WE, APPLECROSS PROPERTIES LIMITED, incorporated in Scotland under the Companies Acts (Company Number 69229) and having our Registered Office at Sixty five Grange Loan, Edinburgh, heritable proprietors of ALL and WHOLE that area or piece of ground extending to Nine hundred and Twenty seven decimal or one-thousandth parts of an hectare or thereby lying on the east side of Craighall Road, Edinburgh in the County of Midlothian being the subjects described in, disponed by and delineated in red on the Plan annexed and executed as relative to Disposition by The City of Edinburgh Council in our favour dated Fifth and recorded in the Division of the General Register of Sasines on Thirteenth November Nineteen hundred and Ninety seven; CONSIDERING that we are about to erect on the development two buildings with six separate entrances comprising Numbers One, Two, Three, Seven, Eight and Nine New Cut Rigg, Edinburgh containing ninety five flatted dwellinghouses together with garages and car parking spaces all as the said area of ground is shown delineated on the plan annexed and signed as relative hereto (which area of ground together with the buildings erected thereon is hereinafter referred to as "the development") and that we are about to execute Dispositions or other Conveyances in favour of various purchasers and that it is expedient to declare various reservations, real burdens, conditions, prohibitions, declarations, obligations and stipulations under which each of the properties is in the future to be held by the respective proprietors thereof; FURTHER CONSIDERING that in order to create a jus quaesitum tertio in favour of the respective proprietors and to avoid repetition ad longum of all such additional reservations, real burdens, conditions and others in each of the Dispositions or other Conveyances to be granted by us we have resolved in terms of the powers conferred by Section 32 of the Conveyancing (Scotland) Act 1874 to execute these presents so that the said reservations, real burdens, conditions and others may (so far as applicable) be imported by reference to these presents into all Dispositions and other Conveyances to be hereafter granted by us as well as with all Conveyances to be thereafter granted of and relating to the same by reference or otherwise to these presents; THEREFORE in virtue of the said Act, we Do Hereby PROVIDE and DECLARE as follows:-

FIRST For the purpose of interpreting these presents the following terms shall have the meanings set opposite them;

~~MID 98 3263~~

MID 98 3264

REGISTERS OF SCOTLAND
GENERAL REGISTER OF SASINES
COUNTY OF MIDLOTHIAN
FICHE 3264 FRAME 1
PRESENTED AND RECORDED ON 17 NOV 1998

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"Applecross" this term shall apply to us the said Applecross Properties Limited and our successors and assignees in the right to enforce the burdens hereinafter created;

"proprietor" this term shall apply to the purchaser/purchasers of one of the dwellinghouses and garages or car parking spaces affected by this Deed of Conditions, his successors and assignees as heritable proprietor;

"Factor" this term shall apply to a Factor appointed in terms of Clause Tenth of this deed;

"car parking spaces" this term shall apply to each and every one of the car parking spaces which have been exclusively alienated to the proprietors and are to be disponed in each of the said Feu Dispositions and are shown on the plan annexed and signed as relative hereto;

"proprietors" this term shall apply to all the proprietors of the dwellinghouses and garages or car parking spaces affected by this Deed of Conditions;

"dwellinghouse(s)" this term shall apply to the dwellinghouses in the development and shall include the glass in the windows of the dwellinghouse, the front door, the interior joinery, plasterwork, tiling and other surfaces of walls, the dwellinghouse down to the upper side of the joists, slabs or beams of individual dwellinghouses to which the same are affixed, the ceiling finishes and internal walls (which are not main structural walls, nor load bearing walls, nor walls which divide the dwellinghouses from adjoining dwellinghouses or any of the common parts which are hereby declared to be party walls) together with all cisterns, tanks, plumbing, drains, sewers, pipes, wires, cables, ducts, conduits and channels used or enjoyed solely for the purpose of any one dwellinghouse;

"Building 1": this term shall apply to the Building located on the westmost part of the

development comprising forty four flatted dwellinghouses and three separate entrances, together with the common property effeiring thereto as hereinafter defined, known as Numbers 1, 2 and 3 New Cut Rigg, Edinburgh and shown marked "Building 1" on the said plan;

"Building 2": this term shall apply to the Building located on the eastmost part of the development comprising fifty one flatted dwellinghouses together with the common property effeiring thereto, as hereinafter defined, known as Numbers 7, 8 and 9 New Cut Rigg, Edinburgh and shown marked "Building 2" on the said plan;

"Building/ Buildings" this term shall apply to one of or both of Building 1 and Building 2;

"garage blocks" this term shall apply to the four garage blocks on the development, Numbers 4, 5, 6 and 10 New Cut Rigg, Edinburgh as shown on the said plan;

"Common Property of the development" this term shall apply to the unbuilt on portions of ground surrounding Buildings 1 and 2 (excluding the garages and car parking spaces), the boundary walls of the development (so far as forming part of the development), the access roads forming part of the development, the footpaths and walkways, the external lighting within the development, the common garden ground, the visitors parking area as shown on the said Plan, all common grass, planted, slabbed, tarmacadamed and gravelled areas, all trees and shrubs, the whole drains and soil pipes, water, gas and other pipes, the sewers, drains, soil, gas, water and other pipes, electricity, television, security and telephone cables and all other services serving the development, the cycle stores, all parts and pertinents which are common and mutual to the development but do not form part of the Common Property of a Building and all those parts of the development which on completion by Applecross shall not have been exclusively alienated to the proprietors or taken over for adoption by the Local Authority;

"Common Property of a Building" this term shall apply to:-

(a) the solum of a Building, the foundations, outside walls (including window frames), load bearing walls, gables, roof and attic space (excluding from the definition of the roof any roof light and upstand thereof which only serves a specific dwellinghouse) roof trusses, surface water and foul drainage pipes, rhones, and gutters;

(b) the common entrances and entrance doors, the entrance hall, staircase, stairs, stair railings, the walls enclosing the staircase, the refuse chutes, refuse stores and refuse bins, the stair windows (including any roof lights and cupola serving the staircase), the hatchway or hatchways leading to the roof , the stair lights, the fitted carpets and all wall and floor coverings, and the entry system;

(c) the whole drains and soil pipes and main water supply pipes, all domestic supply pipes, water, gas and other pipes, the sewers, drains, soil, gas, water and other pipes, electricity, television (including the common television aerial), security and telephone cables and all other services (including the running costs of such services) serving a Building;

(d) the lift, liftshaft, liftgear, lift plant room and all others pertaining solely to the provision of a lift in a Building and the insurance of said lift;

(e) all other parts and pertinents which are common to the various dwellinghouses within a Building and do not form part of the Common Property of the development;

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"Common Property of a garage block" this term shall apply to the solum (so far as not occupied by the solum of each garage) the foundations, outside walls, gables, roof, surface water drainage pipes, rhones and gutters of each of the four garage blocks.

SECOND Each dwellinghouse shall be used and occupied solely as a private dwellinghouse and shall not be sub-divided or occupied by more than one family at a time and the dwellinghouse and any part of its common property shall not be used by the proprietor or his tenant(s) for the carrying on therein of any trade, business, profession or occupation or for the selling of any goods or wares of any sort. No additional house or building whether of a permanent, temporary or portable nature shall be erected on the development. No external alterations to any part of the development including without prejudice to the foregoing generality alterations of or to the doors, windows or balconies thereof shall be made. No board, card, plate or advertising notice of any kind shall be placed on any dwellinghouse or any part of the dwellinghouse other than the usual door nameplates. The external woodwork of a Building and a garage block shall be painted or otherwise treated as a common repair in terms of these presents and the whole of such external woodwork shall be maintained in a uniform colour and no proprietor shall be allowed to paint or treat any external surfaces or outside walls of his dwellinghouse or garage block a different shade or colour to the remainder of the dwellinghouses or garages in their respective Buildings or garage blocks.

THIRD (i) No motor cars, motor cycles, bicycles, boats, caravans, motorhomes or commercial vehicles (hereinafter referred to as "vehicles") shall be parked on the development or any part thereof other than in garages or visitors cars on the visitors car parking areas as shown on the said plan and bicycles which may only be parked in the cycle stores. Only private motor cars and motor

cycles may be parked on the car parking spaces. No vehicles shall be parked on any part of the development so as to impede access to any part of the development. Each proprietor is prohibited from selling, leasing or disposing of the car parking space pertaining to a dwellinghouse separately therefrom, and such car parking space shall be used solely in conjunction with the dwellinghouse to which it pertains as a parking space.

(ii) No work shall be done on motor cars or motor cycles within the development or any part thereof except normal maintenance and repair of a motor car or motor cycle belonging to a proprietor, which exception shall not, however, permit a proprietor, to keep any vehicle jacked up or otherwise not in a road worthy condition for longer than is reasonably necessary to complete such repair or maintenance. The Factor will be entitled to tow away any such vehicles left in an unroadworthy condition after due notice has been given in writing to the proprietor of the car parking space where such vehicles have been left, all at the expense of that proprietor.

(iii) the proprietors of garages are prohibited from making use of the electricity supply in any of the garages (which supply is connected to a common electricity supply for parts of the development) for purposes other than those associated with the normal use as a garage.

FOURTH (a) No individual external television aerials (including satellite television aerials) or wireless masts shall be permitted and the proprietors shall be entitled only to connect to the common aerial socket provided for this purpose;

(b) No clothes lines or projecting poles shall be suspended from the

windows or walls of any part of the development, or from any balconies, forming part thereof;

(c) No window boxes, flower pots or containers shall be erected or placed on any external window ledge or on any part of the common stairs or landings but are permitted on balconies;

(d) No garbage cans, ash buckets or other forms of refuse receptacle shall be permitted anywhere on the development other than in the Refuse Stores provided.

FIFTH The proprietor of each dwellinghouse, garage and car parking space shall maintain his property in a good state of repair and decoration and take all appropriate steps either by himself or in conjunction with others to prevent damage to the fabric of the same which may prejudice the stability thereof or create a nuisance to other proprietors and in particular but without prejudice to the foregoing generality, by control of vermin and immediate treatment of any dry rot, wet rot or infestation by wood-boring insects which may be detected and the repair of any damage to waterpipes or other services, pipes or wires. Any proprietor who fails to take timeous and adequate measures to prevent or repair such damage or defects, including notification to adjoining proprietors whose premises may be affected will be liable for any damage caused as a result of such failure.

DECLARING THAT whereas certain dwellinghouses have been constructed with balconies the proprietors of such dwellinghouses will be individually responsible for the maintenance, repair and renewal thereof including the coverings, railings and other non structural parts thereof. FURTHER DECLARING THAT in the event of such proprietors using said balconies in such a way as to cause damage to other dwellinghouses or any common property they shall be liable for any such damage occasioned thereto.

SIXTH (One) (i) The proprietor of a dwellinghouse in a Building, shall possess a pro indiviso right of common property with each and every other proprietor in the Building of which that dwellinghouse forms part, to the Common Property of the Building.

(ii) The proprietor of each dwellinghouse in a Building shall be liable jointly and severally with the proprietors of the other dwellinghouses within the Building of which that dwellinghouse forms part, for the maintenance, repair and renewal of the Common Property of the Building of which that dwellinghouse forms part and each dwellinghouse shall be burdened with an equal share of the expense of such maintenance, repair and renewal of the Common Property of the Building of which that dwellinghouse forms part.

DECLARING THAT whereas each of the three entrances in each Building is provided with a lift the liability for all costs associated with the provision of a lift as defined in Clause "d" of the definition of Common Property of a Building in Clause **FIRST** hereof ("the lift costs") and also those costs associated with the maintenance and repair of such common entrances and stairs will be shared equally between the proprietors of those dwellinghouses entering from each of the six separate entrances provided that proprietors of the dwellinghouses on the ground floor of a Building will have no liability in respect of the lift costs.

(Two) (i) The proprietor of a garage in a garage block shall possess a pro indiviso right of common property with each and

every other proprietor therein to the Common Property of a garage block.

(ii) The proprietor of a garage in a garage block shall be liable jointly and severally with the proprietors of the garages in that garage block for the maintenance, repair and renewal of the Common Property of a garage block and each garage shall be burdened with an equal share of the expense of such maintenance, repair and renewal thereof.

(Three) (i) The proprietors shall possess a pro indiviso right of common property with each and every other proprietor in the development in and to the Common Property of the development.

(ii) The proprietors of dwellinghouses shall be liable jointly and severally with each other for the maintenance, repair and renewal of the Common Property of the development and each dwellinghouse will be burdened with an equal share of the expense of such maintenance, repair and renewal.

EIGHTH Each of the dwellinghouses shall be subject to all necessary servitudes or wayleaves in favour of Applecross, their nominees or any Statutory Undertaker or proprietor of adjoining property (but only so far as said proprietor may require access to the relevant Common property for the maintenance or otherwise of his said adjoining property and that on reasonable notice) for the repair, maintenance, renewal or inspection of the other dwellinghouses in the respective Buildings and for the repair, maintenance and renewal or inspection of common property. Provided that those exercising such servitude or wayleave will be responsible for reinstating any damage caused thereby. There shall be reserved to any

Statutory Undertaker and the Highways Authority all necessary rights of way, servitudes and access in, through and over all service strips forming part of the development of laying down, constructing, inspecting, maintaining, protecting, using, replacing and removing pipes, lines, cables, ducts, other apparatus and conduits laid or to be laid within the said service strips (hereinafter referred to as "the said works") and the proprietors shall be bound not to do or cause or permit to be done on the said service strips anything calculated or likely to cause damage or injury to the said works and to make any material alteration to or erect or install or cause or permit to be erected or installed any building or structure or permanent apparatus on, through, upon or over the said service strips so as to interfere with or obstruct the access thereto or to materially prejudice the said works and without prejudice to the foregoing generality the proprietors are prohibited from planting trees and hedges on the said service strips or altering the surface levels of the service strips; In addition each of the dwellinghouses and the common property shall be subject to all necessary servitudes and wayleaves in favour of the providers of services under the Telecommunications Act 1984 and the Cable and Broadcasting Act 1984.

NINTH The proprietors shall be bound to give free access to their respective dwellinghouses at all reasonable times to tradesmen and others to allow each and every repair necessary for the comfortable enjoyment of the other dwellinghouses in the Buildings to be carried out provided that those exercising such right of access will be responsible for reinstating any damage caused thereby.

TENTH A Factor shall be appointed who will be responsible for instructing and supervising the common repairs and maintenance of the respective Common Property and for apportioning the cost thereof among the proprietors in accordance with the provisions of these presents. In the event of the office of Factor falling vacant for any reason the proprietors shall be bound forthwith to appoint another Factor in his place and the proprietors shall not

allow the said office of Factor to remain unfilled. Applecross shall appoint a Factor to hold office during the period commencing on the date of entry of the proprietor to the first dwellinghouse sold and ending on completion of one full year following the date of entry of the proprietor to the last dwellinghouse sold;

ELEVENTH After Applecross have sold all the dwellinghouses the proprietors of any fifteen dwellinghouses shall have power to call a meeting of the proprietors of the other dwellinghouses in the development to be held at such reasonably convenient time and place as the conveners of said meeting may determine, and of which time and place at least fourteen days notice in writing shall be given by or on behalf of the said conveners to the proprietors of the other dwellinghouses and at any meeting so convened any of the proprietors may be represented by a Mandatory. The quorum of a meeting of the proprietors of the dwellinghouses in the development shall be any twenty such proprietors or their mandatories. The proprietors present at such meeting or their mandatories shall be entitled to one vote for each dwellinghouse owned by them or their principals: Declaring that in the event of any of the said dwellinghouses being owned by two or more persons only one of such owners shall be entitled to vote and in no case may more than one vote be allowed in respect of a single dwellinghouse. It shall be competent at any relevant meeting by a majority of the votes of those present:-

(Primo) To order to be executed any common or mutual operations, maintenance and repairs, decoration et cetera to any common property, including external paintwork as provided in Condition SECOND hereof.

(Secundo) To make any regulations in conformity with these presents which may be considered necessary with regard to the preservation, cleaning, use and enjoyment of any common property.

(Tertio) To delegate to the Factor appointed as aforesaid full right, power and authority to take charge of all matters pertaining to the maintenance and preservation of any common property and the employment of labour thereanent.

(Quarto) To instruct the collection by the Factor of the annual maintenance charge aftermentioned from each proprietor and the accounting by the Factor for his intromissions therewith.

(Quinto) To instruct the employment by the Factor of a gardener or other staff as required for the maintenance of any common property.

(Sexto) To determine, if necessary, the apportionment of the landlord's electricity supply and in particular the apportionment of the common electricity supply in any of the garages in the event that any proprietor makes use thereof contrary to the terms of Clause THIRD (iii) hereof.

(Septimo) To determine the amount of the Factor's remuneration and the annual maintenance charge from time to time.

(Octavo) To remove the Factor and appoint another in his place.

(Nono) To deal with any other matter which the Conveners of the Meeting shall consider necessary or desirable for the benefit of the proprietors or the development or any part thereof or common property.

DECLARING that the said Factor shall, unless otherwise determined by a meeting of the proprietors, be entitled during the continuance of his appointment to exercise the whole rights and powers which may

competently be exercised at or by a meeting of proprietors convened as aforesaid with the exception of (Septimo) and (Octavo) above; and FURTHER DECLARING that all reasonable and proper expenses and charges incurred for any work undertaken or services performed in terms of or in furtherance of the provisions herein contained and the remuneration of the Factor shall be payable by the proprietors (in the proportions stipulated for common repairs in Clause **SIXTH** hereof) whether consentors thereto or not in the same way as if their consent had been obtained and in the event of non payment within one calendar month the Factor shall be entitled to sue for recovery of the same in his own name, together with all expenses. FURTHER DECLARING that in the event that the Factor is unable to recover said proportion of remuneration from any of the proprietors the sums outstanding and any reasonable legal fees and expenses incurred in trying to recover same shall become a debt due by all the proprietors to the Factor and shall be payable by the proprietors as hereinbefore provided;

TWELFTH Each dwellinghouse shall be burdened with the real lien and burden of an initial sum as determined by the Factor for the first year's maintenance charge and thereafter such other sum by way of maintenance charge all as may be determined in accordance with Clause **SIXTH** hereof, said sum to be payable twice yearly in advance to the Factor appointed as aforesaid and to be applied by the Factor in his accounting for his intromissions to the several proprietors of the dwellinghouses towards the indebtedness of each proprietor for his proportion of the whole expenses of maintenance and preservation of any common property, including Factorial Remuneration and charges incurred by the Factor. The Factor's decision in regard to the apportionment of common charges in terms of these presents shall be final PROVIDED that in the event of any twenty five proprietors disputing such apportionment the matter will be referred to the amicable decision of an Arbiter to be appointed by the parties or failing agreement by the President of the Law Society of Scotland for the time being; In the event of said expenses of maintenance, wages and factorial remuneration being in excess

of the total maintenance charge paid to the Factor as aforesaid the Factor will be entitled to levy immediately against each proprietor an appropriate share of such excess; In the event of the total of said maintenance charges not exceeding the said expenses of maintenance, wages and factorial remuneration, the balance of said maintenance charges in the hands of the Factor shall be retained by him in an interest bearing account towards the following year's expenses; Declaring that the Factor shall, if required, within one month of Thirtieth December in each year make available to a meeting of proprietors convened as aforesaid a full statement of account of his intromissions validly vouched and failing such request shall make such statement and vouchers available in his place of business to any proprietor wishing to have sight thereof or to his appointed agent.

THIRTEENTH The proprietors shall be bound to keep the whole of the Buildings, the garages and all common property constantly insured against loss by fire and other risks normally insured against under a Common Comprehensive Insurance Policy and covering without prejudice to the generality inter alia the risks of Property Owners Liability, Fire, Explosion, Lightning, Storm or Tempest, Flood, Riot and Civil Commotion with an established Tariff Insurance Company for the full replacement value (increased by fifteen per centum to cover Architects' and Surveyors' fees) as assessed by Applecross in the first instance so long as they remain proprietors of any of the dwellinghouses and garages pertaining thereto; Which insurance shall be arranged by and shall be in the name of the Factor on behalf of all the proprietors and the holders of heritable and other securities over the same (if any) for their respective rights and interests; And the proprietors of the dwellinghouses and garages shall be bound to pay to the Factor the proportion of the premium attributable to them in accordance with the proportion that the replacement value of their dwellinghouses and garage pertaining thereto bears to the total replacement value of the subjects insured as such proportion shall be reasonably determined by the Factor; Declaring that in the event of any proprietors using any part of the Buildings for any

purpose which shall occasion an increase in the rate of first or other premium, the proprietor or proprietors so causing such increase or increases shall be bound to pay the whole of such increase or increases in the insurance premium and to relieve the remainder of the proprietors thereof; And in the event of said dwellinghouses or garages or any part thereof being destroyed or damaged by fire or other insured cause the whole sum received from the Insurance Company shall be expended in re-erecting the subjects damaged or destroyed and in paying said Architects' and Surveyors' fees; And the proprietors shall be bound to restore the subjects destroyed or damaged as aforesaid as also by any other cause within two years from date of destruction or damage.

FOURTEENTH No poultry, ducks, pigeons, rabbits, bees or other animals or livestock shall be kept in, on or about the dwellinghouse or the buildings thereon except with our consent; Each proprietor may keep not more than one dog or cat (unless with our prior written consent) in, on or about the dwellinghouse or the buildings thereon but only provided that such dog or cat shall not occasion any nuisance to the adjoining proprietors.

FIFTEENTH There shall be reserved to us and our foresaids, but subject always to the terms of the Coal Act 1938 and Coal Industry Nationalisation Act 1946 the whole coal, shale, limestone marl, ironstone, clay, freestone, slate, marble and other stone, and all other mines, metals, minerals and fossils, though not hereinbefore specially enumerated within and under the said area of ground with full power and liberty to us or our foresaids or any person authorised by us or them, but without entering on the surface of the said area of ground, to search for, work, win, raise, calcine, manufacture and carry away the said minerals and others and to do everything necessary for all or any of these purposes; DECLARING THAT we or our foresaids exercising any of the said reserved rights and powers shall be bound to make payment to the proprietors of all damage which may be thereby occasioned to the surface of the development or the dwellinghouses or garages erected or to be erected

thereon as such damage shall, failing agreement, be ascertained by arbitration.

SIXTEENTH Applecross expressly reserve to themselves the right, so long as they remain proprietors of any of the dwellinghouses, to alter or modify in whole or in part the foregoing conditions and in the event of their so doing the proprietors shall have no right or title to object thereto and will have no claim in respect thereof, provided such alterations or modifications are not materially prejudicial to the interests of those proprietors who have purchased their dwellinghouse prior to the alterations or modifications being effected.

SEVENTEENTH It is hereby expressly provided and declared that if any proprietor shall contravene or fail to implement any of the reservations, burdens, conditions, provisions, declarations and others herein written his dwellinghouse and garage shall in the option of Applecross revert and belong to Applecross; All which reservations, burdens, conditions, declarations and others before written or referred to are hereby declared real liens, burdens and servitudes upon and affecting the foregoing said subjects and as such are appointed to be recorded in the appropriate Division of the General Register of Sasines and also to be fully inserted or validly referred to in all Dispositions, Conveyances, Transmissions, Instruments and Investitures of and in the flats and garages, otherwise the same shall in the option of Applecross be void and null.

EIGHTEENTH The foregoing reservations, burdens, conditions, provisions, declarations, and others herein written are declared to Constitute a Common Plan or Scheme with the effect of conferring on each of the proprietors the right to enforce the said reservations, burdens, conditions, provisions, declarations and others against all other proprietors so far as each proprietor may in every

case have a patrimonial interest so to do: IN WITNESS WHEREOF these presents typewritten on this and the sixteen preceding pages together with the plan annexed are subscribed for us and on our behalf by Graham Francis Aggett and Colin Cumberland both Directors at Edinburgh on the Sixteenth day of November, Nineteen hundred and Ninety-eight.

G.F. Aggett (DIRECTOR)

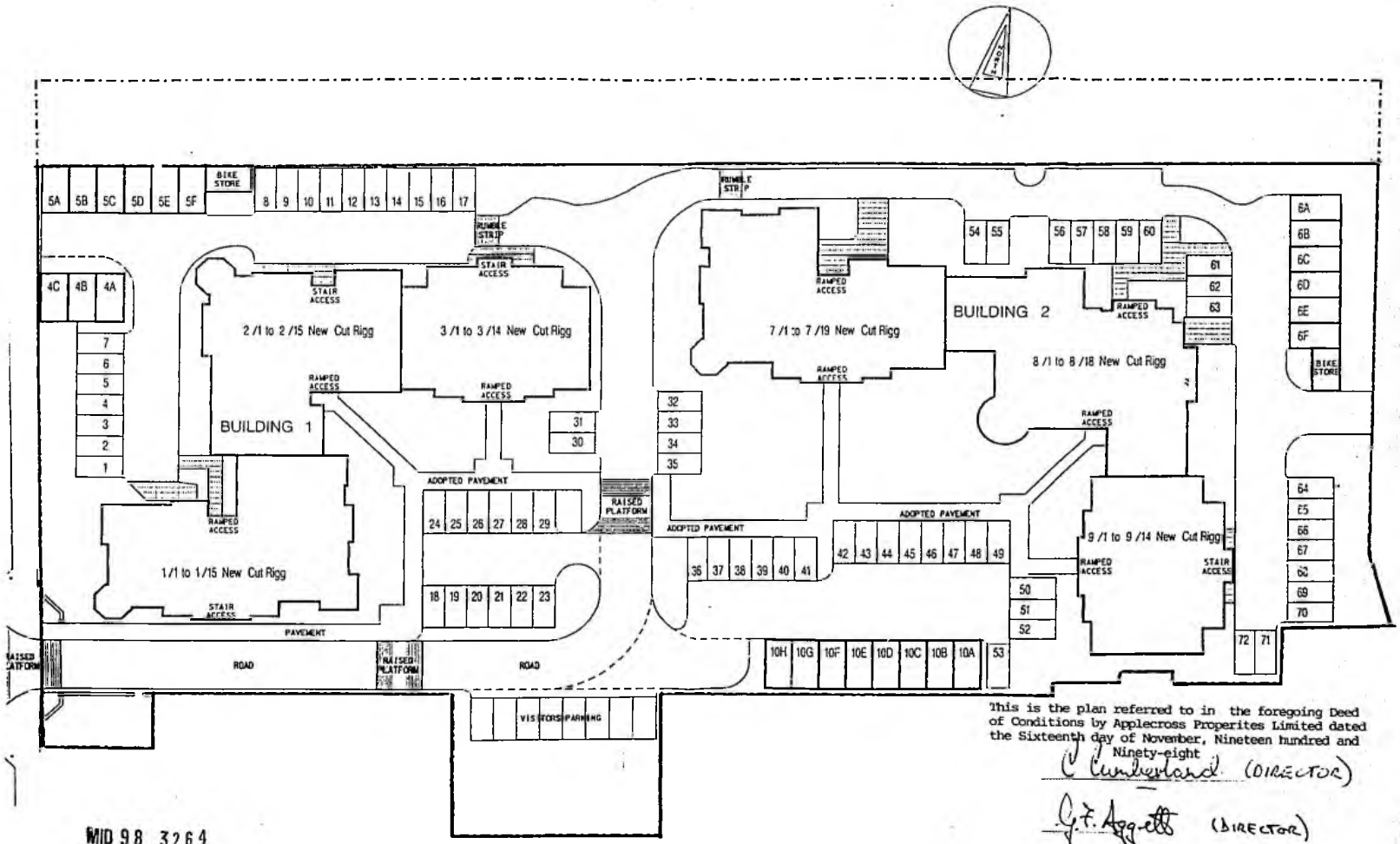
C. Cumberland. (DIRECTOR)

REGISTER on behalf of the within named APPLECROSS PROPERTIES LIMITED in the REGISTER of the COUNTY of MIDLOTHIAN

WS, Edinburgh
Agents

MID 98 3264

17



This is the plan referred to in the foregoing Deed of Conditions by Applecross Properites Limited dated the Sixteenth day of November, Nineteen hundred and Ninety-eight

C Cumberland (DIRECTOR)

G.F. Aggett (DIRECTOR)

MID 98 3264