

REPORT ON TITLE

Relating to 18 Clover Street London W2

For Cambo Limited

1. Property

You are intending to buy 18 Clover Street London W2. The property is shown edged red on the plan attached to this report (*plan not reproduced*). Please check that you agree with its extent and position.

2. Purchase price

We understand that the proposed purchase price is £700,000. Please confirm and, in particular, whether there has been any adjustment to the price to take into account the comments of your survey report.

3. Identity of the buyer

We understand that you will be buying the property in your company name. Please confirm that we have your full company name spelt correctly. Please make sure that the necessary company resolutions take place to approve this action. Our company administration department can assist you in this regard, please refer to Mark Richards for further help for the company.

4. Tenure

The property is freehold.

5. Title deeds

The documents of legal title are relatively straightforward. We draw your attention to the following:

- The freehold is registered under title number NGL 546873 with title absolute, the best level of title possible. Satellite Property Company Limited of 87 Southampton Street London WC1 1VW purchased the property in 1993 and the price stated to have been paid on 17 January 1993 was £249,750.
- A conveyance of the land in this title and other land dated 13 August 1948 made between (1) Ernest David Kitson and (2) Trevor Samuel Oster contains covenants. I have seen these covenants and I have ensured that none of them adversely affect the property or the use of the property by the tenants.

- However, there is a UNILATERAL NOTICE affecting the property in respect of a contract dated 4 June 2008 made between (1) Juniper Investments Ltd and (2) Satellite Property Company Limited. This is an adverse entry made by a claimant against the owner and the property that must be sorted out by the seller before you purchase the property. Accordingly, we will ensure that this is removed on or before completion.

6. Items included in the sale

We also attach to this report a copy of the Fixtures Fittings and Contents Form (*please note, this form is not reproduced on the Online Resource Centre*) showing those items which are included in the purchase price and those which are not. These are landlord's fixtures and you are entitled to claim them as the lessor on purchase in succession to the seller. Please would you check it carefully and make sure that you agree with it.

7. Miscellaneous property information

We further enclose a copy of our Commercial Property Enquiries (*please note, this form is not reproduced on the Online Resource Centre*) for your information and also:

We enclose a copy of a damp proof guarantee of Dampout Proofings Limited dated February 1990.

We attach a copy of a Wiring Certificate dated June 2006.

We enclose copies of a letter from Warm Front and the Electrical Installation Works Certificate in respect of the central heating system.

In addition, we have been supplied with an Energy Performance Certificate, a copy of which is attached to this report.

(Please note, the above items are not reproduced on the Online Resource Centre.)

8. The contract

The contract is the document which creates the principal obligations for you to buy the property and for the seller to sell it. The contract makes it clear that you are purchasing the property subject to the two lettings and these are referred to later in this report.

9. Searches

We have been supplied with a copy of a local search and note:

- The property is within an area subject to a Smoke Control Order.
- Planning permission was obtained in February 1994 for the conversion of the property into two self contained business units. We will try to obtain a copy of the permission.

- It confirms that Clover Street is maintained at public expense.
- There is also an entry that reveals a Public Health Acts Notice served 01.06.08 re food storage. The local authority have said that details can be obtained from Environmental Services, Town Hall Kensington London W2 and we have asked for full details and have also written to the sellers indicating that an exchange cannot take place until that notice has been dealt with and removed, or about to be removed, by the local authority as having been satisfied by the seller. Clearly there is an issue about the storage of foodstuffs at the property and this is an issue bearing in mind the permitted user in the leases does not cover food. Further enquiries should be made to ensure that the property is not being used in an unlawful way by either or both tenants. No doubt you have inspected the units and will be aware of their current uses. Please let us know your views on this.

A drainage and water search indicates that the property drains to the mains, foul and surface water drainage systems and receives a mains water supply. It is stated that charges are based on a rateable value of the property. It is also stated that there is a surface water drainage charge that is payable and that the authority's records indicate that the property is served by a water meter. It is further stated that water quality analysis records confirm that tests meet the standards of the appropriate regulations.

10. Structural matters and environmental report

You buy the property in its present state of repair and subject to any works of repair which are required to be carried out. We note that you have had a full structural survey and valuation which has indicated certain areas of concern. We presume that you will have instigated all necessary reports and that you are satisfied with them. You should ascertain the cost of any necessary work before you enter into a binding obligation to buy this property.

An environmental report was obtained and this confirms that the property is not affected by any pollution remediation concerns under the Environmental Protection Act 1990. It is also not a property likely to be affected by flooding and as such the property will be insurable against flood damage.

11. Financial matters

We understand that you will be obtaining mortgage finance from Blakey Bank Plc and we look forward to receiving details in due course.

12. Timescale

We will need to discuss with you your required timescale for this investment purchase.

13. The occupational leases

There are two occupational leases.

We have looked at the two leases and have prepared full reports on both of them which accompany this report. (*Please note, these items are not reproduced on the Online Resource Centre.*) We have also extracted the more important elements of the leases for your consideration and these are set out below:

1. Lease of ground floor 18 Clover Street dated 19 October 1997 made between (1) Satellite Property Company Limited and (2) Webmaster Communications Limited.
Current tenant: Webmaster Communications Limited of 45 Ireland Street London NW3 4EB.

Rent is paid in advance on the usual quarter days.
The current passing rent of the ground floor lease to be apportioned is £90,000 p.a.

2. Lease of first and second floors 18 Clover Street dated 29 March 1997 made between (1) Satellite Property Company Limited and (2) Lifestyle Mortgage and Insurance Brokers Limited.
Current tenant: Lifestyle Mortgage and Insurance Brokers Limited of 45 Ireland Street London NW3 4EB.

Rent is paid in advance on the usual quarter days.
The current passing rent of the first and second floor lease to be apportioned is £155,000 p.a.

Both lease terms expire in 2020 and you will need to consider what action to take following completion of your purchase in relation to renewal or recovery of possession. We will be happy to advise you on this and take the necessary action on your behalf.

SIGNED:
Abbey & Richards
East Chamber
4 High Street
Blakey
Cornshire BL1 6RD

DATED: 12 August 2019