

Dated

2018

**THE CITY OF LONDON LAW SOCIETY
LAND LAW COMMITTEE
CERTIFICATE OF TITLE
(Seventh Edition 2012)**

Property: 1, 2, 4 & 5 Jacob's Court Stillington Road Sutton on the Forest York

Transaction: Further loan from the Chargee to the Company secured by an existing first legal charge over the Property by the Company to the Chargee as security for the loan

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**THE CITY OF LONDON LAW SOCIETY
LAND LAW COMMITTEE
CERTIFICATE OF TITLE
(Seventh Edition 2012)**

To: **PROPLEND SECURITY LIMITED (company no. 8620117) of 20-22 Wenlock Road, London N1 7GU as trustee for the Lenders**

1, 2, 4 & 5 Jacob's Court Stillington Road Sutton on the Forest York and registered at the Land Registry with absolute freehold title under title number NYK316066

1. RELIANCE ON THIS CERTIFICATE

- 1.1 This Certificate is addressed to you and is intended solely for your benefit in connection with the Transaction. It is not to be relied upon by any other person or used for any other purpose. The giving of this Certificate shall not create any retainer with the Chargee.
- 1.2 Clause 1.1 does not prevent this Certificate being disclosed for information purposes only to any third party.
- 1.3 Any claim in respect of this Certificate may only be brought by or through the agency of any of the parties to whom it is addressed. Where a claim would properly lie against any other party involved in the provision of information for or otherwise involved in the preparation or approval of this Certificate and that other party has lawfully and effectively limited, excluded or restricted its liability in respect of any such claim then our liability shall not in any circumstances be increased as a consequence of any such limitation, exclusion or restriction and our liability shall be calculated on the basis that no limitation, exclusion or restriction by that other party is effective. Hague & Dixon's liability to the Chargee in respect of any claim made under this Certificate is limited to the sum of £3,000,000 (three million pounds).

2. CERTIFICATE

On the basis of and insofar as the same is discoverable from our investigations mentioned in this Certificate, we certify that:

2.1 Title

- 2.1.1 We have investigated the title of the Company to the Property in the knowledge that you are relying on this Certificate for the purpose of the Transaction.
- 2.1.2 We have:
- (a) examined and considered the documents of title and other documents and papers relating to the Property produced to or obtained by us; and
 - (b) undertaken those of the searches and enquiries referred to in Schedule 6 which we consider appropriate or necessary in the circumstances of the Transaction and having regard to the nature of the Property and considered the results of the searches and replies to the enquiries

and this Certificate is given solely on the basis of that examination and consideration and the results of those searches and enquiries and from material provided to us by the Company and which, so far as we are aware, is the documentation and information which we need in order to give this Certificate.

2.1.3 Subject to any Disclosures:

- (a) in our opinion, the Company has a good and marketable title to the Property and is solely legally and beneficially entitled to the Property;
- (b) the details of the Property set out in Schedule 2 Part 1 are complete and accurate in all respects;
- (c) if the Company holds the Property under the terms of a lease, the terms of the lease are fairly summarised in Schedule 4 Part 1 and the statements set out in Schedule 4 Part 2 are complete and accurate in all respects;
- (d) no consents are required from any third parties before the Property can be effectively charged to the Chargee by way of legal mortgage or fixed charge and any consents referred to in a Disclosure have been obtained and are not subject to onerous or unusual conditions;
- (e) if the Property is freehold, the Property is not registered as a freehold estate in commonhold under Part I of the Commonhold and Leasehold Reform Act 2002;
- (f) if the title to the Property is registered at the Land Registry, the quality of the title is title absolute; and
- (g) if the title to the Property is not registered at the Land Registry, then:
 - (i) where the Property is freehold, it commences with a good root of title at least 15 years old; or
 - (ii) where the Property is leasehold, it commences with the Lease and has a good root of title at least 15 years old.

2.2 **Matters affecting the Property**

Subject to any Disclosures:

2.2.1 the statements set out in Schedule 3 are complete and accurate in all respects; and

2.2.2 there are no other matters disclosed by our investigations referred to in this Certificate which, in our opinion, should be brought to your attention.

2.3 **Letting Documents**

The Letting Documents are fairly summarised in Schedule 5 Part 1 and, save as stated in any Disclosures, the statements set out in Schedule 5 Part 2 are complete and accurate in all respects.

2.4 **Searches and enquiries**

Save as stated in any Disclosures, the results of the searches and enquiries undertaken do not disclose matters which, in our opinion, should be brought to your attention.

3. THE VALUERS

A copy of the final draft of this Certificate has been sent to the Valuers. They have been requested to confirm to you in writing that the Property is the property valued in their valuation report and that either they have taken the final draft of this Certificate into account in making their valuation or there is nothing in this Certificate which causes them to alter their valuation report.

4. CONFIRMATION OF STATEMENTS

4.1 Where this Certificate states that the Company has “told us” or “confirmed” something (or uses words with similar meaning) (“provided information”), the Company provided information to us in writing.

4.2 A copy of the final draft of this Certificate has been sent to the Company. The Company has confirmed to us within the five working days before the date of this Certificate that to the best of its knowledge, information and belief the information contained in this Certificate is complete and accurate in all respects.

5. 4.3.2 FORM OF CERTIFICATE

This Certificate is in the form of the City of London Law Society Land Law Committee Certificate of Title (Seventh Edition 2012) and in particular there has been no amendment to the main text of this Certificate or to the statements in paragraphs 2 to 4 of Schedule 1 and the statements in Schedule 3 and Part 2 of Schedules 4 and 5 respectively to this Certificate.

6. GENERAL PROVISIONS

The provisions of Schedule 1 shall apply to this Certificate.

Disclosures

SCHEDULE 1

Definitions, interpretation, assumptions, qualifications and applicable law

1. DEFINITIONS AND INTERPRETATION

1.1 In this Certificate the following expressions have the following meanings:

Benefit means (in each case whether or not registered):

- (i) any right or easement (including any acquired or being acquired through prescription); and
- (ii) any restriction, stipulation, restrictive covenant, mining or mineral right, franchise or other interest;

(but not including any reserved under the terms of any Letting Document);

Charge means the legal charge over the Property entered into in favour of the Chargee;

Chargee means Proplend Security Limited (company no. 8620117) of 20-22 Wenlock Road, London N1 7GU ;

Company means Avondale Estates Limited (company no. 08763484) of Baydon Hill Grange Oxford Street, Aldbourne, Marlborough, England, SN8 2DJ;

Disclosure means any disclosure made against a statement in this Certificate or any Schedule to this Certificate

Existing Use means the actual use to which the Property is presently put as referred to in Schedule 2 Part 4;

Incumbrance means:

- (i) any covenant, restriction, stipulation, easement, customary or public right, local land charge, mining or mineral right, franchise, manorial right and any other right or interest in or over land in each case whether or not registered; and
- (ii) any interest not included in paragraph (i) above that will override either first registration (where appropriate) or any registrable disposition;

(but not including any granted to a tenant under the terms of any Letting Document);

Lease means the lease by virtue of which the Company holds or will hold the Property or part thereof (as amended or supplemented);

Lenders has the meaning ascribed to that expression in the Charge and/or Loan Document;

Letting Document means any lease, underlease, tenancy, licence or other agreement or arrangement giving rise to rights of occupation and enjoyment to which the Property is subject (in each case as amended or supplemented);

Loan Document means the loan/facility agreement of even date made between the Company and the Chargee providing for the loan referred to in it, which loan is to be secured by inter alia the Charge;

Premises means the premises demised by any Lease or Letting Document as the case may be;

Property means the property described in Schedule 2 Part 1, the address of which is given at the head of this Certificate;

Town and Country Planning Legislation includes the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990 the Planning (Hazardous Substances) Act 1990 the Planning and Compulsory Purchase Act 2004 and the Planning Act 2008;

Transaction means the further loan from the Chargee to the Company secured by an existing first legal charge (being the Charge) over the Property by the Company to the Chargee as security for the loan ;

Valuer means Stephenson and Son, York Auction Centre, Murton Ln, Murton, York YO19 5GF

1995 Act means the Landlord and Tenant (Covenants) Act 1995.

- 1.2 Any reference to the Property or the Premises includes each and every part of it and all buildings and structures on it.
- 1.3 Any reference, express or implied, to a statute includes references to:
 - 1.3.1 that statute as amended, extended or applied by or under any other statute at the date of this Certificate;
 - 1.3.2 any statute which that statute re-enacts (with or without modification); and
 - 1.3.3 any subordinate legislation made at the date of this Certificate under that statute, as amended, extended or applied as described in paragraph 1.3.1 or under any statute referred to in paragraph 1.3.2.
- 1.4 The expressions “authorised guarantee agreement”, “excluded assignment”, “fixed charge”, “new tenancy”, “overriding lease”, “tenant covenant”, “former tenant”, “guarantor” and “landlord covenant” shall have the meanings given to them in the 1995 Act.
- 1.5 In Schedule 5 “rent” includes licence fee, “tenancy” includes licence and “tenant” includes licensee.
- 1.6 The headings in this Certificate do not affect its interpretation.
- 1.7 Unless the context otherwise requires, the singular includes the plural and vice versa.
- 1.8 Any Disclosure in this Certificate in relation to any particular clause or paragraph is to be treated as being disclosed in relation to any other relevant clause or paragraph.

2. **ASSUMPTIONS**

2.1 We have assumed that all documents relating to the Property have been validly executed and delivered by the parties to them and that all documents are within the capacity and powers of, and have been validly authorised by, each party. There is nothing on the face of the documents which indicates otherwise.

2.2 We have assumed, and the Company has confirmed to us in writing, that:

2.2.1 the Company has provided us with all documents of title relating to the Property of which it has knowledge together with any other information in its possession as is material for the purpose of giving this Certificate; and

2.2.2 each copy document produced to us is a true copy of the original.

3. **QUALIFICATIONS**

3.1 We have not inspected the Property nor have we made any enquiries of the occupiers of the Property (other than the Seller and the Company) nor, where the Property is leasehold, of any landlord or superior landlord.

3.2 We give no opinion as to the capital or rental value of the Property.

3.3 This Certificate does not consider any environmental or flood assessments, audits, surveys or other reports on the environmental condition of the Property and the recipient of this Certificate should consider what investigations it wishes to make in relation to those matters.

3.4 Where information has been provided to us by the Company, our investigations have given us no reason to doubt the accuracy of that information but we do not accept responsibility for it.

3.5 Whilst we express no opinion on whether any transaction affecting the Company's title to the Property may have been at an undervalue or otherwise liable to be set aside under the provisions of the Insolvency Act 1986, the Company has told us that it is not aware of any circumstances which could render any such transaction liable to be set aside under the provisions of that Act.

3.6 We have not investigated whether there is an intention that terms of any relevant document should be enforceable by third parties. Save as stated in any Disclosures, none of the documents relating to the Property expressly provides that a third party can enforce any of its terms in accordance with the Contracts (Rights of Third Parties) Act 1999.

3.7 We have not investigated whether any consents which may have been required under any mortgages or other documents which are no longer subsisting were obtained.

3.8 Except to the extent of any Disclosure against paragraph 9 of Schedule 3 we have not investigated what insurance may be in force in respect of the Property.

4. **APPLICABLE LAW**

This Certificate is limited to English law as applied by the English courts as at the date of this Certificate and is given on the basis that it will be governed by and construed in accordance with English law.

SCHEDULE 2

Property Details

Part 1

The Property

Brief description: Land and buildings known as 1, 2, 4 & 5 Jacob's Court Stillington Road Sutton on the Forest York shown edged red on the attached plan excluding those parts edged green.

Tenure: freehold

Registered title number: NYK316066

Part 2

Benefits

The rights summarised below:

The Property has the benefit of easements for utilities over adjoining land. These are adequate for the Property.

Part 3

Incumbrances

The Property is subject to easements for utilities and way in favour of the land edged green on the attached plan being title number NYK332329. The usual utility easements and a right of way with or without vehicles for access to and egress from the car parking space at the rear of the site also edged green

The rights referred to above do not affect the Existing Use.

Part 4

Existing Use

Residential use as flats

SCHEDULE 3

Matters affecting the Property

TITLE

1. Documents of title and stamp duty land tax

- 1.1 The documents of title consist of original documents or properly examined abstracts and are held by us, or will be held by us, on completion of the Transaction to the order of the Company.
- 1.2 Where necessary, all title deeds are, as appropriate, either (a) fully stamped with ad valorem stamp duty and a particulars delivered stamp or (b) accompanied by a Certificate from HM Revenue & Customs evidencing submission of a land transaction return for the purposes of stamp duty land tax in relation to all circumstances in respect of which a land transaction return is required to be made.
- 1.3 The Company has told us that no further land transaction return or payment in relation to stamp duty land tax is required in respect of any transaction involving the Property which has an effective date prior to the date of this Certificate and there is nothing on the face of the documents to suggest otherwise.

Disclosures

2. Unregistered land

Where title to the Property is not registered at the Land Registry:

- 2.1 there is no caution registered against first registration and no event has occurred in consequence of which registration of title should have been effected.
- 2.2 clear Land Charges Act searches against every estate owner who was a party to any transaction, or concerned in any event, comprised in the relevant title are held with the title deeds.

Disclosures

3. **Access**

The Property abuts a roadway maintainable at public expense at each point where access is gained or has the benefit of all necessary rights of way to and from such a roadway.

Disclosures

4. **Benefits**

4.1 There are appurtenant to the Property the Benefits of a material nature set out in Schedule 2 Part 2. The Company has told us that those Benefits are the only Benefits necessary for the use and enjoyment of the Property for the Existing Use or (if no Benefits are so set out) that none are required.

4.2 Such Benefits are enjoyed freely without interruption and without restriction as to hours of use or otherwise and are held for the same estate or interest as the Company's estate or interest in the Property. None of those Benefits is enjoyed on terms entitling any person to terminate or curtail it.

4.3 The Company has told us that none of the Benefits is in the process of being acquired through prescription.

4.4 Where any such Benefit requires protection (in order to bind all other persons) by:

4.4.1 registration or notice on the title to any registered land; or

4.4.2 a caution against first registration or land charge in respect of any unregistered land
such protection has been properly effected.

Disclosures

5. **Incumbrances**

5.1 The only Incumbrances of a material nature to which the Property is subject are disclosed in Schedule 2 Part 3. The Company has told us that it has not received notice of any breach of and is not aware of any breach of those Incumbrances and that those Incumbrances do not materially adversely affect the Existing Use.

5.2 Where any such Incumbrance does not operate at law without protection by:

5.2.1 registration or notice on the title to the Property (where registered); or

5.2.2 a caution against first registration or land charge affecting the Property (where unregistered)

that protection has been properly effected.

5.3 The Company has told us that it is not aware that any person is in the process of acquiring an Incumbrance over the Property through prescription.

Disclosures

6. Charges

There are no mortgages, charges or liens, legal or equitable, specific or floating, affecting the Property.

Disclosures

The charge over the Property in favour of Proplend Security Limited subsists

7. Agreements

7.1 There are no agreements for sale, estate contracts, options, rights of pre-emption or similar matters affecting the Property the provisions of which remain to be observed or performed.

7.2 There are no obligations binding on the Property to make future payments in respect of overage, clawback, deferred consideration or other payments of a similar nature.

Disclosures

8. Adverse rights

8.1 The Company has told us that it is or will be on completion of the Transaction in actual occupation on an exclusive basis of those parts of the Property as are not the subject of the Letting Documents and that, except by virtue of the Letting Documents, no person, other than the Company, has any right (actual or contingent) to possession, occupation or use of, or interest in, the Property.

8.2 The Company has told us that it has inspected the Property not more than 20 working days before the date of this Certificate and that, so far as it is aware, no one is in adverse possession of the Property or has acquired or is acquiring any rights adversely affecting the Property.

Disclosures

9. **Title policies**

The Company has told us that there are no insurance policies relating to any question of title or covenants affecting the Property.

Disclosures

10. **Complaints and disputes**

The Company has told us that:

- 10.1 it has not had occasion to make any claim or complaint in relation to any neighbouring property or its use or occupation; and
- 10.2 there are no disputes, claims, actions, demands or complaints in respect of the Property which are outstanding or which are expected by it.

Disclosures

11. **Notices**

The Company has told us that no notices materially affecting the Property or any of the Benefits detailed in Schedule 2 Part 2 have been given or received by the Company.

Disclosures

PLANNING

12. **Existing Use**

- 12.1 The Company has told us that the Property is presently used for the Existing Use.

12.2 The Existing Use is a lawful use under the Town and Country Planning Legislation.

Disclosures

13. **Development**

13.1 The Company has told us that it is not aware that:

13.1.1 any development which has been carried out in relation to the Property is unlawful or has been carried out without any necessary consents and permissions being obtained;

13.1.2 any enforcement proceedings under the Town and Country Planning Legislation have been commenced or notices served; or

13.1.3 any such proceedings or notices have been proposed.

13.2 The Company has told us that it is not aware of any acts, omissions or other circumstances by reason of which a planning enforcement order may be applied for or made in relation to the Property.

Disclosures

14. **Validity of permissions**

The Company has told us that no planning permission affecting the Property is the subject of an existing challenge as to its validity. Our local authority search did not reveal that any planning permission has been issued within the three months immediately before the date of that search.

Disclosures

15. **Conditions**

15.1 The planning permissions affecting the Property are subject only to conditions which the Company has told us have either been satisfied so that nothing further remains to be done under them or, in the case of continuing conditions, are being complied with and the Company knows of no reason why those conditions should not continue to be so complied with.

15.2 There are no unusual or onerous conditions attaching to any planning permission affecting the Property, and no planning permission is subject to any condition or limitation making it

temporary (other than the conditions referred to in Sections 91 and 92 of the Town and Country Planning Act 1990) or personal to anyone.

Disclosures

16. **Pending applications**

The Company has told us that there is no application for planning permission in respect of the Property awaiting determination and no planning decision or deemed refusal which is subject to appeal.

Disclosures

17. **Planning agreements**

17.1 There is no agreement or planning obligation or planning contribution (together a “**Planning Agreement**”) affecting the Property under Section 52 of the Town and Country Planning Act 1971, Section 38 and Section 278 of the Highways Act 1980, Section 33 of the Local Government (Miscellaneous Provisions) Act 1982, Section 106 of the Town and Country Planning Act 1990, Section 104 of the Water Industry Act 1991, Part 11 of the Planning Act 2008 or any provision in legislation of a similar nature and the Company has told us that it is not required to enter into any such Planning Agreement.

17.2 Where there is any Planning Agreement, the Company has told us that, so far as it is aware, all of the obligations which have fallen due as at the date of this Certificate have been observed or performed and that no notice of breach has been received, and that there are no material obligations which remain to be observed or performed.

Disclosures

18. **Listed buildings etc.**

None of the buildings or other structures or erections on the Property has been listed under Section 1 of the Planning (Listed Buildings and Conservation Areas) Act 1990 nor has the relevant local authority served or authorised the service of any building preservation notice under Section 3 of the Planning (Listed Buildings and Conservation Areas) Act 1990 or any repairs notice under Section 48 of the Planning (Listed Buildings and Conservation Areas) Act 1990 in respect of the Property.

Disclosures

19. **Ancient Monuments**

The Property is not within an area of archaeological importance nor is any building or erection on the Property a scheduled monument within the meaning set out in the Ancient Monuments and Archaeological Areas Act 1979.

Disclosures

20. **Compulsory acquisition**

The Company has told us that it is not aware of any resolution, proposal, order or act made or contemplated for the compulsory acquisition of the Property or any private access to it.

Disclosures

STATUTORY MATTERS

21. **Statutory requirements**

The Company has told us that it is not aware of any outstanding order, notice or other requirement of any local or other authority that affects the Existing Use or involves expenditure in compliance with it nor of any other circumstances which may result in any such order or notice being made or served.

Disclosures

22. **Statutory compliance**

The Company has told us that it has not received notice of any breach of and is not aware of any material breach of the requirements of any statute capable of enforcement at the date of this Certificate which affects the Property.

Disclosures

ENVIRONMENT

23. **Environmental notices and permits**

23.1 The Company has told us that:

23.1.1 it does not hold any permits, licences, consents, authorisations, registrations or any other approvals (together an “**environmental permit**”) under any legislation relating to pollution or protection of health and the environment (together “**environmental laws**”) in respect of the Property;

23.1.2 it is not aware of the need for any environmental permit under any environmental laws in respect of the Existing Use of the Property; and

23.1.3 it has not received any written notices, notifications or orders under any environmental laws in respect of the Property or the Existing Use of the Property.

23.2 Where required by the Transaction, the Company has obtained an energy performance certificate for the Property.

Disclosures

GENERAL

24. **Construction work and warranties**

The Company has told us that:

24.1 no buildings or other structures on the Property have been erected or been subject to extension or major alteration within the six years prior to the date of this Certificate; and

24.2 there are no agreements, certificates, guarantees, warranties or insurance policies relating to the construction, repair, replacement, treatment or improvement of any building or structure on the Property.

Disclosures

25. **Outgoings**

The Company has told us that the Property is not subject to the payment of any outgoings other than the uniform business rate or water rates (and where the Property is leasehold sums due under the Lease) and the Company has told us that all such payments have been made to date.

Disclosures

26. **Fixtures and fittings**

The Company has told us that all fixtures and fixed plant at the Property, other than (where the Property is leasehold) landlord's fixtures or (where the Property is subject to a Letting Document) tenant's fixtures, are, or will on completion of the Transaction be, the Company's property free from incumbrances.

Disclosures

SCHEDULE 4

The Lease

Part 1

Details of the Lease under which the Property is held

Note: Please include a heading for each part of the Property held under a separate lease

Part 1A

Details of Lease

Premises the subject of the Lease:	
Date:	
Original parties:	
Length of term:	
Contractual term commencement date:	
Contractual term expiry date:	
Does the term expressly include any statutory continuation?	Yes/No
Is the Lease contracted out of the Landlord and Tenant Act 1954:	Yes/No
Summary of the rights granted to the tenant	
Summary of the rights reserved to the landlord	
Name and address of present landlord, provided by the Company:	
Name of any present guarantor of the tenant:	
Original annual rent including details of any premium paid:	
Current annual rent:	
Rent review frequency:	
Remaining rent review dates:	

Present permitted use (and whether personal):	
Specified insured risks:	

Part 1B

Licences

Date	Document description	Parties

Part 2

Statements

1. Details of the Lease

Relevant details of the Lease are fairly summarised in Part 1A of this Schedule and any licences granted are listed in Part 1B of this Schedule.

Disclosures

2. Head lease

The Lease is a head lease.

Disclosures

3. Payment of rent

3.1 The annual rent is payable quarterly in advance on the usual English quarter days.

- 3.2 The Company has told us that the last instalment of rent (and service charge if any) was paid to and was accepted by the landlord or its agents without qualification.

Disclosures

4. **Rent review**

- 4.1 There are no provisions for rent review or other increases in the rent.
- 4.2 If there are any provisions for rent review, they apply on the dates set out in Part 1A of this Schedule and are summarised in the Disclosures.
- 4.3 Where there are any provisions for rent review:
- 4.3.1 the Company has told us that no rent reviews are currently outstanding or under negotiation or the subject of a reference to an expert or arbitrator or the courts;
 - 4.3.2 where the current annual rent is not the same as the annual rent originally reserved by the Lease, evidence of its agreement or determination has been placed with the documents of title; and
 - 4.3.3 any buildings erected on the Premises, alterations and improvements in each case carried out by the tenant or any predecessor in title are to be disregarded for review purposes save where any such erection, alteration or improvement is carried out pursuant to an obligation to the landlord but the Company has told us that, so far as it is aware, no such erection, alteration or improvement has been carried out pursuant to that obligation.

Disclosures

5. **Repair**

- 5.1 The tenant is responsible for keeping the whole of the Premises and (to the extent they form part of the Premises) fittings and plant and equipment in good and substantial repair and condition (except in respect of damage by insured risks, save where insurance is vitiated by the act or default of the tenant).
- 5.2 The tenant is responsible for the decoration of the interior and exterior of the Premises.

Disclosures

6. Restrictions on use

- 6.1 There are no restrictions in the Lease or the superior title which prevent the Premises being used now or in the future for the Existing Use.
- 6.2 The tenant is only permitted to change the use of the Premises with the prior written consent of the landlord, such consent not to be unreasonably withheld.

Disclosures

7. Alterations

- 7.1 The tenant is prohibited from making structural alterations or additions to, or alterations affecting the appearance of, the Premises without the prior written consent of the landlord, such consent not to be unreasonably withheld.
- 7.2 The tenant may carry out non-structural alterations to the Premises without the prior consent of the landlord.
- 7.3 The tenant is required to remove all alterations and additions made during the term on yielding up the Premises at the expiration or sooner determination of the term if so required by the landlord.

Disclosures

8. Alienation

- 8.1 There are no restrictions on the tenant dealing with or sharing occupation of the Premises or conditions that the landlord might impose (including any agreement under Section 19(1A) of the Landlord and Tenant Act 1927) other than any which are fairly summarised in the Disclosures.
- 8.2 There is no restriction on any change of control of the tenant.

Disclosures

9. **Insurance**

9.1 The landlord is required to insure:

9.1.1 the Premises against damage caused by the insured risks listed in Part 1A of this Schedule subject to standard exclusions limitations and excesses;

9.1.2 for the full reinstatement cost of the Premises (including professional fees and value added tax); and

9.1.3 (save where the annual rent is a nominal amount) for the loss of at least three years' annual rent.

9.2 The tenant is required to pay to the landlord a sum equal to the premiums paid for insuring the Premises in accordance with its obligations in the Lease briefly described in paragraph 9.1 and this sum is reserved as rent.

9.3 There is provision for suspension of rent in the event that the Premises are damaged or destroyed or access is prevented by an insured risk for a period not less than the loss of rent period for which the landlord covenants to insure.

9.4 If the Premises are damaged or destroyed by an insured risk, the landlord is obliged to reinstate the Premises once all necessary consents have been obtained and subject to the insurance not being vitiated by the act or default of the tenant. The landlord is to use reasonable endeavours to obtain such consents.

9.5 If the Premises are damaged or destroyed by an insured risk and reinstatement is frustrated insurance monies are to be shared between the parties by reference to the value of their respective interests in the Premises immediately prior to the damage or destruction.

9.6 There are no specific provisions dealing with the effect of damage or destruction of the Premises by an uninsured risk.

9.7 The Lease requires that the tenant is a composite insured or if it does not that the landlord will use reasonable endeavours to procure a waiver of subrogation rights subject to any conditions imposed by the insurer.

Disclosures

10. **Service charge**

There is no provision for the payment by the tenant of a service or other similar charge.

Disclosures

11. **Rights of re-entry**

11.1 The Lease is not expressed to be subject to a right of re-entry on any ground except non-payment of rent or breach of covenant by the tenant.

11.2 The Lease contains protection provisions in favour of any mortgagee and which have effect before the landlord can forfeit the Lease, the material terms of which are summarised in the Disclosures.

Disclosures

12. **Options and rights of first refusal**

There are no options to determine (including in respect of damage or destruction of the Premises by an insured risk) or to renew the term nor any options to purchase or right of first refusal on the part of either the landlord or the tenant.

Disclosures

13. **1995 Act**

13.1 The Lease is a new tenancy.

13.2 The Company has confirmed that it is not aware of any former landlord having been released under Section 8 of the 1995 Act or otherwise.

Disclosures

14. **Collateral assurances and undertakings**

The Company has told us that, so far as it is aware, no collateral assurances, undertakings or concessions have been made by any party to the Lease.

Disclosures

15. **Consents**

Any consents required for the grant of the Lease, or the vesting of the Lease in each subsequent tenant, or for the grant of any sub-lease, or for any works carried out by or change of use effected by any tenant, have been obtained and placed with the documents of title along with evidence that any necessary notice has been given to any third party of any such grant or vesting.

Disclosures

16. **Superior title**

16.1 If title to the Lease is not registered at the Land Registry with leasehold title absolute, the titles of the landlord and any superior landlord have been investigated and no adverse matters have been revealed. Examined abstracts of title or certified copies of relevant documents have been placed with the documents of title.

16.2 If any superior title is leasehold, it is not expressed to be subject to:

16.2.1 a right of re-entry on any ground except non-payment of rent or breach of covenant by the tenant; or

16.2.2 any contractual right of termination.

Disclosures

17. **Registration of title**

If title to the Lease is not registered at the Land Registry, the Lease was not subject to compulsory registration when it was granted and any subsequent disposition of the leasehold interest was not subject to compulsory registration at the relevant time.

Disclosures

18. **Breaches of covenant**

The Company has told us that:

- 18.1 it is not aware of any subsisting material breach of the covenants or conditions contained in the Lease, whether on the part of the landlord or the tenant, or any other event of a material nature which could give rise to forfeiture of the Lease;
- 18.2 no notice alleging any breach of the covenants or conditions contained in the Lease, whether on the part of the landlord or the tenant, remains outstanding; and
- 18.3 so far as the Company is aware, no breach of covenant has been waived or acquiesced in.

Disclosures

19. **VAT**

- 19.1 For the purposes of this paragraph “option to tax” shall have the meaning given in Schedule 10 to the Value Added Tax Act 1994 and shall include an option to tax which has been deemed, or treated as having been, exercised.
- 19.2 The Company has told us that a valid option to tax has been exercised over the whole Property and that such option has not been, or been deemed to be, disapplied or revoked so that value added tax is due in respect of any supply of the Property by the landlord.
- 19.3 Whether or not an option to tax over the Property is in place, there are no provisions in the Lease or the superior title which prevent either the landlord or a body corporate in relation to which the landlord is either a relevant associate or a relevant group member from exercising a valid option to tax in respect of the Premises or from increasing the rent or other payments under the Lease by, or requiring a payment in addition of, an amount in respect of value added tax chargeable by reason of that option to tax.
- 19.4 The Company has told us that it is not aware of any reason why the landlord should be prevented from charging value added tax in relation to supplies made to the tenant (in particular as a result of the operation of any of the disapplication provisions in Schedule 10 to the Value Added Tax Act 1994).
- 19.5 The Lease reserves value added tax as rent.

Disclosures

20. **Stamp duty land tax**

The Company has told us that:

- 20.1 neither the grant of the Lease nor any agreement for the grant of the Lease was exempt from charge to stamp duty land tax by virtue of any of the provisions specified in paragraph 11(2) of

Schedule 17A ('cases where assignment of lease treated as grant of lease') to the Finance Act 2003 ("FA 2003");

- 20.2 nothing is, or may be, required or authorised to be done by the tenant or any successor in title in respect of the grant of the Lease or any agreement for the grant of the Lease under or by virtue of any of the provisions mentioned in paragraph 12 ("Assignment of lease: responsibility of assignee for returns etc") of Schedule 17A to the FA 2003; and
- 20.3 so far as it is aware, no increase in rent payable under the Lease is likely to be regarded for the purposes of paragraph 14 ("increase of rent treated as grant of new lease: abnormal increase after fifth year") of Schedule 17A to the FA 2003 as abnormal.

Disclosures

21. **No other material matters**

There are no other material matters that we consider ought to be brought to your attention in relation to the Lease.

Disclosures

SCHEDULE 5

The Letting Documents

First Standard Letting Document

Part 1A

Details of Letting Document

Premises let by the Letting Document:	Unit 1
Date:	06-11-2017
Original parties:	Paul Boothman and Gemma Boothman
Length of term:	1 year
Contractual term commencement date:	06-11-2017
Contractual term expiry date:	05-11-2018
Does the term expressly include any statutory continuation?	No
Is the Letting Document contracted out of the Landlord and Tenant Act 1954:	No
Name of present tenant and any present guarantor:	Original Tenant No guarantor
Original annual rent including details of any premium paid:	£10,740
Current annual rent and (if applicable) date from which last reviewed:	£10,740
Remaining rent review dates:	N/A
Present permitted use (and whether personal):	Residential
Name of every former tenant who has entered into an authorised guarantee agreement and of every former guarantor who has guaranteed the relevant former tenant's obligations in that authorised guarantee agreement:	N/A
Name of every former tenant and former tenant's guarantor unreleased because (1) the	N/A

assignment by that tenant was an excluded assignment; or (2) the letting is not a new tenancy:																									
Amount of initial and current rent deposit:	£995																								
Proportion of service charge expenditure payable by the tenant and how assessed:	N/A																								
Proportion of insurance payable by the tenant and how assessed:	N/A																								
Summary of the rights granted to the tenant:	Quiet possession																								
Summary of the rights reserved to the landlord:	Rent Shorthold covenants																								
Specified insured risks:	<p>Fire, aircraft, explosion, storm and flood, earthquake, escape of water, impact, riot and malicious persons, theft, accidental damage, subsidence</p> <p>Excess</p> <table> <tr> <td>voluntary</td> <td>£150</td> </tr> <tr> <td>fire aircraft and explosion</td> <td>nil</td> </tr> <tr> <td>storm and flood</td> <td>£250</td> </tr> <tr> <td>earthquake</td> <td>nil</td> </tr> <tr> <td>escape of water</td> <td>£250</td> </tr> <tr> <td>impact</td> <td>£250</td> </tr> <tr> <td>riot and malicious persons</td> <td>£250</td> </tr> <tr> <td>theft</td> <td>£250</td> </tr> <tr> <td>accidental damage</td> <td>£250</td> </tr> <tr> <td>accidental breaking of glass</td> <td>£150</td> </tr> <tr> <td>subsidence</td> <td>£1000</td> </tr> <tr> <td>all other losses</td> <td>£250</td> </tr> </table>	voluntary	£150	fire aircraft and explosion	nil	storm and flood	£250	earthquake	nil	escape of water	£250	impact	£250	riot and malicious persons	£250	theft	£250	accidental damage	£250	accidental breaking of glass	£150	subsidence	£1000	all other losses	£250
voluntary	£150																								
fire aircraft and explosion	nil																								
storm and flood	£250																								
earthquake	nil																								
escape of water	£250																								
impact	£250																								
riot and malicious persons	£250																								
theft	£250																								
accidental damage	£250																								
accidental breaking of glass	£150																								
subsidence	£1000																								
all other losses	£250																								
Summary of the rights to determine on damage or destruction	N/A																								
Summary of any other options to determine or renew	N/A																								

Part 1B

Licences

Date	Document description	Parties

Part 2

Statements

1. Details of the Letting Document

Relevant details of the Letting Document are fairly summarised in Part 1A of this Schedule and any licences granted are listed in Part 1B of this Schedule.

Disclosures

This is an Assured Shorthold Tenancy agreement

2. Occupation

The Company has told us that the Premises the subject of the Letting Document are occupied by the tenant or the person authorised pursuant to the Letting Document to be in occupation.

Disclosures

3. Payment of rent

3.1 The annual rent is payable quarterly in advance on the usual English quarter days, without deduction or set-off.

3.2 The Company has told us that all rent and additional rent, service charges or other payments have been paid to date and no rent or other payment has been commuted, waived or paid in advance of the due date for payment.

3.3 The Company has told us that where any fixed charge was not paid on the due date and is still in arrears for more than three months, an effective notice has been served under the 1995 Act on every relevant former tenant and on every relevant guarantor of a former tenant and the Disclosures contain full particulars of all such notices.

3.4 Interest is payable on all rent not paid on the due date at a rate of at least 3% above the prevailing base rate of a recognised clearing bank subject to a grace period of not more than 14 days for rents other than the annual rent. There is no grace period for the annual rent.

Disclosures

3.1 the rent is payable monthly on the sixth day of each month

4. **Rent review**

4.1 Where there are any provisions for rent review:

- 4.1.1 time is not of the essence;
- 4.1.2 they are upwards only;
- 4.1.3 the rent is to be reviewed to the open market rent at the date of review;
- 4.1.4 they contain a procedure for resolving disputes (either by expert determination or arbitration) and which may be initiated by either the landlord or the tenant;
- 4.1.5 the reviewed rent is backdated to the relevant review date and interest is payable on the back rent;
- 4.1.6 assumptions substantially in the following form are to be made in determining the open market rent:
 - (a) the hypothetical lease is to be on the same terms as the Letting Document except for the amount of the principal rent;
 - (b) the hypothetical lease is to be between a willing landlord and a willing tenant with vacant possession and without a premium;
 - (c) the hypothetical term is to be equal to the residue of the contractual term at the review date (or ten years if longer) commencing on the review date;
 - (d) if the Premises or the means of access thereto have been damaged or destroyed they have been reinstated;
 - (e) the Premises are fit for immediate occupation and use;
 - (f) the tenant's and the landlord's obligations in the Letting Document have been complied with; and
 - (g) the open market rent is the rent that would become payable after the willing tenant has received the benefit of a rent free period, rent concession or any other inducement of such length or amount as would be negotiated in the open market for the purpose of fitting out;
- 4.1.7 disregards substantially in the following form are to be made in determining the open market rent:
 - (a) the effect of the tenant's occupation or that of any undertenant and goodwill arising from such occupation;
 - (b) any reduction in rental value attributable to works carried out to the Premises by the tenant or any undertenant whether before or during the term; and
 - (c) any increase in rental value attributable to any improvements to the Premises carried out at the cost of the tenant or any undertenant in each case with the consent of the landlord where required whether before or during the term otherwise than pursuant to an obligation to the landlord;

4.1.8 there are no other material assumptions or disregards.

4.2 Where there are any provisions for rent review:

4.2.1 the Company has told us that all steps in current rent reviews have been duly taken and no rent reviews are currently under negotiation or the subject of a reference to an expert or arbitrator or the courts;

4.2.2 where the current annual rent is not the same as the annual rent originally reserved, evidence of its agreement or determination has been placed with the documents of title;

4.2.3 the Company has told us that no building, alteration or improvement has been carried out pursuant to an obligation to the landlord.

Disclosures

There is no provision for rent review

5. **Repair and yielding up**

5.1 Where the whole of the Property is comprised in a single Letting Document, the tenant is responsible for keeping the whole of the Premises and (to the extent they form part of the Premises) fittings and plant and equipment in good and substantial repair and condition (damage by insured risks excepted except where insurance is vitiated by the act or default of the tenant), and is responsible for the decoration of the interior and exterior of the Premises not less frequently than every five and three years respectively.

5.2 Where the Premises comprised in any Letting Document form part or parts only of the Property, the tenants are responsible for keeping the whole of the interior of their Premises and fittings and plant and equipment demised to them in good and substantial repair and condition (damage by insured risks excepted other than where insurance is vitiated by the act or default of the tenant) and are responsible for the decoration of the interior of the Premises not less frequently than every five years.

5.3 On expiry or earlier determination of the term granted by the Letting Document the tenant is to yield up the Premises in a condition consistent with the performance of its repairing obligations and with vacant possession.

Disclosures

5.2 The Tenant must take reasonable steps to keep the interior in the same decorative order and condition throughout the term as at the start of the tenancy.

The tenant is not responsible for:-

- ***fair wear and tear***
- ***damage caused by fire unless caused by the Tenant or his visitors***
- ***repairs for which the Landlord has responsibility that is statutory obligations under***

sections 11 to 16 Landlord and Tenant Act 1985 (as amended by the Housing Act 1988) that is structure, installation supplying water, electricity and gas, sanitary appliances including basins and sinks

- *space heating and water heating*

6. Restrictions on use

- 6.1 The uses permitted by the Letting Document are consistent with the Existing Use.
- 6.2 The tenant is not permitted to change the use of the Premises from the present permitted use set out in Part 1A of this Schedule, unless the landlord in its absolute discretion agrees.

Disclosures

7. Alterations

- 7.1 The tenant is prohibited from making structural alterations or additions to, or alterations affecting the external appearance of, the Premises.
- 7.2 The tenant may carry out:
- 7.2.1 non-structural alterations to the Premises with the prior written consent of the landlord, such consent not to be unreasonably withheld; and
 - 7.2.2 the erection or dismantling of demountable partitioning without any consent from the landlord.
- 7.3 The tenant is required to remove all alterations and additions made during the term on yielding up the Premises at the expiration or sooner determination of the term.

Disclosures

8. Alienation

- 8.1 Except as mentioned subsequently in this paragraph 8, the tenant may not:
- 8.1.1 share or part with possession of the Premises or any part;
 - 8.1.2 permit another to occupy the Premises or any part;

- 8.1.3 share occupation of the Premises or any part; or
- 8.1.4 hold the Premises or any part on trust.
- 8.2 The tenant may not assign underlet or charge part only of the Premises.
- 8.3 The tenant may assign or charge the whole of the Premises with the prior written consent of the landlord, such consent not to be unreasonably withheld, and any restrictions on the tenant dealing by way of assignment with the Premises or conditions that the landlord might impose (including any agreement under Section 19(1A) of the Landlord and Tenant Act 1927) are fairly summarised in the Disclosures.
- 8.4 Where the Letting Document is a new tenancy:
 - 8.4.1 the landlord has an express contractual right (whether or not reasonable in the circumstances) to require an authorised guarantee agreement from the tenant and to require any guarantor of the tenant to guarantee the tenant's obligations in the authorised guarantee agreement;
 - 8.4.2 no guarantor of the current tenant has acted as a guarantor of any previous tenant; and
 - 8.4.3 the Letting Document is not now and has not been previously vested in any guarantor of a previous tenant.
- 8.5 The tenant under the Letting Document may underlet the whole of the Premises with the prior consent of the landlord, such consent not to be unreasonably withheld, but subject to conditions including those substantially in the following form:
 - 8.5.1 the underlease is to be granted:
 - (a) without a fine, premium, reverse premium or other inducement;
 - (b) at a rent which is no less than the open market rent and without reference to the passing rent under the Letting Document; and
 - (c) on the same terms as the Letting Document with rent reviews on the same dates;
 - 8.5.2 the undertenant is to covenant directly with the landlord to comply with its covenants in the underlease;
 - 8.5.3 the tenant agrees with the landlord to enforce the covenants by the undertenant;
 - 8.5.4 the tenant is not to vary or waive its rights under the underlease or accept a surrender of the underlease without the prior written consent of the landlord, such consent not to be unreasonably withheld; and
 - 8.5.5 the underlease is to be validly contracted out of the Landlord and Tenant Act 1954.
- 8.6 The tenant may share occupation of the Premises with another member of the same group of companies subject to such sharing of occupation not granting the group company security of tenure within the provisions of the Landlord and Tenant Act 1954, or entitling it to occupy the Premises after it ceases to be a member of the same group of companies as the tenant.

Disclosures

8.3 to 8.6 do not apply and the tenancy is inalienable

9. Insurance

9.1 The landlord is required to insure:

9.1.1 the Property against damage caused by the insured risks listed in Part 1A of this Schedule subject to standard exclusions limitations and excesses;

9.1.2 for the full reinstatement cost of the Property (including professional fees and value added tax); and

9.1.3 for loss of at least three years' annual rent and (if applicable) service charge.

9.2 The tenant is required to pay to the landlord as rent a sum equal to the premiums (or the proportion appropriate to the Premises) paid by the landlord for insuring the Property in accordance with its obligations briefly described in paragraph 9.1.

9.3 There is provision for suspension of rent if the Premises or any part of the Property are damaged or destroyed by an insured risk so as to make the Premises incapable of use and occupation or inaccessible, such suspension being limited to a period no longer than the loss of rent period for which the landlord covenants to insure. Such suspension will not apply where the insurance has been vitiated by the act or default of the tenant.

9.4 If the Premises or any part of the Property are damaged or destroyed by an insured risk so as to make the Premises incapable of use and occupation or inaccessible:

9.4.1 the landlord is obliged to reinstate the Premises or such part of the Property once all necessary consents have been obtained and subject to the insurance not being vitiated by the act or default of the tenant. The landlord is to use reasonable endeavours to obtain such consents; and

9.4.2 both the landlord and the tenant are entitled to determine the Letting Document if it is not possible to reinstate the Premises or such part of the Property by the end of the period of loss of rent insurance for which the landlord covenants to insure and the principal terms of the right to determine are set out in Part 1A of this Schedule.

9.5 If the Premises or any part of the Property are damaged or destroyed by an insured risk so as to make the Premises incapable of use and occupation or inaccessible and reinstatement is frustrated insurance monies are payable to the landlord.

9.6 There are no specific provisions in any Letting Document dealing with the effect of damage or destruction of the Premises by an uninsured risk.

Disclosures

9.2 The Tenant is not required to pay insurance except where the premium is increased

because of his fault

9.3 There is no such provision

9.4 Does not apply

10. **Service charge**

10.1 If the whole of the Property is comprised in a single Letting Document, there is no provision in the Letting Document for the payment by the tenant of a service or other similar charge.

10.2 Where the premises comprised in the Letting Document form part of the Property:

10.2.1 there are provisions for payment of a service or other similar charge which entitle the landlord to recover from the tenant the appropriate part of the cost of:

- (a) keeping the Property and all landlord's plant, machinery and equipment in good and substantial repair and condition;
- (b) paying outgoings;
- (c) providing a range of services which the Company has told us are reasonable and appropriate for the type of buildings in the Property; and
- (d) an amount for the management of the Property which either does not exceed 10% of the total service charge or is required to be reasonable;

10.2.2 the Company has told us that there are no material irrecoverable items, caps or other limitations on recovery of the costs referred to in paragraph 10.2.1 of this Part of this Schedule;

10.2.3 the Company has told us that there are no lettable areas of the Property that are currently unlet.

Disclosures

10.2.2 Does not apply

11. **Rights of re-entry**

The landlord is entitled to re-enter the Premises in the cases of bankruptcy, liquidation, whether compulsory or voluntary (except for the purpose of amalgamation or reconstruction of a solvent company), administrative receivership or the administration of the tenant, or appointment of a receiver of the tenant's property as well as for non-payment of rent (whether or not formally demanded) for 21 days or for any breach of the tenant's obligations.

Disclosures

12. **Options and rights of first refusal**

There are no:

- 12.1 options to determine (other than any in respect of damage or destruction of the Premises by an insured risk); or
- 12.2 options to renew the term; or
- 12.3 options to purchase or rights of first refusal on the part of either the landlord or the tenant.

Disclosures

13. **Landlord and Tenant Act 1954**

- 13.1 The Company has told us that the Property is not subject to any tenancy which is being continued after the contractual expiry date pursuant to Part II of the Landlord and Tenant Act 1954 or otherwise.
- 13.2 The Company has told us that no notice has been served in respect of any Letting Document pursuant to Sections 25 or 26 of the Landlord and Tenant Act 1954.
- 13.3 Where a Letting Document is contracted out of the Landlord and Tenant Act 1954 notices have been served and declarations made such that any lease to be granted to a former tenant pursuant to its obligations under an authorised guarantee agreement or to a guarantor pursuant to its guarantee of a Letting Document or of an authorised guarantee agreement will be excluded from the security of tenure provisions of the Landlord and Tenant Act 1954.

Disclosures

14. **New tenancy**

The Letting Document is a new tenancy.

Disclosures

The Letting Document is an Assured Shorthold Tenancy

15. **Former tenants and guarantors**

The details of unreleased former tenants and unreleased former guarantors (whether the Letting Document is an old tenancy or a new tenancy) are set out in Part 1A of this Schedule.

Disclosures

16. **Direct covenants**

If the Letting Document is not a new tenancy for the purposes of the 1995 Act, the present tenant and each of its predecessors in title and any guarantor for any of them has given a covenant to the landlord to observe and perform the obligations of the tenant throughout the term and our investigations do not disclose that any such persons have been released or are or may be entitled to be released.

Disclosures

This paragraph does not apply

17. **Overriding lease**

The Company has told us that no person has made a claim for an overriding lease under Section 19 of the 1995 Act against the Company nor, so far as it is aware, against any of its predecessors and that, so far as it is aware, no person is entitled to make such a claim and that, so far as it is aware, no notice has been served under Section 17 of the 1995 Act (other than those referred to in paragraph 3.3 of this Part of this Schedule) which would give rise to any such entitlement.

Disclosures

18. **Collateral assurances and undertakings**

The Company has told us that, so far as it is aware, no collateral assurances, undertakings or concessions have been made by any party to any Letting Document.

Disclosures

19. **Consents**

Any consents required for the grant of the Letting Document and any dealings with it have been obtained and placed with the documents of title along with evidence of the registration of the grant or dealing where requisite.

Disclosures

20. **Use of remainder of Property**

No Letting Document contains any restriction on the use of the remainder of the Property by the landlord other than by virtue of the covenant for quiet enjoyment.

Disclosures

21. **Breaches of covenant**

The Company has told us that:

- 21.1 it is not aware of any subsisting material breach of the covenants or conditions contained in the Letting Document, whether on the part of the landlord or the tenant, or any other event of a material nature which could give rise to forfeiture of the Letting Document;
- 21.2 no notice alleging any breach of any covenant or condition contained in the Letting Document whether on the part of the landlord or the tenant, remains outstanding; and
- 21.3 so far as the Company is aware, no breach of covenant has been waived or acquiesced in.

Disclosures

22. **Costs**

The tenant is obliged to pay the reasonable and proper costs of the landlord in connection with:

- 22.1 any notice under sections 146 or 147 of the Law of Property Act 1925;

- 22.2 the preparation and service of any schedule of dilapidations;
- 22.3 any breach of obligation of the tenant; and
- 22.4 any application for consent (unless unreasonably withheld).

Disclosures

23. VAT

- 23.1 For the purposes of this paragraph, “option to tax” shall have the meaning given in Schedule 10 the Value Added Tax Act 1994 and shall include an option to tax which has been deemed, or treated as having been, exercised.
- 23.2 The Company has told us that a valid option to tax has been exercised over the whole Property and that such option has not been, or been deemed to be, disapplied or revoked so that value added tax is due in respect of any supply of the Property by it.
- 23.3 Whether or not an option to tax over the Property is in place, there are no provisions in any of the Letting Documents (or absence of any provisions) which prevent either the Company or a body corporate in relation to which it is either a relevant associate or a relevant group member from exercising a valid option to tax in respect of the Property or from increasing the rent or other payments under the Letting Documents by, or requiring a payment in addition of, an amount in respect of value added tax chargeable by reason of that option to tax or which oblige the Company or other person to indemnify the tenant in respect of all or any part of that amount.
- 23.4 The Company has told us that it is not aware of any reason why it should be prevented from charging value added tax in relation to supplies made by it under any Letting Document (nor, therefore, why its recovery of input value added tax attributable to those supplies should be restricted), in particular as a result of the operation of any of the disapplication provisions in Schedule 10 to the Value Added Tax Act 1994.
- 23.5 Where there are provisions in any Letting Document entitling the landlord to be paid, indemnified or reimbursed by the tenant for any amount expended or to be expended by or on behalf of the landlord, that entitlement includes an amount in respect of the value added tax to the extent that the value added tax cannot be recovered from HM Revenue & Customs by the landlord.
- 23.6 The Letting Document reserves value added tax as rent.

Disclosures

23.2 The Company has not elected for VAT on the Property

23.3 & 23.4 There is no provision in respect of VAT in the assured shorthold agreement and the Company could not recover VAT under it

23.6 This does not apply

24. **Compensation**

There are provisions in the Letting Document excluding the right of the tenant to compensation on quitting the Premises to the extent permitted at law.

Disclosures

This does not apply

25. **Notices in respect of improvements**

The Company has told us that so far as the Company is aware, no notice of intention to make improvements has been served under Section 3(1) of the Landlord and Tenant Act 1927.

Disclosures

Not applicable

26. **Statutory compliance**

The Letting Document contains an obligation on the part of the tenant to comply with the requirements of any statute which affects the Premises.

Disclosures

27. **Possession**

The Company has told us that it is not aware of any sub-letting, parting with possession or sharing of occupation by any tenant.

Disclosures

28. **Rent deposits**

28.1 The amount of any rent deposit is set out in Part 1A of this Schedule.

- 28.2 Where any sums are charged to the landlord by any corporate tenant by way of security for compliance with the tenant's obligations under any Letting Document, the charge has been properly registered at the Companies Registry within the prescribed time limit.

Disclosures

29. **Variations**

The Company has told us that, so far as it is aware, the Letting Document has not been varied in such a way as to give rise to a surrender and regrant or as to render any former tenant or the guarantor of any former tenant no longer or not fully liable to comply with any tenant covenant, whether under the 1995 Act or at common law.

Disclosures

30. **Guarantee provisions**

- 30.1 Where there is a guarantor, the guarantee provisions in the Letting Document or in an authorised guarantee agreement include the following:

- 30.1.1 the guarantee is of the tenant's obligation to pay the rents and other sums reserved by the Letting Document and to perform the tenant's covenants in the Letting Document;
- 30.1.2 the guarantee is expressed to be a primary obligation on the part of the guarantor;
- 30.1.3 the guarantee contains an indemnity with regard to any loss suffered by the landlord as a result of the default of the tenant or as a result of the obligation, the subject of the guarantee, becoming unenforceable;
- 30.1.4 there is no financial limit on the guarantee;
- 30.1.5 the guarantor covenants that, in the event that the Letting Document is forfeited or disclaimed, the guarantor will, if required by the landlord within a period of six months after the relevant event, enter into a new Letting Document (as tenant) on essentially the same terms as the previous Letting Document; and
- 30.1.6 the guarantee contains standard protective provisions, including an acknowledgement that the guarantee is not affected by any concession or indulgence granted to the tenant, any change to the terms of the underlying Letting Document, any incapacity on the part of the tenant, or the invalidity of any of the underlying obligations.

- 30.2 Either the guarantee provides that any consent given by the landlord and any variation to the terms of the underlying Letting Document will not release the guarantor or to the extent required to ensure that the guarantee continues to be effective, the guarantor has consented to

any licences granted relating to the Letting Document and any change to the terms of the Letting Document.

Disclosures

31. **No other material matters**

There are no other material matters that we consider ought to be brought to your attention in relation to the Letting Document.

Disclosures

Schedule 5 - Supplement

Details of further Letting Documents

Note: Disclosures of material variations between each further Letting Document and the relevant standard Letting Document are set out below the details of each further Letting Document

Brief description of Premises let by the Letting Document and date of Letting Document	Present tenant and guarantor including any guarantor pursuant to an AGA and any sub-guarantor of an AGA	Term and expiry date	Current annual rent (including start date, if not yet payable) and future rent review dates	Amount of initial and current rent deposit	Present Permitted Use (and whether personal)	Summary of any options to determine (other than on damage or destruction)	Is the Letting Document contracted out of the Landlord and Tenant Act 1954	Type of Standard Letting Document
Unit 2	Kevin Cunningham and Rachel Parker	6 months from 13-03-2018	£10,740	£895	Residential	none	n/a	As standard
Unit 5	Olugbenga AdeKanmi	12 months from 12-05-2017	£10,740	£1,000	Residential	none	n/a	As standard
Unit 4	Dean McKechnie and Sarah Upton	6 months from 25-03-2017	£10,740	£895	Residential	None	N/A	As standard

SCHEDULE 6

Searches and enquiries

Search	Date of result (or state "not made")	Disclosures
Official search in the Index Map (SIM)		
Local search certificate and replies to CON 29R Enquiries of local authority (2007) and any other relevant enquiries in CON 29O Optional enquiries of local authority (2007) including enquiry 22 (common land, town and village greens)	<i>Local search Indemnity being provided on completion of the Transaction</i>	<p>The terms of the indemnity policy are:-</p> <p>The policy covers the Property for its residential use.</p> <p>The Lenders are and Chargee are covered for £1,000,000.</p> <p>Lack of the following searches are covered:- local search in Form LLC1, Con29R or any official equivalent; water and drainage search in form CON29(W) or any official equivalent and mining searches.</p> <p>The Risks covered are:-</p> <p>Matters of which the policy holder was previously unaware which would have been revealed by an up to date search carried out on the day the policy started. If such an adverse entry is revealed and if it negatively affects the policy holder's financial interest, the policy covers: costs of any financial charge registered as a local land charge against the Property; loss in the value of the Property; defence costs if the policy holder's position can be defended; the cost of an out of court settlement; and/or the cost of complying with an enforcement notice.</p> <p>There are a number of Exclusions or Limitations which are commercially acceptable but we otherwise confirm that the policy is suitable for the purpose required.</p>
Commercial drainage and water enquiries	<i>Local search Indemnity being provided on completion of the Transaction</i>	<i>The terms of the policy are as above.</i>

	claim. Furthermore the Company is not aware of any liability that may result in a claim as at the date of this Certificate	
Details of other searches or enquiries we considered to be appropriate		

Date 2018

Signed:

Name of firm: Hague & Dixon LLP

Address: Cumberland House Cumberland Street York YO1 9SR

Reference: 18/CDB/AVO001/002