

## REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Style Interiors (Hampshire) Limited

COMPANY NUMBER (if appropriate): 08396251

DESCRIPTION OF PROPERTY: Units 4 and 5 Muira Industrial Estate, William Street, Northam SO14 5QH

IS BORROWER THE SAME AS OWNER? Yes

FULL NAME OF OWNER IF DIFFERENT (Where property is being transferred state intended owner):

Not applicable

### 1. TITLE

a. We certify that the property is:

|   |                |
|---|----------------|
| Tenure:   | Freehold       |
| Title number (if registered) or if not confirm whether it is unregistered and/or subject to first registration: | HP781245       |
| Class of title (if registered):   | Title Absolute |

- b. We certify that the Title to the Property is good and marketable and can be accepted by you as security.
- c. We annex hereto a copy of the Title Plan (or in the case of a property that is not registered, a plan) showing the Property edged red.
- d. The Property will be registered in the name of the Borrower on completion.
- e. We confirm that the only Restrictive Covenants which affect the Property are set out in the attached Schedule.
- f. We confirm that the only Adverse interests affecting the Property are referred to in the Schedule.
- g. No person other than the Borrower has an equitable or overriding interest in the Property.
- h. The Borrower will not be in sole possession of the Property.
- i. Proplend Security Limited will obtain a First Legal Charge over the Property.

### 2. SEARCHES: We confirm we hold:-

- a. Clear Land Registry Search giving Proplend Security Limited priority beyond the date of completion.

- b. Local Land Charges and Local Authority Search no older than four months prior to the date of completion of the charge revealing no Entries which might adversely affect Proplend Security Limited's security.
- c. Bankruptcy Search giving Proplend Security Limited priority beyond the date of completion against the Guarantor.

All other appropriate Searches have been carried out and, save as referred to below, reveal no Entries adverse to Proplend Security Limited's security.

### 3. **VALUATION:**

We have read the Valuation Survey Report dated [undated] from Now Chartered Surveyors and confirm that:-

- i) there are no discrepancies between the report, the title documentation and the results of our searches.
- ii) we are satisfied that Proplend Security Limited will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan

### 4. **PURCHASE CONTRACT:**

- i. Purchase Price: £225,000.00
  - a. Property: £225,000.00
  - b. Fixtures and Fittings: £N/A

### 5. **SECURITY DOCUMENTATION:**

The following security documentation has been properly executed and witnessed and is held by ourselves. (Please delete if not applicable).

- a. Legal Charge The Legal Charge will be dated upon completion
- b. Debenture The Debenture will be dated upon completion
- c. Guarantee The Guarantee will be dated upon completion

### 6. **COMPLETION ARRANGEMENTS**

We now request you to pay to us the Advance Amount and undertake that if you pay to us the said sum and we shall use the same only to effect the remortgage of the Property by the Borrower.

We confirm we hold an irrevocable undertaking from a firm of solicitors that following completion they will send a completed AP1 in respect of the remortgage of the Property and registration of Proplend Security Limited's Charge, any necessary supporting documentation, and any title documents that are received from the Seller's solicitors.

Our banking details are:

Account Name: Paris Smith LLP Client Account

Account Number: 37559583

Bank: National Westminster Bank plc

Branch: 12 High Street Southampton

Sorting Code No: 56-00-68

Completion date: to be advised

## SCHEDULE

### RESTRICTIVE COVENANTS

(please confirm whether or not the restrictive Covenants are onerous)

- 1 The Property is subject to rights and covenants contained in various transfers of units on the estate which have now been sold off. The Property represents the remaining units in the title.
- 2 Each of the Transfers provide rights for the Transferees to use the shared access way which is the main roadway throughout the site provided they contribute towards the cost of maintenance and a right to use all services on the estate including any which cross under the Property and a right of entry to carry out repairs, renewals, etc causing as little damage as possible and making good any damage caused. The Borrower's solicitors have also confirmed that no payments have been demanded to date either from the Property or the units that have been sold off with regard to any maintenance of the shared accessway, etc.
- 3 There is a right to overhang any eaves, gutters, spouts, downpipes etc and to retain any foundations with rights of entry onto the Property to carry out repairs, again making good any damage caused.
- 4 Similar rights are reserved for the Property over the units that were sold.
- 5 There is a covenant which will pass with the land as these are the last two units on the site, for the owner of the Property to maintain the shared accessway and to renew subject to the occupiers of each of the other units contributing towards the cost.
- 6 On any sale of the last remaining units (i.e. the Property) a Deed of Covenant is required from the purchaser to observe and perform the obligation in respect of the shared accessway. We requested Deeds of Covenant in favour of each of the units being sold which must be in place on completion and also consents in respect of the restrictions registered by the owners of the other units to enable the sale to proceed.
- 7 Those restrictions will remain on the title and would affect any disposal by you of the Property. You would be required to obtain a similar Deed of Covenant from any purchaser.
- 8 The Property is subject to covenants in a Transfer dated 27 February 2015 as follows:
  - 8.1 Rights for the benefit of Unit 2 on the development with or without emergency vehicles over and along the accessway serving all of the units including the Property and the right to develop Unit 2 in any way it considers fit even if this interferes with rights of light and air to the Property. Rights of entry on to the Property to carry out repairs and inspection to Unit 2 and to inspect and connect up to any service media on the property serving Unit 2 and the right to keep projections from Unit 2 over the Property together with rights of support and protection. All rights to be exercised by Unit 2 causing as little damage as possible and making good any damage caused.
  - 8.2 The Property is not to be used for any illegal or immoral purpose or for anything that causes a nuisance or annoyance. The flow of light or air to the building on Unit 2 is not to be interrupted and the service media are not to be obstructed or damaged.

## ADVERSE INTERESTS

(please confirm whether or not the Adverse Interests are onerous)

- 1 No copies of any planning permissions in respect of the use of the Property have been provided and it appears that no information is available either other than from the local authority search which shows planning permission for change of use for the existing use of the Property. There have been no subsequent planning consents.
- 2 A copy of the asbestos management plan for the Property to be produced which identifies asbestos in certain areas. We have asked for confirmation that these recommendations will be observed by the Borrower and their solicitors say that they will.
- 3 Property insurance details are awaited.
- 4 The Property is subject to a potential liability for chancel repair and a policy in the sum of £270,000 will be available on completion with an undertaking from the Borrower's solicitors to do so.
- 5 It is now standard procedure to undertake environmental desktop searches in transactions of this nature. However please note the limited nature of the search. The search is undertaken by independent search consultants at a limited cost and is complied by the search consultants on the basis of inspection of documentary records only accessed by means of a "desk top" search. It does not, of course, arise from a physical inspection of the site. Clearly it will not reveal information which is not recorded in public documentation. The search should therefore be regarded as a general guide only. If you have concerns as to possible contamination of the site then you should discuss further with us the need for a more detailed survey (possibly including a site survey). You will understand that we are not qualified to advise on whether or not the search results are acceptable (or the level of risk involved) but we would be happy to discuss any particular queries with you and to consider with you whether further expert advice should be obtained on any matters arising from the search result itself and/or with regard to the site or your proposals generally.

Subject to the comments above we would point out that the report has been certified as "Requiring Further Assessment" meaning that in the professional opinion of the provider the level of risk associated with the information disclosed in the report is such that there is a potential (moderate to high) risk that this will be considered to be contaminated land and may not be considered to be acceptable banking security. It would appear that the reasons for this are in connection with previous uses of the site including storage of oil around the turn of the twentieth century and as a petroleum depot in the 1950s. There are also potential other users in the vicinity. The Property also lies within 25 metres of an area at risk of flooding.


You have confirmed that you will accept an indemnity policy in relation to the potential adverse entries in the sum of £270,000 which will be on risk at completion.

It should also be noted that under the contract for purchase, the seller is exonerating itself from any liability for historic contamination on the site which passes entirely to the borrower.

- 6 We have received today a copy of a Licence in favour of the current owners of the Property, Vision Scaffolding Solutions, in respect of both units. This is dated 30 November 2017! The Licence period is for one month rolling contract with one month's notice. The Licence fee is £2,000 per calendar month. It is to be used as a trading outlet. In all other respects, the Licence is in the same format as that for Unit 9 The Precinct (see separate Report) and as indicated, it is a very basic document the only saving grace of which is that it can be terminated on notice.

Signed by:

Signature:

A handwritten signature in black ink, appearing to read "Nick Vaughan", with a long horizontal flourish extending to the right.

Name: Nick Vaughan

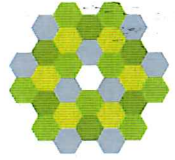
Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

Date: 2 November 2017

HM Land Registry  
Official copy of  
title plan

Title number **HP781245**  
Ordnance Survey map reference **SU4312SW**  
Scale **1:1250**  
Administrative area **Southampton**



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## REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Style Interiors (Hampshire) Limited

COMPANY NUMBER (if appropriate): 08396251

DESCRIPTION OF PROPERTY: 9 and 9a The Central Precinct Winchester Road Chandlers Ford Eastleigh SO53 2GB

IS BORROWER THE SAME AS OWNER? No

FULL NAME OF OWNER IF DIFFERENT (Where property is being transferred state intended owner): Mark Roland Kurn

### 1. TITLE

a. We certify that the property is:

|   |                |
|---|----------------|
| Tenure:   | Freehold       |
| Title number (if registered) or if not confirm whether it is unregistered and/or subject to first registration: | HP298321       |
| Class of title (if registered):   | Title Absolute |

- b. We certify that the Title to the Property is good and marketable and can be accepted by you as security.
- c. We annex hereto a copy of the Title Plan (or in the case of a property that is not registered, a plan) showing the Property edged red.
- d. The Property will be registered in the name of the Owner on completion.
- e. We confirm that the only Restrictive Covenants which affect the Property are set out in the attached Schedule.
- f. We confirm that the only Adverse interests affecting the Property are referred to in the Schedule.
- g. No person other than the Borrower has an equitable or overriding interest in the Property.
- h. The Borrower will not be in sole possession of the Property.
- i. Proplend Security Limited will obtain a First Legal Charge over the Property.

### 2. SEARCHES: We confirm we hold:-

- a. Clear Land Registry Search giving Proplend Security Limited priority beyond the date of completion.
- b. ~~Local Land Charges and Local Authority Search no older than four months prior to the date of completion of the charge revealing no Entries which might adversely affect Proplend Security~~

~~Limited's security.~~ It is agreed that no search indemnity insurance for all searches will be put in place for the value of the Property in the sum of £270,000.

- c. Bankruptcy Search giving Proplend Security Limited priority beyond the date of completion against the Guarantor.

3. **VALUATION:**

We have read the Valuation Survey Report dated [undated] from Now Chartered Surveyors and confirm that:-

- i) there are no discrepancies between the report, the title documentation and the results of our searches.
- ii) we are satisfied that Proplend Security Limited will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan

4. **PURCHASE CONTRACT:**

- i. Purchase Price: Not applicable - the Property is already owned.
  - a. Property: £N/A
  - b. Fixtures and Fittings: £N/A

5. **SECURITY DOCUMENTATION:**

The following security documentation has been properly executed and witnessed and is held by ourselves. (Please delete if not applicable).

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We confirm we hold an irrevocable undertaking from a firm of solicitors that following completion they will send a completed AP1 in respect of the remortgage of the Property and registration of Proplend Security Limited's Charge, any necessary supporting documentation, and any title documents that are received from the Seller's solicitors.

Our banking details are:

Account Name: Paris Smith LLP Client Account

Account Number: 37559583

Bank: National Westminster Bank plc

Branch: 12 High Street Southampton

Sorting Code No: 56-00-68

Completion date: to be advised

## SCHEDULE

### RESTRICTIVE COVENANTS

(please confirm whether or not the restrictive Covenants are onerous)

- 1 The Property is subject to covenants and rights reserved by a Transfer dated 12 March 1986 as follows:-
  - 1.1 Rights to use the services in so far as they run over or through the Property and to use the parts of the walkways and balconies on the first floor level.
  - 1.2 A right of support and shelter for the rest of the development from the Property.
  - 1.3 Rights of entry to carry out repairs, connections to services, etc and making good any damage caused.
  - 1.4 The owners of the Precinct have the right to build on any other part of the Precinct even if this interferes with rights of light or air and the right to make any regulations concerning traffic flow, the use of the service road and turning spaces and communal parking areas necessary to maintain the management and security of the Precinct.
  - 1.5 To pay a fair and proper proportion of the service charge including payment into a sinking fund and all management costs for managing the Precinct.
  - 1.6 The owner is to repair and keep the Property including the structure in good and substantial repair and condition and properly painted at all times.
  - 1.7 To insure the Property against normal risks at full reinstatement value.
  - 1.8 Not to cause any damage which would reduce the level of support offered by the Property to the remainder of the buildings on the Precinct. To allow the owner of the Precinct to inspect to carry out repairs where necessary if there are defects in the repair of the Property.
  - 1.9 Not to cause any obstruction to the walkway and balcony.
  - 1.10 To comply with reasonable regulations of the owner of the Precinct from time to time.
- 2 The upper parts of the building known as 9a are sold on a long lease of 999 years from 1 January 1988 at a rate of £25 per annum.

### ADVERSE INTERESTS

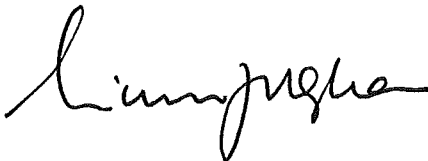
(please confirm whether or not the Adverse Interests are onerous)

- 1 The Property on the ground floor is let under a licence as to which see the separate Lettings Report.
- 2 You have agreed to accept no search indemnity insurance in respect of local search, environmental, drainage and chancel liabilities in the sum of £270,000. That policy will be on risk on completion and we will have an undertaking from the Borrower's solicitors to that effect. However, this means that we have carried out no investigation of any matters which would normally be covered by such searches and neither have we seen copies of any planning consents for the Property which would have been revealed by the local search.
- 3 No environmental search is available - see above.
- 4 Asbestos Management Plan and Fire Risk Register for common parts are maintained by the Management Company which administers the whole of the Precinct and we are advised that any recommendations are strictly observed and any costs are recovered under the service charge.

- 5 The managing agents have produced a copy of the policy for the common parts and the buildings which will include the Property. The insurance runs to 24 June 2018 and is with Zurich Plc. The properties covered are 1-29a The Precinct. Buildings insurance is for £10,644,120 and for rents receivable of £765. There is also property owner, public liability, product liability and pollution memoranda. Risks include normal insured risks including subsidence but does not include terrorism.
- 6 The Borrower's solicitors have produced details of the service charges payable for Central Precinct which cover a number of buildings who share the charge. The contribution for the Property at 9 and 9a Central Precinct estimated for the current year is £370.35 for insurance and £36.23 for insurance of the common parts together with contributions to other costs totalling £3,295.49 for the year. A detailed report on the condition of the Precinct was carried out earlier this year which identified various matters which would need attention. External decoration and replacing of asphalt coverings to the balcony walkways and canopies would require attention. Some of these items required attention within the next 12 months and some by 2022. By 2022, there is an estimate of costs of £220,000 of works to be carried out and shared by all of the occupiers. The current expenditure includes some substantial works to the balustrades of £54,000, concrete decorations of £10,500, facial balustrade overall of £12,250, soffit repairs of £7,400, tarmac repairs of £3,250, metal and balustrade decorations of £6,500, safety works of £5,000, paving repairs of £5,000, rainwater goods of £2,750. There are other works in the list. There is no indication that all of these works will be undertaken, but they are given as an indication of the anticipated works that will be required.

Signed by:

Signature:



Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

Date: 2 November 2017

|                                   |                    |              |                        |
|-----------------------------------|--------------------|--------------|------------------------|
| H.M. LAND REGISTRY                |                    | TITLE NUMBER |                        |
|                                   |                    | HP 298321    |                        |
| ORDNANCE SURVEY<br>PLAN REFERENCE | SU 4320            | SECTION L    | Scale<br>1/1250        |
| COUNTY HAMPSHIRE                  | DISTRICT EASTLEIGH |              | © Crown copyright 1975 |

