

REPORT ON TITLE

TO: Proplend Security Limited

FROM: Paris Smith LLP

FULL NAME OF BORROWER: Knightsbridge Real Estate Asset Management Limited

COMPANY NUMBER (if appropriate): 10249111

DESCRIPTION OF PROPERTY: Werrington Centre, Staniland Way, Werrington, Peterborough PE4 6NA

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:	CB434009
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, along with a copy of the Land Registry MapSearch Plan which more clearly shows the extent of the Property shaded green.

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 5 retail units on the Property are currently leases to occupiers, details of which are set out in the separate Lease Reports.

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.
- 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 4 March 2020 prepared by Harwoods Chartered Surveyors & Estate Agents and confirm that:-

- i) there are no discrepancies between the report and the title documentation we have received. However, as there was no plan of the Property attached to the report the Valuer has confirmed to you that the Title Plan matches the land and property which they inspected.
- 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. **BUILDINGS INSURANCE:**

You have had sight of the building's insurance and the separate terrorism insurance for the Property, and have confirmed that you are satisfied that it meets your minimum requirements.

5. **PURCHASE CONTRACT:**

- i. Purchase Price: N/A, the Property is already owned
 - a. Property: N/A
 - b. Fixtures and Fittings: N/A

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.113022.67

- b. To enter into (at their own cost) any wayleave agreements, easements or other type of agreement of a similar nature that may be required by any utility company or supplier in connection with the supply of utilities to the Retained Land.
- c. To pay to the Transferor (Tesco Stores Limited) the due proportion of the cost incurred by the Transferor in carrying out the Services. The Borrower's solicitor has confirmed that the Borrower has never received a demand for any payments.
- d. Not to transfer or grant a lease for a term exceeding 21 years of any part of the Property except to a person who has first executed a Deed of Covenant with the Transferor or its successors in title.
- e. Not to build any new structure, or later any structure from time to time located on the common parts of the Property without the consent of the Transferor (such consent not to be unreasonably withheld or delayed).



ADVERSE INTERESTS

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

- 3. The Property is subject to 5 occupational leases, details of which are set out in the attached Lease Reports. We confirm that following our review, the leases are satisfactory for secured lending purposes.
- 4. The common parts (parking spaces, private roads/accessways, and footpaths) of the Property are subject to rights of way and user. However, in turn the Property has the benefit of rights of way over the private roads/accessways and footpaths.

5. The Property is subject to a Restriction (Entry B3) which prohibits any disposition of the property without a certificate signed by the transferor (Tesco Stores Limited) or its conveyancers confirming that the provisions of Schedule 3 paragraph 4 of the Transfer dated 14 June 2018 have been complied with.

In accordance with the restriction BCLP, the solicitors for Tesco Stores Limited, will provide a certificate to confirm that the said provisions do not apply to the creation of your new Charge. The Borrower's solicitor has undertaken to provide us with the signed certificate within 5 working days of receipt from BCLP.

6. The Property is subject to a Restriction (Entry B4) which prohibits any disposition of the property without a certificate signed by a conveyancer confirming that the provisions of Schedule 4 paragraph 2 of a Transfer dated 14 June 2018 made between (Knightsbridge Real Estate Asset Management and (2) Melbourne Holdings Limited have been complied with.

In accordance with the restriction the Borrower's solicitor has undertaken to provide us with a certificate confirming that the said provisions do not apply to the creation of your new Charge

7. Upon completion a No Search Indemnity Policy will be put on risk. The Limit of Indemnity i.e. the maximum amount that the insurer will pay under the policy is **£405,000**. Please note that the policy only covers the Property for the current use (as mixed commercial premises) and would not provide cover if the use were changed.

The Indemnity Policy cover adverse entries which would have been revealed in:-

- a search of the local land charges register of the relevant local authority in accordance with Form LLC;
- an enquiry of the local authority in accordance with Con29 part (C) and (O) (or a property enquiry certificate where appropriate);
- an enquiry of the water and/or sewerage undertaker for the area in which the Property is situated in accordance with Form CON29DW;
- a coal mining report in accordance with Form CON29M or any other mining report;
- a Cheshire Salt Search;
- a search of the records of ascertainment and/or further records held by the National Archives establishing a specific liability against a Property to pay all or part of the cost of repair to a church chancel; and
- a Highways Search with the relevant Local Authority

You will note that the policy does not cover an Environmental Search. For this reason a separate Environmental Search has been undertaken which is referred to in paragraph 9 (below).

8. For the avoidance of doubt, we confirm that we have not reviewed any planning permission documents relating to this Property.
9. It is now standard procedure to undertake environmental desktop searches in transactions of this nature. However please note the limited nature of the search. The search is undertaken by independent search consultants at a limited cost and is 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 an "Acceptable Risk" meaning that in the professional opinion of Landmark Information the level of risk associated with the information disclosed in the report:

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

Notwithstanding the above the report does state that potentially contaminative historic land uses have taken place within 250m of the property, and specifically refers to the presence of a number of electrical substations and a petrol station within 250m of the Property.

10. We have reviewed the EPCs for each of the 5 commercial units at the Property and confirm that all of them have a rating of E or above.

- Unit 1 – E (110)
- Unit 2 – D (93)
- Unit 3 – E (117)
- Unit 4 – D (98)
- Unit 5 – C (62)

Signed by:



Signature:

Name: Nick Vaughan

Position: Senior LLP Partner

authorised to sign for and on behalf of Paris Smith LLP

Date: 2 April 2020