

REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: The Liverpool Pizza Slice Company Limited

COMPANY NUMBER (if appropriate): 09376472

DESCRIPTION OF PROPERTY: 166a and 166b Aigburth Road and 2 Dalmeny Street Liverpool

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:	MS413137
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 from Keppie Massie dated September 2017 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 - property already owned by the Borrower.
 - 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).

- 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: 31 000000

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 in a Conveyance dated 4 December 1905, no copy of which was produced on first registration. A loss of deeds indemnity policy for the value of the Property will be on risk on completion.
- 2 The Property is subject to covenants in a Conveyance dated 21 May 1906 not to carry out any glass, chemical operation, chemical works, copper, brass, iron or mineral, acid or alkaline operations which produce any adverse smell, etc; fat melter, pipe maker, tallow chandler, soap boiler, etc; beerhouse, lime burner, petroleum or oil manufacturer or anything which would cause a nuisance or annoyance and no intoxicating liquor to be sold on the land; no slaughterhouse, foundry, etc to be constructed.

ADVERSE INTERESTS

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

- 1 The Property is subject to a Lease, details of which are attached on the separate Lettings Report. The Lease has been copied from a standard precedent which includes various alternatives. These alternatives have not been deleted. We have asked the Borrower's solicitors to provide a letter from the Tenant and the Landlord confirming that these will be amended and that, if required, they will enter into a Deed of Variation. The matters are not considered to be detrimental and can be dealt with after completion.
- 2 The Property is subject to 2 Assured Shorthold Tenancies in standard form. The tenancy for 166a Aigburth Road is let to 6 individuals for a term from 1 August 2017 to 29 June 2018 at a rent of £2,340 per month. The deposit is protected by a Tenancy Deposit Scheme.

The tenancy has standard terms in connection with the Landlord being able to obtain possession.

The tenancy for 166b Aigburth Road is let to 5 individuals at a rent of £1,950 per month. Again, the deposit is held under a Tenancy Deposit Scheme and the tenancy is in standard form.
- 3 There is no Asbestos Risk Register or Fire Risk Assessment Report. An undertaking will be required from the Borrower to put these in hand within 2 months of the date of drawdown and to complete any recommendations.
- 4 The drainage search indicates that there is a mains sewer within the boundaries of the Property. It would appear to cross the rear corner of the Property away from any buildings.

The valuer refers to refurbishment works carried out to the Property to the commercial premises. We have raised with the Borrower's solicitors the requirements for planning permission and building regulation approvals and they have produced a final certificate for building regulation purposes.

Planning consent for the change of use of the ground floor from a café to a hot food café and takeaway together with installation of an extraction flue and chimney and shopfront was granted in 2012. There is a condition that the Property can only be open between the hours of 10am and 10pm.

No FENSA certificates have been produced for any UPVC windows at the Property. The Borrower's solicitors say that none have been installed.

There is reference to a pavement table arrangement for diners at the café. We have asked for information as to whether or not a local authority licence has been obtained for this purpose, but the Borrower's solicitors have not been able to produce any information.

- 5 The Borrower has applied for an HMO licence in view of the number of occupants at the Property. This has been acknowledged by the local authority. You have confirmed that you will accept this notwithstanding that the HMO licence has not yet been agreed.
- 6 The property insurance details have been amended to include the full address of the Property at 166a and 166b Aigburth Road and 2 Dalmeny Street.
- 7 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 "Passed" meaning that in the professional opinion of Argyll Environmental the level of risk associated with the information disclosed in the report:

- (a) is unlikely to have an adverse effect on the value of the Property, and
- (b) is not such that the Property would be designated "Contaminated Land" within the meaning of Part IIA of the Environmental Protection Act 1990.

The Property is expressed to be within an area of subsidence hazard potential but no specific issues have been identified.

Signed by:

Signature:



Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

Date: 14 November 2017

H.M. LAND REGISTRY		TITLE NUMBER	
		MS 4 13137	
ORDNANCE SURVEY PLAN REFERENCE	SJ 3687	SECTION	Scale 1/1250
COUNTY	MERSEYSIDE	DISTRICT	LIVERPOOL
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