

REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Ressance Land No 5 Limited

COMPANY NUMBER (if appropriate): 06546914

DESCRIPTION OF PROPERTY: Plot B Express Way, Newbury, Berkshire RG14 5TU

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:	BK139723, BK64348, BK369020 and BK448876
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 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 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 5 December 2018 prepared by Jones Lang LaSalle and confirm that:-

- i) there are no discrepancies between the report, the title documentation and the results of our searches, except that the most recent planning permission (reference: 18/00826) does not appear on the valuation report. This planning permission is referred to in paragraph 23 of the Schedule (below).
- 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 Plans.

4. BUILDINGS INSURANCE:

The following Insurance Policy is in force:

Insurer: Zurich

Sum Insured: £5,000,000 (public liability)

Sum Insured recommended by Valuer: N/A

Renewal Date: 01.12.2019

Policy No: MDA004033

Current Premium: £12,665.82 (inc. IPT)

NB: There is no property insurance available as this is a charge over a bare piece of land. The Borrower is extending the public liability insurance which they currently have over Plot A to include Plot B. The insurance for both Plots A & B will be for public liability only.

5. PURCHASE CONTRACT:

- | | |
|---------------------------|---|
| i. Purchase Price: | £522,001 |
| a. Property: | £435,000 plus VAT (£522,000) for the 3T Property (BK139723, BK64348 and BK369020) and £1 for the Beachperfect Property (BK448876) |
| b. Fixtures and Fittings: | Not Applicable |

6. 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.

7. 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.

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's Legal Charge and Debenture, 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: TBC

Please Quote Reference: AZC.113022.44

SCHEDULE

RESTRICTIVE COVENANTS

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

1. The land (BK64348, BK139723 & BK448876) is subject to restrictive covenants contained within a Deed dated 6 October 1983 which prevents:-
 - a. Anything being done on the land which shall interfere with, damage, endanger, or cause a leakage of electricity from the electric lines or impede the electricity boards' access to the land.
 - b. Any buildings or structures being erected or placed or permitted to be erected on or within 10m of the centre line of the electric lines without the consent of the electricity board.
 - c. Trees or bushes being planted or allowed to grow or permitted to be planted or grow under or within a distance of 10m of the centre line of the electric lines without the consent of the electricity board.
 - d. The level of the land under or within 10m of the centre line of the electric lines being altered without the prior consent of the electricity board.
 - e. Works being carried out or excavations being made which would endanger the stability or anchorage of any electrical poles or stays.
 - f. Anything being brought in to contact with the electrical lines or so near as to cause a leakage of electricity.
2. The land (BK369020) is also subject to such restrictive covenants as may have been imposed thereon before 8 May 2001 and are still subsisting and capable of being enforced. The Borrower's solicitor has agreed to put in place on risk an indemnity policy, with an indemnity limit of £3,500,000, to cover these unknown covenants.

ADVERSE INTERESTS

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

As the Property is made up of four separate but adjoining titles, we have included in brackets at the start of each paragraph, details of which title has the benefit or is subject to certain rights.

3. The land (BK64348 and BK448876) has the benefit of a right of way over the part of Hambridge Lane leading into Hambridge Road.
4. The land (BK64348 and BK139723) has the benefit of the rights to take gravel from neighbouring land for the purpose of making and maintaining any paths tracks or roads. We have asked the Borrower's solicitor if this right is still exercised and they have advised that it is not.
5. The land (BK64348) has the benefit of a right to take and pass water soil and electricity through the pipes drains and wires now crossing the said property or those constructed or laid within 80 years (18 May 2060).
6. The land (BK64348 & BK448876) is subject to rights of drainage that were granted by a Deed of Grant dated 27 February 1989, but has the benefit of a right to enter on to the neighbouring land (123456) for the purpose of constructing inspecting repairing maintaining renewing and cleansing the parts or parts of the surface water or foul water systems which are used and pass through the neighbouring land.

7. The land (BK64348 & BK448876) is subject to rights reserved by a Conveyance dated 8 November 1938:-
- a. A right for the owner or occupiers of the adjoining or neighbouring property to enjoy all easements or quasi-easements as were enjoyed or exercised over the Property before date of the Conveyance; and
 - b. The exclusive rights for the Vendors to fish in the River Kennet and the Kennet and Avon Canal including full rights of access necessary for the enjoyment of the said fishing rights.

We have previously been advised by the Borrower's solicitor that these rights are no longer exercised. However, the Borrower's solicitor has agreed to put in place an indemnity policy on completion.

8. The land (BK448876) is subject to rights granted by a Deed dated 1 September 1974. The land having the benefit of these rights is the substation on the western side of Express Way. The Deed grants the owners of the substation a right of way over Express Way and a right to lay, repair, inspect, maintain etc. the electrical lines which run over the land and to maintain the substation.
9. The land (BK139723) is subject to all such rights, easements, quasi-easements and privileges as were enjoyed at or before a Conveyance dated 30 May 1949.

You will note from the Title Plans for title numbers BK64348 and BK139723 that these titles used to include all of the land edged red. However, over time all of the areas edged green and separately numbered have been transferred out of the title. For each of the following paragraphs, we have included a note of the title number so that you can identify what land has been removed.

10. The land (BK64348, BK139723 & BK448876) has the benefit of rights reserved by a Transfer dated 26 July 1996:-
- a. A right for uninterrupted passage and running of water, soil, drainage, telephone line, gas etc. through the service media on or under the land on the southern boundary.
 - b. A right on not less than 4 days written notice (except in the case of emergencies) to enter on to property on the southern boundary to; repair maintain alter etc., the service media, or as is reasonable necessary to repair decorate or maintain the land, provided that the person exercising these rights must cause as little damage or inconvenience as possible.
 - c. A right to erect scaffolding provided that it shall not restrict the enjoyment or use of the neighbouring property.
 - d. A right to build upon and use the land or to rebuild or alter any of the buildings on the land.
 - e. A right of support and protection from any part of the land on the southern boundary which is capable of providing such support and protection.
 - f. All other easement or rights in the nature of easement or quasi easements enjoyed.

The Transfer also grants rights to the purchaser which the land (BK64348, BK139723 & BK448876) is subject to. These rights are the same as those granted in points a, b, c, e & f (above) plus a right of way over Express Way with or without vehicles for any purpose to gain access to and egress from the purchaser's property to Hambridge Way.

NB: The land which was transferred is shown on the Title Plan as the area edged green and numbered BK338260

11. The land (BK64348, BK139723 & BK448876) has the benefit of rights reserved by a Transfer dated 4 April 1997:-

- a. A right for uninterrupted passage and running of water, soil, drainage, telephone line, gas etc. through the service media on or under the land on the southern boundary, together with a right to connect to the same for the benefit of any building erected now or within 80 years of the date of the Transfer (2077)
- b. A right on not less than 4 days written notice (except in the case of emergencies) to enter on to property on the southern boundary to; repair maintain alter etc., the service media, or as is reasonable necessary to repair decorate or maintain the land, provided that the person exercising these rights must cause as little damage or inconvenience as possible.
- c. A right to erect scaffolding provided that it shall not restrict the enjoyment or use of the neighbouring property.
- d. A right to build upon and use the land or to rebuild or alter any of the buildings on the land.
- e. A right of support and protection from any part of the land on the southern boundary which is capable of providing such support and protection.
- f. All other easement or rights in the nature of easement or quasi easements enjoyed.

The Transfer also grants rights to the purchaser which the land (BK64348, BK139723 & BK448876) is subject to. These rights are the same as those granted in points a, b, c, e & f (above) plus a right of way over Express Way and the Property with or without vehicles for any purpose to gain access to and egress from the purchaser's property to Hambridge Way. The Borrower's solicitor has confirmed that the right of way over the Property will not affect the development work, as and when these are commenced

NB: The land which was transferred is shown on the Title Plan as the area edged green and numbered BK342789.

12. The land (BK64348) has the benefit of right reserved and is subject to right granted by a Transfer dated 2 April 1998. The rights granted and reserved are substantially the same as the rights granted and reserved by the Transfer dated 4 April 1997, referred to in paragraph 11 (above).

NB: The land which was transferred is shown on the title plan as the area edged green and numbered BK348965.

13. The land (BK64348, BK139723 & BK448876) is subject to rights granted by a Transfer dated 15 June 1976:-

- a. A right to pass water and soil through pipes or drains now, or within 80 years of the date of the Transfer, laid under or adjoining any neighbouring land belonging to the transferors.
- b. A right to connect to any building on the land transferred within 80 years and to use the water supply gas piped etc. laid under or upon the adjoining or neighbouring land belonging to the transferors.
- c. A right of way ay all times and for all purpose with or without vehicles over part of Express Way.

NB: the land which was transferred is shown on the Title Plan as the area edged green and numbered BK143853

14. The land (BK64348, BK139723 & BK448876) is subject to rights granted by a Transfer dated 19 May 1980:-

- a. A right of way at all times and for all purposes with or without vehicles over the land coloured blue and mauve on the Title Plan (part of Express Way). This is right is subject to the person with the benefit contributing towards the cost of maintenance of the accessway
- b. A right to take water and electricity from the pipes and wires serving the property.
- c. A right to pass soil through the drains presently serving the property.

NB: the land which was transferred is shown on the Title Plan as the area edged green and numbered BK177900

15. The land (BK64348 & BK448876) is subject to rights granted by a Transfer dated 16 June 1983:-

- a. A right of way at all times and for all purposes with or without vehicles over the land coloured blue on the Title Plan (part of Express Way). This is right is subject to the person with the benefit contributing towards the cost of maintenance of the accessway
- b. A right to lay and maintain a pipe across Express Way in an agreed position for the purpose of taking gas from the gas supply, subject to the person with the benefit causing as little damage as possible and making good any damage caused.

NB: the land which was transferred is shown on the Title Plan as the area edged green and numbered BK209188

16. The land (BK448876) is subject to a rights granted by a Deed dated 10 April 1997:-

- a. A right of way at all times and for all purposes with or without vehicles over Express Way. This right is subject to the person with the benefit contributing towards the costs and maintenance of the accessway
- b. A right at any time having given reasonable notice to enter on to the land now or within 80 years (2077) to lay or construct drains channels sewers etc. on or under the land, causing as little damage as possible and making good any damage to the reasonable satisfaction of the owner of the land.
- c. A right to pass water and soil through the pipes or drains now or within 80 years (2077) under the land. This right is subject to the person with the benefit contributing a fair proportion of the costs incurred in cleaning maintaining etc. the same.

17. The titles for the Property all include reference to a Unilateral Notice which protects the Borrower's option to purchase the Property. The Borrower's solicitor has confirmed that they will provide a UN4 form on completion so that the Unilateral Notices can be removed.

We have asked the Borrower's solicitor to confirm if any of the rights to which the property is subject will adversely affect the Borrower's ability to carry out the development works and they have confirmed that they will not.

18. There appears to be a discrepancy between the boundary shown on the title plan and the physical boundary features at the Property. The title plans indicates that the southern boundary should run in a straight line. However, images of the site suggest that the boundary fence deviates (steps in) at the end of the warehouse. We have asked the Borrower's solicitor for comments and they have said B.K.I. Welding (which occupies title number BK348965) has a licence to occupy this part of the Property for which they paid £5,000 per annum. However, the Borrower's solicitor and the Borrower have confirmed that this area of the Property is now vacant.

19. Upon completion the Property will be subject to a lease to Rissance Limited. Further details of this lease can be found in the separate lease report.

20. The Local Authority Search reveals three planning permissions relating to the Property.

a. Planning Permission (reference: 17/01708) dated 25 August 2017 which grants permission for B8 commercial development and ancillary B1 floor space. This planning permission has not been implemented.

b. Planning Permission (reference: 18/00826) dated 20 June 2018 which grants permission for B8 commercial development with ancillary B1 floor space.

This planning permission includes the creation of an industrial unit/warehouse on Plot A (the property charge under the loan to Rissance Property No 54 Limited) and parking spaces on the Property being charged this time.

We have asked the Borrower's solicitor to confirm if any steps have been taken to implement the planning permission which will expire in 3 years (June 2021). The Borrower's solicitors have said that the planning permission has not been implemented.

c. Planning Permission (reference 18/02432) dated 3 December 2018 which grants outline planning permission for the creation of a B8 commercial unit.

This planning permission includes the creation of an industrial unit/warehouse on the eastern side of the Property with associated parking and cycle storage. Full details of the external appearance of the building and landscaping of the site ("the Reserved Matters") need to be submitted to the Local Planning Authority no later than 3 years after the date of the decision notice (December 2021). Further the work must be begun on or before the later of; 3 years from the date of the decision notice (December 2021), or 2 years after the final approval of the Reserved Matters.

We have asked the Borrower's solicitor to confirm if any steps have been taken to have the Reserved Matters considered by the Local Planning Authority and they have said that the Borrower has taken not steps to apply for reserved matter consent.

In addition to the planning disclosed on the Local Search we have also been provided with a planning permission which is not shown on the Local Authority Search. This Planning Permission (reference: 01/00564/FUL) granted permission for the erection of offices (Class B1) with associated siteworks. This planning permission needed to be implemented within 5 years and, as this has not happened, the application has lapsed.

Aside from the planning permission, the search indicates that Hambridge Lane is a highway maintainable at the public expense.

21. The Drainage and Water Search does not reveal any details relating to the foul or surface water drainage and does not indicate if the Property is connected to a mains water supply. The reason given for these replies is that the search relates to a plot of land or a recently built property. We have therefore asked the Borrower's solicitor to confirm the position and they have said that no services are connected as the Property is bare land.

The search does reveal that there are water mains, resource mains or discharge pipes within the boundary of the Property, and the map shows these running along the western edge of the Property. However, there are no public sewers within 30.48 metres (100 feet) of any

buildings on the Property and there are no public sewers, disposal mains or lateral drains within the boundaries of the Property.

22. 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 preceding comments we would point out that the report has been certified as requiring further investigation, meaning that in the professional opinion of Groundsure the level of risk associated with the information disclosed in the report is considered to be moderate to high and could therefore have an adverse effect on the value of the Property

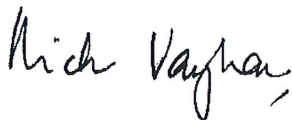
We have been advised by the Borrower's solicitor that no additional investigations or reports have been obtained. However, they have confirmed that neither the current or expired planning permissions have imposed any remediation requirements. Further they have advised that while the entire estate was previously used as a landfill for inert waste, this use ceased in the late 70's and since then the entire industrial estate (of which the Property forms part) has been redeveloped.

The report has also identified that the Property is at a high risk from flooding and natural ground subsidence. The Seller's replies to CPSE.1 advise that they are not aware of any instances of flooding or subsidence at the Property.

23. The Chancel Search indicates that the Property is within a parish which continue to have a potential chancel repair liability. We have asked the Borrower's solicitor to provide us with an indemnity policy, and they have confirmed that a policy will be put on place on risk.

24. As the Property has no permanent buildings, there is no EPC.

Signed by:



Signature:

Name: Nick Vaughan

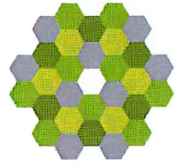
Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

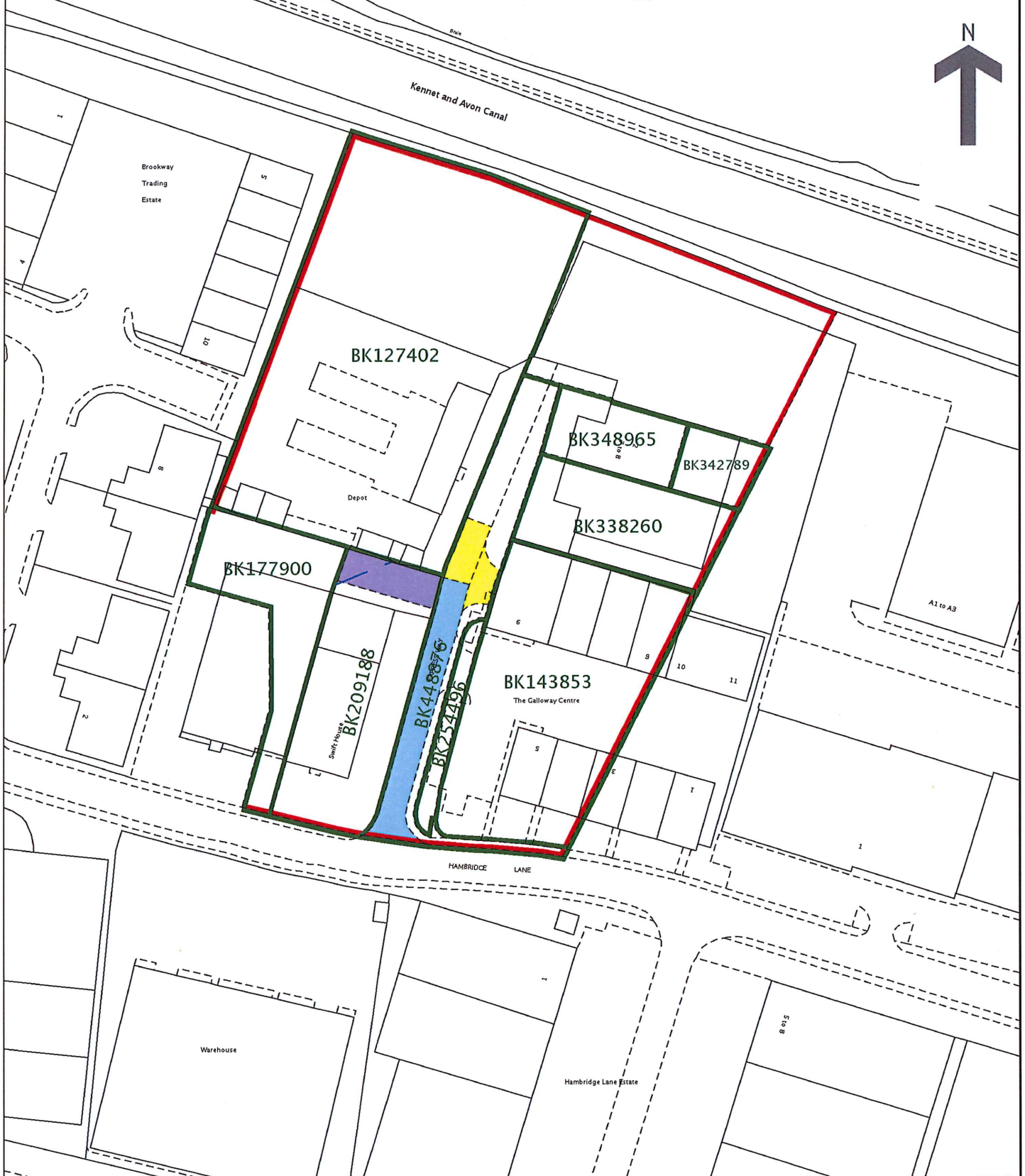
Date: 29 January 2019

Land Registry Official copy of title plan

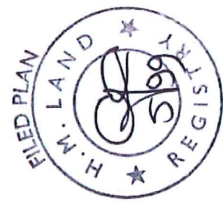
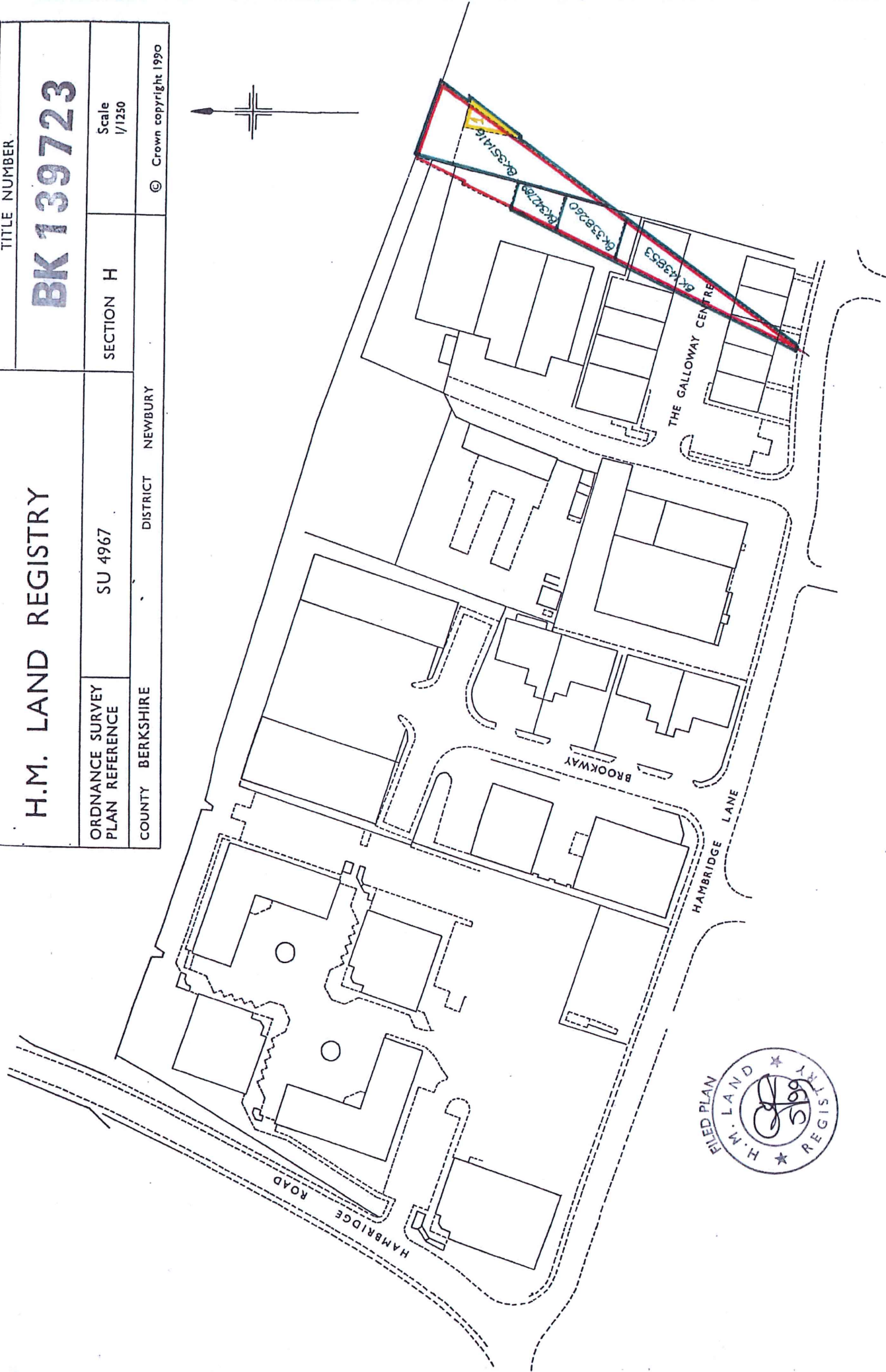
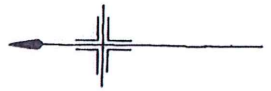
Title number **BK64348**
Ordnance Survey map reference **SU4966NW**
Scale **1:1250 enlarged from 1:2500**
Administrative area **West Berkshire**



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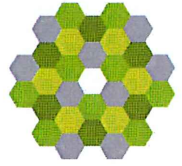


H.M. LAND REGISTRY		TITLE NUMBER	
BK 139723		SECTION H	
ORDNANCE SURVEY PLAN REFERENCE	SU 4967	Scale 1/1250	
COUNTY BERKSHIRE	DISTRICT NEWBURY	© Crown copyright 1990	

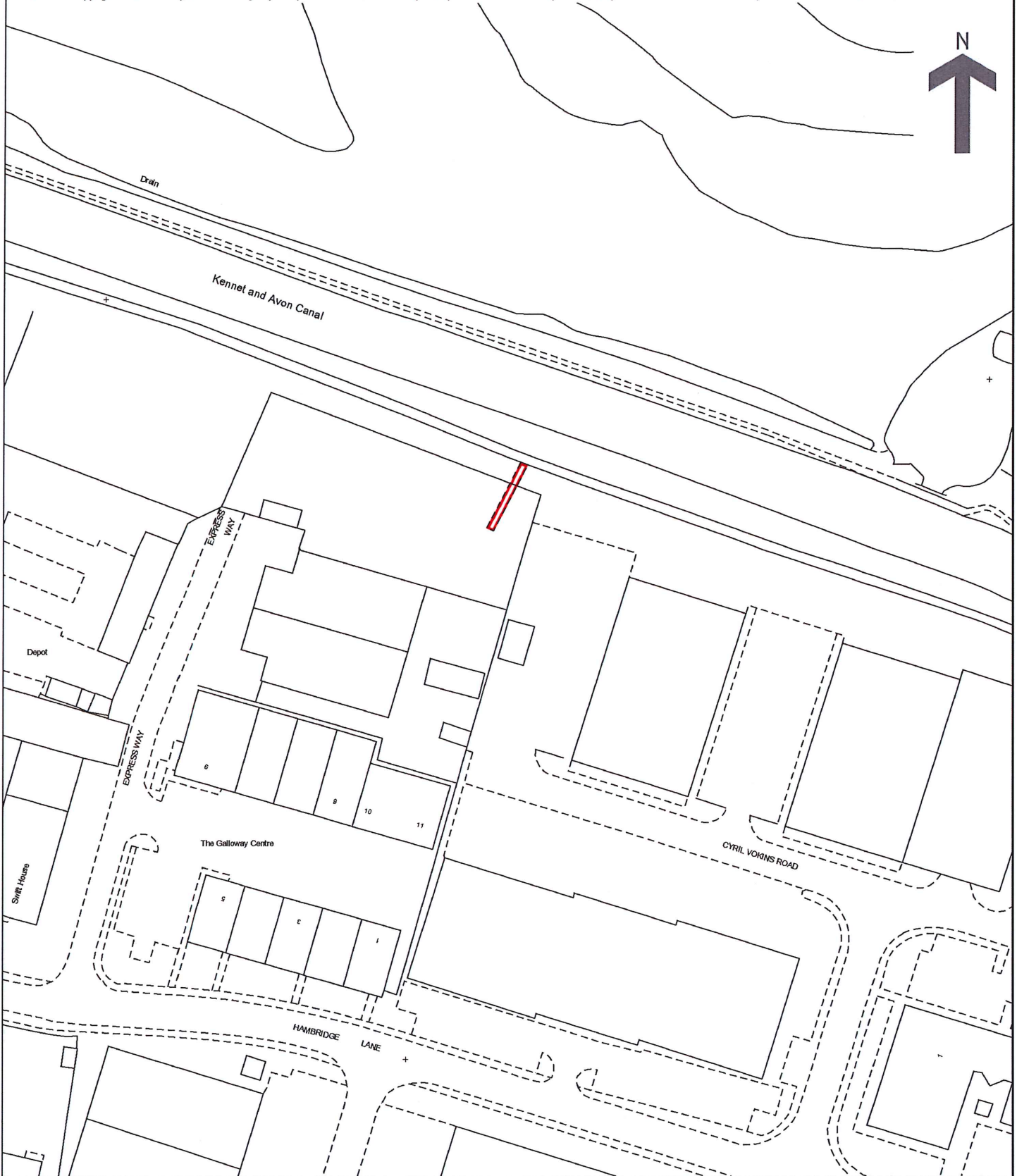


HM Land Registry Official copy of title plan

Title number **BK369020**
Ordnance Survey map reference **SU4967SW**
Scale **1:1250**
Administrative area **West Berkshire**

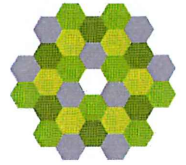


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Title number **BK448876**
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Scale **1:1250 enlarged from 1:2500**
Administrative area **West Berkshire**



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