

REPORT ON TITLE



NB The image extracted is for illustrative purposes only

REFINANCE – SEPARATE REPRESENTATION

To	Proplend Security Limited (“PSL”)
From	Paris Smith LLP
Borrower	Porta Investment Ltd
Company Number	13127654
Property	Island House, High Street, Chipping Campden GL55 6AL
Is the Borrower the same as the Owner?	Yes
Advance Amount	Gross Loan: £350,000 Amount to be released to Robert Lunn & Lowth LLP (the “Borrowers’ Solicitors”) on completion: £326,343.04
PG Required	Yes, Marco Porta is providing a Personal Guarantee limited to £70,000

1 TITLE

We certify that the Property is:

Tenure:	Freehold
Title Number:	GR424753
Class of Title:	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 annex 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 Property is not subject to any **Restrictive Covenants**.
- e. We confirm that the only material **Adverse Interests/Rights** affecting the Property are referred to in the Schedule.
- f. No person other than the Borrower has an equitable or overriding interest in the Property save as disclosed in their report.
- g. PSL will obtain a **First Legal Charge** over the Property.
- h. The Property has the benefit of the material **Rights Benefitting** referred to in the Schedule as revealed by the title to the Property.

2 **SEARCHES:**

We confirm we hold:-

- a. Clear Land Registry Priority Search giving PSL priority beyond the date of completion.
- b. "No Search" Indemnity Policy will be instigated on completion in lieu of Local Authority, Water and Drainage and Chancel Repair Searches.
- c. Clear Bankruptcy Search(es) giving 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 PSL's security.

3 **VALUATION:**

We have read the Valuation Survey Report dated 22 April 2022 prepared by Barnsdales Valuations Limited (the "**Valuation**") and confirm that:-

- a. there are no discrepancies between the Valuation, the title documentation and the results of our searches save as highlighted in this Report.
- b. we are satisfied that PSL will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan.

4 **SECURITY DOCUMENTATION:**

The following security documentation has been properly executed and witnessed (where required) and the originals are held by us or will be sent to us after completion in accordance with the completion undertaking which we have received from

- a. Legal Charge To be dated on completion
- b. Debenture To be dated on completion
- c. Guarantee To be dated on completion
- d. Board Resolution dated prior to completion.

5 **COMPLETION ARRANGEMENTS**

We now request to 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 Borrowers' Solicitors.

As agreed, we shall deduct our fees and disbursements from the Advance Amount before forwarding the balance to the Borrowers' Solicitors to complete the refinance.

Prior to completion we will hold an irrevocable undertaking from the Borrowers' Solicitors confirming that following completion they will send us the original signed security documents (if we have not already received these) and provide assistance with the registration of your security.

Our banking details are:

Account Name	Paris Smith LLP Client Account
Account Number	3755 9583
Bank	National Westminster Bank
Branch	High Street, Southampton
Sorting Code No	56-00-68
Completion Date	Friday 26 August 2022
Reference:	AZC.113022.153

SCHEDULE

RESTRICTIVE COVENANTS/ADVERSE INTERESTS/RIGHTS

1. **Title Matters**

(a) **Charges to be redeemed by the Borrowers Solicitor:**

Title No	Lender	Charge Date
GR424753	Catriona Brocklehurst and Paul Brocklehurst	27 April 2021

(b) **Price Paid**

The price stated to have been paid on:

Title No	Price Paid	Date
GR424753	£610,000 plus VAT of £122,000	27 April 2021

(c) **Property Address:**

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

Title Matters affecting GR424753		
Date	Document	Comments
11 July 1975	Conveyance (entries A2 & A3)	<p>The Property has the benefit of but is subject to various rights in respect of the adjoining property, known at the Land Registry as Island House Cottage (title number: GR269040)</p> <p>The Borrowers' Solicitor has advised that if these rights are still exercised they do not impact the Borrower's use of the Property.</p> <p>In addition, this Conveyance states that all walls separating the Property from Island House shall be deemed to be party walls which shall be repairing accordingly. The Borrower has confirmed in replies to CPSEs that no party wall notices have been received or served.</p>

2. **Occupational Interests**

Restaurant/Café Lease

Premises	the land and building known as Island House High Street, Chipping Campden, Gloucestershire, GL55 6AL (this is a lease of whole)
Date	To be date upon completion
Parties	Landlord – Porta Investment Ltd Tenant – Da Luigi Ltd
Current tenant	Da Luigi Ltd (company number: 11990375) of The Old Kings Arms, High Street, Chipping Campden, Gloucestershire GL55 6HB <i>Please note that Marco Porta is also the sole director of the tenant</i>

	<i>company</i>
Current guarantor	Not applicable
Term commencement date and expiry date	3 years from the date of completion (expiring 2025)
Excluded Tenancy	The lease is not being contracted out, so the Tenant will have security of tenure in accordance with the provisions of the Landlord and Tenant Act 1954.
Rent and rent payment dates	£51,000 per annum inc VAT (£42,500 exc. VAT), payable monthly in advance on the 1 st of each month
Rent review dates and date of last review	Not applicable, the rent is fixed for the duration.
Rent review	Not applicable.
Forfeiture (a) Rent unpaid for 21 days after due. (b) Breach of condition. (c) Tenant/Guarantor insolvency	(a) No, the right to forfeit occurs once any rent is unpaid 20 working days after becoming due. (b) Yes. (c) Yes
Use and any restrictions on use	Use as a hospitality venue
Repair and decoration	The Tenant must keep the Premises in good repair and condition, properly maintained and decorated and reasonably clean and tidy and free from rubbish although this obligation does not extend to keeping the Premises in any better state of repair and condition than they are at the date of this Lease
Insurance	The Landlord shall keep the Premises insured against damage or destruction by fire and other usual risks for the full cost of rebuilding and reinstating the Premises. If the Premises or any part of them are damaged by an insurance risk so as to make the Premises unfit for use or occupation then the Rent (or a fair proportion of it) shall be suspended until the Premises, or the effected part, are fit for occupation. The Landlord must as soon as practicable reinstate the Premises and if he fails to do so within a reasonable time the Tenant shall be entitled to treat the Lease as at an end.
Alterations (a) External/structural (b) Internal, non-structural alteration	make any alteration to the Premises, unite the Premises with any adjoining premises or make any alteration to the Premises or to the services or service media in the Premises.
Alienation	This Lease is personal to the Tenant and the Tenant must not assign, sublet, charge or part with possession of the Premises or any part of them and must not hold the Premises on trust for another.
Service Charge	As this is a lease of whole there are no service charge provisions.
Landlord Covenants	<ul style="list-style-type: none"> • Quiet Enjoyment; and

	<ul style="list-style-type: none"> Insurance
Lease registerable? (ie, granted for more than 7 years)	No, the Lease is not registerable as it is only for 3 years.

Recording Studio

Premises	<p>The recording studio which is located on part of the second floor of the Property.</p> <p>Please note that the Licensor may require the Licensee to move to a different part of the Property by giving them 5 days' written notice, so the Licensees do not have exclusive possession of any particular part of the Property.</p>
Parties	<p>Licensor – Porta Investment Ltd</p> <p>Licensee – Marco Porta & Andrew James trading as The Cotswold Vocal Studio</p>
Term	The Licence is for a rolling term which can be terminated by either party upon 5 days written notice.
Licence Fee	No licence fee is paid by the Licensee
Other	We have been advised by Mr Porta that the music studio is effectively operated as a hobby with his friend Mr James, and occupies a very small part of the Property.

3. Searches

Date	Search	Material Matters Revealed
	Local	<p>No Search Indemnity will be implemented on completion by the Borrowers Solicitor.</p> <p>Although we have not reviewed the results of a local authority search we have checked the local planning portal (https://publicaccess.cotswold.gov.uk/online-applications/propertySearchResults.do?action=firstPage) which reveals the following:</p> <ul style="list-style-type: none"> 4 planning and building control entries, details of which are set out below: <ul style="list-style-type: none"> Planning - Ref: 93.01234 (dated 28 March 1995) which granted permission for the Retention of menu boards, lighting, two wall signs and one projecting hanging sign Planning - Ref: 95.00604 (dated 24 July 1995) which granted permission for the Removal of the kitchen from the ground floor and the installation of a kitchen in the lower ground floor Planning - Ref: 13/01528/TPO (9 May 2013) which permitted the following work to be done to the willow tree. Crown reduction by 4m height and 2.5m radial spread reduction and removal of the lowest rung of branches to form a raising of the crown.

		<ul style="list-style-type: none"> ○ Building Reg – Ref: 1 9/04727/GASAFE (dated 15 October 2019) which was issued following the installation of a new gas boiler in the Property. • That the Property was issued with a new Premises Licence on 20 July 2022 which permits the sale of alcohol (on premises) every day from 9:00am to 11:00pm • The Property is not subject to any planning appeals or building control contravention action. • The Property is located within an Area of Outstanding Natural Beauty • The Property is located within the Chipping Campden Conservation Area <p>We have also checked the Historic England database (https://historicengland.org.uk/listing/the-list/) and can confirm that the Property is Grade II* listed, and the list entry number is 1342029</p>
	Water and Drainage	No Search Indemnity will be implemented on completion by the Borrowers Solicitor.
	Chancel Repair	No Search Indemnity will be implemented on completion by the Borrowers Solicitor.
8 July 2022	Environmental	<p>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 "desktop" 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.</p> <p>Subject to the comments above we would point out that the report has been certified as "Passed" meaning that in the professional opinion of Argyll Environmental the level of risk associated with the information disclosed in the report:</p> <p>(a) is unlikely to have an adverse effect on the value of the Property, and</p>

		<p>(b) is not such that the Property would be designated "Contaminated Land" within the meaning of Part IIA of the Environmental Protection Act 1990.</p> <p>Aside from the above the search also reveals that:</p> <ul style="list-style-type: none"> • The Property is not within a coalfield consultation area or within an area where Coal Mining Subsidence Damage Claims have been recorded. • The Property is in an intermediate probability radon area, this means that 5-10% of homes in the area are estimated to be at or above the action level in respect of radon. Therefore, there is a chance that the Property could be affected by radon, but no further action is needed unless the Property were to be converted to residential use.
	Highways	<p>This search confirms that the Property directly abuts the public highway, being the parts shown shaded blue on the below plan</p> 
Information correct as at 7 March 2022	Company	<p>Name: Porta Investment Ltd</p> <p>Active: Yes</p> <p>Directors: 1 – Marco Porta</p> <p>Secretary: None</p> <p>Shareholders: the 100 shares are held as follows:</p> <ul style="list-style-type: none"> • Marco Porta – 75 shares • Simone Porta – 25 shares <p>PSC: Marco Porta</p> <p>Purpose: Other letting and operating of own or leased real estate (SIC: 68209); and Buying and selling of own real estate (SIC: 68100)</p> <p>Charges: 1, detailed below:</p> <ul style="list-style-type: none"> • Legal Charge - Catriona Brocklehurst and Paul Brocklehurst – dated 27 April 2021
Expires: 7	Bankruptcy	Clear – against Marco Porta

September 2022		
Expires: 28 September 2022	Land Registry Priority	GR424753 In favour of Proplend Security Limited Clear
	SRA check	Robert Lunn & Lowth LLP (SRA Number: 630475)
	Source of Funds	The Borrower's solicitors have confirmed in correspondence.
	Official Copies	Dated: 8 July 2022

OTHER

4. Buildings Insurance

Insured	Porta Investment Ltd & Da Luigi Ltd t/a Huxleys
Insurer	Accelerant Insurance Europe SA
Property	Island House, Chipping Campden, GL55 6AL
Sum Insured	£ 915,025
Reinstatement Figure – Valuation	£450,000
Policy No	B22Q5R3F
Expiry	23 April 2023
Use	Restaurant
Terrorism	There is a standalone policy which has been approved by you.
36 Months' Rent	Yes, 36 months up to a maximum of £127,000
PSL Interest Noted	Yes
Copy Policy sent to PSL	You have provided copies of both insurance policies and have confirmed to us that these are acceptable to you.

5. Asbestos Survey / Energy Performance Certificate / Licensing

Date	Report	Contents
17 March 2021	EPC	The EPC gives the property a C(56) rating, and we can confirm that the current EPC is valid until 16 March 2031
16 August 2022	Asbestos Survey	The Asbestos Management Survey conducted by WKA Asbestos Survey Ltd states that no asbestos containing materials were discovered in the Property.
21 October 2021	Fire Risk Assessment	The FRA does not identify any action points, and suggests that regular fire drills are undertaken (every 6 months) and that there is adequate fire detection systems in the Property.
	VAT	The Borrower has provided us with a copy of Option to Tax the Property which was made on 2

		<p>April 2021.</p> <p>They have also provided a copy of their VAT Certificate which confirms that the Borrower's VRN is 376766246 and the registration took effect from 12 January 2021.</p>
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6. Identification Documents

Please note that so far we have not received any ID documents for Marco Porta, but we understand that you have undertaken ID check against Mr Porta

7. Valuation – Material Matters

Date	22 April 2022
Market Value	£850,000
Reinstatement	£450,000
Property	Huxleys, Island House, High Street, Chipping Campden, Gloucestershire, GL55 6AL
Use	3 storey semi-detached café and lounge with a basement kitchen, terraced outdoor seating area, first floor office, w.c.'s, stores and second floor recording studio
Tenure	Freehold
Specific Comments	<p>Planning – The valuation refers to a number of pending planning permissions, but from a review of the local planning portal (https://publicaccess.cotswold.gov.uk/online-applications/propertyDetails.do?keyVal=R2TJSSF10EP00&activeTab=summary) it appears that all of these applications relate to a different property. The property in question is referred to on the planning portal as Cotswold Luxe, The Square, Chipping Campden GL55 6AL which is just up the road from the Property, as shown on the below plan.</p>  <p>Willow Tree – The report suggests that specialist advice is sought in respect of the Willow Tree which is located without the boundaries of the Property. You have confirmed that the Arboricultural Survey has been reviewed and approved by Credit.</p>
Other	<p>The valuation suggests that the Property is occupied by: Peter Clark Estate Agents, Hidden Beauty Cotswolds and Orchard Cosmetic Clinic.</p> <p>Having reviewed the information provided we can confirm this is not the case.</p> <p>Peter Clark Estate Agents are located in the adjoining property which is known as Island Cottage, High Street, GL55 6AL</p> <p>Orchard Cosmetic Clinic is also located in Island Cottage, High Street, GL55</p>

	6AL. Hidden Beauty Cotswolds are located at 1 Grafton House, High Street, GL55 6AT
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Policies to be put into place on completion
No Search (Mortgagee) Only - £850,000 limit of indemnity
Policies already in place
None

Signed by:	
Signature Name:	Alexander Cheele
Position:	Associate
Authorised to sign for and on behalf of:	Paris Smith LLP
Date:	24 August 2022

Title Plan – GR424753

HM Land Registry
Official copy of
title plan

Title number **GR424753**
Ordnance Survey map reference **SP1539SW**
Scale **1:1250 enlarged from 1:2500**
Administrative area **Gloucestershire :**
Cotswold



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