

THE CITY OF LONDON LAW SOCIETY

LAND LAW COMMITTEE

SHORT FORM REPORT ON TITLE

FOURTH EDITION (2018)

Relating to

[property description]

THE CITY OF LONDON LAW SOCIETY

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SHORT FORM REPORT ON TITLE**

FOURTH EDITION (2018)

NOTE - USERS ARE URGED TO READ THE NOTES AT THE END OF THIS REPORT BEFORE USING IT

To: *[Insert name and address of each addressee e.g. the Purchaser, Chargee, Banks/Finance Parties/other party]* ("**Addressees**" and in this Report "**you**" and Addressees have the same meaning).

[Insert short address or description of the Property] (the "**Property**")

1. RELIANCE ON THIS REPORT

- 1.1 This Report is addressed to and is intended solely for the benefit of the Addressees for the purpose of the Transaction. It may not be relied on by any other person or used for any other purpose. The giving of this Report does not create any retainer with the Addressees.
- 1.2 This Report may be disclosed to a third party, but it cannot be relied on by that party.
- 1.3 Only an Addressee may bring a claim under this Report (whether as principal or agent).
- 1.4 We acknowledge that you are entitled to rely on the statements contained in this Report even if any document or matter contained or referred to in them:
 - 1.4.1 is in the public domain; or
 - 1.4.2 has been disclosed by or on behalf of the Company to its valuers; or
 - 1.4.3 is contained in any specialist report made available by or on behalf of the Company to you or your professional team; or
 - 1.4.4 is contained or referred to in the Data Room or any other data room to which you or your professional team have access.
- 1.5 [Where information has been produced to us by the Seller, our investigations have given us no reason to doubt the accuracy of that information, but we do not accept responsibility for it].
- 1.6 You agree that:
 - 1.6.1 if a claim would properly lie against another party involved in the Transaction or the preparation or approval of this Report and that party has limited or excluded its liability in respect of the claim, then our liability is not to be increased by that limitation or exclusion. Our liability is to be calculated as if there were no such limitation or exclusion;
 - 1.6.2 no individual member, partner (other than in the case of a partner in a general partnership in his/her capacity as a partner), director, shareholder, consultant or employee of this firm owes

you any personal duty of care, and that you will not bring any claim whether in contract, tort, under statute or otherwise against any such individual;

- 1.6.3 any legal proceedings arising from or in connection with this Report must be formally commenced within ¹[3 years] from the date of this Report;
- 1.6.4 the aggregate liability of this firm, its partners and/or employees for any damage, liability, loss, cost, claim or expense arising out of or in connection with this Report is not to exceed the total sum of £[], whether the liability arises in contract, tort, under statute or otherwise; and
- 1.6.5 where the Addressees constitute more than one person, our aggregate liability to all the Addressees is to be no greater than the liability we would have had if the Addressees were a single person,
- but the provisions of this clause 1.6 do not exclude or limit liability for fraud or dishonesty.

2. **SCOPE**

- 2.1 We have investigated the title of the Company to the Property in the knowledge that you are relying on this Report for the purpose of the Transaction.
- 2.2 We have:-
- 2.2.1 examined and considered the documents of title and other documents relating to the Property referred to in Schedule 2; and
- 2.2.2 considered the results of the searches made by us or disclosed to us as referred to in Schedule 3.

The information given in this Report arises solely from our examination and consideration of the materials referred to in this clause 2.2.

3. **OPINION**

On the basis of our investigations (insofar as is discoverable from them), the extent of which is set out in clause 2, and subject to the matters referred to in the Schedules to this Report:

- 3.1 we are of the opinion that [subject to due registration at the Land Registry of the transfer of the Property from the Seller to the Company,] the Company [has] [will have] a good title to the Property and [is] [will be] solely legally entitled to the Property;
- 3.2 [we do not know of any reason why the Company should not be registered as proprietor of the Property with absolute title [or the Chargee be registered as proprietor of the Charge;]

or

[we do not know of any reason why the Chargee should not be registered as proprietor of the Charge;]

¹ The reduction of the legal limitation period of 6 years is a matter of negotiation. The shorter contractual period suggested may be appropriate in the circumstances justifying a short form report and the limited scope of the title and property investigation possible.

- 3.3 there is nothing to indicate that the title to the Property is other than marketable;
- 3.4 the material details of the Property are described in Schedule 2; [and]
- 3.5 [the material terms of the Lease are summarised in Schedule ²4; and]
- 3.6 [the material terms of the Letting Documents are summarised in Schedule ³5; and]
- 3.7 [the consent of a third party required before the Property can be [transferred to the Company] [and] [charged to the Chargee by way of legal mortgage or fixed charge] [has been identified in this Report and remains to be obtained] [has been obtained and is not subject to onerous or unusual conditions] [no consent of a third party is required before the Property can be [transferred to the Company] [and] [charged to the Chargee by way of legal mortgage or fixed charge]].
4. **[CONFIRMATIONS OF THE COMPANY [TO BE USED WHERE THE COMPANY ALREADY OWNS THE PROPERTY]**

Save as is otherwise disclosed in this Report, the Company has told us that:

- 4.1 it is solely beneficially entitled to the Property;
- 4.2 it is in actual occupation of such parts of the Property as are not subject to the Letting Documents, or it is entitled to occupy them, in either case on an exclusive basis;
- 4.3 so far as it is aware, no one is in adverse possession of the Property, or has acquired, or is acquiring any rights adversely affecting the Property other than rights to light or rights to air;
- 4.4 [except under the Letting Documents,] no person, other than the Company, has any right, actual or contingent, to possession, occupation or use of, or interest in, the Property;
- 4.5 so far as it is aware, all Stamp Duty or Stamp Duty Land Tax incurred on [the grant of the Lease] [and] [the transfer of the Property to the Company] has been paid and no further Stamp Duty Land Tax is or will become payable;
- 4.6 the Property is used as [*here specify the use, e.g. office, shop, warehouse, light industrial use or other use as the case may be*] (the “**Existing Use**”);
- 4.7 it has not received notice of any material breach of the Lease;
- 4.8 it has not received any notice of breach of planning controls or any other notice adversely affecting the Existing Use, nor any notice of breach of other statutory requirements;
- 4.9 so far as it is aware, the Property enjoys all the rights necessary for the Existing Use, and it has not received notice of any claim to the contrary; and

² See Note 9 in the Notes to Users below.

³ See Note 10 in the Notes to Users below.

- 4.10 there is no current litigation affecting the Property and, so far as it is aware, there are no disputes, nor any circumstances likely to lead to a dispute, relating to the Property.]

OR

4 [CONFIRMATIONS OF THE COMPANY [TO BE USED WHERE THE COMPANY IS PURCHASING THE PROPERTY]

- 4.1 The Company has purchased the Property from the Seller immediately before, or as part of, the Transaction. That being the case:
- 4.1.1 the Company's knowledge of the Property has been acquired through:
- (a) its own investigations of the Property, including the matters referred to in clause 2.2; and
 - (b) the replies given by the Seller's solicitors to any enquiries raised by us;
- as well as its own knowledge of the Property;
- 4.1.2 references in this Report to notices given or received by the Company, or to any actions taken by the Company or expected by the Company, are references to the Company's knowledge of notices given or received by the Seller, or actions taken by the Seller or expected by the Seller, as the case may be.
- 4.2 Save as is otherwise disclosed in this Report, the Company has told us that on completion of the transfer of the Property to it from the Seller:
- 4.2.1 it will be solely beneficially entitled to the Property;
- 4.2.2 it will go into actual occupation of such parts of the Property as are not subject to the Letting Documents, or will be entitled to occupy them, in either case, on an exclusive basis;
- 4.2.3 [except under the Letting Documents,] no person other than the Company will have any right, actual or contingent, to possession, occupation or use of, or interest in, the Property;
- 4.2.4 it will pay all Stamp Duty Land Tax incurred on the [grant of the Lease] [the transfer of the Property] to it and file the appropriate land transaction return no later than the relevant land transaction return filing date;
- 4.2.5 the Property is, and will continue to be, used as [*here specify the use, e.g .office, shop, warehouse, light industrial use or other use as the case may be*] (the "**Existing Use**"); and
- 4.2.6 it has not been made aware of:

- (a) the receipt of a notice of any material breach of the Lease;
- (b) the receipt of any notice of breach of planning controls or any other notice adversely affecting the Existing Use, nor of any notice of breach of other statutory requirements;
- (c) anything to indicate that the Property does not enjoy all the rights necessary for the Existing Use, nor of receipt of notice of any claim to the contrary;
- (d) any current litigation affecting the Property, nor any disputes or any circumstances likely to lead to a dispute relating to the Property; or
- (e) anyone in adverse possession of the Property, or who has acquired, or is acquiring any rights adversely affecting the Property, other than rights to light or rights to air.

]

SCHEDULE 1

DEFINITIONS, INTERPRETATION, ASSUMPTIONS, QUALIFICATIONS APPLICABLE LAW AND FORM OF REPORT

1. Definitions and Interpretation

1.1 In this Report the following expressions have the following meanings:

[**Banks/Finance Parties** has the meaning [given] [to be given] to that expression in the Loan Document;]

[**Charge** means the legal charge over the Property [to be] entered into in favour of the Chargee;]

[**Chargee** means [];]

[**Company** means [];]

[**Data Room** means [];]

[**Existing Use** means the actual use to which the Property is presently put as referred to in clause [4.6][4.2.5];]

[**Landlord** means the landlord under the Lease and includes any reversion whether or not immediate;]

[**Lease** means the lease by virtue of which the Company holds the whole or part of the Property (as amended or supplemented) as specified in Schedule 4;]

[**Letting Documents** means any lease, underlease, tenancy (including any continuing after its contractual expiry date under the Landlord and Tenant Act 1954), licence or other agreement or arrangement giving rise to rights of use, occupation and enjoyment to which the Property is subject (in each case as amended or supplemented), or otherwise as specified in Schedule 5⁴;

[**Loan Document** means the loan/facility agreement [dated] [to be made] between [] and [] providing for the loan referred to in it, which is [to be] secured by [inter alia] the Charge;]

[**Property** means the [freehold/leasehold] interest [of the Company] in the property briefly described in Schedule 2, the address of which is given at the head of this Report;

[**Seller** means [] and, where appropriate, the expression "Seller" is to be interpreted as referring to a Landlord on the grant of the Lease to the Company;]

[**Transaction** means []; and

[**1995 Act** means the Landlord and Tenant (Covenants) Act 1995.

⁴ See Note 10 in the Notes to Users below.

- 1.2 Unless the context otherwise requires, a reference to the Property includes each and every part of it and all buildings and structures on it.
- 1.3 A reference to a statute refers to that statute as amended, re-enacted or consolidated and includes its subordinated legislation in force at the date of this Report.
- 1.4 The headings in this Report do not affect its interpretation.
- 1.5 Unless the context otherwise requires, the singular includes the plural and vice versa.
- 1.6 A matter disclosed by this Report in relation to any particular clause or paragraph is to be treated as being disclosed in relation to any other relevant clause or paragraph.
- 1.7 Where this Report states that the Company has “told us” or “confirmed” something (or uses words with similar meaning) (“provided information”), the Company has provided information to us in writing.

2. **ASSUMPTIONS AND QUALIFICATIONS**

- 2.1 We have not inspected the Property, nor have we made any enquiries of the occupiers of the Property [(other than [the Seller] [the Company])].
- 2.2 [Where the Property is a leasehold interest, we have not investigated title to the reversion of the Property, nor made any enquiries of the Landlord or any superior landlord.]
- 2.3 [[Save as is otherwise disclosed in this Report,] we have not investigated:
 - 2.3.1 [town and country planning-related matters in respect of the Property;]
 - 2.3.2 any construction documents or warranties in respect of the design, construction or development of the building or other structure at the Property; nor
 - 2.3.3 any insurance matters relating to the Property ⁵other than title insurance.
- 2.4 This Report does not consider any environmental or flood assessments, audits, surveys or other reports relating to the Property, nor other reports or surveys relating to the physical state and condition of the Property.
- 2.5 We give no opinion on the capital or rental value of the Property.
- 2.6 Unless otherwise disclosed in this Report, we make no statement as to the physical state and condition of the Property.
- 2.7 We have assumed that all documents relating to the Property have been validly executed and delivered by the parties to them and that they are within the capacity and powers of and have been validly authorised by each party. There is nothing on the face of those documents, which we have seen, that indicates otherwise.

⁵ If there is title insurance of the Property, that should be disclosed and care should be taken as to whether any conditions exist in the policy precluding or otherwise relating to the benefit of the cover passing to the Company. In particular, check whether disclosure of the existence of the insurance in this Report would vitiate the insurance cover under its terms.

- 2.8 Save as is otherwise disclosed in this Report, where information has been provided to us by the [Seller or the] Company, we do not accept responsibility for it, but our investigations have given us no reason to doubt the accuracy of that information.
- 2.9 Whilst we express no opinion on whether any transaction affecting the [Seller's or the] Company's title to the Property might have been at an undervalue or otherwise liable to be set aside under the provisions of the Insolvency Act 1986, [each of the Seller and] the Company has told us that it is not aware of any such circumstances, which could render any such transaction liable to be set aside under the provisions of that Act.
- 2.10 Save as is referred to in this Report, none of the documents, disclosed or seen by us, relating to the Property expressly provides that a third party may enforce any of its terms in accordance with the Contracts (Rights of Third Parties) Act 1999. We have not investigated whether there is otherwise an intention that any of the terms of those documents should be enforceable by third parties.

3. **APPLICABLE LAW**

This Report is limited to English law as applied by the Courts of England and Wales as at the date of this Report and is given on the basis that it will be governed by and construed in accordance with English law.

4. **FORM OF REPORT**

This Report is in the form of the City of London Law Society Land Law Committee Short Form Report on Title (Fourth Edition 2018).

SCHEDULE 2

THE PROPERTY AND DISCLOSURES

Brief description: [] shown edged red on the attached plan.

Tenure: [Freehold/Leasehold]

Registered title number:

Name of registered proprietor:

If the registered proprietor is an overseas entity as defined in section 2 of the Economic Crime (Transparency and Enforcement) Act 2022 (“ECTEA”), is the entity registered in the register of overseas entities established under section 3 of ECTEA? [Yes/No]

If so, include the overseas entity ID for the entity and the date of registration in the register: Overseas entity ID []; Date of registration []

If the Company (if different from the registered proprietor) is an overseas entity as defined in section 2 of ECTEA, is the entity registered in the register of overseas entities established under section 3 of ECTEA? [Yes/No]

If so, include the overseas entity ID for the entity and the date of registration in the register: Overseas entity ID []; Date of registration []

Quality of title: [Absolute] [Good Leasehold] [Possessory]

Documents of title and other documents referred to in clause 2.2.1: [See Appendix to this Report] [Made available in [section] [] of the Data Room][The documents listed here]

Security

Mortgages, charges or liens affecting the registered title to the Property? [Yes - details:] [None]

Disposals

Agreements for disposal or grant of any interest in the Property? [Yes - details:] [None]

Adverse Interests

Adverse interests which would materially affect the Company's interest in or business at the Property, or materially increase the Company's liabilities in respect of the Property? [Yes - details:] [None]

Other matters and Disclosures

Other material matters revealed by our investigations and disclosures against confirmations given in this Report? [Yes - details:] [None]

SCHEDULE 3

SEARCHES AND ENQUIRIES

Note: In each paragraph below, please fill in details of search

Search	Date and other details
Official search in the Index Map (SIM).	
Official copies of registered title(s) to the Property (including copies of any documents referred to as being filed at the Land Registry).	
Land Registry priority search (whether of whole or part), the date priority expires, confirmation that the “search from date” used is the “search from date” stated on the official copies used to complete the Report, name of party having benefit of priority period and basis of search (e.g. transfer).	
⁶ Other searches made by or disclosed to us	

⁶ List other searches made or disclosed, if any. Where the properties involved are of low value, local searches are not always made.

**[CHOOSE THE APPROPRIATE SCHEDULE ⁷4 – NEITHER WILL BE RELEVANT
IF THE PROPERTY IS FREEHOLD]**

[SCHEDULE 4

DETAILS OF LEASE

**(WHERE THE PROPERTY IS HELD UNDER A LEASE, FOR WHICH NO RACK
RENT IS PAYABLE)**

Note: Include a heading for each part of the Property held under a separate lease

Date of Lease

Original Parties to Lease

Current Landlord

Current Tenant [The Seller/The Company]

Brief description of let property

Term

Commencement date:

Length of term:

Expiry date:

Contracted out?[Yes] [No]

Current Yearly Rent

Amount and type (e.g. fixed amount, rent share, geared):[Details:]

Review periods and basis of review:

Insurance

Who insures? [Landlord] [Tenant]

Obligation to reinstate? [Yes] [No – details:]

Loss of rent? [Yes - details:] [No]

Cesser of rent? [Yes - details:] [No]

Uninsured risks? [Yes - details:] [No]

⁷ See Note 9 in the Notes to Users below.

Termination Rights? [Yes - details:] [None]

Split of insurance proceeds if no reinstatement made? [Details:]

Repair and decoration

Full repair by Tenant? [Yes] [No]

Alterations

Specify conditions applying [Yes - details:] [No]

Permitted Use

Specify use [No] [Yes – details:]

Conditions applying [Yes- details]

Alienation

Assignment of part? No

Assignment of whole permitted without consent? [Yes] [No - details (including important qualifying circumstances and conditions)]

Mandatory or qualified AGA or GAGA requirement? [Yes] [No]

Underletting of whole/part permitted without consent? [Yes] [No - details (including any requirements as to underlease rent)]

Forfeiture

Re-entry in the cases of non-payment of rent or breach of covenant by the tenant, but not on any other ground?

Protection provisions in favour of any mortgagee and which have effect before the landlord can forfeit the Lease?

Other material provisions]

[SCHEDULE 4

DETAILS OF LEASE

(WHERE THE PROPERTY IS HELD UNDER A LEASE AT A RACK RENT)

Note: Include a heading for each part of the Property held under a separate lease

Date of Lease

Original Parties to Lease

Current Landlord

Current Tenant [The Seller/The Company]

Current Guarantor

New lease on disclaimer? [Yes - details:] [No]

Sub-guarantee of AGA? [Yes - details:] [No]

1995 Act - new tenancy? [Yes] [No]

Brief description of let property

Brief description of rights granted [E.g. Those normally found in leases of a property of this nature including (in particular) rights of access including access for servicing, emergency access and egress, support and use of utilities]

[In the case of an unregistered lease, rights protected by registration or notice?] [Yes - details:] [Not required]

Brief description of exceptions and [E.g. Those normally found in leases of a property of this

reservations:

nature, including the right for the Landlord to develop even if the rights of the Tenant to light and air to the property are adversely affected.]

Term

Commencement date:

Length of term:

Expiry date:

Option to terminate/renew

Landlord's right? [Yes - details:] [None]

Notice period: [Yes - details:] [None]

Tenant's right? [Yes - details:] [None]

Notice period: [Yes - details:] [None]

Conditions precedent: [Yes - details:] [None]

Options to renew: [Yes - details:] [None]

Yearly Rent

Amount:

Quarterly in advance? [Yes] [No - details:]

Value added tax payable? [Yes] [No]

Rent receipt for last instalment inspected? [Yes] [No]

Interest on late payment? [Yes - details:] [No]

Other payments

Insurance rent: [Yes] [None]

Service charge rent: [Yes - current annual amount:] [None]

<i>VAT chargeable:</i>	[Yes] [No]
Rent reviews	
<i>Review dates:</i>	
<i>Upward only?</i>	[Yes] [No - details:]
<i>Open market rent: (Cap on rent?)</i>	[Yes] [No - details]
<i>⁸Unusual assumptions and disregards:</i>	[Yes - details] [No]
<i>Outstanding rent reviews?</i>	[Yes - details:] [None]
<i>Disregard of Tenant improvements_(other than those carried out pursuant to an obligation to the Landlord)?</i>	[Yes] [No - details:]
<i>Time of the essence?</i>	[Yes - details:] [No]
Outgoings	
<i>Payable by whom?</i>	[Landlord] [Tenant]
Insurance by Landlord	
<i>Obligation to reinstate?</i>	[Yes - details:] [No]
<i>Loss of rent cover?</i>	[Yes - details:] [No]
<i>Suspension of rent?</i>	[Yes - details:] [No]
<i>Uninsured risk dealt with?</i>	[Yes - details:] [No]
<i>Termination Rights?</i>	[Yes - details:] [None]
Repair and decoration	
<i>[Whole: Full repair by Tenant?]</i>	[Yes] [No]

⁸ See Note 11 of the Notes to Users below as to the “usual assumptions and disregards”.

[Part: Interior repair only by Tenant, with Landlord to repair structure and exterior at the cost of tenants through the service charge?]

[Yes] [No]

Alterations

Structural by Tenant prohibited?

[Yes] [No – details:]

Internal non-structural by Tenant with consent, not to be unreasonably withheld or delayed?

[Yes - details:] [No]

Alterations permitted without consent?

[Yes – details:]
[None]

Tenant to reinstate?

[Yes] [No - details:]

Permitted Use

Specify use

Change of use allowed with consent, not to be unreasonably withheld or delayed?

[Yes- details:] [No]

Alienation

Assignment of part?

[No]

Assignment of whole with consent?

[Yes - details (including important qualifying circumstances and conditions):] [No]

Mandatory AGA and GAGA?

[Yes - details:] [No]

Underletting of whole/part with consent?

[Yes - details (including any requirements as to the level of underlease

	rent:] [No]
<i>Permitted number of units of occupation:</i>	
<i>Group sharing permitted?</i>	[Yes - details:] [No]
Landlord's control over obtaining of energy performance certificate	[Yes] [No – details:]
Statutory compliance by Tenant	[Yes] [No]
Services	<i>[Provide brief overview of services – e.g. a comprehensive set of services similar to those usually found in a lease of a property of this nature and of any not included]</i>
<i>Provided by Landlord?</i>	[Yes] [No]
<i>Principal services provided:</i>	[details:]
<i>Service charge payments on estimated quarterly basis?</i>	[Yes] [No - details:]
<i>Balancing charge at year-end?</i>	[Yes - details:] [No]
<i>Basis of apportionment to Tenant:</i>	[details:]
Forfeiture	
<i>Rent arrears and breach of covenant?</i>	[Yes] [No]
<i>Insolvency grounds – Tenant and/or Guarantor?</i>	[Yes - brief details:] [No]

**Landlord and Tenant
Act 1954**

Contracted out. [Yes] [No]

**Contracts (Rights of
Third Parties) Act
1999**

*Provision in Lease
negating presumption
of rights of
enforcement by third
parties?* [Yes - details:] [No]

Licences (e.g. to
assign, underlet, alter) [Yes - details:] [None]

Deeds of variation [Yes - details:] [None]

Rent deposit deed [Yes – details:]
[None]

**Other material
matters** [Yes - details:] [None]

*Set out any material
information not
covered under the
above headings]*

SCHEDULE ⁹[5]

¹⁰DETAILS OF LETTING DOCUMENT (*Income-producing*)

Note: Include a heading for each separate Letting Document

Date of Letting Document

Original Parties to Letting Document

Current Landlord [The Seller/The Company]

Current Tenant

Current Guarantor

New lease on disclaimer? [Yes - details:] [No]

Sub-guarantee of AGA? [Yes - details:] [No]

1995 Act - new tenancy? [Yes] [No]

Brief description of let premises (“Premises”)

Brief description of rights granted [E.g Those normally found in leases of premises of this nature including (in particular) rights of access including access for servicing, emergency access and

⁹ See Note 10 in the Notes to Users below.

¹⁰ Where the Transaction involves a number of Letting Documents, it may be agreed that only short details of them are to be provided. See the Supplement to Schedule 5 of The City of London Law Society Certificate of Title (7th Edition 2016 update) for an example of how this information can be provided..

*gress, support and
use of utilities]*

*[In the case of an
unregistered lease,
rights protected by
registration or notice?]*

[Yes - details:] [Not
required]

*Brief description of
exceptions and
reservations:*

*[E.g. Those normally
found in leases of
premises of this
nature, including the
right for the Landlord
to develop even if the
rights of the Tenant to
light and air to the
Premises are
adversely affected.]*

Term

Commencement date:

Length of term:

Expiry date:

Option to terminate/renew

Landlord's right?

[Yes - details:] [None]

Notice period:

[Yes - details:] [None]

Tenant's right?

[Yes - details:] [None]

Notice period:

[Yes - details:] [None]

Conditions precedent:

[Yes - details:] [None]

Options to renew:

[Yes - details:] [None]

Yearly Rent

Amount:

Quarterly in advance?

[Yes] [No - details:]

*Value added tax
payable?*

[Yes] [No]

<i>Rent receipt for last instalment inspected?</i>	[Yes] [No]
<i>Interest on late payment?</i>	[Yes - details:] [No]
Other payments	
<i>Insurance rent:</i>	[Yes] [None]
<i>Service charge rent:</i>	[Yes - current annual amount:] [None]
<i>VAT chargeable:</i>	[Yes] [No]
Rent reviews	
<i>Review dates:</i>	
<i>Upward only?</i>	[Yes] [No - details:]
<i>Open market rent: (Cap on rent?)</i>	[Yes] [No - details]
<i>¹¹Unusual assumptions and disregards:</i>	[Yes - details] [No]
<i>Outstanding rent reviews?</i>	[Yes - details:] [None]
<i>Disregard of Tenant improvements (other than those carried out pursuant to an obligation to the Landlord)?</i>	[Yes] [No - details:]
<i>Time of the essence?</i>	[Yes - details:] [No]
Outgoings	
<i>Payable by whom?</i>	[Landlord] [Tenant]
Insurance by Landlord	
<i>Obligation to reinstate?</i>	[Yes - details:] [No]
<i>Loss of rent cover?</i>	[Yes - details:] [No]

¹¹ See Note 11 in the Notes to Users below as to “the usual assumptions and disregards”.

Suspension of rent? [Yes - details:] [No]

Uninsured risk dealt with? [Yes - details:] [No]

Termination Rights? [Yes - details:] [None]

Repair and decoration

[Whole: Full repair by Tenant?] [Yes] [No]

[Part: Interior repair only by Tenant, with Landlord to repair structure and exterior at the cost of tenants through the service charge?] [Yes] [No]

Alterations

Structural by Tenant prohibited? [Yes] [No – details:]

Internal non-structural by Tenant with consent, not to be unreasonably withheld or delayed? [Yes - details:] [No]

Alterations permitted without consent? [Yes – details:] [None]

Tenant to reinstate? [Yes] [No - details:]

Permitted Use

Specify use

Change of use allowed with consent, not to be unreasonably withheld or delayed? [Yes- details:] [No]

Alienation

Assignment of part? [No]

Assignment of whole [Yes - details (including important

<i>with consent?</i>	qualifying circumstances and conditions:)] [No]
<i>Mandatory AGA and GAGA?</i>	[Yes - details:] [No]
<i>Underletting of whole/part with consent?</i>	[Yes - details (including any requirements as to the level of underlease rent:)] [No]
<i>Permitted number of units of occupation:</i>	
<i>Group sharing permitted?</i>	[Yes - details:] [No]
Landlord's control over obtaining of energy performance certificate	[Yes] [No – details:]
Statutory compliance by Tenant	[Yes] [No]
Services	<i>[Provide brief overview of services – e.g. a comprehensive set of services similar to those usually found in lease of premises of this nature and of any not included]</i>
<i>Provided by Landlord?</i>	[Yes] [No]
<i>Principal services provided:</i>	[details:]
<i>Service charge payments on estimated quarterly basis?</i>	[Yes] [No - details:]
<i>Balancing charge at year-end?</i>	[Yes - details:] [No]
<i>Basis of apportionment</i>	[details:]

to Tenant:

Forfeiture

Rent arrears and breach of covenant? [Yes] [No]

Insolvency grounds – Tenant and/or Guarantor? [Yes - brief details:] [No]

Landlord and Tenant Act 1954

Contracted out. [Yes] [No]

Contracts (Rights of Third Parties) Act 1999

Provision in Lease negating presumption of rights of enforcement by third parties? [Yes - details:] [No]

Licences (e.g. to assign, underlet, alter) [Yes - details:] [None]

Deeds of variation [Yes - details:] [None]

Rent deposit deed [Yes – details:] [None]

Other material matters [Yes - details:] [None]

Set out any material information not covered under the above headings

[APPENDIX]

Dated:

20[].

(Signed):

Name:

Address:

.....

.....

Reference:

SHORT FORM REPORT ON TITLE

NOTES TO USERS

August 2022 Update: There has been an update to Schedule 2 to the Short form Report on title for the Economic Crime (Transparency and Enforcement) Act 2022. The following has been added:

“Name of registered proprietor:

If the registered proprietor is an overseas entity as defined in section 2 of the Economic Crime (Transparency and Enforcement) Act 2022 (“ECTEA”), is the entity registered in the register of overseas entities established under section 3 of ECTEA? [Yes/No]

If so, include the overseas entity ID for the entity and the date of registration in the register: Overseas entity ID []; Date of registration []

If the Company (if different from the registered proprietor) is an overseas entity as defined in section 2 of ECTEA, is the entity registered in the register of overseas entities established under section 3 of ECTEA? [Yes/No]

If so, include the overseas entity ID for the entity and the date of registration in the register: Overseas entity ID []; Date of registration []”

It is hoped that this additional wording provides a useful signpost to the Economic Crime (Transparency and Enforcement) Act 2022 for both providers and recipients of the Report on title.

This note is issued with the Report but is not part of it.

1.1 Before using this Report, consideration should be given as to whether or not the City of London Law Society Land Law Committee's Certificate of Title (Seventh Edition 2016 update) is more appropriate ("CLLS Certificate").

2. This form of Report is primarily intended to be used in any of the following circumstances:
 - (1) the transaction involves a number of properties,
 - (2) there is limited time available,
 - (3) cost-limiting factors on detailed reporting is an important consideration,
 - (4) the commercial motivation for the transaction is not property-based and title to property issues are only a secondary consideration,
 - (5) a portfolio of properties of mixed nature and varying importance is involved, where only some of them are materially important in terms of value or significance to the main purpose of the transaction, or
 - (6) the equity value of the property is minimal.

The parties may, of course, agree to use it in other circumstances.

3. In certain transactions it may be appropriate to use both the CLLS Certificate and this Report, but for different properties.
4. The addressees of this Report should consider what investigations they wish to make.
5. This Report has been prepared on the basis that a separate report is given for each property.
6. This Report has been drafted on the basis that the searches listed in Schedule 3 will in each case be carried out. In certain circumstances, the parties may agree that further searches will be required.
7. The intention behind the drafting of this Report is that it is easier to complete than the CLLS Certificate. If none of the suggested short-form responses is appropriate or if any answer needs amplification, an explanation of the position should be given adjacent to the relevant question, or, in exceptional cases, in an addendum.
8. An optional Appendix has been included to list the documents of title and other documents referred to in clause 2.2.1.
9. Where the Property is a leasehold interest, one of the two Schedules numbered 4 should be used. The first is for where the Property is an investment lease with no rent or a rent that is not a rack rent. This is likely to apply to a lease for a longer term with some capital value. The second is for where the Property is a rack rent lease. If the Company is purchasing, or taking an assignment of a leasehold interest, subject to an underlease, this Report may be used to deal with both the lease being acquired and the underlease (the "**Letting Document**") to which it is subject; in that case, the schedule reporting on the Letting Document should be numbered "**5**".
10. Schedule 5 is to be used for income producing leases (known in this Report as "Letting Documents"). Produce a separate report for each such lease, unless the parties agree otherwise.
11. The "usual assumptions and disregards" for the purposes of completing Schedules 4 and 5, are those referred to in the rent review summary contained in paragraphs 4.1.6 and 4.1.7 of Schedule 5 to the CLLS Certificate. For ease of reference, the text of those paragraphs is set out in italics below.

12. The Company's solicitors should send the attached draft letter to the Company in order to obtain confirmation of certain statements made on behalf of the Company in this Report.
13. Clause 4 refers to Stamp Duty Land Tax ("SDLT") payable in relation to the Lease. It should be borne in mind that:
 - (a) As from 1 December 2003, SDLT became payable by the assignee of a lease in most cases where the original lease benefited from any of the exemptions listed in paragraph 11(2) of Schedule 17A to the Finance Act 2003. Even where there is no chargeable consideration, the assignee may need to complete a land transaction return.
 - (b) An assignee may also be required by virtue of paragraph 12 of Schedule 17A to submit an SDLT return.
 - (c) It is, therefore, preferable that, when acting for a prospective assignee of a lease, copies of all SDLT returns and details of all exemptions claimed and potential claw-back be obtained from the assignor.

The following paragraphs are the text of paragraphs 4.1.6 and 4.1.7, Schedule 5 of the CLLS Certificate which, it is suggested, should be used for the purposes of this Report in Schedules 4 and 5.

"4.1.6 assumptions substantially in the following form are to be made in determining the open market rent:

- (a) the hypothetical lease is to be on the same terms as the Letting Document except for the amount of the principal rent;*
- (b) the hypothetical lease is to be between a willing landlord and a willing tenant with vacant possession and without a premium;*
- (c) the hypothetical term is to begin on the review date and be equal to the residue of the contractual term at the review date (or ten years if longer);*
- (d) if the Premises or their means of access have been damaged or destroyed they have been reinstated;*
- (e) the Premises are fit for immediate occupation and use;*
- (f) the tenant's and the landlord's obligations in the Letting Document have been complied with; and*
- (g) the open market rent is the rent that would become payable after the willing tenant has received the benefit of a rent free period, rent concession or any other inducement of such length or amount as would be negotiated in the open market for the purpose of fitting out;*

4.1.7 *disregards substantially in the following form are to be made in determining the open market rent:*

- (a) *the effect of the tenant's occupation or that of any undertenant and goodwill arising from such occupation;*
- (b) *any reduction in rental value attributable to works carried out to the Premises by the tenant or any undertenant whether before or during the term; and*
- (c) *any increase in rental value attributable to any improvements to the Premises carried out at the cost of the tenant or any undertenant in each case with the consent of the landlord where required whether before or during the term otherwise than pursuant to an obligation to the landlord."*

**DRAFT LETTER TO BE WRITTEN BY THE COMPANY TO
ITS SOLICITORS IN CONNECTION WITH SHORT FORM
REPORT ON TITLE**

Dear Sirs

_____ (the “Property”) [held under a lease dated ____ and made between ____ (the “Landlord”) and ____ (the “Lease”)]

In relation to the Property, which is currently [owned] [held under the Lease] by [_____] (the “Company”), we are at your request, and in the knowledge that you will be relying on the information contained in this letter, able to confirm the following:

1. We have sent to you all the documents of title and other documents relating to the Property that we had in our possession.
2. Those documents are not being held to the order of, nor have they been deposited as security with, any third party.
3. We are not aware of any other documents of title or other documents relating to the Property.
4. The Property has not been the subject of any intra group transfer in the last 2 years, and we are not aware of any circumstances, which could render any transaction affecting the Company's title to the Property liable to be set aside under the provisions of the Insolvency Act 1986.
5. The Company is solely beneficially entitled to the Property.
6. The Company has not entered into, and is not proposing to enter into, any arrangements for disposing of its legal or beneficial interest in, or right of occupation of, the Property or any part of it.
7. So far as we are aware, no one is in adverse possession of the Property, or has acquired, or is acquiring any rights adversely affecting the Property other than rights to light or rights to air.
8. Apart from any disclosed in the documents of title or other documents, we are not aware of any adverse interest in or over the Property, which may materially affect the Company's business at the Property or increase its liabilities in respect of the Property.
9. There is no current litigation affecting the Property and there are no current disputes, and we are not aware of any circumstances likely to lead to a dispute relating to the Property between the Company and [the Landlord or] any other person.
10. [We have not been notified of any material breach of the Lease.]
11. The Existing Use of the Property is [●] and, so far as we are aware, the Property enjoys all the rights necessary for the Existing Use and we have not received notice of any claim to the contrary.

12. We have not received any notice of breach of planning controls or any other notice adversely affecting the Existing Use, nor any notice of breach of other statutory requirements.
13. [So far as we are aware, any Stamp Duty or Stamp Duty Land Tax incurred on [the grant of the Lease] [and] [the transfer of the Property to the Company] has been paid and no further Stamp Duty Land Tax is or will become payable.]

OR

[We will pay all Stamp Duty Land Tax incurred on the [grant of the Lease] [the transfer of the Property] to the Company and file the appropriate land transaction return no later than the relevant land transaction return filing date.]

14. [The current yearly rent payable under the Lease is £[●].]
15. [The current yearly service charge under the Lease is £[●].]
16. [VAT [is] [is not] payable on the rent reserved by the Lease.]
17. [The Company [occupies] [will following completion of the transaction occupy] the [whole of the Property][part of the Property shown on the plan attached to this letter.] *or*

[The current occupiers of the Property are as follows:

Premises	Occupier
-----------------	-----------------

Or

[The Property is vacant.]

Except as mentioned above, no person, other than the Company, has any right, actual or contingent, to possession, occupation or use of, or any interest in, the Property.

18. We are not aware of any other information relating to the Property [or the Lease], which we believe to be material and of which you should be aware when reporting on the Property.

Yours faithfully

[SIGNED FOR AND ON BEHALF OF THE COMPANY]