

LETTINGS REPORT

To: Proplend Security Limited

Customer(s): Moll Estates Limited

Property: 55 Belsize Park London

1.	Landlord's name and address: Moll Estates Limited of Clonyn Delvin County Westmeath Ireland
2.	Tenant's name and address: Avoca House Hotel (Swiss Cottage) Limited of 8 High Street Brentwood Essex CM14 4AB
3.	Guarantor of Tenant (if applicable): None
4.	Term and Commencement Date: 5 years from the date of the Lease
5.	Rent Provisions Current Rent: £15,000 per annum. Premium/inducements: None Value Added Tax liability: There is provision for VAT to be charged on payments under the Lease. Rent Review Dates and Cycle/Breakage Clause: There is no rent review. There is no service charge. There is no break clause. Rent Review, Basis of Valuation: See above Service Charges (if applicable): None.
6.	Use of premises: Currently, there is no specified user clause in the Lease. We have raised with the Borrower's solicitors who have now included this to provide for use as residential purposes or as a guesthouse or hostel for the letting out of individual rooms on a short term assured shorthold basis.
7.	Repairing/Maintaining Obligations: Tenant to repair the whole of the building and keep in good repair and condition and to decorate internally and externally in the last year of the term.
8.	Alienation (i.e. right to assign, sub-let): Assignment or underletting of part is prohibited other than underlettings of individual units on assured shorthold tenancies or licences. Assignment of the whole is permitted with Landlord's consent, not to be unreasonably withheld or delayed. The Landlord can require an authorised guarantee agreement from the outgoing tenant and if reasonably required, a rent deposit from the incoming tenant. Underlettings of whole are acceptable with Landlord's consent, not to be unreasonably withheld or delayed and provided that the rent and term are on the same terms as under the Headlease.
9.	Insurance Provisions: Tenant to insure. Insurance is in respect of normal insured risks for full reinstatement value including costs and VAT. If the premises are destroyed, then the Tenant is to reinstate. If within 3 years from the destruction either the Landlord or the Tenant wishes to do so, they can serve notice to terminate the Lease. All insurance monies belong to the Landlord.

<p>10. Landlord's obligations:</p> <ul style="list-style-type: none"> • Quiet enjoyment
<p>11. Effect of Bank enforcing security: There are no restrictions on the Bank enforcing security under the Lease, but they will be subject to the terms of the Lease.</p>
<p>12. Forfeiture and re-entry:</p> <ul style="list-style-type: none"> • Rent unpaid for 14 days. • Breach of Tenant's covenants. • The Tenant goes into liquidation, receivership or administration, enters into an arrangement for the benefit of creditors or has any distress or execution levied on its goods.
<p>13. Please advise/comment in respect of the following:</p> <p>Assumptions and Disregards Summary: Not applicable.</p> <p>Unusual/Onerous Provisions (including any mentioned above): None.</p> <p>Effect of matters reported above and recommended steps the Bank should take to protect its position: None.</p> <p>Part II Landlord and Tenant Act 1954: The Lease, as currently drafted, is protected by the Landlord and Tenant Act but we have requested that this is removed.</p>
<p>14. We confirm that subject to the above:</p> <p>The Lease is a full repairing and insuring Lease and is an institutional type Lease and the Landlord is able to recover all expenditure incurred by it in respect of the Property.</p> <p>Your Customer has advised us that the Tenant (i) is not in breach of any of its obligations under the lease to pay rent or other sums due and (ii) is not in dispute with the Landlord; and</p> <p>Subject to 13 above and our comments in this Report, the Lease is considered to be satisfactory for secured lending and there are no provisions in the Lease which could affect the value of the Property.</p>

We acknowledge that you are relying on this Report and are entitled so to rely in connection with security for facilities provided to your Customer(s).

Signed by: Nick Vaughan

Signature:	
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Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of **PARIS SMITH LLP**

Date: 22 March 2018

Address of Firm: Number 1 London Road
Southampton
Hampshire SO15 2AE

Notes: (1) When space is insufficient please continue on a separate sheet of paper referring to the relevant paragraph.