REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: K&C (Osprey) Limited

COMPANY NUMBER (if appropriate): 01864755

DESCRIPTION OF PROPERTY: Heathside 562 Finchley Road London NW11 7SB

IS BORROWER THE SAME AS OWNER? Yes

FULL NAME OF OWNER IF DIFFERENT (Where Property is being transferred state intended owner): N/A

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:	NGL497742
Class of title (if registered):	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 is 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. 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 security.

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 27 March 2018 prepared by Lambert Smith Hampton 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	N/A. In accordance with your instruction no Guarantee is being entered in to by the Borrowers' Directors or Shareholders.

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 discharge the existing mortgage on the Property by the Borrower.

We confirm that prior to completion we will 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
Reference: NJV/113022/23/K&C

Completion date: TBC

SCHEDULE

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

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

1. Part of the Property, shaded pink on the title plan, is subject to covenants contained in a Conveyance dated 25 March 1958 and made between The Church Commissioners for England (1) and George William Rudolf Ward (2). These covenants are as follows:

   1.1. Rights for the adjoining property to erect any buildings on the adjoining property even if they interfere with the rights of light and air to the Property.

   1.2. The area shown tinted blue on the plan is subject to rights in a Conveyance dated 25 March 1959 in favour of the Church Commissioners to allow them to use water, soil and other surfaces with rights of entry and also rights to build on the adjoining property even if this interferes with the rights of light and air to the Property.

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

1. Part of the Property, shaded pink on the title plan, is subject to rights reserved by a Conveyance dated 25 March 1958 and made between The Church Commissioners for England (1) and George William Rudolf Ward (2) . These rights are as follows:-

   1.1. The free flow of water and soil from any adjoining land (which was owned by the Church commissioners at the time of the Conveyance) through any sewers drains or watercourses now existing in or under the property; and

   1.2. The right for the owner or occupiers of the adjoining land to erect or maintain any buildings whether such buildings shall affect or diminish the light or which may now or at any time or times be enjoyed by the pink area of the Property

2. Part of the Property, shaded blue on the title plan. Is subject to rights reserved by a Conveyance dated 25 March 1959 and made between The Church Commissioners for England (1) and Sadie Kaye (2). These rights are as follows:-

   2.1. The free flow of water and soil from any adjoining land (which was owned by the Church commissioners at the time of the Conveyance) through any sewers drains or watercourses now existing in or under the property;

   2.2. The right for the owner or occupiers of the adjoining land to erect or maintain any buildings whether such buildings shall affect or diminish the light or which may now or at any time or times be enjoyed by the blue area of the Property; and

   2.3. All rights of way and such rights of user or air, light, and the passage as the Commissioner or their successors and tenant now have or enjoy in, through, over and upon the blue area of the Property.

3. The Property is subject to 31 long leases. The Borrower has been unable to confirm whether all of these leases have been granted on similar terms. Please see the separate Lease Report and Lease Schedule for basic details on the one lease that has been provided by the Tenant and the Schedule of Occupiers. The Borrower confirms so far as they are aware that all tenants are up to date on their payments although there are small arrears of £60 in connection with one in relation to service charges.

   The Property runs through a Right to Manage Management Company. It is a specific condition that only those people who occupy the Property under a long lease will be members of the RTM Management Company. Because the leases in which you are interested are vacant, there is no lease any longer and therefore the Borrower cannot be a member of the Management Company. That means it will not have any say directly in service charge costs, etc as an occupier but obviously will as the freehold owner of the Property.

4. Flats 5, 6, 17, 20, 26, 34 & 37 are, we understand, subject to Assured Shorthold Tenancies, although we have not yet seen copies.

5. Asbestos Survey

   An Asbestos Survey report was carried out in 2007 and no asbestos was identified.

6. Fire Risk Assessment

   A Fire Risk Assessment report is available for the Property and was last carried out in January 2017 which identified a medium fire prevention risk mainly in view of the age of the occupiers.

7. The Chancel search indicates that the Prperty 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.

8. Highways

   A highways search has been produced which shows that the Property abuts the public highway.

9. Local Authority

   The local authority search indicates that the Property is subject to a Tree Preservation Order and there have been previous orders made in connection with the removal and lopping of trees. The Borrower's solicitors say that there has been no breach of the terms of the TPO so far as they are aware.

   The search also refers to the planning permission granted on 19 August 1983 for the erection of the Property or 2 linked 4 storey buildings with 37 flats for the elderly. The provisions are standard, but it should be noted that there is a restriction that the properties may only be occupied by people attaining a minimum age of 65 years (male) or 60 years (female) or a married couple where one of them has achieved the age of 65 years if it is the husband or 60 years in the case of the wife.

The search also refers to the Property being within 200 metres of rail proposals. The Borrower's solicitors say that this relates to Crossrail 2 which is within the boundaries of the London Borough of Barnet but is not within 200 metres and therefore safeguarding of this Property.

10. 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" 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 a potential issue with ground hazards, in particular relating to subsidence. The report states that there is a high ratio of valid subsidence claims in the postcode compared to the rest of Great Britain. We have asked the Borrower's solicitor to confirm if the Borrower is aware of any instances of subsidence and they say that they are not.

11. 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.

12. The Energy Performance Certificate provided by the borrower's solicitor show that each of the 7 flats has an energy performance rating of C. Therefore unless work is done to reduce the energy performance rating there will be no issues complying with the MEES Regulations.

13. The valuer referred to confirmation that no part of the Building consists of composite cladding. The Borrower's solicitors have confirmed that is the case.

14. The Borrower's solicitors have also confirmed that no part of the Property has or will be occupied by a Director of K&C (Osprey) Limited or by any person with significant control of the Company or their immediate family.

Signed by:

Signature:

Nick Vaughan

Name: Nick Vaughan

Position: Senior LLP Partner

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

Date: 2 May 2018

HM Land Registry
Official copy of title plan

Title number **NGL497742**
Ordnance Survey map reference **TQ2587SW**
Scale **1:1250**
Administrative area **Barnet**

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Flat number	List of Residents at Heathside	Ground Rent £
1	Mrs M Mothio	£60.00
2	Miss M Cooke	£300.00
3	Mrs N Phillips	£60.00
4	Mrs J Field	£300.00
5	K&C (Osprey) Ltd	£0.00
6	K&C (Osprey) Ltd	£0.00
7	Dr Kay	£60.00
8	Mrs Gordon	£60.00
9	Mrs Meirah Yudkin	£60.00
10	Mrs Franks	£60.00
11	Mrs Kolvin	£60.00
12	Mrs Myers	£60.00
14	Mrs Gersten	£60.00
15	Mrs Retkin	£60.00
16	Mrs V Coker	£60.00
17	K&C (Osprey) Ltd	£0.00
18	Miss G Murdoch	£300.00
19	Mrs Joanna Milan	£60.00
20	k&C (Osprey) Ltd	£0.00
21	Miss B Cronin	£60.00
22	Mrs R Silberman	£60.00
23	Miss V Segal	£60.00
24	Mrs E Marks	£60.00
25	MR and Mrs Markovic	£60.00
26	K&C (Osprey) Ltd	£0.00
27	Mrs K Rakshit (Dscd)	£60.00
28	Mr and Mrs J Pfeffer	£60.00
29	Mrs G Waters	£175.00
30	K&C (Osprey) Ltd	£0.00
31	Mrs Hammersley	£60.00
32	Mrs Weber	£60.00
33	Mrs A Perlin	£60.00
34	Mrs Shipton	£60.00
35	Mr Rubin	£300.00
36	Mrs P Hills	£60.00
37	K&C (Osprey) Ltd	£0.00
38	Mrs Scott	£60.00