

REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Raise Property 1 Limited

COMPANY NUMBER (if appropriate): 11228192

DESCRIPTION OF PROPERTY: Marlbank Inn, Marlbank Road, Welland, Malvern WR13 6NA

IS BORROWER THE SAME AS OWNER? No

FULL NAME OF OWNER IF DIFFERENT (Where property is being transferred state intended owner): Kenneth John Webb, Valerie Margaret Webb and Marlbank Inn Limited

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: | HW185709 |
| 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. 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 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 21 March 2018 prepared by Bruton Knowles 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: | £440,000 |
| a. Property: | £439,998 |
| b. Fixtures and Fittings: | £1 |
| c. Goodwill | £1 |
| d. Stock in Trade | to be valued |

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

8. 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 purchase of the property by the Borrower/~~Owner~~

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 acquisition 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: 68 Above Bar Southampton

Sorting Code No: 56-00-68

Reference: AZC.113022.22

Completion date: TBC

SCHEDULE

RESTRICTIVE COVENANTS

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

The Property is not subject to any restrictive covenants.

ADVERSE INTERESTS

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

1. The Property is going to be leased to Pandeli Foods Limited for a term of 5 years commencing on the date of completion, as to which please see the separate Lettings Report
2. Agreement for Sale -
 - 2.1. We have requested a copy of the BT Sports contract, which is referred to in the Business Documents annexed to the Agreement for Sale, but BT have advised that they will not supply a copy of this contract.
 - 2.2. Warranties are provided under the Agreement. This limits the liabilities of the Seller to £440,000 and there is a de minimis provision of £1,500
3. An Assignment of Goodwill will be entered in to by Marlbank Inn Limited (1) and Raise Property 1 Limited (2) on the day completion. In consideration for the sum of £1 Marlbank Inn Limited ate transferring the Borrower
 - 3.1. all his custom, connection and Goodwill in the Business
 - 3.2. the exclusive right for the Borrower to represent himself as carrying on the Business in place of Marlbank Inn Limited
 - 3.3. and all trade names associated with the Business
4. The Chancel search indicates that the Property is located in an area which continues to have a potential chancel liability. We have therefore asked the Borrower's solicitor to put a chancel indemnity policy in place on completion.
5. While the local authority search does reveal some planning permissions none of these relate to the current use of the Property,, however, we understand the Property has been used as a Public House since 1700's. The search does reveal a planning permission (reference 06/00265/FUL) dated 27 April 2006 which allowed permitted 'conversion of the existing use to holiday cottages, and an extension to provide new toilets and alterations to the ground and first floor. The Borrower's solicitor has advised that this planning permission was never implemented, and that no alterations have been made in the past 10 years.

The Property directly abuts Marlbank Road the search indicates that Marlbank Road is an adopted public highway and maintainable at the public expense. The Borrower's solicitor has confirmed that the unadopted roads, on the east and west sides of the Property, are not used and access is not needed.
6. 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 compiled 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" in relation to flooding and contaminated land 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 report does indicate that the Property is within an area which is designated as an Area of Outstanding Natural Beauty (AONB). As a result of this designation it may be difficult to obtain planning permission as the local authority, in consultation with Natural England, must make sure that all decisions have regard for the purpose of conserving and enhancing the natural beauty of the AONB. We have asked the Borrower's solicitor to confirm if there have been any issues in this regard and they have advised that no alterations have been made in the past 10 year.

7. The drainage and water search states that the Property is connected to a mains water and foul and surface water drain in to the public sewer. The public sewer map does indicate that there are public sewers, disposal mains or lateral drains within the boundaries of the property. The Borrower's solicitors have been advised by the Seller's solicitor's that to the best of the Seller's knowledge nothing has been constructed over the drains.
8. We have not seen copies of either the Fire Risk Assessment or the Asbestos Risk Register and an undertaking will be in place for these to be commissioned and any works recommended carried out.
 - 8.1. We have received a Certificate of Inspection issued by Herefordshire Fire Protection Services Limited which confirms that the fire extinguishers and fire blanket are in a good condition.
9. We have seen a copy of the Premises Licence issued by Malvern Hills District Council along with draft consent to assign, which will enable the Licence to be assigned to the Borrower on completion.
10. The EPC shows that the Property has an energy rating of D. Given the Properties current use there is no need to consider the MEES Regulations although the current rating exceeds the minimum threshold in any event.

Signed by:

Signature: *Nick Vaughan*

Name: Nick Vaughan

Position: Senior LLP Partner

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

Date: 14 June 2018

H.M. LAND REGISTRY

TITLE NUMBER

HW 185709

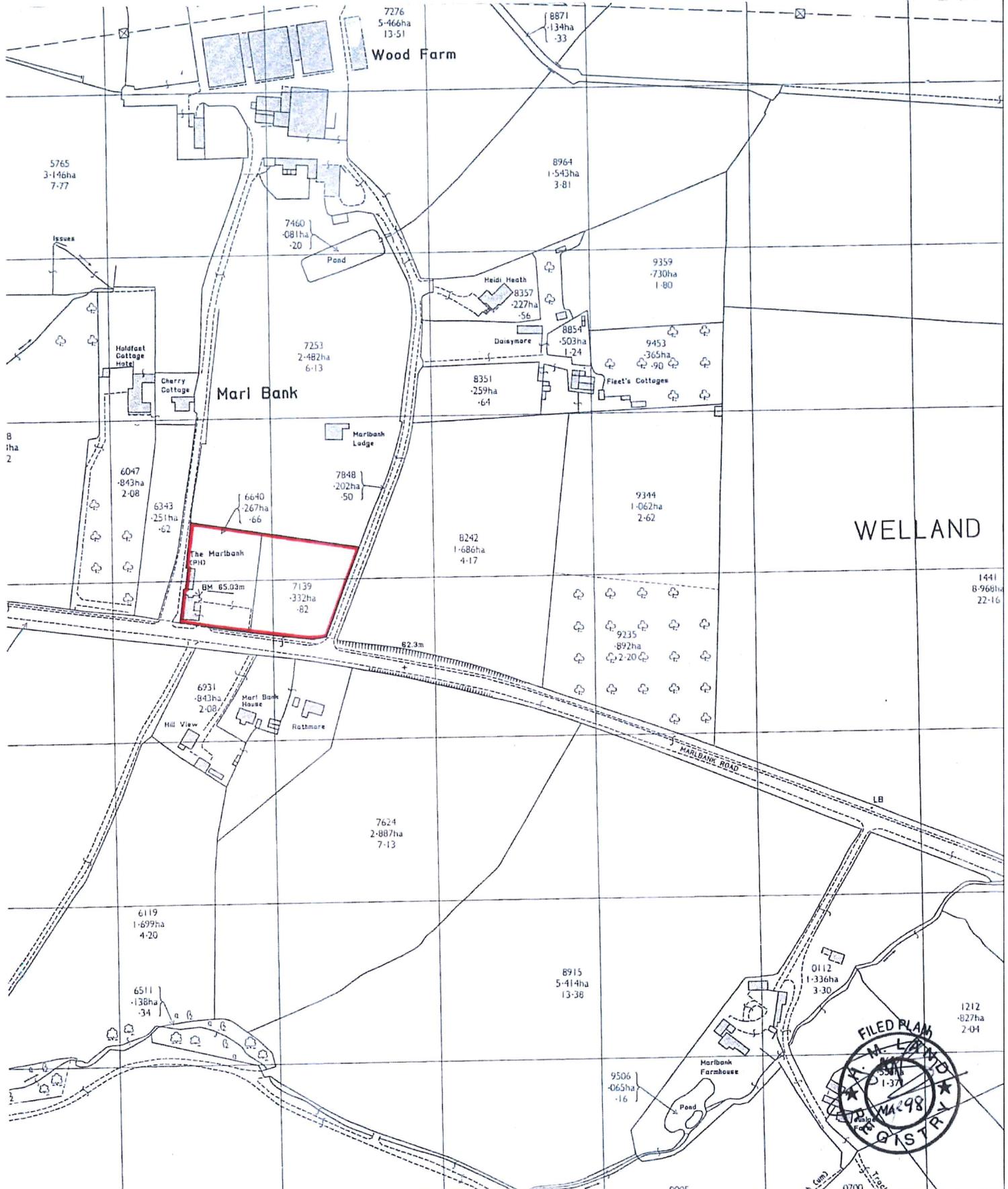
ORDNANCE SURVEY
PLAN REFERENCE

SO 7840

Scale
1: 2500

COUNTY HEREFORD AND WORCESTER DISTRICT MALVERN HILLS

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LETTINGS REPORT

To: Proplend Security Limited

Customer(s): Raise Property 1 Limited

Property: The Marlbank Inn, Marlbank Road, Welland, Malvern, Worcestershire WR16 6NA

| | |
|----|---|
| 1. | Landlord's name and address: Raise Property 1 Limited of 185 Wells Road, Malvern WR14 4HE |
| 2. | Tenant's name and address: Pandeli Foods Limited of 19 Vine Street, Evesham, Worcestershire WR11 4RE |
| 3. | Guarantor of Tenant (if applicable): None |
| 4. | Term and Commencement Date: 5 years from the date of completion |
| 5. | <p>Rent Provisions</p> <p>Current Rent: £40,000 per annum, payable monthly in advance.</p> <p>Premium/inducements: None.</p> <p>Value Added Tax liability: None, we understand no election has been made.</p> <p>Rent Review Dates and Cycle/Breakage Clause: There is no rent review provision.</p> <p>There is a Landlord only break clause which the Landlord can exercise at any time by serving on the Tenant not less than six months written notice.</p> <p>Rent Review, Basis of Valuation: Not applicable.</p> <p>Service Charges (if applicable): None</p> |
| 6. | <p>Use of premises: As a Public House (for the sale of food and drink on the Property).</p> <p>Restrictions on change of use: There are no provisions with regard to user that would permit a change of use.</p> |

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 t: 01962 679799 f: 01962 679798

7. **Repairing/Maintaining Obligations:** The Tenant is required to keep the Property (including all of the Landlord's fixtures and fittings) in good repair and condition.

The Tenant is required to keep all drains and sewers clean

The Tenant must decorate the inside and outside of the Property as often as is reasonably necessary and in the last 3 months of the term.

The Tenant must replace all floor covering at the Property in the last 3 months of the term.

The Tenant is required to pay on demand a fair and reasonable proportion of the costs related to the maintenance, repair, lighting cleaning and renewal of all Service Media (sewers drains, pipes, cable, ventilation ducts, heating ducts, electricity, water, sewage, telecommunication and other conducting media) used by the Property in common with other properties

8. **Alienation (i.e. right to assign, sub-let):**

The Tenant cannot assign, underlet or charge the whole or part of the Premises, and they cannot share possession of the premises.

9. **Insurance Provisions:** The Landlord will insure the Property against the Insured Risks for the full reinstatement value of the Property, and the tenant must pay for the insurance premium by way of Insurance Rent which is payable on demand.

In the event that the Property cannot be reinstated within 6 months following damage or destruction then the Landlord may serve notice on the tenant to bring the lease to an end with immediate effect.

10. **Landlord's obligations:**

- Quiet enjoyment;
- To insure.

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

12. **Forfeiture and re-entry:**

- Rent unpaid for 14 days;
- Tenant is in breach of obligations;
- Tenant has a winding-up petition presented, or passes a winding-up resolution, or enters into liquidation, or a receiver or administrative receiver is appointed

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

Assumptions and Disregards Summary: Not applicable.

Unusual/Onerous Provisions (including any mentioned above): None, other than as referred to above. The Lease is not considered to be an institutional type lease

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 contracted out, although we have not seen the 1954 Act Notice or Statutory Declaration.

14. We confirm that subject to the above:

The Lease is a full repairing and insuring Lease but is not an institutional type Lease.

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

Subject to 13 above, the Lease is considered to be 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: 14 June 2018

02994497.DOCX

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REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Raise Property 1 Limited

COMPANY NUMBER (if appropriate): 11228192

DESCRIPTION OF PROPERTY: 46 Mary Street, Porthcawl, Wales CF36 3YA

IS BORROWER THE SAME AS OWNER? No

FULL NAME OF OWNER IF DIFFERENT (Where property is being transferred state intended owner): Ajmail Singh Bains ("the Chargor")

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: | WA358898 |
| 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 £225,000.
- c. Bankruptcy Search giving Proplend Security Limited priority beyond the date of completion against the Owner .

3. **VALUATION:**

We have read the Valuation Survey Report dated 21 March 2018 prepared by W. Peter Davies on behalf of Herbert R Thomas and confirm that:-

- i) there are no discrepancies between the report, the title documentation and the results of our searches, except that the term of the lease is now only 3 years from 6 June 2018 instead of 5 years from 1 October 2017.
- 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, 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).

- 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~~
- d. Third Party Legal Charge The charge 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: 68 Above Bar Southampton

Sorting Code No: 56-00-68

Reference: **AZC.113022.22**

Completion date: TBC

SCHEDULE

RESTRICTIVE COVENANTS

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

The Property is not subject to any restrictive covenants.

ADVERSE INTERESTS

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

- 1 Although there is no reference to any rights of way on the title it does appear that there is a accessway to the rear of the Property. We have asked the Borrower's solicitor to confirm if this is used, and if so what rights are there. The Borrower's solicitor says there are no rights to use the accessway and that use of the accessway is not required as the Property has adequate access at the front. The accessway is used intermittently but there would be no adverse impact on the property if access were to cease.
- 2 The property was subject to a lease to Pavin Krissnan, however, this lease was defective and have now been surrendered and replaced by a new lease to Mr Krissnan dated 6 June 2018. As to which please see the separate Lettings Report.
- 3 You have agreed to accept no search indemnity insurance in respect of local search, environmental, drainage and chancel liabilities in the sum of £225,000. 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.
 - 3.1 As no local search has been undertaken we have asked the Borrower's solicitor to provide copies of all planning permissions for the current use, as a Guesthouse, and all building regulation approvals. The Borrower's solicitor has not been able to provide any such documentation, but has confirmed that the Chargor acquired the property from his father Santokh Bains in approximately 2011, and that no alterations have been made to the Property since Santokh Bains acquired the Property in 2004.
 - 3.2 The Borrower's solicitor has advised that all uPVC windows were installed prior to 2002 so no FENSA certificates were issued.
 - 3.3 No environmental search is available. However, the valuer indicated that there Property contains higher than usual Radon levels. We have asked the Borrower's solicitor about this and they have advised that no Radon detectors are installed at the Property and that to the Chargor's knowledge no Radon protection measures are in place.
- 4 We have received a Fire Risk Assessment Report from the Borrower's solicitor and have asked them to confirm the recommendations; in particular those which were expressed to be a high risk have been implemented. The Borrower's solicitor says that the recommendations have been implemented.
- 5 We have not been provided with a Asbestos Risk Register and as such an undertaking will be in place for this to be commissioned and any works recommended carried out.
- 6 We have asked the Borrower's solicitor to provide a copy of the Building Insurance which shows your interest noted and confirmation that the policy is index-linked.

7 The EPC shows that the Property has an energy rating of C. Given the Properties current use there is no need to consider the MEES Regulations although the current rating exceeds the minimum threshold in any event.

Signed by: 

Signature:

Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

Date: 15 June 2018

H.M. LAND REGISTRY

TITLE NUMBER

WA358898

ORDNANCE SURVEY
PLAN REFERENCE

SS8176

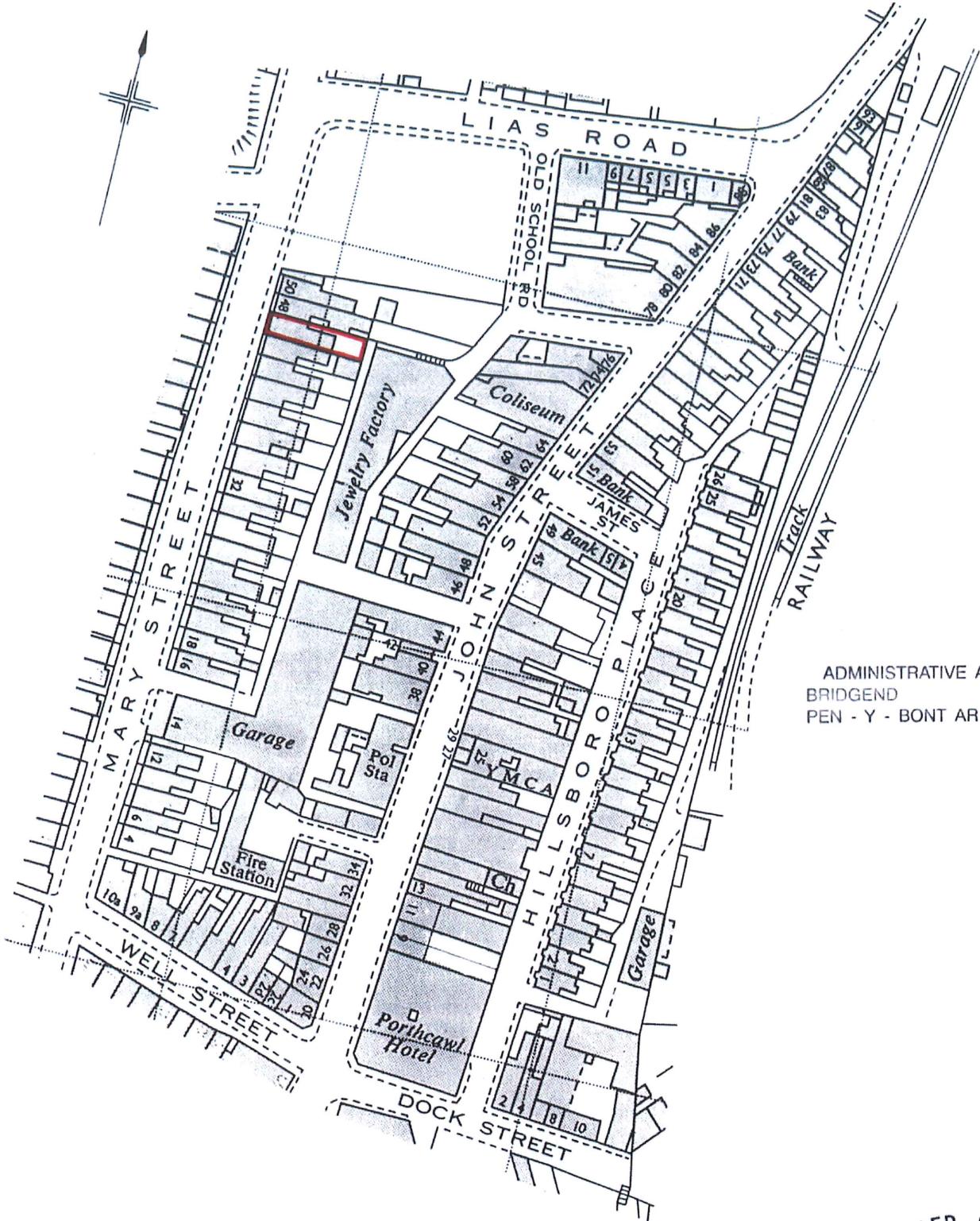
SECTION E

Scale
1/1250 Enlarged from 1/2500

COUNTY MID GLAMORGAN

DISTRICT OGWR

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ADMINISTRATIVE AREA
BRIDGEND
PEN - Y - BONT AR OGWR



LETTINGS REPORT

To: Proplend Security Limited
Customer(s): Raise Property 1 Limited
Property: 46 Mary Street, Porthcawl CH36 3YA

| | |
|----|---|
| 1. | Landlord's name and address: Ajmail Bains of 50 Belle Vue Terrace, Malvern, Worcestershire, WR14 4PZ (the Chargor under the 3rd Party Legal Charge) |
| 2. | Tenant's name and address: Pavin Krissnan of 195 Monument Road, West Midlands B16 8UU |
| 3. | Guarantor of Tenant (if applicable): None |
| 4. | Term and Commencement Date: 5 years from 6 June 2018 |
| 5. | Rent Provisions Current Rent: £30,000 per annum, payable monthly in advance. Premium/inducements: None. Value Added Tax liability: None, we understand no election has been made. Rent Review Dates and Cycle/Breakage Clause: There is no rent review provision. There is a Landlord only break clause which the Landlord can exercise at any time by serving on the Tenant not less than six months written notice. Rent Review, Basis of Valuation: Not applicable. Service Charges (if applicable): None |
| 6. | Use of premises: As a Guesthouse. Restrictions on change of use: There are no provisions with regard to user that would permit a change of use. |
| 7. | Repairing/Maintaining Obligations: The Tenant is required to keep the Property (including all of the Landlord's fixtures and fittings) in good repair and condition. The Tenant is required to keep all drains and sewers clean The Tenant must decorate the inside and outside of the Property as often as is reasonably necessary and in the last 3 months of the term. The Tenant must replace all floor covering at the Property in the last 3 months of the term. The Tenant is required to pay on demand a fair and reasonable proportion of the costs related to the maintenance, repair, lighting cleaning and renewal of all Service Media (sewers drains, pipes, cable, ventilation ducts, heating ducts, electricity, water, sewage, telecommunication and other conducting media) used by the Property in common with other properties |
| 8. | Alienation (i.e. right to assign, sub-let): The Tenant cannot assign, underlet or charge the whole or part of the Premises, and they cannot share possession of the premises. |

| | |
|-----|--|
| 9. | <p>Insurance Provisions: The Landlord will insure the Property against the Insured Risks for the full reinstatement value of the Property, and the tenant must pay for the insurance premium by way of Insurance Rent which is payable on demand.</p> <p>In the event that the Property cannot be reinstated within 6 months following damage or destruction then the Landlord may serve notice on the tenant to bring the lease to an end with immediate effect.</p> |
| 10. | <p>Landlord's obligations:</p> <ul style="list-style-type: none"> • Quiet enjoyment; • To insure. |
| 11. | <p>Effect of Bank enforcing security: There are no restrictions on the Bank enforcing security under the terms of the Licence, but they will be subject to the terms of the Lease.</p> |
| 12. | <p>Forfeiture and re-entry:</p> <ul style="list-style-type: none"> • Rent unpaid for 14 days; • Tenant is in breach of obligations; • Tenant becomes bankrupt |
| 13. | <p>Please advise/comment in respect of the following:</p> <p>Assumptions and Disregards Summary: Not applicable.</p> <p>Unusual/Onerous Provisions (including any mentioned above): None, other than as referred to above. The Lease is not considered to be an institutional type lease</p> <p>Effect of matters reported above and recommended steps the Bank should take to protect its position: None</p> <p>Part II Landlord and Tenant Act 1954: The Lease is contracted out although we have not seen the 1954 Act Notice or Statutory Declaration.</p> |
| 14. | <p>We confirm that subject to the above:</p> <p>The Lease is a full repairing and insuring Lease but is not an institutional type Lease.</p> <p>Your Customer has advised us that the Tenant (i) is not in breach of any of its obligations under the Lease to pay the rent or other sums due and (ii) is not in dispute with the Landlord; and</p> <p>Subject to 13 above, the Lease is considered to be satisfactory for secured lending and there are no provisions in the Lease which could materially affect the value of the Property.</p> |

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: 14 June 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.