

REPORT ON TITLE



NB: The image extracted is for illustrative purposes only.

PURCHASE – SEPARATE REPRESENTATION

To	Proplend Security Limited ("the Security Trustee ")
From	enact Conveyancing Limited
Borrower	Michild Propco Limited
Company Number	12166897
Property	Rosebuds Nursery, Nook Lane, Ashton-Under-Lyne OL6 9HN
Is the Borrower the same as the Owner?	No
FULL NAME OF OWNER IF DIFFERENT (Where Property is being transferred state intended owner): Not applicable	Rosebuds Childcare Limited (" Seller ") Intended Owner (" Michild Propco Limited ")
Advance Amount	£352,500 – Amount to be released to enact on completion: £337,954

1. TITLE

a. We certify that the Property is:

Tenure:	Freehold
Title number:	GM390650
Class of 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 plan to the title for the Property ("the **Title Plan**") showing the Property **edged red**. The Title Plan accords with the plan attached to the Valuation.
- d. The Property is registered in the name of the Borrower. **NB: This is a purchase so the Seller currently owns the Property.**
- e. We confirm that the only material **Restrictive Covenants** which affect the Property are set out in the attached Schedule.
- f. We confirm that the only material **Adverse Interests/Rights** 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 save as disclosed in their report..
- h. The Borrower **will not be** in sole possession of the Property.

- i. The Security Trustee will obtain a **First Legal Charge** over the Property.
- j. The Property has the benefit of the material **Rights Benefitting** referred to in the Schedule as revealed by the title to the Property.

2. SEARCHES:

We confirm we hold:-

- a. Clear Land Registry Priority Search giving the Security Trustee 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 Legal Mortgage revealing no Entries which might adversely affect the Security Trustee's security.

NB: We have not been provided with a Local Authority Search, the Borrower's conveyancer will place on risk a no search indemnity policy with the following material details:

Risk	No Search Insurance
Property	Rosebuds Nursery, Nook Lane, Ashton-Under-Lyne OL6 9HN as registered at the Land Registry under title number GM390650
Insurer	Countrywide Legal Indemnities
Insured Name	MiChild Propco Limited
What is insured	<p>What is insured?</p> <ul style="list-style-type: none"> ✓ The cost of remedying or removing an adverse entry ✓ Reduction in market value of the property due to any adverse entry that cannot be removed or remedied ✓ For a lender, any shortfall in the outstanding debt under its mortgage or charge following repossession of the property, or where the Insurer otherwise accepts liability ✓ Any other costs and expenses incurred with the Insurer's prior written agreement.
What is not insured	<p>What is not insured?</p> <p>Claims arising from or relating to:</p> <ul style="list-style-type: none"> ✗ any adverse entry known to you or your advisors on the policy commencement date, including those contained in any existing searches available ✗ any adverse entry dated after the policy commencement date ✗ the absence of any planning, listed buildings and/or conservation area consent required for the use, construction and any past alterations at the property ✗ the absence of any legal right of way or easement for services ✗ any phase of the HS1 and HS2 rail links, Crossrail 1 and/or Crossrail 2 projects ✗ loss or damage due to ground movement, including subsidence.
Sum insured	£470,000
Ref	C1604/00113
Assumptions	<ol style="list-style-type: none"> 1. The property is not being acquired at auction 2. The property has been occupied and used for the same purpose for the last 12 months 3. Pre-contract enquiries have not revealed anything relating to the property that may otherwise give rise to an adverse entry appearing in a search. 4. The property has planning consent for its construction and use.

- c. Clear Bankruptcy Search(es) giving priority beyond the date of completion against the guarantor and the directors of the Borrower.

All other appropriate searches have been carried out and, save as referred to below, reveal no entries adverse to the Security Trustee's security.

3. VALUATION:

We have read the Valuation Survey Report dated **29/07/19** prepared by Bruton Knowles ("**Valuation**") a copy of which has been supplied by us to the Borrower's conveyancer as authorised by you and confirm that:-

- a. there are no discrepancies between the Valuation, the title documentation and the results of our searches save as highlighted in this Report
- b. we are satisfied that the Security Trustee will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan and
- c. we are satisfied that the use confirmed in the Valuation as **day nursery accommodation**, accords with the planning permissions revealed by such searches or alternatively the use is established by way of long user.

NB: We have not seen an actual copy of the planning permission establishing Class D1 use. The Property was a former Library and the Nursery falls within the same use class being Class D1.

The Borrower's conveyancer has supplied a copy of an email dated 28/0819 from the planning team at Tameside Council which confirms:

There was a planning decision on 26/03/1986 which approved the use of the Hurst Cross Library on Nook lane, Ashton-Under-Lyne reference number 86/01/19106. This is not available online due to it being from 1986.

NB: The sighting paper notes that Rosebuds Childcare Limited has been running a nursery since 2004.

- d. a copy of this Report has been sent to the valuer for confirmation that the contents do not have an adverse impact on the Valuation.

4. PURCHASE CONTRACT:

- a. Purchase Price: £N/A
 - ii. Property: £N/A
 - iii. Fixtures and Fittings: £N/A

5. SECURITY DOCUMENTATION:

The following security documentation has been properly executed and witnessed (where required) and certified copies are held by ourselves. *The originals are held by the Borrower's conveyancer save for the Guarantee and Board Resolution which enact hold.*

- | | |
|---------------------|---|
| a. Legal Mortgage | To be dated on completion. |
| b. Debenture | To be dated on completion |
| c. Guarantee | To be dated on completion - Joel Selvadurai - £63,000 |
| d. Board Resolution | To be dated before completion |

NB: enact also hold the relevant Independent Legal Advice Certificate in respect of the advice given on the Guarantee.

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 we shall use the same only to forward funds to the Borrower's conveyancer to effect the purchase of the Property by the Borrower.

As agreed with the Borrower's conveyancer, we shall deduct our fees and disbursements from the Advance Amount before forwarding the balance to the Borrower's conveyancer to complete the purchase.

We hold an irrevocable undertaking from the Borrower's conveyancers confirming that following completion they will send a completed AP1 in respect of the Purchase of the Property and registration of the Security Trustee's Legal Mortgage and Debenture, any necessary supporting documentation, and any title documents that are received from the Borrower's conveyancer will be sent to you as required following completion of registration.

We understand that you require 7 working days notice for release of the Advance Amount to us.

Our banking details are:

Account Name	enact Conveyancing Limited
Account Number	57131910
Bank	National Westminster Bank plc
Branch	Leeds City Centre
Sorting Code No	60 60 05
Completion date	Friday 30th August 2019

SCHEDULE

RESTRICTIVE COVENANTS/ ADVERSE INTERESTS/RIGHTS

The Seller has confirmed that so far as they are aware the covenants to which the Property is subject have not been breached and the rights to which the Property is subject do not have an adverse impact on the existing use.

1. Title Matters

(a) Charges

To Lloyds Bank PLC dated 02/10/18 be redeemed by the Seller's solicitor in accordance with their undertaking.

(b) Price Paid

- The price stated to have been paid on 30/08/2013 for the Property was £200,000
- Valuation: £420,000
- The Borrower's conveyancer has confirmed that the Property has not been opted to tax.

NB: The above is for valuer information.

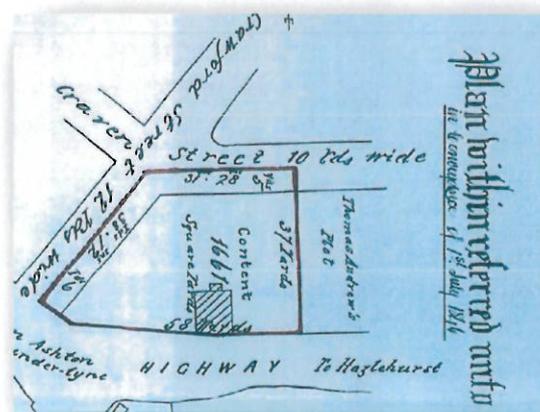
(c) Mines and Minerals

These are excepted from the Property.

(d) Rentcharge

The Property is subject to a perpetual yearly rentcharge of £11 created by a Conveyance dated 01/07/1846 between J Wildman (1) G H Earl of Stamford and Warrington and (3) Issac Ogden.

We have been supplied with a copy of an Abstract of the Title of which we have summarised below:



(i) Rent Charge:

- The Earl or the other person entitled is to receive the yearly rent of £11 payable by two half yearly payments on 25/03 and 29/09.

(ii) Covenants:

- To maintain and keep in good repair and when and as often as is necessary rebuild and reinstate the same (dwellinghouses).
- To keep open and unbuilt upon 6 yards in breadth along the southerly side and five yards in breadth along the westerly side of the land for the whole length respectively to contribute parts of the intended streets.
- At own expense to within 6 mths cover and pave with good flags two and a half yards in breadth along the northerly side of the intended street to be called Crawford Street and two yards in breadth along the easterly side of the intended street to be called Craven Street so far as the same streets are abutted on or lay coextensive with the land and forever afterwards keep such flags in repair.
- Within like time at the like expense pave and keep clear one equal half part and to centre of the intended streets are so far as extensive with the land.
- To pay one moiety of all expenses incurred in sinking or making any sough (NB: A Sough is an underground channel for draining water out of a mine).

The Seller has confirmed that no demand have been made for payment of the rentcharge.

(e) Electricity Substation Lease

The land edged and numbered 1 in yellow (shown by a blue arrow) is leased to North Western Electricity Board for 60 years from 01/09/87.

Title Plan

Lease Plan



Date	05/12/88
Landlord	Tameside Metropolitan Borough Council
Tenant	The North Western Electricity Board
Demised Premises ("DP")	Land at Nook Lane being part of the land comprised in title number GM390650.
Term	60 yrs from 01/09/87
Rights reserved	<ul style="list-style-type: none"> • With or without vehicles at all times and for all purposes to pass over and along the land shown dotted and coloured blue on the plan and the Board to pay a fair proportion of the cost of maintaining such land. • To lay and maintain under the route shown hatched and coloured yellow on the plan such electric lines as the Board may from time to time require for their use of the DP subject to making good damage. • To enter the land shaded blue and yellow and green on the plan to inspect buildings/works on the DP and completing repairs subject to making good damage caused.

Board Covenants	<ul style="list-style-type: none"> To pay rates and taxes in respect of the DP To erect on the DP an electricity substation with all cables and works in connection with the Board's undertaking Not without consent of the Lessors not to be unreasonably withheld to use the DP other than for distributing electricity and at the expense of the Board to comply with statues provided that if the Lessors consent to any change of use of the DP on each occasion the Lessors shall be at liberty to charge a premium amounting to one half of any increase in value accruing to the DP on the date the change occurs. To erect and maintain suitable walls or fences with a gateway on the boundaries. Not without the consent in writing of the Lessors to assign underlet or part with the possession of the DP or any part. Not to permit the owner or occupier of any adjoining or neighbouring land to lay any conduits under the DP without the written consent of the Lessors. To keep the DP and electric lines in good repair. At the end of the term to surrender the DP and remove all electric lines and works subjct to making good.
Lessors Covenant with the Board	To keep indemnified the Board and their successors against expenses on the DP by reason of the sewerage making up of any road on which the DP abuts until adoption.
Rights Granted	<ul style="list-style-type: none"> With or without vehicles at all times to pass over and along the land shown dotted and coloured blue on the plan and the Board to pay a fair proportion of the cost of maintaining such land. To lay and maintain under the route of the land hatched blue and coloured yellow such electric lines as the Board may require in connection with their use of the DP and to break open the surface. Making good damage to the satisfaction of the Lessors. To enter on the land coloured blue yellow and green on the plan for inspecting any buildings structures or works erected upon the DP and carrying out repairs and maintenance making good to the satisfaction of the Lessors all damage occasioned thereby.
Rights Reserved	<ul style="list-style-type: none"> All mines and minerals and a right to win and carry away the same but without entering on or letting down the surface of the DP or the electric lines or works of the Board laid in or on the surface. To erect buildings rebuild and alter any buildings on any land adjoining the DP and to carry out any ancillary works necessitated by the erection rebuilding or alteration of such buildings.

2. Occupational Interests

Please see the Occupational Lease Schedule.

3. Searches

Date	Search	Material Matters Revealed
/	Local	<p><u>The Borrower's conveyancer will place on risk the no search indemnity policy on completion.</u></p> <p><u>Planning Permissions</u></p> <p><i>The Borrower's conveyancer has supplied copies of the following:</i></p> <p>Date:25/03/13</p>

Ref: 13/00241/FUL

Works: Erection of 2,4 metre high perimeter fence, to Nook Lane, Andrew Street and Craven Street elevations

NB: We have not seen an actual copy of the planning permission establishing D1 use. The Property was a former Library and the Nursery falls within the same use class being Class D1.

The Borrower's conveyancer has supplied a copy of an email dated 28/0819 from the planning team at Tameside Council which confirms:

There was a planning decision on 26/03/1986 which approved the use of the Hurst Cross Library on Nook lane, Ashton-Under-Lyne reference number 86/01/19106. This is not available online due to it being from 1986.

NB: The sighting paper notes that Rosebuds Childcare Limited has been running a nursery since 2004.

Building Regulations

Certificate of Completion

Date:28/03/14

Ref:14/00137/OTH

Works: Fit out to provide nursey and installation of toilets, kitchen and staff accommodation

21/08/19

Highways Search



Site Boundary

Private

Public

Road has not been adopted as a highway maintainable at public expense.

Highway maintainable at public expense as defined under S36 of the Highways Act.

Members of the public may still have the right to use the road in their vehicles or on foot but the responsibility for and cost of maintenance is held privately.

Road Name	Road Maintenance Status	Footway Maintenance Status
Andrew Street, Ashton-under-Lyne	Private	Private
Craven Street, Ashton-under-Lyne	Public	Public
Kings Road, Ashton under Lyne	Public	Public
Nook Lane, Ashton-under-Lyne	Public	Public
Surrey Street, Ashton-under-Lyne	Public	Public

We have queried with the Borrower's conveyancer:

		<p>(a) We believe that access to the Property is directly off Nook Lane and that rights of way are not required over the private roadway known as Andrew Street.</p> <p>(b) Our Client has confirmed that a secondary access point into the Property is at the north west corner, please clarify is this off the adopted Craven Street?</p> <p>NB: The Borrower's conveyancer has confirmed both points above and also that the seller has had no issues accessing the Property from Andrew Street and have not been approached for any maintenance contributions.</p>
08/08/19	Water	<p>Mains water connected: Yes</p> <p>Surface water connected: Yes</p> <p>Foul water connected: Yes</p>
21/08/19	Enviro Risk & Report	<p><u>Contaminated Land:</u> The site in its current use and layout is considered to represent a low to medium risk with respect to contaminative liabilities, costs and third-party liabilities as defined under the Environmental Protection Act 1990.</p> <p>Considered unlikely that significant contaminative liabilities or costs will arise for the owner/occupier of the site whilst it retains its current use and form. However, in the event that development occurs further assessment and costs may be incurred as a result of the development/change of use, most likely triggered as a condition of planning.</p> <p><u>Ground Instability:</u> The site is in an area which could be affected by coal mining.</p> <p><u>Coal Mining</u> It is recommended that a Coal Authority report is obtained for the site to further assess the potential for any mining-related subsidence at the property.</p> <p>NB: A copy of the Report has been sent to the valuer who has confirmed that there is no adverse impact on values.</p>
22/08/19	Coal Mining	<p>Known or potential coal mining risks:</p> <ul style="list-style-type: none"> • The location is on the coalfield • Past underground coal mining The property is in a surface area that could be affected by underground mining in 2 seams of coal at 130m to 280m depth, and last worked in 1904. • Any movement in the ground due to coal mining activity associated with these workings should have stopped by now. • Future underground coal mining Reserves of coal exist in the local area which could be worked at some time in the future. • There are no recorded coal mine entries known to the Coal Authority within, or within 20 metres, of the boundary of the property.
07/08/19	SIMR	<p>GM390650 Freehold GM489013 Leasehold - ELECTRICITY NORTH WEST LIMITED</p>
06/08/19	Chancel	<p>Located within the historical boundary of a tithe district within a parish which continues to have a potential chancel repair liability. As this is a transfer for value, no further action is considered necessary provided that the Priority Search is clear.</p>
21/08/19	Company	<p>Name: Michild Propco Limited Active: Yes Directors: Joel Rajasegara Selvadurai PSC: Michild Midco Limited Purpose:</p> <ul style="list-style-type: none"> • Buying and selling of own real estate • Other letting and operating of own or leased real estate

		<ul style="list-style-type: none"> Management of real estate on a fee or contract basis Charges: N/A
21/08/19	Company	Name: Michild Midco Limited Active: Yes Directors: <ul style="list-style-type: none"> Camelia Diana Beever Mark Rogerson Joel Rajasegara Selvadurai PSC: Michild Holdings Limited Purpose: Child day-care activities Charges: Triple Point Advancr Leasing PLC dated 28/06/19 Debenture all future and present freehold and leasehold
21/08/19	Company	Name: Michild Holdings Limited Active: Yes Directors: <ul style="list-style-type: none"> Camelia Diana Beever Mark Rogerson Joel Rajasegara Selvadurai PSC: Joel Rajasegara Selvadurai Purpose: Child day-care activities Charges: Triple Point Advancr Leasing PLC dated 28/06/19 Debenture all future and present freehold and leasehold
23/08/19	Company	Rosebuds Childcare Limited - Active
Expires: 13/09/19	Bankruptcy	Joel Rajasegara Selvadurai – Clear
Expires: 04/10/19	Priority	Title Number: GM390650 - In favour of Proplend Security Limited - Clear
28/08/19	Lender Exchange Check	Clear
21/08/19	SRA Check	Clear - Radcliffeslebrasseur
	Source of Funds	NB: The Borrower's conveyancer has confirmed: (a) Funds for the transaction are being provided from three sources: <ul style="list-style-type: none"> Proplend Triple Point (an equity investor) <i>NB: The Borrower's conveyancer has confirmed that a debenture is being taken over Michild Midco Limited with no security being taken over the Property by Triple Point.</i> Monies from the MiChild group companies. (b) The amounts are as follows: <ul style="list-style-type: none"> £700,000 due on completion will be funded by Proplend/Triple Point. The deferred £50,000 which will be payable monthly by the MiChild group over a period of 12 months at a rate of £4,166 ppm. Statements have been provided by one of the group companies up to August 2019, Jack in the Box showing a balance of £4,380.01.
20/06/19	Official Copies	In date GM390650

OTHER

4. Buildings Insurance

Insured	MiChild PropCo Limited
Insurer	Aviva
Property	Rosebuds Day Nursery, Nook Lane, Ashton-Under-Lyne, OL6 9HN
Sum Insured	£1,207,500
Declared Value	£1,050,000
Reinstatement Figure – Valuation	£1,050,000
Policy No	25196371CHC/0927
Expiry	26 August 2020
Use	Nursery
36 Months Rent	£40,000 x3 =£120,000
PSL Interest noted	Yes
Index-Linked	No "Day One Basis"
Copy Policy sent to PSL	Yes

Terrorism & Sabotage is covered separately as below:

Insured	MiChild PropCo Limited
Insurer	NMU (Specialty) Ltd, on behalf of Argenta Syndicate (2121) at Lloyd's of London
Property	Nook Lane, Ashton-Under-Lyne, OL6 9HN
Building Sum Insured	£1,207,500
Policy Limit	£1,327,500
Reinstatement Figure – Valuation	£1,050,000
Policy No	TSP00094
Expiry	26 August 2020
Use	Nursery
36 Months Rent	£40,000 x3 =£120,000
PSL Interest noted	Yes
Copy Policy sent to PSL	Yes

5. Fire Risk Assessment /Asbestos Report/Access Audit/Energy Performance Certificate/ Other

Date	Report	Contents
03/02/13	EPC – expires: 02/02/2023	C60
24/04/19	Fire Risk Assessment	<p><u>enact notes:</u> <u>We have been provided with copies of the following documents:</u> (a) Thameside Fire Protection inspection of fire detection and alarm systems dated 17/06/19 (b) Fire Alarm Test – Weekly Schedule (c) Fire Procedure (d) Fire Risk Assessment dated 24/04/19- NB this is a very basic assessment.</p>

		(e) a Fire Detection and Alarm System Commissioning Certificate dated 17/03/14 (f) Inspection report dated 14/02/19 <i>The seller has confirmed that the works suggested by the attached Fire Inspection document have been carried out.</i>
26/03/10	Asbestos Report	The valuer notes: We have been provided with a Type 1 survey for asbestos containing materials, which was completed in March 2010 by an external company. The report notes that no asbestos was detected; however, should major works or demolition be undertaken a further survey may be required. We have valued on the basis that there are no outstanding costs in this regard. <i>Enact notes: Copy held and sent to the Security Trustee.</i>
/	Access Audit	The seller also confirms that there is no access audit for the Property. <u>We will not complete without an undertaking from the Borrower to have in place an appropriate Report within a month of completion with recommended works are to be completed within 2 months of completion.</u>
04/02/14	Electrical Installation Certificate	X2 new consumer units new lighting and small power re-connection of exiting circuits
05/02/14	Emergency Lighting Completion Certificate	Whole Building Notes further inspection required in 5 yrs so in 2019
10/08/19	Electrical Installation Condition Report	Wiring in fair condition points on observation sheet require attention. 5 yearly test and inspection
11/10/16	Ofsted Report – Rosebuds Nursery (Hurst Cross)	Rating: Good Places: 79 Roll: 69 Name of Registered Person: Rosebuds Childcare Limited

6. Identification Documents

Name	List A ID	Date/Expiry	List B	Date/Expiry
Joel Rajasegara Selvadurai	Passport	22/05/2027		
Joel Selvadurai – Flat 68 Rehersal House	/	/	ISTA energy bill	02/08/19

7. Valuation – Material Matters

Date	15/08/19
Market Value Current	£780,000
Market Value 2	£470,000 Special assumption a lease has been granted to the MiChild Operating Company, the Client's Customer's operating company, at the current Market Rent on standard lease terms.
Market Value 3	VP
Market Rent	£40,000
Reinstatement	£1,050,000
Property	Rosebuds, Nook Lane, Ashton-under-Lyne, OL6 9HN
Use	A former public library building which comprises single storey brick

	<p>elevations and has been converted to provide Children's day nursery in owner occupation and operation</p> <p>D1 – Non-residential Institution</p> <ul style="list-style-type: none"> • A single storey, former local authority library building, of brick elevations surmounted by a pitched interlocking concrete tiled roof. The fenestration and rainwater goods are UPVC. • To the rear of the property there are approximately six parking spaces which are used by parents for dropping off and picking up children as opposed to parking for staff. • At the northern boundary is an enclosed electricity sub-station which is separate to the Property and is held under separate ownership, however, we understand there is a right of access across the land to the west of the Property for access to the sub-station.
Tenure	Freehold
Accommodation	<ul style="list-style-type: none"> • Open-plan children's day nursery with low level picket fencing for separation between age groups.
Tenant	<ul style="list-style-type: none"> • Available with vacant possession. • Special assumption MiChild Opco Limited take a 15 year lease at the current Market Rent. • Rent: £40,000 pa exclusive
Fire Risk Assessment	<ul style="list-style-type: none"> • We have been provided with a copy of the Fire Risk Assessment which we have reviewed and note that a Fire Risk Assessment was undertaken in February 2019 and was completed by Tameside Fire Protection. As such we have valued on the assumption that all necessary measures are in place and that no additional costs would be incurred in order to comply. • We recommend that your solicitor checks that the responsible party has fulfilled their obligations, including: <ul style="list-style-type: none"> ○ carry out a fire risk assessment of the premises and review it regularly; ○ tell staff or their representatives about the risks you've identified; ○ put in place, and maintain, appropriate fire safety measures; ○ plan for an emergency; ○ provide staff information, fire safety instruction and training <p><i>NB: Please note our comments in the Reports section on the Fire Risk Assessment. The Assessment that the valuer refers to dated in February 2019 is actually an Inspection Report.</i></p>
Specialist Reports/Legal Issues	<ul style="list-style-type: none"> • Right of Way/Access • Mining/ Brine • We understand there is a right of way across the land to access the electricity sub station however we have not made any investigations in this regard and suggest this is reviewed by your solicitors. • We note the Property is in a historic mining location and if this is of concern to the lender and further verification is required, a coal mining report could be commissioned.
Asbestos	<ul style="list-style-type: none"> • We have been provided with a Type 1 survey for asbestos containing materials, which was completed in March 2010 by an external company. • The report notes that no asbestos was detected; however, should major works or demolition be undertaken a further survey may be required. We have valued on the basis that there are no outstanding costs in this regard. <i>NB: Copy held</i>
EPC	C – 60
Regulation	<ul style="list-style-type: none"> • The Nursery is regulated by Ofsted and the most recent inspection took place on 11 October 2016. • Rating was Good

	<ul style="list-style-type: none"> At present there are 70 children on roll, 45 of whom attend on a 38 week basis and 25 of whom attend on a 51 week basis. This equates to 58.5 children on roll on a 51 week basis. This naturally skews the occupancy information, as for 13 weeks of the year the occupancy is significantly lower. From the fee and occupancy information provided we have calculated the current occupancy against a registration of 65 to be 37.32%.
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8. CPSEs

Material Matters:

Alterations	<ul style="list-style-type: none"> No alterations have, so far as the Seller is aware, been made during the Seller's ownership. Seller is not aware of any earlier alterations except to the extent (if any) revealed by the documents already supplied. Building was converted from a public library to a nursery both Class D1. See completion certificate relating to fitting out as a nursery, installation of toilets, kitchen and staff accommodation. Fence was installed, see planning permission.
Boundaries	Fence installed by Seller see planning permission
Condition	No warranty given. <i>NB: The Borrower's conveyancer has confirmed that no separate survey has been obtained.</i>
Contents	Storage container rented on monthly basis, container can be returned on remain depending on wishes of buyer
FRA	Please see FRA
Use	Property has had its current use since 2014 (i.e. 4 years) The Property is used as a children's day nursery
Early years capital grant	Does not need to be repaid. <i>NB: The Borrower's conveyancer has confirmed in an email dated 28/08/19: With regard to the Early Years Grant, the seller has no further information but has confirmed that, as far as they are aware, the grant is not noted or charged against the Property.</i>
Air conditioning	Installed July 2017, documents available

9. Contract

As this is an intercompany transfer (purchasing the shares in Rosebuds Childcare Limited before the property is transferred to Michild Propco Limited which is a group company) there is no need for a contract.

10. Transfer

Title	GM390650
Transferor	Rosebuds Childcare Limited
Transferee	MiChild Propco Limited
Property	Rosebuds nursery, Nook lane, Ashton-under-Lyne, OL6 9HN
Consideration	£470,000
Signed copy held	<u>Yes- We will request a signed and dated copy after completion.</u>

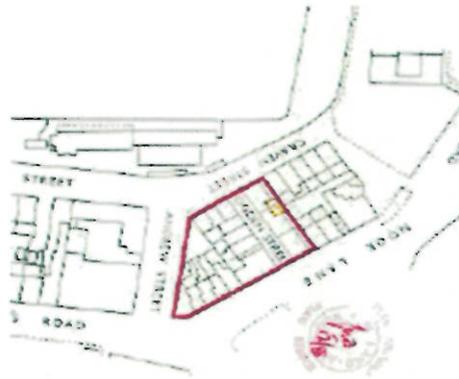
OCCUPATIONAL LEASE SCHEDULE

NB: A copy of the Lease has been sent to the valuer who has confirmed that there is no adverse impact on values.

Premises	<p>Land and building at Rosebuds Nursery, Nook Lane, Ashton-Under-Lyne, OL6 9HN shown edged red on the attached plan.</p> 
Date	To be dated on completion
Landlord	<p>MiChild Propco Limited <i>NB: Landlord's Title No: GM390650</i></p>
Tenant	Rosebuds Childcare Limited
Term	20 yrs from the date of the Lease
Estate Rentcharge	Yes- £11 per annum created by Conveyance dated 1 July 1846.
Is the Letting Document contracted out of the LTA 1954?	<p>Yes <i>We have been supplied with a copy of a statutory declaration and notice dated 27/08/19 given by Michael Pine – solicitor for Rosebuds Childcare Limited.</i></p>
Current rent and rent payment dates	<p>£40,000 pa and then as revised pursuant to this Lease and any interim rent determined under the LTA 1954. Rent Payment Dates: 25.03, 24.06, 29.09 and 25.12 By four equal instalments in advance on or before the Rent Payment Dates.</p>
Rent	Rent Commencement Date- This is from the date of the Lease.
Rent review	<p>5th anniversary of the date of the lease and every fifth anniversary of that date to: equal:</p> <ul style="list-style-type: none"> • the Annual Rent payable immediately before the relevant Review Date (or which would then be payable but for any abatement or suspension of the Annual Rent or restriction on the right to collect it) or, if greater; • the open market rent agreed or determined pursuant to this clause. <p>Subject to assumptions and disregards.</p>
Forfeiture (a) Rent unpaid 21 days after due (b) Breach of condition (c) Tenant/guarantor insolvency	<p>(a) Yes (b) Yes (c) Yes</p>
Use	Children's nursery within Use Class D1
Repair and decoration	<p>Tenant shall keep the Property clean and tidy and in good repair and condition. The Tenant shall decorate the outside and the inside of the Property as often as is reasonably necessary and also in the last three months before the end of the term.</p>
Insurance	Landlord to insure for the full reinstatement cost.

	<p>Tenant to pay to the Landlord: "Insurance Rent" means the aggregate in each year of:</p> <ul style="list-style-type: none"> The gross cost of the premium before any discount or commission for the insurance of: <ul style="list-style-type: none"> i) the Property, other than any plate glass, for its full reinstatement cost (taking inflation of building costs into account) against loss or damage by or in consequence of the Insured Risks, including costs of demolition, site clearance, site protection and shoring-up, professionals' and statutory fees and incidental expenses, the cost of any work which may be required under any law and VAT in respect of all those costs, fees and expenses; and ii) loss of Annual Rent of the Property for three years; any insurance premium tax payable on the above.
Alterations (a) External/structural: (b) Internal, non-structural alteration:	<p>(a) No (b) Not without the consent of the Landlord such consent not to be unreasonably withheld.</p>
Alienation	<p><u>Assignment</u> Whole: Not without the consent of the Landlord not to be unreasonably withheld subject to:</p> <ul style="list-style-type: none"> a condition that the assignor enters into an AGA either a rent deposit of up to 6 months' of the Annual Rent is given by the assignee to the Landlord or a person of standing acceptable to the Landlord acting reasonably enters into a guarantee and indemnity of the tenant covenants of this Lease in such form as the Landlord may reasonably require <p>Part: No</p> <p><u>Underletting</u> Whole: Not without the consent of the Landlord not to be unreasonably withheld.</p> <p>There are conditions on underletting at Clause 19.3 to 19.6.</p> <p>Part: No</p> <p><u>Group Company Sharing</u> Yes provided no landlord and tenant relationship is established.</p> <p><u>Charging</u> Whole: Not without the consent of the Landlord not to be unreasonably withheld.</p> <p>Part: No</p>
Service charge/Common Items	<p>The Tenant shall pay the Landlord on demand a fair proportion of all costs payable for the maintenance, repair, lighting, cleaning and renewal of all Service Media, structures and other items used or capable of being used by the Property in common with other property.</p>
Landlord Rights	<ul style="list-style-type: none"> of light, air, support and protection to use and to connect into Service Media at the Property to develop the Landlord's Neighbouring Property to erect scaffolding at the Property to build on or into any boundary wall of the Property in connection with any of the Reservations to re-route any Service Media at the Property or re-route any means of access to the Property to repair, maintain or replace any Service Media or structure relating to any of the Reservations
Lease registerable? (i.e. granted for more than 7 yrs)	<p>Yes</p>
Lease executed correctly?	<p>Yes- We will request a dated copy after completion</p>

TITLE PLAN & VALUATION PLAN



Signed by:	<i>SL Creasey</i>
Signature Name:	Sarah Louise Creasey
Position:	Solicitor
Authorised to sign for and on behalf of:	enact Conveyancing Limited
Date:	28/08/2019