

HEAD OF LEGAL AND DEMOCRATIC SERVICES

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OL13 OBB

Website: www.rossendale.gov.uk

This matter is being dealt with by:

Name: Linda Fisher

Telephone: 01706 252447

Email: lindafisher@rossendalebc.gov.uk

Our reference: LF/DF

Your reference:

Dear Sirs

Re: Transfer of Housing Stock – between Rossendale Borough Council (1) and Green Vale Homes Limited (2)

I refer to the proposed sale by Rossendale Borough Council (the "**Council**") to Limited (the "**Company**") of the Council's housing stock and in particular the Agreement for Transfer of Housing Stock between the Council and the Company dated on or about [*insert date*] and each schedule, agreement, document, contract, transfer and deed entered into under or in connection therewith including the Deed of Warranty between the Council and the Company and the Deed of Collateral Warranty between the Council and the [**Lender**] and the transfer between the Council and the Company each dated on or about [*insert date*] (all such agreements, deeds and documents together with all other documents entered into or to be entered into by the Council with or in favour of the Company, or the [**Lender**] on or about the date hereof being, together, the "**Documents**")

In connection with the giving of this opinion, I have examined:

- (a) the Documents in the final form prior to execution and delivery thereof by the Council;
- (b) the Council's Constitution for approving entry into and the execution and delivery of deeds by the Council and for the delegation of its authority and the powers of the Executive;

- (c) the minutes and resolutions of the Council dated [*insert date*], [the Council's Executive dated [*insert date*]] authorising, inter alia, the entry into and the execution and delivery of the Documents; and
- (d) such other documents as might reasonably be considered appropriate for the purposes of giving this opinion,

and made such other enquiries as might reasonably be expected of me.

For the purpose of giving this opinion, I have assumed:

- 1 that all parties to the Documents, other than the Council, have the capacity, power and authority to enter into and perform their respective obligations under the Documents;
- 2 that each of the Documents is a legally valid obligation of each party to it other than the Council; and
- 3 that no foreign law affects any of the conclusions stated below.

I do not express any opinion as to, nor have I investigated, the laws of any jurisdiction other than England.

I am of the opinion that, as at the date hereof, as a matter of English Law, and subject to the Council obtaining the consent of the Secretary of State under sections 32, 34 and 43 of the Housing Act 1985 and under section 25 of the Local Government Act 1988 (together the "**Consents**"), the Council has the power and authority to enter into, observe and perform the terms and obligations on its part to be observed and performed by it under the Documents and has taken all necessary action and obtained all necessary consents to authorise the execution and delivery of the Documents and the performance of its obligations thereunder in accordance with their respective terms.

On receipt of the Consents, neither the execution and the delivery of, nor the performance by the Council of its obligations under, the Documents will violate any provision of any existing applicable law, rule, regulation or agreement binding on the Council, and the Documents constitute valid and legally binding obligations of the Council enforceable in accordance with their respective terms.

I confirm that the Consents have been obtained by the Council and such consents are unconditional or, if conditional in any respect, any conditions attaching thereto have been satisfied in full.

I confirm that, once the Council's common seal has been affixed to the Documents to be executed as deeds and attested by the [*insert position of authorised signatory*] or once any such Documents not required to be executed as deeds have been signed by the [*insert position of authorised signatory*] and each of the Documents has been unconditionally delivered to

the parties named thereon, they will have been validly entered into by, and will bind and be enforceable against, the Council.

The above opinions are subject to the following reservations:

- 1 Under English Law, the power of a court to order specific performance of an obligation and other equitable remedies is discretionary and, accordingly, an English Court might make an award of damages where specific performance of an obligation or equitable remedy is sought.
- 2 An English Court might not enforce the provisions relating to default interest in the Documents on the grounds that the provisions thereof do not constitute a genuine pre-estimate of the loss suffered in the circumstances envisaged and may, therefore, not be recoverable.
- 3 Notwithstanding any express words to the contrary in any of the Documents, an English Court may regard a certificate of any person as to the amount of any sum due of it or any other person under any of the Documents as no more than prima facie evidence of such amount.
- 4 The question of whether or not the provisions in the Documents which are illegal, invalid or unenforceable under applicable law may be severed from other provisions in order to save those other provisions, would be determined by an English Court at its discretion.
- 5 The Documents may be amended orally by the parties thereto, notwithstanding provisions therein to the contrary.
- 6 The obligations of the Council under the Documents may be limited by bankruptcy, insolvency, liquidation or other rules affecting creditors' rights generally.
- 7 English courts may not give effect to any indemnity for legal costs incurred by an unsuccessful litigant.
- 8 For the avoidance of any doubt I express no opinion as to the Council's title to the property transferred, leased or licensed pursuant to the Transfers Agreement.
- 9 The above opinions and confirmations are given by me in my capacity as Solicitor to the Council and on the condition that all personal liability is excluded.

This opinion is addressed to the parties referred to at the head of this opinion letter and is solely for their benefit. This opinion is limited to matters addressed herein and is not to be read as an opinion with respect to any other matter.

There follow the specimen signatures and titles of those who will or may attest the execution as deeds of the Documents (or sign Documents not required to be executed as deeds) referred to above.

Name	Title	Specimen Signature

I attach to this letter copies of the minutes and resolutions of the Council and the Council's Executive referred to therein.

Yours faithfully,

[Council Solicitor]