

REPORT ON TITLE

REFINANCE – DUAL REPRESENTATION



To	Proplend Security Limited ("the Security Trustee ")
From	Dutton Gregory LLP
Borrower	LM Investments Ipswich Limited
Company Number	08972910
Property	LEASEHOLD –15 Regatta Quay, Key Street, Ipswich IP4 1FH
Is the Borrower the same as the Owner?	Yes
Advance Amount	Gross Loan: £305,500 Amount to be released to Dutton Gregory LLP on completion: £285,020.75
PG REQUIRED	Yes – two directors

1. **TITLE**

- a. We certify that the Property is:

Tenure:	Leasehold
Title number:	SK357691
Class of title:	Absolute

- a. We certify that the Title to the Property is good and marketable and can be accepted by you as security.
- b. We include hereto a copy of the plan to the title for the Property ("the **Title Plan**") showing the Property **edged red**. The Title Plan accords with the plan attached to the Valuation.
- c. The Property is registered in the name of the Borrower.
- d. We confirm that the only material **Restrictive Covenants** which affect the Property are set out below.
- e. We confirm that the only material **Adverse Interests/Rights** affecting the Property are referred to below.
- f. No person other than the Borrower has an equitable or overriding interest in the Property save as disclosed in this Report.
- g. The Security Trustee will obtain a **First Legal Charge** over the Property.
- h. The Property has the benefit of the material **Rights Benefitting** referred to as revealed by the title to the Property.

2. **SEARCHES:**

We confirm we will obtain/we hold:-

- a. Clear Land Registry Priority Search on the Property giving the Security Trustee priority beyond the date of completion.
- b. Clear Bankruptcy Search giving priority beyond the date of completion against the directors of the Borrower.
- c. "No Search" Indemnity Policy will be instigated on completion in lieu of Local Authority and Water Drainage Searches.

All other appropriate searches have been carried out and, save as referred to below, reveal no entries adverse to the Security Trustee's security.

3. **VALUATION:**

We have read the Valuation Survey Report dated 28 July 2021 prepared by Bellevue Mortlakes ("**Valuation**") and confirm that:-

- a. there are no discrepancies between the Valuation, the title documentation save as highlighted in this Report;
- b. we are satisfied that the Security Trustee will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan for the Property.
- c. **In response to the Valuation Report:**
 - we are unable to verify whether the Property enjoys free and uninterrupted rights of vehicular and pedestrian access from the adopted highway as no searches are to be carried out prior to completion. The Borrower has confirmed in replies to Basic Initial Property Requirements and CPSE 7 that he considers they do.
 - we are unable to confirm the permitted or established uses as referred to in the Valuation Report given that no searches have been carried out and that no-search indemnity insurance will be incepted on completion instead. We have been provided with a copy of the planning permission for the development in 2006.
 - The Borrower's replies to CPSE 7 relating to boundary ownership and liabilities confirm that the Borrower considers all boundaries his responsibility in accordance with the terms of the lease.
 - The Borrower's replies to CPSE 7 relating to rights benefiting the Property mention that the occupational tenant leases the outside terrace space from the council, but no copy of this agreement has been provided.
 - The environmental desktop search recommends that a Flood Solutions Report is carried out to ascertain the "other flood risks" identified. The borrower has now obtained a Flood Report and a copy is recommended to be sent to the valuer to confirm whether it affects the valuation.

4. **SECURITY DOCUMENTATION:**

We confirm that the following security documentation has been properly executed and witnessed and an electronic copy is held by us. The original is held by the Borrower's solicitor.

- | | |
|------------------------|--|
| a. Legal Mortgage | To be dated on completion |
| b. Debenture | To be dated on completion |
| c. Personal Guarantees | By two directors – to be dated on completion |

5. **COMPLETION ARRANGEMENTS**

We now request you to pay to us the Advance Amount and undertake that if you pay to us the said sum we shall use the same only to forward funds to the Borrower's solicitor.

As agreed, we shall deduct our fees and disbursements from the Advance Amount before forwarding the balance to the Borrower's solicitor to complete the re-finance.

We will hold an irrevocable undertaking from the Borrower's solicitor confirming that following completion they will incept the indemnity insurance policy and forward any necessary supporting documentation and any title documents that are received from the Borrower's solicitor to you as required following completion of registration.

Our banking details are:

Account Name	Dutton Gregory Client Account
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Account Number	10332186
Bank	Barclays Bank plc
Branch	50 Jewry Street, Winchester
Sort Code	20-97-19
Completion date	27 October 2021

SCHEDULE

RESTRICTIVE COVENANTS/ ADVERSE INTERESTS/RIGHTS

The Borrower has confirmed in replies that in respect of the covenants, rights and use impacting theProperty they are not aware of any breach.

1. Title Matters

(a) Charges to be redeemed by the Borrower's solicitor:

SK357691 – 15 Regatta Quay – charge dated 20 November 2014 – Barclays Bank plc

Includes a cross guarantee and debenture which will also be redeemed by the Borrower on completion of drawdown.

(b) Price Paid

The price stated to have been paid on:

Title No.	Price Paid
SK357691	20 November 2014 – £375,000

(c) Property Address:

Please refer to the "Property" on page 1 of this report.

Title Matters affecting SK357691		
Date	Document	Comments
18 March 1964	Conveyance	By this conveyance of the freehold estate dated 18 March 1964 made between R & W Paul Limited (1) and R & W Paul (Malsters) Limited the land in this title and other land was conveyed "subject to and with the benefit of all such exceptions, reservations, easements, quasi-easements, rights, privileges, agreements, covenants, restrictions and liabilities as affect or relate to or care enjoyed in respect of the property hereby conveyed or any part thereof." No copy of this conveyance is available.
20.11.2014	Lease	The Property is leasehold. The terms of the lease are as follows: Parties: City Living Developments (Ipswich) Limited (in administration) (1) LM Investments (Ipswich) Limited (2) and Nigel Millar, Bruce McKay and George Maloney of Baker Tilly Restructuring and Recovery LLP (3) Premises: ground floor and mezzanine, 15 Regatta Quay Rent: £200 pa payable annually on 1 January each year. Service charge: See statement of account and budget attached. Term: £125 years from 14 July 2014 Permitted Use: bar and restaurant within Class A3 and A4, shop and/or office with Classes A1, A2 and B1 with Landlord's consent. Not to be used as a takeaway, nightclub, off-licence or bookmakers.

2. Occupational Interests

Please refer to the Lease Schedule below.

3. Searches

Date	Search	Material Matters Revealed
n/a	Local	Not carried out
n/a	Water	Not carried out
11.08.2021	Environmental	Contaminated Land: PASSED Flood Risk: IDENTIFIED The search refers to "other flood risks" based on historic flood events records that could impact the Property other than surface water, groundwater or river and coastal flooding. A Flood Solutions Commercial Report is recommended to ascertain what this risk could be. The Borrower has obtained a Flood Report dated 7 October 2021. A copy has been provided for comment by the valuer. Ground Stability: NOT SEARCHED Radon: NONE IDENTIFIED Energy: NONE IDENTIFIED Environmental Constraints: NONE IDENTIFIED Transportation: NONE IDENTIFIED
	Chancel Repair	The Property is NOT within the historical boundary of a tithe or district within a parish which continues to have a potential chancel repair liability.
	Coal Mining	None carried out

12.08.2021	SIMR	SK251518 – freehold SK357691 – leasehold – the Property No other registered estate, caution against first registration, application for first registration or application for a caution against first registration is shown on the index map in relation to the Property.
Expires: 16.11.2021	Bankruptcy	Against the directors of the Borrower – Clear
Expires: 7.12.2021	Priority	SK357691 In favour of Proplend Security Ltd
27.10.2021	Lender Exchange Check	The Borrower's solicitors Dutton Gregory LLP are registered with Lender Exchange.
27.10.2021	SRA Check	Rachel McNulty and Dutton Gregory LLP Solicitors are SRA Registered
	Source of Funds	Not applicable - refinance
10.08.2021	Official Copies	SK357691 – 15 Regatta Quay, Key Street, Ipswich

OTHER

4. Buildings Insurance

Under the terms of the lease the landlord insures the estate. A copy of the landlord's insurance schedule is attached for approval.

Insured	Landlord – City Living Developments (Ipswich) Ltd (in Administration) & Nigel Millar of RSM Restructuring Advisory LLP
Insurer	Axa Insurance UK plc
Property	The Shamrock, Regatta Quay, Ipswich, Suffolk IP4 1FH
Sum Insured	£10,312,668 – the freehold
Reinstatement Figure – Valuation	£450,000 – the Property
Policy No	LP PPP 7066610
Expiry	30 March 2022
Use	Purpose built block of Apartments with Commercial
Terrorism	Separate policy by the Landlord – schedule approved by you.
36 Months' Rent	Loss of rent dealt with by way of board resolution from tenant
PSL Interest noted	Yes
Day one	Yes 15.00% uplift
Copy Policy sent to PSL	Yes

5. Fire Risk Assessment /Asbestos Report/Access Audit/Energy Performance Certificate

Date	Report	Contents
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23 May 2013	EPC	Rating – B
30 January 2017 And 5 October 2021	Fire Risk Assessment ("FRA")	<p>The Borrower has provided an FRA. Copy provided to you.</p> <p>The Borrower has obtained an up to date assessment by a third party. The Borrower will provide a written undertaking addressed to the Security Trustee to ensure that they carry out all works required by any recommendations by the assessor within 1 month of the completion date.</p>
None available	Asbestos Report	<p>The Borrower has not provided an Asbestos Report.</p> <p>In replies to CPSE 7 the Borrower states: <i>"in 2014 Seller [Borrower] purchased property and prior to this former tenant undertook substantial refurbishment in 2009 – with no asbestos"</i>.</p>
None Available	Access Audit	<p>The Borrower has commented that there is no Access Audit. The Borrower has provided photographs of the disabled access to and from the Property and the disabled toilets. You are content with that.</p>

6. Identification Documents


Name	List A ID	Expiry	List B ID	Date
Gregory Morgan	Passport	30.08.2023	Bank Statement	29.06.2021
Lorraine Morgan	Passport	09.12.2022	Bank Statement	29.06.2021

7. Valuation – Material Matters

Date	28 July 2021
Market Value	£470,000
Market Rent	£46,000
Reinstatement	£450,000
Use	Ground Floor and First Floor Bistro/Bar
Tenure	Freehold
Planning	<p>The valuer commented:</p> <p>Use Class E – retail</p> <p>The Property is not Listed and does not appear to be in a Conservation area.</p> <p>08/00682/CON Discharge of Condition 2(vii) Details of proposed mechanical ventilation, filtration and A/C equipment and Condition 2(ix) External Plant for Application no. IP/05/00296/FUL. Granted 12.09.08</p> <p>05/00296/FUL Mixed use development in multi-storey blocks (up to 14 floors), comprising of 290 residential units and 3000m2 (approx) of non-residential floor space potentially comprising all uses within Class A Class B1, Theatre and Classes D1 and D2, Car parking, formation of vehicular access, laying out of open spaces and associated works. Granted - 07.06.06</p> <p>(A copy of this planning permission has been provided.)</p>

	<p>05/00295/CAC Demolition of former maltings buildings to facilitate redevelopment (proposal includes part retention of quayside maltings, including western wing and cast iron columns). Granted - 07.11.05</p> <p>5/00476/FUL First floor office extension. Granted - 18.08.75</p>
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OCCUPATIONAL LEASE SCHEDULE

Premises	<p>Ground and mezzanine floors, 15 Regatta Quay, Albion Wharf, Ipswich IP4 1FH edged red on the plan to the Superior Lease:</p> 
Date	17 May 2021
Parties	LM Investments Ipswich Limited (1) GLD Catering Ltd (2)
Current tenant	GLD Catering Ltd
Current guarantor	None
Term, commencement date and expiry date	5 years from 17 May 2021 to 17 May 2026
Is the Letting Document a new tenancy for the purpose of the LTCA1995?	Yes
Excluded Tenancy	Yes
Current rent and rent payment dates	£42,000 pa Payable quarterly in advance on the 17 August, 17 November, 17 February and 17 May.
Rent review dates and date of last review	None
Forfeiture Rent unpaid after due. Breach of condition. Tenant insolvency.	<p>21 days (whether demanded or not)</p> <p>Yes, breach of any condition or covenant by tenant</p> <p>Yes</p>

Use and any restrictions on use	As stated in the Superior Lease
Repair and decoration	No repair or decoration obligations except to yield up the Premises at the end of the term having removed all chattels and items
Insurance	Landlord responsibility Tenant pays the premium.
Service Charge	The service charge payable by the Landlord under the Superior Lease Tenant therefore pays a fair and reasonable contribution towards Superior Landlord's costs in maintaining, repairing, lighting, cleaning and renewing all service media, structures and other items on the Building and the wider Estate. See copy current service charge budget attached.
Alterations (a) External/structural: (b) Internal, non-structural:	No structural or external alterations permitted. Internal, non-structural alterations permitted with landlord's consent
Alienation	<p><u>Assignment</u></p> <p>Whole: Not permitted</p> <p>Part: Not permitted</p> <p><u>Underletting</u></p> <p>Whole: Not permitted</p> <p>Part: Not permitted</p> <p><u>Group Company Sharing</u></p> <p>Not permitted</p> <p><u>Charging</u></p> <p>Whole: Not permitted</p> <p>Part: Not permitted.</p>
Lease registerable? (i.e. granted for more than 7 years)	No
Lease executed correctly?	Yes
Other notable matters	None

Indemnity Insurance Policies to be incepted on completion

No-search – sum insured - £470,000

Signed by:	<i>Sophie Macarthy</i>
Signature Name:	Sophie Macarthy

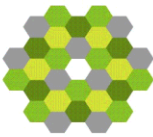
Position:	Associate Solicitor
Authorised to sign for and on behalf of:	Proplend Security Limited
Date:	27 October 2021

See plans below:

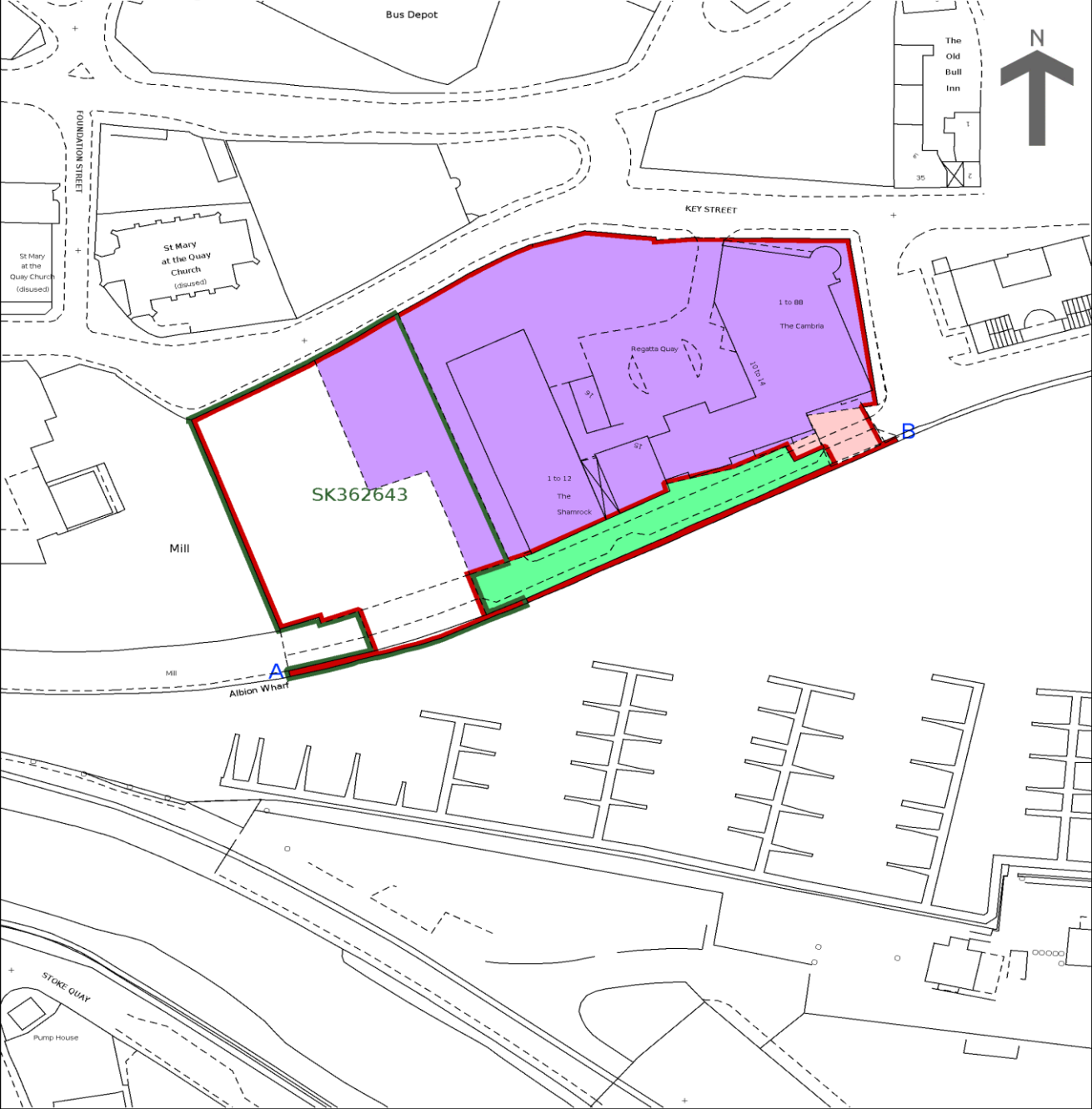
FREEHOLD TITLE PLAN

HM Land Registry
Official copy of
title plan

Title number **SK251518**
Ordnance Survey map reference **TM1644SE**
Scale **1:1250**
Administrative area **Suffolk : Ipswich**



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The land tinted green is not included in this title.



TITLE PLAN – THE PROPERTY:

