

**REPORT ON TITLE**

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Museum Street Developments Limited

COMPANY NUMBER (if appropriate): 11413724

DESCRIPTION OF PROPERTY: 22-32 Museum Street Ipswich Suffolk IP1 1HZ

IS BORROWER THE SAME AS OWNER? Yes

FULL NAME OF OWNER IF DIFFERENT (Where property is being transferred state intended owner):  
Not applicable

**1. TITLE**

a. We certify that the Property is:

Tenure:	Freehold
Title numbers (if registered) or if not confirm whether it is unregistered and/or subject to first registration:	SK35677, SK215170 and SK306508
Class of title (if registered):	Title Absolute

- b. We certify that the Title to the Property is good and marketable and can be accepted by you as security.
- c. We annex hereto a copy of the Title Plans (or in the case of a property that is not registered, a plan) showing the Property edged red.
- d. The Property will be registered in the name of the Borrower on completion.
- e. We confirm that the only Restrictive Covenants which affect the Property are set out in the attached Schedule.
- f. We confirm that the only Adverse Interests affecting the Property are referred to in the Schedule.
- g. No person other than the Borrower has an equitable or overriding interest in the Property.
- h. The Borrower will not be in sole possession of the Property.
- i. Proplend Security Limited will obtain a First Legal Charge over the Property but there will continue to be a Debenture as to which, see the Schedule of Adverse Interests.

**2. SEARCHES:**

We confirm we hold:-

- a. Clear Land Registry Search giving Proplend Security Limited priority beyond the date of completion.

- b. Local Land Charges and Local Authority Search no older than four months prior to the date of completion of the charge revealing no Entries which might adversely affect your security.
- c. Bankruptcy Search giving Proplend Security Limited priority beyond the date of completion against the Guarantor.

All other appropriate Searches have been carried out and, save as referred to below, reveal no Entries adverse to your security.

**3. VALUATION:**

We have read the Valuation Survey Report dated 3 July 2018 from Carter Jonas LLP and confirm that:-

- i) there are no discrepancies between the report, the title documentation and the results of our searches.
- ii) we are satisfied that Proplend Security Limited will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan

**4. PURCHASE CONTRACT:**

- i. Purchase Price: £875,000
  - a. Property: £875,000
  - b. Fixtures and Fittings: £N/A

**5. SECURITY DOCUMENTATION:**

The following security documentation has been properly executed and witnessed and is held by ourselves. (Please delete if not applicable).

- a. Legal Charge The Legal Charge will be dated upon completion
- b. Debenture The Debenture will be dated upon completion
- c. Guarantees The Guarantees will be dated upon completion

**6. COMPLETION ARRANGEMENTS**

We now request you to pay to us the Advance Amount and undertake that if you pay to us the said sum and we shall use the same only to effect the remortgage of the Property by the Borrower.

We confirm we hold an irrevocable undertaking from a firm of solicitors that following completion they will send a completed AP1 in respect of the remortgage of the Property and registration of Proplend Security Limited's Charge, any necessary supporting documentation, and any title documents that are received from the Seller's solicitors.

Our banking details are:

Account Name: Paris Smith LLP Client Account  
Account Number: 37559583  
Bank: National Westminster Bank plc  
Branch: 12 High Street Southampton  
Sorting Code No: 56-00-68

Completion date: to be advised

## SCHEDULE

### RESTRICTIVE COVENANTS

(please confirm whether or not the restrictive Covenants are onerous)

There is an accessway at the rear of the Property which is believed to be for pedestrian use only. There are statutory declarations from the current owners showing that for 40 years this accessway has been used. Those rights have been registered against the title, but are merely possessory rights and there is no legal title to the rights of way.

The land shown hatched blue on the Title Plan for SK215170 is subject to rights for the benefit of number 22 to use the accessway, but these no longer subsist as all the properties will be owned by the Borrower.

The Property at 22 Museum Street is subject to rights in a Conveyance dated 14 August 1878 for the benefit of the land to the north of the churchyard to use a pump and well if the same still exists. The Conveyance also contains a covenant to not to use the Property for any noxious, etc trade or business and that part of the land shown coloured green on the plan from the Conveyance is not to have any buildings on it other than walls, etc.

The Property at 22 Museum Street is subject to rights in a Conveyance dated 23 June 1922 again for the benefit of the property to the north of the churchyard to use the pump and well referred to and by reference to an Agreement of 6 May 1904, the Property is subject to declarations that the windows at the back of 24 Museum Street would be constructed with opaque glass and that rights of light are enjoyed by licence.

### ADVERSE INTERESTS

(please confirm whether or not the Adverse Interests are onerous)

- 1 The Property was to have been purchased by Lewbry Developments Limited. However, it is now to be purchased by the Borrower. The Transfer will be to Lewbry Developments Limited but at their direction then transferred on to the Borrower. We have requested written confirmation from the Seller that they consent to this and also from Lewbry Developments Limited that they will have no interest or estate in the Property from the date of completion. A letter from Lewbry Developments Limited confirming the above has been provided.
- 2 The Property is currently used as offices for Birketts Solicitors. Vacant possession will be given on completion. We are advised that a planning application is to be made or has been made in connection with a change of use to residential accommodation. We have requested details of this from the Borrower's solicitors who say that no planning application has yet been submitted. It was originally envisaged that planning would have been obtained prior to the date of completion under the Contract (see 3 below) but that is no longer the case. The Property will remain vacant from the date of completion until the new planning permission for change of use has been secured.
- 3 The Contract for the purchase of the Property, now to be in the name of the Borrower, is unusual. There is reference to a planning application being made, but there are no details. The completion date is the earlier of 31 December 2018 and the date on which the Seller serves a Notice to Complete. There is no provision in the Contract as to the terms and conditions relating to the service of that notice or any timescale. There is no obligation on the Buyer to prosecute the planning application or to make any appeal. We have raised these issues with the Borrower's solicitors who say that this slightly unusual approach is correct. The Seller can serve the Notice to complete at any time giving 20 working days' notice. The Notice has now been served with a completion date of 10 August. The Seller's solicitors have said that they may be able to bring that date forward, but the Property is in the course of being emptied.
- 4 The valuer has commented on the following points:-

- 4.1 The Property is a listed building. We have raised this with the Borrowers who confirm that there is a listing for the whole of the building. As a result, no EPC's are required.
- 4.2 There is a oil tank in the basement of number 26 which has the potential for contamination. The Sellers say they are not aware of this although they have occupied the Property and no further information is available. The listed building registration and the potential contamination will both have an effect on any proposed redevelopment of the Property.
- 5 There is provision in the Contract that if the full 10% deposit has not been paid by 31 December 2017 (the contracts were exchanged last year) then the Seller can rescind the Contract. We have raised this with the Borrower's solicitors who say that no notice of rescission has taken place and the deposit has been paid..
- 6 One of the conditions to the Contract for Sale is that the Seller will put on risk indemnity insurance policy in respect of the rights referred to above, but these appear to be linked to the proposed change of use and therefore if the Contract is completed before that planning consent is granted, then the indemnity policy would appear to have no effect. We have raised this with the Borrower's solicitors who say that the policy will not be put on risk. It is only to be put on risk if there is a change of use and as that planning application has not been submitted at this stage, the policy provisions in the Contract will lapse..
- 7 The valuer has referred to the need for an EPC report here. However, as noted above, the Property is a listed building and therefore EPC legislation does not apply.
- 8 There is a public sewer within the Property which appears to be at the rear of the Property partly in the rear accessway and partly connecting at the side of the Property although it does not appear to have any buildings constructed over it.
- 9 It is now standard procedure to undertake environmental desktop searches in transactions of this nature. However please note the limited nature of the search. The search is undertaken by independent search consultants at a limited cost and is compiled by the search consultants on the basis of inspection of documentary records only accessed by means of a "desk top" search. It does not, of course, arise from a physical inspection of the site. Clearly it will not reveal information which is not recorded in public documentation. The search should therefore be regarded as a general guide only. If you have concerns as to possible contamination of the site then you should discuss further with us the need for a more detailed survey (possibly including a site survey). You will understand that we are not qualified to advise on whether or not the search results are acceptable (or the level of risk involved) but we would be happy to discuss any particular queries with you and to consider with you whether further expert advice should be obtained on any matters arising from the search result itself and/or with regard to the site or your proposals generally.

Subject to the comments above we would point out that the report has been certified as "Passed" meaning that in the professional opinion of Landmark the level of risk associated with the information disclosed in the report:

- (a) is unlikely to have an adverse effect on the value of the Property, and
  - (b) is not such that the Property would be designated "Contaminated Land" within the meaning of Part IIA of the Environmental Protection Act 1990.
- 10 Copies of the Fire Risk Assessment and Asbestos Risk Register have been provided which contain recommendations. The Borrower's solicitors say that these will not be implemented on the basis that consent for a change of use is being applied for which will require re-working of both reports.

Signed by:

Signature:

A handwritten signature in black ink that reads "Nick Vaughan". The signature is written in a cursive style with a comma at the end.

Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

Date: 24 July 2018

# H.M. LAND REGISTRY

TITLE NUMBER

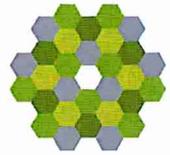
# SK 3567

ORDNANCE SURVEY PLAN REFERENCE	COUNTY	SHEET	NATIONAL GRID
	SUFFOLK		TM 1644
Scale: 1/1250	IPSWICH DISTRICT		© Crown copyright

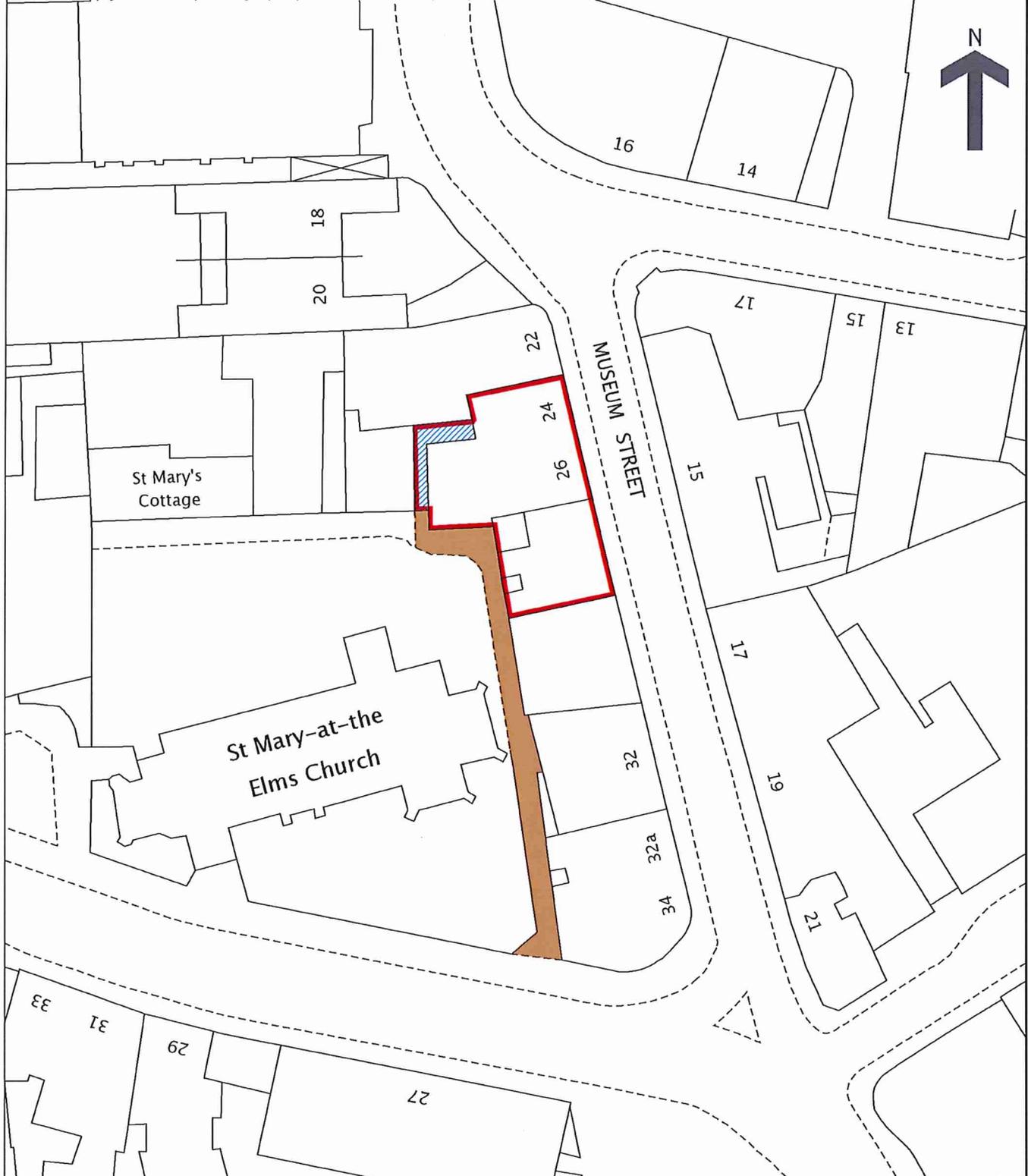


Land Registry  
Official copy of  
title plan

Title number **SK215170**  
Ordnance Survey map reference **TM1644NW**  
Scale **1:500 enlarged from 1:1250**  
Administrative area **Suffolk : Ipswich**

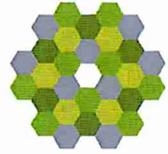


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# Land Registry Official copy of title plan

Title number **SK306508**  
Ordnance Survey map reference **TM1644NW**  
Scale **1:1250**  
Administrative area **Suffolk : Ipswich**



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