

Our ref: IT.pl.28843.11.3

Your ref: DM0000M/50450U-90546

Date: 11<sup>th</sup> May 2010

Mr Scott Taviner,  
Debt Management  
Northern Rock,  
Doxford 1  
1 Grayling Court,  
Doxford International Business Park,  
Sunderland, SR3 3XG

Dear Sir

**Grove Mill Cottage, Hollingbourne, Kent ME17 1UQ ('the Property')**

We regret your discourtesy in failing to respond to our letter of 18<sup>th</sup> February, a copy of which was sent to you on 1<sup>st</sup> April.

You are no doubt aware that Kingsfords claim to have found a buyer for the Property at a price of £460,000. You should also be aware that the property comprises land registered under 3 separate title numbers, and that Northern Rock has a charge on only one of those 3 titles, namely K495248. You should also be aware that the second mortgagee, Southern Pacific Personal Loans Ltd, has applied to the Land Registry for registration with an equitable charge on title no K662877, on the basis that the land comprised in that title gives access to the Property, and that the Property is valueless without that land. Mr and Mrs Armstrong are opposing the application and a date for an Adjudicator's hearing is awaited.

We presume you will agree with Southern Pacific that the Property cannot be sold if there is no access, and is therefore valueless. Accordingly, it seems to us that Northern Rock's declared intention to sell the Property itself if Kingsfords prove unable to do so is based on a false premise, because Northern Rock does not have a saleable interest. Please let us know whether you agree and, if not, why not.

Lastly, our client Mr Armstrong is in dispute with Kingsfords about the fate of the proceeds of sale. Kingsfords have failed to register their client's charging order against title no K697920, and that title currently has 3 charges on it protecting debts owed by Mr and Mrs Armstrong to various creditors. Kingsfords have written to the holders of two of those charges stating that they will not obtain any money from the sale, as there is insufficient money to repay Southern Pacific. We have pointed out that neither Southern Pacific or Northern Rock has a charge on that title and that,

accordingly, the 3 titles are going to have to be separately valued and the proceeds of sale distributed accordingly. Again, please let us know if you agree with our view.

We look forward to hearing from you as a matter of some urgency.

Yours faithfully

**BERRY & BERRY**