

1st CHARGE LOAN PROPOSAL MOUNT STUART SQUARE

MORTGAGE TERMS

Valuation	£380,000
Loan Amount	£366,000
Loan Split	£226,000 AJ3 Consult SSAS & £140,000 ATB Fire Safety SSAS
Use Of Funds	Commercial Purchase (9 Mount Stuart Sq Cardiff Bay)
Loan Term	24 Months
Loan rate	4% per annum
Loan Type	Interest only paid monthly
Interest Only Payment	£753.33 AJ3 Consult SSAS & £466.67 ATB Fire Safety SSAS
Loan Basis	Secured with 1 st Charge against Perch Buildings, 9 Mount Stuart Square, Cardiff, CF10 5EE. Registered under title number WA946382
Property Valuation Fee	£780 (already Paid)
Arrangement Fee	(paid by borrower)
Lenders Solicitors Fees	(met by borrower)
Borrowers Legal Fees	(met by borrower)

Borrower	Stratford Collins Associates Limited , 3 Frampton Lane, Llantwit Major, CF61 2UZ
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Lenders	JONATHAN THIRKETTLE & ANDREA THIRKETTLE as Trustees of the AJ3 Consult Executive Pension Scheme of 47 The Sanctuary, Culverhouse Cross, Cardiff, CF5 4RW
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	ADRIAN TIMOTHY BURNS of 4 Parc Y Castell Y Mynach, Creigiau, Cardiff, CF15 9NU as Trustees of the ATB Fire Safety Executive Pension
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Represented by	Clements & Co Solicitors
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VALUATION

CONTENTS

	Page Number
EXECUTIVE SUMMARY	-
1. INSTRUCTIONS	1
2. LOCATION	1
3. DESCRIPTION	2
4. ACCOMMODATION	2
5. SERVICES AND AMENITIES	3
6. SITE AND GROUND CONDITIONS	3
7. ENVIRONMENTAL ISSUES	4
8. REPAIR	5
9. TENURE	5
10. RATING ASSESSMENTS	5
11. TAXATION	6
12. PLANNING	6
13. TENANCY(IES)	7
14. CURRENT MARKET CONDITIONS	7
15. VALUATIONS (including basis of value)	9
16. VALUATION ISSUES	10
17. GENERAL CONDITIONS	11

APPENDICES

A	INSTRUCTIONS AND TERMS OF ENGAGEMENT
B	MAPS AND PLANS
C	PHOTOGRAPHS

EXECUTIVE SUMMARY

PROPERTY ADDRESS	Perch Buildings, 9 Mount Stuart Square, Cardiff CF10 5EE
LOCATION	Situated on the east side of Mount Stuart Square, immediately opposite the Exchange Building (under renovation), mixed use commercial/residential location with many improved period buildings adjacent.
DESCRIPTION	Middle terraced stone/brick, Grade II Listed 1858 building comprising three storeys with east side frontage to West Bute Street, west side frontage to Mount Stuart Square. Now dated office accommodation, cellular space.
PLANNING USE	Assumed B1 – offices
TENURE	Freehold – registered title WA946832
TENANCY (if applicable)	Total declared income - £25,181.60 per annum. (7 local businesses)
MARKET RENT	c.£ 35,000 per annum.
MARKET VALUE	£380,000
GENERAL COMMENTS	Grade Two Listed character property now requiring substantial repair, renovation and redecoration. Ideal part upper floor residential redevelopment opportunity (subject to planning).

2 September 2019
Attn: Adrian Shakespeare Esq. DipPFS
Stratford Collins Associates
PO Box 83
Llantwit Major
Vale of Glamorgan
CF71 9BT

Dear Sir

PROPERTY: Perch Buildings, 9 Mount Stuart Square, Cardiff Bay, Cardiff CF10 5EE
Independent Valuation Report

1. INSTRUCTIONS

This valuation for your internal purposes is of the freehold interest in the above property. This follows your email instructions dated 27th August 2019. You have agreed to purchase the freehold interest after a previous sale fell through.

We refer you to our terms of engagement which are reproduced in Appendix A.

We provide you with our opinion of the following:

- (a) the Market Value of the property with rental income/vacant possession of parts;
- (b) the Market Value of the property assuming full 100% vacant possession;
- (c) an approximate insurance replacement cost estimate.

The report has been prepared in accordance with **RICS Valuation-Global Standards 2017**.

We have professional indemnity insurance cover in place up to £2,000,000. Chris Clarke Surveyors Limited is a professional firm regulated by RICS.

We confirm we have no conflict of interest in accepting this instruction. We further confirm we have the knowledge, skills and understanding to undertake the valuation competently.

The subject property was inspected on Thursday, 29th August 2019 by C L D Clarke LLB; FRICS, Director of Chris Clarke Surveyors Limited. **He is an RICS Registered Valuer.** We shall take this date to be the date of valuation, unless otherwise advised.

2. LOCATION

We refer you to the general location plan in Appendix B.

The property is situated at the heart of the old Cardiff Bay, on the east side of Mount Stuart Square, the focal point of which is the old Coal Exchange Building, now partly redeveloped into The Exchange hotel by Signature Living.

There are a mix of modern/period residential apartments and commercial businesses around Mount Stuart Square including businesses: Tomas TV Ltd, MGY (Estate Agents/Surveyors), the Sound Works (in former Lloyds Bank Building on north-east corner) and Celf Creative (Designers).

Perch Buildings 9 Mount Stuart Square Cardiff Bay CF10 5EE/page 1 of 11

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Clarke

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The property is approximately 500m north of Mermaid Quay, the purpose-built retail/leisure focal point on Cardiff Bay's waterfront, and the location is also very close to the Millennium Art Centre to the south east.

Regeneration projects continue for old buildings in Cardiff Bay – many historic commercial uses have obtained Planning Consents to 100% residential schemes, like the former HSBC corner building on Bute Street.

3. DESCRIPTION

We refer you to the site plan contained in Appendix B and the boundaries are edged red, with the site area estimated to be approximately 298m²/0.073 acres.

This period Grade Two Listed Building constructed around 1858 comprises of three storeys with solid brick/stone construction with mainly slated and part mineralised felt flat roofs. Its principal frontage is on the west side to Mount Stuart Square, with a dressed stone ground floor frontage, with three front period timber windows and painted first/second floor stone elevations. In contrast, the rear east/west Bute Street frontage has un-rendered brick/stone dressed windows at first/second floor elevations and a modern shop front to the Carlo's Pizza A3 unit at ground floor level.

The third floor front/rear cellular office sections have roof lights.

Internally, the property is largely cellular in accommodation, there is **no lift**, there is a rear basement cellar (not inspected due to Health & Safety issues over asbestos) and many parts of the building are now vacant.

The building also lacks central heating. Some tenants have wall mounted electric heaters, and the majority of windows are large, older style sliding sash box frame type (energy inefficient).

Currently, there are three main building occupiers. Thai Consul Office (ground floor front), Christian Lewis Trust Ltd (first floor rear) and Carlo's Pizza (shop fronted A3 pizza) at 20 West Bute Street, ground floor.

The building appears to be protected by emergency lighting and older style electric smoke detectors (but this must be checked). Lighting internally is generally older style fluorescent strip. The toilet facilities are very basic older style fittings.

In between the west side and east side sections of the building at ground floor level, there is a shared courtyard area.

We also refer you to our various photographs in Appendix C.

4. ACCOMMODATION

N.B. All measurements are in accordance with the **RICS Property Measurement , 2nd Edition, January 2018.**

We have measured this period office building on a net internal basis and have restricted access to some rooms, but report as follows:

Rear basement cellar (not inspected due to Health & Safety concerns)
Ground floor front entrance porch – 3.4m².

Front inner hall – 8.5m².

Thai Consulate Suite comprises: front reception area – 10.08m², general office – 22.9m², rear vacant former D Dowdswell office – 19.1m², rear small kitchen – 2.08m², adjoining toilet – 1.4m².

Rear hall with DX area – 8.7m²;

Vacant rear ground floor office – 43.4m²;

Side toilet – 1.7m²;

Rear corridor – 8.6m²;

Upper floor – gent's toilets (not inspected).

Ground floor net internal area – c.107.7m²/1159ft²

First Floor

Front L-shaped vacant office – 38.1m²;

Vacant side office two – 11.2m²;

Rear vacant office three (with exposed painted stone walls) – 15.9m²;

Christian Lewis Trust/Young Kids Cancer Charity offices comprise: main office – 35.01m², side office – 11.1m², side office two – 14.4m², rear office three – 14.3m². Two low flush WCs, front/side corridors.

First Floor net internal area circa 140.6m²/1513ft².

Second Floor (front) – Artist's Studio – **39.2m²/422ft²**;

Landing area with raised low flush WC (not working?) with sink.

20 West Bute Street, Cardiff CF10 5EP

Ground Floor – Carlo's Pizza

Shop front sales – 24.8m², rear sales – 22.5m², main kitchen area – 12.8m², rear store/prep area – 11.4m², side WC/wash hand basin – 4.3m².

Net internal area – c.71.7m²/771ft²

First floor offices Rooms 17/18 – 21.64m²(inc. kitchen area – 2.6m²), toilet – 1.7m² /232sf

Second Floor rear offices-Rooms 21/22 – 25.8m² /277sf

Third Floor-Rooms 23/24-26.3 sq.ms/283 sf

5. SERVICES AND AMENITIES

From a cursory inspection for valuation purposes, the property appears to have all mains services with exception of gas. There is no fixed or central heating. There are isolated electric heaters in some of the accommodation, but tenants also provide their own heaters.

6. SITE AND GROUND CONDITIONS

We have not carried out nor commissioned a site investigation or geographical or geophysical survey and we can give no assurance that the ground has sufficient load bearing strength to support either existing structures or any other structure which may be erected in the future. In addition, we cannot provide assurance that there are no underground mineral or other workings beneath the site or in its vicinity.

Furthermore we have not been provided with any information in respect of ground conditions nor have we carried out any investigations into these or the servicing of the site. We assume that the site can be developed without incurring any abnormal costs in respect of foundations. For the purposes of this advice we have assumed that the ground conditions are satisfactory for a traditional method of construction and further that there are no contaminating or other deleterious materials present which may prevent the development of the site in a traditional method or at

normal cost levels. We have further assumed that the site is capable of being serviced at a reasonable cost level, and that there would be no exorbitant or excessive off site costs relating to matters such as drainage, road widening etc.)

7. ENVIRONMENTAL ISSUES

We have not carried out any specific Environmental Investigations of this property. There were no obvious matters that might have an impact on our valuation such as **historic mining activity** or electricity transmission equipment. We make the assumption that no contamination exists to the site (unless stated elsewhere in this report).

FLOODING- We have not made specific enquiries of NRW but assume the property is not at risk from flooding.

RADON

We have been unable to make any enquiries as to whether the property falls within an area of radon gas but we did not notice any radon detectors at this property during our property inspection so assume the property is not affected.

INVASIVE SPECIES

During the course of our property inspection, we did not notice the presence of any invasive species such as: Bats, Birds, Badgers, **Japanese Knotweed** and so believe the property is free of the same. However, we are not qualified to give such assurances and cannot guarantee that the property is entirely free from the same. We are valuing on the basis that there are no invasive species present.

EPCs

Legislative changes under the [Energy Act 2011](#) will make it unlawful to rent out and re-let premises with an EPC rating below a minimum level of E from April 2018. This applies to any property let on a tenancy which is six months or more and less than 99 years in length, and which is legally required to have an EPC. In addition, this legislation will extend to cover existing lettings in 2020 for residential properties and 2023 for commercial buildings.

We have seen an old EPC rating for this property which expired on 7/5/19 giving the building a Band C rating. The EPC must be renewed now.

We would remind you that, in accordance with your instructions we have not undertaken any detailed site investigations. We would however refer you to our Standard Terms & Conditions of Engagement, a copy of which is attached at Appendix A to this report in this regard.

We recommend that your legal advisors obtain formal confirmation from the current owner and occupiers that no notices have been served on them by the local authority.

8. REPAIR

Chris Clarke Surveyors Limited have not carried out a building survey of the property as this was not within the scope of our instructions, nor have we inspected those parts of the property which are covered, unexposed or inaccessible, and for the purpose of this report, such parts have been assumed to be in good repair and condition.

We cannot express an opinion about, or advise upon the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts. Further, we have not tested any of the drains or other services, and for the purpose of this valuation we have assumed that they are all operating satisfactorily and no allowances have been made for replacement or repair.

We have not arranged for any investigation to be carried out to determine whether or not any deleterious materials have been used in the construction of the property, or has since been incorporated and we are, therefore, unable to report that the property is free from risk in this respect. For the purpose of this valuation we have assumed that such investigation would not disclose the presence of any such material to any significant extent.

The property has been valued with due regard to its appropriate existing state of repair and condition, including reference to its age, nature of construction and functional obsolescence. **We believe we have formed a general opinion of the state of repair of the property in so far as it is likely to affect our valuation.**

It is assumed that normal periodic maintenance will be carried out to maintain the property in a state of repair fit for its present use.

We recommend a full building survey of this period building, constructed around 1858. There are very obvious signs of disrepair, including:

Exposed, probably dangerous wiring; areas of dampness to solid walls in cellars; defective window frames; cracking to internal plasterwork; inadequate heating, lighting, ventilation; poor quality kitchen and toilets.

9. TENURE

We understand the property is freehold with registered title WA946382. The registered proprietor is Mr Derrick O Dowdswell.

We assume the property is not affected by any restrictive covenants or easements which might have an impact on value.

We reserve the right to amend our valuation if information on title is subsequently provided by your solicitor which proves detrimental to the original figure reported to you.

10. RATING

The property has been assessed in the **2017 Rating List** as follows:

Description:	Ground Floor, 9 Mount Stuart Square, Offices and premises
Rateable Value:	£5,300
2018/19 U.B.R.:	0.514p in the pound.

Description:	Second Floor, 9 Mount Stuart Square, Studio and premises
Rateable Value:	£2,900
2018/19 U.B.R.:	0.514p in the pound.
Description:	Room 11a, 9 Mount Stuart Square, Offices and premises
Rateable Value:	£1,225
2018/19 U.B.R.:	0.514p in the pound.
Description:	Room 11, 9 Mount Stuart Square, Offices and premises
Rateable Value:	£1,900
2018/19 U.B.R.:	0.514p in the pound.
Description:	Second Floor, 20 West Bute Street, Offices and premises
Rateable Value:	£2,400
2018/19 U.B.R.:	0.514p in the pound.
Description:	Room 17/18, First Floor, 20 West Bute Street
Rateable Value:	£3,300
2018/19 U.B.R.:	0.514p in the pound.
Description:	Room 23, Third Floor, 20 West Bute Street, Offices and premises
Rateable Value:	£700
2018/19 U.B.R.:	0.514p in the pound.
Description:	Room 24, Third Floor, 20 West Bute Street,
Rateable Value:	£1,400
2018/19 U.B.R.:	0.514p in the pound.
Description:	Ground Floor Front, 20 West Bute Street, Cafe and premises
Rateable Value:	£5,200
2018/19 U.B.R.:	0.514p in the pound.
Description:	Ground Floor Rear, 20 West Bute Street, Office
Rateable Value:	£5,300
2018/19 U.B.R.:	0.514p in the pound.

11. TAXATION

We have not made any allowances in respect of capital taxation such as Capital Gains Tax, Inheritance Tax or Capital Allowances.

In respect of valuations on investment property, we have made due allowance for the payment of appropriate Welsh Government Land Transaction Tax on legal completion of a purchase.

12. PLANNING

We have not made formal enquiries of Cardiff City Planning Department in the time available for the preparation of this report.

The building is Grade II Listed and was first listed on 19 May 1975.

We assume the existing Land Use Class is within B1 Class (Offices) and possibly A3 (Food Takeaway for 20 West Bute Street, ground floor unit).

You provided us with a copy of Planning Permission dated 19th September 2018 "for conversion of first floor offices into live and work studio at Perch Buildings, 9 Mount Stuart Square, Cardiff" which is granted with five conditions.

Condition four states that the business floor space of the live/work unit should not be used for any purposes other than for purposes within Class B1; condition five states that "residential floor space of the live/work unit should not be occupied other than by a person wholly or mainly employed, or last employed in the business occupying the business floor space of that unit, or widow or civil partner of such a person, or any resident's dependents".

We also assume that there are no local authority or other proposals that might involve the use of compulsory purchase powers or which might otherwise adversely affect the property.

13. **TENANCY(IES)**

Carlo's Pizza – lease dated 9th January 2015

Original tenant Khaled Ali signed a 25 year lease from 29th January 2015 in respect of the ground floor of 20 West Bute Street, at a year one rent of £6,000, current rent **£8,000 per annum** with rent reviews every five years commencing 29th January 2020. This lease is outside the level of internal tax 1954.

DX – Ground floor rear hall - £2,000 per annum – license 2nd August 2004.

Thai Consul - £5,000 per annum – lease dated 22nd November 2010.

Christian Lewis Trust Ltd – First floor rooms 12, 13, 14, 15 & 16 – lease dated 31st October 2006 – rent £5,531.60 per annum.

Peter Higgins – Room 11, first floor – Licence from 22nd September 2015 - **£1,800 per annum.**

Beverley Howe - **£2,000 per annum** – second floor Artist Studio.

Linsey Lamond - £850 per annum – Room 23 at third floor Perch Buildings – agreement dated 9th November 2014.

Assuming all the above currently pay rent, this amounts to £25,181.60 per annum gross. The most secure business tenant is the Pizza tenant whose lease expires in January 2040.

14. **CURRENT UK MARKET CONDITIONS**

RICS Q3 2019 Survey reports:

"Last month's political events have done little to clear the fog around the UK's economic outlook although the probability of a No-Deal Brexit does now appear to be rising. With that in mind, the Office for Budget Responsibility (OBR), the UK government's independent fiscal watchdog, in its biennial Fiscal Risks report, analysed the economic and fiscal implications of a No-Deal departure relative to its March 2019 baseline forecasts (which assume a deal and a transition period). According to the OBR's research, a No-Deal Brexit could mean that real GDP is 4% lower than the baseline forecast by the middle of 2021. However, this projection is based on a strict set of assumptions. In particular, that there will be no fiscal policy

response, tariffs will be placed on UK imports over the medium term, non-tariff barriers to trade will rise significantly and there will also be a considerable drop in migration. Interestingly, some other recent analysis of the impact of a No-Deal Brexit have produced less negative results. For example, Oxford Economics assume that the impact on the economy could be mitigated by looser monetary and fiscal policy and conclude that real GDP is likely to be a more modest 2% lower than baseline by the end of 2021 on this basis. GDP growth is likely to remain sluggish in 2019. As far as the remainder of 2019 is concerned, the economy is likely to struggle for momentum. The latest news flow points to a weaker trend in output growth in the second quarter of the year and with the drag from Brexit related uncertainties looking set to persist, growth in Q3 will only be a little better. Significantly, GDP forecasts for this year and next year have slipped. HM Treasury Consensus Forecasts, (averages of independent forecasts for the UK economy) now envisage the economy will grow by 1.3% this year and by 1.4% in 2020. This compares to growth projections of 1.5% for 2019 and 1.6% for 2020 around the beginning of the year. The tight jobs market is continuing to drive a stronger trend in wages. One particular bright spot for the economy remains the solid labour market. The unemployment rate has edged down to 3.8% in the last couple of months, a 45-year low. In response, wages are rising at the fastest pace in over a decade. With so little slack left in the economy, it is likely that this stronger trend in wages will be sustained at least in the near term. Meanwhile, consumer price inflation hit the Bank of England's target of 2% in both May and June. Looking ahead, price growth appears likely to slip over the coming months on the back of lower energy prices. Taken together, firmer pay growth and the prospect of price pressures easing in the coming months will aid household spending power. Capex is likely to remain subdued. Business investment, on the other hand, has remained less resilient with the lack of clarity over the UK's future trading relationship with the EU continuing to weigh on capex decisions. A host of surveys by the likes of CBI, Deloitte and BCC point to deteriorating business optimism across the manufacturing and services industries. In response, investment intentions at the least for the near term, remain poor, suggesting a rebound in capex is unlikely over the coming quarters. Financial markets expect an interest rate cut towards the end of the year. Perhaps due to the likelihood of a No-Deal Brexit being perceived to have increased, or, maybe because of a softening global economy and rising trade tensions, financial markets expectations are consistent with an interest rate cut towards the end of the year. Our judgement is that, in the case of a No-Deal, the Bank of England is likely to ease policy to help the economy adjust to a new trading regime. That said, a key issue for the Bank is the weaker currency in this scenario which is likely to drive up import prices and inflation. Activity indicators are pointing to little impetus across the housing market. As far as the housing market is concerned, the latest HMRC data signals a sharp decline in sales across the UK (transactions fell by 16.5% on an annual basis in June). However, this drop is at odds with the broadly flat trend in the number of mortgage approvals. This suggests that there may be some scope for HMRC numbers to be revised up somewhat. Nevertheless, there is little reason to believe a significant rebound in sales activity is likely over the coming months with key activity indicators in the RICS Residential Market survey broadly flat in the latest results. The retail real estate picture remains downbeat. The retail portion of the UK commercial property market is continuing to struggle with rental values declining at the fastest pace since the financial crisis. This is consistent with the feedback to RICS commercial survey which shows that in net balance terms, take-up of retail sites has diminished sharply over the last two years. In turn, over the next twelve months, contributors envisage retail rents falling by 3.6% in prime areas. The outlook for

secondary shops is more downbeat in comparison with rents projected to fall by 7% in the coming year. In contrast, the industrial segment of the market remains particularly firm with tenant enquiries continuing to rise smartly across the sector. As such, respondents see prime industrial rents increasing by roughly 3% over the coming year. Workloads are continuing to rise but financial constraints remain a particular concern. Turning to the construction industry, the headline RICS workloads series is continuing to imply steady growth in output. Furthermore, workload and employment expectations for the year ahead are also still positive. That said, contributors continue to cite financial constraints as the biggest impediment to market activity at present. Significantly, 18% more respondents in the Q2 survey have reported a deterioration rather than an improvement in credit conditions over the past three months."

15. VALUATIONS

(a) Rental Value

We are of the opinion that the property has a rental value of around £35,000 p.a.

Our rental value is based upon the definition of Market Rent in the Red Book. This is defined as:

"The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

(b) Capital Valuation

We are of the opinion that the Market Value of the freehold interest in the property at the date of this report is in the region of:

£380,000 (Three Hundred and Eighty Thousand pounds)

Market Value is an internationally recognised basis and is defined as follows:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The Market Value is our estimate of the price that would be agreed, with no adjustment made for the costs that would be incurred by the parties in any transaction, including any liability for VAT, stamp duty or other taxes. It is also gross of any mortgage or similar financial encumbrance.

(c) Insurance Reinstatement Cost Estimate

You have additionally requested an insurance replacement cost, which we provide in accordance with Building Cost Information Service (BCIS) guidance. We have not undertaken a detailed building survey and therefore have provided only an approximate estimate to enable you to judge

whether your interest as prospective mortgagee is adequately covered in the policy arranged by the borrower. **An accurate cost assessment will require much more detailed consideration of the construction by a building or quantity surveyor.**

We estimate that the **approximate cost** of reinstating the buildings described in this report is in the region of £1,110,000.

N.B. This figure is based on current cost information and includes an allowance for professional fees, demolition and debris removal, but **excludes VAT**. It does not include any allowance for inflation during the period of insurance nor during any further period required for reinstatement following a substantial loss. Neither does it include for loss of rent or consequential losses arising from a loss of the buildings.

16. VALUATION ISSUES

METHOD OF VALUATION: Market Approach

Freehold Sale Comparables

21 West Bute Street, Cardiff Bay – September 2013.

This office building comprises 3031ft² fronting West Bute Street, sold for £250,000 (£82.14 per ft².) back in 2013.

Marine House, Mount Stuart Square, Cardiff Bay

This period corner office building comprising 3,621ft² and in need of substantial repair/refurbishment sold in June 2016 at a price reflecting £87.68 per ft².

Unit 1, Crichton House, Cardiff Bay

Agent MGY sold the lower ground floor office suite, forming part of a six storey pre-1900 period building and comprising 1799ft². We understand the long leasehold interest sold in November 2015 for £110,000 (£61 per ft²).

111/112 Bute Street ,Cardiff Bay

A very substantial, three storey 6832ft² building was sold at a discounted price of £250,000 (£36,59 per ft²) in 2016 to reflect the substantial need for redesign/refurbishment/essential repairs.

The Corporation Public House Block, 188-194 Cowbridge Road East, Canton, Cardiff CF5 1GW

Seel & Co. Auctioneers sold this substantial three storey stone/brick building in 2018 for £810,000 (£85.75psf) off a guide price figure of £500,000. A developer acquired the property for potential residential redevelopment. The building totalled around 878m²/9446ft². That was arguably a better location than Cardiff Bay.

Unit 8 Crichton House, 11-12 Mount Stuart Square, Cardiff Bay

We understand MGY sold this period Grade II Listed Long Leasehold 764 sf third floor office suite with lift and air cooling for a £140,000 (£183psf). It has a "live/work" planning consent.

We recommend experienced period building architectural/planning consultants are employed to ascertain the viability and likely expenditure of part upper floors conversion to residential, which

seems the most likely scenario for this Grade II Listed building and its future. The rear ground floor local pizza tenant on West Bute Street has a long lease that does not expire until January 2040 (just over 20 years). It could be expensive to buy out that tenant's lease in advance.

The building has no on-site car parking, but there are nearby bus stops on James Street and Bute Street railway station is within close walking distance, and the city centre is only about a mile north from Mount Stuart Square.

We understand your plans post purchase are to refurbish the ground floor accommodation and retain commercial uses then renovate first/second floors for One/Two bedroom apartments. You anticipate 7-10 apartments with ballpark refurbishment costs up to £500,000. We have not seen any costings but recommend the services of a Chartered Quantity Surveyor (to avoid cost overruns). There are two existing accesses to upper floors from either side. Installation of a passenger lift would benefit residential use.

In arriving at our valuation figures we have assumed that all information with which we have been supplied is correct and that the property of freehold tenure.

We confirm our valuations accords with the RICS Valuation-Global Standards January 2017 Red Book referred to above.

17. GENERAL CONDITIONS

This report is provided for the stated purpose and only for the use of the party to whom it is addressed. No responsibility is accepted to any other party.

Our report will be Private and Confidential to Stratford Collins Consultants. It may not be disclosed to any third party without our prior written consent. In breach of this condition, no responsibility can be accepted to third parties for the comments or advice contained in the report.

Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our prior approval of the form and context in which it will appear.

Yours faithfully



Chris Clarke LLB FRICS

**RICS Registered Valuer
Chris Clarke Surveyors Limited**

APPENDIX A – INSTRUCTIONS AND TERMS OF ENGAGEMENT

Property address

Chris Clarke Surveyors Limited

Standard Terms of Business for Valuations-MAY 2019

Generally

Application

As it is in the interest of both parties that there is a full understanding of the terms of reference and the service to be provided, **this document sets out our Standard Terms of Business for Valuations**. We are pleased to discuss variations and to arrange the provision of extended or additional services, such as site, building or structural surveys.

Appointment

The client appoints Chris Clarke Surveyors Limited a regulated firm to provide the agreed services exercising reasonable skill and care. This document and the acknowledgement letter are to be read together as a single document. Any variations to these terms agreed following the initial settlement of the terms are to be recorded in writing and agreed by all the relevant parties.

Performance standards

We confirm that the valuations and appraisals will be carried out in accordance with the latest 2017 edition of the RICS Valuation – Global Standards (the Red Book) as amended..

Compliance with the **RICS Rules of Conduct** and the **Red Book** is mandatory for chartered surveyors in the interests of maintaining high standards of service and for the protection of clients.

Liability and duty of care

Chris Clarke Surveyors Ltd owes to the client a duty to act with reasonable skill and care in providing the service and complying with the client's instructions where those instructions do not conflict with these terms or applicable law and professional rules.

We have no liability for the consequences, including delay in or failure to provide the services, of any failure by the client or any agent of the client: promptly to provide information or other material reasonably requested, or where that material is inaccurate or incomplete, or to follow our advice or recommendations.

The contents of the valuation report are intended to be confidential to the party to whom it is addressed. Unless provided otherwise by law or regulation, we owe no duty of care and have no liability to any third party for the whole or any part of our valuation.

We confirm that Chris Clarke Surveyors Limited holds professional indemnity insurance in respect of the service to be provided.

The client's obligations

The client agrees to pay the fees for the work carried out in accordance with the rates or structure set out in the acknowledgement letter.

The client will be responsible for the timed provision of all information and cooperation reasonably, including that from third parties engaged directly by the client, required by us to assist in the performance of the service. We will assume that the information provided is complete and correct.

The client will not make available to any third party or reproduce the whole or any part of the report, nor make reference to it, in any publication without our prior written approval of the form and context in which such disclosure may be made.

In the event of a termination of our services, our fees will be calculated on a quantum merit basis having regard to the agreed rates or fee structure.

Jurisdiction

English law shall apply in every respect in relation to the valuation and the agreement with the client which shall be deemed to have been made in England. In the event of any dispute arising in connection with the valuation, including any third party using the valuation, the parties will submit to the jurisdiction of the English courts only.

Regulated Purpose Valuations

RICS has established particular requirements where a valuation may be made available to third parties, such as part of a company's published financial statement. Such valuations, and the disclosures required within the report will be identified in the acknowledgement letter.

The status of the valuer

The valuation will be the responsibility of a named suitably qualified valuer who will be acting either as an [external valuer/independent valuer (as appropriate)].

Where the valuation is a Regulated Purpose Valuation, the acknowledgement letter will include a statement as to our policy on the rotation of the valuer having responsibility for the subject valuation. The report will also include statements in relation to the length of time the valuer has been continuously the signatory to valuations provided for you for the same purpose as the report, the extent and duration of the relationship of Chris Clarke Surveyors Limited with you, and an indication of the proportion of fees relative to the total income of [the firm] within a range of five percentage points.

Complaints

In the event that a complaint should arise, we confirm that **we have a complaints handling procedure, a copy of which will be provided on request.**

Valuation conditions and assumptions

Generally

Inspections and investigations will be carried out to the extent necessary to produce a valuation which is professionally adequate for its purpose. Where valuations have to be made on restricted information, the nature of the restrictions will be set out in the acknowledgement letter and the report.

Subject to the comments in the following paragraphs, we shall make certain assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, our valuations that we will not verify as part of the valuation process, but treat them as a 'supposition taken to be true'. In the event these assumptions prove to be incorrect then our valuations will need to be reviewed.

Bases of valuation

The **RICS VALUATION-GLOBAL STANDARDS (effective 1/7/2017)** recognises four bases of value:

- **market value**
- **market rent**
- **investment value (worth)**
- **fair value.**

The acknowledgement letter will specify the basis to be adopted, together with any assumptions amending the definitions. The definitions of these terms are set out at the end of this document.

1. In making the report, the **following assumptions** will be made:
 - a) The valuation is based on the assumption that the property is being sold with vacant possession and unless otherwise stated for owner occupation;
 - b) That the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing and that good title can be shown unless revealed from routine enquiries;
 - c) That the property and its value are unaffected by any statutory notice, and that neither the property, nor its condition, nor its use, nor its intended use, is or will be unlawful unless revealed from routine enquiries;
 - d) That the property is not subject to any adverse planning regulations or conditions, building warrants, onerous restrictions etc. unless revealed from routine enquiries;
 - e) It is assumed that unless otherwise stated, roads, sewers and services outside the curtilage of the property are the responsibility of the local relevant statutory body.
 - f) The Valuer will also assume, unless otherwise stated, that all services, roads etc. are available under normal terms unless revealed from routine enquiries;
 - g) That subsequent inspection of those parts which have not been inspected would neither reveal material defects nor cause the Valuer to alter the valuation materially;
 - h) That the **property is free from other environmental considerations such as abnormal ground conditions, historic mining quarrying or landfill, coastal erosion, flood risk, high voltage equipment and/or cables, invasive vegetation etc. unless evident from our inspection and/or revealed from routine enquiries.**
 - i) That the property is **free from contamination, or potential contamination**, of poisons, pollutants, Radon gas, Mundic or other materials requiring invasive treatment works unless evident from our inspection and/or revealed from routine enquiries;
 - j) That **no high alumina cement concrete**, calcium chloride additive, woodwool shuttering or other potentially deleterious material was used in the construction of the property or has since been incorporated unless evident from our inspection and/or revealed from routine enquiries; (This may only be relevant to commercial properties?)
 - k) That **no asbestos or any other hazardous substances**, materials or techniques was used in the construction of the property or has since been incorporated unless evident from our inspection and/or revealed from routine enquiries.

N.B. Where evident from the inspection or revealed from routine enquiries, these matters above will be detailed in the report accordingly.

2. The construction of property over the years and particularly the finishes used may have contained hazardous materials, these are impossible to detect without specific tests and these are beyond the scope of this report. We would draw your attention particularly to the fact that **there is a strong possibility that property built or modernised in the 20th century may contain asbestos in one or more of its components or fittings.** The use of asbestos has been extremely diverse from acting as an insulant in boilers to being added to decorative finishes to improve the binding. It is frequently unexposed and as it was used as an additive to products such as cement based guttering and insulation and roofing sheeting, its presence can only be confirmed by testing. It is beyond the scope of this inspection to test for asbestos if you have any concerns then you should arrange for a specialist to undertake appropriate tests. Asbestos becomes a particular health hazard when its fibres are released into the air. Therefore it should be not disturbed, sanded ready for decorating, drilled, cut etc. and should only be removed by experts. Consequently, we have assumed that the property

is free from asbestos and any other hazardous materials unless evident from our inspection and/or revealed from routine enquiries

We shall, however, reflect the general condition noted during the course of our valuation inspection and any defects or hazards of which we become aware in the course of our investigations. Any matters that we consider material to the valuation will be referred to in our report.

Ground conditions and environmental risks

Unless provided with information to the contrary, our valuation will assume that:

- the site is **physically capable of development or redevelopment**, when appropriate, and that no special or unusual costs will be incurred in providing foundations and infrastructure;
- there are **no archaeological remains** on or under the land which could adversely impact on value;
- the property is not adversely affected by any form of pollution or contamination; and
- there is **no abnormal risk of flooding**.

We shall, however, comment on any factors discovered during the course of our valuation enquiries that could affect the market perception of risks caused by these factors.

Title and tenancies

We shall rely upon information provided by you or your solicitor relating to title, boundaries and related matters. We will not commission a formal legal search and will assume the information provided to be accurate, up-to-date and complete.

Tenant status

Although we reflect our general understanding of a tenant's status in our valuation, we will make no detailed enquiries about the financial status of tenants. We will assume that appropriate enquiries were made when leases were originally exchanged, or when consent was granted to any assignment or underletting.

Planning and highway enquiries

We shall make informal enquiries of the local planning and highway authorities and also rely on information that is publicly published or available free of charge. Any information obtained will be assumed to be correct. No local searches will be instigated. Except where stated to the contrary, we shall assume that there are no local authority planning or highway proposals that might involve the use of compulsory purchase powers or otherwise directly affect the property.

Floor areas and age

All measurements will be taken in accordance with the RICS *Property Measurement, 2nd Edition including IPMS (if applicable)*. The floor areas in our report will be derived from measurements taken on site or that have been scaled from the drawings supplied and checked by sample measurements on site. Where the age of a building is estimated, this is for guidance only.

Plant and equipment

We will include in our valuations those items of plant and equipment normally considered to be part of the service installations to a building and which would normally pass with the property on a sale or letting. We will exclude all items of process plant and machinery and equipment, together with their special foundations and supports, furniture and furnishings, vehicles, stock and loose tools, and tenants' fixtures and fittings.

Development properties

For properties in the course of development, we will reflect the stage reached in construction and the costs remaining to be spent at the date of valuation. We have regard to the contractual liabilities of the parties involved in the development and any cost estimates that have been prepared by the professional advisers to the project. For recently completed developments, we will take no account of any retentions, nor will we make allowance for any outstanding development costs, fees, or other expenditure for which there may be a liability.

Disposal costs and liabilities

No allowance will be made for expenses of realisation or for taxation which may arise in the event of a disposal and the valuation is expressed as exclusive of VAT or other tax that may be due on such a disposal. Mortgages and similar charges are disregarded.

Reinstatement assessments

We will not provide a reinstatement assessment for insurance purposes. Should this service be required, it will be as an additional service to these standard terms.

Definitions of bases of valuation

These definitions are reproduced from the 2017 Red Book:

Market value

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

Market rent

'The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion.'

Investment value (worth)

'The value of an asset to the owner or a prospective owner for individual investment or operational objectives.'

Fair value (IVS)

'The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties.'

OR

Fair value (IFRS)

'The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.'

CLIENT AGREEMENT TO CCS LTD TERMS OF ENGAGEMENT

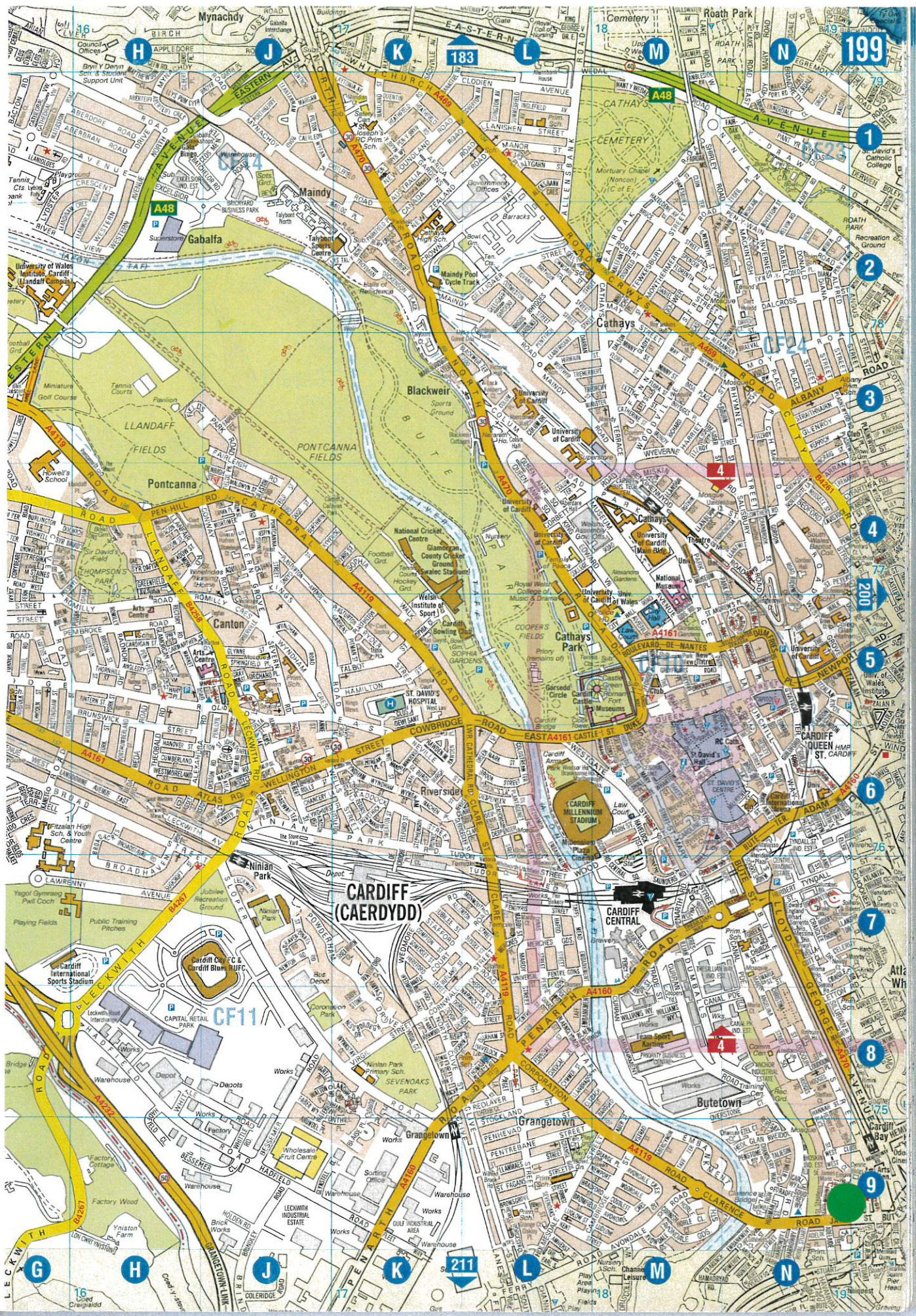
.....SIGNATURE

.....NAME

.....DATE

APPENDIX B - LOCATION MAP AND SITE PLAN

Property address



HM Land Registry

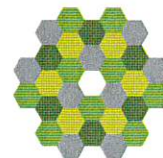
Official copy of title plan

Title number **WA946382**

Ordnance Survey map reference **ST1974NW**

Scale **1:1250**

Administrative area **Cardiff / Caerdydd**



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APPENDIX C – PHOTOGRAPHS

Property address

Perch Buildings, 9 Mount Stuart Square, Cardiff Bay CF11 6NG



Front Elevation (Mount Stuart Square)



Rear Elevations (West Bute Street)



Rear Shared Courtyard Area



Adjacent Properties on Mount Stuart Square



Second Floor-Front Artist Studio



Kids Cancer Charity general Office



First Floor-Vacant Front Office



Carlo's Pizza-20 West Bute Street



Exposed Wiring-Rear Ground Floor Hallway



Vacant Rear Ground Floor Office



Damp wall area-rear ground floor store



Period Staircase, Hall and Landing

LOAN AGREEMENT

LOAN AGREEMENT

Dated _____ Day of _____ 2019

1.0 **PARTIES**

1.1 **JONATHAN THIRKETTLE & ANDREA THIRKETTLE** as Trustees of the AJ3 Consult Executive Pension Scheme of 47 The Sanctuary, Culverhouse Cross, Cardiff, CF5 4RW (1) and **ADRIAN TIMOTHY BURNS** of 4 Parc Y Castell Y Mynach, Creigiau, Cardiff, CF15 9NU as Trustees of the ATB Fire Safety Executive Pension (2) ("**the Lender**");

1.2 **Stratford Collins Associates** (Company number 7905739) whose registered office is at 3 Frampton Lane, Llantwit Major, CF61 2UZ ("**the Borrower**").

2.0 **RECITALS**

2.1 The Lender has at the request of the Borrower agreed to make the Loan to the Borrower for the Term.

2.2 The Borrower has agreed to accept the Loan, to repay the Capital of the Loan and pay the Interest in accordance with the provisions of this Agreement.

2.3 The Borrower has agreed to provide security for the Loan by way of a First Charge against the Property.

2.4 In this Agreement wherever the context permits words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and in both cases vice versa and any agreement on the part of two or more persons shall be deemed to be made by such persons jointly and severally and the terms used herein for the parties hereto shall mean and include their respective successors in title.

2.5 The Borrower understands that they will not have the benefit of the protection and remedies that would be available to them under the, Mortgage Credit Directive Order, The Financial Ombudsman, The Financial Services Compensation Scheme, or the Consumer Credit Act. This Agreement is a commercial arrangement between the Lender and the Borrower. The Borrower has had the opportunity of taking independent legal advice regarding the consequences of the agreement not being regulated by any of the above.

3.0 DEFINITIONS

- 3.1 **"Effective Date"** means 2019 being the date monies provided under the Loan are first drawn down by the Borrower.
- 3.2 **"Loan"** means the sum of £366,000.00 (Three Hundred and Sixty Six Thousand Pounds).
- 3.3 **"Loan Contributions"** means the sum of £226,000 from Jonathan Thirkettle and Andrea Thirkettle as Trustees of the AJ3 Consult Executive Pension Scheme and £140,000.00 from Simon Bratton & Adrian Timothy Burns as Trustee of the ATB Fire Safety Executive Pension
- 3.4 **"Loan Purpose"** means for the purchase of the Property.
- 3.5 **"Interest"** means 4% per annum fixed for the duration of the Term to paid monthly.
- 3.6 **"Term"** means a period of 24 months commencing on the Effective Date of this Agreement and expiring at 6.00 p.m. on 2021.
- 3.7 **"Capital Repayment"** means final payment of the outstanding Loan principal and Interest on the expiry of the Term.
- 3.8 **"Business Day"** means a day on which clearing banks are open for business in London (other than a Saturday or Sunday and other than Bank Holidays).
- 3.9 **"the Property"** means Perch Buildings, 9 Mount Stuart Square, Cardiff, CF10 5EE. Registered under title number WA946382.

4.0 OPERATIVE PROVISIONS

- 4.1 In consideration of the Lender agreeing to make the Loan to the Borrower, the Borrower agrees as follows:
- 4.1.1 The Loan will at all times be used for the Loan Purpose and consistently with the purpose or purposes permitted by the Memorandum and Articles of Association of the Borrower in the event that the Borrower is a company.
- 4.2 To pay the Interest monthly commencing one month after completion in the sums of £753.33 (Seven Hundred and Fifty Three Pounds and Thirty Three Pence) to AJ3 Consult Executive Pension Scheme and £466.67 (Four Hundred and Sixty Six Pounds and Sixty Seven Pence) to ATB Fire Safety Executive Pension.
- 4.1.2 To pay the Capital Repayment to the Lender.
- 4.1.3 Notwithstanding the other provisions hereof and in any event to repay the Loan and any accrued Interest by not later than the last day of the Term provided that notwithstanding the foregoing the Lender shall always have the right to demand repayment in full by the Borrower of the balance of the Loan for the time being and any accrued Interest upon the Lender giving the Borrower seven days' notice in writing of such demand.

- 4.1.4 That so long as the Loan (or any part thereof) or any Interest remains outstanding, the Borrower will not, without the prior written consent of the Lender and upon fully satisfying the Lender as to the precise nature of the transaction and supplying copies of the documentation in connection with the transaction whether in draft or not, other than in the normal course of the Borrower's business (i) acquire, whether by purchase, subscription or otherwise or (ii) sell, transfer, lease, exchange or otherwise dispose of or (iii) mortgage, charge or pledge, any property or assets, whether real or personal (including cash), or (iv) enter into any hire purchase or leasing agreement, and the Borrower agrees that if any such transaction is entered into in the normal course of its business then it will supply details and copies of all documentation relating to the transaction within seven days of the Borrower concluding the same.
- 4.1.5 To reimburse the Lender on demand all costs expenses and disbursements including legal fees incurred by the Lender incidental to this Agreement including (but not limited to) the Lender's solicitors fees.
- 4.1.6 As a condition precedent to drawdown of any monies under the Loan, to provide the Client with confirmation of repayment capabilities and to procure that the Client has a Standard Security over the Property in such form as the Client may stipulate.
- 4.2 The Borrower further agrees with the Lender that so long as any part of the Loan and Interest is outstanding the Borrower shall:
- 4.2.1 Carry on its business in an efficient and businesslike manner,
- 4.2.2 Not (save with the written consent of the Lender, which shall not be unreasonably withheld), sell or otherwise dispose of the whole or a substantial part of its assets,
- 4.2.3 Provide to the Lender any documents requested in evidence of the continuation of its trading activity.
- 4.2.4 To insure the Property and keep it insured with reputable and responsible insurers and to ensure that such insurance is for the full reinstatement cost of the Property.
- 5.0 **TERMINATION**
- 5.1 If the Borrower shall be in breach of any of the provisions of this Agreement the Lender may require repayment of the Loan and accrued Interest forthwith and enforce its security over the Property. No failure to exercise, nor any delay on the part of the Lender in exercising, any rights or powers or privileges hereunder shall operate as a waiver thereof nor shall any single nor partial exercise of any such rights or powers or privileges preclude any other or further exercise thereof or the exercise of any other rights or powers or privileges.
- 5.2 Notwithstanding anything hereinbefore contained the Loan, or the balance of the Loan for the time being outstanding, and accrued Interest and the monies due thereon shall become immediately repayable if:
- 5.2.1 the Borrower makes default in the payment of any Capital Repayment or Interest or any other monies due hereunder,
- 5.2.2 an order is made or an effective resolution is passed for winding up the Borrower,
- 5.2.3 the Borrower ceases or threatens to cease to carry on its business or substantially the whole of its business,

- 5.2.4 an encumbrancer takes possession of, or a Receiver is appointed over, any part of the assets of the Borrower including the Property,
- 5.2.5 any distress, execution, sequestration or other process is levied or enforced upon or issued against the property of the Borrower and not discharged within 28 days,
- 5.2.6 the Borrower is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 (as re-enacted or amended),
- 5.2.7 the Borrower commits any breach of this Agreement,
- 5.2.8 it is required to enable the Lender to pay benefits which have already become due under the Lender.

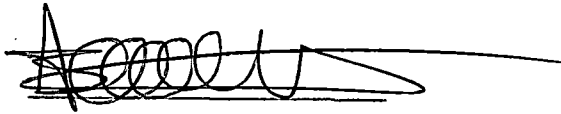
6.0 GENERAL PROVISIONS

- 6.1 All payments by the Borrower to the Lender shall be made free and clear of and without deduction of any alleged or actual set-off or counterclaim and without any deduction of any taxes, levies, imposts, duties, charges, fees, deductions or withholding of any nature now or hereafter imposed by any governmental authority in any jurisdiction or political subdivision or taxing authority thereof or therein unless the Borrower is compelled by law to deduct or withhold any such taxes levies imposts duties charges or fees.
- 6.2 The Borrower shall have the right at any time on giving 14 days' notice in writing to the Lender to make either partial Capital Repayments of the Loan or to repay the Loan in full together with all accrued Interest.
- 6.3 Payments received by the Lender from the Borrower under the terms of this Agreement will be paid to the Lender on a pro rata basis in accordance with the Loan Contributions made.
- 6.4 Any notice required to be served hereunder shall be given personally or by sending the same by first class post to the respective registered offices for the time being of the Borrower or the Lender (as the circumstances require) and notice so given by post as aforesaid shall be deemed served 48 hours after it has been posted.
- 6.5 The Borrower undertakes with the Lender to notify the Lender forthwith in writing of any matter which constitutes (or which, with the passage of time, would constitute) a default under this Agreement (or otherwise entitle the Lender to demand repayment of the Loan).
- 6.6 Save for the purposes of compliance with statutory and legal obligations, the parties agree to keep the contents of this Agreement confidential and shall not disclose the contents thereof, without the prior written consent of the other party, such consent not to be unreasonably withheld or delayed.
- 6.7 A person who is not a party to this letter shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.
- 6.8 This Agreement and all matters arising from it shall be governed by and construed in accordance with English law and each party irrevocably submits to the exclusive jurisdiction of the English courts.

- 6.9 This Agreement contains the entire Agreement between the parties hereto concerning the Confidential Information and supersedes any previous understandings commitments or agreements oral or written, provided that nothing in this clause shall be construed as limiting or excluding the parties' liability for fraud or fraudulent concealment.
- 6.10 This Agreement contains the entire Agreement between the parties hereto concerning the subject matter of the Agreement and supersedes any previous understandings commitments or agreements oral or written, provided that nothing in this clause shall be construed as limiting or excluding the parties' liability for fraud or fraudulent concealment.
- 7.0 **LIMITATION OF LIABILITY**
- 7.1 The liability of the AJ3 Consult Executive Pension shall be limited to the net assets of the Scheme.
- 7.2 The liability of ATB Fire Safety Executive Pension shall be limited to the net assets of the Scheme.

EXECUTED AS A DEED BY

Stratford Collins Associates Limited
Acting by a Director
In the presence of:-



Witness signature

S J

Witness name

SARAH THOMAS

Address

26 TRENDON PLACE

BEYNCAE



CF72 9RX

Occupation

CLIENT SERVICES MANAGER

EXECUTED AS A DEED BY

**Jonathan Thirkettle
As Trustee for the
AJ3 Consult Executive Pension**

In the presence of:-

Witness signature

Witness name

RHODRI THOMAS

Address

ST CRISPIN

8 EASTGATE

COWBRIDGE, CF71 7DG

Occupation

CIVIL ENGINEER

EXECUTED AS A DEED BY

**Andrea Thirkettle
As Trustee for the
AJ3 Consult Executive Pension**

A. L. Thirkettle

In the presence of:-

Witness signature



Witness name

RHODRI THOMAS

Address

ST CRISPIN

8 EASTGATE

COWBRIDGE, CF71 7DG

Occupation

CIVIL ENGINEER

EXECUTED AS A DEED BY

**Adrian Timothy Burns
As Trustee for the
ATB Fire Safety Executive Pension**



In the presence of:-

Witness signature

S J

Witness name

SARAN THOMAS

Address

26 TRENOIS PLACE

BRYNCAE

CF12 9RX

Occupation

CLIENT SERVICES MANAGER

CHARGE

Land Registry

Legal charge of a registered estate

CH1

This form should be accompanied by either Form AP1 or Form FR1

If you need more room than is provided for in a panel, and your software allows, you can expand any panel in the form. Alternatively use continuation sheet CS and attach it to this form.

Conveyancer is a term used in this form. It is defined in rule 217A, Land Registration Rules 2003 and includes persons authorised under the Legal Services Act 2007 to provide reserved legal services relating to land registration and includes solicitors and licensed conveyancers.

Leave blank if not yet registered.

Insert address including postcode (if any) or other description of the property, for example 'land adjoining 2 Acacia Avenue'.

Give full name(s).

Complete as appropriate where the borrower is a company.

Give full name(s).

Complete as appropriate where the lender is a company. Also, for an overseas company, unless an arrangement with Land Registry exists, lodge either a certificate in Form 7 in Schedule 3 to the Land Registration Rules 2003 or a certified copy of the constitution in English or Welsh, or other evidence permitted by rule 183 of the Land Registration Rules 2003.

Each proprietor may give up to three addresses for service, one of which must be a postal address whether or not in the UK (including the postcode, if any). The others can be any combination of a postal address, a UK DX box number or an electronic address.

1	Title number(s) of the property: WA946382
2	Property: 9 Mount Stuart Square, Cardiff, CF10 5EE
3	Date:
4	<p>Borrower:</p> <p>Stratford Collins Associates Limited</p> <p><u>For UK incorporated companies/LLPs</u> Registered number of company or limited liability partnership including any prefix: 7905739</p> <p><u>For overseas companies</u> (a) Territory of incorporation:</p> <p>(b) Registered number in the United Kingdom including any prefix:</p>
5	<p>Lender for entry in the register:</p> <p>Jonathan Thirkettle & Andrea Thirkettle as Trustees of the AJ3 Consult Executive Pension (1) and Adrian Timothy Burns as Trustee of the ATB Fire Safety Executive Pension (2)</p> <p><u>For UK incorporated companies/LLPs</u> Registered number of company or limited liability partnership including any prefix:</p> <p><u>For overseas companies</u> (a) Territory of incorporation:</p> <p>(b) Registered number in the United Kingdom including any prefix:</p>
6	<p>Lender's intended address(es) for service for entry in the register:</p> <p>47 The Sanctuary, Culverhouse Cross, Cardiff, CF5 4RW (1) 4 Parc Y Castell Y Mynach, Creigiau, Cardiff, CF15 9NU (2)</p>

Place 'X' in any box that applies.

Add any modifications.

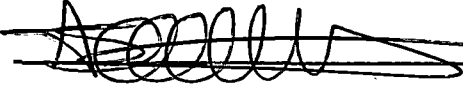

Place 'X' in the appropriate box(es).

You must set out the wording of the restriction in full.

Standard forms of restriction are set out in Schedule 4 to the Land Registration Rules 2003.

Insert details of the sums to be paid (amount and dates) and so on.

The borrower must execute this charge as a deed using the space opposite. If there is more than one borrower, all must execute. Forms of execution are given in Schedule 9 to the Land Registration Rules 2003. If a note of an obligation to make further advances has been applied for in panel 8 this document must be signed by the lender or its conveyancer.

7	<p>The borrower with</p> <p><input checked="" type="checkbox"/> full title guarantee</p> <p><input type="checkbox"/> limited title guarantee</p> <p>charges the property by way of legal mortgage as security for the payment of the sums detailed in panel 9</p>
8	<p><input type="checkbox"/> The lender is under an obligation to make further advances and applies for the obligation to be entered in the register</p> <p><input checked="" type="checkbox"/> The borrower applies to enter the following standard form of restriction in the proprietorship register of the registered estate:</p> <p>No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Charge dated in favour of Jonathan Thirkettle & Andrea Thirkettle as Trustees of the AJ3 Consult Executive Pension (1) and Adrian Timothy Burns as Trustee of the ATB Fire Safety Executive Pension (2) as referred to in the Charges Register.</p>
9	<p>Additional provisions</p> <p>1. The Borrower has agreed to charge the Property as security for a loan of £366,000.00 made to the Borrower by the Lender in accordance with a loan agreement of even date.</p>
10	<p>Execution</p> <p>SIGNED AS A DEED BY</p> <p>Stratford Collins Associates Limited</p> <p>Acting by a Director </p> <p>In the presence of:-</p> <p>Witness signature: </p> <p>Witness name: <u>Sarah Thomas</u></p> <p>Address: <u>26 TRENDY PLACE, BERNCAE, CF72 9ED</u></p> <p>Occupation: <u>CUSTOMER SERVICES MANAGER</u></p>

WARNING

If you dishonestly enter information or make a statement that you know is, or might be, untrue or misleading, and intend by doing so to make a gain for yourself or another person, or to cause loss or the risk of loss to another person, you may commit the offence of fraud under section 1 of the Fraud Act 2006, the maximum penalty for which is 10 years' imprisonment or an unlimited fine, or both.

Failure to complete this form with proper care may result in a loss of protection under the Land Registration Act 2002 if, as a result, a mistake is made in the register.

Under section 66 of the Land Registration Act 2002 most documents (including this form) kept by the registrar relating to an application to the registrar or referred to in the register are open to public inspection and copying. If you believe a document contains prejudicial information, you may apply for that part of the document to be made exempt using Form EX1, under rule 136 of the Land Registration Rules 2003.

SOLICITORS TERMS

STANDARD TERMS AND CONDITIONS

ATB Fire SSAS Mr Burns
Ref:

We are obliged by Law Society Rules to write to you concerning how your case will be dealt with and to set out our terms of business. Please do not let anything worry you, and please discuss with us anything that concerns you.

The fee for conveyancing will have been quoted to you and confirmed in a separate letter. The fee and insurance indemnity fee is our profit in the transaction and is subject to VAT. We are not giving advice on taxation or any other topic. Also, some of the charges below may not apply to all cases. If this transaction fails we will charge at our normal rates of £201 per hour plus one tenth thereof for letters written and received and telephone calls and faxes in and out.

On Remortgage/Transfer of Equity:

The usual disbursements or expenses are as follows:-

- Local Authority Search £90 - £250 (*varies according to area*) (required by Building Society or Bank)
- Bankruptcy Search Fee £2 per name searched
- *Land Registry Search Fee £8 - *Land Registry Office Copies £16 + extra for additional documents required
- Land Registry Registration Fee £20 - £920 (this varies according to scale)
- Telegraphic Transfer/Admin Fees £36.00 each transfer/receipt - includes a profit element of £12.50 plus VAT
- Coal Mining Search Fee £30 - Envirosearch £56 as required by the Building Society or Bank
- Insurance Indemnity fee - £45 plus VAT - This is a profit costs element (please read our 'terms' letter)
- Stamp Duty Land Tax form (if required) - if we complete it for you - £50 plus VAT

If the property is Leasehold, there will also be a notice fee payable of approximately £50-£100 plus VAT. However, the fee does vary **and may be more if we have to deal with additional work**. Stamp duty may be payable on a transfer of equity.

On Sale:

Office Copy Entry Fee of £16+. Telegraphic transfer/Admin fees £36.00 each transfer/receipt. includes a profit element of £12.50 plus VAT. Insurance indemnity fee £45 plus VAT - This is a profit costs element (please read our 'terms' letter)

We will also deduct the estate agents fee from the sale proceeds unless you instruct us otherwise.

On a leasehold sale, there may be a fee for a licence to assign the lease or for a covenant or indemnity.

On Purchase

The usual disbursements or expenses are as follows:-

- Local Authority Search approximately £90 - £250 (*varies according to area*) (required by Building Society or Bank)
- Bankruptcy Search Fee £2 per name searched
- *Land Registry Search Fee £8
- Land Registry Registration Fee £20 - £920 (varies according to purchase price)
- Telegraphic Transfer/Admin fees £36.00* each transfer/receipt - includes a profit element of £12.50 plus VAT
- ~~Stamp Duty at 1% of purchase price if over £125,000.00 (residential) and up to £250,000; 3% if over £250,000 and up to £500,000; 4% if over £500,000 to £1,000,000, 5% if over £1,000,000 - See attached sheet~~
- Coal Mining Search Fee £30.00 - Envirosearch £56 as required by the Building Society or Bank
- Insurance Indemnity fee - £45 plus VAT - This is a profit costs element (please read our 'terms' letter)
- Stamp Duty Land Tax form - if we complete it for you - £50 plus VAT

If the property is Leasehold, there will also be a notice fee payable of approximately £50-£100 or more plus VAT. However, the fee does vary on individual cases. There is also extra stamp duty payable on new leasehold properties depending on how much rent is payable. You will be advised of the exact figure before completion. Also apportionment of Ground Rent can increase the sum payable by you, which can include maintenance charges. On a sale of a property, you must vacate by 2pm on completion day. A fee may be made for arranging indemnity insurance policies.

Some of the above fees may vary depending on the purchase price and location. Please also note that the above are usually unavoidable fees we have to pay to other people or parties. However, to start work for you, we do need a deposit as per the accompanying letter, to help cover the searches necessary. Telegraphic transfer fees, local authority etc, and other search fees and disbursements, may include a small administration charge. The charge (including VAT) if applicable, will be stated as a global figure alongside the relevant entry on the completion statement.

*Entries relating to Land Registry office copies/searches etc include a profit element of £4.17 'Telegraphic Transfer/Admin Fees' include a profit element of £12.50 plus VAT in addition to the bank's charge.

ALL PARTIES TO THE TRANSACTION PLEASE SIGN AND DATE THIS COPY AND RETURN IT TO US



Please note that if the transaction should become unnecessarily complicated or protracted, we will discuss increased charges with you. This will be advised to you as we proceed and will occur if this transaction appears to be more complicated or protracted than originally envisaged.

Please also note the necessary information concerning completion. Firstly, it is important to note that by agreeing to these terms you allow us to deduct from monies held on your behalf any money due to us to satisfy charges incurred on your behalf. These include our charges and other fees required to complete. Please also note we require cleared funds, i.e. the money must actually be in our account on the day we complete. If this does not occur when we request it, it may delay completion and incur further charges for you. We hope that can be avoided. Some lenders will only send us completion monies by way of cheque, which can cause a delay of at least five days. A re-inspection of the property can also cause a four day delay for reasons completely beyond our control. Please also note very carefully that cleared funds may also be required at the time of exchange of contracts usually in the sums of 5% or 10% of the purchase price. Again, lack of cleared funds will delay the transaction.

Please also decide whether or not you wish to have a private survey undertaken on the structure or a full house purchasers survey completed on the property you are buying. This is always advisable and we would ask you to confirm to us whether or not this is required.

Please note that it is your responsibility and/or that of your financial adviser to ensure all conditions of your mortgage offer are satisfied. Failure to do so can result in delay or your mortgage advance being cancelled or delayed. This can be very serious and result in a claim being made against you for breach of contract in that completion can again be delayed or exchange of contracts prevented. We clarify that we do not give advice with regard to the suitability of any mortgage or property related loan, or any financial advice on any matter. You will also be signing a contract, which, once exchanged, will become binding. PLEASE NOTE THAT SIGNING THIS DOCUMENT GIVES US UNCONDITIONAL AUTHORITY TO EXCHANGE CONTRACTS ON YOUR BEHALF UNLESS YOU ADVISE US TO THE CONTRARY. We will retain your file for a period of 6 years from completion of your matter, after which it will be destroyed. By signing this document you give us authority to destroy the file. If a document (which is not a public document) requires that we keep it for longer, we shall obviously do so.

We may also be acting on behalf of your Building Society/Bank and we will also owe them a duty of care. Therefore, we are obliged to inform them of all financial matters relating to your transaction such as a deposit being paid by a developer or paid or gifted by a Seller. If delay is to be avoided, you must give your financial adviser or lender all the necessary information that they have requested. Failure to do so will cause delay, again for reasons beyond our control. You must tell us if you have been bankrupt, or if there are bankruptcy proceedings pending against you.

Finally, we hope everything we do for you is satisfactory. However, if you are not satisfied, please contact the writer. If the writer is not able to satisfy your query, you may arrange to contact another partner of the firm. We hope this will not be necessary and we await hearing from you with your deposit in order to proceed. This will cover the cost of the searches. By signing this form you authorise us to proceed, and to provide progress updates to estate agents and/or financial advisors.

Please sign these terms to confirm you have read and understood them and return them to us with your deposit cheque. We must have the terms signed by all parties to the transaction, before we are able to proceed.

Finally, at this time, we would also advise you to review your Will, and if it is not up to date, or you have not made one, to consider making a Will.

Clements & Co, Solicitors

*please provide a password so we can speak to you by telephone

Signed X

[Signature]

*PASSWORD

ATB FSL

Signed X

.....(2nd client if applicable)

Date X

17th September 2019

Please complete the Stamp Duty Land Tax form on my behalf. I am aware that there is a charge of £50 plus VAT for this service. ☐ (DO NOT TICK BOX if you want to complete the form yourself) N.B there is an Inland Revenue financial penalty (min. £100) if the transaction is delayed because the form is incomplete.

National Insurance Number(s) (Tax Reference or VAT number IF a limited company)

1st buyer 2nd buyer 3rd buyer

ALL PARTIES TO THE TRANSACTION MUST SIGN THIS LETTER.

X

..... (If there are more than two clients, the other(s) must sign here)

Further buyers
separate sheet

PAYMENT AUTHORITY

AIB BANK PLC
Sort Code: 23-83-96

Outward Payment Instruction for Faster Payments

1. SCHEME DETAILS

Scheme Name

Account Number

2. PAYMENT DETAILS

Date to be actioned 16/09/2019

Amount
(GBP) £ 140,000

Amount in
Words One Hundred and Forty thousand pounds

3. BENEFICIARY

Beneficiary
Name

Beneficiary
Sort Code

Beneficiary Account Number

Payment Reference

4. PURPOSE OF TRANSACTION - Description

3rd Party loan

We authorise the scheme administrator to make the payment on the date stated on this form in accordance with the following authorised account signatures.

5. TRUSTEE SIGNATURE

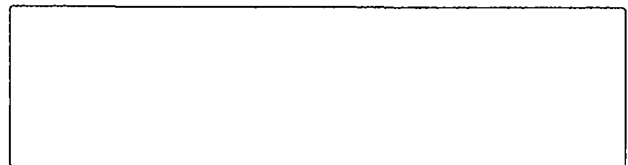
1st Signatory



Name

Date

2nd Signatory - if applicable



Name

Date