.65	Introd.Tenancy	Flat	1		£24,700		£50,000
Lot B	7087001017	Spire General Needs & Sheltered - Restricted	17	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087001019	Spire General Needs & Sheltered - Restricted	19	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087002010	Spire General Needs & Sheltered - Restricted	21	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087002013	Spire General Needs & Sheltered - Restricted	23	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087002020	Spire General Needs & Sheltered - Restricted	25	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087002070	Spire General Needs & Sheltered - Restricted	27	Hub	NN9 5SD	£86.23	£86.23	Assur.Ten.Prese	Flat	2		£34,500		£70,000
Lot B	7087002090	Spire General Needs & Sheltered - Restricted	29	Farrar Court	NN9 5SD	£77.65	£77.65	Preserved Right	Flat	1		£23,700		£50,000
Lot B	7087003010	Spire General Needs & Sheltered - Restricted	31	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087003030	Spire General Needs & Sheltered - Restricted	33	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087003050	Spire General Needs & Sheltered - Restricted	35	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087003070	Spire General Needs & Sheltered - Restricted	37	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087003090	Spire General Needs & Sheltered - Restricted	39	Farrar Court	NN9 5SD	£86.23	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7087004010	Spire General Needs & Sheltered - Restricted	41	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087004030	Spire General Needs & Sheltered - Restricted	43	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087004050	Spire General Needs & Sheltered - Restricted	45	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087004070	Spire General Needs & Sheltered - Restricted	47	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087004090	Spire General Needs & Sheltered - Restricted	49	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087005010	Spire General Needs & Sheltered - Restricted	51	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087005030	Spire General Needs & Sheltered - Restricted	53	Farrar Court	NN9 5SD	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7087005050	Spire General Needs & Sheltered - Restricted	55	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7087005070	Spire General Needs & Sheltered - Restricted	57	Farrar Court	NN9 5SD	£86.23	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7087005090	Spire General Needs & Sheltered - Restricted	59	Farrar Court	NN9 5SD	£77.65	£77.65	Assured	Flat	1		£24,700		£50,000
Lot B	7088000020	Spire General Needs & Sheltered - Restricted	2	Fenners Close	NN10 DIA	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7088000070	Spire General Needs & Sheltered - Restricted	7	Fenners Close	NN10 DIA	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7089000010	Spire General Needs & Sheltered - Restricted	1	Ferrers Court	NN10 BIX	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7089000020	Spire General Needs & Sheltered - Restricted	2	Ferrers Court	NN10 BIX	£86.23	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7089000030	Spire General Needs & Sheltered - Restricted	3	Ferrers Court	NN10 BIX	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7089000040	Spire General Needs & Sheltered - Restricted	4	Ferrers Court	NN10 BIX	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7089000050	Spire General Needs & Sheltered - Restricted	5	Ferrers Court	NN10 BIX	£78.01	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7089000060	Spire General Needs & Sheltered - Restricted	6	Ferrers Court	NN10 BIX	£86.23	£86.23	Introd.Tenancy	Flat	2		£34,500		£70,000
Lot B	7092000070	Spire General Needs & Sheltered - Restricted	97	Finedon Road	NN9 5TY	£102.61	£102.61	Assured	House	4		£60,500		£140,000
Lot B	7092000990	Spire General Needs & Sheltered - Restricted	99	Finedon Road	NN9 5TY	£102.61	£102.61	Assured	House	4		£60,500		£140,000
Lot B	7092001030	Spire General Needs & Sheltered - Restricted	103	Finedon Road	NN9 5TY	£94.80	£94.80	Preserved Right	House	3		£50,900		£140,000
Lot B	7092001050	Spire General Needs & Sheltered - Restricted	105	Finedon Road	NN9 5TY	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7092001110	Spire General Needs & Sheltered - Restricted	111	Finedon Road	NN9 5TY	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7092001170	Spire General Needs & Sheltered - Restricted	117	Finedon Road	NN9 5TY	£90.31	£94.50	Preserved Right	House	3		£48,500		£110,000
Lot B	7092001250	Spire General Needs & Sheltered - Restricted	125	Finedon Road	NN9 5TY	£78.55	£94.50	Preserved Right	House	3		£42,200		£110,000
Lot B	7093000010	Spire General Needs & Sheltered - Restricted	1	Finshade Close	PE8 6YD	£82.72	£94.22	Shelt.Ten.Prese	Bunglow	2		£44,500		£125,000
Lot B	7093000020	Spire General Needs & Sheltered - Restricted	2	Finshade Close	PE8 6YD	£104.73	£104.21	Preserved Right	House	4		£60,100		£220,000
Lot B	7093000030	Spire General Needs & Sheltered - Restricted	3	Finshade Close	PE8 6YD	£76.00	£87.52	Shelt.Ten.Prese	Bunglow	1		£40,800		£95,000
Lot B	7093000040	Spire General Needs & Sheltered - Restricted	4	Finshade Close	PE8 6YD	£85.84	£89.94	Preserved Right	House	2		£46,100		£115,000
Lot B	7093000050	Spire General Needs & Sheltered - Restricted	5	Finshade Close	PE8 6YD	£87.49	£87.49	Shelt.Ten.Prese	Bunglow	2		£44,300		£115,000
Lot B	7093000070	Spire General Needs & Sheltered - Restricted	7	Finshade Close	PE8 6YD	£89.94	£89.94	Assured	Bunglow	2		£53,000		£125,000
Lot B	7093000080	Spire General Needs & Sheltered - Restricted	8	Finshade Close	PE8 6YD	£88.35	£89.94	Preserved Right	House	2		£47,500		£115,000
Lot B	7093000090	Spire General Needs & Sheltered - Restricted	9	Finshade Close	PE8 6YD	£75.64	£87.52	Shelt.Ten.Prese	Bunglow	1		£40,600		£95,000
Lot B	7093000110	Spire General Needs & Sheltered - Restricted	11	Finshade Close	PE8 6YD	£84.78	£87.52	Shelt.Ten.Prese	Bunglow	2		£45,000		£115,000
Lot B	7093000150	Spire General Needs & Sheltered - Restricted	15	Finshade Close	PE8 6YD	£89.94	£89.94	Introd.Tenancy	House	2		£53,000		£115,000
Lot B	7093000160	Spire General Needs & Sheltered - Restricted	16	Finshade Close	PE8 6YD	£90.31	£97.06	Preserved Right	House	3		£48,500		£160,000
Lot B	7093000170	Spire General Needs & Sheltered - Restricted	17	Finshade Close	PE8 6YD	£80.24	£94.22	Shelt.Ten.Prese	Bunglow	2		£43,100		£125,000
Lot B	7093000180	Spire General Needs & Sheltered - Restricted	18	Finshade Close	PE8 6YD	£89.94	£89.94	Assured	House	2		£53,000		£115,000
Lot B	7093000190	Spire General Needs & Sheltered - Restricted	19	Finshade Close	PE8 6YD	£94.22	£94.22	Supp.Ten.Assure	Bunglow	2		£55,500		£125,000
Lot B	7093000210	Spire General Needs & Sheltered - Restricted	21	Finshade Close	PE8 6YD	£80.24	£94.22	Shelt.Ten.Prese	Bunglow	2		£43,100		£125,000
Lot B	7093000220	Spire General Needs & Sheltered - Restricted	22	Finshade Close	PE8 6YD	£82.72	£94.22	Shelt.Ten.Prese	Bunglow	2		£44,500		£125,000
Lot B	7093000230	Spire General Needs & Sheltered - Restricted	23	Finshade Close	PE8 6YD	£93.18	£94.22	Supp.Ten.Assure	Bunglow	2		£54,900		£125,000
Lot B	7093000240	Spire General Needs & Sheltered - Restricted	24	Finshade Close	PE8 6YD	£84.78	£94.22	Supp.Ten.Assure	Bunglow	2		£46,900		£125,000
Lot B	7093000260	Spire General Needs & Sheltered - Restricted	26	Finshade Close	PE8 6YD	£81.34	£87.52	Shelt.Ten.Prese	Bunglow	1		£43,700		£95,000
Lot B	7094000010	Spire General Needs & Sheltered - Restricted	1	Fosse Green	NN10 OBQ	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7094000100	Spire General Needs & Sheltered - Restricted	10	Fosse Green	NN10 OBQ	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7096000090	Spire Shared Ownership	9	Front Street	NN14 4EG	£54.09	£54.09	Shared Ownership	Bunglow	2	50%	£41,000		£55,000
Lot B	7096000110	Spire Shared Ownership	11	Front Street	NN14 4EG	£54.09	£54.09	Shared Ownership	Bunglow	2	50%	£41,000		£55,000
Lot B	7096000020	Spire General Needs & Sheltered - Restricted	2	Geoff Sewell Close	LE15 8FH	£84.43	£84.43	Assured	Flat	1		£41,900		£85,000
Lot B	7096000040	Spire General Needs & Sheltered - Restricted	4	Geoff Sewell Close	LE15 8FH	£79.92	£84.43	Assured	Flat	1		£41,900		£85,000
Lot B	7096000060	Spire General Needs & Sheltered - Restricted	6	Geoff Sewell Close	LE15 8FH	£100.46	£104.23	Assured	House	3		£59,200		£175,000
Lot B	7096000080	Spire Shared Ownership	8	Geoff Sewell Close	LE15 8FH	£71.38	£84.43	Shared Ownership	House	2	75%	£78,000		£175,000
Lot B	7096001000	Spire Shared Ownership	10	Geoff Sewell Close	LE15 8FH	£66.34	£84.43	Shared Ownership	House	2	75%	£71,000		£108,750
Lot B	7096001020	Spire General Needs & Sheltered - Restricted	12	Geoff Sewell Close	LE15 8FH	£89.94	£91.85	Assured	House	2		£53,000		£145,000
Lot B	7096001040	Spire General Needs & Sheltered - Restricted	14	Geoff Sewell Close	LE15 8FH	£89.94	£91.85	Assured	House	2		£53,000		£145,000
Lot B	7096001060	Spire Shared Ownership	16	Geoff Sewell Close	LE15 8FH	£66.34	£84.43	Shared Ownership	House	2	75%	£71,000		£108,750
Lot B	7096001080	Spire Shared Ownership	18	Geoff Sewell Close	LE15 8FH	£58.38	£84.43	Shared Ownership	House	3	60%	£62,000		£105,000
Lot B	7097000020	Spire General Needs & Sheltered - Restricted	2	George Street	NN10 BJ	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7097000040	Spire General Needs & Sheltered - Restricted	4	George Street	NN10 BJ	£93.62	£93.62	Introd.Tenancy	House	3		£49,300		£100,000
Lot B	7097000100	Spire General Needs & Sheltered - Restricted	10	George Street	NN10 BJ	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7097001070	Spire General Needs & Sheltered - Restricted	17	George Street	NN10 BJ	£92.02	£93.62	Preserved Right	Flat	2		£47,300		£100,000
Lot B	7098000010	Spire General Needs & Sheltered - Restricted	1	Gibson Drive	PE8 SAW	£93.18	£94.22	Supp.Ten.Assure	Bunglow	2		£54,900		£120,000
Lot B	7098000030	Spire General Needs & Sheltered - Restricted	3	Gibson Drive	PE8 SAW	£84.78	£87.52	Supp.Ten.Assure	Bunglow	1		£50,000		£105,000
Lot B	7098000050	Spire General Needs & Sheltered - Restricted	5	Gibson Drive	PE8 SAW	£82.49	£89.94							

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot Ref	Property Ref (UPRN)	JLL Valuation Category	House No.	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Retained Equity	EUV-SH	MV-T	MV-VP
Lot B	7102500170	Spire General Needs & Sheltered - Unrestricted	16	Glovers Lane	NN9 6TU	£84.43	£86.23	Assured	House	2			£59,700	£95,000
Lot B	7103000120	Spire General Needs & Sheltered - Unrestricted	17	Glovers Lane	NN9 6TU	£86.23	£86.23	Assured	House	2			£57,200	£95,000
Lot B	7103000130	Spire General Needs & Sheltered - Restricted	12	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£57,200		£190,000
Lot B	7103000150	Spire General Needs & Sheltered - Restricted	23	Gordon Road	PE8 4LD	£97.00	£97.06	Preserved Right	House	3		£52,100		£190,000
Lot B	7103000170	Spire General Needs & Sheltered - Restricted	25	Gordon Road	PE8 4LD	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7103000270	Spire General Needs & Sheltered - Restricted	27	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7103000280	Spire General Needs & Sheltered - Restricted	28	Gordon Road	PE8 4LD	£97.00	£97.06	Preserved Right	House	3		£52,100		£190,000
Lot B	7103000290	Spire General Needs & Sheltered - Restricted	29	Gordon Road	PE8 4LD	£97.00	£97.06	Preserved Right	House	3		£52,100		£190,000
Lot B	7103000300	Spire General Needs & Sheltered - Restricted	30	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7103000360	Spire General Needs & Sheltered - Restricted	36	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7103000380	Spire General Needs & Sheltered - Restricted	38	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7103000400	Spire General Needs & Sheltered - Restricted	40	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7103000450	Spire General Needs & Sheltered - Restricted	45	Gordon Road	PE8 4LD	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7103000490	Spire General Needs & Sheltered - Restricted	49	Gordon Road	PE8 4LD	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7103000570	Spire General Needs & Sheltered - Restricted	57	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7103000570	Spire General Needs & Sheltered - Restricted	59	Gordon Road	PE8 4LD	£97.06	£97.06	Introd. Tenancy	House	3		£57,200		£190,000
Lot B	7103000630	Spire General Needs & Sheltered - Restricted	63	Gordon Road	PE8 4LD	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7103000650	Spire General Needs & Sheltered - Restricted	65	Gordon Road	PE8 4LD	£97.00	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7103000790	Spire General Needs & Sheltered - Restricted	79	Gordon Road	PE8 4LD	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7104000030	Spire General Needs & Sheltered - Restricted	3	Gordon Terrace	NN14 3AH	£97.06	£97.06	Preserved Right	House	3		£49,100		£190,000
Lot B	7104000050	Spire General Needs & Sheltered - Restricted	5	Gordon Terrace	NN14 3AH	£97.06	£97.06	Preserved Right	House	3		£47,500		£190,000
Lot B	7105000010	Spire General Needs & Sheltered - Restricted	1	Gorseholm Court	NN9 5RT	£87.95	£90.33	Shelt. Ten. Pres.	Bungalow	2		£47,300		£110,000
Lot B	7105000020	Spire General Needs & Sheltered - Restricted	2	Gorseholm Court	NN9 5RT	£90.33	£90.33	Supp. Ten. Assure	Bungalow	2		£53,200		£110,000
Lot B	7105000030	Spire General Needs & Sheltered - Restricted	3	Gorseholm Court	NN9 5RT	£90.33	£90.33	Supp. Ten. Assure	Bungalow	2		£53,200		£110,000
Lot B	7105000040	Spire General Needs & Sheltered - Restricted	4	Gorseholm Court	NN9 5RT	£89.71	£90.33	Shelt. Ten. Pres.	Bungalow	2		£48,200		£110,000
Lot B	7105000060	Spire General Needs & Sheltered - Restricted	6	Gorseholm Court	NN9 5RT	£90.33	£90.33	Supp. Ten. Assure	Bungalow	2		£53,200		£110,000
Lot B	7105000070	Spire General Needs & Sheltered - Restricted	7	Gorseholm Court	NN9 5RT	£90.33	£90.33	Supp. Ten. Assure	Bungalow	2		£53,200		£110,000
Lot B	7105000080	Spire General Needs & Sheltered - Restricted	8	Gorseholm Court	NN9 5RT	£90.33	£90.33	Supp. Ten. Assure	Bungalow	2		£53,200		£110,000
Lot B	7105000090	Spire General Needs & Sheltered - Restricted	9	Gorseholm Court	NN9 5RT	£90.33	£90.33	Shelt. Ten. Pres.	Bungalow	2		£47,500		£110,000
Lot B	7105000100	Spire General Needs & Sheltered - Restricted	10	Gorseholm Court	NN9 5RT	£90.33	£90.33	Shelt. Ten. Pres.	Bungalow	2		£48,500		£110,000
Lot B	7105000110	Spire General Needs & Sheltered - Restricted	11	Gorseholm Court	NN9 5RT	£90.33	£90.33	Supp. Ten. Assure	Bungalow	2		£53,200		£110,000
Lot B	7105000120	Spire General Needs & Sheltered - Restricted	12	Gorseholm Court	NN9 5RT	£84.70	£90.33	Shelt. Ten. Pres.	Bungalow	2		£45,500		£110,000
Lot B	7105000130	Spire General Needs & Sheltered - Restricted	13	Gorseholm Court	NN9 5RT	£84.70	£90.33	Shelt. Ten. Pres.	Bungalow	2		£45,500		£110,000
Lot B	7105000140	Spire General Needs & Sheltered - Restricted	14	Gorseholm Court	NN9 5RT	£84.70	£90.33	Shelt. Ten. Pres.	Bungalow	2		£45,500		£110,000
Lot B	71060000120	Spire General Needs & Sheltered - Restricted	21	Grafton Road	NN14 3EY	£85.28	£97.06	Preserved Right	House	3		£45,800		£150,000
Lot B	7107000010	Spire General Needs & Sheltered - Restricted	1	Grafton Road	NN10 0HT	£70.35	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000030	Spire General Needs & Sheltered - Restricted	3	Grafton Road	NN10 0HT	£70.35	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000060	Spire General Needs & Sheltered - Restricted	6	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	House	2		£50,800		£100,000
Lot B	7107000130	Spire General Needs & Sheltered - Restricted	13	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	Flat	2		£37,000		£75,000
Lot B	7107000150	Spire General Needs & Sheltered - Restricted	15	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	Flat	2		£37,000		£75,000
Lot B	7107000170	Spire General Needs & Sheltered - Restricted	17	Grafton Road	NN10 0HT	£75.39	£86.23	Preserved Right	Flat	2		£35,500		£75,000
Lot B	7107000180	Spire General Needs & Sheltered - Restricted	18	Grafton Road	NN10 0HT	£75.39	£86.23	Preserved Right	Flat	2		£35,500		£75,000
Lot B	7107000210	Spire General Needs & Sheltered - Restricted	21	Grafton Road	NN10 0HT	£86.23	£86.23	Introd. Tenancy	Flat	2		£37,000		£75,000
Lot B	7107000230	Spire General Needs & Sheltered - Restricted	23	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	Flat	2		£37,000		£75,000
Lot B	7107000250	Spire General Needs & Sheltered - Restricted	25	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	Flat	2		£37,000		£75,000
Lot B	7107000270	Spire General Needs & Sheltered - Restricted	27	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	Flat	2		£37,000		£75,000
Lot B	7107000290	Spire General Needs & Sheltered - Restricted	29	Grafton Road	NN10 0HT	£75.46	£86.23	Assured	Flat	2		£35,500		£75,000
Lot B	7107000310	Spire General Needs & Sheltered - Restricted	31	Grafton Road	NN10 0HT	£86.23	£86.23	Introd. Tenancy	Flat	2		£37,000		£75,000
Lot B	7107000320	Spire General Needs & Sheltered - Restricted	32	Grafton Road	NN10 0HU	£86.23	£86.23	Preserved Right	House	2		£46,300		£105,000
Lot B	7107000340	Spire General Needs & Sheltered - Restricted	34	Grafton Road	NN10 0HU	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7107000350	Spire General Needs & Sheltered - Restricted	35	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	Flat	2		£37,000		£75,000
Lot B	7107000380	Spire General Needs & Sheltered - Restricted	38	Grafton Road	NN10 0HU	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7107000410	Spire General Needs & Sheltered - Restricted	41	Grafton Road	NN10 0HT	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7107000450	Spire General Needs & Sheltered - Restricted	45	Grafton Road	NN10 0HT	£86.23	£86.23	Preserved Right	House	2		£46,300		£105,000
Lot B	7107000530	Spire General Needs & Sheltered - Restricted	53	Grafton Road	NN10 0HT	£70.35	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000550	Spire General Needs & Sheltered - Restricted	55	Grafton Road	NN10 0HT	£70.35	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000560	Spire General Needs & Sheltered - Restricted	56	Grafton Road	NN10 0HU	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7107000570	Spire General Needs & Sheltered - Restricted	57	Grafton Road	NN10 0HT	£70.35	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000590	Spire General Needs & Sheltered - Restricted	59	Grafton Road	NN10 0HT	£70.35	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000610	Spire General Needs & Sheltered - Restricted	61	Grafton Road	NN10 0HT	£70.48	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000630	Spire General Needs & Sheltered - Restricted	63	Grafton Road	NN10 0HT	£71.71	£71.71	Supp. Ten. Assure	Bungalow	1		£43,400		£90,000
Lot B	7107000640	Spire General Needs & Sheltered - Restricted	64	Grafton Road	NN10 0HU	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7107000650	Spire General Needs & Sheltered - Restricted	65	Grafton Road	NN10 0HT	£70.35	£70.35	Assured	Bungalow	1		£41,500		£90,000
Lot B	7107000670	Spire General Needs & Sheltered - Restricted	67	Grafton Road	NN10 0HT	£70.35	£70.35	Preserved Right	Bungalow	1		£37,800		£90,000
Lot B	7107000690	Spire General Needs & Sheltered - Restricted	69	Grafton Road	NN10 0HT	£93.62	£93.62	Assured	House	2		£44,400		£100,000
Lot B	7107000790	Spire General Needs & Sheltered - Restricted	79	Grafton Road	NN10 0HT	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7107000810	Spire General Needs & Sheltered - Restricted	81	Grafton Road	NN10 0HT	£93.62	£93.62	Preserved Right	House	3		£49,100		£120,000
Lot B	7107000830	Spire General Needs & Sheltered - Restricted	83	Grafton Road	NN10 0HT	£93.62	£93.62	Preserved Right	House	3		£49,100		£120,000
Lot B	7107000850	Spire General Needs & Sheltered - Restricted	85	Grafton Road	NN10 0HT	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7107000870	Spire General Needs & Sheltered - Restricted	87	Grafton Road	NN10 0HT	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7108000010	Spire General Needs & Sheltered - Restricted	1	Grebe Close	NN14 4UG	£81.99	£81.99	Supp. Ten. Assure	Bungalow	1		£39,500		£80,000
Lot B	7108000020	Spire General Needs & Sheltered - Restricted	2	Grebe Close	NN14 4UG	£95.03	£95.03	Shelt. Ten. Pres.	Bungalow	2		£51,100		£110,000
Lot B	7108000030	Spire General Needs & Sheltered - Restricted	3	Grebe Close	NN14 4UG	£91.70	£95.03	Supp. Ten. Assure	Bungalow	2		£54,000		£110,000
Lot B	7108000040	Spire General Needs & Sheltered - Restricted	4	Grebe Close	NN14 4UG	£74.46	£95.03	Shelt. Ten. Pres.	Bungalow	2		£40,000		£110,000
Lot B	7108000050	Spire General Needs & Sheltered - Restricted	5	Grebe Close	NN14 4UG	£78.02	£95.03	Shelt. Ten. Pres.	Bungalow	2		£41,900		£110,000
Lot B	7108000060	Spire General Needs & Sheltered - Restricted	6	Grebe Close	NN14 4UG	£82.49	£95.03	Shelt. Ten. Pres.	Bungalow	2		£44,300		£110,000
Lot B	7108000070	Spire General Needs & Sheltered - Restricted	7	Grebe Close	NN14 4UG	£76.91	£95.03	Shelt. Ten. Pres.	Bungalow	2		£41,300		£110,000
Lot B	7108000080	Spire General Needs & Sheltered - Restricted	8	Grebe Close	NN14 4UG	£81.99	£81.99	Supp. Ten. Assure	Bungalow	1		£39,500		£80,000
Lot B	7108000090	Spire General Needs & Sheltered - Restricted	9	Grebe Close	NN14 4UG	£81.99	£81.99	Supp. Ten. Assure	Bungalow	1		£39,500		£80,000
Lot B	7108000100	Spire General Needs & Sheltered - Restricted	10	Grebe Close	NN14 4UG	£90.26	£95.03	Supp. Ten. Assure	Bungalow	2		£53,200		£110,000
Lot B	7108000110	Spire General Needs & Sheltered - Restricted	11	Grebe Close	NN14 4UG	£81.34	£95.03	Shelt. Ten. Pres.	Bungalow	2		£43,700		£110,000
Lot B	7108000120	Spire General Needs & Sheltered - Restricted	12	Grebe Close	NN14 4UG	£88.77	£95.03	Supp. Ten. Assure	Bungalow	2		£52,300		£110,000
Lot B	7108000130	Spire General Needs & Sheltered - Restricted	13	Grebe Close	NN14 4UG	£91.70	£95.03	Shelt. Ten. Pres.	Bungalow	2		£51,000		£110,000
Lot B	7108000140	Spire General Needs & Sheltered - Restricted	14	Grebe Close	NN14 4UG	£81.99	£81.99	Supp. Ten. Assure	Bungalow	1		£39,500		£80,000
Lot B	7108000170	Spire General Needs & Sheltered - Restricted	17	Grebe Close	NN14 4UG	£97.06	£97.06	Assured	House	3		£57,200		£135,000
Lot B	7108000180	Spire General Needs & Sheltered - Restricted	18	Grebe Close	NN14 4UG	£86.05	£97.06	Preserved Right	House	3		£46,200		£135,000
Lot B	7108000190	Spire General Needs & Sheltered - Restricted	19	Grebe Close										

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	JLL Refs	Retained Equity	FLUV SH	MV-T	MV-VP
Lot B	7115000400		Spire General Needs & Sheltered - Restricted	40	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		
Lot B	7115000420		Spire General Needs & Sheltered - Restricted	42	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000430		Spire General Needs & Sheltered - Restricted	43	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000440		Spire General Needs & Sheltered - Restricted	44	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000450		Spire General Needs & Sheltered - Restricted	45	Handcross Way	NN10 8AE	£93.62	£93.62	Introd. Tenancy	House	3		£49,300		£100,000
Lot B	7115000490		Spire General Needs & Sheltered - Restricted	49	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000500		Spire General Needs & Sheltered - Restricted	50	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000520		Spire General Needs & Sheltered - Restricted	52	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000540		Spire General Needs & Sheltered - Restricted	54	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000560		Spire General Needs & Sheltered - Restricted	56	Handcross Way	NN10 8AE	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7115000580		Spire General Needs & Sheltered - Restricted	58	Handcross Way	NN10 8AE	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7115000760		Spire General Needs & Sheltered - Restricted	76	Handcross Way	NN10 8AE	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7116000030		Spire General Needs & Sheltered - Restricted	3	Handcross Way	NN10 6DW	£93.62	£93.62	Assured	House	3		£54,300		£110,000
Lot B	7116000070		Spire General Needs & Sheltered - Restricted	7	Handcross Way	NN10 6DW	£93.62	£93.62	Assured	House	3		£54,300		£110,000
Lot B	7116000180		Spire General Needs & Sheltered - Restricted	18	Handcross Way	NN10 6DW	£93.62	£93.62	Assured	House	3		£54,300		£110,000
Lot B	7117000430		Spire General Needs & Sheltered - Restricted	43	Harcourt Street	NN9 6LZ	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7118000010		Spire General Needs & Sheltered - Restricted	1	Harpers Court	NN14 3JH	£80.49	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000020		Spire General Needs & Sheltered - Restricted	2	Harpers Court	NN14 3JH	£81.99	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000040		Spire General Needs & Sheltered - Restricted	3	Harpers Court	NN14 3JH	£79.99	£78.26	Assured	Flat	1		£19,700		£40,000
Lot B	7118000044		Spire General Needs & Sheltered - Restricted	4	Harpers Court	NN14 3JH	£79.33	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000050		Spire General Needs & Sheltered - Restricted	5	Harpers Court	NN14 3JH	£81.99	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000060		Spire General Needs & Sheltered - Restricted	6	Harpers Court	NN14 3JH	£79.04		Shelt.Ten.Prese	Flat	1		£26,000		£55,000
Lot B	7118000080		Spire General Needs & Sheltered - Restricted	8	Harpers Court	NN14 3JH	£86.11	£95.03	Supp.Ten.Assure	Flat	2		£27,100		£55,000
Lot B	7118000090		Spire General Needs & Sheltered - Restricted	9	Harpers Court	NN14 3JH	£81.15	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000120		Spire General Needs & Sheltered - Restricted	12	Harpers Court	NN14 3JH	£90.57	£95.03	Supp.Ten.Assure	Flat	2		£27,100		£55,000
Lot B	7118000130		Spire General Needs & Sheltered - Restricted	13	Harpers Court	NN14 3JH	£87.06		Shelt.Ten.Prese	Flat	1		£18,900		£40,000
Lot B	7118000140		Spire General Needs & Sheltered - Restricted	14	Harpers Court	NN14 3JH	£80.49	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000150		Spire General Needs & Sheltered - Restricted	15	Harpers Court	NN14 3JH	£81.99	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000160		Spire General Needs & Sheltered - Restricted	16	Harpers Court	NN14 3JH	£78.26	£78.26	Assured	Flat	1		£19,700		£40,000
Lot B	7118000170		Spire General Needs & Sheltered - Restricted	17	Harpers Court	NN14 3JH	£67.06	£81.99	Shelt.Ten.Prese	Flat	1		£18,900		£40,000
Lot B	7118000180		Spire General Needs & Sheltered - Restricted	18	Harpers Court	NN14 3JH	£80.49		Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000190		Spire General Needs & Sheltered - Restricted	19	Harpers Court	NN14 3JH	£90.57	£90.72	Assured	Flat	2		£27,100		£55,000
Lot B	7118000210		Spire General Needs & Sheltered - Restricted	21	Harpers Court	NN14 3JH	£81.15	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000220		Spire General Needs & Sheltered - Restricted	22	Harpers Court	NN14 3JH	£80.49	£81.99	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B	7118000230		Spire General Needs & Sheltered - Restricted	23	Harpers Court	NN14 3JH	£70.25		Empty non-char	Flat	1		£14,800		£30,000
Lot B	7118000240		Spire General Needs & Sheltered - Restricted	24	Harpers Court	NN14 3JH	£89.77	£95.03	Supp.Ten.Assure	Flat	2		£27,100		£55,000
Lot B	7118000250		Spire General Needs & Sheltered - Restricted	25	Harpers Court	NN14 3JH	£89.77	£95.03	Supp.Ten.Assure	Flat	2		£27,100		£55,000
Lot B	7118000260		Spire General Needs & Sheltered - Restricted	26	Harpers Court	NN14 3JH	£67.06	£78.26	Preserved Right	Flat	1		£18,900		£40,000
Lot B	7119000020		Spire General Needs & Sheltered - Restricted	2	Hayden Road	NN10 0HX	£70.35	£70.35	Preserved Right	Bungalow	1		£37,800		£90,000
Lot B	7119000040		Spire General Needs & Sheltered - Restricted	4	Hayden Road	NN10 0HX	£70.35		Assured	Bungalow	1		£41,500		£90,000
Lot B	7119000060		Spire General Needs & Sheltered - Restricted	6	Hayden Road	NN10 0HX	£72.00	£73.71	Shelt.Ten.Prese	Bungalow	1		£38,700		£90,000
Lot B	7119000120		Spire General Needs & Sheltered - Restricted	12	Hayden Road	NN10 0HX	£86.23		Assured	House	2		£50,800		£105,000
Lot B	7119000170		Spire General Needs & Sheltered - Restricted	17	Hayden Road	NN10 0HX	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7120000010		Spire General Needs & Sheltered - Restricted	1	Hayway	NN9 SQP	£90.31	£94.50	Supp.Ten.Assure	Bungalow	2		£49,900		£110,000
Lot B	7120000030		Spire General Needs & Sheltered - Restricted	3	Hayway	NN9 SQP	£85.84	£94.50	Preserved Right	House	3		£46,100		£110,000
Lot B	7120000060		Spire General Needs & Sheltered - Restricted	6	Hayway	NN9 SQP	£92.51	£94.50	Preserved Right	House	3		£49,700		£110,000
Lot B	7120000110		Spire General Needs & Sheltered - Restricted	11	Hayway	NN9 SQP	£85.84	£94.50	Preserved Right	House	3		£46,100		£110,000
Lot B	7120000120		Spire General Needs & Sheltered - Restricted	12	Hayway	NN9 SQP	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7120000130		Spire General Needs & Sheltered - Restricted	13	Hayway	NN9 SQP	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7120000140		Spire General Needs & Sheltered - Restricted	14	Hayway	NN9 SQP	£90.31	£94.50	Preserved Right	House	3		£48,500		£110,000
Lot B	7120000160		Spire General Needs & Sheltered - Restricted	16	Hayway	NN9 SQP	£92.51	£94.50	Preserved Right	House	3		£49,700		£110,000
Lot B	7120000170		Spire General Needs & Sheltered - Restricted	17	Hayway	NN9 SQP	£90.31	£94.50	Preserved Right	House	3		£48,500		£110,000
Lot B	7120000180		Spire General Needs & Sheltered - Restricted	18	Hayway	NN9 SQP	£91.60		Preserved Right	House	3		£49,200		£110,000
Lot B	7120000200		Spire General Needs & Sheltered - Restricted	20	Hayway	NN9 SQP	£92.51	£94.50	Preserved Right	House	3		£49,700		£110,000
Lot B	7120000220		Spire General Needs & Sheltered - Restricted	22	Hayway	NN9 SQP	£89.18	£94.50	Preserved Right	House	3		£47,900		£110,000
Lot B	7120000240		Spire General Needs & Sheltered - Restricted	24	Hayway	NN9 SQP	£92.51	£94.50	Preserved Right	House	3		£49,700		£110,000
Lot B	7120000250		Spire General Needs & Sheltered - Restricted	25	Hayway	NN9 SQP	£81.34		Preserved Right	House	2		£43,700		£95,000
Lot B	7120000270		Spire General Needs & Sheltered - Restricted	27	Hayway	NN9 SQP	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7120000290		Spire General Needs & Sheltered - Restricted	29	Hayway	NN9 SQP	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7120000300		Spire General Needs & Sheltered - Restricted	30	Hayway	NN9 SQP	£91.73	£94.50	Preserved Right	House	3		£49,300		£110,000
Lot B	7120000310		Spire General Needs & Sheltered - Restricted	31	Hayway	NN9 SQP	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7120000340		Spire General Needs & Sheltered - Restricted	34	Hayway	NN9 SQP	£91.82		Preserved Right	House	3		£49,300		£110,000
Lot B	7120000360		Spire General Needs & Sheltered - Restricted	36	Hayway	NN9 SQP	£89.18	£94.50	Preserved Right	House	3		£47,900		£110,000
Lot B	7120000380		Spire General Needs & Sheltered - Restricted	38	Hayway	NN9 SQP	£91.73	£94.50	Preserved Right	House	3		£49,300		£110,000
Lot B	7120000390		Spire General Needs & Sheltered - Restricted	39	Hayway	NN9 SQP	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7120000400		Spire General Needs & Sheltered - Restricted	40	Hayway	NN9 SQP	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7120000410		Spire General Needs & Sheltered - Restricted	41	Hayway	NN9 SQP	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7120000420		Spire General Needs & Sheltered - Restricted	42	Hayway	NN9 SQP	£91.82	£94.50	Preserved Right	House	3		£49,300		£110,000
Lot B	7120000450		Spire General Needs & Sheltered - Restricted	45	Hayway	NN9 SQP	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7120000480		Spire General Needs & Sheltered - Restricted	48	Hayway	NN9 SQP	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7120000500		Spire General Needs & Sheltered - Restricted	50	Hayway	NN9 SQP	£80.24	£86.23	Preserved Right	House	2		£43,100		£95,000
Lot B	7120000540		Spire General Needs & Sheltered - Restricted	54	Hayway	NN9 SQP	£86.61	£94.50	Preserved Right	House	3		£47,600		£110,000
Lot B	7120000600		Spire General Needs & Sheltered - Restricted	60	Hayway	NN9 SQP	£86.61	£94.50	Preserved Right	House	3		£47,600		£110,000
Lot B	7121000010		Spire General Needs & Sheltered - Restricted	1	Headingley Road	NN10 0HS	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7121000020		Spire General Needs & Sheltered - Restricted	2	Headingley Road	NN10 0HS	£86.23		Introd. Tenancy	House	2		£50,800		£105,000
Lot B	7121000120		Spire General Needs & Sheltered - Restricted	12	Headingley Road	NN10 0HS	£84.61	£86.23	Preserved Right	House	2		£45,500		£105,000
Lot B	7121000130		Spire General Needs & Sheltered - Restricted	13	Headingley Road	NN10 0HS	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7121000150		Spire General Needs & Sheltered - Restricted	15	Headingley Road	NN10 0HS	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7121000190		Spire General Needs & Sheltered - Restricted	19	Headingley Road	NN10 0HS	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7121000200		Spire General Needs & Sheltered - Restricted	20	Headingley Road	NN10 0HS	£86.70		Preserved Right	House	2		£45,500		£105,000
Lot B	7121000210		Spire General Needs & Sheltered - Restricted	21	Headingley Road	NN10 0HS	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7121000230		Spire General Needs & Sheltered - Restricted	23	Headingley Road	NN10 0HS	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7121000250		Spire General Needs & Sheltered - Restricted	25	Headingley Road	NN10 0HS	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7121000340		Spire General Needs & Sheltered - Restricted	34	Headingley Road	NN10 0HS	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7121000360		Spire General Needs & Sheltered - Restricted	36	Headingley Road	NN10 0HS	£93.62	£93.6							

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot Ref	Property Ref (UPRN)	JLL Valuation Category	House No.	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Equated	EUV-SH	MV-T	MV-VP
Lot B	7132000020	Spire General Needs & Sheltered - Restricted	28	Highfield Road	NN14 4HD	£88.23	£89.94	Assured	House	2		£51,000		£130,000
Lot B	7132000028	Spire General Needs & Sheltered - Restricted	29	Highfield Road	NN14 4HD	£95.13	£97.06	Preserved Right	House	3		£52,100		£135,000
Lot B	7132000030	Spire General Needs & Sheltered - Restricted	30	Highfield Road	NN14 4HD	£93.91	£97.06	Preserved Right	House	3		£51,900		£135,000
Lot B	7132000032	Spire General Needs & Sheltered - Restricted	32	Highfield Road	NN14 4HD	£86.78	£97.06	Preserved Right	House	3		£46,600		£135,000
Lot B	7132000038	Spire General Needs & Sheltered - Restricted	38	Highfield Road	NN14 4HD	£90.17	£97.06	Preserved Right	House	3		£48,500		£135,000
Lot B	7132000040	Spire General Needs & Sheltered - Restricted	41	Highfield Road	NN14 4HD	£96.50	£97.06	Preserved Right	House	3		£51,900		£135,000
Lot B	7132000042	Spire General Needs & Sheltered - Restricted	43	Highfield Road	NN14 4HD	£95.79	£97.06	Preserved Right	House	3		£51,500		£135,000
Lot B	7132000044	Spire General Needs & Sheltered - Restricted	44	Highfield Road	NN14 4HD	£93.47	£97.06	Preserved Right	House	4		£50,200		£160,000
Lot B	7132000045	Spire General Needs & Sheltered - Restricted	45	Highfield Road	NN14 4HD	£96.49	£97.06	Assured	House	3		£56,900		£135,000
Lot B	7132000049	Spire General Needs & Sheltered - Restricted	49	Highfield Road	NN14 4HD	£92.51	£97.06	Preserved Right	House	3		£49,700		£135,000
Lot B	7132000540	Spire General Needs & Sheltered - Restricted	54	Highfield Road	NN14 4HD	£95.79	£97.06	Preserved Right	House	3		£51,500		£135,000
Lot B	7132000770	Spire General Needs & Sheltered - Unrestricted	16	Highfield Road	NN14 4HD	£96.50	£97.06	Assured	House	3		£51,500	£68,200	£135,000
Lot B	7132000772	Spire General Needs & Sheltered - Restricted	72	Highfield Road	NN14 4HD	£95.49	£97.06	Assured	House	3		£56,900		£135,000
Lot B	7133000060	Spire General Needs & Sheltered - Restricted	6	Highfield Road	NN9 5UD	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1		£47,700		£100,000
Lot B	7133000080	Spire General Needs & Sheltered - Restricted	8	Highfield Road	NN9 5UD	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1		£47,700		£100,000
Lot B	7133000100	Spire General Needs & Sheltered - Restricted	10	Highfield Road	NN9 5UD	£80.92	£81.35	Supp.Ten.Assure	Bungalow	2		£48,300		£110,000
Lot B	7133000120	Spire General Needs & Sheltered - Restricted	12	Highfield Road	NN9 5UD	£80.92	£81.35	Supp.Ten.Assure	Bungalow	2		£48,300		£110,000
Lot B	7133000130	Spire General Needs & Sheltered - Restricted	13	Highfield Road	NN9 5UD	£86.23	£86.23	Preserved Right	Bungalow	2		£46,300		£110,000
Lot B	7133000140	Spire General Needs & Sheltered - Restricted	14	Highfield Road	NN9 5UD	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1		£47,700		£100,000
Lot B	7133000150	Spire General Needs & Sheltered - Restricted	15	Highfield Road	NN9 5UD	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7133000160	Spire General Needs & Sheltered - Restricted	16	Highfield Road	NN9 5UD	£81.35	£81.35	Supp.Ten.Assure	Bungalow	2		£43,500		£110,000
Lot B	7133000170	Spire General Needs & Sheltered - Restricted	17	Highfield Road	NN9 5UD	£89.90	£90.33	Supp.Ten.Assure	Bungalow	2		£48,300		£110,000
Lot B	7133000190	Spire General Needs & Sheltered - Restricted	19	Highfield Road	NN9 5UD	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7133000210	Spire General Needs & Sheltered - Restricted	21	Highfield Road	NN9 5UD	£89.90	£90.33	Supp.Ten.Assure	Bungalow	2		£48,300		£110,000
Lot B	7133000230	Spire General Needs & Sheltered - Restricted	23	Highfield Road	NN9 5UD	£89.90	£90.33	Supp.Ten.Assure	Bungalow	2		£48,300		£110,000
Lot B	7133000250	Spire General Needs & Sheltered - Restricted	25	Highfield Road	NN9 5UD	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7133000270	Spire General Needs & Sheltered - Restricted	27	Highfield Road	NN9 5UD	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7133000290	Spire General Needs & Sheltered - Restricted	29	Highfield Road	NN9 5UD	£89.97	£90.33	Supp.Ten.Assure	Bungalow	2		£48,300		£110,0

Valuation Schedule

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Lot Ref	Property Ref (UPRN)	JLL Valuation Category	House			S2 Week Rent	S2 Week		Tenure Desc	JLL Type	Retained		EUV-SH	MV-T	MV-VP
			No.	Address 1	Post Code		Target Rent	Tenure Desc			JLL Beds	Equity			
Lot B	7137500030	Spire General Needs & Sheltered - Restricted	3	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E95,000
Lot B	7137500040	Spire Shared Ownership	4	Hornbeam Lane	LE15 9BF	E43.10		Shared Ownership	House	3	50%		E46,000		E75,000
Lot B	7137500050	Spire General Needs & Sheltered - Restricted	5	Hornbeam Lane	LE15 9BF	E82.58	E84.43	Assured	House	1			E46,900		E95,000
Lot B	7137500060	Spire Shared Ownership	6	Hornbeam Lane	LE15 9BF	E31.83		Shared Ownership	House	3	35%		E34,000		E52,500
Lot B	7137500070	Spire General Needs & Sheltered - Restricted	7	Hornbeam Lane	LE15 9BF	E82.58	E84.43	Introd. Tenancy	House	1			E46,900		E95,000
Lot B	7137500080	Spire General Needs & Sheltered - Restricted	8	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500090	Spire General Needs & Sheltered - Restricted	9	Hornbeam Lane	LE15 9BF	E82.58	E84.43	Assured	House	1			E46,900		E95,000
Lot B	7137500100	Spire General Needs & Sheltered - Restricted	10	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500110	Spire General Needs & Sheltered - Restricted	11	Hornbeam Lane	LE15 9BF	E82.58	E84.43	Assured	House	1			E46,900		E95,000
Lot B	7137500120	Spire General Needs & Sheltered - Restricted	12	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500140	Spire General Needs & Sheltered - Restricted	14	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500150	Spire General Needs & Sheltered - Restricted	15	Hornbeam Lane	LE15 9BF	E82.58	E84.43	Assured	House	1			E46,900		E95,000
Lot B	7137500160	Spire General Needs & Sheltered - Restricted	16	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500170	Spire Shared Ownership	17	Hornbeam Lane	LE15 9BF	E75.43		Shared Ownership	House	3	75%		E80,000		E112,500
Lot B	7137500180	Spire General Needs & Sheltered - Restricted	18	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500190	Spire Shared Ownership	19	Hornbeam Lane	LE15 9BF	E68.97		Shared Ownership	House	3	75%		E73,000		E112,500
Lot B	7137500200	Spire General Needs & Sheltered - Restricted	20	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500210	Spire Shared Ownership	21	Hornbeam Lane	LE15 9BF	E68.97		Shared Ownership	House	3	75%		E73,000		E112,500
Lot B	7137500220	Spire General Needs & Sheltered - Restricted	22	Hornbeam Lane	LE15 9BF	E91.85	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500230	Spire General Needs & Sheltered - Restricted	23	Hornbeam Lane	LE15 9BF	E103.52	E104.23	Assured	House	2			E61,000		E150,000
Lot B	7137500240	Spire General Needs & Sheltered - Restricted	24	Hornbeam Lane	LE15 9BF	E91.71	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500250	Spire General Needs & Sheltered - Restricted	25	Hornbeam Lane	LE15 9BF	E104.23	E104.23	Assured	House	3			E61,000		E150,000
Lot B	7137500260	Spire General Needs & Sheltered - Restricted	26	Hornbeam Lane	LE15 9BF	E91.71	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500270	Spire General Needs & Sheltered - Restricted	27	Hornbeam Lane	LE15 9BF	E103.52	E104.23	Assured	House	3			E61,000		E150,000
Lot B	7137500280	Spire General Needs & Sheltered - Restricted	28	Hornbeam Lane	LE15 9BF	E91.71	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7137500300	Spire General Needs & Sheltered - Restricted	30	Hornbeam Lane	LE15 9BF	E91.71	E91.85	Assured	House	2			E54,100		E120,000
Lot B	7138000040	Spire General Needs & Sheltered - Restricted	4	Hove Road	NN10 0IB	E93.62	E93.62	Assured	House	3			E55,200		E120,000
Lot B	7138000140	Spire General Needs & Sheltered - Restricted	14	Hove Road	NN10 0IB	E93.62	E93.62	Assured	House	3			E55,200		E120,000
Lot B	7138000160	Spire General Needs & Sheltered - Restricted	16	Hove Road	NN10 0IB	E93.62	E93.62	Assured	House	3			E55,200		E120,000
Lot B	7138000180	Spire General Needs & Sheltered - Restricted	18	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000210	Spire General Needs & Sheltered - Restricted	21	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000270	Spire General Needs & Sheltered - Restricted	27	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000280	Spire General Needs & Sheltered - Restricted	28	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000300	Spire General Needs & Sheltered - Restricted	30	Hove Road	NN10 0IB	E93.62	E93.62	Assured	House	3			E55,200		E120,000
Lot B	7138000310	Spire General Needs & Sheltered - Restricted	31	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000360	Spire General Needs & Sheltered - Restricted	36	Hove Road	NN10 0IB	E93.62	E93.62	Assured	House	3			E55,200		E120,000
Lot B	7138000380	Spire General Needs & Sheltered - Restricted	38	Hove Road	NN10 0IB	E93.62	E93.62	Assured	House	3			E55,200		E120,000
Lot B	7138000420	Spire General Needs & Sheltered - Restricted	42	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000450	Spire General Needs & Sheltered - Restricted	45	Hove Road	NN10 0IB	E86.23	E86.23	Preserved Right	House	2			E46,900		E95,000
Lot B	7138000460	Spire General Needs & Sheltered - Restricted	46	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000480	Spire General Needs & Sheltered - Restricted	48	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7138000500	Spire General Needs & Sheltered - Restricted	50	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7139000080	Spire General Needs & Sheltered - Restricted	52	Hove Road	NN10 0IB	E93.62	E93.62	Preserved Right	House	3			E50,300		E120,000
Lot B	7139000100	Spire General Needs & Sheltered - Restricted	1	Huntingdon Road	NN14 4NQ	E81.82	E81.99	Supp.Ten.Assure	Flat	1			E39,500		E80,000
Lot B	7139000120	Spire General Needs & Sheltered - Restricted	12	Huntingdon Road	NN14 4NQ	E78.26	E78.26	Assured	Flat	1			E39,500		E80,000
Lot B	7139000140	Spire General Needs & Sheltered - Restricted	14	Huntingdon Road	NN14 4NQ	E63.64	E81.99	Shelt.Ten.Prese	Flat	1			E34,200		E80,000
Lot B	7139000140	Spire General Needs & Sheltered - Restricted	14	Huntingdon Road	NN14 4NQ	E63.64	E78.26	Preserved Right	Flat	1			E34,200		E80,000
Lot B	7139000817	Spire General Needs & Sheltered - Restricted	81	Huntingdon Road	NN14 4NF	E97.06	E97.06	Assured	House	3			E57,200		E135,000
Lot B	7140000010	Spire General Needs & Sheltered - Restricted	1	Inkerman Way	PE8 4AH	E78.01	E87.52	Shelt.Ten.Prese	Bungalow	1			E41,900		E125,000
Lot B	7140000020	Spire General Needs & Sheltered - Restricted	2	Inkerman Way	PE8 4AH	E84.78	E87.52	Supp.Ten.Assure	Bungalow	1			E50,000		E125,000
Lot B	7140000030	Spire General Needs & Sheltered - Restricted	3	Inkerman Way	PE8 4AH	E84.78	E87.52	Supp.Ten.Assure	Bungalow	1			E50,000		E125,000
Lot B	7140000040	Spire General Needs & Sheltered - Restricted	4	Inkerman Way	PE8 4AH	E84.78	E87.52	Supp.Ten.Assure	Bungalow	1			E50,000		E125,000
Lot B	7140000050	Spire General Needs & Sheltered - Restricted	5	Inkerman Way	PE8 4AH	E87.52	E87.52	Shelt.Ten.Prese	Bungalow	1			E47,000		E125,000
Lot B	7140000060	Spire General Needs & Sheltered - Restricted	6	Inkerman Way	PE8 4AH	E75.64	E87.52	Shelt.Ten.Prese	Bungalow	1			E40,600		E125,000
Lot B	7140000070	Spire General Needs & Sheltered - Restricted	7	Inkerman Way	PE8 4AH	E87.52	E87.52	Supp.Ten.Assure	Bungalow	1			E51,600		E125,000
Lot B	7140000080	Spire General Needs & Sheltered - Restricted	8	Inkerman Way	PE8 4AH	E84.78	E87.52	Supp.Ten.Assure	Bungalow	1			E50,000		E125,000
Lot B	7140000090	Spire General Needs & Sheltered - Restricted	9	Inkerman Way	PE8 4AH	E86.28	E87.52	Shelt.Ten.Prese	Bungalow	1			E36,700		E125,000
Lot B	7140000100	Spire General Needs & Sheltered - Restricted	10	Inkerman Way	PE8 4AH	E84.78	E87.52	Supp.Ten.Assure	Bungalow	1			E50,000		E125,000
Lot B	7140000110	Spire General Needs & Sheltered - Restricted	11	Inkerman Way	PE8 4AH	E86.92	E94.22	Shelt.Ten.Prese	Bungalow	2			E46,700		E140,000
Lot B	7140000120	Spire General Needs & Sheltered - Restricted	12	Inkerman Way	PE8 4AH	E86.92	E94.22	Shelt.Ten.Prese	Bungalow	2			E46,700		E140,000
Lot B	7140000140	Spire General Needs & Sheltered - Restricted	14	Inkerman Way	PE8 4AH	E87.52	E87.52	Supp.Ten.Assure	Bungalow	1			E51,600		E125,000
Lot B	7140000150	Spire General Needs & Sheltered - Restricted	15	Inkerman Way	PE8 4AH	E84.24	E94.22	Shelt.Ten.Prese	Bungalow	2			E43,100		E140,000
Lot B	7140000160	Spire General Needs & Sheltered - Restricted	16	Inkerman Way	PE8 4AH	E73.21	E87.52	Shelt.Ten.Prese	Bungalow	1			E39,300		E125,000
Lot B	7141000410	Spire General Needs & Sheltered - Restricted	41	Irchester Road	NN10 9XF	E85.55	E86.23	Preserved Right	House	2			E45,000		E95,000
Lot B	7141000430	Spire General Needs & Sheltered - Restricted	43	Irchester Road	NN10 9XF	E85.55	E86.23	Preserved Right	House	2			E45,000		E95,000
Lot B	7141000450	Spire General Needs & Sheltered - Restricted	45	Irchester Road	NN10 9XG	E85.54	E86.23	Preserved Right	House	2			E45,000		E95,000
Lot B	7141000510	Spire General Needs & Sheltered - Restricted	51	Irchester Road	NN10 9XE	E93.62	E93.62	Preserved Right	House	3			E50,300		E115,000
Lot B	7141000520	Spire General Needs & Sheltered - Restricted	52	Irchester Road	NN10 9XE	E79.15	E86.23	Preserved Right	House	2			E42,500		E95,000
Lot B	7141000550	Spire General Needs & Sheltered - Restricted	55	Irchester Road	NN10 9XG	E93.62	E93.62	Preserved Right	House	3			E50,300		E115,000
Lot B	7141000570	Spire General Needs & Sheltered - Restricted	57	Irchester Road	NN10 9XG	E93.62	E93.62	Preserved Right	House	3			E50,300		E115,000
Lot B	7141000600	Spire General Needs & Sheltered - Restricted	60	Irchester Road	NN10 9XE	E86.23	E86.23	Introd. Tenancy							

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot #	Property Ref (UPRN)	JLL Valuation Category	House No.	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Equated	EUV-SH	MV-T	MV-VP
Lot B	7144000120	Spire General Needs & Sheltered - Restricted	12	Jubilee Close	NN14 3DU	£94.34	£97.06	Preserved Right	House	3		£50,700		£150,000
Lot B	7144000140	Spire General Needs & Sheltered - Restricted	14	Jubilee Close	NN14 3DU	£94.34	£97.06	Preserved Right	House	3		£50,700		£150,000
Lot B	7144000160	Spire General Needs & Sheltered - Restricted	16	Jubilee Close	NN14 3DU	£97.06	£97.06	Preserved Right	House	3		£51,400		£151,000
Lot B	7144000170	Spire General Needs & Sheltered - Restricted	17	Jubilee Close	NN14 3DU	£97.06	£97.06	Assured	House	3		£57,200		£150,000
Lot B	7145000050	Spire General Needs & Sheltered - Restricted	5	Kent Road	NN10 0BP	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7145000060	Spire General Needs & Sheltered - Restricted	6	Kent Road	NN10 0BP	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7145000080	Spire General Needs & Sheltered - Restricted	8	Kent Road	NN10 0BP	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7145000010	Spire General Needs & Sheltered - Restricted	1	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000020	Spire General Needs & Sheltered - Restricted	2	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000030	Spire General Needs & Sheltered - Restricted	3	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000040	Spire General Needs & Sheltered - Restricted	4	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000050	Spire General Needs & Sheltered - Restricted	5	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000060	Spire General Needs & Sheltered - Restricted	6	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000070	Spire General Needs & Sheltered - Restricted	7	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000080	Spire General Needs & Sheltered - Restricted	8	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7145000090	Spire General Needs & Sheltered - Restricted	9	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7146000110	Spire General Needs & Sheltered - Restricted	10	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7146000110	Spire General Needs & Sheltered - Restricted	11	Kilburn Place	NN10 6DU	£73.00	£73.00	Shelt.Ten.Prese	Flat	1		£21,300		£45,000
Lot B	7146000120	Spire General Needs & Sheltered - Restricted	12	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£22,200		£45,000
Lot B	7146000130	Spire General Needs & Sheltered - Restricted	13	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£95,000
Lot B	7146000140	Spire General Needs & Sheltered - Restricted	14	Kilburn Place	NN10 6DU	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£43,400		£95,000
Lot B	7146000150	Spire General Needs & Sheltered - Restricted	15	Kilburn Place	NN10 6DU	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£39,600		£95,000
Lot B	7146000160	Spire General Needs & Sheltered - Restricted	16	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£95,000
Lot B	7146000170	Spire General Needs & Sheltered - Restricted	17	Kilburn Place	NN10 6DU	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£95,000
Lot B	7146000180	Spire General Needs & Sheltered - Restricted	18	Kilburn Place	NN10 6DU	£73.21	£73.21	Shelt.Ten.Prese	Bungalow	1		£39,600		£95,000
Lot B	7146000190	Spire General Needs & Sheltered - Restricted	19	Kilburn Place	NN10 6DU	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£39,600		£95,000
Lot B	7146000200	Spire General Needs & Sheltered - Restricted	20	Kilburn Place	NN10 6DU	£88.77	£90.33	Shelt.Ten.Prese	House	2		£47,300		£100,000
Lot B	7146000210	Spire General Needs & Sheltered - Restricted	21	Kilburn Place	NN10 6DU	£88.77	£90.33	Supp.Ten.Assure	House	2		£47,300		£100,000

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref	Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	J/L Refs	Retained Equity	FLV/SH	MV-T	MV-VP
Lot B	7161000250	Spire General Needs & Sheltered - Restricted	25	Lymington Road	NN14 3HE	£91.42	£97.06	Preserved Right	House	3	£49,100			
Lot B	7161000270	Spire General Needs & Sheltered - Restricted	27	Lymington Road	NN14 3HE	£95.87	£97.06	Preserved Right	House	3	£51,500			£150,000
Lot B	7161000310	Spire General Needs & Sheltered - Restricted	31	Lymington Road	NN14 3HE	£97.06	£97.06	Preserved Right	House	3	£52,200			£150,000
Lot B	7161000330	Spire General Needs & Sheltered - Restricted	33	Lymington Road	NN14 3HE	£97.06	£97.06	Preserved Right	House	3	£52,200			£150,000
Lot B	7161000350	Spire General Needs & Sheltered - Restricted	35	Lymington Road	NN14 3HE	£91.42	£97.06	Preserved Right	House	3	£49,100			£150,000
Lot B	7161000380	Spire General Needs & Sheltered - Restricted	38	Lymington Road	NN14 3HE	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7161000400	Spire General Needs & Sheltered - Restricted	40	Lymington Road	NN14 3HE	£88.06	£97.06	Preserved Right	House	3	£47,300			£150,000
Lot B	7161000440	Spire General Needs & Sheltered - Restricted	44	Lymington Road	NN14 3HE	£83.56	£97.06	Preserved Right	House	3	£44,900			£150,000
Lot B	7161000460	Spire General Needs & Sheltered - Restricted	46	Lymington Road	NN14 3HE	£104.21	£104.21	Introd.Tenancy	House	4	£61,400			£175,000
Lot B	7161000500	Spire General Needs & Sheltered - Restricted	50	Lymington Road	NN14 3HE	£91.42	£97.06	Preserved Right	House	3	£49,100			£150,000
Lot B	7161000520	Spire General Needs & Sheltered - Restricted	52	Lymington Road	NN14 3HE	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7161000550	Spire General Needs & Sheltered - Restricted	55	Lymington Road	NN14 3HE	£92.51	£104.21	Preserved Right	House	4	£49,700			£175,000
Lot B	7161000560	Spire General Needs & Sheltered - Restricted	56	Lymington Road	NN14 3HE	£97.06	£97.06	Assured	House	3	£57,200			£150,000
Lot B	7161000570	Spire General Needs & Sheltered - Restricted	57	Lymington Road	NN14 3HE	£85.21	£97.06	Preserved Right	House	3	£45,800			£150,000
Lot B	7162000010	Spire General Needs & Sheltered - Restricted	1	Mackenzie Road	NN9 6EP	£90.33	£90.33	Shelt.Ten.Prese	Bungalow	2	£48,500			£105,000
Lot B	7162000030	Spire General Needs & Sheltered - Restricted	3	Mackenzie Road	NN9 6EP	£90.33	£90.33	Shelt.Ten.Prese	Bungalow	2	£48,500			£105,000
Lot B	7162000050	Spire General Needs & Sheltered - Restricted	5	Mackenzie Road	NN9 6EP	£79.35	£81.35	Shelt.Ten.Prese	Bungalow	1	£42,600			£95,000
Lot B	7162000070	Spire General Needs & Sheltered - Restricted	7	Mackenzie Road	NN9 6EP	£80.92	£81.35	Shelt.Ten.Prese	Bungalow	1	£43,500			£95,000
Lot B	7162000090	Spire General Needs & Sheltered - Restricted	9	Mackenzie Road	NN9 6EP	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7162000150	Spire General Needs & Sheltered - Restricted	15	Mackenzie Road	NN9 6EP	£94.50	£94.50	Preserved Right	House	3	£50,800			£120,000
Lot B	7162000250	Spire General Needs & Sheltered - Restricted	25	Mackenzie Road	NN9 6EP	£94.50	£94.50	Preserved Right	House	3	£50,800			£120,000
Lot B	7162000270	Spire General Needs & Sheltered - Restricted	27	Mackenzie Road	NN9 6EP	£94.50	£94.50	Preserved Right	House	3	£50,800			£120,000
Lot B	7162000290	Spire General Needs & Sheltered - Restricted	29	Mackenzie Road	NN9 6EP	£86.23	£86.23	Assured	House	2	£46,900			£95,000
Lot B	7162000330	Spire General Needs & Sheltered - Restricted	33	Mackenzie Road	NN9 6EP	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7162000350	Spire General Needs & Sheltered - Restricted	35	Mackenzie Road	NN9 6EP	£86.23	£86.23	Preserved Right	House	2	£45,000			£95,000
Lot B	7163000180	Spire General Needs & Sheltered - Restricted	18	Main Street	NN14 3EL	£97.06	£97.06	Introd.Tenancy	House	1	£57,200			£150,000
Lot B	7163000220	Spire General Needs & Sheltered - Restricted	22	Main Street	NN14 3EL	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900			£130,000
Lot B	7164000110	Spire General Needs & Sheltered - Restricted	11	Main Street	PE8 0PR	£87.95	£97.06	Preserved Right	House	3	£47,300			£160,000
Lot B	7165000100	Spire General Needs & Sheltered - Restricted	10	Mallory Close	NN10 0ED	£92.89	£93.62	Preserved Right	House	3	£49,900			£120,000
Lot B	7165000140	Spire General Needs & Sheltered - Restricted	14	Mallory Close	NN10 0ED	£93.62	£93.62	Preserved Right	House	3	£42,600			£95,000
Lot B	7166000010	Spire General Needs & Sheltered - Restricted	1	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,600			£56,000
Lot B	7166000020	Spire General Needs & Sheltered - Restricted	2	Manor Close	NN14 4LE	£83.56	£95.03	Shelt.Ten.Prese	Bungalow	2	£33,100			£70,000
Lot B	7166000030	Spire General Needs & Sheltered - Restricted	3	Manor Close	NN14 4LE	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2	£34,500			£70,000
Lot B	7166000040	Spire General Needs & Sheltered - Restricted	4	Manor Close	NN14 4LE	£74.46	£81.99	Shelt.Ten.Prese	Bungalow	1	£25,300			£55,000
Lot B	7166000050	Spire General Needs & Sheltered - Restricted	5	Manor Close	NN14 4LE	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2	£34,500			£70,000
Lot B	7166000060	Spire General Needs & Sheltered - Restricted	6	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000070	Spire General Needs & Sheltered - Restricted	7	Manor Close	NN14 4LE	£81.99	£81.99	Shelt.Ten.Prese	Flat	1	£26,000			£55,000
Lot B	7166000080	Spire General Needs & Sheltered - Restricted	8	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000090	Spire General Needs & Sheltered - Restricted	9	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000100	Spire General Needs & Sheltered - Restricted	10	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000110	Spire General Needs & Sheltered - Restricted	11	Manor Close	NN14 4LE	£81.99	£81.99	Shelt.Ten.Prese	Flat	1	£26,000			£55,000
Lot B	7166000120	Spire General Needs & Sheltered - Restricted	12	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000130	Spire General Needs & Sheltered - Restricted	13	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000140	Spire General Needs & Sheltered - Restricted	14	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000150	Spire General Needs & Sheltered - Restricted	15	Manor Close	NN14 4LE	£91.42	£95.03	Supp.Ten.Assure	Flat	2	£39,500			£80,000
Lot B	7166000160	Spire General Needs & Sheltered - Restricted	16	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000170	Spire General Needs & Sheltered - Restricted	17	Manor Close	NN14 4LE	£81.99	£81.99	Shelt.Ten.Prese	Flat	1	£26,000			£55,000
Lot B	7166000180	Spire General Needs & Sheltered - Restricted	18	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000190	Spire General Needs & Sheltered - Restricted	19	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000200	Spire General Needs & Sheltered - Restricted	20	Manor Close	NN14 4LE	£81.99	£81.99	Shelt.Ten.Prese	Flat	1	£26,000			£55,000
Lot B	7166000210	Spire General Needs & Sheltered - Restricted	21	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000220	Spire General Needs & Sheltered - Restricted	22	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000230	Spire General Needs & Sheltered - Restricted	23	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7166000240	Spire General Needs & Sheltered - Restricted	24	Manor Close	NN14 4LE	£81.99	£81.99	Supp.Ten.Assure	Flat	1	£27,100			£55,000
Lot B	7167000150	Spire General Needs & Sheltered - Restricted	15	Manor Street	NN9 6JW	£77.65	£77.65	Assured	Bungalow	1	£45,800			£95,000
Lot B	7167000170	Spire General Needs & Sheltered - Restricted	17	Manor Street	NN9 6JW	£77.65	£77.65	Introd.Tenancy	House	1	£45,800			£95,000
Lot B	7167000190	Spire General Needs & Sheltered - Restricted	19	Manor Street	NN9 6JW	£77.65	£77.65	Assured	Bungalow	1	£45,800			£95,000
Lot B	7167000210	Spire General Needs & Sheltered - Restricted	21	Manor Street	NN9 6JW	£77.65	£77.65	Assured	Bungalow	1	£45,800			£95,000
Lot B	7170000020	Spire General Needs & Sheltered - Restricted	2	Mansfield Street	NN9 6QP	£86.23	£86.23	Preserved Right	House	2	£45,000			£95,000
Lot B	7170000040	Spire General Needs & Sheltered - Restricted	4	Mansfield Street	NN9 6QP	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7170000050	Spire General Needs & Sheltered - Restricted	5	Mansfield Street	NN9 6QP	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1	£46,900			£95,000
Lot B	7170000070	Spire General Needs & Sheltered - Restricted	7	Mansfield Street	NN9 6QP	£77.65	£77.65	Preserved Right	Bungalow	1	£41,700			£95,000
Lot B	7170000090	Spire General Needs & Sheltered - Restricted	9	Mansfield Street	NN9 6QP	£77.65	£77.65	Assured	Bungalow	1	£45,800			£95,000
Lot B	7170000110	Spire General Needs & Sheltered - Restricted	11	Mansfield Street	NN9 6QP	£76.87	£81.35	Shelt.Ten.Prese	Bungalow	1	£41,300			£95,000
Lot B	7172000010	Spire General Needs & Sheltered - Restricted	1	Maple Road	NN10 0IS	£86.23	£86.23	Assured	House	2	£50,800			£105,000
Lot B	7172000030	Spire General Needs & Sheltered - Restricted	3	Maple Road	NN10 0IS	£86.23	£86.23	Preserved Right	House	2	£46,300			£105,000
Lot B	7172000070	Spire General Needs & Sheltered - Restricted	7	Maple Road	NN10 0IS	£86.23	£86.23	Preserved Right	House	2	£46,300			£105,000
Lot B	7172000110	Spire General Needs & Sheltered - Restricted	11	Maple Road	NN10 0IS	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7172000120	Spire General Needs & Sheltered - Restricted	12	Maple Road	NN10 0IS	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7172000130	Spire General Needs & Sheltered - Unrestricted	13	Maple Road	NN10 0IS	£93.62	£93.62	Assured	House	3	£55,200		£66,200	£120,000
Lot B	7172000160	Spire General Needs & Sheltered - Restricted	16	Maple Road	NN10 0IS	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7172000220	Spire General Needs & Sheltered - Restricted	22	Maple Road	NN10 0IS	£93.62	£93.62	Assured	House	3	£55,200			£120,000
Lot B	7172000230	Spire General Needs & Sheltered - Restricted	23	Maple Road	NN10 0IS	£70.35	£70.35	Introd.Tenancy	Flat	1	£24,700			£50,000
Lot B	7172000270	Spire General Needs & Sheltered - Restricted	27	Maple Road	NN10 0IS	£93.62	£93.62	Assured	House	3	£55,200		£66,200	£120,000
Lot B	7173000550	Spire General Needs & Sheltered - Restricted	55	Market Road	NN14 4IT	£78.99	£81.99	Supp.Ten.Assure	Flat	1	£39,500			£80,000
Lot B	7173000570	Spire General Needs & Sheltered - Restricted	57	Market Road	NN14 4IT	£78.26	£78.26	Assured	Flat	1	£39,500			£80,000
Lot B	7173000590	Spire General Needs & Sheltered - Restricted	59	Market Road	NN14 4IT	£78.26	£78.26	Introd.Tenancy	Flat	1	£39,500			£80,000
Lot B	7173000610	Spire General Needs & Sheltered - Restricted	61	Market Road	NN14 4IT	£63.64	£78.26	Preserved Right	Flat	1	£34,200			£80,000
Lot B	7174000530	Spire General Needs & Sheltered - Restricted	63	Marshall's Road	NN9 6EU	£76.32	£84.50	Preserved Right	House	3	£41,000			£120,000
Lot B	7174000640	Spire General Needs & Sheltered - Restricted	64	Marshall's Road	NN9 6EU	£94.50	£94.50	Assured	House	3	£55,700			£120,000
Lot B	7175000010	Spire General Needs & Sheltered - Restricted	1	Mazewood Gate	PE8 0YB	£87.52	£87.52	Shelt.Ten.Prese	Bungalow	1	£45,000			£95,000
Lot B	7175000030	Spire General Needs & Sheltered - Restricted	3	Mazewood Gate	PE8 0YB	£84.70	£84.70	Shelt.Ten.Prese	Bungalow	2	£45,500			£125,000
Lot B	7175000050	Spire General Needs & Sheltered - Restricted	5	Mazewood Gate	PE8 0YB	£87.52	£87.52	Supp.Ten.Assure	Bungalow	1	£46,900			£95,000
Lot B	7175000070	Spire General Needs & Sheltered - Restricted	7	Mazewood Gate	PE8 0YB	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900			£125,000
Lot B	7175000090	Spire General Needs & Sheltered - Restricted	9	Mazewood Gate	PE8 0YB	£83.54	£83.54	Assured	Bungalow	1	£46,900			£95,000
Lot B	7175000110	Spire General Needs & Sheltered - Restricted	11	Mazewood Gate	PE8 0YB	£94.22	£94.22	Supp.Ten.Assure	Bungalow	2	£55,500			

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref	Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	Target Rent	Tenure Desc	HL Type	Retained Equity	FLV:SH	MV-T	MV-VP
Lot B	7187000050	Spire General Needs & Sheltered - Restricted	5	Morgans Close	PE8 5LU	£90.72	£90.72	Assured	Bungalow	2	£53,500		£120,000
Lot B	7187000070	Spire General Needs & Sheltered - Restricted	7	Morgans Close	PE8 5LU	£83.06	£90.72	Preserved Right	Bungalow	2	£44,600		£120,000
Lot B	7187000090	Spire General Needs & Sheltered - Restricted	9	Morgans Close	PE8 5LU	£90.72	£90.72	Assured	Bungalow	2	£53,500		£120,000
Lot B	7187000110	Spire General Needs & Sheltered - Restricted	11	Morgans Close	PE8 5LU	£86.92	£90.72	Preserved Right	Bungalow	2	£46,700		£120,000
Lot B	7187000170	Spire General Needs & Sheltered - Restricted	17	Morgans Close	PE8 5LU	£94.76	£97.06	Preserved Right	House	3	£50,900		£140,000
Lot B	7188000060	Spire General Needs & Sheltered - Restricted	6	Nags Head Lane	NN9 6BU	£88.65	£94.50	Preserved Right	House	3	£47,600		£120,000
Lot B	7188000080	Spire General Needs & Sheltered - Restricted	8	Nags Head Lane	NN9 6BU	£88.65	£94.50	Preserved Right	House	3	£47,600		£120,000
Lot B	7188000100	Spire General Needs & Sheltered - Restricted	10	Nags Head Lane	NN9 6BU	£85.51	£94.50	Preserved Right	House	3	£46,600		£120,000
Lot B	7188000110	Spire General Needs & Sheltered - Restricted	11	Nags Head Lane	NN9 6BU	£94.50	£94.50	Assured	House	3	£55,700		£120,000
Lot B	7188000120	Spire General Needs & Sheltered - Restricted	12	Nags Head Lane	NN9 6BU	£94.50	£94.50	Assured	House	3	£55,700		£120,000
Lot B	7190000010	Spire General Needs & Sheltered - Restricted	1	Nene View	NN14 3LD	£97.06	£97.06	Assured	House	3	£57,200		£150,000
Lot B	7190000050	Spire General Needs & Sheltered - Restricted	5	Nene View	NN14 3LD	£86.85	£101.68	Shelt.Ten.Prese	House	3	£46,700		£150,000
Lot B	7190000070	Spire General Needs & Sheltered - Restricted	7	Nene View	NN14 3LD	£97.06	£97.06	Assured	House	3	£57,200		£150,000
Lot B	7190000080	Spire General Needs & Sheltered - Restricted	8	Nene View	NN14 3LD	£92.62	£97.06	Preserved Right	House	3	£49,800		£150,000
Lot B	7190000100	Spire General Needs & Sheltered - Restricted	10	Nene View	NN14 3LD	£87.95	£97.06	Preserved Right	House	3	£47,300		£150,000
Lot B	7190000110	Spire General Needs & Sheltered - Restricted	11	Nene View	NN14 3LD	£91.86	£97.06	Preserved Right	House	3	£49,400		£150,000
Lot B	7190000170	Spire General Needs & Sheltered - Restricted	17	Nene View	NN14 3LD	£97.06	£97.06	Intrud.Tenancy	House	3	£57,200		£150,000
Lot B	7190000180	Spire General Needs & Sheltered - Restricted	18	Nene View	NN14 3LD	£97.06	£97.06	Assured	House	3	£57,200		£150,000
Lot B	7190000210	Spire General Needs & Sheltered - Restricted	21	Nene View	NN14 3LD	£97.06	£97.06	Assured	House	3	£57,200		£150,000
Lot B	7190000220	Spire General Needs & Sheltered - Restricted	22	Nene View	NN14 3LD	£95.87	£97.06	Preserved Right	House	3	£51,500		£150,000
Lot B	7190000230	Spire General Needs & Sheltered - Restricted	23	Nene View	NN14 3LD	£90.72	£90.72	Preserved Right	House	2	£48,800		£115,000
Lot B	7190000270	Spire General Needs & Sheltered - Restricted	27	Nene View	NN14 3LD	£97.06	£97.06	Intrud.Tenancy	House	3	£57,200		£150,000
Lot B	7190000450	Spire General Needs & Sheltered - Restricted	45	Nene View	NN14 3LD	£91.86	£97.06	Preserved Right	House	3	£49,400		£150,000
Lot B	7190000470	Spire General Needs & Sheltered - Restricted	47	Nene View	NN14 3LD	£97.00	£97.06	Preserved Right	House	3	£52,100		£150,000
Lot B	7190000490	Spire General Needs & Sheltered - Restricted	49	Nene View	NN14 3LD	£91.63	£97.06	Preserved Right	House	3	£49,200		£150,000
Lot B	7191000010	Spire General Needs & Sheltered - Restricted	1	Nene Way	PE8 4LR	£87.18	£94.22	Shelt.Ten.Prese	Bungalow	2	£45,800		£140,000
Lot B	7191000020	Spire General Needs & Sheltered - Restricted	2	Nene Way	PE8 4LR	£87.76	£94.22	Shelt.Ten.Prese	Bungalow	2	£47,200		£140,000
Lot B	7191000030	Spire General Needs & Sheltered - Restricted	3	Nene Way	PE8 4LR	£87.76	£94.22	Shelt.Ten.Prese	Bungalow	2	£47,200		£140,000
Lot B	7191000040	Spire General Needs & Sheltered - Restricted	4	Nene Way	PE8 4LR	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900		£140,000
Lot B	7191000180	Spire General Needs & Sheltered - Restricted	18	Nest Lane	NN8 4AU	£92.45	£100.05	Assured	House	3	£52,400		£140,000
Lot B	7191500200	Spire General Needs & Sheltered - Restricted	20	Neville Day Close	NN8 4AU	£99.62	£111.04	Assured	House	3	£60,000		£160,000
Lot B	7192000260	Spire General Needs & Sheltered - Restricted	26	Neville Day Close	PE9 3NG	£83.54	£83.54	Assured	Bungalow	1	£49,200		£160,000
Lot B	7192000270	Spire General Needs & Sheltered - Restricted	27	Neville Day Close	PE9 3NG	£93.18	£94.22	Shelt.Ten.Prese	Bungalow	2	£50,100		£160,000
Lot B	7192000280	Spire General Needs & Sheltered - Restricted	28	Neville Day Close	PE9 3NG	£93.18	£94.22	Shelt.Ten.Prese	Bungalow	2	£50,100		£160,000
Lot B	7192000290	Spire General Needs & Sheltered - Restricted	29	Neville Day Close	PE9 3NG	£71.00	£87.52	Shelt.Ten.Prese	Bungalow	1	£43,700		£160,000
Lot B	7192100010	Spire Shared Ownership	1	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100020	Spire Shared Ownership	2	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100030	Spire Shared Ownership	3	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100040	Spire Shared Ownership	4	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100050	Spire Shared Ownership	5	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100060	Spire Shared Ownership	6	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100070	Spire Shared Ownership	7	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100080	Spire Shared Ownership	8	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100090	Spire Shared Ownership	9	Neville Day Close	PE9 3NG	£49.84		Shared Ownership	House	3	50% £53,000		£70,000
Lot B	7192100100	Spire Shared Ownership	10	Neville Day Close	PE9 3NG	£44.72		Shared Ownership	House	2	50% £47,000		£62,500
Lot B	7192100110	Spire Shared Ownership	11	Neville Day Close	PE9 3NG	£44.72		Shared Ownership	House	2	50% £47,000		£62,500
Lot B	7192100120	Spire Shared Ownership	12	Neville Day Close	PE9 3NG	£44.72		Shared Ownership	House	2	50% £47,000		£62,500
Lot B	7192100140	Spire Shared Ownership	14	Neville Day Close	PE9 3NG	£44.72		Shared Ownership	House	2	50% £47,000		£62,500
Lot B	7192100150	Spire Shared Ownership	15	Neville Day Close	PE9 3NG	£44.72		Shared Ownership	House	2	50% £47,000		£62,500
Lot B	7193000470	Spire General Needs & Sheltered - Restricted	47	New Road	PE8 4LE	£93.63	£97.06	Preserved Right	House	3	£51,900		£190,000
Lot B	7194000020	Spire General Needs & Sheltered - Restricted	2	Newman Street	NN10 8IW	£90.36	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000080	Spire General Needs & Sheltered - Restricted	8	Newman Street	NN10 8IW	£90.92	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000090	Spire General Needs & Sheltered - Restricted	9	Newman Street	NN10 8IW	£93.62	£93.62	Intrud.Tenancy	House	3	£49,300		£100,000
Lot B	7194000100	Spire General Needs & Sheltered - Restricted	10	Newman Street	NN10 8IW	£90.92	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000120	Spire General Needs & Sheltered - Restricted	12	Newman Street	NN10 8IW	£90.20	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000140	Spire General Needs & Sheltered - Restricted	14	Newman Street	NN10 8IP	£93.62	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000150	Spire General Needs & Sheltered - Restricted	15	Newman Street	NN10 8IP	£90.92	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000180	Spire General Needs & Sheltered - Restricted	18	Newman Street	NN10 8IP	£93.62	£93.62	Assured	House	3	£49,300		£100,000
Lot B	7194000190	Spire General Needs & Sheltered - Restricted	19	Newman Street	NN10 8IP	£90.20	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000200	Spire General Needs & Sheltered - Restricted	20	Newman Street	NN10 8IP	£93.62	£93.62	Assured	House	3	£49,300		£100,000
Lot B	7194000270	Spire General Needs & Sheltered - Restricted	27	Newman Street	NN10 8IP	£90.20	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7194000280	Spire General Needs & Sheltered - Restricted	28	Newman Street	NN10 8IP	£90.20	£93.62	Preserved Right	House	3	£47,300		£100,000
Lot B	7195001310	Spire General Needs & Sheltered - Restricted	131	Newton Road	NN10 0HU	£86.23	£86.23	Assured	House	2	£50,800		£105,000
Lot B	7195001330	Spire General Needs & Sheltered - Restricted	133	Newton Road	NN10 0HU	£86.23	£86.23	Assured	House	2	£50,800		£105,000
Lot B	7195001350	Spire General Needs & Sheltered - Restricted	135	Newton Road	NN10 0HU	£93.62	£93.62	Intrud.Tenancy	House	3	£55,200		£120,000
Lot B	7195001370	Spire General Needs & Sheltered - Restricted	137	Newton Road	NN10 0HU	£102.61	£102.61	Assured	House	4	£60,500		£155,000
Lot B	7195001390	Spire General Needs & Sheltered - Restricted	139	Newton Road	NN10 0HU	£72.00	£86.23	Preserved Right	House	2	£38,700		£105,000
Lot B	7195001590	Spire General Needs & Sheltered - Restricted	159	Newton Road	NN10 0HU	£102.61	£102.61	Assured	House	4	£60,500		£155,000
Lot B	7195001610	Spire General Needs & Sheltered - Restricted	161	Newton Road	NN10 0HU	£81.74	£93.62	Preserved Right	House	3	£49,900		£120,000
Lot B	7195001630	Spire General Needs & Sheltered - Restricted	163	Newton Road	NN10 0HU	£86.23	£86.23	Assured	House	2	£50,800		£105,000
Lot B	7195001750	Spire General Needs & Sheltered - Restricted	175	Newton Road	NN10 0HP	£81.34	£86.23	Preserved Right	House	2	£43,700		£105,000
Lot B	7195001890	Spire General Needs & Sheltered - Restricted	189	Newton Road	NN10 0HP	£86.23	£86.23	Assured	House	2	£50,800		£105,000
Lot B	7195001930	Spire General Needs & Sheltered - Restricted	193	Newton Road	NN10 0HP	£82.49	£86.23	Preserved Right	House	2	£44,300		£105,000
Lot B	7195001970	Spire General Needs & Sheltered - Restricted	197	Newton Road	NN10 0HP	£82.38	£86.23	Preserved Right	House	2	£44,300		£105,000
Lot B	7196000010	Spire General Needs & Sheltered - Restricted	1	Nicholas Road	NN9 5QT	£94.50	£94.50	Assured	House	3	£54,300		£110,000
Lot B	7196000040	Spire General Needs & Sheltered - Restricted	4	Nicholas Road	NN9 5QT	£94.50	£94.50	Assured	House	3	£54,300		£110,000
Lot B	7196000080	Spire General Needs & Sheltered - Restricted	8	Nicholas Road	NN9 5QT	£94.50	£94.50	Assured	House	3	£54,300		£110,000
Lot B	7196000100	Spire General Needs & Sheltered - Restricted	10	Nicholas Road	NN9 5QT	£82.49	£94.50	Preserved Right	House	3	£44,300		£110,000
Lot B	7196000120	Spire General Needs & Sheltered - Restricted	12	Nicholas Road	NN9 5QT	£85.84	£94.50	Preserved Right	House	3	£46,100		£110,000
Lot B	7196000130	Spire General Needs & Sheltered - Restricted	13	Nicholas Road	NN9 5QT	£85.84	£94.50	Assured	House	3	£46,100		£110,000
Lot B	7196000140	Spire General Needs & Sheltered - Restricted	14	Nicholas Road	NN9 5QT	£94.50	£94.50	Assured	House	3	£54,300		£110,000
Lot B	7196000160	Spire General Needs & Sheltered - Restricted	16	Nicholas Road	NN9 5QT	£88.64	£94.50	Preserved Right	House	3	£47,600		£110,000
Lot B	7196000170	Spire General Needs & Sheltered - Restricted	17	Nicholas Road	NN9 5QT	£94.50	£94.50	Assured	House	3	£54,300		£110,000
Lot B	7196000250	Spire General Needs & Sheltered - Restricted	25	Nicholas Road	NN9 5QT	£94.50	£94.50	Assured	House	3	£54,300		£110,000
Lot B	7196000420	Spire General Needs & Sheltered - Restricted	42	Nicholas Road	NN9 5QT	£85.84	£94.50	Preserved Right	House	3	£46,100		£110,000
Lot B	7196000440	Spire General Needs & Sheltered - Restricted	44	Nicholas Road	NN9 5QT	£82.49	£94.50	Preserved Right	House	3	£44,300		£110,000
Lot B	7196000450	Spire General Needs & Sheltered - Restricted	45	Nicholas Road	NN9 5QT	£88.64	£94.50	Preserved Right	House	3	£47,600		£110,000
Lot B	7196000500	Spire General Needs & Sheltered - Restricted	50	Nicholas Road	NN9 5QT	£88.64	£94.50	Preserved Right	House	3	£47,600		£110,000
Lot B	7199000560	Spire General Needs & Sheltered - Restricted	56	Northampton Road	NN10 8AN	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1	£39,600		£110,000
Lot B	7199000580	Spire General Needs & Sheltered - Restricted	58	Northampton Road	NN10 8AN	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1	£43,400		£110,000
Lot B	7199000600	Spire General Needs & Sheltered -											

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot ref	Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	JL Refs	Retained Equity	FLUV SH	MV-T	MV-VP
Lot B	7210001400	Spire General Needs & Sheltered - Restricted	140	Dundell Road	NN14 4PG	£95.10	£97.06	Preserved Right	House	3	£51,100	£51,100		£135,000
Lot B	7210001420	Spire General Needs & Sheltered - Restricted	142	Dundell Road	NN14 4PG	£95.10	£97.06	Preserved Right	House	3	£51,100	£51,100		£135,000
Lot B	7210500020	Spire General Needs & Sheltered - Unrestricted	2	Outfield Close	NN18 8FX	£79.65	£81.86	Assured	Flat	1			£40,900	£55,000
Lot B	7210500110	Spire General Needs & Sheltered - Unrestricted	11	Outfield Close	NN18 8FX	£90.33	£90.45	Assured	House	2			£18,800	£120,000
Lot B	7210500130	Spire General Needs & Sheltered - Unrestricted	13	Outfield Close	NN18 8FX	£96.50	£100.17	Assured	House	3			£68,200	£130,000
Lot B	7210500150	Spire General Needs & Sheltered - Unrestricted	15	Outfield Close	NN18 8FX	£96.50	£100.17	Assured	House	3			£68,200	£130,000
Lot B	7210500170	Spire General Needs & Sheltered - Unrestricted	17	Outfield Close	NN18 8FX	£96.50	£100.17	Assured	House	3			£68,200	£130,000
Lot B	7210500400	Spire Shared Ownership	44	Outfield Close	NN18 8FX	£49.83		Shared Ownership	House	3	65%	£53,000		£84,500
Lot B	7210500460	Spire Shared Ownership	46	Outfield Close	NN18 8FX	£57.50		Shared Ownership	House	3	75%	£61,000		£97,500
Lot B	7210500480	Spire Rent to HomeBuy - Unrestricted	48	Outfield Close	NN18 8FX	£138.96	£0.00	Rent to Homebuy	House	3			£71,800	£130,000
Lot B	7210500500	Spire Shared Ownership	50	Outfield Close	NN18 8FX	£56.61		Shared Ownership	House	2	75%	£60,000		£90,000
Lot B	7210500520	Spire Shared Ownership	52	Outfield Close	NN18 8FX	£33.17		Shared Ownership	House	1	75%	£31,000		£41,250
Lot B	7210500540	Spire General Needs & Sheltered - Unrestricted	54	Outfield Close	NN18 8FX	£88.23	£90.45	Assured	House	2			£62,400	£120,000
Lot B	7210500900	Spire Rent to HomeBuy - Unrestricted	90	Outfield Close	NN18 8FX	£113.23	£0.00	Rent to Homebuy	Flat	1			£40,700	£55,000
Lot B	7211000090	Spire General Needs & Sheltered - Restricted	9	Oval Crescent	NN10 0ID	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7211000140	Spire General Needs & Sheltered - Restricted	14	Oval Crescent	NN10 0ID	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7211000160	Spire General Needs & Sheltered - Restricted	16	Oval Crescent	NN10 0ID	£89.56	£93.62	Preserved Right	House	3		£48,100		£120,000
Lot B	7212000030	Spire General Needs & Sheltered - Restricted	3	Oval Road	NN10 0IE	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7212000040	Spire General Needs & Sheltered - Restricted	4	Oval Road	NN10 0IE	£102.61	£102.61	Preserved Right	House	4		£55,100		£155,000
Lot B	7212000060	Spire General Needs & Sheltered - Restricted	6	Oval Road	NN10 0IE	£93.07	£93.62	Preserved Right	House	3		£50,000		£120,000
Lot B	7212000070	Spire General Needs & Sheltered - Restricted	7	Oval Road	NN10 0IE	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7212000090	Spire General Needs & Sheltered - Restricted	9	Oval Road	NN10 0IE	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7212001000	Spire General Needs & Sheltered - Restricted	10	Oval Road	NN10 0IE	£102.61	£102.61	Preserved Right	House	4		£55,100		£155,000
Lot B	7212001010	Spire General Needs & Sheltered - Restricted	11	Oval Road	NN10 0IE	£89.82	£93.62	Preserved Right	House	3		£48,300		£120,000
Lot B	7212001030	Spire General Needs & Sheltered - Restricted	13	Oval Road	NN10 0IE	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7212001050	Spire General Needs & Sheltered - Restricted	15	Oval Road	NN10 0IE	£92.43	£93.62	Preserved Right	House	3		£49,700		£120,000
Lot B	7212001080	Spire General Needs & Sheltered - Restricted	18	Oval Road	NN10 0IE	£102.61	£102.61	Assured	House	4		£60,500		£155,000
Lot B	7212001090	Spire General Needs & Sheltered - Restricted	19	Oval Road	NN10 0IE	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7212002000	Spire General Needs & Sheltered - Restricted	20	Oval Road	NN10 0IE	£90.46	£93.62	Preserved Right	House	3		£48,600		£120,000
Lot B	7212002030	Spire General Needs & Sheltered - Restricted	23	Oval Road	NN10 0IE	£92.98	£93.62	Preserved Right	House	3		£50,000		£120,000
Lot B	7212003030	Spire General Needs & Sheltered - Restricted	30	Oval Road	NN10 0IE	£93.33	£93.62	Preserved Right	House	3		£49,100		£120,000
Lot B	7212003040	Spire General Needs & Sheltered - Restricted	34	Oval Road	NN10 0IE	£92.92	£93.62	Preserved Right	House	3		£49,900		£120,000
Lot B	7214000010	Spire General Needs & Sheltered - Restricted	1	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214000020	Spire General Needs & Sheltered - Restricted	2	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214000030	Spire General Needs & Sheltered - Restricted	3	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214000040	Spire General Needs & Sheltered - Restricted	4	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214000050	Spire General Needs & Sheltered - Restricted	5	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214000060	Spire General Needs & Sheltered - Restricted	6	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214000070	Spire General Needs & Sheltered - Restricted	7	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214000080	Spire General Needs & Sheltered - Restricted	8	Park Avenue	NN9 6NA	£94.50	£94.50	Introd.Tenancy	House	3		£55,700		£120,000
Lot B	7214000090	Spire General Needs & Sheltered - Restricted	9	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214001000	Spire General Needs & Sheltered - Restricted	10	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214001030	Spire General Needs & Sheltered - Restricted	13	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214001040	Spire General Needs & Sheltered - Restricted	14	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214001060	Spire General Needs & Sheltered - Restricted	16	Park Avenue	NN9 6NA	£93.63	£94.50	Preserved Right	House	3		£50,300		£120,000
Lot B	7214002010	Spire General Needs & Sheltered - Restricted	21	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214002080	Spire General Needs & Sheltered - Restricted	28	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214002090	Spire General Needs & Sheltered - Restricted	29	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214003000	Spire General Needs & Sheltered - Restricted	30	Park Avenue	NN9 6NA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7214003040	Spire General Needs & Sheltered - Restricted	34	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214003050	Spire General Needs & Sheltered - Restricted	35	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214003090	Spire General Needs & Sheltered - Restricted	39	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214004010	Spire General Needs & Sheltered - Restricted	41	Park Avenue	NN9 6NA	£86.91	£94.50	Preserved Right	House	3		£46,700		£120,000
Lot B	7214004030	Spire General Needs & Sheltered - Restricted	43	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214004050	Spire General Needs & Sheltered - Restricted	45	Park Avenue	NN9 6NA	£89.90	£94.50	Preserved Right	House	3		£48,300		£120,000
Lot B	7214004070	Spire General Needs & Sheltered - Restricted	47	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214005030	Spire General Needs & Sheltered - Restricted	53	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214005070	Spire General Needs & Sheltered - Restricted	57	Park Avenue	NN9 6NA	£88.93	£94.50	Preserved Right	House	3		£47,800		£120,000
Lot B	7214006030	Spire General Needs & Sheltered - Restricted	63	Park Avenue	NN9 6NA	£89.99	£94.50	Preserved Right	House	3		£48,400		£120,000
Lot B	7214006090	Spire General Needs & Sheltered - Restricted	69	Park Avenue	NN9 6NA	£94.50	£94.50	Introd.Tenancy	House	3		£55,700		£120,000
Lot B	7214008030	Spire General Needs & Sheltered - Restricted	83	Park Avenue	NN9 6NA	£86.91	£94.50	Preserved Right	House	3		£46,700		£120,000
Lot B	7214008090	Spire General Needs & Sheltered - Restricted	89	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7214009010	Spire General Needs & Sheltered - Restricted	91	Park Avenue	NN9 6NA	£85.55	£94.50	Preserved Right	House	3		£46,000		£120,000
Lot B	7214009030	Spire General Needs & Sheltered - Restricted	93	Park Avenue	NN9 6NA	£85.45	£94.50	Preserved Right	House	3		£45,900		£120,000
Lot B	7214009070	Spire General Needs & Sheltered - Restricted	97	Park Avenue	NN9 6NA	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7215000050	Spire General Needs & Sheltered - Restricted	5	Park Close	PE8 6DW	£89.09	£97.06	Preserved Right	House	3		£47,900		£160,000
Lot B	7215000110	Spire General Needs & Sheltered - Restricted	11	Park Close	PE8 6DW	£97.06	£97.06	Introd.Tenancy	House	3		£57,200		£160,000
Lot B	7215000130	Spire General Needs & Sheltered - Restricted	13	Park Close	PE8 6DW	£89.94	£94.50	Assured	Bungalow	2		£53,000		£125,000
Lot B	7215000140	Spire General Needs & Sheltered - Restricted	14	Park Close	PE8 6DW	£86.06	£94.22	Shelt.Ten.Prese	Bungalow	2		£46,200		£125,000
Lot B	7215000150	Spire General Needs & Sheltered - Restricted	15	Park Close	PE8 6DW	£82.49	£94.22	Preserved Right	Bungalow	2		£44,300		£125,000
Lot B	7215000160	Spire General Needs & Sheltered - Restricted	16	Park Close	PE8 6DW	£82.49	£94.22	Shelt.Ten.Prese	Bungalow	2		£44,300		£125,000
Lot B	7216000100	Spire General Needs & Sheltered - Restricted	10	Park Road	NN9 SPW	£94.50	£94.50	Preserved Right	House	3		£50,800		£110,000
Lot B	7216000220	Spire General Needs & Sheltered - Restricted	22	Park Road	NN9 SPW	£86.23	£86.23	Introd.Tenancy	Flat	2		£34,500		£70,000
Lot B	7216000240	Spire General Needs & Sheltered - Restricted	24	Park Road	NN9 SPW	£83.06	£90.33	Shelt.Ten.Prese	Flat	2		£33,100		£70,000
Lot B	7216000260	Spire General Needs & Sheltered - Restricted	26	Park Road	NN9 SPW	£90.33	£90.33	Supp.Ten.Assure	Flat	2		£34,500		£70,000
Lot B	7216000280	Spire General Needs & Sheltered - Restricted	28	Park Road	NN9 SPW	£82.49	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7216000300	Spire General Needs & Sheltered - Restricted	30	Park Road	NN9 SPW	£81.74	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7216000310	Spire General Needs & Sheltered - Restricted	31	Park Road	NN9 SPW	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7216000320	Spire General Needs & Sheltered - Restricted	32	Park Road	NN9 SPW	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7216000330	Spire General Needs & Sheltered - Restricted	33	Park Road	NN9 SPW	£86.23	£86.23	Assured	Flat	2		£34,500		£70,000
Lot B	7216000370	Spire General Needs & Sheltered - Restricted	37	Park Road	NN9 SPW	£94.50	£94.50	Assured	House	3		£54,300		£110,000
Lot B	7216000390	Spire General Needs & Sheltered - Restricted	39	Park Road	NN9 SPW	£82.49	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7216000410	Spire General Needs & Sheltered - Restricted	41	Park Road	NN9 SPW	£90.33	£90.33	Supp.Ten.Assure	Flat	2		£34,500		£70,000
Lot B	7216000430	Spire General Needs & Sheltered - Restricted	43	Park Road	NN9 SPW	£90.33	£90.33	Supp.Ten.Assure	Flat	2		£34,500		£70,000
Lot B	7217000020	Spire General Needs & Sheltered - Restricted	2	Park Road	NN14 30J	£78.26	£78.26	Introd.Tenancy	Bungalow	1		£46,100		£115,000
Lot B	7217000040	Spire General Needs & Sheltered - Restricted	4	Park Road	NN14 30J	£90.31	£97.06	Preserved Right	House	3		£48,500		£150,000
Lot B	7217000050	Spire General Needs & Sheltered - Restricted	5	Park Road	NN14 30J	£76.91	£90.72	Preserved Right	Flat	2		£35,500		£75,000
Lot B	7217000070	Spire General Needs & Sheltered - Restricted	7	Park Road	NN14 30J	£88.94								

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
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Lot ref	Property Ref (UPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	Flat Type	JL Refs	Retained Equity	FLUV SH	MV-T	MV-MP
Lot B	7226000010	Spire General Needs & Sheltered - Restricted	1	Pound Close	NN14 4BZ	£81.34	£86.23	Preserved Right	Flat	2	£43,700	£95,000		
Lot B	7226000020	Spire General Needs & Sheltered - Restricted	2	Pound Close	NN14 4BZ	£86.23	£86.23	Assured	Flat	2	£46,900	£95,000		
Lot B	7226000030	Spire General Needs & Sheltered - Restricted	3	Pound Close	NN14 4BZ	£86.23	£86.23	Assured	Flat	2	£46,900	£95,000		
Lot B	7226000040	Spire General Needs & Sheltered - Restricted	4	Pound Close	NN14 4BZ	£86.23	£86.23	Assured	Flat	2	£46,900	£95,000		
Lot B	7226000090	Spire General Needs & Sheltered - Restricted	9	Pound Close	NN14 4BZ	£90.24	£94.50	Preserved Right	House	3	£48,500	£135,000		
Lot B	7226000120	Spire General Needs & Sheltered - Restricted	12	Pound Close	NN14 4BZ	£90.24	£94.50	Preserved Right	House	3	£48,500	£135,000		
Lot B	7227000050	Spire General Needs & Sheltered - Restricted	50	Queen Street	NN9 5RW	£78.70	£94.50	Preserved Right	House	3	£42,300	£110,000		
Lot B	7228000100	Spire General Needs & Sheltered - Restricted	10	Queen Street	NN10 0DA	£86.23	£86.23	Assured	House	2	£50,800	£105,000		
Lot B	7229000010	Spire General Needs & Sheltered - Restricted	1	Queen Street	NN14 4NR	£88.98	£97.06	Preserved Right	House	3	£47,800	£135,000		
Lot B	7229000020	Spire General Needs & Sheltered - Restricted	2	Queen Street	NN14 4NR	£88.98	£97.06	Preserved Right	House	3	£47,800	£135,000		
Lot B	7229000030	Spire General Needs & Sheltered - Restricted	3	Queen Street	NN14 4NR	£88.98	£97.06	Preserved Right	House	3	£46,300	£135,000		
Lot B	7229000040	Spire General Needs & Sheltered - Restricted	4	Queen Street	NN14 4NR	£97.06	£97.06	Assured	House	3	£57,200	£135,000		
Lot B	7229000050	Spire General Needs & Sheltered - Restricted	5	Queen Street	NN14 4NR	£97.06	£97.06	Licensed Accom	House	3	£57,200	£135,000		
Lot B	7229000060	Spire General Needs & Sheltered - Restricted	6	Queen Street	NN14 4NR	£88.98	£97.06	Preserved Right	House	3	£47,800	£135,000		
Lot B	7229000070	Spire General Needs & Sheltered - Restricted	7	Queen Street	NN14 4NR	£91.20	£97.06	Preserved Right	House	3	£49,000	£135,000		
Lot B	7229000080	Spire General Needs & Sheltered - Restricted	8	Queen Street	NN14 4NR	£92.51	£97.06	Preserved Right	House	3	£49,700	£135,000		
Lot B	7229000100	Spire General Needs & Sheltered - Restricted	10	Queen Street	NN14 4NR	£94.84	£97.06	Preserved Right	House	3	£45,600	£135,000		
Lot B	7229000120	Spire General Needs & Sheltered - Restricted	12	Queen Street	NN14 4NR	£97.06	£97.06	Assured	House	3	£57,200	£135,000		
Lot B	7229000130	Spire General Needs & Sheltered - Restricted	13	Queen Street	NN14 4NR	£97.06	£97.06	Assured	House	3	£57,200	£135,000		
Lot B	7229000140	Spire General Needs & Sheltered - Restricted	14	Queen Street	NN14 4NR	£91.20	£97.06	Preserved Right	House	3	£49,000	£135,000		
Lot B	7230000120	Spire General Needs & Sheltered - Restricted	12	Queensway	NN10 8BU	£70.35	£70.35	Assured	Flat	1	£27,100	£55,000		
Lot B	7230000140	Spire General Needs & Sheltered - Restricted	14	Queensway	NN10 8BU	£70.35	£70.35	Preserved Right	Flat	1	£26,000	£55,000		
Lot B	7231000380	Spire General Needs & Sheltered - Restricted	38	Raunds Road	NN9 6PP	£94.50	£94.50	Assured	House	3	£55,700	£120,000		
Lot B	7231000400	Spire General Needs & Sheltered - Restricted	40	Raunds Road	NN9 6PP	£94.50	£94.50	Introd.Tenancy	House	3	£55,700	£120,000		
Lot B	7231000420	Spire General Needs & Sheltered - Restricted	42	Raunds Road	NN9 6PP	£81.34	£94.50	Preserved Right	House	3	£43,700	£120,000		
Lot B	7231000440	Spire General Needs & Sheltered - Restricted	44	Raunds Road	NN9 6PP	£84.70	£94.50	Preserved Right	House	3	£45,500	£120,000		
Lot B	7231000460	Spire General Needs & Sheltered - Restricted	46	Raunds Road	NN9 6PP	£81.34	£94.50	Preserved Right	House	3	£43,700	£120,000		
Lot B	7231000500	Spire General Needs & Sheltered - Restricted	50	Raunds Road	NN9 6PP	£81.34	£94.50	Preserved Right	House	3	£43,700	£120,000		
Lot B	7231000540	Spire General Needs & Sheltered - Restricted	54	Raunds Road	NN9 6PP	£81.34	£94.50	Preserved Right	House	3	£43,700	£120,000		
Lot B	7232000090	Spire General Needs & Sheltered - Restricted	9	Red Row	NN9 6NR	£86.23	£86.23	Introd.Tenancy	House	2	£46,900	£95,000		
Lot B	7232000150	Spire General Needs & Sheltered - Restricted	15	Red Row	NN9 6NR	£86.23	£86.23	Assured	House	2	£46,900	£95,000		
Lot B	7232000170	Spire General Needs & Sheltered - Restricted	17	Red Row	NN9 6NR	£73.21	£86.23	Preserved Right	House	2	£39,300	£95,000		
Lot B	7232000190	Spire General Needs & Sheltered - Restricted	19	Red Row	NN9 6NR	£86.23	£86.23	Introd.Tenancy	House	2	£46,900	£95,000		
Lot B	7232000210	Spire General Needs & Sheltered - Restricted	21	Red Row	NN9 6NR	£86.23	£86.23	Assured	House	2	£46,900	£95,000		
Lot B	7232000250	Spire General Needs & Sheltered - Restricted	25	Red Row	NN9 6NR	£86.23	£86.23	Assured	House	2	£46,900	£95,000		
Lot B	7232000270	Spire General Needs & Sheltered - Restricted	27	Red Row	NN9 6NR	£86.23	£86.23	Introd.Tenancy	House	2	£46,900	£95,000		
Lot B	7232000290	Spire General Needs & Sheltered - Restricted	29	Red Row	NN9 6NR	£86.23	£86.23	Assured	House	2	£46,900	£95,000		
Lot B	7232000310	Spire General Needs & Sheltered - Restricted	31	Red Row	NN9 6NR	£86.23	£86.23	Assured	House	2	£46,900	£95,000		
Lot B	7232000330	Spire General Needs & Sheltered - Restricted	33	Red Row	NN9 6NR	£73.21	£86.23	Preserved Right	House	2	£39,300	£95,000		
Lot B	7232000350	Spire General Needs & Sheltered - Restricted	35	Red Row	NN9 6NR	£86.23	£86.23	Assured	House	2	£46,900	£95,000		
Lot B	7233000010	Spire General Needs & Sheltered - Unrestricted	1	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000020	Spire General Needs & Sheltered - Unrestricted	2	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000030	Spire General Needs & Sheltered - Unrestricted	3	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000040	Spire General Needs & Sheltered - Unrestricted	4	Risden Court	NN10 0PG	£86.23	£86.23	Assured	Flat	1	£55,700	£75,000		
Lot B	7233000050	Spire General Needs & Sheltered - Unrestricted	5	Risden Court	NN10 0PG	£86.23	£86.23	Introd.Tenancy	Flat	2	£55,700	£75,000		
Lot B	7233000060	Spire General Needs & Sheltered - Unrestricted	6	Risden Court	NN10 0PG	£70.35	£70.35	Preserved Right	Flat	1		£34,700	£50,000	
Lot B	7233000070	Spire General Needs & Sheltered - Unrestricted	7	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000080	Spire General Needs & Sheltered - Unrestricted	8	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000090	Spire General Needs & Sheltered - Unrestricted	9	Risden Court	NN10 0PG	£86.23	£86.23	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000100	Spire General Needs & Sheltered - Unrestricted	10	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000110	Spire General Needs & Sheltered - Unrestricted	11	Risden Court	NN10 0PG	£70.35	£70.35	Introd.Tenancy	Flat	1		£37,200	£50,000	
Lot B	7233000120	Spire General Needs & Sheltered - Unrestricted	12	Risden Court	NN10 0PG	£70.35	£70.35	Introd.Tenancy	Flat	1		£37,200	£50,000	
Lot B	7233000130	Spire General Needs & Sheltered - Unrestricted	13	Risden Court	NN10 0PG	£86.23	£86.23	Assured	Flat	1		£55,700	£75,000	
Lot B	7233000140	Spire General Needs & Sheltered - Unrestricted	14	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000150	Spire General Needs & Sheltered - Unrestricted	15	Risden Court	NN10 0PG	£70.35	£70.35	Introd.Tenancy	Flat	1		£37,200	£50,000	
Lot B	7233000160	Spire General Needs & Sheltered - Unrestricted	16	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000170	Spire General Needs & Sheltered - Unrestricted	17	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000180	Spire General Needs & Sheltered - Unrestricted	18	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000190	Spire General Needs & Sheltered - Unrestricted	19	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000200	Spire General Needs & Sheltered - Unrestricted	20	Risden Court	NN10 0PG	£86.23	£86.23	Assured	Flat	2	£55,700	£75,000		
Lot B	7233000210	Spire General Needs & Sheltered - Unrestricted	21	Risden Court	NN10 0PG	£86.23	£86.23	Assured	Flat	2	£55,700	£75,000		
Lot B	7233000220	Spire General Needs & Sheltered - Unrestricted	22	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£50,000		
Lot B	7233000230	Spire General Needs & Sheltered - Unrestricted	23	Risden Court	NN10 0PG	£70.35	£70.35	Introd.Tenancy	Flat	1		£37,200	£50,000	
Lot B	7233000240	Spire General Needs & Sheltered - Unrestricted	24	Risden Court	NN10 0PG	£70.35	£70.35	Introd.Tenancy	Flat	1		£37,200	£50,000	
Lot B	7233000250	Spire General Needs & Sheltered - Unrestricted	25	Risden Court	NN10 0PG	£70.35	£70.35	Introd.Tenancy	Flat	1		£37,200	£50,000	
Lot B	7233000260	Spire General Needs & Sheltered - Unrestricted	26	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000270	Spire General Needs & Sheltered - Unrestricted	27	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000280	Spire General Needs & Sheltered - Unrestricted	28	Risden Court	NN10 0PG	£86.23	£86.23	Assured	Flat	2		£55,700	£75,000	
Lot B	7233000290	Spire General Needs & Sheltered - Unrestricted	29	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000300	Spire General Needs & Sheltered - Unrestricted	30	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£37,200	£50,000	
Lot B	7233000310	Spire General Needs & Sheltered - Unrestricted	31	Risden Court	NN10 0PG	£70.35	£70.35	Assured	Flat	1		£50,000		
Lot B	7234000370	Spire General Needs & Sheltered - Restricted	37	Rock Road	PE8 4LN	£93.18	£94.22	Supp.Ten.Assure	Flat	2		£54,900	£115,000	
Lot B	7234000390	Spire General Needs & Sheltered - Restricted	39	Rock Road	PE8 4LN	£89.94	£89.94	Assured	Flat	2		£53,000	£115,000	
Lot B	7234000410	Spire General Needs & Sheltered - Restricted	41	Rock Road	PE8 4LN	£76.91	£94.22	Shelt.Ten.Prese	Flat	2		£41,300	£115,000	
Lot B	7234000430	Spire General Needs & Sheltered - Restricted	43	Rock Road	PE8 4LN	£89.94	£89.94	Assured	Flat	2		£53,000	£115,000	
Lot B	7234000470	Spire General Needs & Sheltered - Restricted	47	Rock Road	PE8 4LN	£97.06	£97.06	Preserved Right	House	3		£52,200	£190,000	
Lot B	7234000480	Spire General Needs & Sheltered - Restricted	48	Rock Road	PE8 4LL	£97.06	£97.06	Assured	House	3		£57,200	£190,000	
Lot B	7234000500	Spire General Needs & Sheltered - Restricted	50	Rock Road	PE8 4LL	£89.94	£89.94	Assured	Flat	2		£53,000	£115,000	
Lot B	7234000540	Spire General Needs & Sheltered - Restricted	54	Rock Road	PE8 4LL	£97.06	£97.06	Assured	House	3		£57,200	£190,000	
Lot B	7234000560	Spire General Needs & Sheltered - Restricted	56	Rock Road	PE8 4LL	£97.06	£97.06	Introd.Tenancy	House	3		£57,200	£190,000	
Lot B	7234000570	Spire General Needs & Sheltered - Restricted	57	Rock Road	PE8 4LN	£87.64	£94.22	Shelt.Ten.Prese	Bungalow	2		£47,100	£140,000	
Lot B	7234000580	Spire General Needs & Sheltered - Restricted	58	Rock Road	PE8 4LL	£93.33	£97.06	Preserved Right	House	3		£51,900	£190,000	
Lot B	7234000590	Spire General Needs & Sheltered - Restricted	59	Rock Road	PE8 4LN	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900	£190,000	
Lot B	7234000600	Spire General Needs & Sheltered - Restricted	60	Rock Road	PE8 4LL	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900	£190,000	
Lot B	7234000680	Spire General Needs & Sheltered - Restricted	68	Rock Road	PE8 4LL	£87.78	£94.22	Shelt.Ten.Prese	Bungalow	2		£47,200	£140,000	
Lot B	7235000290	Spire General Needs & Sheltered - Restricted	29	Rose Avenue	NN10 9NT	£86.23	£86.23	Preserved Right	House	2		£45,000	£95,000	
Lot B	7235000310	Spire General Needs & Sheltered - Restricted	31	Rose Avenue	NN10 9NT	£86.23	£86.23	Assured	House	2		£46,900		

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	Retained Equity	ILV Type	ILV Bedf	ILV SH	MV-T	MV-VP
Lot B		7239000180	Spire General Needs & Sheltered - Restricted	18	Rowlett Close	NN10 8DA	£67.06	£73.71	Shelt.Ten.Prese	Flat	1		£18,900		£40,000
Lot B		7239000190	Spire General Needs & Sheltered - Restricted	19	Rowlett Close	NN10 8DA	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£19,700		£40,000
Lot B		7239000220	Spire General Needs & Sheltered - Restricted	22	Rowlett Close	NN10 8DA	£78.75	£78.75	Empty non-char	Flat	2		£27,000		£55,000
Lot B		7240000210	Spire General Needs & Sheltered - Restricted	1	Rushwell Close	NN14 4BP	£94.50	£94.50	Preserved Right	House	3		£50,800		£135,000
Lot B		7240000030	Spire General Needs & Sheltered - Restricted	3	Rushwell Close	NN14 4BP	£94.50	£94.50	Assured	House	3		£55,700		£135,000
Lot B		7240000050	Spire General Needs & Sheltered - Restricted	5	Rushwell Close	NN14 4BP	£94.50	£94.50	Preserved Right	House	3		£50,800		£135,000
Lot B		7240000060	Spire General Needs & Sheltered - Restricted	6	Rushwell Close	NN14 4BP	£94.50	£94.50	Assured	House	3		£55,700		£135,000
Lot B		7240000070	Spire General Needs & Sheltered - Restricted	7	Rushwell Close	NN14 4BP	£94.50	£94.50	Preserved Right	House	3		£50,800		£135,000
Lot B		7240000080	Spire General Needs & Sheltered - Restricted	8	Rushwell Close	NN14 4BP	£94.50	£94.50	Assured	House	3		£55,700		£135,000
Lot B		7240000090	Spire General Needs & Sheltered - Restricted	9	Rushwell Close	NN14 4BP	£94.50	£94.50	Preserved Right	House	3		£50,800		£135,000
Lot B		7240000120	Spire General Needs & Sheltered - Restricted	12	Rushwell Close	NN14 4BP	£94.50	£94.50	Preserved Right	House	3		£50,800		£135,000
Lot B		7241000140	Spire General Needs & Sheltered - Restricted	14	Russell Way	NN10 8EJ	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B		7241000220	Spire General Needs & Sheltered - Restricted	22	Russell Way	NN10 8EJ	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B		7241000230	Spire General Needs & Sheltered - Restricted	23	Russell Way	NN10 8EJ	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B		7241000240	Spire General Needs & Sheltered - Restricted	24	Russell Way	NN10 8EJ	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B		7241000260	Spire General Needs & Sheltered - Restricted	26	Russell Way	NN10 8EJ	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B		7241000310	Spire General Needs & Sheltered - Restricted	31	Russell Way	NN10 8EJ	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B		7241000350	Spire General Needs & Sheltered - Restricted	35	Russell Way	NN10 8EJ	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B		7242000040	Spire General Needs & Sheltered - Restricted	4	Sackville Street	NN14 4NZ	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B		7242000060	Spire General Needs & Sheltered - Restricted	6	Sackville Street	NN14 4NZ	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B		7242000080	Spire General Needs & Sheltered - Restricted	8	Sackville Street	NN14 4NZ	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B		7242000100	Spire General Needs & Sheltered - Restricted	10	Sackville Street	NN14 4NZ	£92.49	£95.03	Shelt.Ten.Prese	Bungalow	2		£44,300		£110,000
Lot B		7242000120	Spire General Needs & Sheltered - Restricted	12	Sackville Street	NN14 4NZ	£94.70	£95.03	Shelt.Ten.Prese	Bungalow	2		£45,500		£110,000
Lot B		7242000140	Spire General Needs & Sheltered - Restricted	14	Sackville Street	NN14 4NZ	£91.70	£95.03	Supp.Ten.Assure	Bungalow	2		£54,000		£110,000
Lot B		7243000590	Spire General Needs & Sheltered - Restricted	59	Saffron Road	NN10 8ED	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B		7243000610	Spire General Needs & Sheltered - Restricted	61	Saffron Road	NN10 8ED	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£37,000		£75,000
Lot B		7243000630	Spire General Needs & Sheltered - Restricted	63	Saffron Road	NN10 8ED	£97.80	£98.08	Shelt.Ten.Prese	Bungalow	3		£52,600		£115,000
Lot B		7243000650	Spire General Needs & Sheltered - Restricted	65	Saffron Road	NN10 8ED	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£41,900		£85,000
Lot B		7243000670	Spire General Needs & Sheltered - Restricted	67	Saffron Road	NN10 8ED	£98.08	£98.08	Supp.Ten.Assure	Bungalow	3		£56,700		£115,000
Lot B		7244000170	Spire General Needs & Sheltered - Restricted	17	Sandlands Avenue	NN14 3HU	£97.06	£97.06	Assured	House	3		£57,200		£150,000
Lot B		7244000180	Spire General Needs & Sheltered - Restricted	18	Sandlands Avenue	NN14 3HU	£96.39	£97.06	Preserved Right	House	3		£51,800		£150,000
Lot B		7244000230	Spire General Needs & Sheltered - Restricted	23	Sandlands Avenue	NN14 3HU	£85.84	£97.06	Preserved Right	House	3		£46,100		£150,000
Lot B		7244000330	Spire General Needs & Sheltered - Restricted	33	Sandlands Avenue	NN14 3HU	£92.43	£97.06	Preserved Right	House	3		£49,700		£150,000
Lot B		7245000050	Spire General Needs & Sheltered - Restricted	5	Sandlands Close	NN14 3HL	£83.56	£97.06	Preserved Right	House	3		£44,900		£150,000
Lot B		7245000070	Spire General Needs & Sheltered - Restricted	7	Sandlands Close	NN14 3HL	£83.85	£97.06	Preserved Right	House	3		£45,100		£150,000
Lot B		7245000080	Spire General Needs & Sheltered - Restricted	8	Sandlands Close	NN14 3HL	£96.06	£97.06	Assured	House	3		£57,200		£150,000
Lot B		7245000090	Spire General Needs & Sheltered - Restricted	9	Sandlands Close	NN14 3HL	£86.84	£97.06	Preserved Right	House	3		£46,700		£150,000
Lot B		7245000100	Spire General Needs & Sheltered - Restricted	10	Sandlands Close	NN14 3HL	£85.27	£97.06	Preserved Right	House	3		£45,800		£150,000
Lot B		7245000120	Spire General Needs & Sheltered - Restricted	12	Sandlands Close	NN14 3HL	£84.70	£97.06	Preserved Right	House	3		£45,500		£150,000
Lot B		7245000130	Spire General Needs & Sheltered - Restricted	13	Sandlands Close	NN14 3HL	£89.09	£97.06	Preserved Right	House	3		£47,800		£150,000
Lot B		7247000040	Spire General Needs & Sheltered - Restricted	4	Sawyers Crescent	NN9 6AD	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B		7247000060	Spire General Needs & Sheltered - Restricted	6	Sawyers Crescent	NN9 6AD	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B		7247000070	Spire General Needs & Sheltered - Restricted	7	Sawyers Crescent	NN9 6AD	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B		7247000090	Spire General Needs & Sheltered - Restricted	9	Sawyers Crescent	NN9 6AD	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B		7247000100	Spire General Needs & Sheltered - Restricted	10	Sawyers Crescent	NN9 6AD	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B		7249000010	Spire General Needs & Sheltered - Restricted	1	Scotgate	NN17 3AE	£97.06	£97.06	Preserved Right	House	3		£52,200		£130,000
Lot B		7249000020	Spire General Needs & Sheltered - Restricted	2	Scotgate	NN17 3AE	£97.06	£97.06	Preserved Right	House	3		£52,200		£130,000
Lot B		7249000050	Spire General Needs & Sheltered - Restricted	5	Scotgate	NN17 3AE	£97.06	£97.06	Preserved Right	House	3		£52,200		£130,000
Lot B		7249000060	Spire General Needs & Sheltered - Restricted	6	Scotgate	NN17 3AE	£97.06	£97.06	Preserved Right	House	3		£52,200		£130,000
Lot B		7249500010	Spire General Needs & Sheltered - Restricted	1	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	Bungalow	3		£57,500		£175,000
Lot B		7249500020	Spire General Needs & Sheltered - Restricted	2	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	Bungalow	3		£57,500		£175,000
Lot B		7249500030	Spire General Needs & Sheltered - Restricted	3	Blackthorn Close	LE15 9BG	£116.52	£116.52	Assured	House	4		£68,700		£200,000
Lot B		7249500040	Spire General Needs & Sheltered - Restricted	4	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500050	Spire General Needs & Sheltered - Restricted	5	Blackthorn Close	LE15 9BG	£104.23	£104.23	Assured	House	3		£61,400		£150,000
Lot B		7249500060	Spire General Needs & Sheltered - Restricted	6	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500070	Spire General Needs & Sheltered - Restricted	7	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500080	Spire General Needs & Sheltered - Restricted	8	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500090	Spire General Needs & Sheltered - Restricted	9	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500100	Spire General Needs & Sheltered - Restricted	10	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500110	Spire General Needs & Sheltered - Restricted	11	Blackthorn Close	LE15 9BG	£89.89	£91.85	Assured	House	2		£53,000		£120,000
Lot B		7249500120	Spire General Needs & Sheltered - Restricted	12	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500140	Spire General Needs & Sheltered - Restricted	14	Blackthorn Close	LE15 9BG	£97.50	£104.23	Assured	House	3		£57,500		£150,000
Lot B		7249500150	Spire General Needs & Sheltered - Restricted	15	Blackthorn Close	LE15 9BG	£89.89	£91.85	Assured	House	2		£53,000		£120,000
Lot B		7254000010	Spire General Needs & Sheltered - Restricted	1	Short Stocks	NN10 0EB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B		7254000080	Spire General Needs & Sheltered - Restricted	8	Short Stocks	NN10 0EB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B		7254000090	Spire General Needs & Sheltered - Restricted	9	Short Stocks	NN10 0EB	£73.71	£73.71	Shelt.Ten.Prese	House	1		£23,700		£50,000
Lot B		7254000100	Spire General Needs & Sheltered - Restricted	10	Short Stocks	NN10 0EB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B		7254000110	Spire General Needs & Sheltered - Restricted	11	Short Stocks	NN10 0EB	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B		7254000130	Spire General Needs & Sheltered - Restricted	13	Short Stocks	NN10 0EB	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£24,700		£50,000
Lot B		7254000150	Spire General Needs & Sheltered - Restricted	15	Short Stocks	NN10 0EB	£70.35	£70.35	Introd.Tenancy	Flat	1		£24,700		£50,000
Lot B		7254000170	Spire General Needs & Sheltered - Restricted	17	Short Stocks	NN10 0EB	£70.35	£70.35	Introd.Tenancy	Flat	1		£24,700		£50,000
Lot B		7254000190	Spire General Needs & Sheltered - Restricted	19	Short Stocks	NN10 0EB	£70.35	£70.35	Introd.Tenancy	Flat	1		£24,700		£50,000
Lot B		7254000230	Spire General Needs & Sheltered - Restricted	23	Short Stocks	NN10 0EB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B		7254000240	Spire General Needs & Sheltered - Restricted	24	Short Stocks	NN10 0EB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B		7254000250	Spire General Needs & Sheltered - Restricted	25	Short Stocks	NN10 0EB	£97.46	£97.46	Shelt.Ten.Prese	Flat	1		£23,700		£50,000
Lot B		7254000270	Spire General Needs & Sheltered - Restricted	27	Short Stocks	NN10 0EB	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£24,700		£50,000
Lot B		7254000280	Spire General Needs & Sheltered - Restricted	28	Short Stocks	NN10 0EB	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B		7254000290	Spire General Needs & Sheltered - Restricted	29	Short Stocks	NN10 0EB	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£24,700		£50,000
Lot B		7254000310	Spire General Needs & Sheltered - Restricted	31	Short Stocks	NN10 0EB	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B		7254000350	Spire General Needs & Sheltered - Restricted	35	Short Stocks	NN10 0EB	£67.46	£66.23	Preserved Right	Flat	2		£35,500		£75,000
Lot B		7254000370	Spire General Needs & Sheltered - Restricted	37	Short Stocks	NN10 0EB	£64.20	£90.33	Shelt.Ten.Prese	Flat	2		£34,500		£75,000
Lot B		7254000380	Spire General Needs & Sheltered - Restricted	38	Short Stocks	NN10 0EB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B		7254000390	Spire General Needs & Sheltered - Restricted	39	Short Stocks	NN10 0EB	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£24,700		

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot #	Property Ref (UPRN)	JLL Valuation Category	House No.	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Retained	EUV-SH	MV-T	MV-VP
Lot B	725000160	Spire General Needs & Sheltered - Restricted	16	Southfields	NN10 0BY	£73.21	£73.21	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	725000170	Spire General Needs & Sheltered - Restricted	17	Southfields	NN10 0BY	£86.23	£86.23	Assured	Flat	2		£37,000		£75,000
Lot B	725000180	Spire General Needs & Sheltered - Restricted	18	Southfields	NN10 0BY	£98.08	£98.08	Supp.Ten.Assure	Bungalow	3		£35,500		£75,000
Lot B	725000190	Spire General Needs & Sheltered - Restricted	19	Southfields	NN10 0BY	£79.64	£86.23	Preserved Right	Flat	2		£35,500		£75,000
Lot B	725000200	Spire General Needs & Sheltered - Restricted	20	Southfields	NN10 0BY	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£46,900		£95,000
Lot B	725000210	Spire General Needs & Sheltered - Restricted	21	Southfields	NN10 0BY	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	725000220	Spire General Needs & Sheltered - Restricted	22	Southfields	NN10 0BY	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£37,000		£90,000
Lot B	725000230	Spire General Needs & Sheltered - Restricted	23	Southfields	NN10 0BY	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	725000240	Spire General Needs & Sheltered - Restricted	24	Southfields	NN10 0BY	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£46,900		£95,000
Lot B	725000250	Spire General Needs & Sheltered - Restricted	25	Southfields	NN10 0BY	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£43,400		£90,000
Lot B	725000260	Spire General Needs & Sheltered - Restricted	26	Southfields	NN10 0BY	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	725000280	Spire General Needs & Sheltered - Restricted	28	Southfields	NN10 0BY	£98.77	£98.77	Supp.Ten.Assure	Bungalow	2		£46,900		£95,000
Lot B	725000300	Spire General Needs & Sheltered - Restricted	30	Southfields	NN10 0BY	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	725000320	Spire General Needs & Sheltered - Restricted	32	Southfields	NN10 0BY	£87.95	£90.33	Shelt.Ten.Prese	Bungalow	2		£45,000		£95,000
Lot B	725000340	Spire General Needs & Sheltered - Restricted	34	Southfields	NN10 0BY	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	725000360	Spire General Needs & Sheltered - Restricted	36	Southfields	NN10 0BY	£98.33	£98.33	Supp.Ten.Assure	Bungalow	2		£46,900		£95,000
Lot B	725000380	Spire General Needs & Sheltered - Restricted	38	Southfields	NN10 0BY	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	725000400	Spire General Needs & Sheltered - Restricted	40	Southfields	NN10 0BY	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£46,900		£95,000
Lot B	726000060	Spire General Needs & Sheltered - Restricted	6	Spencer Road	NN9 5QZ	£94.50	£94.50	Preserved Right	House	3		£50,800		£110,000
Lot B	726200180	Spire General Needs & Sheltered - Restricted	18	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200200	Spire General Needs & Sheltered - Restricted	20	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200220	Spire General Needs & Sheltered - Restricted	22	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200240	Spire General Needs & Sheltered - Restricted	24	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200260	Spire General Needs & Sheltered - Restricted	26	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200280	Spire General Needs & Sheltered - Restricted	28	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200300	Spire General Needs & Sheltered - Restricted	30	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200320	Spire General Needs & Sheltered - Restricted	32	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200340	Spire General Needs & Sheltered - Restricted	34	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200360	Spire General Needs & Sheltered - Restricted	36	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200380	Spire General Needs & Sheltered - Restricted	38	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200400	Spire General Needs & Sheltered - Restricted	40	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200420	Spire General Needs & Sheltered - Restricted	42	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200440	Spire General Needs & Sheltered - Restricted	44	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200460	Spire General Needs & Sheltered - Restricted	46	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200480	Spire General Needs & Sheltered - Restricted	48	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726200500	Spire General Needs & Sheltered - Restricted	50	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200520	Spire General Needs & Sheltered - Restricted	52	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200540	Spire General Needs & Sheltered - Restricted	54	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200560	Spire General Needs & Sheltered - Restricted	56	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726200580	Spire General Needs & Sheltered - Restricted	58	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200600	Spire General Needs & Sheltered - Restricted	60	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200620	Spire General Needs & Sheltered - Restricted	62	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200640	Spire General Needs & Sheltered - Restricted	64	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726200660	Spire General Needs & Sheltered - Restricted	66	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200680	Spire General Needs & Sheltered - Restricted	68	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200700	Spire General Needs & Sheltered - Restricted	70	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200720	Spire General Needs & Sheltered - Restricted	72	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726200740	Spire General Needs & Sheltered - Restricted	74	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200760	Spire General Needs & Sheltered - Restricted	76	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200780	Spire General Needs & Sheltered - Restricted	78	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200800	Spire General Needs & Sheltered - Restricted	80	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726200820	Spire General Needs & Sheltered - Restricted	82	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200840	Spire General Needs & Sheltered - Restricted	84	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200860	Spire General Needs & Sheltered - Restricted	86	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200880	Spire General Needs & Sheltered - Restricted	88	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726200900	Spire General Needs & Sheltered - Restricted	90	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200920	Spire General Needs & Sheltered - Restricted	92	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726200940	Spire General Needs & Sheltered - Restricted	94	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726200960	Spire General Needs & Sheltered - Restricted	96	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726200980	Spire General Needs & Sheltered - Restricted	98	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201000	Spire General Needs & Sheltered - Restricted	100	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201020	Spire General Needs & Sheltered - Restricted	102	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726201040	Spire General Needs & Sheltered - Restricted	104	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726201060	Spire General Needs & Sheltered - Restricted	106	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201080	Spire General Needs & Sheltered - Restricted	108	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201100	Spire General Needs & Sheltered - Restricted	110	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726201120	Spire General Needs & Sheltered - Restricted	112	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726201140	Spire General Needs & Sheltered - Restricted	114	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201160	Spire General Needs & Sheltered - Restricted	116	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201180	Spire General Needs & Sheltered - Restricted	118	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726201200	Spire General Needs & Sheltered - Restricted	120	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726201220	Spire General Needs & Sheltered - Restricted	122	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201240	Spire General Needs & Sheltered - Restricted	124	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201260	Spire General Needs & Sheltered - Restricted	126	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726201280	Spire General Needs & Sheltered - Restricted	128	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726201300	Spire General Needs & Sheltered - Restricted	130	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201320	Spire General Needs & Sheltered - Restricted	132	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201340	Spire General Needs & Sheltered - Restricted	134	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726201360	Spire General Needs & Sheltered - Restricted	136	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726201380	Spire General Needs & Sheltered - Restricted	138	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201400	Spire General Needs & Sheltered - Restricted	140	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201420	Spire General Needs & Sheltered - Restricted	142	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	726201440	Spire General Needs & Sheltered - Restricted	144	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	726201460	Spire General Needs & Sheltered - Restricted	146	Spiny Road	NN10 9QJ	£86.23	£86.23	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201480	Spire General Needs & Sheltered - Restricted	148	Spiny Road	NN10 9QJ	£93.62	£93.62	Introd.Tenancy	Flat	2		£52,100		£115,000
Lot B	726201500	Spire General Needs & Sheltered - Restricted	150	Spiny Road	NN10 9Q									

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (LPRN)	IL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	IL Type	IL Refs	Retained Equity	FLV:SH	MV-T	MV-VP	
Lot B	7269000080		Spire General Needs & Sheltered - Restricted	8	St James Crescent	NN14 4NU	£90.72	£90.72	Assured	Flat	2	£46,900	£95,000			
Lot B	7269000100		Spire General Needs & Sheltered - Restricted	10	St James Crescent	NN14 4NT	£75.64	£90.72	Preserved Right	Flat	2	£40,600	£95,000			
Lot B	7269000110		Spire General Needs & Sheltered - Restricted	11	St James Crescent	NN14 4NU	£92.51	£97.06	Preserved Right	House	3	£49,700	£135,000			
Lot B	7269000120		Spire General Needs & Sheltered - Restricted	12	St James Crescent	NN14 4NU	£79.86	£97.06	Preserved Right	Flat	2	£79,860	£135,000			
Lot B	7269000130		Spire General Needs & Sheltered - Restricted	13	St James Crescent	NN14 4NU	£95.87	£97.06	Preserved Right	House	3	£51,500	£135,000			
Lot B	7269000140		Spire General Needs & Sheltered - Restricted	14	St James Crescent	NN14 4NU	£90.72	£90.72	Assured	Flat	2	£46,900	£95,000			
Lot B	7269000150		Spire General Needs & Sheltered - Restricted	15	St James Crescent	NN14 4NU	£88.06	£97.06	Preserved Right	House	3	£47,300	£135,000			
Lot B	7269000160		Spire General Needs & Sheltered - Restricted	16	St James Crescent	NN14 4NU	£74.85	£90.72	Preserved Right	Flat	2	£40,200	£95,000			
Lot B	7269000170		Spire General Needs & Sheltered - Restricted	17	St James Crescent	NN14 4NU	£97.06	£97.06	Assured	House	3	£57,200	£135,000			
Lot B	7269000220		Spire General Needs & Sheltered - Restricted	22	St James Crescent	NN14 4NU	£98.13	£104.21	Preserved Right	House	4	£52,700	£160,000			
Lot B	7269000350		Spire General Needs & Sheltered - Restricted	35	St James Crescent	NN14 4NU	£90.31	£97.06	Preserved Right	House	3	£48,500	£135,000			
Lot B	7269000370		Spire General Needs & Sheltered - Restricted	37	St James Crescent	NN14 4NU	£97.06	£97.06	Assured	House	3	£57,200	£135,000			
Lot B	7269000430		Spire General Needs & Sheltered - Restricted	43	St James Crescent	NN14 4NU	£90.31	£97.06	Preserved Right	House	3	£48,500	£135,000			
Lot B	7269000530		Spire General Needs & Sheltered - Restricted	53	St James Crescent	NN14 4NU	£95.94	£97.06	Preserved Right	House	3	£51,600	£135,000			
Lot B	7270000010		Spire General Needs & Sheltered - Restricted	1	St Marys Close	PE8 6QH	£94.22	£94.22	Supp.Ten.Assure	Bungalow	2	£55,500	£125,000			
Lot B	7270000020		Spire General Needs & Sheltered - Restricted	2	St Marys Close	PE8 6QH	£89.94	£89.94	Assured	Bungalow	2	£53,000	£125,000			
Lot B	7270000030		Spire General Needs & Sheltered - Restricted	3	St Marys Close	PE8 6QH	£83.37	£94.22	Shelt.Ten.Prese	Bungalow	2	£44,800	£125,000			
Lot B	7270000040		Spire General Needs & Sheltered - Restricted	4	St Marys Close	PE8 6QH	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£125,000			
Lot B	7270000050		Spire General Needs & Sheltered - Restricted	5	St Marys Close	PE8 6QH	£80.24	£94.22	Shelt.Ten.Prese	Bungalow	2	£43,100	£125,000			
Lot B	7270000060		Spire General Needs & Sheltered - Restricted	6	St Marys Close	PE8 6QH	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£125,000			
Lot B	7270000070		Spire General Needs & Sheltered - Restricted	7	St Marys Close	PE8 6QH	£94.22	£94.22	Supp.Ten.Assure	Bungalow	2	£55,500	£125,000			
Lot B	7270000080		Spire General Needs & Sheltered - Restricted	8	St Marys Close	PE8 6QH	£85.28	£97.06	Supp.Ten.Assure	Bungalow	1	£46,900	£95,000			
Lot B	7270000090		Spire General Needs & Sheltered - Restricted	9	St Marys Close	PE8 6QH	£83.37	£94.22	Shelt.Ten.Prese	Bungalow	2	£44,800	£125,000			
Lot B	7270000100		Spire General Needs & Sheltered - Restricted	10	St Marys Close	PE8 6QH	£94.22	£94.22	Supp.Ten.Assure	Bungalow	2	£55,500	£125,000			
Lot B	7270000110		Spire General Needs & Sheltered - Restricted	11	St Marys Close	PE8 6QH	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£125,000			
Lot B	7270000120		Spire General Needs & Sheltered - Restricted	12	St Marys Close	PE8 6QH	£94.22	£94.22	Supp.Ten.Assure	Bungalow	2	£55,500	£125,000			
Lot B	7270000130		Spire General Needs & Sheltered - Restricted	13	St Marys Close	PE8 6QH	£90.09	£97.06	Preserved Right	House	3	£48,400	£160,000			
Lot B	7270000140		Spire General Needs & Sheltered - Restricted	14	St Marys Close	PE8 6QH	£84.78	£87.52	Supp.Ten.Assure	Bungalow	1	£46,900	£95,000			
Lot B	7270000160		Spire General Needs & Sheltered - Restricted	16	St Marys Close	PE8 6QH	£82.49	£94.22	Shelt.Ten.Prese	Bungalow	2	£44,300	£125,000			
Lot B	7270000180		Spire General Needs & Sheltered - Restricted	18	St Marys Close	PE8 6QH	£97.06	£97.06	Assured	House	3	£57,200	£160,000			
Lot B	727500070		Spire Shared Ownership	7	Weekly Close	NN14 4FB	£55.73	£94.22	Shared Ownership	House	3	£50%	£41,000	£55,000		
Lot B	727500080		Spire Shared Ownership	8	Weekly Close	NN14 4FB	£55.73	£94.22	Shared Ownership	House	3	£50%	£51,000	£67,500		
Lot B	727500090		Spire Shared Ownership	9	Weekly Close	NN14 4FB	£49.15	£94.22	Shared Ownership	House	2	£50%	£41,000	£55,000		
Lot B	7271000070		Spire General Needs & Sheltered - Restricted	7	St Marys Way	PE8 6QN	£90.09	£97.06	Preserved Right	House	3	£48,400	£160,000			
Lot B	7272000020		Spire General Needs & Sheltered - Restricted	2	St Nicholas Way	NN14 3DX	£90.48	£97.06	Preserved Right	House	3	£48,600	£150,000			
Lot B	7272000060		Spire General Needs & Sheltered - Restricted	6	St Nicholas Way	NN14 3DX	£90.72	£90.72	Assured	Bungalow	2	£53,500	£130,000			
Lot B	7272000080		Spire General Needs & Sheltered - Restricted	8	St Nicholas Way	NN14 3DX	£90.72	£90.72	Assured	Bungalow	2	£53,500	£130,000			
Lot B	7272000100		Spire General Needs & Sheltered - Restricted	10	St Nicholas Way	NN14 3DX	£78.26	£78.26	Assured	Bungalow	1	£46,100	£115,000			
Lot B	7272000120		Spire General Needs & Sheltered - Restricted	12	St Nicholas Way	NN14 3DX	£78.26	£78.26	Preserved Right	Bungalow	1	£42,100	£115,000			
Lot B	7272000140		Spire General Needs & Sheltered - Restricted	14	St Nicholas Way	NN14 3DX	£80.15	£81.99	Shelt.Ten.Prese	Bungalow	1	£43,100	£115,000			
Lot B	7272000160		Spire General Needs & Sheltered - Restricted	16	St Nicholas Way	NN14 3DX	£80.24	£81.99	Shelt.Ten.Prese	Bungalow	1	£43,100	£115,000			
Lot B	7273000370		Spire General Needs & Sheltered - Restricted	37	St Peters Road	PE8 4NU	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7273000380		Spire General Needs & Sheltered - Restricted	38	St Peters Road	PE8 4NT	£91.42	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7273000400		Spire General Needs & Sheltered - Restricted	40	St Peters Road	PE8 4NT	£97.06	£97.06	Assured	House	3	£57,200	£190,000			
Lot B	7273000410		Spire General Needs & Sheltered - Restricted	41	St Peters Road	PE8 4NU	£84.70	£94.22	Shelt.Ten.Prese	Bungalow	2	£45,500	£140,000			
Lot B	7273000420		Spire General Needs & Sheltered - Restricted	42	St Peters Road	PE8 4NT	£88.06	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7273000430		Spire General Needs & Sheltered - Restricted	43	St Peters Road	PE8 4NU	£87.86	£94.22	Shelt.Ten.Prese	Bungalow	2	£47,200	£140,000			
Lot B	7273000450		Spire General Needs & Sheltered - Restricted	45	St Peters Road	PE8 4NT	£94.22	£94.22	Shelt.Ten.Prese	Bungalow	2	£47,800	£140,000			
Lot B	7273000470		Spire General Needs & Sheltered - Restricted	47	St Peters Road	PE8 4NT	£93.18	£94.22	Shelt.Ten.Prese	Bungalow	2	£50,100	£140,000			
Lot B	7273000490		Spire General Needs & Sheltered - Restricted	49	St Peters Road	PE8 4NT	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7273000510		Spire General Needs & Sheltered - Restricted	51	St Peters Road	PE8 4NT	£89.64	£94.22	Shelt.Ten.Prese	Bungalow	2	£48,200	£140,000			
Lot B	7273000530		Spire General Needs & Sheltered - Restricted	53	St Peters Road	PE8 4NT	£94.22	£94.22	Shelt.Ten.Prese	Bungalow	2	£50,600	£140,000			
Lot B	7273000550		Spire General Needs & Sheltered - Restricted	55	St Peters Road	PE8 4NT	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7273000560		Spire General Needs & Sheltered - Restricted	56	St Peters Road	PE8 4NT	£89.18	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7273000570		Spire General Needs & Sheltered - Restricted	57	St Peters Road	PE8 4NT	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7273000590		Spire General Needs & Sheltered - Restricted	59	St Peters Road	PE8 4NT	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7273000610		Spire General Needs & Sheltered - Restricted	61	St Peters Road	PE8 4NT	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7273000620		Spire General Needs & Sheltered - Restricted	62	St Peters Road	PE8 4NT	£89.18	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7273000630		Spire General Needs & Sheltered - Restricted	63	St Peters Road	PE8 4NQ	£94.22	£94.22	Supp.Ten.Assure	Bungalow	2	£55,500	£140,000			
Lot B	7273000640		Spire General Needs & Sheltered - Restricted	64	St Peters Road	PE8 4NT	£97.06	£97.06	Preserved Right	House	3	£52,200	£190,000			
Lot B	7273000650		Spire General Needs & Sheltered - Restricted	65	St Peters Road	PE8 4NQ	£89.21	£94.22	Shelt.Ten.Prese	Bungalow	2	£47,900	£140,000			
Lot B	7273000660		Spire General Needs & Sheltered - Restricted	66	St Peters Road	PE8 4NQ	£97.06	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7273000670		Spire General Needs & Sheltered - Restricted	67	St Peters Road	PE8 4NQ	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7273000680		Spire General Needs & Sheltered - Restricted	68	St Peters Road	PE8 4NT	£83.91	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7273000690		Spire General Needs & Sheltered - Restricted	69	St Peters Road	PE8 4NQ	£83.56	£94.22	Shelt.Ten.Prese	Bungalow	2	£44,900	£140,000			
Lot B	7273000780		Spire General Needs & Sheltered - Restricted	78	St Peters Road	PE8 4NQ	£94.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£140,000			
Lot B	7275000020		Spire General Needs & Sheltered - Restricted	2	St Wilfrids Road	PE8 4NX	£85.06	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7275000100		Spire General Needs & Sheltered - Restricted	10	St Wilfrids Road	PE8 4NX	£89.09	£97.06	Preserved Right	House	3	£51,900	£190,000			
Lot B	7275000140		Spire General Needs & Sheltered - Restricted	14	St Wilfrids Road	PE8 4NX	£97.06	£97.06	Assured	House	3	£57,200	£190,000			
Lot B	7276000090		Spire General Needs & Sheltered - Restricted	9	Stamford Lane	PE8 6TW	£94.22	£94.22	Shelt.Ten.Prese	Bungalow	2	£43,100	£125,000			
Lot B	7276000110		Spire General Needs & Sheltered - Restricted	11	Stamford Lane	PE8 6TW	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£125,000			
Lot B	7277000020		Spire General Needs & Sheltered - Restricted	2	Station Road	PE8 6XP	£89.94	£89.94	Assured	Bungalow	2	£53,000	£125,000			
Lot B	7277000040		Spire General Needs & Sheltered - Restricted	4	Station Road	PE8 6XP	£83.81	£94.22	Shelt.Ten.Prese	Bungalow	2	£45,000	£125,000			
Lot B	7277000100		Spire General Needs & Sheltered - Restricted	10	Station Road	PE8 6XP	£90.24	£97.06	Preserved Right	House	3	£48,500	£160,000			
Lot B	7277000120		Spire General Needs & Sheltered - Restricted	12	Station Road	PE8 6XP	£97.06	£97.06	Assured	House	3	£57,200	£160,000			
Lot B	7277000140		Spire General Needs & Sheltered - Restricted	14	Station Road	PE8 6XP	£93.18	£94.22	Supp.Ten.Assure	Bungalow	2	£54,900	£125,000			
Lot B	7277000160		Spire General Needs & Sheltered - Restricted	16	Station Road	PE8 6XP	£86.06	£89.94	Preserved Right	Bungalow	2	£46,200	£125,000			
Lot B	7279000010		Spire General Needs & Sheltered - Restricted	1	Straws Close	NN9 5PL	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2	£53,200	£110,000			
Lot B	7279000020		Spire General Needs & Sheltered - Restricted	2	Straws Close	NN9 5PL	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2	£53,200	£110,000			
Lot B	7279000030		Spire General Needs & Sheltered - Restricted	3	Straws Close	NN9 5PL	£90.33	£90.33	Shelt.Ten.Prese	Bungalow	2	£48,300	£110,000			
Lot B	7279000040		Spire General Needs & Sheltered - Restricted	4	Straws Close	NN9 5PL	£89.18	£90.33	Shelt.Ten.Prese	Bungalow	2	£47,900	£110,000			
Lot B	7279000050		Spire General Needs & Sheltered - Restricted	5	Straws Close	NN9 5PL	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2	£53,200	£110,000			
Lot B	7279000060		Spire General Needs & Sheltered - Restricted	6	Straws Close	NN9 5PL	£90.33	£90.33	Shelt.Ten.Prese	Bungalow	2	£48,500	£110,000			
Lot B	7279															

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	JL Refs	Retained Equity	FLV/SH	MV-T	MV-VP
Lot B	7287000390		Spire General Needs & Sheltered - Restricted	39	Tennyson Road	NN10 9QF	£93.62	£93.62	Preserved Right	House	3		£50,300		
Lot B	7287000420		Spire General Needs & Sheltered - Restricted	42	Tennyson Road	NN10 9QE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7287000460		Spire General Needs & Sheltered - Restricted	46	Tennyson Road	NN10 9QE	£88.74	£93.62	Preserved Right	House	3		£47,700		£115,000
Lot B	7287000490		Spire General Needs & Sheltered - Restricted	49	Tennyson Road	NN10 9QF	£88.74	£93.62	Preserved Right	House	3		£47,700		£115,000
Lot B	7287000540		Spire General Needs & Sheltered - Restricted	54	Tennyson Road	NN10 9QE	£88.74	£93.62	Preserved Right	House	3		£47,700		£115,000
Lot B	7287000550		Spire General Needs & Sheltered - Restricted	55	Tennyson Road	NN10 9QF	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7287000570		Spire General Needs & Sheltered - Restricted	57	Tennyson Road	NN10 9QF	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7287000580		Spire General Needs & Sheltered - Restricted	58	Tennyson Road	NN10 9QE	£85.50	£93.62	Preserved Right	House	3		£45,900		£115,000
Lot B	7287000600		Spire General Needs & Sheltered - Restricted	60	Tennyson Road	NN10 9QE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7287000630		Spire General Needs & Sheltered - Restricted	63	Tennyson Road	NN10 9QF	£85.81	£93.62	Preserved Right	House	3		£46,100		£115,000
Lot B	7287000680		Spire General Needs & Sheltered - Restricted	68	Tennyson Road	NN10 9QE	£85.88	£93.62	Preserved Right	House	3		£45,900		£115,000
Lot B	7287000700		Spire General Needs & Sheltered - Restricted	70	Tennyson Road	NN10 9QE	£88.65	£93.62	Preserved Right	House	3		£47,600		£115,000
Lot B	7287000760		Spire General Needs & Sheltered - Restricted	76	Tennyson Road	NN10 9QE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7288000040		Spire General Needs & Sheltered - Restricted	4	Tenter Close	NN10 8AF	£93.62	£93.62	Introd.Tenancy	House	3		£49,300		£100,000
Lot B	7288000080		Spire General Needs & Sheltered - Restricted	8	Tenter Close	NN10 8AF	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7288000110		Spire General Needs & Sheltered - Restricted	11	Tenter Close	NN10 8AF	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7288000120		Spire General Needs & Sheltered - Restricted	12	Tenter Close	NN10 8AF	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7288000130		Spire General Needs & Sheltered - Restricted	13	Tenter Close	NN10 8AF	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7288000210		Spire General Needs & Sheltered - Restricted	21	Tenter Close	NN10 8AF	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7288000220		Spire General Needs & Sheltered - Restricted	22	Tenter Close	NN10 8AF	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7288500010		Spire General Needs & Sheltered - Restricted	1	The Brambles	PE9 3JU	£89.94	£89.94	Assured	House	2		£53,000		£125,000
Lot B	7288500020		Spire General Needs & Sheltered - Restricted	2	The Brambles	PE9 3JU	£89.94	£89.94	Preserved Right	House	2		£48,300		£125,000
Lot B	7288500030		Spire General Needs & Sheltered - Restricted	3	The Brambles	PE9 3JU	£89.94	£89.94	Introd.Tenancy	House	2		£53,000		£125,000
Lot B	7288500040		Spire General Needs & Sheltered - Restricted	4	The Brambles	PE9 3JU	£89.94	£89.94	Assured	House	2		£53,000		£125,000
Lot B	7288500050		Spire General Needs & Sheltered - Restricted	5	The Brambles	PE9 3JU	£89.94	£89.94	Assured	House	2		£53,000		£125,000
Lot B	7288500060		Spire General Needs & Sheltered - Restricted	6	The Brambles	PE9 3JU	£97.06	£97.06	Assured	House	2		£57,200		£140,000
Lot B	7288500070		Spire General Needs & Sheltered - Restricted	7	The Brambles	PE9 3JU	£97.06	£97.06	Assured	House	2		£57,200		£140,000
Lot B	7288500080		Spire General Needs & Sheltered - Restricted	8	The Brambles	PE9 3JU	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7288500090		Spire General Needs & Sheltered - Restricted	9	The Brambles	PE9 3JU	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7288500100		Spire General Needs & Sheltered - Restricted	10	The Brambles	PE9 3JU	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7289000020		Spire General Needs & Sheltered - Restricted	2	The Close	PE9 3NA	£86.92	£86.92	Preserved Right	Bungalow	2		£46,700		£100,000
Lot B	7289000040		Spire General Needs & Sheltered - Restricted	4	The Close	PE9 3NA	£104.21	£104.21	Assured	House	4		£61,400		£175,000
Lot B	7289000070		Spire General Needs & Sheltered - Restricted	7	The Close	PE9 3NA	£90.31	£97.06	Preserved Right	House	3		£48,500		£140,000
Lot B	7289000080		Spire General Needs & Sheltered - Restricted	8	The Close	PE9 3NA	£86.92	£97.06	Preserved Right	House	3		£46,700		£140,000
Lot B	7289000090		Spire General Needs & Sheltered - Restricted	9	The Close	PE9 3NA	£86.92	£97.06	Preserved Right	House	3		£46,700		£140,000
Lot B	7289000100		Spire General Needs & Sheltered - Restricted	10	The Close	PE9 3NA	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7289000110		Spire General Needs & Sheltered - Restricted	11	The Close	PE9 3NA	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7289000120		Spire General Needs & Sheltered - Restricted	12	The Close	PE9 3NA	£82.49	£97.06	Preserved Right	House	3		£44,300		£140,000
Lot B	7289000150		Spire General Needs & Sheltered - Restricted	15	The Close	PE9 3NA	£89.94	£89.94	Assured	Bungalow	2		£53,000		£160,000
Lot B	7289000160		Spire General Needs & Sheltered - Restricted	16	The Close	PE9 3NA	£82.49	£89.94	Preserved Right	Bungalow	2		£44,300		£160,000
Lot B	7289000170		Spire General Needs & Sheltered - Restricted	17	The Close	PE9 3NA	£82.49	£89.94	Preserved Right	Bungalow	2		£44,300		£160,000
Lot B	7289000180		Spire General Needs & Sheltered - Restricted	18	The Close	PE9 3NA	£89.94	£89.94	Assured	Bungalow	2		£53,000		£160,000
Lot B	7290000010		Spire General Needs & Sheltered - Restricted	1	The Close	NN9 SQN	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7290000020		Spire General Needs & Sheltered - Restricted	2	The Close	NN9 SQN	£86.23	£97.06	Preserved Right	Bungalow	2		£49,800		£110,000
Lot B	7290000030		Spire General Needs & Sheltered - Restricted	3	The Close	NN9 SQN	£79.15	£81.35	Shelt.Ten.Prese	Bungalow	1		£42,500		£100,000
Lot B	7290000040		Spire General Needs & Sheltered - Restricted	4	The Close	NN9 SQN	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7290000050		Spire General Needs & Sheltered - Restricted	5	The Close	NN9 SQN	£83.06	£90.33	Shelt.Ten.Prese	Bungalow	2		£44,600		£110,000
Lot B	7290000060		Spire General Needs & Sheltered - Restricted	6	The Close	NN9 SQN	£81.35	£81.35	Shelt.Ten.Prese	Bungalow	1		£43,100		£100,000
Lot B	7290000070		Spire General Needs & Sheltered - Restricted	7	The Close	NN9 SQN	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1		£47,700		£100,000
Lot B	7290000080		Spire General Needs & Sheltered - Restricted	8	The Close	NN9 SQN	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7290000090		Spire General Needs & Sheltered - Restricted	9	The Close	NN9 SQN	£83.56	£90.33	Shelt.Ten.Prese	Bungalow	2		£44,900		£110,000
Lot B	7290000100		Spire General Needs & Sheltered - Restricted	10	The Close	NN9 SQN	£80.24	£81.35	Shelt.Ten.Prese	Bungalow	1		£43,100		£100,000
Lot B	7290000110		Spire General Needs & Sheltered - Restricted	11	The Close	NN9 SQN	£81.35	£90.33	Supp.Ten.Assure	Bungalow	1		£47,900		£100,000
Lot B	7290000120		Spire General Needs & Sheltered - Restricted	12	The Close	NN9 SQN	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7291000010		Spire General Needs & Sheltered - Restricted	1	The Crescent	PE9 3LZ	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7291000020		Spire General Needs & Sheltered - Restricted	2	The Crescent	PE9 3LZ	£92.51	£97.06	Preserved Right	House	3		£49,700		£140,000
Lot B	7291000030		Spire General Needs & Sheltered - Restricted	3	The Crescent	PE9 3LZ	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7291000050		Spire General Needs & Sheltered - Restricted	5	The Crescent	PE9 3LZ	£89.18	£97.06	Preserved Right	House	3		£47,900		£140,000
Lot B	7291000080		Spire General Needs & Sheltered - Restricted	8	The Crescent	PE9 3LZ	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7291000090		Spire General Needs & Sheltered - Restricted	9	The Crescent	PE9 3LZ	£86.92	£97.06	Preserved Right	House	3		£46,700		£140,000
Lot B	7291000120		Spire General Needs & Sheltered - Restricted	12	The Crescent	PE9 3LZ	£86.92	£97.06	Preserved Right	House	3		£46,700		£140,000
Lot B	7291000130		Spire General Needs & Sheltered - Restricted	13	The Crescent	PE9 3LZ	£89.94	£89.94	Assured	Bungalow	2		£53,000		£160,000
Lot B	7291000150		Spire General Needs & Sheltered - Restricted	15	The Crescent	PE9 3LZ	£83.56	£89.94	Preserved Right	Bungalow	2		£44,900		£160,000
Lot B	7291000170		Spire General Needs & Sheltered - Restricted	17	The Crescent	PE9 3LZ	£77.22	£89.94	Preserved Right	Flat	2		£40,200		£85,000
Lot B	7291000190		Spire General Needs & Sheltered - Restricted	19	The Crescent	PE9 3LZ	£89.94	£89.94	Introd.Tenancy	Flat	2		£41,900		£85,000
Lot B	7291000210		Spire General Needs & Sheltered - Restricted	21	The Crescent	PE9 3LZ	£75.54	£89.94	Shelt.Ten.Prese	Flat	2		£40,200		£85,000
Lot B	7291000220		Spire General Needs & Sheltered - Restricted	22	The Crescent	PE9 3LZ	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7291000230		Spire General Needs & Sheltered - Restricted	23	The Crescent	PE9 3LZ	£89.94	£89.94	Assured	Flat	2		£41,900		£85,000
Lot B	7291000250		Spire General Needs & Sheltered - Restricted	25	The Crescent	PE9 3LZ	£89.94	£89.94	Assured	Bungalow	2		£53,000		£160,000
Lot B	7291000270		Spire General Needs & Sheltered - Restricted	27	The Crescent	PE9 3LZ	£89.94	£89.94	Assured	Bungalow	2		£53,000		£160,000
Lot B	7291000280		Spire General Needs & Sheltered - Restricted	28	The Crescent	PE9 3LZ	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	7291000310		Spire General Needs & Sheltered - Restricted	31	The Crescent	PE9 3LZ	£85.84	£97.06	Preserved Right	House	3		£46,100		£140,000
Lot B	7291000360		Spire General Needs & Sheltered - Restricted	36	The Crescent	PE9 3LZ	£81.34	£97.06	Preserved Right	House	3		£43,700		£140,000
Lot B	7292000010		Spire General Needs & Sheltered - Restricted	1	The Crescent	NN10 9QZ	£85.81	£93.62	Preserved Right	House	3		£46,100		£115,000
Lot B	7292000020		Spire General Needs & Sheltered - Restricted	2	The Crescent	NN10 9QZ	£85.81	£93.62	Preserved Right	House	3		£46,100		£115,000
Lot B	7292000050		Spire General Needs & Sheltered - Restricted	5	The Crescent	NN10 9QZ	£85.81	£93.62	Preserved Right	House	3		£46,100		£115,000
Lot B	7292000060		Spire General Needs & Sheltered - Restricted	6	The Crescent	NN10 9QZ	£85.81	£93.62	Preserved Right	House	3		£46,100		£115,000
Lot B	7292000090		Spire General Needs & Sheltered - Restricted	9	The Crescent	NN10 9QZ	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7292000110		Spire General Needs & Sheltered - Restricted	11	The Crescent	NN10 9QZ	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7292000130		Spire General Needs & Sheltered - Restricted	13	The Crescent	NN10 9QZ	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7292000150		Spire General Needs & Sheltered - Restricted	15	The Crescent	NN10 9QZ	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7292000190		Spire General Needs & Sheltered - Restricted	19	The Crescent	NN10 9QZ	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7293000260		Spire General Needs & Sheltered - Restricted	26	The Delves	NN9 6HB	£85.81	£93.62	Preserved Right	House	3		£46,100		£115,000
Lot B	7293000310		Spire General Needs & Sheltered - Restricted	31	The Delves	NN9 6HB	£86.23	£97.06	Assured	House	2		£46,900		£120,000
Lot B	7293000020		Spire General Needs & Sheltered - Restricted	2	The Delves	NN9 6HB	£82.49	£86.23							

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref	Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	Retained Equity	LLV Type	LLV Bedf	LLV SH	MV-T	MV-VP
Lot B	7298000160	Spire General Needs & Sheltered - Restricted	16	The Grove	NN14 4DB	£78.01	£86.23	Preserved Right	Bungalow	2		£41,900		
Lot B	7298000170	Spire General Needs & Sheltered - Restricted	17	The Grove	NN14 4DB	£86.23	£86.23	Assured	Bungalow	2		£50,800		£110,000
Lot B	7298000180	Spire General Needs & Sheltered - Restricted	18	The Grove	NN14 4DB	£77.05	£77.05	Assured	Bungalow	1		£39,500		£80,000
Lot B	7298000190	Spire General Needs & Sheltered - Restricted	19	The Grove	NN14 4DB	£77.05	£77.05	Assured	Bungalow	1		£39,500		£80,000
Lot B	7299000010	Spire General Needs & Sheltered - Restricted	1	The Hawthorns	NN10 8AL	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7299000020	Spire General Needs & Sheltered - Restricted	2	The Hawthorns	NN10 8AL	£87.95	£90.33	Shelt.Ten.Prese	Bungalow	2		£40,200		£85,000
Lot B	7299000030	Spire General Needs & Sheltered - Restricted	3	The Hawthorns	NN10 8AL	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7299000040	Spire General Needs & Sheltered - Restricted	4	The Hawthorns	NN10 8AL	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£41,900		£85,000
Lot B	7299000050	Spire General Needs & Sheltered - Restricted	5	The Hawthorns	NN10 8AL	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7299000060	Spire General Needs & Sheltered - Restricted	6	The Hawthorns	NN10 8AL	£85.51	£90.33	Shelt.Ten.Prese	Bungalow	2		£40,200		£85,000
Lot B	7299000070	Spire General Needs & Sheltered - Restricted	7	The Hawthorns	NN10 8AL	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7299000080	Spire General Needs & Sheltered - Restricted	8	The Hawthorns	NN10 8AL	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£41,900		£85,000
Lot B	7299000090	Spire General Needs & Sheltered - Restricted	9	The Hawthorns	NN10 8AL	£88.77	£90.33	Shelt.Ten.Prese	Bungalow	2		£40,200		£85,000
Lot B	7299000100	Spire General Needs & Sheltered - Restricted	10	The Hawthorns	NN10 8AL	£88.77	£90.33	Shelt.Ten.Prese	Bungalow	2		£40,200		£85,000
Lot B	7299000110	Spire General Needs & Sheltered - Restricted	11	The Hawthorns	NN10 8AL	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7299000120	Spire General Needs & Sheltered - Restricted	12	The Hawthorns	NN10 8AL	£87.95	£90.33	Shelt.Ten.Prese	Bungalow	2		£40,200		£85,000
Lot B	7299000130	Spire General Needs & Sheltered - Restricted	13	The Hawthorns	NN10 8AL	£73.71	£73.71	Supp.Ten.Assure	Bungalow	1		£37,000		£75,000
Lot B	7299000140	Spire General Needs & Sheltered - Restricted	14	The Hawthorns	NN10 8AL	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£41,900		£85,000
Lot B	7299000150	Spire General Needs & Sheltered - Restricted	15	The Hawthorns	NN10 8AL	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7299000160	Spire General Needs & Sheltered - Restricted	16	The Hawthorns	NN10 8AL	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£41,900		£85,000
Lot B	7299000170	Spire General Needs & Sheltered - Restricted	17	The Hawthorns	NN10 8AL	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7299000180	Spire General Needs & Sheltered - Restricted	18	The Hawthorns	NN10 8AL	£88.77	£90.33	Supp.Ten.Assure	Bungalow	2		£41,900		£85,000
Lot B	7299000190	Spire General Needs & Sheltered - Restricted	19	The Hawthorns	NN10 8AL	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7299000200	Spire General Needs & Sheltered - Restricted	20	The Hawthorns	NN10 8AL	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7299000210	Spire General Needs & Sheltered - Restricted	21	The Hawthorns	NN10 8AL	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£41,900		£85,000
Lot B	7299000220	Spire General Needs & Sheltered - Restricted	22	The Hawthorns	NN10 8AL	£73.71	£73.71	Shelt.Ten.Prese	Bungalow	1		£35,500		£75,000
Lot B	7300000490	Spire General Needs & Sheltered - Restricted	49	The Hedges	NN10 8AA	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7300000570	Spire General Needs & Sheltered - Restricted	57	The Hedges	NN10 8AA	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7300000670	Spire General Needs & Sheltered - Restricted	67	The Hedges	NN10 8AA	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7300000690	Spire General Needs & Sheltered - Restricted	69	The Hedges	NN10 8AA	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7300000710	Spire General Needs & Sheltered - Restricted	71	The Hedges	NN10 8AA	£93.62	£93.62	Preserved Right	House	3		£49,300		£100,000
Lot B	7300000720	Spire General Needs & Sheltered - Restricted	72	The Hedges	NN10 8AB	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7300000760	Spire General Needs & Sheltered - Restricted	76	The Hedges	NN10 8AB	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7300000880	Spire General Needs & Sheltered - Restricted	88	The Hedges	NN10 8AB	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7300000940	Spire General Needs & Sheltered - Restricted	94	The Hedges	NN10 8AB	£93.62	£93.62	Introd.Tenancy	House	3		£49,300		£100,000
Lot B	7300000980	Spire General Needs & Sheltered - Restricted	98	The Hedges	NN10 8AB	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7300001000	Spire General Needs & Sheltered - Restricted	100	The Hedges	NN10 8AB	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7301000040	Spire General Needs & Sheltered - Restricted	4	The Hedges	NN10 6DJ	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000050	Spire General Needs & Sheltered - Restricted	5	The Hedges	NN10 6DJ	£93.62	£93.62	Assured	House	3		£54,300		£110,000
Lot B	7301000060	Spire General Needs & Sheltered - Restricted	6	The Hedges	NN10 6DJ	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000070	Spire General Needs & Sheltered - Restricted	7	The Hedges	NN10 6DJ	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000080	Spire General Needs & Sheltered - Restricted	8	The Hedges	NN10 6DJ	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000090	Spire General Needs & Sheltered - Restricted	9	The Hedges	NN10 6DJ	£93.62	£93.62	Assured	House	3		£54,300		£110,000
Lot B	7301000100	Spire General Needs & Sheltered - Restricted	10	The Hedges	NN10 6DJ	£93.62	£93.62	Introd.Tenancy	House	3		£54,300		£110,000
Lot B	7301000140	Spire General Needs & Sheltered - Restricted	14	The Hedges	NN10 6DJ	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000190	Spire General Needs & Sheltered - Restricted	19	The Hedges	NN10 6DJ	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000250	Spire General Needs & Sheltered - Restricted	25	The Hedges	NN10 6DL	£93.62	£93.62	Assured	House	3		£54,300		£110,000
Lot B	7301000300	Spire General Needs & Sheltered - Restricted	30	The Hedges	NN10 6DJ	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000390	Spire General Needs & Sheltered - Restricted	39	The Hedges	NN10 6DL	£93.62	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000400	Spire General Needs & Sheltered - Restricted	40	The Hedges	NN10 6DN	£93.51	£93.62	Preserved Right	House	3		£50,300		£110,000
Lot B	7301000500	Spire General Needs & Sheltered - Restricted	50	The Hedges	NN10 6DN	£87.98	£93.62	Preserved Right	House	3		£47,300		£110,000
Lot B	7302000040	Spire General Needs & Sheltered - Restricted	4	The Leys	NN14 4HU	£86.85	£97.06	Preserved Right	House	3		£46,700		£135,000
Lot B	7302000060	Spire General Needs & Sheltered - Restricted	6	The Leys	NN14 4HU	£97.06	£97.06	Assured	House	3		£56,900		£135,000
Lot B	7302000070	Spire General Needs & Sheltered - Restricted	7	The Leys	NN14 4HU	£89.50	£97.06	Preserved Right	House	3		£48,300		£135,000
Lot B	7302000080	Spire General Needs & Sheltered - Restricted	8	The Leys	NN14 4HU	£91.63	£97.06	Preserved Right	House	3		£49,200		£135,000
Lot B	7302000090	Spire General Needs & Sheltered - Restricted	9	The Leys	NN14 4HG	£89.97	£97.06	Preserved Right	House	3		£48,300		£135,000
Lot B	7302000110	Spire General Needs & Sheltered - Restricted	11	The Leys	NN14 4HU	£89.99	£97.06	Preserved Right	House	3		£48,400		£135,000
Lot B	7303000040	Spire General Needs & Sheltered - Restricted	4	The Poplars	PE8 5LN	£85.30	£97.06	Preserved Right	House	3		£45,800		£140,000
Lot B	7305000010	Spire General Needs & Sheltered - Restricted	1	The Shrubberies	NN14 4HU	£67.65	£87.52	Assured	Flat	1		£27,100		£55,000
Lot B	7305000020	Spire General Needs & Sheltered - Restricted	2	The Shrubberies	NN14 4HU	£81.87	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000030	Spire General Needs & Sheltered - Restricted	3	The Shrubberies	NN14 4HU	£83.35	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000040	Spire General Needs & Sheltered - Restricted	4	The Shrubberies	NN14 4HU	£83.35	£87.52	Assured	Flat	1		£27,100		£55,000
Lot B	7305000050	Spire General Needs & Sheltered - Restricted	5	The Shrubberies	NN14 4HU	£70.07	£87.52	Shelt.Ten.Prese	Flat	1		£26,000		£55,000
Lot B	7305000060	Spire General Needs & Sheltered - Restricted	6	The Shrubberies	NN14 4HU	£79.39	£87.52	Shelt.Ten.Prese	Flat	1		£26,000		£55,000
Lot B	7305000070	Spire General Needs & Sheltered - Restricted	7	The Shrubberies	NN14 4HU	£83.35	£83.54	Assured	Flat	1		£27,100		£55,000
Lot B	7305000080	Spire General Needs & Sheltered - Restricted	8	The Shrubberies	NN14 4HU	£87.52	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000090	Spire General Needs & Sheltered - Restricted	9	The Shrubberies	NN14 4HU	£81.22	£83.54	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000100	Spire General Needs & Sheltered - Restricted	10	The Shrubberies	NN14 4HU	£83.35	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000110	Spire General Needs & Sheltered - Restricted	11	The Shrubberies	NN14 4HU	£80.92	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000120	Spire General Needs & Sheltered - Restricted	12	The Shrubberies	NN14 4HU	£81.27	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000130	Spire General Needs & Sheltered - Restricted	13	The Shrubberies	NN14 4HU	£81.22	£83.54	Assured	Flat	1		£27,100		£55,000
Lot B	7305000140	Spire General Needs & Sheltered - Restricted	14	The Shrubberies	NN14 4HU	£91.70	£94.22	Supp.Ten.Assure	Flat	2		£39,500		£80,000
Lot B	7305000150	Spire General Needs & Sheltered - Restricted	15	The Shrubberies	NN14 4HU	£81.87	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000160	Spire General Needs & Sheltered - Restricted	16	The Shrubberies	NN14 4HU	£80.92	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000170	Spire General Needs & Sheltered - Restricted	17	The Shrubberies	NN14 4HU	£80.92	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000180	Spire General Needs & Sheltered - Restricted	18	The Shrubberies	NN14 4HU	£83.35	£87.52	Supp.Ten.Assure	Flat	1		£27,100		£55,000
Lot B	7305000190	Spire General Needs & Sheltered - Restricted	19	The Shrubberies	NN14 4HU	£67.65	£87.52	Shelt.Ten.Prese	Flat	1		£26,000		£55,000
Lot B	7305000200	Spire General Needs & Sheltered - Restricted	20	The Shrubberies	NN14 4HU	£87.52	£87.52	Empty non-char	Flat	1		£27,100		£55,000
Lot B	7305000210	Spire General Needs & Sheltered - Restricted	21	The Shrubberies	NN14 4HU	£70.80	£87.52	Shelt.Ten.Prese	Flat	1		£26,000		£55,000
Lot B	7305000220	Spire General Needs & Sheltered - Restricted	22	The Shrubberies	NN14 4HU	£90.71	£94.22	Supp.Ten.Assure	Flat	2		£39,500		£80,000
Lot B	7306000220	Spire General Needs & Sheltered - Restricted	23	The Syke	NN14 3HR	£71.84	£90.72	Preserved Right	House	2		£38,600		£115,000
Lot B	7306000250	Spire General Needs & Sheltered - Restricted	25	The Syke	NN14 3HR	£67.40	£78.26	Preserved Right	House	1		£36,200		£100,000
Lot B	7306500070	Spire General Needs & Sheltered - Unrestricted	7	Weighbridge Way	NN9 6TT	£86.23	£86.23	Introd.Tenancy	Flat	1		£52,000		£70,000
Lot B	7306500080	Spire General Needs & Sheltered - Unrestricted	8	Weighbridge Way	NN9 6TT	£89.14	£94.50	Introd.Tenancy	House	3		£51,900		£120,000
Lot B	7306500090	Spire General Needs & Sheltered - Unrestricted	9	Weighbridge Way	NN9 6TT	£80.74	£86.23	Assured	Flat	2		£52,000		£70,000
Lot B	7306500100	Spire General Needs & Sheltered - Unrestricted	10	Weighbridge Way	NN9 6TT	£89.14	£94.50	Assured	House	3		£63,000		£120,000
Lot B	7306500110													

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	JL Refs	Equity	FLV/SH	MV-T	MV-VP
Lot B	731500010	73150001070	Spire General Needs & Sheltered - Restricted	107	Trafford Road	NN10 0JF	£84.70	£93.62	Preserved Right	House	3		£45,500		£120,000
Lot B	731500010	73150000100	Spire General Needs & Sheltered - Restricted	1	Tudor Walk	NN10 0AJ	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	731500020	73150000200	Spire General Needs & Sheltered - Restricted	2	Tudor Walk	NN10 0AJ	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	731500030	73150000300	Spire General Needs & Sheltered - Restricted	3	Tudor Walk	NN10 0AJ	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£24,700		£50,000
Lot B	731500040	73150000400	Spire General Needs & Sheltered - Restricted	4	Tudor Walk	NN10 0AJ	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	731500050	73150000500	Spire General Needs & Sheltered - Restricted	5	Tudor Walk	NN10 0AJ	£73.71	£73.71	Shelt.Ten.Prese	Flat	1		£23,700		£50,000
Lot B	731500060	73150000600	Spire General Needs & Sheltered - Restricted	6	Tudor Walk	NN10 0AJ	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	7316000250	73160000250	Spire General Needs & Sheltered - Restricted	25	Upper George Street	NN10 8JN	£86.23	£86.23	Assured	House	2		£41,900		£85,000
Lot B	7316000290	73160000290	Spire General Needs & Sheltered - Restricted	29	Upper George Street	NN10 8JN	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7316000300	73160000300	Spire General Needs & Sheltered - Restricted	30	Upper George Street	NN10 8JN	£83.06	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7316000340	73160000340	Spire General Needs & Sheltered - Restricted	34	Upper George Street	NN10 8JN	£78.29	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7316000350	73160000350	Spire General Needs & Sheltered - Restricted	35	Upper George Street	NN10 8JN	£86.23	£86.23	Assured	House	2		£41,900		£85,000
Lot B	7316000410	73160000410	Spire General Needs & Sheltered - Restricted	41	Upper George Street	NN10 8JN	£86.23	£86.23	Assured	House	2		£41,900		£85,000
Lot B	7316000450	73160000450	Spire General Needs & Sheltered - Restricted	45	Upper George Street	NN10 8JN	£80.60	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7316000550	73160000550	Spire General Needs & Sheltered - Restricted	55	Upper George Street	NN10 8JN	£83.06	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7316000570	73160000570	Spire General Needs & Sheltered - Restricted	57	Upper George Street	NN10 8JN	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7316000650	73160000650	Spire General Needs & Sheltered - Restricted	65	Upper George Street	NN10 8JN	£89.16	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7316000690	73160000690	Spire General Needs & Sheltered - Restricted	69	Upper George Street	NN10 8JN	£83.06	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7316000710	73160000710	Spire General Needs & Sheltered - Restricted	71	Upper George Street	NN10 8JN	£78.29	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7316000730	73160000730	Spire General Needs & Sheltered - Restricted	73	Upper George Street	NN10 8JN	£86.23	£86.23	Assured	House	2		£41,900		£85,000
Lot B	7316000770	73160000770	Spire General Needs & Sheltered - Restricted	77	Upper George Street	NN10 8JN	£83.06	£93.62	Preserved Right	House	3		£44,600		£100,000
Lot B	7316000810	73160000810	Spire General Needs & Sheltered - Restricted	81	Upper George Street	NN10 8JN	£83.06	£93.62	Preserved Right	House	3		£44,600		£100,000
Lot B	7316000830	73160000830	Spire General Needs & Sheltered - Restricted	83	Upper George Street	NN10 8JN	£86.23	£86.23	Introd.Tenancy	House	2		£41,900		£85,000
Lot B	7317000420	73170000420	Spire General Needs & Sheltered - Restricted	42	Upper Kings Avenue	NN10 8JZ	£83.48	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7317000430	73170000430	Spire General Needs & Sheltered - Restricted	43	Upper Kings Avenue	NN10 8JZ	£83.48	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7317000460	73170000460	Spire General Needs & Sheltered - Restricted	46	Upper Kings Avenue	NN10 8JZ	£86.23	£86.23	Assured	House	2		£41,900		£85,000
Lot B	7317000480	73170000480	Spire General Needs & Sheltered - Restricted	48	Upper Kings Avenue	NN10 8JZ	£86.23	£86.23	Introd.Tenancy	House	2		£41,900		£85,000
Lot B	7317000500	73170000500	Spire General Needs & Sheltered - Restricted	50	Upper Kings Avenue	NN10 8JZ	£86.23	£86.23	Assured	House	2		£41,900		£85,000
Lot B	7317000520	73170000520	Spire General Needs & Sheltered - Restricted	52	Upper Kings Avenue	NN10 8JZ	£86.23	£86.23	Assured	House	2		£41,900		£85,000
Lot B	7317000540	73170000540	Spire General Needs & Sheltered - Restricted	54	Upper Kings Avenue	NN10 8JZ	£86.23	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7317000570	73170000570	Spire General Needs & Sheltered - Restricted	57	Upper Kings Avenue	NN10 8JZ	£83.48	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7317000590	73170000590	Spire General Needs & Sheltered - Restricted	59	Upper Kings Avenue	NN10 8JZ	£86.23	£86.23	Introd.Tenancy	House	2		£41,900		£85,000
Lot B	7317000600	73170000600	Spire General Needs & Sheltered - Restricted	60	Upper Kings Avenue	NN10 8JZ	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7317000620	73170000620	Spire General Needs & Sheltered - Restricted	62	Upper Kings Avenue	NN10 8JZ	£83.48	£86.23	Preserved Right	House	2		£40,200		£85,000
Lot B	7317000640	73170000640	Spire General Needs & Sheltered - Restricted	64	Upper Kings Avenue	NN10 8JZ	£86.23	£86.23	Assured	House	2		£40,200		£85,000
Lot B	7317000670	73170000670	Spire General Needs & Sheltered - Restricted	67	Upper Kings Avenue	NN10 8JZ	£93.62	£93.62	Preserved Right	House	3		£47,300		£100,000
Lot B	7318000530	73180000530	Spire General Needs & Sheltered - Restricted	53	Upper Queen Street	NN10 0BT	£91.63	£93.62	Preserved Right	House	3		£49,200		£120,000
Lot B	7318000550	73180000550	Spire General Needs & Sheltered - Restricted	55	Upper Queen Street	NN10 0BT	£86.23	£86.23	Assured	House	2		£50,800		£105,000
Lot B	7318000560	73180000560	Spire General Needs & Sheltered - Restricted	56	Upper Queen Street	NN10 0BT	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7318000590	73180000590	Spire General Needs & Sheltered - Restricted	59	Upper Queen Street	NN10 0BT	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7318000610	73180000610	Spire General Needs & Sheltered - Restricted	61	Upper Queen Street	NN10 0BT	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£120,000
Lot B	7318000630	73180000630	Spire General Needs & Sheltered - Restricted	63	Upper Queen Street	NN10 0BT	£86.23	£86.23	Introd.Tenancy	House	2		£50,800		£105,000
Lot B	7318000670	73180000670	Spire General Needs & Sheltered - Restricted	67	Upper Queen Street	NN10 0BT	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£120,000
Lot B	7318000680	73180000680	Spire General Needs & Sheltered - Restricted	68	Upper Queen Street	NN10 0BT	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7318000850	73180000850	Spire General Needs & Sheltered - Restricted	85	Upper Queen Street	NN10 0BS	£91.63	£93.62	Preserved Right	House	3		£49,200		£120,000
Lot B	7318000890	73180000890	Spire General Needs & Sheltered - Restricted	89	Upper Queen Street	NN10 0BS	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7318000930	73180000930	Spire General Needs & Sheltered - Restricted	93	Upper Queen Street	NN10 0BS	£92.89	£93.62	Preserved Right	House	3		£49,900		£120,000
Lot B	7318000950	73180000950	Spire General Needs & Sheltered - Restricted	95	Upper Queen Street	NN10 0BS	£93.62	£93.62	Assured	House	3		£50,800		£120,000
Lot B	7319000410	73190000410	Spire General Needs & Sheltered - Restricted	41	Victoria Street	NN9 5RG	£94.50	£94.50	Preserved Right	House	3		£50,800		£110,000
Lot B	7319000430	73190000430	Spire General Needs & Sheltered - Restricted	43	Victoria Street	NN9 5RG	£94.50	£94.50	Preserved Right	House	3		£50,800		£110,000
Lot B	7319000470	73190000470	Spire General Needs & Sheltered - Restricted	47	Victoria Street	NN9 5RG	£94.50	£94.50	Introd.Tenancy	House	3		£54,300		£110,000
Lot B	7320000410	73200000410	Spire General Needs & Sheltered - Restricted	41	Vine Hill Drive	NN10 8EF	£93.62	£93.62	Assured	House	3		£49,300		£100,000
Lot B	7320500010	73205000100	Spire General Needs & Sheltered - Restricted	1	Wakerley Close	PE8 4EQ	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7320500020	73205000200	Spire General Needs & Sheltered - Restricted	2	Wakerley Close	PE8 4EQ	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7320500030	73205000300	Spire General Needs & Sheltered - Restricted	3	Wakerley Close	PE8 4EQ	£97.06	£97.06	Preserved Right	House	3		£52,200		£190,000
Lot B	7320500040	73205000400	Spire General Needs & Sheltered - Restricted	4	Wakerley Close	PE8 4EQ	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7320500050	73205000500	Spire General Needs & Sheltered - Restricted	5	Wakerley Close	PE8 4EQ	£82.96	£83.54	Assured	Flat	1		£44,400		£90,000
Lot B	7320500060	73205000600	Spire General Needs & Sheltered - Restricted	6	Wakerley Close	PE8 4EQ	£83.54	£83.54	Assured	Flat	1		£44,400		£90,000
Lot B	7320500070	73205000700	Spire General Needs & Sheltered - Restricted	7	Wakerley Close	PE8 4EQ	£89.94	£89.94	Assured	Bungalow	2		£53,000		£140,000
Lot B	7320500080	73205000800	Spire General Needs & Sheltered - Restricted	8	Wakerley Close	PE8 4EQ	£89.94	£89.94	Introd.Tenancy	Bungalow	2		£53,000		£140,000
Lot B	7320500090	73205000900	Spire General Needs & Sheltered - Restricted	9	Wakerley Close	PE8 4EQ	£89.94	£89.94	Assured	Bungalow	2		£53,000		£140,000
Lot B	7320500100	73205001000	Spire Shared Ownership	10	Wakerley Close	PE8 4EQ	£89.94	£89.94	Shared Ownership	House	2	50%	£30,000		£75,000
Lot B	7320500110	73205001100	Spire Shared Ownership	11	Wakerley Close	PE8 4EQ	£47.84	£47.84	Shared Ownership	House	2	50%	£51,000		£75,000
Lot B	7320500120	73205001200	Spire Shared Ownership	12	Wakerley Close	PE8 4EQ	£47.84	£47.84	Shared Ownership	House	3	50%	£51,000		£95,000
Lot B	7320500140	73205001400	Spire Shared Ownership	14	Wakerley Close	PE8 4EQ	£47.84	£47.84	Shared Ownership	House	3	50%	£51,000		£95,000
Lot B	7320500150	73205001500	Spire Shared Ownership	15	Wakerley Close	PE8 4EQ	£47.84	£47.84	Shared Ownership	House	3	50%	£51,000		£75,000
Lot B	7320500160	73205001600	Spire Shared Ownership	16	Wakerley Close	PE8 4EQ	£47.84	£47.84	Shared Ownership	House	3	50%	£51,000		£95,000
Lot B	7320500170	73205001700	Spire General Needs & Sheltered - Restricted	17	Wakerley Close	PE8 4EQ	£83.54	£83.54	Assured	Flat	1		£44,400		£90,000
Lot B	7320500180	73205001800	Spire General Needs & Sheltered - Restricted	18	Wakerley Close	PE8 4EQ	£82.96	£83.54	Assured	Flat	1		£44,400		£90,000
Lot B	7320500190	73205001900	Spire General Needs & Sheltered - Restricted	19	Wakerley Close	PE8 4EQ	£89.94	£89.94	Assured	Flat	1		£53,000		£90,000
Lot B	7320500200	73205002000	Spire General Needs & Sheltered - Restricted	20	Wakerley Close	PE8 4EQ	£83.54	£83.54	Assured	Flat	1		£44,400		£90,000
Lot B	7320500210	73205002100	Spire General Needs & Sheltered - Restricted	21	Wakerley Close	PE8 4EQ	£83.54	£83.54	Assured	Flat	1		£44,400		£90,000
Lot B	7320500220	73205002200	Spire General Needs & Sheltered - Restricted	22	Wakerley Close	PE8 4EQ	£89.94	£89.94	Assured	House	2		£53,000		£150,000
Lot B	7320500230	73205002300	Spire General Needs & Sheltered - Restricted	23	Wakerley Close	PE8 4EQ	£89.94	£89.94	Assured	House	2		£53,000		£150,000
Lot B	7320500240	73205002400	Spire General Needs & Sheltered - Restricted	24	Wakerley Close	PE8 4EQ	£104.21	£104.21	Assured	House	4		£64,500		£220,000
Lot B	7320500250	73205002500	Spire General Needs & Sheltered - Restricted	25	Wakerley Close	PE8 4EQ	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7320500260	73205002600	Spire General Needs & Sheltered - Restricted	26	Wakerley Close	PE8 4EQ	£97.06	£97.06	Assured	House	3		£57,200		£190,000
Lot B	7320500270	73205002700	Spire General Needs & Sheltered - Restricted	27	Wakerley Close	PE8 4EQ	£97.06	£97.06							

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot Ref	Property Ref (UPRN)	JLL Valuation Category	House No.	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Equated	EUV-SH	MV-T	MV-VP
Lot B	7327000360	Spire General Needs & Sheltered - Restricted	36	Wellingtonborough Road	NN10 9YN	£61.92	£61.92	Preserved Right	Bungalow	0		£26,000		£55,000
Lot B	7327000380	Spire General Needs & Sheltered - Restricted	38	Wellingtonborough Road	NN10 9YN	£61.92	£61.92	Assured	Bungalow	0		£27,100		£55,000
Lot B	7327001120	Spire General Needs & Sheltered - Restricted	113	Wellingtonborough Road	NN10 9YD	£131.62	£131.62	Assured	Bungalow	2		£115,000		£115,000
Lot B	7328000004	Spire General Needs & Sheltered - Restricted	4	Wellington Road	NN9 6DL	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7328000060	Spire General Needs & Sheltered - Restricted	6	Wellington Road	NN9 6DL	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7328000080	Spire General Needs & Sheltered - Restricted	8	Wellington Road	NN9 6DL	£94.50	£94.50	Introd.Tenancy	House	3		£55,700		£120,000
Lot B	7328000030	Spire General Needs & Sheltered - Restricted	3	West Street	PE9 3LS	£97.06	£97.06	Assured Right	House	3		£48,500		£100,000
Lot B	7330000050	Spire General Needs & Sheltered - Restricted	15	West Street	PE9 4E1	£89.94	£89.94	Assured	House	2		£53,000		£100,000
Lot B	7330000070	Spire General Needs & Sheltered - Restricted	57	West Street	PE9 4E1	£82.60	£89.94	Preserved Right	House	2		£44,400		£150,000
Lot B	7330000090	Spire General Needs & Sheltered - Restricted	59	West Street	PE9 4E1	£89.94	£89.94	Assured	House	2		£53,000		£100,000
Lot B	7330000100	Spire General Needs & Sheltered - Restricted	61	West Street	PE9 4E1	£82.60	£89.94	Assured	House	2		£44,400		£150,000
Lot B	7331000170	Spire General Needs & Sheltered - Restricted	17	West Street	NN10 6GY	£86.23	£86.23	Preserved Right	Bungalow	0		£50,000		£100,000
Lot B	7332000030	Spire General Needs & Sheltered - Restricted	3	West Street	NN14 4HZ	£94.69	£97.06	Preserved Right	House	3		£50,900		£135,000
Lot B	7332000120	Spire General Needs & Sheltered - Restricted	12	West Street	NN14 4HZ	£98.05	£104.21	Preserved Right	House	4		£52,700		£160,000
Lot B	7332000130	Spire General Needs & Sheltered - Restricted	13	West Street	NN14 4HZ	£76.47	£89.94	Preserved Right	Flat	2		£41,100		£95,000
Lot B	7332000150	Spire General Needs & Sheltered - Restricted	15	West Street	NN14 4HZ	£89.94	£89.94	Preserved Right	Flat	2		£39,300		£95,000
Lot B	7332000170	Spire General Needs & Sheltered - Restricted	17	West Street	NN14 4HZ	£89.94	£89.94	Introd.Tenancy	House	2		£46,900		£95,000
Lot B	7332000180	Spire General Needs & Sheltered - Restricted	18	West Street	NN14 4HZ	£88.22	£89.94	Assured	Flat	2		£46,900		£95,000
Lot B	7332000240	Spire General Needs & Sheltered - Restricted	24	West Street	NN14 4HZ	£88.22	£89.94	Assured	Flat	2		£46,900		£95,000
Lot B	7332000280	Spire General Needs & Sheltered - Restricted	28	West Street	NN14 4HZ	£89.09	£97.06	Preserved Right	House	3		£47,900		£135,000
Lot B	7332000360	Spire General Needs & Sheltered - Restricted	36	West Street	NN14 4HZ	£94.76	£97.06	Preserved Right	House	3		£50,900		£135,000
Lot B	7332000420	Spire General Needs & Sheltered - Restricted	42	West Street	NN14 4HZ	£88.22	£89.94	Assured	Flat	2		£46,900		£95,000
Lot B	7332000440	Spire General Needs & Sheltered - Restricted	44	West Street	NN14 4HZ	£88.23	£89.94	Assured	Flat	2		£46,900		£95,000
Lot B	7332000460	Spire General Needs & Sheltered - Restricted	46	West Street	NN14 4HZ	£88.23	£89.94	Assured	Flat	2		£46,900		£95,000
Lot B	7332000480	Spire General Needs & Sheltered - Restricted	48	West Street	NN14 4HZ	£89.94	£89.94	Preserved Right	Bungalow	2		£38,800		£95,000
Lot B	7332000500	Spire General Needs & Sheltered - Restricted	50	West Street	NN14 4HZ	£93.28	£94.22	Shelt.Ten.Prese	Flat	2		£110,000		
Lot B	7333000040	Spire General Needs & Sheltered - Restricted	4	Westfield Avenue	NN10 9RE	£85.50	£93.62	Preserved Right	House	3		£45,900		£115,000
Lot B	7333000100	Spire General Needs & Sheltered - Restricted	11	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000120	Spire General Needs & Sheltered - Restricted	11	Westfield Avenue	NN10 9RF	£85.60	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333000140	Spire General Needs & Sheltered - Restricted	13	Westfield Avenue	NN10 9RE	£85.52	£93.62	Assured	House	3		£46,000		£115,000
Lot B	7333000160	Spire General Needs & Sheltered - Restricted	16	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000200	Spire General Needs & Sheltered - Restricted	20	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000230	Spire General Needs & Sheltered - Restricted	23	Westfield Avenue	NN10 9RF	£85.52	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333000290	Spire General Needs & Sheltered - Restricted	29	Westfield Avenue	NN10 9RE	£85.72	£93.62	Assured	House	3		£46,000		£115,000
Lot B	7333000310	Spire General Needs & Sheltered - Restricted	31	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000320	Spire General Needs & Sheltered - Restricted	32	Westfield Avenue	NN10 9RE	£85.60	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333000340	Spire General Needs & Sheltered - Restricted	34	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000360	Spire General Needs & Sheltered - Restricted	36	Westfield Avenue	NN10 9RE	£85.52	£93.62	Assured	House	3		£46,000		£115,000
Lot B	7333000370	Spire General Needs & Sheltered - Restricted	37	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000410	Spire General Needs & Sheltered - Restricted	41	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000430	Spire General Needs & Sheltered - Restricted	43	Westfield Avenue	NN10 9RE	£93.62	£93.62	Introd.Tenancy	House	3		£55,200		£115,000
Lot B	7333000440	Spire General Needs & Sheltered - Restricted	44	Westfield Avenue	NN10 9RE	£85.52	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333000460	Spire General Needs & Sheltered - Restricted	47	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000510	Spire General Needs & Sheltered - Restricted	51	Westfield Avenue	NN10 9RE	£85.60	£93.62	Assured	House	3		£46,000		£115,000
Lot B	7333000520	Spire General Needs & Sheltered - Restricted	52	Westfield Avenue	NN10 9RD	£81.04	£86.23	Preserved Right	House	2		£43,500		£95,000
Lot B	7333000600	Spire General Needs & Sheltered - Restricted	60	Westfield Avenue	NN10 9RD	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7333000630	Spire General Needs & Sheltered - Restricted	63	Westfield Avenue	NN10 9RD	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333000670	Spire General Needs & Sheltered - Restricted	67	Westfield Avenue	NN10 9RD	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333000690	Spire General Needs & Sheltered - Restricted	69	Westfield Avenue	NN10 9RD	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333000700	Spire General Needs & Sheltered - Restricted	70	Westfield Avenue	NN10 9RD	£85.60	£86.23	Introd.Tenancy	House	2		£50,500		£115,000
Lot B	7333000780	Spire General Needs & Sheltered - Restricted	78	Westfield Avenue	NN10 9RD	£81.04	£86.23	Preserved Right	House	2		£43,500		£95,000
Lot B	7333000800	Spire General Needs & Sheltered - Restricted	80	Westfield Avenue	NN10 9RD	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7333000850	Spire General Needs & Sheltered - Restricted	85	Westfield Avenue	NN10 9RD	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333000860	Spire General Needs & Sheltered - Restricted	86	Westfield Avenue	NN10 9RD	£81.00	£86.23	Preserved Right	House	2		£43,500		£95,000
Lot B	7333000910	Spire General Needs & Sheltered - Restricted	91	Westfield Avenue	NN10 9RD	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333000940	Spire General Needs & Sheltered - Restricted	94	Westfield Avenue	NN10 9RB	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000970	Spire General Needs & Sheltered - Restricted	97	Westfield Avenue	NN10 9RB	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333000980	Spire General Needs & Sheltered - Restricted	98	Westfield Avenue	NN10 9RB	£85.60	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333001000	Spire General Needs & Sheltered - Restricted	100	Westfield Avenue	NN10 9RB	£85.52	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333001040	Spire General Needs & Sheltered - Restricted	104	Westfield Avenue	NN10 9RB	£81.04	£86.23	Preserved Right	House	2		£43,500		£95,000
Lot B	7333001050	Spire General Needs & Sheltered - Restricted	105	Westfield Avenue	NN10 9RB	£93.62	£93.62	Assured	House	3		£50,300		£115,000
Lot B	7333001070	Spire General Needs & Sheltered - Restricted	107	Westfield Avenue	NN10 9RB	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333001090	Spire General Needs & Sheltered - Restricted	109	Westfield Avenue	NN10 9RB	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333001100	Spire General Needs & Sheltered - Restricted	110	Westfield Avenue	NN10 9RB	£81.04	£86.23	Preserved Right	House	2		£43,500		£95,000
Lot B	7333001210	Spire General Needs & Sheltered - Restricted	121	Westfield Avenue	NN10 9RB	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333001230	Spire General Needs & Sheltered - Restricted	123	Westfield Avenue	NN10 9RB	£93.62	£93.62	Preserved Right	House	3		£50,300		£115,000
Lot B	7333001240	Spire General Needs & Sheltered - Restricted	124	Westfield Avenue	NN10 9RB	£85.52	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333001250	Spire General Needs & Sheltered - Restricted	125	Westfield Avenue	NN10 9RB	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333001260	Spire General Needs & Sheltered - Restricted	126	Westfield Avenue	NN10 9RB	£86.23	£86.23	Assured	House	2		£46,900		£95,000
Lot B	7333001280	Spire General Needs & Sheltered - Restricted	128	Westfield Avenue	NN10 9RB	£81.04	£86.23	Introd.Tenancy	House	2		£43,500		£95,000
Lot B	7333001300	Spire General Needs & Sheltered - Restricted	130	Westfield Avenue	NN10 9RB	£85.52	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333001310	Spire General Needs & Sheltered - Restricted	131	Westfield Avenue	NN10 9RB	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7333001320	Spire General Needs & Sheltered - Restricted	132	Westfield Avenue	NN10 9RB	£85.52	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7333001340	Spire General Needs & Sheltered - Restricted	134	Westfield Avenue	NN10 9RB	£81.04	£86.23	Preserved Right	House	2		£43,500		£95,000
Lot B	7333001360	Spire General Needs & Sheltered - Restricted	136	Westfield Avenue	NN10 9RB	£81.04	£86.23	Preserved Right	House	2		£43,500		£95,000
Lot B	7334000010	Spire General Needs & Sheltered - Restricted	1	Westfield Place	NN10 9RG	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7334000080	Spire General Needs & Sheltered - Restricted	8	Westfield Place	NN10 9RG	£85.64	£93.62	Preserved Right	House	3		£46,000		£115,000
Lot B	7334000100	Spire General Needs & Sheltered - Restricted	10	Westfield Place	NN10 9RG	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	7335000020	Spire General Needs & Sheltered - Restricted	2	Westfields	PE9 3LY	£94.76	£97.06	Preserved Right	House	3		£50,900		£140,000
Lot B	7335000050	Spire General Needs & Sheltered - Restricted	5	Westfields	PE9 3LY	£88.77	£97.06	Preserved Right	House	3		£47,700		£140,000
Lot B	7335000100	Spire General Needs & Sheltered - Restricted	10	Westfields	PE9 3LY	£91.42	£97.06	Preserved Right	House	3		£49,100		£140,000
Lot B	7335000110	Spire General Needs & Sheltered - Restricted	11	Westfields	PE9 3LY	£88.50	£97.06	Preserved Right	House	3		£47,600		£140,000
Lot B	7335000120	Spire General Needs & Sheltered - Restricted	12	Westfields	PE9 3LY	£95.30	£97.06	Preserved Right	House	3		£51,200		£140,000
Lot B	7335000130	Spire General Needs & Sheltered - Restricted	13	Westfields	PE9 3LY	£88.50	£97.06	Preserved Right	House	3		£47,600		£140,000
Lot B	7335000150	Spire General Needs & Sheltered - Restricted	15	Westfields	PE9 3LY	£88.55	£97.06	Preserved Right	House	3		£47,600		£140,000
Lot B	7335000190	Spire General Needs & Sheltered - Restricted	19	Westfields	PE9 3LY	£88.50	£97.06	Preserved Right	House	3		£47,600		£140,000
Lot B	7335000210	Spire General Needs & Sheltered - Restricted	21	Westfields	PE9 3LY	£88.58	£97.06	Preserved Right	House	3				

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref	Property Ref (LPRN)	IL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	Target Rent	Tenure Desc	IL Type	IL Refs	Equity	FLUV SH	MV-T	MV-VP
Lot B	7344000400	Spire General Needs & Sheltered - Restricted	40	Windmill Avenue	NN9 6JX	£77.65	£77.65	Assured	Flat	1		£24,700		
Lot B	7344000430	Spire General Needs & Sheltered - Restricted	43	Windmill Avenue	NN9 6JX	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7344000440	Spire General Needs & Sheltered - Restricted	44	Windmill Avenue	NN9 6JX	£77.65	£77.65	Assured	Flat	1		£24,700		£150,000
Lot B	7344000460	Spire General Needs & Sheltered - Restricted	46	Windmill Avenue	NN9 6JX	£77.65	£77.65	Assured	Flat	1		£24,700		£150,000
Lot B	7344000470	Spire General Needs & Sheltered - Restricted	47	Windmill Avenue	NN9 6JX	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7344000480	Spire General Needs & Sheltered - Restricted	48	Windmill Avenue	NN9 6JX	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7344000490	Spire General Needs & Sheltered - Restricted	49	Windmill Avenue	NN9 6JX	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7344000500	Spire General Needs & Sheltered - Restricted	50	Windmill Avenue	NN9 6JX	£92.51	£94.50	Preserved Right	House	3		£49,700		£120,000
Lot B	7344000510	Spire General Needs & Sheltered - Restricted	51	Windmill Avenue	NN9 6JX	£92.51	£94.50	Preserved Right	House	3		£49,700		£120,000
Lot B	7344000520	Spire General Needs & Sheltered - Restricted	52	Windmill Avenue	NN9 6JX	£94.50	£94.50	Assured	House	3		£55,700		£120,000
Lot B	7344000560	Spire General Needs & Sheltered - Restricted	56	Windmill Avenue	NN9 6JX	£92.51	£94.50	Preserved Right	House	3		£49,700		£120,000
Lot B	7345000030	Spire General Needs & Sheltered - Restricted	3	Windmill Banks	NN10 8JF	£102.61	£102.61	Preserved Right	House	4		£51,600		£125,000
Lot B	7345000060	Spire General Needs & Sheltered - Restricted	6	Windmill Banks	NN10 8JF	£102.61	£102.61	Assured	House	4		£60,500		£125,000
Lot B	7345000180	Spire General Needs & Sheltered - Restricted	18	Windmill Banks	NN10 8JF	£102.61	£102.61	Preserved Right	House	4		£48,500		£125,000
Lot B	7345000190	Spire General Needs & Sheltered - Restricted	19	Windmill Banks	NN10 8JF	£102.61	£102.61	Assured	House	4		£60,500		£125,000
Lot B	7346000030	Spire General Needs & Sheltered - Restricted	3	Windmill Grove	NN9 6JY	£86.23	£86.23	Supp.Ten.Assure	Bungalow	2		£51,800		£105,000
Lot B	7346000040	Spire General Needs & Sheltered - Restricted	4	Windmill Grove	NN9 6JY	£86.23	£86.23	Preserved Right	Bungalow	2		£46,300		£105,000
Lot B	7346000050	Spire General Needs & Sheltered - Restricted	5	Windmill Grove	NN9 6JY	£86.23	£86.23	Assured	Bungalow	2		£50,800		£105,000
Lot B	7346000060	Spire General Needs & Sheltered - Restricted	6	Windmill Grove	NN9 6JY	£86.23	£86.23	Preserved Right	Bungalow	2		£46,300		£105,000
Lot B	7346000070	Spire General Needs & Sheltered - Restricted	7	Windmill Grove	NN9 6JY	£86.23	£86.23	Preserved Right	Bungalow	2		£46,300		£105,000
Lot B	7346000080	Spire General Needs & Sheltered - Restricted	8	Windmill Grove	NN9 6JY	£90.32	£90.33	Supp.Ten.Assure	Bungalow	2		£51,800		£105,000
Lot B	7346000090	Spire General Needs & Sheltered - Restricted	9	Windmill Grove	NN9 6JY	£84.70	£86.23	Preserved Right	Flat	2		£33,100		£70,000
Lot B	7346000100	Spire General Needs & Sheltered - Restricted	10	Windmill Grove	NN9 6JY	£99.00	£99.00	Supp.Ten.Assure	Bungalow	3		£58,300		£120,000
Lot B	7347000010	Spire General Needs & Sheltered - Restricted	1	Windmill Lane	NN9 6LA	£94.50	£94.50	Preserved Right	House	3		£50,800		£120,000
Lot B	7348000120	Spire General Needs & Sheltered - Restricted	12	Windmill Road	NN9 5JU	£88.06	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000140	Spire General Needs & Sheltered - Restricted	14	Windmill Road	NN9 5JU	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000160	Spire General Needs & Sheltered - Restricted	16	Windmill Road	NN9 5JU	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7348000180	Spire General Needs & Sheltered - Restricted	18	Windmill Road	NN9 5JU	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000200	Spire General Needs & Sheltered - Restricted	20	Windmill Road	NN9 5JU	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000220	Spire General Needs & Sheltered - Restricted	22	Windmill Road	NN9 5JU	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000240	Spire General Needs & Sheltered - Restricted	24	Windmill Road	NN9 5JU	£81.35	£81.35	Shelt.Ten.Prese	Bungalow	2		£44,400		£85,000
Lot B	7348000260	Spire General Needs & Sheltered - Restricted	26	Windmill Road	NN9 5JU	£86.23	£86.23	Assured	Bungalow	2		£50,800		£110,000
Lot B	7348000280	Spire General Needs & Sheltered - Restricted	28	Windmill Road	NN9 5JU	£82.49	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000300	Spire General Needs & Sheltered - Restricted	30	Windmill Road	NN9 5JU	£85.84	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000320	Spire General Needs & Sheltered - Restricted	32	Windmill Road	NN9 5JU	£81.35	£81.35	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000340	Spire General Needs & Sheltered - Restricted	34	Windmill Road	NN9 5JU	£80.92	£81.35	Shelt.Ten.Prese	Bungalow	1		£40,200		£85,000
Lot B	7348000360	Spire General Needs & Sheltered - Restricted	36	Windmill Road	NN9 5JU	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7348000380	Spire General Needs & Sheltered - Restricted	38	Windmill Road	NN9 5JU	£88.06	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000400	Spire General Needs & Sheltered - Restricted	40	Windmill Road	NN9 5JU	£80.92	£81.35	Shelt.Ten.Prese	Bungalow	1		£40,200		£85,000
Lot B	7348000420	Spire General Needs & Sheltered - Restricted	42	Windmill Road	NN9 5JU	£88.06	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000430	Spire General Needs & Sheltered - Restricted	43	Windmill Road	NN9 5JU	£88.06	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000440	Spire General Needs & Sheltered - Restricted	44	Windmill Road	NN9 5JU	£77.52	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7348000450	Spire General Needs & Sheltered - Restricted	45	Windmill Road	NN9 5JU	£80.92	£81.35	Shelt.Ten.Prese	Bungalow	1		£40,200		£85,000
Lot B	7348000460	Spire General Needs & Sheltered - Restricted	46	Windmill Road	NN9 5JU	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000470	Spire General Needs & Sheltered - Restricted	47	Windmill Road	NN9 5JU	£88.06	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000480	Spire General Needs & Sheltered - Restricted	48	Windmill Road	NN9 5JU	£80.92	£81.35	Shelt.Ten.Prese	Bungalow	1		£40,200		£85,000
Lot B	7348000490	Spire General Needs & Sheltered - Restricted	49	Windmill Road	NN9 5JU	£88.06	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7348000510	Spire General Needs & Sheltered - Restricted	51	Windmill Road	NN9 5JU	£81.35	£81.35	Shelt.Ten.Prese	Bungalow	2		£44,400		£90,000
Lot B	7348000530	Spire General Needs & Sheltered - Restricted	53	Windmill Road	NN9 5JU	£90.33	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000550	Spire General Needs & Sheltered - Restricted	55	Windmill Road	NN9 5JU	£80.92	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7348000570	Spire General Needs & Sheltered - Restricted	57	Windmill Road	NN9 5JU	£88.06	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7348000590	Spire General Needs & Sheltered - Restricted	59	Windmill Road	NN9 5JU	£90.09	£90.33	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000610	Spire General Needs & Sheltered - Restricted	61	Windmill Road	NN9 5JU	£81.35	£81.35	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000630	Spire General Needs & Sheltered - Restricted	63	Windmill Road	NN9 5JU	£90.33	£90.33	Supp.Ten.Assure	Bungalow	2		£44,400		£90,000
Lot B	7348000650	Spire General Needs & Sheltered - Restricted	65	Windmill Road	NN9 5JU	£90.33	£90.33	Shelt.Ten.Prese	Bungalow	2		£42,600		£90,000
Lot B	7348000670	Spire General Needs & Sheltered - Restricted	67	Windmill Road	NN9 5JU	£81.35	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7348000690	Spire General Needs & Sheltered - Restricted	69	Windmill Road	NN9 5JU	£88.06	£81.35	Shelt.Ten.Prese	Bungalow	1		£42,600		£85,000
Lot B	7348000710	Spire General Needs & Sheltered - Restricted	71	Windmill Road	NN9 5JU	£81.35	£81.35	Supp.Ten.Assure	Bungalow	1		£41,900		£85,000
Lot B	7349000030	Spire General Needs & Sheltered - Restricted	3	Windsor Road	NN10 0BB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7349000040	Spire General Needs & Sheltered - Restricted	4	Windsor Road	NN10 0BB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7349000080	Spire General Needs & Sheltered - Restricted	8	Windsor Road	NN10 0BB	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7349000100	Spire General Needs & Sheltered - Restricted	10	Windsor Road	NN10 0BB	£73.71	£73.71	Supp.Ten.Assure	Flat	2		£24,700		
Lot B	7349000120	Spire General Needs & Sheltered - Restricted	12	Windsor Road	NN10 0BB	£75.39	£86.23	Preserved Right	Flat	2		£35,500		£75,000
Lot B	7349000140	Spire General Needs & Sheltered - Restricted	14	Windsor Road	NN10 0BB	£73.71	£73.71	Supp.Ten.Assure	Flat	1		£24,700		£50,000
Lot B	7349000160	Spire General Needs & Sheltered - Restricted	16	Windsor Road	NN10 0BB	£75.39	£86.23	Preserved Right	Flat	2		£35,500		£75,000
Lot B	7349000180	Spire General Needs & Sheltered - Restricted	18	Windsor Road	NN10 0BB	£86.23	£86.23	Intro.Ten.Tenancy	Flat	2		£7,000		
Lot B	7349000200	Spire General Needs & Sheltered - Restricted	20	Windsor Road	NN10 0BB	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	7349000240	Spire General Needs & Sheltered - Restricted	24	Windsor Road	NN10 0BB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7349000270	Spire General Needs & Sheltered - Restricted	27	Windsor Road	NN10 0BB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7349000280	Spire General Needs & Sheltered - Restricted	28	Windsor Road	NN10 0BB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7349000300	Spire General Needs & Sheltered - Restricted	30	Windsor Road	NN10 0BB	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7349000320	Spire General Needs & Sheltered - Restricted	32	Windsor Road	NN10 0BB	£93.62	£93.62	Preserved Right	House	3		£50,300		£120,000
Lot B	7349000340	Spire General Needs & Sheltered - Restricted	34	Windsor Road	NN10 0BB	£93.62	£93.62	Assured	House	3		£55,200		£120,000
Lot B	7350000020	Spire General Needs & Sheltered - Restricted	2	Wood Lane	PE8 0YE	£89.18	£89.94	Preserved Right	House	2		£47,900		£115,000
Lot B	7350000060	Spire General Needs & Sheltered - Restricted	6	Wood Lane	PE8 0YE	£84.28	£84.28	Preserved Right	House	2		£45,300		£160,000
Lot B	7350000100	Spire General Needs & Sheltered - Restricted	10	Wood Lane	PE8 0YE	£91.18	£94.22	Supp.Ten.Assure	Bungalow	2		£54,900		£125,000
Lot B	7350000120	Spire General Needs & Sheltered - Restricted	12	Wood Lane	PE8 0YE	£84.94	£94.22	Shelt.Ten.Prese	Bungalow	2		£45,600		£125,000
Lot B	7350000140	Spire General Needs & Sheltered - Restricted	14	Wood Lane	PE8 0YF	£89.94	£89.94	Assured	House	2			£115,000	
Lot B	7350000200	Spire General Needs & Sheltered - Restricted	20	Wood Lane	PE8 0YE	£89.94	£89.94	Assured	House	2		£53,000	£63,600	£115,000
Lot B	7350000240	Spire General Needs & Sheltered - Restricted	24	Wood Lane	PE8 0YE	£35.54		Shared Ownership	House	2	50%	£42,000		£57,500
Lot B	7351000010	Spire General Needs & Sheltered - Restricted	1	Wood Road	PE8 0XF	£97.06	£97.06	Assured	House	3		£57,200		£160,000
Lot B	7351000030	Spire General Needs & Sheltered - Restricted	3	Wood Road	PE8 0XF	£97.06	£97.06	Assured	House	3		£57,200		£160,000
Lot B	7351000050	Spire General Needs & Sheltered - Restricted	5	Wood Road	PE8 0XF	£88.55	£97.06	Preserved Right	House	3		£47,600		£160,000
Lot B	7351000110	Spire General Needs & Sheltered - Restricted	11	Wood Road	PE8 0XF	£89.94	£89.94	Assured	House	2		£53,000		£115,000
Lot B	7351000210	Spire General Needs & Sheltered - Restricted	21	Wood Road	PE8 0XF	£88.64	£97.06	Preserved Right	House	3		£47,600		£160,000
Lot B	7351000230	Spire General Needs & Sheltered - Restricted	23	Wood Road	PE8 0XF	£88.55	£97.06	Preserved Right	House	3		£47,600		£160,000
Lot B	7													

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot ref	Property Ref (UPRN)	JLL Valuation Category	House	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Relinquished	EUV\$H	MV-T	MV-VP
Lot B	7806000020	Spire General Needs & Sheltered - Restricted	2	Bayleys Close	LE15 8PJ	£79.61	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7806000020	Spire General Needs & Sheltered - Restricted	4	Bayleys Close	LE15 8PJ	£81.36	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7806000070	Spire General Needs & Sheltered - Restricted	7	Bayleys Close	LE15 8PJ	£81.36	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7806000080	Spire General Needs & Sheltered - Restricted	8	Bayleys Close	LE15 8PJ	£81.36	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7806000090	Spire General Needs & Sheltered - Restricted	9	Bayleys Close	LE15 8PJ	£81.36	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7806000110	Spire General Needs & Sheltered - Restricted	11	Bayleys Close	LE15 8PJ	£81.36	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7807000010	Spire General Needs & Sheltered - Restricted	12	Bayleys Close	LE15 8PJ	£81.36	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7807000020	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000030	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000040	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000050	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Assured	Flat	0		£32,100		£65,000
Lot B	7807000060	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£67.90	£70.20	Preserved Rut	Flat	1		£36,500		£85,000
Lot B	7807000070	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£67.90	£70.20	Preserved Rut	Flat	1		£36,500		£85,000
Lot B	7807000080	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£67.90	£70.20	Preserved Rut	Flat	1		£36,500		£85,000
Lot B	7807000090	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000110	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000120	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000140	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000150	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£70.20	£70.20	Preserved Rut	Flat	1		£37,700		£85,000
Lot B	7807000160	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£66.69	£70.20	Preserved Rut	Flat	1		£37,400		£85,000
Lot B	7807000170	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000180	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Assured	Flat	0		£32,100		£65,000
Lot B	7807000190	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000200	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£32,100		£65,000
Lot B	7807000210	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£67.90	£70.20	Preserved Rut	Flat	1		£36,500		£85,000
Lot B	7807000220	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£70.20	£70.20	Preserved Rut	Flat	1		£37,700		£85,000
Lot B	7807000230	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£70.20	£70.20	Preserved Rut	Flat	1		£37,700		£85,000
Lot B	7807000240	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£67.90	£70.20	Preserved Rut	Flat	1		£36,500		£85,000
Lot B	7807000250	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000260	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Assured	Flat	0		£32,100		£65,000
Lot B	7807000270	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Preserved Rut	Flat	0		£30,800		£65,000
Lot B	7807000280	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£59.97	£59.97	Assured	Flat	0		£32,100		£65,000
Lot B	7807000291	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£91.66	£91.66	Licensed Accom	Flat	3		£54,000		£120,000
Lot B	7807000292	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£61.23	£61.23	Licensed Accom	Flat	1		£36,100		£85,000
Lot B	7807000293	Spire General Needs & Sheltered - Restricted		Beckworth Grove	LE15 8PL	£61.23	£61.23	Licensed Accom	Flat	1		£36,100		£85,000
Lot B	7808000090	Spire General Needs & Sheltered - Restricted	10	Beckworth Grove	LE15 8PL	£91.66	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7809000040	Spire General Needs & Sheltered - Restricted	4	Beech Road	LE15 6DG	£80.96	£91.66	Preserved Rut	House	3		£43,500		£150,000
Lot B	7809000130	Spire General Needs & Sheltered - Restricted	13	Beech Road	LE15 6DG	£80.96	£91.66	Preserved Rut	House	3		£43,500		£150,000
Lot B	7809000180	Spire General Needs & Sheltered - Restricted	18	Beech Road	LE15 6DG	£80.96	£91.66	Preserved Rut	House	3		£43,500		£150,000
Lot B	7809000220	Spire General Needs & Sheltered - Restricted	22	Beech Road	LE15 6DG	£79.21	£91.66	Preserved Rut	House	3		£42,500		£150,000
Lot B	7809000230	Spire General Needs & Sheltered - Restricted	23	Beech Road	LE15 6DG	£78.09	£91.66	Preserved Rut	House	3		£42,000		£150,000
Lot B	7810000170	Spire General Needs & Sheltered - Restricted	17	Berry Bushes	LE15 7PQ	£77.35	£91.66	Preserved Rut	House	3		£43,700		£160,000
Lot B	7811000020	Spire General Needs & Sheltered - Restricted	2	Bottom Street	LE15 8RR	£68.46	£70.20	Preserved Rut	Bungalow	1		£36,800		£110,000
Lot B	7811000040	Spire General Needs & Sheltered - Restricted	4	Bottom Street	LE15 8RR	£67.55	£70.20	Preserved Rut	Bungalow	1		£36,300		£110,000
Lot B	7811000060	Spire General Needs & Sheltered - Restricted	6	Bottom Street	LE15 8RR	£67.55	£70.20	Preserved Rut	Bungalow	1		£36,300		£110,000
Lot B	7811000080	Spire General Needs & Sheltered - Restricted	8	Bottom Street	LE15 8RR	£68.79	£70.20	Preserved Rut	Bungalow	1		£37,000		£110,000
Lot B	7812000030	Spire General Needs & Sheltered - Restricted	3	Brandon Road	LE15 9RR	£77.01	£91.66	Tied Accom.Pres	House	3		£45,400		£150,000
Lot B	7812000060	Spire General Needs & Sheltered - Restricted	6	Brandon Road	LE15 9RS	£72.62	£81.40	Assured	Flat	2		£40,900		£105,000
Lot B	7812000080	Spire General Needs & Sheltered - Restricted	8	Brandon Road	LE15 9RR	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000100	Spire General Needs & Sheltered - Restricted	10	Brandon Road	LE15 9RS	£109.51	£148.52	Preserved Rut	House	6		£87,400		£320,000
Lot B	7812000150	Spire General Needs & Sheltered - Restricted	15	Brandon Road	LE15 9RR	£75.49	£81.40	Preserved Rut	Bungalow	2		£40,600		£95,000
Lot B	7812000170	Spire General Needs & Sheltered - Restricted	17	Brandon Road	LE15 9RR	£75.49	£81.40	Preserved Rut	Bungalow	2		£40,600		£95,000
Lot B	7812000190	Spire General Needs & Sheltered - Restricted	19	Brandon Road	LE15 9RR	£74.88	£81.40	Preserved Rut	Bungalow	2		£40,200		£95,000
Lot B	7812000210	Spire General Needs & Sheltered - Restricted	21	Brandon Road	LE15 9RR	£74.58	£81.40	Preserved Rut	Bungalow	2		£40,200		£95,000
Lot B	7812000220	Spire General Needs & Sheltered - Restricted	22	Brandon Road	LE15 9RS	£83.06	£91.66	Preserved Rut	House	3		£44,600		£150,000
Lot B	7812000230	Spire General Needs & Sheltered - Restricted	23	Brandon Road	LE15 9RR	£74.88	£81.40	Preserved Rut	Bungalow	2		£40,200		£95,000
Lot B	7812000360	Spire General Needs & Sheltered - Restricted	36	Brandon Road	LE15 9RS	£81.44	£91.66	Assured	House	3		£48,000		£150,000
Lot B	7812000370	Spire General Needs & Sheltered - Restricted	37	Brandon Road	LE15 9RS	£83.06	£91.66	Preserved Rut	House	3		£44,600		£150,000
Lot B	7812000380	Spire General Needs & Sheltered - Restricted	38	Brandon Road	LE15 9RS	£83.06	£91.66	Preserved Rut	House	3		£44,600		£150,000
Lot B	7812000390	Spire General Needs & Sheltered - Restricted	39	Brandon Road	LE15 9RR	£84.81	£91.66	Preserved Rut	House	3		£45,600		£150,000
Lot B	7812000410	Spire General Needs & Sheltered - Restricted	41	Brandon Road	LE15 9RR	£81.40	£81.40	Licensed Accom	Flat	2		£48,000		£105,000
Lot B	7812000420	Spire General Needs & Sheltered - Restricted	42	Brandon Road	LE15 9RS	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000430	Spire General Needs & Sheltered - Restricted	43	Brandon Road	LE15 9RR	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000440	Spire General Needs & Sheltered - Restricted	44	Brandon Road	LE15 9RS	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000450	Spire General Needs & Sheltered - Restricted	45	Brandon Road	LE15 9RR	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000460	Spire General Needs & Sheltered - Restricted	46	Brandon Road	LE15 9RS	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000470	Spire General Needs & Sheltered - Restricted	47	Brandon Road	LE15 9RR	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000480	Spire General Needs & Sheltered - Restricted	48	Brandon Road	LE15 9RS	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000490	Spire General Needs & Sheltered - Restricted	49	Brandon Road	LE15 9RR	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000500	Spire General Needs & Sheltered - Restricted	50	Brandon Road	LE15 9RS	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000510	Spire General Needs & Sheltered - Restricted	51	Brandon Road	LE15 9RR	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000520	Spire General Needs & Sheltered - Restricted	52	Brandon Road	LE15 9RR	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000530	Spire General Needs & Sheltered - Restricted	53	Brandon Road	LE15 9RR	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000540	Spire General Needs & Sheltered - Restricted	54	Brandon Road	LE15 9RS	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000590	Spire General Needs & Sheltered - Restricted	59	Brandon Road	LE15 9RR	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000600	Spire General Needs & Sheltered - Restricted	60	Brandon Road	LE15 9RS	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000610	Spire General Needs & Sheltered - Restricted	61	Brandon Road	LE15 9RR	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000620	Spire General Needs & Sheltered - Restricted	62	Brandon Road	LE15 9RS	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000630	Spire General Needs & Sheltered - Restricted	63	Brandon Road	LE15 9RR	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000640	Spire General Needs & Sheltered - Restricted	64	Brandon Road	LE15 9RR	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000660	Spire General Needs & Sheltered - Restricted	66	Brandon Road	LE15 9RS	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000680	Spire General Needs & Sheltered - Restricted	68	Brandon Road	LE15 9RS	£75.20	£81.40	Preserved Rut	Flat	2		£40,400		£105,000
Lot B	7812000700	Spire General Needs & Sheltered - Restricted	70	Brandon Road	LE15 9RS	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000720	Spire General Needs & Sheltered - Restricted	72	Brandon Road	LE15 9RR	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7812000740	Spire General Needs & Sheltered - Restricted	74	Brandon Road	LE15 9RS	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000760	Spire General Needs & Sheltered - Restricted	76	Brandon Road	LE15 9RS	£75.65	£81.40	Preserved Rut	Flat	2		£40,700		£105,000
Lot B	7812000800	Spire General Needs & Sheltered - Restricted	80	Brandon Road	LE15 9RS	£81.40	£81.40	Assured	Flat	2		£48,000</		

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

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Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m Issue

Lot Ref	Property Ref (UPRN)	JLL Valuation Category	House	Address 1	Post Code	52 Week Rent	52 Week Target Rent	Tenure Desc	JLL Type	JLL Beds	Equity	EUV-SH	MV-T	MV-VP
Lot B	7833000010	Spire General Needs & Sheltered - Restricted	21	Cottesmore Road	LE15 9RU	£81.60	£81.60	Introdt.Tenancy	Flat	2		£48,000		£105,000
Lot B	7834000012	Spire General Needs & Sheltered - Restricted	1	Council Houses	PE9 4LD	£91.66		Assured	House	3		£54,000		£150,000
Lot B	7834000020	Spire General Needs & Sheltered - Restricted	2	Council Houses	PE9 4LD	£77.36	£91.66	Preserved Rut	House	3		£54,000		£150,000
Lot B	7834000040	Spire General Needs & Sheltered - Restricted	4	Council Houses	PE9 4LD	£78.91	£91.66	Preserved Rut	House	3		£42,400		£150,000
Lot B	7834000050	Spire General Needs & Sheltered - Restricted	5	Council Houses	PE9 4LD	£77.36	£91.66	Preserved Rut	House	3		£41,600		£150,000
Lot B	7834000060	Spire General Needs & Sheltered - Restricted	6	Council Houses	PE9 4LD	£78.91	£91.66	Introdt.Tenancy	House	3		£46,500		£150,000
Lot B	7833000030	Spire General Needs & Sheltered - Restricted	3	Crocker's Lane	LE15 9PW	£78.30	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7833000011	Spire General Needs & Sheltered - Restricted	11	Crocker Lane	LE15 9PW	£75.08	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7836000170	Spire General Needs & Sheltered - Restricted	18	Dean Street	LE15 6AF	£64.02	£70.20	Assured	Flat	1		£29,600		£60,000
Lot B	7836000190	Spire General Needs & Sheltered - Restricted	20	Dean Street	LE15 6AF	£65.05	£70.20	Preserved Rut	Flat	2		£28,400		£60,000
Lot B	7836000210	Spire General Needs & Sheltered - Restricted	22	Dean Street	LE15 6AF	£73.96	£81.40	Assured	Flat	2		£35,500		£75,000
Lot B	7837000040	Spire General Needs & Sheltered - Restricted	19	Dewrent Drive	LE15 6SZ	£81.48	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000190	Spire General Needs & Sheltered - Restricted	19	Dewrent Drive	LE15 6SZ	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7837000210	Spire General Needs & Sheltered - Restricted	21	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000230	Spire General Needs & Sheltered - Restricted	23	Dewrent Drive	LE15 6SZ	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837000250	Spire General Needs & Sheltered - Restricted	25	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000270	Spire General Needs & Sheltered - Restricted	27	Dewrent Drive	LE15 6SZ	£81.86	£91.66	Introdt.Tenancy	Flat	2		£48,000		£125,000
Lot B	7837000290	Spire General Needs & Sheltered - Restricted	29	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000310	Spire General Needs & Sheltered - Restricted	31	Dewrent Drive	LE15 6SZ	£81.48	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000330	Spire General Needs & Sheltered - Restricted	33	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000350	Spire General Needs & Sheltered - Restricted	35	Dewrent Drive	LE15 6SZ	£81.86	£91.66	Preserved Rut	Flat	3		£42,000		£125,000
Lot B	7837000370	Spire General Needs & Sheltered - Restricted	37	Dewrent Drive	LE15 6SZ	£81.40	£81.40	Preserved Rut	Flat	2		£43,700		£105,000
Lot B	7837000390	Spire General Needs & Sheltered - Restricted	39	Dewrent Drive	LE15 6SZ	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837000410	Spire General Needs & Sheltered - Restricted	41	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000430	Spire General Needs & Sheltered - Restricted	43	Dewrent Drive	LE15 6SA	£88.78	£91.66	Introdt.Tenancy	Flat	2		£50,000		£150,000
Lot B	7837000450	Spire General Needs & Sheltered - Restricted	45	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000470	Spire General Needs & Sheltered - Restricted	47	Dewrent Drive	LE15 6SA	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837000490	Spire General Needs & Sheltered - Restricted	49	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000500	Spire General Needs & Sheltered - Restricted	50	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000510	Spire General Needs & Sheltered - Restricted	51	Dewrent Drive	LE15 6SZ	£81.86	£91.66	Preserved Rut	Flat	3		£42,000		£125,000
Lot B	7837000520	Spire General Needs & Sheltered - Restricted	52	Dewrent Drive	LE15 6SA	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837000530	Spire General Needs & Sheltered - Restricted	53	Dewrent Drive	LE15 6SZ	£81.40	£81.40	Introdt.Tenancy	Flat	2		£48,000		£105,000
Lot B	7837000540	Spire General Needs & Sheltered - Restricted	54	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000550	Spire General Needs & Sheltered - Restricted	55	Dewrent Drive	LE15 6SZ	£68.46	£70.20	Preserved Rut	Bungalow	1		£41,000		£150,000
Lot B	7837000560	Spire General Needs & Sheltered - Restricted	56	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000570	Spire General Needs & Sheltered - Restricted	57	Dewrent Drive	LE15 6SZ	£70.20	£70.20	Assured	Bungalow	1		£44,000		£150,000
Lot B	7837000590	Spire General Needs & Sheltered - Restricted	59	Dewrent Drive	LE15 6SZ	£70.20	£70.20	Preserved Rut	Bungalow	1		£41,000		£150,000
Lot B	7837000600	Spire General Needs & Sheltered - Restricted	60	Dewrent Drive	LE15 6SA	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837000610	Spire General Needs & Sheltered - Restricted	61	Dewrent Drive	LE15 6SZ	£70.20	£81.40	Preserved Rut	Bungalow	3		£41,000		£150,000
Lot B	7837000620	Spire General Needs & Sheltered - Restricted	62	Dewrent Drive	LE15 6SZ	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000630	Spire General Needs & Sheltered - Restricted	63	Dewrent Drive	LE15 6SZ	£67.10	£70.20	Preserved Rut	Bungalow	1		£41,000		£150,000
Lot B	7837000640	Spire General Needs & Sheltered - Restricted	64	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000650	Spire General Needs & Sheltered - Restricted	65	Dewrent Drive	LE15 6SZ	£67.10	£70.20	Preserved Rut	Bungalow	1		£41,000		£150,000
Lot B	7837000660	Spire General Needs & Sheltered - Restricted	66	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000670	Spire General Needs & Sheltered - Restricted	67	Dewrent Drive	LE15 6SZ	£68.46	£70.20	Preserved Rut	Bungalow	1		£41,000		£150,000
Lot B	7837000680	Spire General Needs & Sheltered - Restricted	68	Dewrent Drive	LE15 6SA	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837000700	Spire General Needs & Sheltered - Restricted	70	Dewrent Drive	LE15 6SA	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7837000720	Spire General Needs & Sheltered - Restricted	72	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000740	Spire General Needs & Sheltered - Restricted	74	Dewrent Drive	LE15 6SA	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7837000760	Spire General Needs & Sheltered - Restricted	76	Dewrent Drive	LE15 6SA	£81.86	£91.66	Assured	Flat	3		£48,200		£125,000
Lot B	7837000780	Spire General Needs & Sheltered - Restricted	78	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000800	Spire General Needs & Sheltered - Restricted	80	Dewrent Drive	LE15 6SA	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7837000820	Spire General Needs & Sheltered - Restricted	82	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000840	Spire General Needs & Sheltered - Restricted	84	Dewrent Drive	LE15 6SA	£83.80	£91.66	Preserved Rut	Flat	3		£45,000		£125,000
Lot B	7837000860	Spire General Needs & Sheltered - Restricted	86	Dewrent Drive	LE15 6SA	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7837000880	Spire General Needs & Sheltered - Restricted	88	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000900	Spire General Needs & Sheltered - Restricted	90	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000920	Spire General Needs & Sheltered - Restricted	92	Dewrent Drive	LE15 6SA	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837000940	Spire General Needs & Sheltered - Restricted	94	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837000980	Spire General Needs & Sheltered - Restricted	98	Dewrent Drive	LE15 6SA	£74.88	£81.40	Assured	Flat	2		£44,100		£105,000
Lot B	7837001000	Spire General Needs & Sheltered - Restricted	100	Dewrent Drive	LE15 6SA	£81.86	£91.66	Preserved Rut	Flat	3		£44,000		£125,000
Lot B	7837001040	Spire General Needs & Sheltered - Restricted	104	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837001060	Spire General Needs & Sheltered - Restricted	106	Dewrent Drive	LE15 6SA	£74.88	£81.40	Preserved Rut	Flat	2		£40,200		£105,000
Lot B	7837001080	Spire General Needs & Sheltered - Restricted	108	Dewrent Drive	LE15 6SA	£91.66	£91.66	Assured	Flat	3		£54,000		£125,000
Lot B	7837001100	Spire General Needs & Sheltered - Restricted	110	Dewrent Drive	LE15 6SA	£81.40	£81.40	Assured	Flat	2		£48,000		£105,000
Lot B	7837001120	Spire General Needs & Sheltered - Restricted	112	Dewrent Drive	LE15 6SZ	£68.96	£70.20	Preserved Rut	Bungalow	1		£41,000		£150,000
Lot B	7837001140	Spire General Needs & Sheltered - Restricted	114	Dewrent Drive	LE15 6SA	£68.96	£70.20	Preserved Rut	Bungalow	1		£41,000		£150,000
Lot B	7838000050	Spire General Needs & Sheltered - Restricted	5	Dewey's Close	LE15 8IW	£86.17	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7838000060	Spire General Needs & Sheltered - Restricted	6	Dewey's Close	LE15 8IW	£86.17	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7839000500	Spire General Needs & Sheltered - Restricted	50	Dolphin Court	LE15 9SA	£65.47	£70.20	Preserved Rut	Flat	1		£26,000		£55,000
Lot B	7839000510	Spire General Needs & Sheltered - Restricted	51	Dolphin Court	LE15 9SA	£74.86	£81.40	Preserved Rut	Flat	2		£35,500		£75,000
Lot B	7839000520	Spire General Needs & Sheltered - Restricted	52	Dolphin Court	LE15 9SA	£74.86	£81.40	Preserved Rut	Flat	2		£35,500		£75,000
Lot B	7839000530	Spire General Needs & Sheltered - Restricted	53	Dolphin Court	LE15 9SA	£74.86	£81.40	Preserved Rut	Flat	2		£35,500		£75,000
Lot B	7839000540	Spire General Needs & Sheltered - Restricted	54	Dolphin Court	LE15 9SA	£81.40	£81.40	Introdt.Tenancy	Flat	2		£48,000		£105,000
Lot B	7839000550	Spire General Needs & Sheltered - Restricted	55	Dolphin Court	LE15 9SA	£75.51	£81.40	Preserved Rut	Flat	2		£39,500		£105,000
Lot B	7839000560	Spire General Needs & Sheltered - Restricted	56	Dolphin Court	LE15 9SA	£73.51	£81.40	Preserved Rut	Flat	2		£39,500		£105,000
Lot B	7839000570	Spire General Needs & Sheltered - Restricted	57	Dolphin Court	LE15 9SA	£73.51	£81.40	Assured	Flat	2		£43,300		£105,000
Lot B	7839000580	Spire General Needs & Sheltered - Restricted	58	Dolphin Court	LE15 9SA	£73.51	£81.40	Preserved Rut	Flat	2		£39,500		£105,000
Lot B	7839000590	Spire General Needs & Sheltered - Restricted	59	Dolphin Court	LE15 9SA	£73.51	£81.40	Preserved Rut	Flat	2		£39,500		£105,000
Lot B	7840000030	Spire General Needs & Sheltered - Restricted	3	Elm Close	LE15 6DS	£81.40	£91.66	Preserved Rut	House	3		£42,700		£150,000
Lot B	7840000050	Spire General Needs & Sheltered - Restricted	5	Elm Close	LE15 6DS	£74.80	£91.66	Preserved Rut	House	3		£41,000		£150,000
Lot B	7840000120	Spire General Needs & Sheltered - Restricted	12	Elm Close	LE15 6DS	£75.15	£91.66	Preserved Rut	House	3		£42,500		£150,000
Lot B	7841000070	Spire General Needs & Sheltered - Restricted	7	Empingham Road	LE15 8AW	£79.37	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7841000080	Spire General Needs & Sheltered - Restricted	8	Empingham Road	LE15 8AW	£79.37	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7841000100	Spire General Needs & Sheltered - Restricted	10	Empingham Road	LE15 8AW	£79.37	£91.66	Preserved Rut	House	3		£47,800		£175,000
Lot B	7841000190	Spire General Needs & Sheltered - Restricted	19	Empingham Road	LE15 8AW	£82.75	£91.66	Preserved Rut	House	3		£47,800		£175,0

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot ref	Property Ref (UPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	Flat Type	JLL Refs	Retained Equity	FLUV SH	MV-T	MV-VP
Lot B	7845000060	Spire General Needs & Sheltered - Restricted	6	Gainsborough Court	LE15 7DX	£70.20	£70.20	Assured	Flat	1	£29,600			
Lot B	7845000070	Spire General Needs & Sheltered - Restricted	7	Gainsborough Court	LE15 7DX	£68.19	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000080	Spire General Needs & Sheltered - Restricted	8	Gainsborough Court	LE15 7DX	£70.20	£70.20	Assured	Flat	1	£29,600			£60,000
Lot B	7845000090	Spire General Needs & Sheltered - Restricted	9	Gainsborough Court	LE15 7DX	£68.19	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000100	Spire General Needs & Sheltered - Restricted	10	Gainsborough Court	LE15 7DX	£70.20	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000110	Spire General Needs & Sheltered - Restricted	11	Gainsborough Court	LE15 7DX	£68.19	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000120	Spire General Needs & Sheltered - Restricted	12	Gainsborough Court	LE15 7DX	£70.20	£70.20	Assured	Flat	1	£29,600			£60,000
Lot B	7845000140	Spire General Needs & Sheltered - Restricted	14	Gainsborough Court	LE15 7DX	£68.19	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000150	Spire General Needs & Sheltered - Restricted	15	Gainsborough Court	LE15 7DX	£68.19	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000160	Spire General Needs & Sheltered - Restricted	16	Gainsborough Court	LE15 7DX	£68.19	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000170	Spire General Needs & Sheltered - Restricted	17	Gainsborough Court	LE15 7DX	£68.19	£70.20	Assured	Flat	1	£29,600			£60,000
Lot B	7845000180	Spire General Needs & Sheltered - Restricted	18	Gainsborough Court	LE15 7DX	£70.20	£70.20	Assured	Flat	1	£29,600			£60,000
Lot B	7845000190	Spire General Needs & Sheltered - Restricted	19	Gainsborough Court	LE15 7DX	£68.19	£70.20	Preserved Rut	Flat	1	£28,400			£60,000
Lot B	7845000200	Spire General Needs & Sheltered - Restricted	20	Gainsborough Court	LE15 7DX	£70.20	£70.20	Assured	Flat	1	£29,600			£60,000
Lot B	7845000210	Spire General Needs & Sheltered - Restricted	21	Gainsborough Court	LE15 7DX	£68.19	£70.20	Assured	Flat	1	£29,600			£60,000
Lot B	7845000220	Spire General Needs & Sheltered - Restricted	22	Gainsborough Court	LE15 7DX	£68.19	£70.20	Assured	Flat	1	£29,600			£60,000
Lot B	7845000230	Spire General Needs & Sheltered - Restricted	23	Gainsborough Court	LE15 7DX	£91.66	£91.66	Assured	Flat	3	£41,900			£85,000
Lot B	7846000030	Spire General Needs & Sheltered - Restricted	4	Garden Road	LE15 8AY	£79.84	£91.66	Preserved Rut	House	3	£47,800		£175,000	
Lot B	7847000010	Spire General Needs & Sheltered - Restricted	1	Gerard Court	LE15 9SW	£76.53	£81.40	Preserved Rut	Flat	2	£35,500		£75,000	
Lot B	7847000020	Spire General Needs & Sheltered - Restricted	2	Gerard Court	LE15 9SW	£76.53	£81.40	Preserved Rut	Flat	2	£35,500		£75,000	
Lot B	7847000030	Spire General Needs & Sheltered - Restricted	3	Gerard Court	LE15 9SW	£76.53	£81.40	Preserved Rut	Flat	2	£35,500		£75,000	
Lot B	7847000040	Spire General Needs & Sheltered - Restricted	4	Gerard Court	LE15 9SW	£76.53	£81.40	Preserved Rut	Flat	2	£35,500		£75,000	
Lot B	7847000060	Spire General Needs & Sheltered - Restricted	6	Gerard Court	LE15 9SW	£76.53	£81.40	Preserved Rut	Flat	2	£40,500		£105,000	
Lot B	7847000070	Spire General Needs & Sheltered - Restricted	7	Gerard Court	LE15 9SW	£76.53	£81.40	Preserved Rut	Flat	2	£40,500		£105,000	
Lot B	7847000080	Spire General Needs & Sheltered - Restricted	8	Gerard Court	LE15 9SW	£81.40	£81.40	Introd.Tenancy	Flat	2	£48,000		£105,000	
Lot B	7847000090	Spire General Needs & Sheltered - Restricted	9	Gerard Court	LE15 9SW	£76.53	£81.40	Preserved Rut	Flat	2	£40,500		£105,000	
Lot B	7847000100	Spire General Needs & Sheltered - Restricted	10	Gerard Court	LE15 9SW	£76.53	£81.40	Assured	Flat	2	£40,500		£105,000	
Lot B	7847000110	Spire General Needs & Sheltered - Restricted	11	Gerard Court	LE15 9SW	£76.53	£81.40	Introd.Tenancy	Flat	2	£44,400		£105,000	
Lot B	7847000140	Spire General Needs & Sheltered - Restricted	14	Gerard Court	LE15 9SW	£67.72	£70.20	Preserved Rut	Bungalow	1	£35,500		£75,000	
Lot B	7847000150	Spire General Needs & Sheltered - Restricted	15	Gerard Court	LE15 9SW	£67.71	£70.20	Preserved Rut	Bungalow	1	£35,500		£75,000	
Lot B	7847000160	Spire General Needs & Sheltered - Restricted	16	Gerard Court	LE15 9SW	£66.97	£70.20	Preserved Rut	Bungalow	1	£35,500		£75,000	
Lot B	7847000170	Spire General Needs & Sheltered - Restricted	17	Gerard Court	LE15 9SW	£66.97	£70.20	Preserved Rut	Bungalow	1	£35,500		£75,000	
Lot B	7847000180	Spire General Needs & Sheltered - Restricted	18	Gerard Court	LE15 9SW	£66.97	£70.20	Preserved Rut	Bungalow	1	£35,500		£75,000	
Lot B	7848000030	Spire General Needs & Sheltered - Restricted	3	Glaston Road	LE15 9DL	£78.00	£91.66	Preserved Rut	House	3	£41,900		£150,000	
Lot B	7848000040	Spire General Needs & Sheltered - Restricted	4	Glaston Road	LE15 9DL	£79.57	£91.66	Preserved Rut	House	3	£42,800		£150,000	
Lot B	7849000010	Spire General Needs & Sheltered - Restricted	1	Glaston Road	LE15 9PX	£78.52	£91.66	Preserved Rut	House	3	£42,200		£150,000	
Lot B	7849000030	Spire General Needs & Sheltered - Restricted	3	Glaston Road	LE15 9PX	£77.16	£91.66	Preserved Rut	House	3	£41,500		£150,000	
Lot B	7850000060	Spire General Needs & Sheltered - Restricted	6	Goughs Lane	LE15 9XK	£75.37	£81.40	Preserved Rut	House	2	£40,500		£120,000	
Lot B	7850000080	Spire General Needs & Sheltered - Restricted	8	Goughs Lane	LE15 9XK	£75.37	£81.40	Preserved Rut	House	2	£39,500		£120,000	
Lot B	7850000100	Spire General Needs & Sheltered - Restricted	10	Goughs Lane	LE15 9XK	£80.77	£91.66	Preserved Rut	House	3	£43,400		£150,000	
Lot B	7850000160	Spire General Needs & Sheltered - Restricted	16	Goughs Lane	LE15 9XK	£80.77	£91.66	Preserved Rut	House	3	£43,400		£150,000	
Lot B	7851000050	Spire General Needs & Sheltered - Restricted	5	Grampan Way	LE15 6NX	£82.77	£91.66	Preserved Rut	House	3	£44,500		£150,000	
Lot B	7851000070	Spire General Needs & Sheltered - Restricted	7	Grampan Way	LE15 6NX	£81.01	£91.66	Preserved Rut	House	3	£43,500		£150,000	
Lot B	7851000170	Spire General Needs & Sheltered - Restricted	17	Grampan Way	LE15 6NX	£82.77	£91.66	Preserved Rut	House	3	£44,500		£150,000	
Lot B	7851000370	Spire General Needs & Sheltered - Restricted	37	Grampan Way	LE15 6NX	£81.44	£91.66	Preserved Rut	House	3	£43,800		£150,000	
Lot B	7851000390	Spire General Needs & Sheltered - Restricted	39	Grampan Way	LE15 6NX	£81.44	£91.66	Preserved Rut	House	3	£43,800		£150,000	
Lot B	7851000440	Spire General Needs & Sheltered - Restricted	44	Grampan Way	LE15 6NX	£83.06	£91.66	Preserved Rut	House	3	£44,600		£150,000	
Lot B	7851000450	Spire General Needs & Sheltered - Restricted	45	Grampan Way	LE15 6NX	£83.00	£91.66	Preserved Rut	House	3	£44,600		£150,000	
Lot B	7851000520	Spire General Needs & Sheltered - Restricted	52	Grampan Way	LE15 6NX	£83.15	£91.66	Preserved Rut	House	3	£44,700		£150,000	
Lot B	7851000560	Spire General Needs & Sheltered - Restricted	56	Grampan Way	LE15 6NL	£64.68	£70.20	Preserved Rut	Flat	1	£34,800		£85,000	
Lot B	7851000580	Spire General Needs & Sheltered - Restricted	58	Grampan Way	LE15 6NL	£70.20	£70.20	Assured	Flat	1	£41,400		£85,000	
Lot B	7851000600	Spire General Needs & Sheltered - Restricted	60	Grampan Way	LE15 6NL	£70.20	£70.20	Preserved Rut	Flat	1	£37,700		£85,000	
Lot B	7851000620	Spire General Needs & Sheltered - Restricted	62	Grampan Way	LE15 6NL	£64.68	£70.20	Preserved Rut	Flat	1	£34,800		£85,000	
Lot B	7852000050	Spire General Needs & Sheltered - Restricted	5	Great Lane	LE15 7NG	£66.10	£70.20	Preserved Rut	Bungalow	1	£38,200		£140,000	
Lot B	7852000070	Spire General Needs & Sheltered - Restricted	7	Great Lane	LE15 7NG	£64.87	£70.20	Preserved Rut	Bungalow	1	£38,200		£140,000	
Lot B	7852000090	Spire General Needs & Sheltered - Restricted	9	Great Lane	LE15 7NG	£70.20	£70.20	Assured	Bungalow	1	£41,400		£140,000	
Lot B	7852000110	Spire General Needs & Sheltered - Restricted	11	Great Lane	LE15 7NG	£66.10	£70.20	Preserved Rut	Bungalow	1	£38,200		£140,000	
Lot B	7852000420	Spire General Needs & Sheltered - Restricted	42	Great Lane	LE15 7NG	£76.86	£91.66	Preserved Rut	House	3	£43,700		£160,000	
Lot B	7854000010	Spire General Needs & Sheltered - Restricted	1	Hall Close	LE15 7DE	£80.28	£91.66	Preserved Rut	House	3	£43,700		£160,000	
Lot B	7854000040	Spire General Needs & Sheltered - Restricted	4	Hall Close	LE15 7DE	£76.36	£81.40	Preserved Rut	House	2	£41,000		£120,000	
Lot B	7854000050	Spire General Needs & Sheltered - Restricted	5	Hall Close	LE15 7DE	£75.44	£81.40	Preserved Rut	House	2	£40,500		£120,000	
Lot B	7854000060	Spire General Needs & Sheltered - Restricted	6	Hall Close	LE15 7DE	£74.35	£81.40	Preserved Rut	House	2	£40,000		£120,000	
Lot B	7854000070	Spire General Needs & Sheltered - Restricted	7	Hall Close	LE15 7DE	£78.73	£91.66	Preserved Rut	House	3	£43,700		£160,000	
Lot B	7854000080	Spire General Needs & Sheltered - Restricted	8	Hall Close	LE15 7DE	£80.28	£91.66	Preserved Rut	House	3	£43,700		£160,000	
Lot B	7855000070	Spire General Needs & Sheltered - Restricted	7	Hannahs Field	LE15 9AP	£82.36	£91.66	Preserved Rut	House	3	£44,300		£150,000	
Lot B	7855000100	Spire General Needs & Sheltered - Restricted	10	Hannahs Field	LE15 9AP	£82.36	£91.66	Preserved Rut	House	3	£44,300		£150,000	
Lot B	7856000010	Spire General Needs & Sheltered - Restricted	1	Harrington Crescent	LE15 8AR	£67.28	£70.20	Preserved Rut	Bungalow	1	£36,200		£110,000	
Lot B	7856000020	Spire General Needs & Sheltered - Restricted	2	Harrington Crescent	LE15 8AR	£70.20	£70.20	Assured	Bungalow	1	£41,400		£110,000	
Lot B	7856000030	Spire General Needs & Sheltered - Restricted	3	Harrington Crescent	LE15 8AR	£66.02	£70.20	Preserved Rut	Bungalow	1	£35,500		£110,000	
Lot B	7856000040	Spire General Needs & Sheltered - Restricted	4	Harrington Crescent	LE15 8AR	£67.28	£70.20	Introd.Tenancy	Bungalow	1	£39,700		£110,000	
Lot B	7857000020	Spire General Needs & Sheltered - Restricted	2	Heath Drive	LE15 7DF	£82.26	£91.66	Preserved Rut	Bungalow	2	£44,200		£160,000	
Lot B	7857000040	Spire General Needs & Sheltered - Restricted	4	Heath Drive	LE15 7DF	£82.26	£91.66	Preserved Rut	House	3	£44,200		£160,000	
Lot B	7858000020	Spire General Needs & Sheltered - Restricted	2	High Crescent	PE9 4AY	£78.48	£91.66	Preserved Rut	House	3	£42,200		£150,000	
Lot B	7858000030	Spire General Needs & Sheltered - Restricted	3	High Crescent	PE9 4AY	£77.28	£91.66	Preserved Rut	House	3	£41,500		£150,000	
Lot B	7858000040	Spire General Needs & Sheltered - Restricted	4	High Crescent	PE9 4AY	£79.96	£91.66	Preserved Rut	House	3	£43,000		£150,000	
Lot B	7858000070	Spire General Needs & Sheltered - Restricted	7	High Crescent	PE9 4AY	£78.92	£91.66	Preserved Rut	House	3	£42,400		£150,000	
Lot B	7858000140	Spire General Needs & Sheltered - Restricted	14	High Crescent	PE9 4AY	£78.92	£91.66	Preserved Rut	House	3	£42,400		£150,000	
Lot B	7858000150	Spire General Needs & Sheltered - Restricted	15	High Crescent	PE9 4AY	£76.52	£91.66	Preserved Rut	House	3	£41,100		£150,000	
Lot B	7858000170	Spire General Needs & Sheltered - Restricted	17	High Crescent	PE9 4AY	£66.96	£70.20	Preserved Rut	Bungalow	1	£36,000		£120,000	
Lot B	7858000180	Spire General Needs & Sheltered - Restricted	18	High Crescent	PE9 4AY	£70.20	£70.20	Assured	Bungalow	1	£41,000		£120,000	
Lot B	7858000190	Spire General Needs & Sheltered - Restricted	19	High Crescent	PE9 4AY	£66.96	£70.20	Preserved Rut	Bungalow	1	£36,000		£120,000	
Lot B	7858000200	Spire General Needs & Sheltered - Restricted	20	High Crescent	PE9 4AY	£69.50	£70.20	Assured	Bungalow	1	£41,000		£120,000	
Lot B	7859000020	Spire General Needs & Sheltered - Restricted	62	High Street	PE9 3TE	£67.34	£70.20	Preserved Rut	Bungalow	1	£43,700		£160,000	
Lot B	7859000040	Spire General Needs & Sheltered - Restricted	64	High Street	PE9 3TE	£67.34	£70.20	Preserved Rut	Bungalow	1	£43,700		£160,000	
Lot B	7860000020	Spire General Needs & Sheltered - Restricted	2	Highfield Close	LE15 8QB	£80.49	£91.66	Preserved Rut	House	3	£47,800		£175,000	
Lot B	7860000050	Spire General Needs & Sheltered - Restricted	5	Highfield Close	LE15 8QB	£75.52	£81.40	Preserved Rut						

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot ref		Property Ref (LPRN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	HL Type	J/L Refs	Retained Equity	FLUV SH	MV-T	MV-VP
Lot B	7870000170		Spire General Needs & Sheltered - Restricted	17	Lammas Close	LE15 8QP	£85.93	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7870000180		Spire General Needs & Sheltered - Restricted	18	Lammas Close	LE15 8QP	£85.93	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7870000190		Spire General Needs & Sheltered - Restricted	19	Lammas Close	LE15 8QP	£85.93	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7871000210		Spire General Needs & Sheltered - Restricted	1	Lammas Cottages	LE15 7HB	£91.66	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000020		Spire General Needs & Sheltered - Restricted	2	Lammas Cottages	LE15 7HB	£80.58	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000030		Spire General Needs & Sheltered - Restricted	3	Lammas Cottages	LE15 7HB	£80.58	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000040		Spire General Needs & Sheltered - Restricted	4	Lammas Cottages	LE15 7HB	£80.58	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000050		Spire General Needs & Sheltered - Restricted	5	Lammas Cottages	LE15 7HB	£80.58	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000080		Spire General Needs & Sheltered - Restricted	8	Lammas Cottages	LE15 7HB	£80.58	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000090		Spire General Needs & Sheltered - Restricted	9	Lammas Cottages	LE15 7HB	£80.58	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000100		Spire General Needs & Sheltered - Restricted	10	Lammas Cottages	LE15 7HB	£80.58	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7871000120		Spire General Needs & Sheltered - Restricted	12	Lammas Cottages	LE15 7HB	£85.96	£104.78	Preserved Rut	House	4	£57,400			
Lot B	7872000050		Spire General Needs & Sheltered - Restricted	5	Langham Road	LE15 7LN	£82.37	£91.66	Preserved Rut	House	3	£44,300			
Lot B	7872000060		Spire General Needs & Sheltered - Restricted	6	Langham Road	LE15 7LN	£81.56	£91.66	Preserved Rut	House	3	£43,800			
Lot B	7872000130		Spire General Needs & Sheltered - Restricted	13	Langham Road	LE15 7LN	£78.16	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7872000140		Spire General Needs & Sheltered - Restricted	14	Langham Road	LE15 7LN	£81.56	£91.66	Preserved Rut	House	3	£43,800			
Lot B	7873000020		Spire General Needs & Sheltered - Restricted	2	Locks Close	LE15 7NH	£80.50	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7873000050		Spire General Needs & Sheltered - Restricted	5	Locks Close	LE15 7NH	£74.10	£81.40	Preserved Rut	House	2	£39,800			
Lot B	7873000080		Spire General Needs & Sheltered - Restricted	8	Locks Close	LE15 7NH	£75.28	£81.40	Preserved Rut	House	2	£40,500			
Lot B	7874000020		Spire General Needs & Sheltered - Restricted	2	Loves Lane	LE15 8PP	£66.34	£70.20	Preserved Rut	Bungalow	1	£35,600			
Lot B	7874000040		Spire General Needs & Sheltered - Restricted	4	Loves Lane	LE15 8PP	£70.20	£70.20	Assured	Bungalow	1	£41,400			
Lot B	7874000060		Spire General Needs & Sheltered - Restricted	6	Loves Lane	LE15 8PP	£66.34	£70.20	Preserved Rut	Bungalow	1	£35,600			
Lot B	7874000080		Spire General Needs & Sheltered - Restricted	8	Loves Lane	LE15 8PP	£78.36	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7874000120		Spire General Needs & Sheltered - Restricted	12	Loves Lane	LE15 8PP	£74.37	£81.40	Preserved Rut	Bungalow	2	£40,000			
Lot B	7874000160		Spire General Needs & Sheltered - Restricted	16	Loves Lane	LE15 8PP	£67.28	£70.20	Preserved Rut	Bungalow	1	£36,200			
Lot B	7874000180		Spire General Needs & Sheltered - Restricted	18	Loves Lane	LE15 8PP	£66.34	£70.20	Preserved Rut	Bungalow	1	£35,600			
Lot B	7874000200		Spire General Needs & Sheltered - Restricted	20	Loves Lane	LE15 8PP	£66.34	£70.20	Preserved Rut	Bungalow	1	£35,600			
Lot B	7875000010		Spire General Needs & Sheltered - Restricted	1	Lowther Close	LE15 7JJ	£75.18	£81.40	Preserved Rut	House	2	£40,400			
Lot B	7875000040		Spire General Needs & Sheltered - Restricted	4	Lowther Close	LE15 7JJ	£75.18	£81.40	Preserved Rut	House	2	£40,400			
Lot B	7875000050		Spire General Needs & Sheltered - Restricted	6	Lowther Close	LE15 7JJ	£80.42	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7875000070		Spire General Needs & Sheltered - Restricted	7	Lowther Close	LE15 7JJ	£80.42	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7875000080		Spire General Needs & Sheltered - Restricted	8	Lowther Close	LE15 7JJ	£80.42	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7875000140		Spire General Needs & Sheltered - Restricted	14	Lowther Close	LE15 7JJ	£70.41	£81.40	Preserved Rut	House	2	£37,800			
Lot B	7875000150		Spire General Needs & Sheltered - Restricted	15	Lowther Close	LE15 7JJ	£81.40	£81.40	Introd. Tenancy	House	2	£48,000			
Lot B	7875000170		Spire General Needs & Sheltered - Restricted	17	Lowther Close	LE15 7JJ	£71.72	£81.40	Preserved Rut	House	2	£38,200			
Lot B	7875000180		Spire General Needs & Sheltered - Restricted	18	Lowther Close	LE15 7JJ	£71.72	£81.40	Preserved Rut	House	2	£38,500			
Lot B	7876000120		Spire General Needs & Sheltered - Restricted	12	Luffenham Road	PE9 3RN	£77.96	£91.66	Preserved Rut	House	3	£41,900			
Lot B	7876000140		Spire General Needs & Sheltered - Restricted	14	Luffenham Road	PE9 3RN	£75.70	£91.66	Preserved Rut	House	3	£40,700			
Lot B	7877000110		Spire General Needs & Sheltered - Restricted	11	Lyndon Road	LE15 8SR	£78.57	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7877000170		Spire General Needs & Sheltered - Restricted	17	Lyndon Road	LE15 8SR	£75.20	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7877000190		Spire General Needs & Sheltered - Restricted	19	Lyndon Road	LE15 8SR	£78.57	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7877000210		Spire General Needs & Sheltered - Restricted	21	Lyndon Road	LE15 8SR	£76.89	£91.66	Preserved Rut	House	3	£47,800			
Lot B	7877000230		Spire General Needs & Sheltered - Restricted	23	Lyndon Road	LE15 8SR	£73.59	£81.40	Preserved Rut	House	2	£39,600			
Lot B	7878000090		Spire General Needs & Sheltered - Restricted	10	Malvern Close	LE15 8Z	£80.81	£91.66	Preserved Rut	House	2	£47,800			
Lot B	7879000380		Spire General Needs & Sheltered - Restricted	38	Main Street	LE15 9LT	£74.96	£81.40	Preserved Rut	House	2	£40,300			
Lot B	7879000640		Spire General Needs & Sheltered - Restricted	64	Main Street	LE15 9LT	£70.47	£81.40	Preserved Rut	House	2	£37,900			
Lot B	7879000660		Spire General Needs & Sheltered - Restricted	66	Main Street	LE15 9LT	£81.40	£81.40	Assured	House	2	£48,000			
Lot B	7879000680		Spire General Needs & Sheltered - Restricted	68	Main Street	LE15 9LT	£72.57	£81.40	Preserved Rut	House	2	£39,600			
Lot B	7880000020		Spire General Needs & Sheltered - Restricted	2	Main Street	LE15 7PL	£67.98	£70.20	Preserved Rut	Bungalow	1	£38,200			
Lot B	7880000060		Spire General Needs & Sheltered - Restricted	6	Main Street	LE15 7PL	£75.12	£91.66	Preserved Rut	House	3	£43,700			
Lot B	7880000410		Spire General Needs & Sheltered - Restricted	41	Main Street	LE15 7PL	£72.16	£81.40	Preserved Rut	House	2	£38,800			
Lot B	7880000450		Spire General Needs & Sheltered - Restricted	45	Main Street	LE15 7PL	£70.72	£81.40	Preserved Rut	House	2	£38,000			
Lot B	7880000470		Spire General Needs & Sheltered - Restricted	47	Main Street	LE15 7PL	£72.16	£81.40	Preserved Rut	House	2	£38,800			
Lot B	7881000970		Spire General Needs & Sheltered - Restricted	97	Main Street	LE15 7ES	£66.10	£70.20	Preserved Rut	Bungalow	1	£38,200			
Lot B	7881000990		Spire General Needs & Sheltered - Restricted	99	Main Street	LE15 7ES	£64.87	£70.20	Preserved Rut	Bungalow	1	£38,200			
Lot B	7881001010		Spire General Needs & Sheltered - Restricted	101	Main Street	LE15 7ES	£65.86	£70.20	Preserved Rut	Bungalow	1	£38,200			
Lot B	7881001030		Spire General Needs & Sheltered - Restricted	103	Main Street	LE15 7ES	£66.10	£70.20	Preserved Rut	Bungalow	1	£41,400			
Lot B	7881001050		Spire General Needs & Sheltered - Restricted	105	Main Street	LE15 7ES	£66.10	£70.20	Preserved Rut	Bungalow	1	£38,200			
Lot B	7882000050		Spire General Needs & Sheltered - Restricted	5	Makesy Close	LE15 8HA	£70.20	£70.20	Assured	Bungalow	1	£41,400			
Lot B	7882000070		Spire General Needs & Sheltered - Restricted	7	Makesy Close	LE15 8HA	£64.78	£70.20	Preserved Rut	Bungalow	1	£34,800			
Lot B	7882000090		Spire General Needs & Sheltered - Restricted	9	Makesy Close	LE15 8HA	£66.02	£70.20	Preserved Rut	Flat	1	£35,500			
Lot B	7883000070		Spire General Needs & Sheltered - Restricted	7	Malvern Walk	LE15 6NU	£70.20	£70.20	Assured	Flat	1	£37,700			
Lot B	7883000090		Spire General Needs & Sheltered - Restricted	9	Malvern Walk	LE15 6NU	£64.80	£70.20	Assured	Flat	1	£38,200			
Lot B	7883000110		Spire General Needs & Sheltered - Restricted	11	Malvern Walk	LE15 6NU	£64.80	£70.20	Preserved Rut	Flat	1	£34,800			
Lot B	7883000130		Spire General Needs & Sheltered - Restricted	13	Malvern Walk	LE15 6NU	£70.20	£70.20	Assured	Flat	1	£41,400			
Lot B	7883000150		Spire General Needs & Sheltered - Restricted	15	Malvern Walk	LE15 6NU	£64.67	£70.20	Preserved Rut	Flat	1	£34,800			
Lot B	7883000170		Spire General Needs & Sheltered - Restricted	17	Malvern Walk	LE15 6NU	£64.67	£70.20	Assured	Flat	1	£38,100			
Lot B	7884000050		Spire General Needs & Sheltered - Restricted	5	Manor Green	PE9 3TL	£83.14	£91.66	Preserved Rut	House	3	£44,700			
Lot B	7884000080		Spire General Needs & Sheltered - Restricted	8	Manor Green	PE9 3TL	£84.05	£91.66	Preserved Rut	House	3	£45,200			
Lot B	7884000120		Spire General Needs & Sheltered - Restricted	12	Manor Green	PE9 3TL	£84.81	£91.66	Preserved Rut	House	3	£45,600			
Lot B	7884000130		Spire General Needs & Sheltered - Restricted	13	Manor Green	PE9 3TL	£84.81	£91.66	Preserved Rut	House	3	£45,600			
Lot B	7885000010		Spire General Needs & Sheltered - Restricted	1	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000020		Spire General Needs & Sheltered - Restricted	2	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000030		Spire General Needs & Sheltered - Restricted	3	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000040		Spire General Needs & Sheltered - Restricted	4	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000050		Spire General Needs & Sheltered - Restricted	5	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000060		Spire General Needs & Sheltered - Restricted	6	Manor View	PE9 3TQ	£70.20	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000070		Spire General Needs & Sheltered - Restricted	7	Manor View	PE9 3TQ	£70.20	£70.20	Assured	Flat	1	£34,500			
Lot B	7885000080		Spire General Needs & Sheltered - Restricted	8	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000090		Spire General Needs & Sheltered - Restricted	9	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000100		Spire General Needs & Sheltered - Restricted	10	Manor View	PE9 3TQ	£66.50	£70.20	Preserved Rut	Flat	1	£33,100			
Lot B	7885000110		Spire General Needs & Sheltered - Restricted	11	Manor View	PE9 3TQ	£74.09	£81.40	Preserved Rut	Flat	2	£39,800			
Lot B	7885000120		Spire General Needs & Sheltered - Restricted	12	Manor View	PE9 3TQ	£74.09	£81.40	Preserved Rut	Flat	2	£39,800			
Lot B	7885000130		Spire General Needs & Sheltered - Restricted	13	Manor View	PE9 3TQ	£72.87	£81.40	Preserved Rut	Flat	2	£39,200			
Lot B	7885000140		Spire General Needs & Sheltered - Restricted	14	Manor View	PE9 3TQ	£81.40	£81.40	Assured	Flat	2	£41,900			
Lot B	7885000150		Spire General Needs & Sheltered - Restricted	15	Manor View	PE9 3TQ	£70.20	£70.20	Assured	Flat	1	£34,500			
Lot B	7885000160		Spire General Needs & Sheltered - Restricted	16	Manor View	PE9 3TQ	£70.20	£70.20	Assured	Flat	1	£34,500			
Lot B	7886000560		Spire General Needs & Sheltered - Restricted	56	Melton Road	LE15 7JN	£70.15	£81.40	Preserved Rut	House	3	£37,700			
Lot B	7886000600		Spire General Needs & Sheltered - Restricted												

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot Ref		Property Ref (LPRN)	IL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	IL Type	IL Refs	Retained Equity	FLV:SH	MV-T	MV:VP
Lot B	7914000910		Spire General Needs & Sheltered - Restricted	91	South Street	LE15 6BG	£66.38	£70.20	Preserved Rut	Flat	1	£35,700			£85,000
Lot B	7914000950		Spire General Needs & Sheltered - Restricted	95	South Street	LE15 6BG	£85.92	£91.66	Preserved Rut	House	3	£46,200			£150,000
Lot B	7914000970		Spire General Needs & Sheltered - Restricted	97	South Street	LE15 6BG	£91.66	£91.66	Assured	House	3	£54,000			£150,000
Lot B	7915000210		Spire General Needs & Sheltered - Restricted	1	South View	LE15 9NP	£75.89	£81.40	Preserved Rut	Bungalow	1	£40,800			£105,000
Lot B	7915000020		Spire General Needs & Sheltered - Restricted	2	South View	LE15 9NP	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7915000030		Spire General Needs & Sheltered - Restricted	3	South View	LE15 9NP	£67.21	£70.20	Preserved Rut	Bungalow	1	£36,100			£105,000
Lot B	7915000040		Spire General Needs & Sheltered - Restricted	4	South View	LE15 9NP	£68.46	£70.20	Preserved Rut	Bungalow	1	£36,800			£105,000
Lot B	7916000030		Spire General Needs & Sheltered - Restricted	3	South View Close	LE15 8SX	£85.93	£91.66	Preserved Rut	House	2	£62,800			£230,000
Lot B	7916000060		Spire General Needs & Sheltered - Restricted	6	South View Close	LE15 8SX	£75.37	£81.40	Preserved Rut	House	2	£40,400			£145,000
Lot B	7916000080		Spire General Needs & Sheltered - Restricted	8	South View Close	LE15 8SX	£80.85	£91.66	Preserved Rut	House	3	£47,800			£175,000
Lot B	7916000110		Spire General Needs & Sheltered - Restricted	11	South View Close	LE15 8SX	£71.94	£81.40	Preserved Rut	House	2	£39,600			£145,000
Lot B	7916000140		Spire General Needs & Sheltered - Restricted	14	South View Close	LE15 8SX	£85.93	£104.78	Preserved Rut	House	4	£62,800			£230,000
Lot B	7917000010		Spire General Needs & Sheltered - Restricted	1	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000020		Spire General Needs & Sheltered - Restricted	2	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000030		Spire General Needs & Sheltered - Restricted	3	Spinnery Close	PE9 4HX	£70.20	£70.20	Introd.Tenancy	Bungalow	1	£41,400			£120,000
Lot B	7917000040		Spire General Needs & Sheltered - Restricted	4	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000050		Spire General Needs & Sheltered - Restricted	5	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000060		Spire General Needs & Sheltered - Restricted	6	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000070		Spire General Needs & Sheltered - Restricted	7	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000080		Spire General Needs & Sheltered - Restricted	8	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000090		Spire General Needs & Sheltered - Restricted	9	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7917000110		Spire General Needs & Sheltered - Restricted	10	Spinnery Close	PE9 4HX	£66.48	£70.20	Preserved Rut	Bungalow	1	£35,700			£120,000
Lot B	7918000010		Spire General Needs & Sheltered - Restricted	1	Spinnery Lane	PE9 4HU	£81.03	£91.66	Preserved Rut	House	3	£43,500			£150,000
Lot B	7918000030		Spire General Needs & Sheltered - Restricted	3	Spinnery Lane	PE9 4HU	£81.03	£91.66	Preserved Rut	House	3	£43,500			£150,000
Lot B	7918000040		Spire General Needs & Sheltered - Restricted	4	Spinnery Lane	PE9 4HU	£91.66	£91.66	Assured	House	3	£54,000			£150,000
Lot B	7918000070		Spire General Needs & Sheltered - Restricted	7	Spinnery Lane	PE9 4HU	£80.25	£91.66	Preserved Rut	House	3	£43,100			£150,000
Lot B	7919000010		Spire General Needs & Sheltered - Restricted	1	Squires Close	LE15 7JU	£77.24	£81.40	Preserved Rut	Bungalow	2	£45,100			£165,000
Lot B	7919000020		Spire General Needs & Sheltered - Restricted	2	Squires Close	LE15 7JU	£77.24	£81.40	Preserved Rut	Bungalow	2	£45,100			£165,000
Lot B	7919000030		Spire General Needs & Sheltered - Restricted	3	Squires Close	LE15 7JU	£77.24	£81.40	Preserved Rut	Bungalow	2	£45,100			£165,000
Lot B	7919000040		Spire General Needs & Sheltered - Restricted	4	Squires Close	LE15 7JU	£77.24	£81.40	Preserved Rut	Bungalow	2	£45,100			£165,000
Lot B	7919000050		Spire General Needs & Sheltered - Restricted	5	Squires Close	LE15 7JU	£77.24	£81.40	Preserved Rut	Bungalow	2	£45,100			£165,000
Lot B	7919000060		Spire General Needs & Sheltered - Restricted	6	Squires Close	LE15 7JU	£68.08	£70.20	Preserved Rut	Bungalow	1	£38,200			£140,000
Lot B	7919000070		Spire General Needs & Sheltered - Restricted	7	Squires Close	LE15 7JU	£70.20	£70.20	Assured	Bungalow	1	£41,400			£140,000
Lot B	7919000080		Spire General Needs & Sheltered - Restricted	8	Squires Close	LE15 7JU	£69.08	£70.20	Preserved Rut	Bungalow	1	£38,200			£140,000
Lot B	7920000220		Spire General Needs & Sheltered - Restricted	2	Stamford Road	PE9 3ST	£74.67	£91.66	Preserved Rut	House	3	£40,100			£140,000
Lot B	7920000040		Spire General Needs & Sheltered - Restricted	4	Stamford Road	PE9 3ST	£72.70	£91.66	Preserved Rut	House	3	£39,100			£140,000
Lot B	7920000080		Spire General Needs & Sheltered - Restricted	8	Stamford Road	PE9 3ST	£70.88	£91.66	Preserved Rut	House	3	£38,200			£140,000
Lot B	7920000090		Spire General Needs & Sheltered - Restricted	9	Stamford Road	PE9 3ST	£91.66	£91.66	Assured	House	3	£54,000			£140,000
Lot B	7921000020		Spire General Needs & Sheltered - Restricted	2	Stamford Road	LE15 BNT	£73.50	£81.40	Preserved Rut	Bungalow	2	£39,500			£125,000
Lot B	7921000040		Spire General Needs & Sheltered - Restricted	4	Stamford Road	LE15 BNT	£73.50	£81.40	Preserved Rut	Bungalow	2	£39,500			£125,000
Lot B	7921000060		Spire General Needs & Sheltered - Restricted	6	Stamford Road	LE15 BNT	£73.50	£81.40	Preserved Rut	Bungalow	2	£39,500			£125,000
Lot B	7921000080		Spire General Needs & Sheltered - Restricted	8	Stamford Road	LE15 BNT	£73.50	£81.40	Preserved Rut	Bungalow	2	£39,500			£125,000
Lot B	7922000140		Spire General Needs & Sheltered - Restricted	14	Stretton Road	LE15 7NP	£74.46	£91.66	Preserved Rut	House	3	£43,700			£160,000
Lot B	7922000220		Spire General Needs & Sheltered - Restricted	22	Stretton Road	LE15 7NP	£77.92	£91.66	Preserved Rut	House	3	£43,700			£160,000
Lot B	7923000110		Spire General Needs & Sheltered - Restricted	12	Teigh Road	LE15 7PW	£81.35	£91.66	Preserved Rut	House	3	£43,700			£160,000
Lot B	7924000060		Spire General Needs & Sheltered - Restricted	6	The Crescent	PE9 4IE	£77.26	£91.66	Preserved Rut	House	3	£41,500			£150,000
Lot B	7924000090		Spire General Needs & Sheltered - Restricted	9	The Crescent	PE9 4IE	£76.79	£91.66	Preserved Rut	House	3	£41,300			£150,000
Lot B	7924000100		Spire General Needs & Sheltered - Restricted	10	The Crescent	PE9 4IE	£76.79	£91.66	Preserved Rut	House	3	£41,300			£150,000
Lot B	7924000120		Spire General Needs & Sheltered - Restricted	12	The Crescent	PE9 4IE	£76.79	£91.66	Preserved Rut	House	3	£41,300			£150,000
Lot B	7925000030		Spire General Needs & Sheltered - Restricted	3	The Drift	PE9 4DH	£82.22	£91.66	Preserved Rut	House	3	£44,200			£150,000
Lot B	7925000040		Spire General Needs & Sheltered - Restricted	4	The Drift	PE9 4DH	£82.22	£91.66	Preserved Rut	House	3	£44,200			£150,000
Lot B	7926000010		Spire General Needs & Sheltered - Restricted	1	The Jetties	LE15 8X	£68.57	£70.20	Preserved Rut	Bungalow	1	£36,800			£110,000
Lot B	7926000030		Spire General Needs & Sheltered - Restricted	3	The Jetties	LE15 8X	£70.20	£70.20	Assured	Bungalow	1	£41,400			£110,000
Lot B	7926000050		Spire General Needs & Sheltered - Restricted	5	The Jetties	LE15 8X	£70.20	£70.20	Assured	Bungalow	1	£41,400			£110,000
Lot B	7926000090		Spire General Needs & Sheltered - Restricted	9	The Jetties	LE15 8X	£74.91	£81.40	Preserved Rut	House	2	£40,300			£145,000
Lot B	7926000110		Spire General Needs & Sheltered - Restricted	11	The Jetties	LE15 8X	£72.57	£81.40	Preserved Rut	House	2	£39,600			£145,000
Lot B	7927000010		Spire General Needs & Sheltered - Restricted	1	The Lodge	LE15 6X	£67.75	£70.20	Preserved Rut	Flat	1	£36,400			£85,000
Lot B	7927000020		Spire General Needs & Sheltered - Restricted	2	The Lodge	LE15 6X	£67.75	£70.20	Preserved Rut	Flat	1	£36,400			£85,000
Lot B	7927000030		Spire General Needs & Sheltered - Restricted	3	The Lodge	LE15 6X	£68.39	£70.20	Preserved Rut	Flat	1	£36,800			£85,000
Lot B	7927000040		Spire General Needs & Sheltered - Restricted	4	The Lodge	LE15 6X	£67.75	£70.20	Preserved Rut	Flat	1	£36,400			£85,000
Lot B	7927000050		Spire General Needs & Sheltered - Restricted	5	The Lodge	LE15 6X	£74.02	£81.40	Preserved Rut	Flat	2	£35,500			£75,000
Lot B	7927000060		Spire General Needs & Sheltered - Restricted	6	The Lodge	LE15 6X	£70.20	£70.20	Assured	Flat	1	£39,900			£85,000
Lot B	7927000070		Spire General Needs & Sheltered - Restricted	7	The Lodge	LE15 6X	£67.75	£70.20	Assured	Flat	1	£39,900			£85,000
Lot B	7927000080		Spire General Needs & Sheltered - Restricted	8	The Lodge	LE15 6X	£76.36	£81.40	Preserved Rut	Flat	2	£35,500			£75,000
Lot B	7927000090		Spire General Needs & Sheltered - Restricted	9	The Lodge	LE15 6X	£68.39	£70.20	Preserved Rut	Flat	1	£36,800			£85,000
Lot B	7927000100		Spire General Needs & Sheltered - Restricted	10	The Lodge	LE15 6X	£69.00	£70.20	Preserved Rut	Flat	1	£37,100			£85,000
Lot B	7927000110		Spire General Needs & Sheltered - Restricted	11	The Lodge	LE15 6X	£69.95	£70.20	Preserved Rut	Flat	1	£37,600			£85,000
Lot B	7927000120		Spire General Needs & Sheltered - Restricted	12	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Flat	1	£37,700			£85,000
Lot B	7927000140		Spire General Needs & Sheltered - Restricted	14	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000150		Spire General Needs & Sheltered - Restricted	15	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000160		Spire General Needs & Sheltered - Restricted	16	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000170		Spire General Needs & Sheltered - Restricted	17	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000180		Spire General Needs & Sheltered - Restricted	18	The Lodge	LE15 6X	£70.20	£70.20	Assured	Bungalow	1	£41,400			£105,000
Lot B	7927000190		Spire General Needs & Sheltered - Restricted	19	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000200		Spire General Needs & Sheltered - Restricted	20	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000210		Spire General Needs & Sheltered - Restricted	21	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000220		Spire General Needs & Sheltered - Restricted	22	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000230		Spire General Needs & Sheltered - Restricted	23	The Lodge	LE15 6X	£70.14	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000240		Spire General Needs & Sheltered - Restricted	24	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000250		Spire General Needs & Sheltered - Restricted	25	The Lodge	LE15 6X	£70.20	£70.20	Preserved Rut	Bungalow	1	£37,700			£105,000
Lot B	7927000260		Spire General Needs & Sheltered - Restricted	26	The Lodge	LE15 6X	£70.20	£70.20	Assured	Bungalow	1	£41,400			£105,000
Lot B	7928000010		Spire General Needs & Sheltered - Restricted	1	The Quadrant	LE15 9QP	£90.16	£81.40	Assured	House	3	£53,100			£150,000
Lot B	7928000030		Spire General Needs & Sheltered - Restricted	3	The Quadrant	LE15 9QP	£77.16	£91.66	Preserved Rut	House	3	£41,500			£150,000
Lot B	7928000060		Spire General Needs & Sheltered - Restricted	6	The Quadrant	LE15 9QP	£78.15	£91.66	Preserved Rut	House	3	£42,000			£150,000
Lot															

Valuation Schedule

Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Lot ref	Property Ref (LPRN)	IL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	S2 Week Target Rent	Tenure Desc	IL Type	IL Yr	IL Beds	Retained Equity	FLV:SH	MV-T	MV-VP
Lot B	7941000320	Spire General Needs & Sheltered - Restricted	32	West Road	LE15 6LU	£73.54	£81.40	Preserved Rut	Flat	2		£39,500			
Lot B	7941000340	Spire General Needs & Sheltered - Restricted	34	West Road	LE15 6LU	£73.81	£81.40	Preserved Rut	Flat	2		£39,700			
Lot B	7941000360	Spire General Needs & Sheltered - Restricted	36	West Road	LE15 6LU	£73.81	£81.40	Preserved Rut	Flat	2		£39,700			
Lot B	7941000380	Spire General Needs & Sheltered - Restricted	38	West Road	LE15 6LU	£73.81	£81.40	Preserved Rut	Flat	2		£39,700			
Lot B	7941000400	Spire General Needs & Sheltered - Restricted	40	West Road	LE15 6LU	£73.81	£81.40	Preserved Rut	Flat	2		£39,700			
Lot B	7941000420	Spire General Needs & Sheltered - Restricted	42	West Road	LE15 6LU	£65.31	£70.20	Preserved Rut	Flat	1		£35,100			
Lot B	7941000440	Spire General Needs & Sheltered - Restricted	44	West Road	LE15 6LU	£59.97	£59.97	Introd.Tenancy	Flat	0		£34,500			
Lot B	7941000460	Spire General Needs & Sheltered - Restricted	46	West Road	LE15 6LU	£58.43	£59.97	Preserved Rut	Flat	0		£31,400			
Lot B	7941000480	Spire General Needs & Sheltered - Restricted	48	West Road	LE15 6LU	£54.54	£59.97	Preserved Rut	Flat	0		£29,300			
Lot B	7941000500	Spire General Needs & Sheltered - Restricted	50	West Road	LE15 6LU	£56.57	£59.97	Preserved Rut	Flat	0		£30,400			
Lot B	7941000520	Spire General Needs & Sheltered - Restricted	52	West Road	LE15 6LU	£58.43	£59.97	Preserved Rut	Flat	0		£31,400			
Lot B	7941000540	Spire General Needs & Sheltered - Restricted	54	West Road	LE15 6LU	£58.43	£59.97	Preserved Rut	Flat	0		£31,400			
Lot B	7941000560	Spire General Needs & Sheltered - Restricted	56	West Road	LE15 6LU	£65.31	£70.20	Preserved Rut	Flat	1		£35,100			
Lot B	7941000580	Spire General Needs & Sheltered - Restricted	58	West Road	LE15 6LU	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7941000600	Spire General Needs & Sheltered - Restricted	60	West Road	LE15 6LU	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7941000620	Spire General Needs & Sheltered - Restricted	62	West Road	LE15 6LU	£73.14	£81.40	Preserved Rut	Flat	2		£39,300			
Lot B	7941000640	Spire General Needs & Sheltered - Restricted	64	West Road	LE15 6LU	£73.14	£81.40	Preserved Rut	Flat	2		£39,300			
Lot B	7941000660	Spire General Needs & Sheltered - Restricted	66	West Road	LE15 6LU	£73.14	£81.40	Preserved Rut	Flat	2		£39,300			
Lot B	7941000680	Spire General Needs & Sheltered - Restricted	68	West Road	LE15 6LU	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7941000700	Spire General Needs & Sheltered - Restricted	70	West Road	LE15 6LU	£64.88	£70.20	Preserved Rut	Flat	1		£34,900			
Lot B	7941000720	Spire General Needs & Sheltered - Restricted	72	West Road	LE15 6LU	£70.20	£70.20	Assured	Bungalow	1		£44,000			
Lot B	7941000740	Spire General Needs & Sheltered - Restricted	74	West Road	LE15 6LU	£67.10	£70.20	Preserved Rut	Bungalow	1		£41,000			
Lot B	7941000760	Spire General Needs & Sheltered - Restricted	76	West Road	LE15 6LU	£67.10	£70.20	Preserved Rut	Bungalow	1		£41,000			
Lot B	7941000780	Spire General Needs & Sheltered - Restricted	78	West Road	LE15 6LU	£68.19	£70.20	Preserved Rut	Bungalow	1		£41,000			
Lot B	7941000800	Spire General Needs & Sheltered - Restricted	80	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941000820	Spire General Needs & Sheltered - Restricted	82	West Road	LE15 6LU	£81.40	£81.40	Introd.Tenancy	Flat	3		£48,000			
Lot B	7941000840	Spire General Needs & Sheltered - Restricted	84	West Road	LE15 6LU	£81.86	£91.66	Preserved Rut	Flat	3		£44,000			
Lot B	7941000860	Spire General Needs & Sheltered - Restricted	86	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941000880	Spire General Needs & Sheltered - Restricted	88	West Road	LE15 6LU	£81.40	£81.40	Introd.Tenancy	Flat	2		£48,000			
Lot B	7941000900	Spire General Needs & Sheltered - Restricted	90	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941000920	Spire General Needs & Sheltered - Restricted	92	West Road	LE15 6LU	£91.66	£91.66	Assured	Flat	3		£54,000			
Lot B	7941000940	Spire General Needs & Sheltered - Restricted	94	West Road	LE15 6LU	£76.19	£81.40	Preserved Rut	Flat	2		£40,900			
Lot B	7941000960	Spire General Needs & Sheltered - Restricted	96	West Road	LE15 6LU	£76.19	£81.40	Preserved Rut	Flat	2		£40,900			
Lot B	7941001000	Spire General Needs & Sheltered - Restricted	100	West Road	LE15 6LU	£81.86	£91.66	Preserved Rut	Flat	3		£44,000			
Lot B	7941001020	Spire General Needs & Sheltered - Restricted	102	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941001040	Spire General Needs & Sheltered - Restricted	104	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941001060	Spire General Needs & Sheltered - Restricted	106	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941001080	Spire General Needs & Sheltered - Restricted	108	West Road	LE15 6LU	£91.66	£91.66	Introd.Tenancy	Flat	3		£54,000			
Lot B	7941001100	Spire General Needs & Sheltered - Restricted	110	West Road	LE15 6LU	£74.88	£81.40	Introd.Tenancy	Flat	2		£44,100			
Lot B	7941001120	Spire General Needs & Sheltered - Restricted	112	West Road	LE15 6LU	£81.40	£81.40	Introd.Tenancy	Flat	2		£48,000			
Lot B	7941001140	Spire General Needs & Sheltered - Restricted	114	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941001160	Spire General Needs & Sheltered - Restricted	116	West Road	LE15 6LU	£81.86	£91.66	Preserved Rut	Flat	3		£44,000			
Lot B	7941001180	Spire General Needs & Sheltered - Restricted	118	West Road	LE15 6LU	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7941001200	Spire General Needs & Sheltered - Restricted	120	West Road	LE15 6LU	£81.40	£81.40	Assured	Flat	2		£47,700			
Lot B	7941001220	Spire General Needs & Sheltered - Restricted	122	West Road	LE15 6LU	£74.88	£81.40	Preserved Rut	Flat	2		£40,200			
Lot B	7941001240	Spire General Needs & Sheltered - Restricted	124	West Road	LE15 6LU	£81.86	£91.66	Preserved Rut	Flat	3		£44,000			
Lot B	7941001260	Spire General Needs & Sheltered - Restricted	126	West Road	LE15 6LU	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7942000030	Spire General Needs & Sheltered - Restricted	3	Westview	PE9 4AB	£75.49	£91.66	Preserved Rut	House	3		£41,000			
Lot B	7942000040	Spire General Needs & Sheltered - Restricted	4	Westview	PE9 4AB	£77.06	£91.66	Preserved Rut	House	3		£41,400			
Lot B	7942000050	Spire General Needs & Sheltered - Restricted	5	Westview	PE9 4AB	£76.80	£91.66	Preserved Rut	House	3		£41,300			
Lot B	7942000060	Spire General Needs & Sheltered - Restricted	6	Westview	PE9 4AB	£73.54	£81.40	Preserved Rut	House	2		£39,500			
Lot B	7943000040	Spire General Needs & Sheltered - Restricted	4	Westfield Avenue	LE15 6PN	£79.83	£91.66	Preserved Rut	House	3		£42,900			
Lot B	7943000060	Spire General Needs & Sheltered - Restricted	6	Westfield Avenue	LE15 6PN	£79.91	£91.66	Preserved Rut	House	3		£42,900			
Lot B	7943000200	Spire General Needs & Sheltered - Restricted	20	Westfield Avenue	LE15 6PN	£76.49	£91.66	Preserved Rut	House	3		£41,100			
Lot B	7943000210	Spire General Needs & Sheltered - Restricted	21	Westfield Avenue	LE15 6PN	£76.49	£91.66	Preserved Rut	House	3		£41,100			
Lot B	7943000240	Spire General Needs & Sheltered - Restricted	24	Westfield Avenue	LE15 6PN	£79.91	£91.66	Preserved Rut	House	3		£42,900			
Lot B	7943000260	Spire General Needs & Sheltered - Restricted	26	Westfield Avenue	LE15 6PN	£79.91	£91.66	Preserved Rut	House	3		£42,900			
Lot B	7944000040	Spire General Needs & Sheltered - Restricted	4	Westland Road	LE15 7DS	£82.87	£91.66	Preserved Rut	House	3		£44,500			
Lot B	7944000090	Spire General Needs & Sheltered - Restricted	9	Westland Road	LE15 7DS	£78.90	£91.66	Preserved Rut	House	3		£43,700			
Lot B	7945000020	Spire General Needs & Sheltered - Restricted	2	Wheatlands Close	PE9 3RX	£77.96	£91.66	Preserved Rut	House	3		£41,900			
Lot B	7945000030	Spire General Needs & Sheltered - Restricted	3	Wheatlands Close	PE9 3RX	£74.35	£91.66	Preserved Rut	House	3		£40,000			
Lot B	7945000060	Spire General Needs & Sheltered - Restricted	6	Wheatlands Close	PE9 3RX	£77.96	£91.66	Preserved Rut	House	3		£41,900			
Lot B	7945000070	Spire General Needs & Sheltered - Restricted	7	Wheatlands Close	PE9 3RX	£77.96	£91.66	Assured	House	3		£45,900			
Lot B	7945000090	Spire General Needs & Sheltered - Restricted	9	Wheatlands Close	PE9 3RX	£79.92	£91.66	Preserved Rut	House	3		£42,900			
Lot B	7945000110	Spire General Needs & Sheltered - Restricted	11	Wheatlands Close	PE9 3RX	£91.66	£91.66	Introd.Tenancy	House	3		£54,000			
Lot B	7945000160	Spire General Needs & Sheltered - Restricted	16	Wheatlands Close	PE9 3RX	£79.92	£91.66	Preserved Rut	House	3		£42,900			
Lot B	7945000170	Spire General Needs & Sheltered - Restricted	17	Wheatlands Close	PE9 3RX	£79.92	£91.66	Preserved Rut	House	3		£42,900			
Lot B	7945000180	Spire General Needs & Sheltered - Restricted	18	Wheatlands Close	PE9 3RX	£76.06	£91.66	Preserved Rut	House	3		£40,900			
Lot B	7945000190	Spire General Needs & Sheltered - Restricted	19	Wheatlands Close	PE9 3RX	£77.96	£91.66	Preserved Rut	House	3		£41,900			
Lot B	7946000240	Spire General Needs & Sheltered - Restricted	24	William Dalby Walk	LE15 6BP	£77.96	£91.66	Preserved Rut	House	3		£41,900			
Lot B	7946000220	Spire General Needs & Sheltered - Restricted	2	William Dalby Walk	LE15 6BP	£76.44	£81.40	Preserved Rut	Flat	2		£41,100			
Lot B	7946000400	Spire General Needs & Sheltered - Restricted	4	William Dalby Walk	LE15 6BP	£81.40	£81.40	Preserved Rut	Flat	2		£43,700			
Lot B	7946000600	Spire General Needs & Sheltered - Restricted	6	William Dalby Walk	LE15 6BP	£70.17	£70.20	Preserved Rut	Flat	1		£37,700			
Lot B	7946000800	Spire General Needs & Sheltered - Restricted	8	William Dalby Walk	LE15 6BP	£70.17	£70.20	Preserved Rut	Bungalow	1		£41,000			
Lot B	7947000140	Spire General Needs & Sheltered - Restricted	14	Willow Crescent	LE15 6EQ	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7947000150	Spire General Needs & Sheltered - Restricted	15	Willow Crescent	LE15 6EQ	£72.54	£81.40	Preserved Rut	Flat	2		£39,000			
Lot B	7947000180	Spire General Needs & Sheltered - Restricted	18	Willow Crescent	LE15 6EH	£81.40	£81.40	Introd.Tenancy	Flat	2		£48,000			
Lot B	7947000200	Spire General Needs & Sheltered - Restricted	20	Willow Crescent	LE15 6EH	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7947000260	Spire General Needs & Sheltered - Restricted	26	Willow Crescent	LE15 6EH	£91.66	£91.66	Introd.Tenancy	House	3		£54,000			
Lot B	7947000270	Spire General Needs & Sheltered - Restricted	27	Willow Crescent	LE15 6EQ	£80.29	£91.66	Preserved Rut	House	3		£43,100			
Lot B	7947000280	Spire General Needs & Sheltered - Restricted	28	Willow Crescent	LE15 6EH	£80.29	£91.66	Preserved Rut	House	3		£43,100			
Lot B	7947000350	Spire General Needs & Sheltered - Restricted	35	Willow Crescent	LE15 6EQ	£82.25	£91.66	Preserved Rut	House	3		£44,200			
Lot B	7947000360	Spire General Needs & Sheltered - Restricted	36	Willow Crescent	LE15 6EH	£76.97	£91.66	Preserved Rut	House	3		£41,400			
Lot B	7947000370	Spire General Needs & Sheltered - Restricted	37	Willow Crescent	LE15 6EQ	£62.82	£70.20	Preserved Rut	Flat	1		£33,800			
Lot B	7947000390	Spire General Needs & Sheltered - Restricted	39	Willow Crescent	LE15 6EQ	£81.40	£81.40	Assured	Flat	2		£48,000			
Lot B	7947000410	Spire General Needs & Sheltered - Restricted	41	Willow Crescent	LE15 6EQ	£62.82	£70.20	Preserved Rut	Flat	1		£33,800			
Lot B	7947000430	Spire General Needs & Sheltered - Restricted	43	Willow Crescent	LE15 6EQ	£70.15	£81.40	Preserved Rut	Flat	2		£37,700			
Lot B	7947000450	Spire General Needs & Sheltered - Restricted	45	Willow Crescent	LE15 6EQ	£62.82	£70.20	Preserved Rut	Flat	1		£33,800			
Lot B	7947000470	Spire General Needs & Sheltered - Restricted	47	Willow Crescent	LE15 6EQ	£70.15	£81.40	Preserved Rut	Flat	2					

Valuation Schedule
Housing Association: Longhurst Group
Valuer: Jones Lang LaSalle
Valuation Date: 2 July 2012
Valuation: Bond Security - £225m issue

Retained														
Lot ref	Property Ref (LRPN)	HL Valuation Category	House No.	Address 1	Post Code	S2 Week Rent	Target Rent	Tenure Desc	HL Type	JL Beds	Equity	FLV/SH	MV-T	MV-VP
Lot B	70240007A	Spire General Needs & Sheltered - Restricted	7A	Bellamy Road	PE8 4ND	£78.15	£76.15	Preserved Right	Flat	2		£42,000		£115,000
Lot B	70240009A	Spire General Needs & Sheltered - Restricted	9A	Bellamy Road	PE8 4ND	£75.64	£73.64	Preserved Right	Flat	2		£40,600		£115,000
Lot B	702400011A	Spire General Needs & Sheltered - Restricted	11A	Bellamy Road	PE8 4ND	£75.64	£73.64	Preserved Right	Flat	2		£40,600		£115,000
Lot B	702400015A	Spire General Needs & Sheltered - Restricted	15A	Bellamy Road	PE8 4ND	£75.64	£73.64	Preserved Right	Flat	2		£40,600		£115,000
Lot B	702400017A	Spire General Needs & Sheltered - Restricted	17A	Bellamy Road	PE8 4NA	£75.39	£73.39	Preserved Right	Flat	2		£40,500		£115,000
Lot B	703100008A	Spire General Needs & Sheltered - Restricted	8A	Blinco Road	NN10 0DT	£86.23	£86.22	Assured	Flat	2		£37,000		£75,000
Lot B	704300003A	Spire General Needs & Sheltered - Restricted	3A	Causin Close	NN14 3EU	£91.70	£89.70	Supp.Ten.Assure	Bungalow	2		£54,000		£130,000
Lot B	705500028A	Spire General Needs & Sheltered - Restricted	28A	Church Street	PE9 3LL	£76.89	£74.89	Preserved Right	Bungalow	1		£43,700		£160,000
Lot B	705600028B	Spire General Needs & Sheltered - Restricted	28B	Church Street	PE9 3LL	£75.64	£73.64	Shelt.Ten.Prese	Bungalow	1		£43,700		£160,000
Lot B	706500001B	Spire General Needs & Sheltered - Restricted	1A	Crabb Street	NN10 0RH	£69.01	£67.01	Preserved Right	Flat	1		£23,700		£50,000
Lot B	706500001B	Spire General Needs & Sheltered - Restricted	1B	Crabb Street	NN10 0RH	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	706500001C	Spire General Needs & Sheltered - Restricted	1C	Crabb Street	NN10 0RH	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	706500001D	Spire General Needs & Sheltered - Restricted	1D	Crabb Street	NN10 0RH	£86.23	£86.23	Introd.Tenancy	Flat	2		£37,000		£75,000
Lot B	706500001E	Spire General Needs & Sheltered - Restricted	1E	Crabb Street	NN10 0RH	£75.90	£73.90	Introd.Tenancy	Flat	2		£37,000		£75,000
Lot B	706500003A	Spire General Needs & Sheltered - Restricted	3A	Crabb Street	NN10 0RH	£86.23	£86.22	Assured	Flat	2		£37,000		£75,000
Lot B	706500003B	Spire General Needs & Sheltered - Restricted	3B	Crabb Street	NN10 0RH	£86.23	£86.22	Assured	Flat	2		£37,000		£75,000
Lot B	706500003C	Spire General Needs & Sheltered - Restricted	3C	Crabb Street	NN10 0RH	£77.79	£75.79	Preserved Right	Flat	2		£35,500		£75,000
Lot B	706500003D	Spire General Needs & Sheltered - Restricted	3D	Crabb Street	NN10 0RH	£86.23	£86.22	Assured	Flat	2		£37,000		£75,000
Lot B	709700001B	Spire General Needs & Sheltered - Restricted	1A	George Street	NN10 8JJ	£70.35	£70.37	Assured	Flat	1		£27,100		£55,000
Lot B	709700001B	Spire General Needs & Sheltered - Restricted	1B	George Street	NN10 8JJ	£70.35	£70.35	Introd.Tenancy	Flat	1		£27,100		£55,000
Lot B	709700001E	Spire General Needs & Sheltered - Restricted	1E	George Street	NN10 8JJ	£68.46	£66.46	Preserved Right	Flat	1		£26,000		£55,000
Lot B	712100001A	Spire General Needs & Sheltered - Restricted	1A	Hayway	NN9 5CP	£90.33		Supp.Ten.Assure	Bungalow	2		£53,200		£110,000
Lot B	7131000041A	Spire General Needs & Sheltered - Restricted	41A	High Street South	NN10 0QZ	£86.23	£86.22	Assured	Flat	2		£37,000		£75,000
Lot B	7131000041B	Spire General Needs & Sheltered - Restricted	41B	High Street South	NN10 0QZ	£86.23	£86.22	Assured	Flat	2		£37,000		£75,000
Lot B	7131000043A	Spire General Needs & Sheltered - Restricted	43A	High Street South	NN10 0QZ	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	7131000043B	Spire General Needs & Sheltered - Restricted	43B	High Street South	NN10 0QZ	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	7131000043C	Spire General Needs & Sheltered - Restricted	43C	High Street South	NN10 0QZ	£70.35	£70.35	Introd.Tenancy	Flat	1		£24,700		£50,000
Lot B	7131000045A	Spire General Needs & Sheltered - Restricted	45A	High Street South	NN10 0QZ	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	7131000045B	Spire General Needs & Sheltered - Restricted	45B	High Street South	NN10 0QZ	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	7131000045C	Spire General Needs & Sheltered - Restricted	45C	High Street South	NN10 0QZ	£70.35	£70.35	Assured	Flat	1		£24,700		£50,000
Lot B	7131000047A	Spire General Needs & Sheltered - Restricted	47A	High Street South	NN10 0QZ	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	7131000047B	Spire General Needs & Sheltered - Restricted	47B	High Street South	NN10 0QZ	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	7131000047C	Spire General Needs & Sheltered - Restricted	47C	High Street South	NN10 0QZ	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	7151000015A	Spire General Needs & Sheltered - Restricted	15A	Highfield Road	NN14 4NL	£90.72	£89.70	Preserved Right	Bungalow	2		£48,800		£110,000
Lot B	714100115A	Spire General Needs & Sheltered - Restricted	115A	Highfield Road	NN10 9QX	£93.62	£93.62	Assured	House	3		£52,200		£115,000
Lot B	7143100002A	Spire General Needs & Sheltered - Restricted	2A	John Street	NN14 4NS	£78.26	£78.26	Preserved Right	Bungalow	1		£37,900		£80,000
Lot B	718100002B	Spire General Needs & Sheltered - Restricted	2B	Mill Road	NN14 4HH	£83.56	£81.56	Preserved Right	House	3		£44,900		£135,000
Lot B	718100004A	Spire General Needs & Sheltered - Restricted	4A	Mill Road	NN14 4HH	£75.13	£73.13	Preserved Right	Flat	1		£37,900		£80,000
Lot B	718100004B	Spire General Needs & Sheltered - Restricted	4B	Mill Road	NN14 4HH	£79.65	£77.65	Assured	Flat	1		£39,500		£80,000
Lot B	718400001A	Spire General Needs & Sheltered - Restricted	1A	Milton Terrace	PE8 5NF	£97.06	£97.06	Assured	House	3		£57,200		£140,000
Lot B	718400002A	Spire General Needs & Sheltered - Restricted	2A	Milton Terrace	PE8 5NF	£90.72	£90.72	Assured	House	2		£53,500		£110,000
Lot B	718400003A	Spire General Needs & Sheltered - Restricted	3A	Milton Terrace	PE8 5NF	£97.06	£97.33	Assured	House	3		£57,200		£140,000
Lot B	718400004A	Spire General Needs & Sheltered - Restricted	4A	Milton Terrace	PE8 5NF	£90.72	£90.72	Assured	House	2		£53,500		£110,000
Lot B	718900004A	Spire General Needs & Sheltered - Unrestricted	4B	Nesw Road	NN10 8BD	£86.23	£86.22	Assured	House	2		£37,000	£61,400	£85,000
Lot B	719150001A	Spire Supported - Restricted	1A	Nest Lane	NN8 4AU	£75.90	£75.52	Assured	Bungalow	1		£17,500		£100,000
Lot B	719150001B	Spire Supported - Restricted	1B	Nest Lane	NN8 4AU	£75.90	£75.90	Introd.Tenancy	Bungalow	1		£17,500		£100,000
Lot B	719150001C	Spire Supported - Restricted	1C	Nest Lane	NN8 4AU	£75.90	£75.89	Assured	Bungalow	1		£17,500		£100,000
Lot B	719150001D	Spire Supported - Restricted	1D	Nest Lane	NN8 4AU	£75.90	£75.90	Introd.Tenancy	Bungalow	1		£17,500		£100,000
Lot B	7191400002A	Spire General Needs & Sheltered - Restricted	2A	Newman Street	NN10 8JW	£86.23	£86.22	Assured	House	2		£41,900		£85,000
Lot B	7191400002C	Spire General Needs & Sheltered - Restricted	2C	Newman Street	NN10 8JW	£95.11	£93.11	Preserved Right	House	4		£51,100		£125,000
Lot B	721800059A	Spire General Needs & Sheltered - Restricted	59A	Park Street	PE8 0DN	£88.82	£86.82	Preserved Right	Bungalow	2		£47,700		£125,000
Lot B	7231000012A	Spire General Needs & Sheltered - Restricted	12A	Queensway	NN10 8BU	£70.35	£70.37	Assured	Flat	1		£27,100		£55,000
Lot B	7231000014A	Spire General Needs & Sheltered - Restricted	14A	Queensway	NN10 8BU	£70.35	£70.37	Preserved Right	Flat	1		£26,000		£55,000
Lot B	723400037A	Spire General Needs & Sheltered - Restricted	37A	Rock Road	PE8 4LN	£89.94	£89.93	Assured	Flat	2		£53,000		£115,000
Lot B	723400041A	Spire General Needs & Sheltered - Restricted	41A	Rock Road	PE8 4LN	£77.13	£75.13	Preserved Right	Flat	2		£41,400		£115,000
Lot B	723400043A	Spire General Needs & Sheltered - Restricted	43A	Rock Road	PE8 4LN	£76.91	£74.91	Preserved Right	Flat	2		£41,300		£115,000
Lot B	723400050A	Spire General Needs & Sheltered - Restricted	50A	Rock Road	PE8 4LN	£76.91	£74.91	Preserved Right	Flat	2		£41,300		£115,000
Lot B	723400052A	Spire General Needs & Sheltered - Restricted	52A	Rock Road	PE8 4LL	£76.91	£74.91	Preserved Right	Flat	2		£41,300		£115,000
Lot B	724850038A	Spire Supported - Unrestricted	38	School Road	NN29 7AW	£88.52	£90.52	Assured	Room	0			£22,600	£30,000
Lot B	724850038B	Spire Supported - Unrestricted	38	School Road	NN29 7AW	£88.52	£90.52	Assured	Room	0			£22,600	£30,000
Lot B	724850038C	Spire Supported - Unrestricted	38	School Road	NN29 7AW	£88.52	£90.52	Assured	Room	0				£30,000
Lot B	726600002A	Spire General Needs & Sheltered - Restricted	2A	Springfield Road	PE8 4LP	£89.94	£89.93	Assured	Flat	2		£53,000		£115,000
Lot B	726600004A	Spire General Needs & Sheltered - Restricted	4A	Springfield Road	PE8 4LP	£89.94	£89.93	Assured	Flat	2		£53,000		£115,000
Lot B	726600006A	Spire General Needs & Sheltered - Restricted	6A	Springfield Road	PE8 4LP	£74.46	£72.46	Preserved Right	Flat	2		£40,000		£115,000
Lot B	726600008A	Spire General Needs & Sheltered - Restricted	8A	Springfield Road	PE8 4LP	£76.91	£74.91	Preserved Right	Flat	2		£41,300		£115,000
Lot B	726600010A	Spire General Needs & Sheltered - Restricted	10A	Springfield Road	PE8 4LP	£85.73	£83.73	Assured	Flat	2		£50,500		£115,000
Lot B	726600012A	Spire General Needs & Sheltered - Restricted	12A	Springfield Road	PE8 4LP	£89.94	£89.93	Assured	Flat	2		£53,000		£115,000
Lot B	726600014A	Spire General Needs & Sheltered - Restricted	14A	Springfield Road	PE8 4LP	£86.70	£84.70	Assured	Flat	2		£51,100		£115,000
Lot B	726600016A	Spire General Needs & Sheltered - Restricted	16A	Springfield Road	PE8 4LP	£76.91	£74.91	Preserved Right	Flat	2		£41,300		£115,000
Lot B	726600020A	Spire General Needs & Sheltered - Restricted	20A	Springfield Road	PE8 4LP	£89.94	£89.93	Assured	Flat	2		£53,000		£115,000
Lot B	727300035A	Spire General Needs & Sheltered - Restricted	35A	St Peters Road	PE8 4NU	£93.18	£91.18	Supp.Ten.Assure	Bungalow	2		£54,900		£140,000
Lot B	730100023A	Spire General Needs & Sheltered - Restricted	23A	The Hedges	NN10 6DL	£93.62	£93.62	Preserved Right	House	3		£48,000		£110,000
Lot B	731600031A	Spire General Needs & Sheltered - Restricted	31A	Upper George Street	NN10 8JN	£65.27	£63.27	Preserved Right	Flat	1		£26,000		£55,000
Lot B	731600031B	Spire General Needs & Sheltered - Restricted	31B	Upper George Street	NN10 8JN	£70.35	£70.37	Assured	Flat	1		£27,100		£55,000
Lot B	731600031C	Spire General Needs & Sheltered - Restricted	31C	Upper George Street	NN10 8JN	£70.35	£70.37	Assured	Flat	1		£27,100		£55,000
Lot B	731600031D	Spire General Needs & Sheltered - Restricted	31D	Upper George Street	NN10 8JN	£70.35	£70.37	Preserved Right	Flat	1		£26,000		£55,000
Lot B	731300029A	Spire General Needs & Sheltered - Restricted	29A	Westfield Avenue	NN10 9RE	£93.62	£93.62	Assured	House	3		£55,200		£115,000
Lot B	731400014A	Spire General Needs & Sheltered - Restricted	14A	Westfield Place	NN10 9RG	£70.35	£70.35	Preserved Right	Flat	1		£23,700		£50,000
Lot B	731400014B	Spire General Needs & Sheltered - Restricted	14B	Westfield Place	NN10 9RG	£70.35	£70.35	Introd.Tenancy	Flat	1		£24,700		£50,000
Lot B	731400014C	Spire General Needs & Sheltered - Restricted	14C	Westfield Place	NN10 9RG	£70.35	£70.37	Preserved Right	Flat	1		£23,700		£50,000
Lot B	731400014D	Spire General Needs & Sheltered - Restricted	14D	Westfield Place	NN10 9RG	£70.35	£70.37	Assured	Flat	1		£24,700		£50,000
Lot B	734300001A	Spire General Needs & Sheltered - Restricted	1A	Winding Way	NN14 4NW	£78.26	£78.26	Preserved Right	Bungalow	1		£37,900		£80,000
Lot B	734300002A	Spire General Needs & Sheltered - Restricted	2A	Winding Way	NN14 4NW	£78.26	£78.26	Assured	Bungalow	1		£39,500		£80,000
Lot B	734300003A	Spire General Needs & Sheltered - Restricted	3A	Winding Way	NN14 4NW	£78.26	£78.26	Assured	Bungalow	1		£39,500		£80,000
Lot B	734300004A	Spire General Needs & Sheltered - Restricted	4A	Winding Way	NN14 4NW	£78.26	£78.26	Assured	Bungalow	1		£39,500		£80,000
Lot B	783600018A	Spire General Needs												

Valuation Schedule

Housing Association: Longhurst Group
 Valuer: Jones Lang LaSalle
 Valuation Date: 2 July 2012
 Valuation: Bond Security

18 Nil Value Units

Lot ref	Property Ref (UPRN)	Scheme	Funder	Funder Desc	Title No	House No.	Address 1	Address 2	JLL Region	Post Code
Lot B	7900000470	79000	22	Spire - HBOS - Rutland Transfer		47	Parkfield Road	Oakham	Rutland	LE15 6PF
Lot B	7911000310	79110	22	Spire - HBOS - Rutland Transfer		31	Sheepdyke	Cottesmore	Rutland	LE15 7DU
Lot B	7262600140	72626	106	Uncharged - New Build		14	Spinney Road	Rushden	Northamptonshire	NN10 9QQ
Lot B	7262600310	72626	106	Uncharged - New Build		31	Spinney Road	Rushden	Northamptonshire	NN10 9QQ
Lot B	7008000050	70080	106	Uncharged - New Build		5	Aldwincle Road	Lowick	Northamptonshire	NN14 3BL
Lot B	7008000090	70080	106	Uncharged - New Build		9	Aldwincle Road	Lowick	Northamptonshire	NN14 3BL
Lot B	7008000110	70080	106	Uncharged - New Build		11	Aldwincle Road	Lowick	Northamptonshire	NN14 3BL
Lot B	7010000840	70100	20	Spire - HBOS - ENH Transfer		84	Allen Road	Irthlingborough	Northamptonshire	NN9 5QY
Lot B	7224200010	72242	106	Uncharged - New Build		1	Swan Close	Raunds	Northamptonshire	NN9 6GA
Lot B	7224200020	72242	106	Uncharged - New Build		2	Swan Close	Raunds	Northamptonshire	NN9 6GA
Lot B	7294300060	72941	106	Uncharged - Lot B	NN278223	4	Collyns Way	Collyweston	LINCOLNSHIRE	PE9 3PB
Lot B	7294300070	72941	106	Uncharged - Lot B	NN278223	2	Collyns Way	Collyweston	LINCOLNSHIRE	PE9 3PB
Lot B	731400002B	73140	106	Uncharged - Lot B	Missing	2B	Trafford Road	Rushden	Northamptonshire	NN10 0JG
Lot B	731400002C	73140	106	Uncharged - Lot B	Missing	2C	Trafford Road	Rushden	Northamptonshire	NN10 0JG
Lot B	731400002D	73140	106	Uncharged - Lot B	Missing	2D	Trafford Road	Rushden	Northamptonshire	NN10 0JG
Lot B	731400002E	73140	106	Uncharged - Lot B	Missing	2E	Trafford Road	Rushden	Northamptonshire	NN10 0JG
Lot B	731400011A	73140	106	Uncharged - Lot B	Missing	11A	Trafford Road	Rushden	Northamptonshire	NN10 0JF
Lot A	10867005	10867	13	Lloyds TSB	NK373824	14	BAY WALK	DOWNHAM MARKET	Norfolk	PE38 9WE

Appendix 3

Cashflow Summaries

SUMMARY SHEET - Existing Use Value for Social Housing
28 June 2012

Longhurst Group
Bond Issue - L & H GN and Sheltered - Restricted

1. STOCK	<table><tr><td></td><td>SECURE</td><td>ASSURED</td><td>SUM</td></tr><tr><td>HOUSES</td><td>0</td><td>51</td><td>51</td></tr><tr><td>FLATS</td><td>0</td><td>0</td><td>0</td></tr><tr><td>SHELTERED</td><td>0</td><td>0</td><td>0</td></tr><tr><td>SUM</td><td>0</td><td>51</td><td>51</td></tr></table>					SECURE	ASSURED	SUM	HOUSES	0	51	51	FLATS	0	0	0	SHELTERED	0	0	0	SUM	0	51	51																																						
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SUMMARY SHEET - Market Value
28 June 2012

Longhurst Group
Bond Issue - L & H GN and Sheltered

1. STOCK	HOUSES	SECURE	46	ASSURED	318	SUM	364
	FLATS		12		179		191
	SHELTERED		0		0		0
	SUM		58		497		555

2. INCOME	SECURE TENURE			
	Average Actual Rents	Houses:		£70.03 per week
		Flats:		£62.91 per week
		Sheltered:		£0.00 per week
	Annual % Increase:	Houses:	5% every other year	
		Flats:	5% every other year	
		Sheltered:	5% every other year	
	ASSURED TENURE			
	Average Actual Rents	Houses:		£82.19 per week
		Flats:		£68.46 per week
	Sheltered:		£0.00 per week	
Average Rents in Year 2	Houses:		£127.48 per week	
	Flats:		£90.81 per week	
	Sheltered:		£0.00 per week	
Annual % Increase	Houses:	YR 0 - 2	24.5%	
		YR 3 Onwards	1.0%	
	Flats:	YR 0 - 2	15.2%	
		YR 3 Onwards	1.0%	
	Sheltered:	YR 0 - 2	0.0%	
		YR 3 Onwards	1.0%	

3. OTHER INCOME	Garages (income per week)	0	units @	£0.00 per week
	Voids expressed as a % Gross Income			15.0% per annum
	0 RTBs:			£0 over 50 years

4. SALES RATE		Houses	3.0% per annum
		Flats	4.0% per annum

4a. SHELTERED RELET RATE		Sheltered	8.0% per annum

5. BAD DEBTS / VOIDS	expressed as a % of Gross revenue	Years 1 - 3	10.0% per annum
		Year 4-5	8.0% per annum
		Year 6 Onwards	5.0% per annum

6. TIMESCALE	52 Weeks	YR. 3 Onwards	52 Weeks

7. DISCOUNT RATE	Sales	10.00%	Income	8.00% per annum

8. EXPENDITURE	Management & Administration	% of gross income	10.0% per annum

	CATCH UP & MAJOR REPAIRS unit cost Gross Inc.VAT	CYCLICAL COSTS unit cost Gross Inc.VAT	DAY TO DAY unit cost Gross Inc.VAT	SUM
YR. 1	£2,000.00	£300.00	£275.00	£2,575.00
YR. 2	£2,000.00	£300.00	£275.00	£2,575.00
YR. 3	£550.00	£300.00	£275.00	£1,125.00
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Average YR. 6 -10	£575.00	£300.00	£275.00	£1,150.00
Average YR. 11 -15	£600.00	£300.00	£275.00	£1,175.00
Average YR. 16 -20	£625.00	£300.00	£275.00	£1,200.00
Average YR. 21 -25	£650.00	£300.00	£275.00	£1,225.00
Average YR. 26 onwards	£675.00	£300.00	£275.00	£1,250.00

VAT @	20.0%

9. EXPENDITURE INFLATOR	Year 1	1.00% per annum	Year 2 Onwards	1.00% per annum

10. M.V. SALES	Price Inflator	Years 1 - 3	0.00%	Average House Price	£109,643
		Year 3 onwards	1.00%	Average Flat Price	£65,366
	Sale Costs		3.00%	Average Sheltered Price	£0
	Capitalisation Rate		7.25%	Average Price	£94,405

11. VALUATION SAY	Unit Price	£54,360	58%	£30,170,000

[Date of last valuation]	[Last valuation]

SUMMARY SHEET - Market Value
28 June 2012

Longhurst Group
Bond Issue - Spire Rent to HomeBuy

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Shared Ownership Properties - EUV-SH
Longhurst Group
Bond Issue - L & H Shared Ownership

Sales
39.22%

Rent
60.78%

No. of units 16
Equity retained 60.00%
Assumed tranche sales @ 25%
Equity tranches available 38.4
Current rent roll per annum £30,489
Weeks 52
Average rent per week (per unit) £36.65 +2.8% yield NIY 4.48%
MV-VP (equity retained) £67,875 IRR 6.10%
Average VP value per unit £113,125
Outgoings pa (% gross income) 6% £114.34 pu pa
Sales costs 3%

Proportion of Value

Tranche Sales	Years	0	to	1	0
	Years	2	to	19	1
	Years	20	to	25	0
	Years	26	to	50	0

Constant Price Rent Increases	0.50%
Real House Price Increase	Yrs 1 - 3 0.00%
	Yr 4 + 1.00%
Discount rate	Income 5.75%
	Sales 8.50%
Capitalisation Rate	5.50%

Net Present Value £640,000 Unit Price £40,000 59% of MV-VP (Retained Equity)

(Date of last valuation)

Last valuation

Year	Equity Retained	Equity Sold	Average Rent (per Tranche per month)	Gross Rent Per annum	Outgoings Per Annum	Net Rent per annum	PV (Rent) @ 5.75%	Average MV-VP per tranche	Net Sales Receipt	PV (Sales) @ 8.5%
2012	38	0	£66.17	£30,489	£1,829	£28,660	£27,870	£28,281	£0	£0
2013	37	1	£66.50	£29,845	£1,791	£28,054	£25,798	£28,281	£27,457	£24,295
2014	36	1	£66.83	£29,191	£1,751	£27,440	£23,861	£28,281	£27,457	£22,391
2015	35	1	£67.16	£28,530	£1,712	£26,818	£22,052	£28,564	£27,732	£20,844
2016	34	1	£67.50	£27,864	£1,672	£26,192	£20,366	£28,850	£28,010	£19,403
2017	33	1	£67.84	£27,190	£1,631	£25,559	£18,793	£29,139	£28,290	£18,062
2018	32	1	£68.18	£26,508	£1,591	£24,918	£17,326	£29,430	£28,573	£16,814
2019	31	1	£68.52	£25,818	£1,549	£24,269	£15,957	£29,724	£28,858	£15,651
2020	30	1	£68.86	£25,120	£1,507	£23,613	£14,681	£30,021	£29,147	£14,569
2021	29	1	£69.20	£24,414	£1,465	£22,949	£13,493	£30,321	£29,438	£13,562
2022	28	1	£69.55	£23,703	£1,422	£22,280	£12,387	£30,624	£29,732	£12,624
2023	27	1	£69.90	£22,983	£1,379	£21,604	£11,358	£30,930	£30,029	£11,752
2024	26	1	£70.25	£22,255	£1,335	£20,920	£10,401	£31,239	£30,329	£10,939
2025	25	1	£70.60	£21,519	£1,291	£20,228	£9,510	£31,551	£30,632	£10,183
2026	24	1	£70.95	£20,774	£1,246	£19,528	£8,681	£31,867	£30,939	£9,479
2027	23	1	£71.30	£20,021	£1,201	£18,820	£7,912	£32,186	£31,249	£8,824
2028	22	1	£71.66	£19,262	£1,156	£18,106	£7,198	£32,508	£31,561	£8,214
2029	21	1	£72.02	£18,495	£1,110	£17,385	£6,535	£32,833	£31,877	£7,646
2030	20	1	£72.38	£17,719	£1,063	£16,656	£5,921	£33,161	£32,195	£7,118
2031	20	0	£72.74	£17,807	£1,068	£16,738	£5,627	£33,493	£0	£0
2032	20	0	£73.10	£17,895	£1,074	£16,821	£5,347	£33,828	£0	£0
2033	20	0	£73.47	£17,985	£1,079	£16,906	£5,082	£34,166	£0	£0
2034	20	0	£73.84	£18,076	£1,085	£16,991	£4,830	£34,508	£0	£0
2035	20	0	£74.21	£18,167	£1,090	£17,077	£4,590	£34,853	£0	£0
2036	20	0	£74.58	£18,257	£1,095	£17,162	£4,362	£35,202	£0	£0
2037	20	0	£74.95	£18,348	£1,101	£17,247	£4,145	£35,554	£0	£0
2038	20	0	£75.32	£18,438	£1,106	£17,332	£3,939	£35,910	£0	£0
2039	20	0	£75.70	£18,531	£1,112	£17,419	£3,744	£36,269	£0	£0
2040	20	0	£76.08	£18,624	£1,117	£17,507	£3,558	£36,632	£0	£0
2041	20	0	£76.46	£18,717	£1,123	£17,594	£3,381	£36,998	£0	£0
2042	20	0	£76.84	£18,810	£1,129	£17,682	£3,213	£37,368	£0	£0
2043	20	0	£77.22	£18,903	£1,134	£17,769	£3,054	£37,742	£0	£0
2044	20	0	£77.61	£18,999	£1,140	£17,859	£2,902	£38,119	£0	£0
2045	20	0	£78.00	£19,094	£1,146	£17,949	£2,758	£38,500	£0	£0
2046	20	0	£78.39	£19,190	£1,151	£18,038	£2,621	£38,885	£0	£0
2047	20	0	£78.78	£19,285	£1,157	£18,128	£2,491	£39,274	£0	£0
2048	20	0	£79.17	£19,381	£1,163	£18,218	£2,367	£39,667	£0	£0
2049	20	0	£79.57	£19,479	£1,169	£18,310	£2,250	£40,064	£0	£0
2050	20	0	£79.97	£19,577	£1,175	£18,402	£2,138	£40,465	£0	£0
2051	20	0	£80.37	£19,675	£1,180	£18,494	£2,032	£40,870	£0	£0
2052	20	0	£80.77	£19,772	£1,186	£18,586	£1,931	£41,279	£0	£0
2053	20	0	£81.17	£19,870	£1,192	£18,678	£1,835	£41,692	£0	£0
2054	20	0	£81.58	£19,971	£1,198	£18,773	£1,744	£42,109	£0	£0
2055	20	0	£81.99	£20,071	£1,204	£18,867	£1,658	£42,530	£0	£0
2056	20	0	£82.40	£20,172	£1,210	£18,961	£1,575	£42,955	£0	£0
2057	20	0	£82.81	£20,272	£1,216	£19,056	£1,497	£43,385	£0	£0
2058	20	0	£83.22	£20,372	£1,222	£19,150	£1,423	£43,819	£0	£0
2059	20	0	£83.64	£20,475	£1,229	£19,247	£1,352	£44,257	£0	£0
2060	20	0	£84.06	£20,578	£1,235	£19,343	£1,285	£44,700	£0	£0
2061	20	0	£84.48	£20,681	£1,241	£19,440	£22,205	£45,147	£0	£0

Approved _____ Date _____

Cumulative Total	£391,039	£252,371
Rent		Sales
60.78%		39.22%

SUMMARY SHEET - Existing Use Value for Social Housing
28 June 2012

Longhurst Group
Bond Issue - Spire GN & Sheltered - restricted

1. STOCK	<table><tr><td></td><td>SECURE</td><td>ASSURED</td><td>SUM</td><td></td></tr><tr><td>HOUSES</td><td>1,853</td><td>1,147</td><td>3,000</td><td></td></tr><tr><td>FLATS</td><td>367</td><td>487</td><td>854</td><td></td></tr><tr><td>SHELTERED</td><td>278</td><td>314</td><td>592</td><td></td></tr><tr><td>SUM</td><td>2,498</td><td>1,948</td><td>4,446</td><td></td></tr></table>						SECURE	ASSURED	SUM		HOUSES	1,853	1,147	3,000		FLATS	367	487	854		SHELTERED	278	314	592		SUM	2,498	1,948	4,446																																														
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8. EXPENDITURE	<table><tr><td>Management & Administration</td><td></td><td>£600</td><td>per unit</td></tr><tr><td>% variable</td><td>Year 1 Onwards</td><td>1.0%</td><td>per annum</td></tr></table>					Management & Administration		£600	per unit	% variable	Year 1 Onwards	1.0%	per annum																																																														
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10. M.V. SALES	<table><tr><td>Price Inflator</td><td>Years 1 - 3</td><td>0.00%</td><td>Average House price</td><td>£127,005</td></tr><tr><td></td><td>Year 4 Onwards:</td><td>1.00%</td><td>Average Flat price</td><td>£80,164</td></tr><tr><td>Sale Costs</td><td></td><td>3.00%</td><td>Average Sheltered price</td><td>£74,340</td></tr><tr><td>Capitalisation Rate</td><td></td><td>5.75%</td><td>Overall Average Price</td><td>£110,995</td></tr></table>					Price Inflator	Years 1 - 3	0.00%	Average House price	£127,005		Year 4 Onwards:	1.00%	Average Flat price	£80,164	Sale Costs		3.00%	Average Sheltered price	£74,340	Capitalisation Rate		5.75%	Overall Average Price	£110,995																																																		
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11. VALUATION	<table><tr><td>Unit Price</td><td>£43,641</td><td>% VP</td><td>39%</td><td>EUVSH</td><td>£194,030,000</td></tr></table>					Unit Price	£43,641	% VP	39%	EUVSH	£194,030,000																																																																
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SUMMARY SHEET - Market Value
28 June 2012

Longhurst Group
Bond Issue - Spire Gn & Sheltered Unrestricted

1. STOCK		<table><tr><td></td><td>SECURE</td><td>ASSURED</td><td>SUM</td></tr><tr><td>HOUSES</td><td>1</td><td>84</td><td>85</td></tr><tr><td>FLATS</td><td>1</td><td>94</td><td>95</td></tr><tr><td>SHELTERED</td><td>0</td><td>0</td><td>0</td></tr><tr><td>SUM</td><td>2</td><td>178</td><td>180</td></tr></table>					SECURE	ASSURED	SUM	HOUSES	1	84	85	FLATS	1	94	95	SHELTERED	0	0	0	SUM	2	178	180																																															
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SUMMARY SHEET - Existing Use Value for Social Housing
28 June 2012

Longhurst Group
Bond Issue - Spire Rent to HomeBuy - Restricted

1. STOCK	<table><tr><td></td><td>SECURE</td><td>ASSURED</td><td>SUM</td></tr><tr><td>HOUSES</td><td>0</td><td>1</td><td>1</td></tr><tr><td>FLATS</td><td>0</td><td>6</td><td>6</td></tr><tr><td>SHELTERED</td><td>0</td><td>0</td><td>0</td></tr><tr><td>SUM</td><td>0</td><td>7</td><td>7</td></tr></table>					SECURE	ASSURED	SUM	HOUSES	0	1	1	FLATS	0	6	6	SHELTERED	0	0	0	SUM	0	7	7																																																			
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SUMMARY SHEET - Market Value
28 June 2012

Longhurst Group
Bond Issue - Spire Rent to HomeBuy

1. STOCK	HOUSES	SECURE	0	ASSURED	3	SUM	3	
	FLATS		0		1		1	
	SHELTERED		0		0		0	
	SUM		0		4		4	
2. INCOME	SECURE TENURE							
	Average Actual Rents	Houses:			£0.00	per week		
		Flats:			£0.00	per week		
		Sheltered:			£0.00	per week		
	Annual % Increase:	Houses:			5% every other year			
		Flats:			5% every other year			
		Sheltered:			5% every other year			
	ASSURED TENURE							
	Average Actual Rents	Houses:			£156.12	per week		
		Flats:			£113.23	per week		
		Sheltered:			£0.00	per week		
	Average Rents in Year 1	Houses:			£151.67	per week		
		Flats:			£110.00	per week		
		Sheltered:			£0.00	per week		
	Annual % Increase	Houses:	YR 0 - 1		-2.8%			
			YR 2 Onwards		1.0%			
		Flats:	YR 0 - 1		-2.8%			
			YR 2 Onwards		1.0%			
		Sheltered:	YR 0 - 1		0.0%			
			YR 2 Onwards		1.0%			
	3. OTHER INCOME	Garages (income per week)	0	units @		£0.00	per week	
		Voids expressed as a % Gross Income				15.0%	per annum	
		0 RTBs:				£0 over 50 years		
	4. SALES RATE		Houses			3.0%	per annum	
4a. SHELTERED RELET RATE		Flats			4.0%	per annum		
		Sheltered			8.0%	per annum		
5. BAD DEBTS / VOIDS	expressed as a % of Gross revenue	Years 1 - 3			8.00%	per annum		
		Year 4-5			5.00%	per annum		
		Year 6 Onwards			5.00%	per annum		
6. TIMESCALE	52	Weeks		YR. 3 Onwards		52	Weeks	
7. DISCOUNT RATE	Sales		10.00%	Income		8.00%	per annum	
8. EXPENDITURE	Management & Administration		% of gross income		10.0%	per annum		
		CATCH UP & MAJOR REPAIRS	unit cost		CYCLICAL COSTS	unit cost		
		Gross			Gross			
		Inc.VAT			Inc.VAT			
	YR. 1	£2,000.00			£300.00		£275.00	
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	Average YR. 26 onwards	£675.00			£300.00		£275.00	
VAT @ 20.0%								
9. EXPENDITURE INFLATOR	Year 1		1.00% per annum		Year 2 Onwards		1.00% per annum	
10. M.V. SALES	Price Inflator	Years 1 - 3		0.00%	Average House Price		£140,000	
		Year 3 onwards		1.00%	Average Flat Price		£55,000	
	Sale Costs			3.00%	Average Sheltered Price		£0	
	Capitalisation Rate			7.25%	Average Price		£118,750	
11. VALUATION SAY	Unit Price		£70,000		59%		£280,000	
[Date of last valuation]		[Last valuation]						

Shared Ownership Properties - EUV-SH
Longhurst Group
Bond Issue - Spire Shared Ownership

Sales
35.27%

Rent
64.73%

No. of units 103
Equity retained 58.50%
Assumed tranche sales @ 25%
Equity tranches available 241
Current rent roll per annum £262,427
Weeks 52
Average rent per week (per unit) £49.00 +3.4% yield NIY 4.85%
MV-VP (equity retained) £74,170 IRR 6.22%
Average VP value per unit £126,796
Outgoings pa (% gross income) 5% £127.39 pu pa
Sales costs 3%

Proportion of Value

Tranche Sales	Years	0	to	1	0
	Years	2	to	10	6
	Years	11	to	25	4
	Years	26	to	50	2

Constant Price Rent Increases	0.50%
Real House Price Increase	Yrs 1 - 3 0.00%
	Yr 4 + 1.00%
Discount rate	Income 5.75%
	Sales 8.25%
Capitalisation Rate	5.50%

Net Present Value £5,140,000 Unit Price £49,903 67% of MV-VP (Retained Equity)

[Date of last valuation] Last valuation

Year	Equity Retained	Equity Sold	Average Rent (per Tranche per month)	Gross Rent Per annum	Outgoings Per Annum	Net Rent per annum	PV (Rent) @ 5.75%	Average MV-VP per tranche	Net Sales Receipt	PV (Sales) @ 8.25%
2012	241	0	£90.74	£262,427	£13,121	£249,306	£242,433	£31,699	£0	£0
2013	235	6	£91.20	£257,184	£12,859	£244,325	£224,671	£31,699	£184,654	£163,952
2014	229	6	£91.66	£251,882	£12,594	£239,288	£208,075	£31,699	£184,654	£151,457
2015	223	6	£92.12	£246,513	£12,326	£234,187	£192,567	£32,016	£186,501	£141,313
2016	217	6	£92.58	£241,078	£12,054	£229,024	£178,082	£32,336	£188,365	£131,848
2017	211	6	£93.04	£235,577	£11,779	£223,798	£164,556	£32,659	£190,247	£123,017
2018	205	6	£93.51	£230,035	£11,502	£218,533	£151,948	£32,986	£192,151	£114,779
2019	199	6	£93.98	£224,424	£11,221	£213,203	£140,181	£33,316	£194,074	£107,092
2020	193	6	£94.45	£218,746	£10,937	£207,809	£129,205	£33,649	£196,014	£99,919
2021	187	6	£94.92	£213,000	£10,650	£202,350	£118,971	£33,985	£197,971	£93,226
2022	183	4	£95.39	£209,476	£10,474	£199,003	£110,641	£34,325	£193,301	£87,988
2023	179	4	£95.87	£205,929	£10,296	£195,632	£102,853	£34,668	£194,633	£84,104
2024	175	4	£96.35	£202,335	£10,117	£192,218	£95,563	£35,015	£195,981	£80,481
2025	171	4	£96.83	£198,695	£9,935	£188,760	£88,741	£35,365	£197,340	£77,100
2026	167	4	£97.31	£195,009	£9,750	£185,259	£82,359	£35,719	£198,715	£73,946
2027	163	4	£97.80	£191,297	£9,565	£181,732	£76,399	£36,076	£140,101	£71,002
2028	159	4	£98.29	£187,537	£9,377	£178,160	£70,825	£36,437	£141,503	£68,256
2029	155	4	£98.78	£183,731	£9,187	£174,544	£65,614	£36,801	£142,917	£65,694
2030	151	4	£99.27	£179,877	£8,994	£170,883	£60,745	£37,169	£144,346	£63,303
2031	147	4	£99.77	£175,994	£8,800	£167,195	£56,202	£37,541	£145,790	£61,073
2032	143	4	£100.27	£172,063	£8,603	£163,460	£51,959	£37,916	£147,247	£58,992
2033	139	4	£100.77	£168,084	£8,404	£159,680	£47,998	£38,295	£148,718	£57,050
2034	135	4	£101.27	£164,057	£8,203	£155,855	£44,301	£38,678	£150,206	£55,238
2035	131	4	£101.78	£159,998	£8,000	£151,998	£40,855	£39,065	£151,709	£53,548
2036	127	4	£102.29	£155,890	£7,794	£148,095	£37,642	£39,456	£153,227	£51,971
2037	125	2	£102.80	£154,200	£7,710	£146,490	£35,209	£39,851	£77,381	£50,250
2038	123	2	£103.31	£152,486	£7,624	£144,861	£32,925	£40,250	£78,155	£49,564
2039	121	2	£103.83	£150,761	£7,538	£143,223	£30,782	£40,653	£78,938	£48,923
2040	119	2	£104.35	£149,012	£7,451	£141,561	£28,771	£41,060	£79,728	£48,326
2041	117	2	£104.87	£147,237	£7,362	£139,876	£26,883	£41,471	£80,526	£47,768
2042	115	2	£105.39	£145,438	£7,272	£138,166	£25,110	£41,886	£81,332	£47,248
2043	113	2	£105.92	£143,628	£7,181	£136,446	£23,449	£42,305	£82,146	£46,763
2044	111	2	£106.45	£141,791	£7,090	£134,702	£21,891	£42,728	£82,967	£46,310
2045	109	2	£106.98	£139,930	£6,996	£132,933	£20,429	£43,155	£83,796	£45,887
2046	107	2	£107.51	£138,043	£6,902	£131,141	£19,057	£43,587	£84,635	£45,493
2047	105	2	£108.05	£136,143	£6,807	£129,336	£17,773	£44,023	£85,482	£45,125
2048	103	2	£108.59	£134,217	£6,711	£127,506	£16,569	£44,463	£86,336	£44,782
2049	101	2	£109.13	£132,266	£6,613	£125,652	£15,440	£44,908	£87,200	£44,461
2050	99	2	£109.68	£130,300	£6,515	£123,785	£14,384	£45,357	£88,072	£44,163
2051	97	2	£110.23	£128,308	£6,415	£121,892	£13,394	£45,811	£88,953	£43,884
2052	95	2	£110.78	£126,289	£6,314	£119,975	£12,466	£46,269	£89,843	£43,624
2053	93	2	£111.33	£124,244	£6,212	£118,032	£11,598	£46,732	£90,742	£43,381
2054	91	2	£111.89	£122,184	£6,109	£116,075	£10,785	£47,199	£91,649	£43,155
2055	89	2	£112.45	£120,097	£6,005	£114,092	£10,024	£47,671	£92,565	£42,943
2056	87	2	£113.01	£117,982	£5,899	£112,083	£9,312	£48,148	£93,491	£42,746
2057	85	2	£113.58	£115,852	£5,793	£110,059	£8,647	£48,629	£94,425	£42,562
2058	83	2	£114.15	£113,693	£5,685	£108,009	£8,025	£49,115	£95,369	£42,391
2059	81	2	£114.72	£111,508	£5,575	£105,932	£7,442	£49,606	£96,322	£42,230
2060	79	2	£115.29	£109,295	£5,465	£103,830	£6,898	£50,102	£97,285	£42,081
2061	77	2	£115.87	£107,064	£5,353	£101,711	£16,178	£50,603	£98,258	£41,942

Approved _____ Date _____

Cumulative Total £3,326,831 £1,812,351
Rent 64.73% Sales 35.27%

SUMMARY SHEET - Existing Use Value for Social Housing
28 June 2012

Longhurst Group
Uncharged Lot B - Spire Supported - Restricted

1. STOCK	HOUSES	SECURE	ASSURED	SUM
		0	4	4
	FLATS	0	0	0
	SHELTERED	0	0	0
	SUM	0	4	4

SECURE TENURE (Calculated Target Rents)				
Houses (Target 0%)	Average Actual Rent	£	-	per week
	Real Growth	YR 0 to 49	0.0%	
		YR 49 onwards	0.0%	
Flats (Target 0%)	Average Actual Rent	£	-	per week
	Real Growth	YR 0 to 49	0.0%	
		YR 49 onwards	0.0%	
Sheltered (Target 0%)	Average Actual Rent	£	-	per week
	Real Growth	YR 0 to 49	0.0%	
		YR 49 onwards	0.0%	

ASSURED TENURE (Calculated Target Rents)				
Houses (Target 0%)	Average Actual Rent		£75.90	per week
	Real Growth	YR 0 to 12	-2.2%	
		YR 12 onwards	0.5%	
Flats (Target 0%)	Average Actual Rent		£0.00	per week
	Real Growth	YR 0 to 49	0.0%	
		YR 49 onwards	0.0%	
Sheltered (Target 0%)	Average Actual Rent	£	-	per week
	Real Growth	YR 0 to 49	0.0%	
		YR 49 onwards	0.0%	

3. OTHER INCOME	Garages (income per week)	0	units @ £	-	per week
	Voids expressed as a % Gross Income			15.0%	per annum
	0 RTBs:			£0 over 50 years	

4. RE-LETS	Secure to Assured	Houses	3.0%	per annum
		Flats	5.0%	per annum
		Sheltered	8.0%	per annum

5. BAD DEBTS / VOIDS	Bad debts / voids expressed as a % of Gross revenue	Year 1	2.50%	per annum
		Year 2 Onward:	2.50%	per annum

6. TIMESCALE	YR 1:	52 Weeks	YR 2 Onwards:	52 Weeks

7. DISCOUNT RATE	Income:	6.50%	per annum

8. EXPENDITURE	Management & Administration	£650	per unit
	% variable	Year 1 Onward:	1.0% per annum

	CATCH UP & MAJOR REPAIRS unit cost Gross Inc.VAT	CYCLICAL COSTS unit cost Gross Inc.VAT	DAY TO DAY unit cost Gross Inc.VAT	SUM
YR. 1	£600.00	£325.00	£300.00	£1,225.00
YR. 2	£600.00	£325.00	£300.00	£1,225.00
YR. 3	£600.00	£325.00	£300.00	£1,225.00
YR. 4	£600.00	£325.00	£300.00	£1,225.00
YR. 5	£600.00	£325.00	£300.00	£1,225.00
Average YR. 6 -10	£625.00	£325.00	£300.00	£1,250.00
Average YR. 11 -15	£650.00	£325.00	£300.00	£1,275.00
Average YR. 16 -20	£675.00	£325.00	£300.00	£1,300.00
Average YR. 21 -25	£700.00	£325.00	£300.00	£1,325.00
Average YR. 26 onwards	£725.00	£325.00	£300.00	£1,350.00

VAT @	20.0%

9. EXPENDITURE INFLATOR	Year 1:	1.00% per annum	Year 2 Onward:	1.00% per annum

10. M.V. SALES	Price Inflator	Years 1 - 3	0.00%	Average House price	£100,000
		Year 4 Onwards:	1.00%	Average Flat price	£0
	Sale Costs		3.00%	Average Sheltered price	£0
	Capitalisation Rate		6.25%	Overall Average Price	£100,000

11. VALUATION	Unit Price	£17,500	% VP	18%	EUVSH	£70,000

[Date of last valuation]	[Last valuation]

SUMMARY SHEET - Market Value
28 June 2012

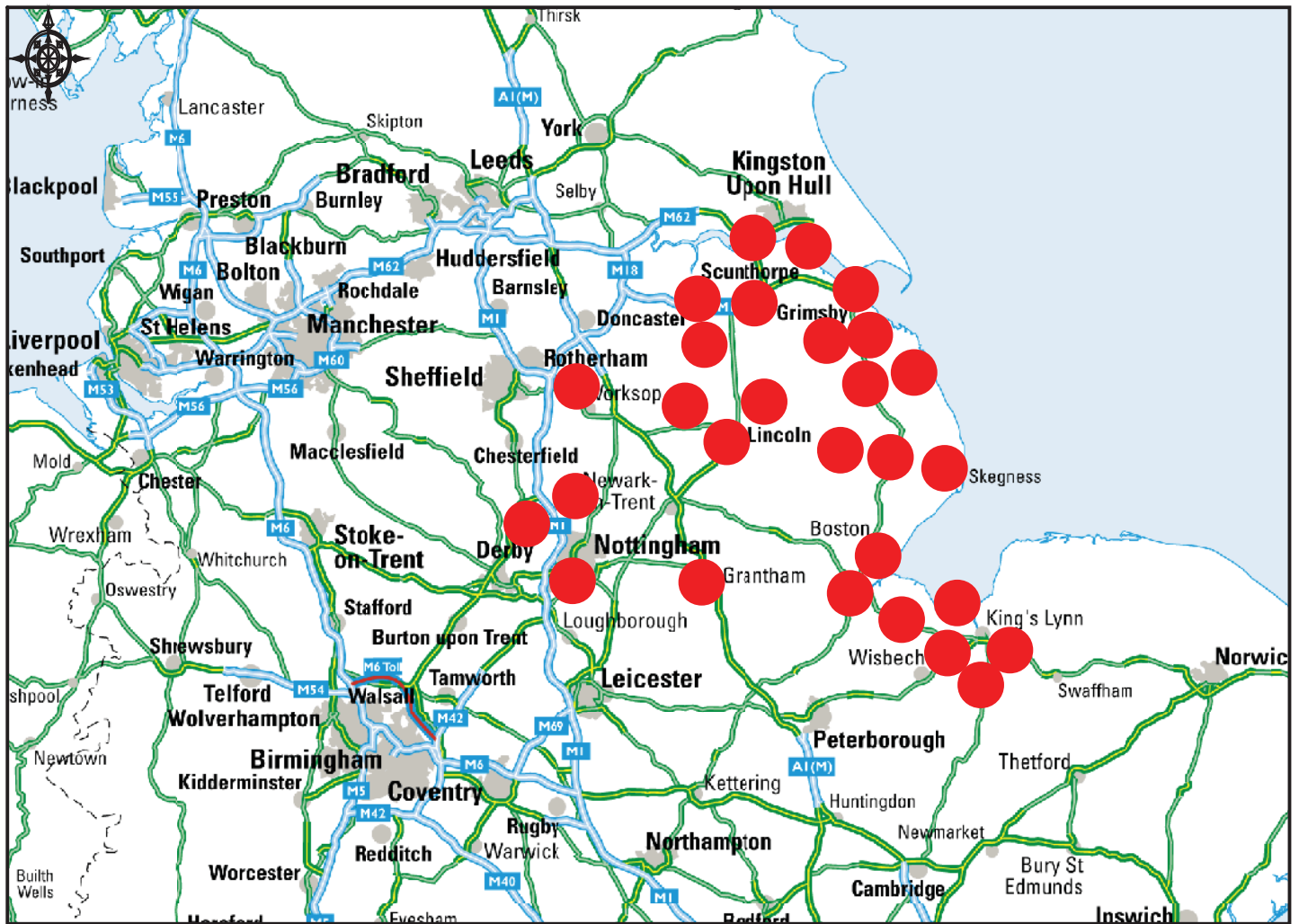
Longhurst Group
Uncharged Lot B - Spire Supported

1. STOCK	HOUSES	SECURE	0	ASSURED	0	SUM	0	
	FLATS		0		7		7	
	SHELTERED		0		3		3	
	SUM		0		10		10	
2. INCOME	SECURE TENURE							
	Average Actual Rents	Houses:		£0.00	per week			
		Flats:		£0.00	per week			
		Sheltered:		£0.00	per week			
	Annual % Increase:	Houses:		5% every other year				
		Flats:		5% every other year				
		Sheltered:		5% every other year				
	ASSURED TENURE							
	Average Actual Rents	Houses:		£0.00	per week			
		Flats:		£72.14	per week			
		Sheltered:		£88.52	per week			
	Average Rents in Year 2	Houses:		£0.00	per week			
		Flats:		£77.85	per week			
		Sheltered:		£40.00	per week			
	Annual % Increase	Houses:	YR 0 - 2	0.0%				
			YR 3 Onwards	1.0%				
		Flats:	YR 0 - 2	3.9%				
			YR 3 Onwards	1.0%				
		Sheltered:	YR 0 - 2	-32.8%				
			YR 3 Onwards	1.0%				
	3. OTHER INCOME	Garages (income per week)	0	units @	£0.00	per week		
		Voids expressed as a % Gross Income				15.0%	per annum	
		0 RTBs:				£0 over 50 years		
	4. SALES RATE		Houses		10.0%	per annum		
4a. SHELTERED RELET RATE		Flats		10.0%	per annum			
		Sheltered		8.0%	per annum			
5. BAD DEBTS / VOIDS	expressed as a % of Gross revenue	Years 1 - 3		10.0%	per annum			
		Year 4-5		5.00%	per annum			
		Year 6 Onwards		5.00%	per annum			
6. TIMESCALE	52	Weeks	YR. 3 Onwards	52	Weeks			
7. DISCOUNT RATE	Sales	10.00%	Income	8.00%	per annum			
8. EXPENDITURE	Management & Administration	% of gross income	10.0%	per annum				
		CATCH UP & MAJOR REPAIRS	CYCLICAL COSTS	DAY TO DAY	SUM			
		unit cost	unit cost	unit cost				
		Gross	Gross	Gross				
		Inc.VAT	Inc.VAT	Inc.VAT				
	YR. 1	£2,000.00	£300.00	£275.00	£2,575.00			
	YR. 2	£2,000.00	£300.00	£275.00	£2,575.00			
	YR. 3	£500.00	£300.00	£275.00	£1,075.00			
	YR. 4	£500.00	£300.00	£275.00	£1,075.00			
	YR. 5	£500.00	£300.00	£275.00	£1,075.00			
	Average YR. 6 -10	£525.00	£300.00	£275.00	£1,100.00			
	Average YR. 11 -15	£550.00	£300.00	£275.00	£1,125.00			
	Average YR. 16 -20	£575.00	£300.00	£275.00	£1,150.00			
	Average YR. 21 -25	£600.00	£300.00	£275.00	£1,175.00			
	Average YR. 26 onwards	£625.00	£300.00	£275.00	£1,200.00			
	9. EXPENDITURE INFLATOR	VAT @	20.0%					
Year 1		1% per annum	Year 2 Onwards	1%	per annum			
10. M.V. SALES	Price Inflator	Years 1 - 3	0.00%	Average House Price	£0			
		Year 3 onwards	1.00%	Average Flat Price	£45,000			
	Sale Costs		3.00%	Average Sheltered Price	£30,000			
	Capitalisation Rate		7.25%	Average Price	£40,500			
11. VALUATION SAY	Unit Price	£24,000	59%	£240,000				
	[Date of last valuation]	[Last valuation]						

Appendix 4

Location Plan

Longhurst Group Limited
Barclays Bank plc
Location Plan



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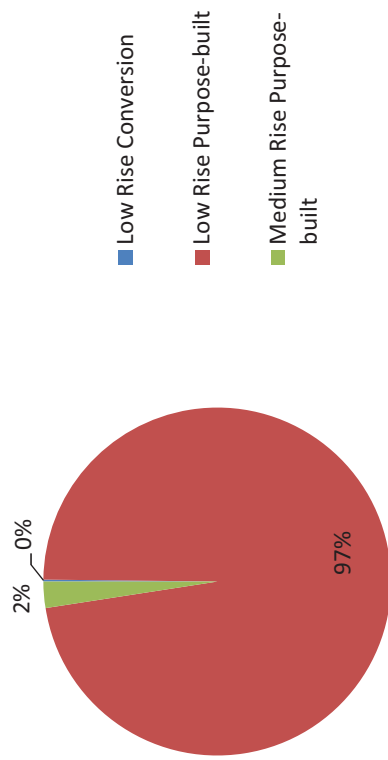


Appendix 5

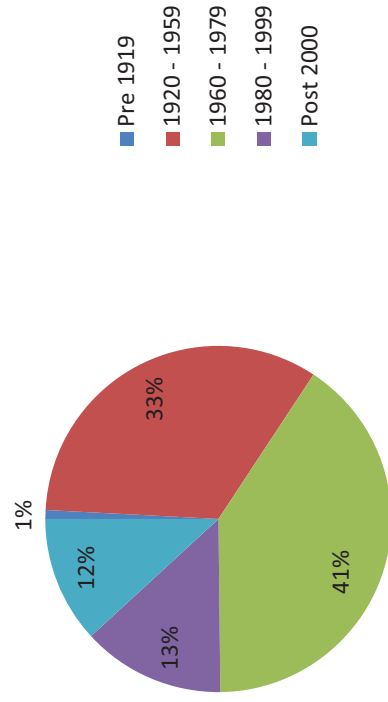
Portfolio Analysis

Analysis of the Portfolio

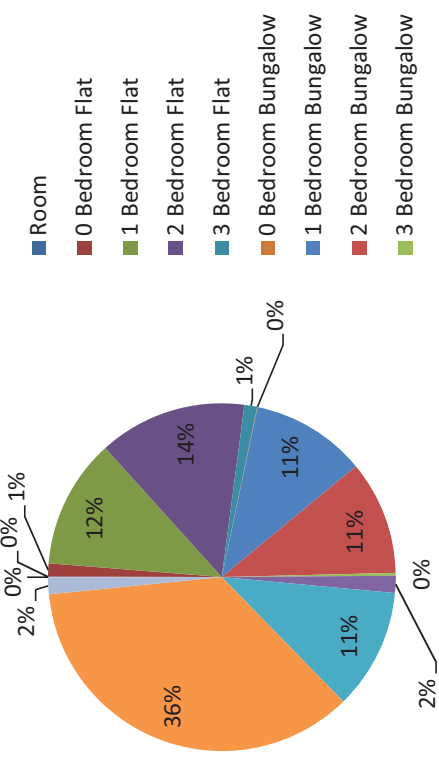
Archetypes within the Portfolio



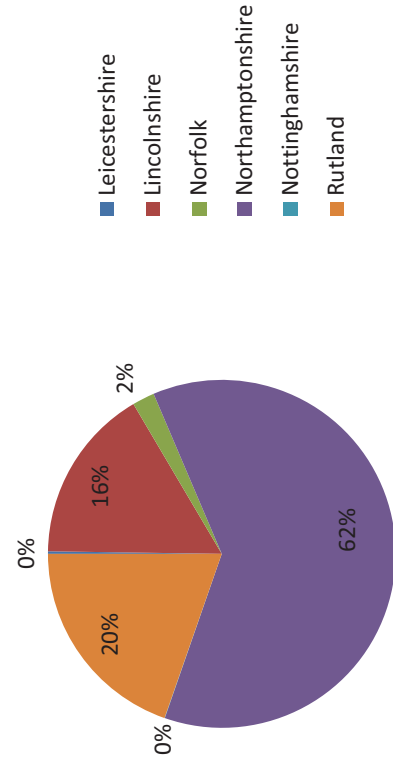
Age Profile of the Portfolio



Property types within the Portfolio



Locations within the Portfolio



Appendix 6

Photographs



LE15, 95 South Street



LE15, 106-112 Cold Overton Road



LE15, 7-8 Lowther Close



LN5, 2 Southdown



NN9, 5 Cherry Court



NN9, 9 & 10 The Close



NN9, 17 Arthur Nutt Court



NN9, 20 Windmill Road



NN10, 4 Barrett Close



NN10, 10 The Hawthorns



NN14, 8 Nene View



NN18, 15 Clarendon Close



PE7, 8-10 Hollowside Road



PE8, 1 Inkerman Way



PE8, 30 Springfield Road



PE8, 55 West Street



PE8, 1-2A Milton Terrace



PE8, 6 Milton Terrace



PE21, 3 Westfield Close



PE21, 4 Gardeners Walk



PE38, 8-12 Basil Drive



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TAXATION

United Kingdom Taxation

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Bonds. It is based on current law and the practice of HMRC, which may be subject to change, sometimes with retrospective effect. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of the Bonds. The comments relate only to the position of persons who are absolute beneficial owners of the Bonds.

The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Bondholders who are in any doubt as to their tax position should consult their professional advisers. Bondholders who may be liable to taxation in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Bonds are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain United Kingdom taxation aspects of payments in respect of the Bonds. In particular, Bondholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Bonds even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

UK Withholding Tax on the Bonds

The Bonds will constitute “quoted Eurobonds” provided they are and continue to be listed on a recognised stock exchange. Whilst the Bonds are and continue to be quoted Eurobonds, payments of interest on the Bonds may be made without withholding or deduction for or on account of United Kingdom income tax.

Securities will be “listed on a recognised stock exchange” for this purpose if they are admitted to trading on an exchange designated as a recognised stock exchange by an order made by the Commissioners for HMRC and they are included in the Official List of the UK Listing Authority (within the meaning of Part 6 of the FSMA).

The London Stock Exchange is a recognised stock exchange, and accordingly the Bonds will constitute quoted Eurobonds provided they are and continue to be included in the United Kingdom official list and admitted to trading on the Regulated Market of that Exchange.

In all cases falling outside the exemption described above, interest on the Bonds may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

Provision of Information

Bondholders should note that, in certain circumstances, HMRC has power to obtain information (including the name and address of the beneficial owner of the interest) from any person in the United Kingdom who either pays or credits interest to or receives interest for the benefit of a Bondholder. In certain circumstances, the information so obtained may be passed by HMRC to the tax authorities of certain other jurisdictions.

The provisions referred to above may also apply, in certain circumstances, to payments made on redemption of any Bonds which constitute “deeply discounted securities” for the purposes of section 430 of the Income Tax (Trading and Other Income) Act 2005 (although, in this regard, HMRC published guidance for the year 2012/2013 indicates that HMRC will not exercise its power to obtain information in relation to such payments in that year).

Information may also be required to be reported in accordance with regulations made pursuant to the EU Savings Directive (defined below).

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the “**EU Savings Directive**”), each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35 per cent.. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-European Union countries to the exchange of information relating to such payments.

A number of non-European Union countries, and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

Other Rules Relating to United Kingdom Withholding Tax

1. Where Bonds are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax and reporting requirements as outlined above.
2. Where interest has been paid under deduction of United Kingdom income tax, Bondholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.
3. The references to “interest” above mean “interest” as understood in United Kingdom tax law. The statements above do not take any account of any different definitions of “interest” or principal” which may prevail under any other law or which may be created by the terms and conditions of the Bonds or any related documentation.
4. The above description of the United Kingdom withholding tax position assumes that there will be no substitution of an issuer pursuant to Condition 16 of the Bonds or otherwise and does not consider the tax consequences of any such substitution.

SUBSCRIPTION AND SALE

The Joint Bookrunners have, in a subscription agreement (the “**Subscription Agreement**”) dated 31 July 2012, jointly and severally agreed to subscribe or procure subscribers for the Bonds (other than the Reserve Bonds) at the issue price of 98.266 per cent. of the principal amount of the Bonds (other than the Reserve Bonds), less a combined selling and underwriting commission. The Issuer shall also reimburse the Joint Bookrunners in respect of certain of its expenses. The Issuer has agreed separately a fee with the Sole Arranger and Joint Bookrunner. In addition, the Issuer has agreed to indemnify each of the Joint Bookrunners against certain liabilities incurred in connection with the issue of the Bonds. The Subscription Agreement may be terminated in certain circumstances prior to payment of the Issuer.

United States

The Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each of the Joint Bookrunners has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver Bonds (a) as part of its distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Closing Date within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Bonds, an offer or sale of Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used above have the meanings given to them by Regulation S under the Securities Act.

United Kingdom

Each of the Joint Bookrunners has agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 (*Restrictions on financial promotion*) of the FSMA received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Bonds in, from or otherwise involving the United Kingdom.

General

Each of the Joint Bookrunners has agreed that it will, to the best of its knowledge and belief, comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Bonds or possesses or distributes this Prospectus and will obtain any consent, approval or permission which is, to the best of its knowledge and belief, required by it for the purchase, offer, sale or delivery by it of Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries.

None of the Issuer, the Bond Trustee or the Joint Bookrunners represents that Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The creation and issue of the Bonds has been approved by a resolution of the Board of Directors of the Issuer dated 12 June 2012.

Listing of Bonds

It is expected that the official listing will be granted on or about 3 August 2012 subject only to the issue of the Temporary Global Bond. Application has been made to the UK Listing Authority for the whole class of Bonds (including any Reserve Bonds) to be admitted to the Official List and to the London Stock Exchange for the whole class of Bonds (including any Reserve Bonds) to be admitted to trading on the London Stock Exchange's regulated market.

The Issuer estimates that the total expenses related to the admission to trading will be £4,200. The Borrowers shall pay to the Issuer, *inter alia*, an amount equal to such expenses in accordance with the Loan Agreement.

Documents on display

For the period of 12 months following the date of this Prospectus, copies of the following documents will, when published, be available for inspection during normal business hours from the registered office of the Issuer and from the specified office of the Paying Agent for the time being in London:

- (a) the constitutional documents of the Issuer and each Borrower;
- (b) the audited financial statements of each Borrower in respect of the financial years ended 31 March 2010 and 31 March 2011, together with the audit reports prepared in connection therewith. Each Borrower currently prepares audited accounts on an annual basis;
- (c) the audited financial statements of the Group in respect of the financial years ended 31 March 2010 and 31 March 2011, together with the audit reports prepared in connection therewith. The Group currently prepares audited accounts on an annual basis.
- (d) the most recently published audited annual financial statements (if any) of the Issuer and the most recently published unaudited interim financial statements (if any) of the Issuer in each case together with any audit or review reports prepared in connection therewith;
- (e) the Bond Trust Deed, the Bond Security Deed, the Issuer Floating Charge Agreement, the Agency Agreement, the Account Agreement, the Custody Agreement, the Reserve Bond Custody Agreement, the Loan Agreement, the Security Trust Deeds and the Legal Mortgages;
- (f) the Valuation Report;
- (g) a copy of this Prospectus; and
- (h) any future offering circulars, prospectuses and information memoranda relating to the Bonds and any other documents incorporated therein by reference.

Clearing Systems

The Bonds have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The ISIN for this issue is XS0806873385 and the Common Code is 080687338.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

Characteristics of underlying assets

The Loan Agreement has characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Bonds.

Significant or Material Change

There has been no material adverse change in the financial or trading position or prospects of the Issuer since its date of incorporation.

There has been no significant change in the financial or trading position of L&H or Spire since 31 March 2011 and there has been no material adverse change in the prospectus of L&H or Spire since 31 March 2011.

There has been no significant change in the financial or trading position of the Longhurst Group since 31st March, 2011 and there has been no material adverse change in the prospects of the Longhurst Group since 31st March, 2011.

Litigation

The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since the date of its incorporation which may have or has in such period had a significant effect on financial position or profitability of the Issuer.

Neither Borrower is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which it is aware) in the 12 months preceding the date of this Prospectus which may have or has in such period had a significant effect on the financial position or profitability of the either Borrower.

No member of the Longhurst Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which either Borrower is aware) in the 12 months preceding the date of this Prospectus which may have or has in such period had a significant effect on the financial position or profitability of either Borrower.

Auditors

The auditors of the Issuer are Beever & Struthers, Chartered Accountants and Statutory Auditor. As at the date of this Prospectus no financial statements have been prepared in respect of the Issuer. The auditors of the Issuer have no material interest in the Issuer.

The auditors of the Borrowers are Beever & Struthers, Chartered Accountants and Statutory Auditor, who have audited the Borrowers' accounts, without qualification, in accordance with generally accepted auditing standards in the United Kingdom for each of the two financial years ended on 31 March, 2011 and 31 March, 2010. The auditors of the Borrowers have no material interest in either Borrower.

Post-issuance information

The Issuer does not intend to provide any post-issuance information in relation to the Bonds, the Issuer Security or the Underlying Security, other than as required pursuant to Condition 6.2 (*Information Covenants*).

Joint Bookrunners transacting with the Issuer or the Borrower

The Joint Bookrunners and each of their respective affiliates may in the future engage in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and/or the Borrowers and their affiliates in the ordinary course of business.

ISSUER

LIBRA (Longhurst Group) Treasury plc

Leverett House
Gilbert Drive
Endeavour Park
Boston
Lincolnshire PE21 7TQ

BORROWER

Longhurst & Havelok Homes Limited

Leverett House
Gilbert Drive
Endeavour Park
Boston
Lincolnshire PE21 7TQ

Spire Homes (LG) Limited

1 Crown Court
Crown Way
Rushden
Northamptonshire NN10 6BS

BOND TRUSTEE AND SECURITY TRUSTEES

Prudential Trustee Company Limited

Laurence Pountney Hill
London EC4R 0HH

PRINCIPAL PAYING AGENT

The Bank of New York Mellon

One Canada Square
London E14 5AL

ACCOUNT BANK, CUSTODIAN AND RESERVE BOND CUSTODIAN

The Bank of New York Mellon, London Branch

One Canada Square
London E14 5AL

SOLE ARRANGER AND JOINT BOOKRUNNER

Lloyds TSB Bank plc

10 Gresham Street
London EC2V 7AE

JOINT BOOKRUNNER

Barclays Bank PLC

5 The North Colonnade
London E14 4BB

BORROWER'S FINANCIAL ADVISORS

Savills plc

20 Grosvenor Hill
Berkeley Square
London W1K 3HQ

LEGAL ADVISERS

To the Issuer and the Borrower as to English law

Cobbetts LLP
70 Gray's Inn Road
London WC1X 8BT

*To the Sole Arranger and Joint Bookrunner,
the Joint Bookrunner and the Bond Trustee and
Security Trustees as to English law*

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

PROPERTY ADVISERS

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W1B 5NH

Wright Hassall LLP
Olympus Avenue
Leamington Spa
Warwickshire
CV34 6BF

AUDITORS

To the Issuer and the Borrower

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St George's House
215/219 Chester Road
Manchester
M15 4JE

