

**REPORT ON TITLE**

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Comcap Haywards Heath Ltd

COMPANY NUMBER (if appropriate): 11182642

DESCRIPTION OF PROPERTY: Ground Floor, 32-36 (even), South Road, Haywards Heath RH16 4LA

IS BORROWER THE SAME AS OWNER? Yes on completion

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:	Leasehold
Title number (if registered) or if not confirm whether it is unregistered and/or subject to first registration:	The new lease will be completed at the same time as the loan and both will then be registered at the land registry at which point the Leasehold title will be allocated a new title number.  NB: the new lease is being granted out of Comcap 10 Limited's freehold title (SX110377)
Class of title (if registered):	Absolute (Freehold Title)

- 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.
- 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. 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 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 Reports dated 5 December 2016 and 7 December 2017 prepared by Sussex Surveyors who have confirmed that the Report can be relied upon 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: £N/A
  - 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: 37559583  
Bank: National Westminster Bank plc  
Branch: 12 High Street Southampton  
Sorting Code No: 56-00-68  
Completion date:  
Reference: AZC/113022/17/COMCAP

## SCHEDULE

### RESTRICTIVE COVENANTS

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

### **Title Number SX110377 (Freehold Title: 32-36 (even) South Road, Haywards Heath RH16 4LA ("the Building"))**

The Property will be subject to the following covenants and rights affecting the title:-

1. The Property will be subject to covenants contained in a Conveyance dated 21 February 1934 (The Conveyance was of a larger piece of land than that to be charged) as follows:-
  - 1.1. The Property cannot be used for the purposes of a boot and shoe retailer during such time as the business of a boot and shoe retailer is carried out at the adjoining premises (28 South Road)
  - 1.2. The right to free and uninterrupted passage and running of water and soil through the sewers, drains and watercourses in or under the Property and to maintain, clean and renew the said sewers, drains and watercourses. We have asked whether or not these rights are still enjoyed and the Borrower's solicitors say the Borrower is not aware of the rights being exercised but assumes the drains and sewers are now adopted.
2. The Property will be subject to covenants contained in a Transfer dated 17 September 1970 (The Transfer was of a piece of land 8ft wide which runs down the side of the Building ("the Passageway")) as follow:-
  - 2.1. The Property cannot be used for the purposes of a boot and shoe retailer during such time as the business of a boot and shoe retailer is carried out at the adjoining premises (28 South Road).
  - 2.2. No buildings or signage are permitted that project beyond the frontage of 28/30 South Road without prior written consent which shall not be unreasonably withheld.
  - 2.3. The right of way both vehicular and pedestrian at all times and for all purposes along the Passageway.
  - 2.4. The right of passage of water and soil, gas and electricity through the pipes, server, wires and cables ("the Service Media") laid at the date of the transfer or within 80 years of the date of the transfer.
  - 2.5. The right of entry to clean, repair, renew or maintain the Service Media

We have asked whether or not these rights have been exercised and the Borrower's solicitor's say the passageway is used daily (by foot only) by the occupant of 28-30 South Road (currently Greggs). They have also confirmed that there have been no disputes regarding the use of the access and there are ongoing discussion to agree what contribution the owners of 28-30 South Road will make towards works of repair, etc.

### ADVERSE INTERESTS

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

- 1 The Property is to be leased to the Borrower under the terms of a 125 year lease. Please note that the valuation report is made on the assumption of a 999 year lease and

not the 125 year lease which is currently proposed. Please see the separate Lease Report for details of this lease.

- 2 The Property is currently and will continue to be leased to Bank of Scotland under the terms of a 20 year lease, please see the separate Lease Report for details of this lease.
- 3 The freeholder has opted to tax the Building, and we have seen a copy of HMRC's acknowledgement dated 1 April 2016. The Borrower's solicitors has said that the Borrower is not intending to make an option to tax, but they have asked their accountants to confirm.
- 4 The Asbestos Survey Report of the Property dated 24 December 2004 indicates that there is no asbestos present in the Property. Further the Asbestos Material Register dated 3 February 2017 also confirms that no asbestos is present in the Property.
- 5 No Fire Risk Assessment or Health and Safety Risk Assessments have been provided by the Borrower's solicitor as the occupational tenant (Bank of Scotland/Halifax) is responsible for maintaining these records.
- 6 Chancel Search indicates that there is a potential chancel repair liability. However, as the building was purchased for valuable consideration (£910,000 in May 2016) since 13 October 2013 any chancel liability should have been noted on the title, and there is no such notice on the title. However, to protect your position we have still asked that the Borrower's solicitor provide us with an indemnity policy. .
- 7 The results of the Highways Search confirm that South Road is a public highway maintainable at the public expense, and the Passageway is not a public highway.
- 8 The results of the Regulated Local Authority Search confirm that the local authority is planning to implement waiting and loading restrictions along South Road.

There are a number of planning permissions mostly relating to the conversion of the upper floor of the Building from office use to residential. However, there a couple of planning permission relating to the Property. The most recent of these planning consents (reference 13/01735/ADV) was made in July 2013 and gave Halifax permission to install a new fascia, projecting sign and new ATM collars to replace the existing shopfront signage. We are advised that this work has been completed.

- 9 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 Landmark Information the level of risk associated with the information disclosed in the report:

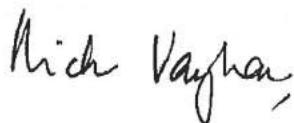
- (a) is unlikely to have an adverse effect on the value of the Property, and
- (b) is not such that the Property would be designated "Contaminated Land" within the meaning of Part IIA of the Environmental Protection Act 1990.

The search does reveal that the Property is within 4km of an area subject to any licences or drilling wells that could indicate that onshore oil and gas exploration and production operations are or could happen in the area,

- 10 The results of the Drainage and Water search confirm that the Property is connected to mains water supply, and the foul water and drainage are connected to public sewers.
- 11 The Borrower's solicitors have provided us with two Party Wall awards which confirm that no party wall (under the meaning of The Party Wall etc. Act 1996) exists between the Building and 28-30 South Road.
- 12 The EPC we have been provided with gave the Property a rating of E in October 2013, and is valid until 2023. On the basis of this EPC there should be no issues in complying with the MEES Regulation when they come in to force in April 2018.

Signed by:

Signature:



Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of **Paris Smith LLP**

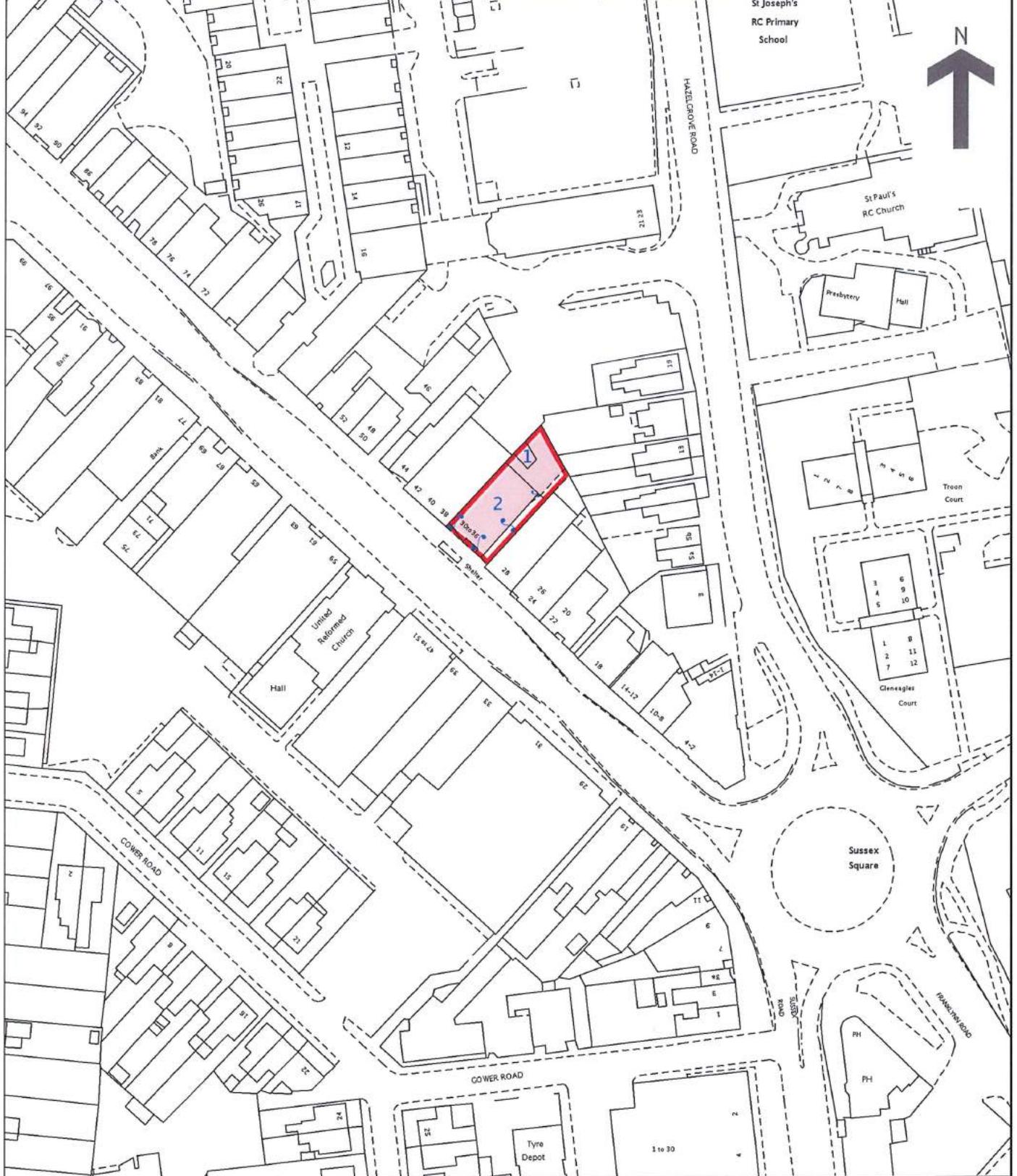
Date: 9 March 2018

# HM Land Registry Official copy of title plan

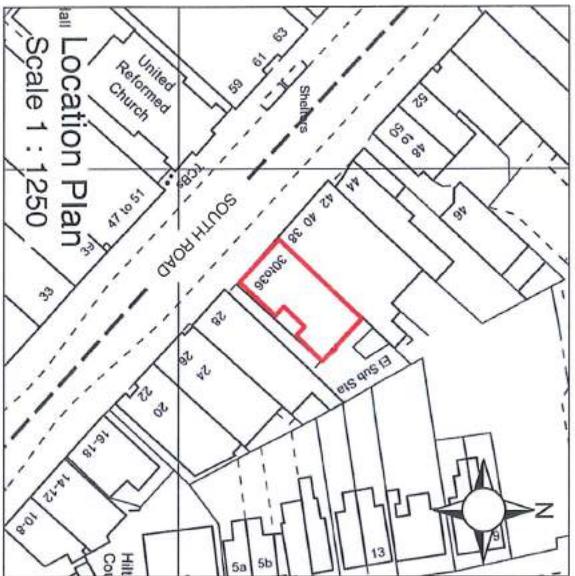
Title number **SX110377**  
Ordnance Survey map reference **TQ323NW**  
Scale **1:1250**  
Administrative area **West Sussex : Mid Sussex**



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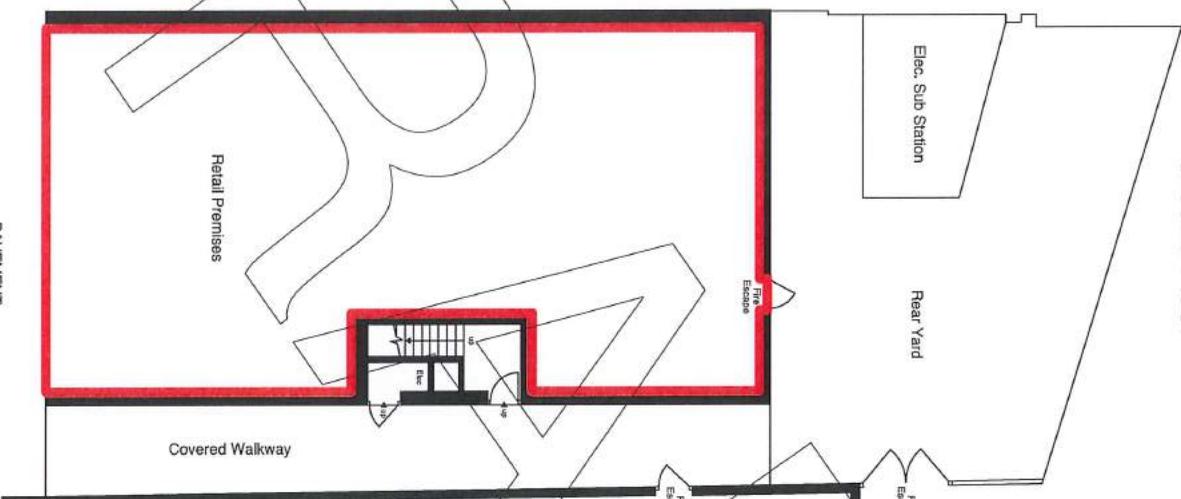






Location Plan  
Scale 1 : 1250

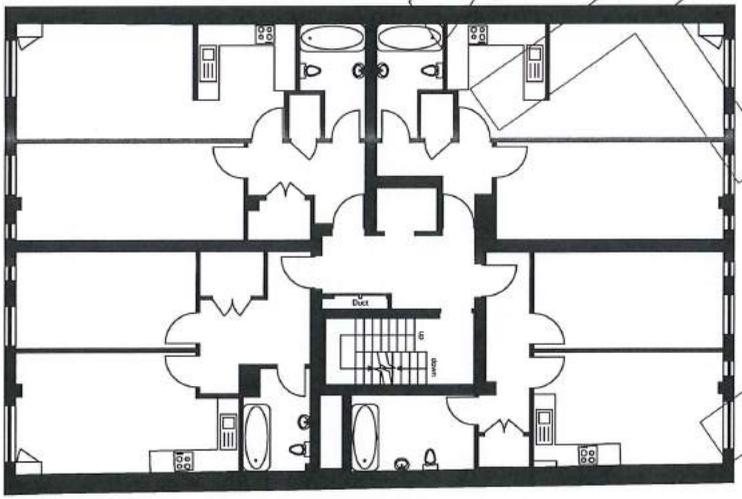
Ground Floor



**Commercial Premises**  
**32-36 South Road**  
**Haywards Heath**  
**Sussex**  
**RH16 4LA**

Scale 1:200

First Floor



SCALE BAR AT 1:200



SOUTH ROAD

PAVEMENT

NOTES

Magnolia Square Limited  
 57 Rathborne Place  
 London  
 W1T 1JU

020 7479 4855



PRINT AT A4

PROJECT  
 32-36 South Road  
 Haywards Heath  
 Sussex  
 RH16 4LA

MEASURED SURVEY

DRAWING TITLE  
 LEASE PLAN

SCALE  
 1:200

DATE  
 FEB 2018

DRAWING NUMBER  
 1

18106



## LETTINGS REPORT

**To:** Proplend Security Limited

**Customer(s):** Comcap Haywards Heath Ltd

**Property:** Ground Floor Units 1 and 2, 32-36 South Road, Haywards Heath, West Sussex

1.	<p><b>Landlord's name and address:</b> Comcap 10 Limited (CRN:07948111) of Meteor House Whittle Road, Churchfields, Salisbury, Wiltshire, United Kingdom, SP2 7YW</p> <p>NB: Prior to completion of this mortgage the Landlord will enter in to a lease with the Customer (Comcap Haywards Heath Ltd) which will give them a 125 year lease of the Property and make them the Landlord for the purposes of this lease.</p>
2.	<p><b>Tenant's name and address:</b> Bank of Scotland plc (Scottish CRN: SC327000) of The Mound, Edinburgh, EH1 1YZ</p>
3.	<p><b>Guarantor of Tenant (if applicable):</b> None</p>
4.	<p><b>Term and Commencement Date:</b> 20 years from 26 January 1999</p>
5.	<p><b>Rent Provisions</b></p> <p><b>Current Rent:</b> £59,000/annum.</p> <p><b>Premium/inducements:</b> None</p> <p><b>Value Added Tax liability:</b> VAT is payable under the Lease.</p> <p><b>Rent Review Dates and Cycle/Breakage Clause:</b> 5 years from the Commencement Date, the most recent rent review should have taken place on 26 January 2014. However, the rent does not appear to have changed since 1999.</p> <p>Rent is reviewed at market rent and is upwards only. It is the rent the Tenant would pay on the open market if let by a willing landlord to a willing tenant on the same terms as the Lease save as for the amount of rent. The rent review provisions are in standard form.</p> <p>If the parties are unable to agree the market rent the rent shall be determined by a valuer. The fees of the valuer shall be borne equally by the Landlord and Tenant.</p> <p>Once agreed, the parties will enter into a Rent Review Memorandum. Between the rent review date and the date of determination or agreement the old rent will be paid. The shortfall will be paid together with interest at the base rate of NatWest Bank plc on the review date.</p> <p><b>Break Clause:</b> The Tenant had the right to determine the lease on 31 January 2014 having given the Landlord not less than 12 months notice. However, there are no continuing rights to determine.</p> <p><b>Rent Review, Basis of Valuation:</b> See above.</p> <p><b>Service Charges (if applicable):</b> The Tenant must pay on demand 28.58% of the amount that the Landlord spends in keeping the exterior and structure of the Building including the roof, foundations and walls in good and substantial repair and condition.</p>
6.	<p><b>Use of premises:</b> Class A1 (Shops) &amp; A2 (Financial and professional services)</p> <p><b>Restrictions on change of use:</b> There is no right to change the use of the Property</p>
7.	<p><b>Repairing/Maintaining Obligations:</b> The Tenant is to keep the Property in good and substantial repair and condition excluding any insured risks and to decorate every 3 years and in the last year of the term.</p>

8. **Alienation (i.e. right to assign, sub-let):** Assignment of part is prohibited. Assignment of whole is permitted with Landlord's consent, not to be unreasonably withheld. As a condition, the Landlord will require an authorised guarantee agreement and a guarantee from the outgoing tenant, and require a direct covenant from the assignee to comply with the covenant and to pay the rent.

The Landlord can refuse consent if at the date of assignment the rent is unpaid or if, there is a material breach of any of the tenant's covenants.

Underletting of the whole is permitted with Landlord's consent, not to be unreasonably withheld. As a condition, the Landlord will require the sub-tenant to directly covenant with the Landlord to observe all of the Tenant covenants, and the underlease must be excluded from the Landlord and Tenant Act.

Underletting of a Permitted Part (shop unit 1 or 2) is permitted with Landlord's consent, not to be unreasonably withheld. The condition for underletting of the whole apply and in addition any sublease of a Permitted Part must:-

- Granted at the full open market rent without any fine or premium
- Contain conditions for re-entry on breach of any covenants by the sub-tenant
- Contain provisions for upward only rent reviews in the same terms as this lease (see above)
- Provide that the sub-tenant has no right to sublet, share or part with possession or occupation of the whole or part of the Permitted Part, or to assign the whole of the Permitted Part without prior consent of the Landlord and Tenant.

9. **Insurance Provisions:** Landlord to insure against normal insured risks in full reinstatement value.

Landlord to use proceeds to reinstate or rebuild the Building (subject to all planning consents or permissions being in place)

10. **Landlord's obligations:**

- Quiet enjoyment;
- To insure;
- To repair the structure of the Building

11. **Effect of Bank enforcing security:** There are no restrictions on the Bank enforcing its security under the Lease but this will be subject to the terms of the Lease.

12. **Forfeiture and re-entry:** The Landlord may forfeit the Property if:-

- the rent is in arrears for 21 days;
- breach of covenant by the Tenant;
- an act of insolvency occurs on the part of the Tenant.

13. Please advise/comment in respect of the following:

**Assumptions and Disregards Summary:** Please see above.

**Unusual/Onerous Provisions (including any mentioned above):** None.

**Effect of matters reported above and recommended steps the Bank should take to protect its position:** None.

**Part II Landlord and Tenant Act 1954:** The Lease is protected by the Landlord and Tenant Act and therefore the Tenant will be entitled to renew its lease at the expiry of the existing term.

14. We confirm that subject to the above:

The Lease is a full repairing and insurance Lease and, subject to the Tenant's compliance with the undertakings and obligations on the part of the Tenant contained in the Lease, the Landlord is able to recovery all expenditure incurred by it in respect of the Property;

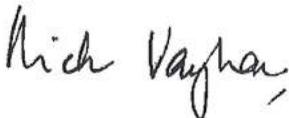
Your Customer has advised us that the Tenant (i) is not in breach of any of its obligations under the lease to pay rent or other sums due and (ii) is not in dispute with the Landlord; and

Subject to 13 above, the Lease is satisfactory for secured lending and there are no provisions in the Lease which could materially affect the value of the Property.

We acknowledge that you are relying on this Report and are entitled so to rely in connection with security for facilities provided to your Customer(s).

Signed by:

Signature:



Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of **PARIS SMITH LLP**

Date: 9 March 2018

Address of Firm: Number 1 London Road  
Southampton  
Hampshire SO15 2AE

Notes: (1) When space is insufficient please continue on a separate sheet of paper referring to the relevant paragraph.



## LETTINGS REPORT

**To:** Proplend Security Limited

**Customer(s):** Comcap Haywards Heath Ltd

**Property:** Ground Floor, 32-36 South Road, Haywards Heath, West Sussex

1.	<b>Landlord's name and address:</b> Comcap 10 Limited (CRN:07948111) of Meteor House Whittle Road, Churchfields, Salisbury, Wiltshire, United Kingdom, SP2 7YW
2.	<b>Tenant's name and address:</b> Comcap Haywards Heath Limited (CRN: 1182642) of Meteor House Whittle Road, Churchfields, Salisbury, Wiltshire, United Kingdom, SP2 7YW
3.	<b>Guarantor of Tenant (if applicable):</b> None
4.	<b>Term and Commencement Date:</b> 125 years from the date of completion of the loan
5.	<b>Rent Provisions</b> <b>Current Rent:</b> £125/annum from the date of completion until 2028 and thereafter a rent of £250/annum <b>Premium:</b> £1 <b>Value Added Tax liability:</b> VAT is payable under the Lease. <b>Rent Review Dates and Cycle/Breakage Clause:</b> None <b>Break Clause:</b> None <b>Rent Review, Basis of Valuation:</b> N/A <b>Service Charges (if applicable):</b> The Tenant must pay a fair and reasonable proportion of the amount the Landlord expends in providing the Services. The Landlord will prepare a service charge budget at the state of each Service Charge Year, and the Tenant will pay their proportion of the budget in four equal quarterly instalments on the usual quarter days. The Services are defined as 'inspecting, cleaning, maintaining, decorating, repairing or renewing the Building, including the structural part and all service media forming part of the Building and remedying any inherent defects at or in the Building.
6.	<b>Use of premises:</b> Class A1 (Shops) & A2 (Financial and professional services) <b>Restrictions on change of use:</b> There is no right to change the use of the Property
7.	<b>Repairing/Maintaining Obligations:</b> The Tenant is to keep the Property in good and substantial repair and condition including renewing the Property. The Tenant is also required to decorate all parts of the exterior of the Property as often as is reasonably necessary and in the last year of the term excluding any insured risks and to decorate every 3 years and in the last year of the term.
8.	<b>Alienation (i.e. right to assign, sub-let):</b> Assignment of part is prohibited. Assignment and Underletting of the whole is permitted, but the Landlord's consent is required in the last 7 years of the term.

9. **Insurance Provisions:** Landlord to insure against normal insured risks in full reinstatement value, and the Tenant is to pay a fair and reasonable proportion of the cost of the insurance.

Landlord to use proceeds to reinstate or rebuild the Building (subject to all planning consents or permissions being in place). In the event that the Building or Property are damaged or destroyed by an Insured Risk the payment of rent, insurance and service charges shall be in part or full suspended.

If the reinstatement work has not commenced within 12 months of the date of damage occurring then either party can serve notice to bring the Lease to an end. Alternatively if reinstatement is impossible for reasons of planning etc then the lease shall also end. Upon the determination of the lease the insurance proceeds shall be held on trust by the Landlord and paid out in accordance with the respective shares of the Landlord and Tenant.

10. **Landlord's obligations:**

- Quiet enjoyment;
- To insure;
- To provide the services;
- To reinstate following damage by an insured risk

11. **Effect of Bank enforcing security:** There are no restrictions on the Bank enforcing its security under the Lease but this will be subject to the terms of the Lease.

12. **Forfeiture and re-entry:** The Landlord may forfeit the Property if:-

- the rent is in arrears for 21 days;
- breach of covenant by the Tenant.

Prior to commencing any proceedings for forfeiture the Landlord shall:-

- give notice of the breach to any mortgagee whom the Landlord has received notice of pursuant to paragraph 9.9 of Schedule 2; and
- if the mortgagee confirms in writing to the Landlord within 28 days of notice that it wishes to remedy the breach, the Landlord will allow the mortgagee 28 days to remedy the breach.

13. Please advise/comment in respect of the following:

**Assumptions and Disregards Summary:** Please see above.

**Unusual/Onerous Provisions (including any mentioned above):** None.

**Effect of matters reported above and recommended steps the Bank should take to protect its position:** None.

**Part II Landlord and Tenant Act 1954:** The Lease is protected by the Landlord and Tenant Act and therefore the Tenant will be entitled to renew its lease at the expiry of the existing term.

14. We confirm that subject to the above:

The Lease is a full repairing and insurance Lease and, subject to the Tenant's compliance with the undertakings and obligations on the part of the Tenant contained in the Lease, the Landlord is able to recover all expenditure incurred by it in respect of the Property;

Your Customer has advised us that the Tenant (i) is not in breach of any of its obligations under the lease to pay rent or other sums due and (ii) is not in dispute with the Landlord; and

Subject to 13 above, the Lease is satisfactory for secured lending and there are no provisions in the Lease which could materially affect the value of the Property.

We acknowledge that you are relying on this Report and are entitled so to rely in connection with security for facilities provided to your Customer(s).

Signed by:

Signature:



Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of **PARIS SMITH LLP**

Date: 9 March 2018

Address of Firm: Number 1 London Road  
Southampton  
Hampshire SO15 2AE

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