

**REPORT ON TITLE**  
**REFINANCE – SEPARATE REPRESENTATION**

<b>To</b>	Proplend Security Limited (“PSL”)
<b>From</b>	Paris Smith LLP
<b>Borrower</b>	Umeshkumar Parekh
<b>Company Number</b>	Not applicable
<b>Properties</b>	10-12 Eastway, Sale, Manchester, M33 4DX (“Eastway”)
<b>Is the Borrower the same as the Owner?</b>	Yes
<b>Advance Amount</b>	Gross Loan: £262,350. <b>Amount to be released to Ardale Brown completion: £244,375.65</b>
<b>PG Required</b>	No, the only security being provided is a Legal Charge from the Borrower’s secured against the Properties

1 **TITLE**

We certify that the Property is:

<b>Property</b>	<b>Freehold/Leasehold</b>	<b>Title number</b>	<b>Class of Title</b>
Eastway	(1) Freehold	GM707333	Absolute
	(2) Freehold	GM184987	Absolute

- a. We certify that the Title to the Property is good and marketable and can be accepted by you as security.
- b. We annex to this Report a copy of the plans to the titles of the Property (“the **Title Plans**”) showing the Properties **edged red**. The Title Plans accords with the plan attached to the Valuation.
- c. The Property is registered in the name of the Borrower.
- d. We confirm that the only material **Restrictive Covenants** which affect the Property are set out in the attached Schedules.
- e. We confirm that the only material **Adverse Interests/Rights** affecting the Property are referred to in the Schedules.
- f. No person other than the Borrower has an equitable or overriding interest in the Property save as disclosed in the Schedule.
- g. PSL will obtain a **First Legal Charge** over the Properties
- h. 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 PSL priority beyond the date of completion.



**SCHEDULE**

**EASTWAY**

**RESTRICTIVE COVENANTS/ADVERSE INTERESTS/RIGHTS**

The Borrower has confirmed in replies that in respect of the covenants, rights and use impacting the Property they are not aware of any breach.

1. **Title Matters**

(a) **Charges to be redeemed by the Seller's solicitor:**

There are no charged registered against the Property.

(b) **Price Paid**

The price stated to have been paid on:

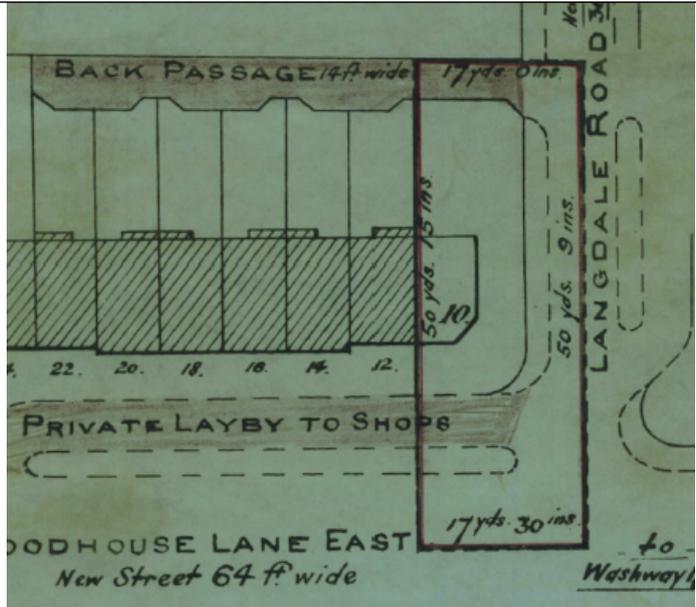
<b>Title No</b>	<b>Price Paid</b>	<b>Date</b>
GM707333 & GM184987	The Property was transferred by Pareshkumar Parekh, Hamantkumar Parekh & Umeshkumar Parekh to the Borrower (Umeshkumar Parekh) for nil consideration.	16 September 2021

As the Property has been transferred for nil consideration and no additional information has been provided we have asked that the Borrowers' solicitors provide us with declaration of solvency for each of the three brothers. To further protect PSL in the event that someone looked to challenge this transfer as a transfer at an undervalue we have also asked that an Insolvency Act Policy be put on risk on completion, the limit of indemnity on this policy will be £495,000.

(c) **Property Address:**

Please refer to the "Property" on page 1 of this report.

<b>Title Matters affecting GM707333</b>		
<b>Date</b>	<b>Document</b>	<b>Comments</b>
15 December 1936	Conveyance (Entry A2, A3 & C2)	This Conveyance grants the following rights <ul style="list-style-type: none"><li>right for all ordinary purposes to pass and repass over and along the private roadway to the front of the property and the passageway to the rear of the property (the "Accesses"), for reference we've included an extract of the plan attach to the Conveyance.</li></ul>



Please note that there is no obligation for the owner of the Property to contribute towards the maintenance and repair of the Accesses, and similarly there is no obligation on anyone to keep these in good repair and condition. We are advised that the Accesses are both in usable condition.

- A right to use the mains sewers and drains under the adjoining properties.

In addition, this Conveyance includes a number of covenants, which are set out below.

- To pay the annual rentcharge of £15. The title to this property states that the annual rentcharge has been extinguished.
- To keep the property in good and tenantable repair and condition.
- To comply with the covenants contained in the Conveyance dated 30 January 1935 (see below)

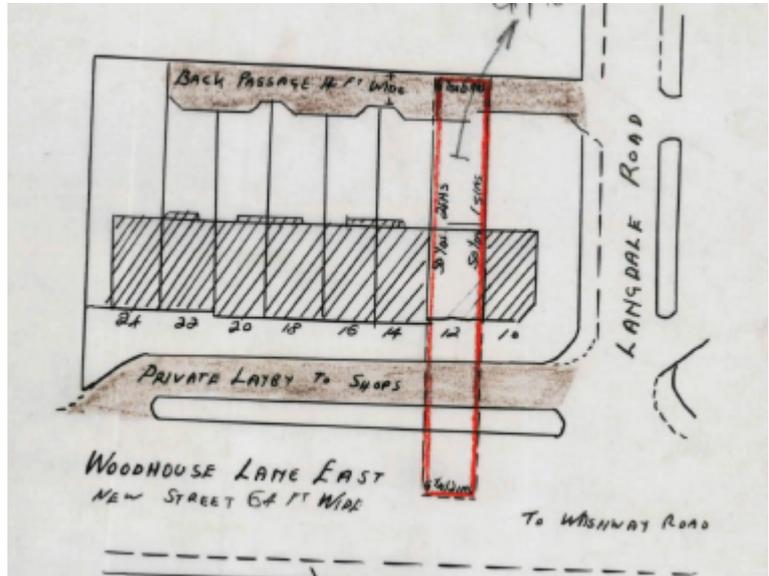
In addition to the above there are restrictive covenants relating to the use of the Property. The Borrower's solicitor has confirmed that (1) the Borrower is not aware of any breach of the said covenants, and (2) no notices have been respect of the covenants.

30 January 1935	Conveyance (Entry C1)	This conveyance contains a number of restrictive covenants relating to the use of the Property. The Borrower's solicitor has confirmed that (1) the Borrower is not aware of any breach of the said covenants, and (2) no notices have been respect of the covenants.
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**Title Matters affecting GM184987**

Date	Document	Comments
12 March 1937	Conveyance (Entry A2, A3, C2 & C3)	This Conveyance grants the following rights <ul style="list-style-type: none"> <li>• right for all ordinary purposes to pass and repass over and</li> </ul>

along the private roadway to the front of the property and the passageway to the rear of the property (the "Accesses"), for reference we've included an extract of the plan attach to the Conveyance.



Please note that there is no obligation for the owner of the Property to contribute towards the maintenance and repair of the Accesses, and similarly there is no obligation on anyone to keep these in good repair and condition. We are advised that the Accesses are both in usable condition.

- A right to use the mains sewers and drains under the adjoining properties.

In addition, this Conveyance includes a number of covenants, which are set out below.

- To pay the annual rentcharge of £15. We are advised that this rentcharge has not been demanded or paid. However, as it has not been extinguished the Borrower's solicitor has in place a Freehold Rentcharge Indemnity Policy from when the Property was originally acquired and they will be increasing the limit of indemnity on this policy to £495,000 on completion.
- To keep the property in good and tenantable repair and condition.
- To comply with the covenants contained in the Conveyance dated 30 January 1935 (see below)

In addition to the above there are restrictive covenants relating to the use of the Property. The Borrower's solicitor has confirmed that (1) the Borrower is not aware of any breach of the said covenants, and (2) no notices have been respect of the covenants.

30 January 1935	Conveyance (Entry C1)	This conveyance contains a number of restrictive covenants relating to the use of the Property. The Borrower's solicitor has confirmed that (1) the Borrower is not aware of any breach of
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		the said covenants, and (2) no notices have been respect of the covenants.
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## 2. Occupational Interests

The Property is subject to a commercial lease of the ground floor shop and [insert number] assured shorthold tenancy agreements for the upstairs flats. We have summarised below the key terms of each of these tenancies below.

### Residential Assured Shorthold Tenancies

<b>Premises</b>	12a Eastway, Sale, Cheshire M33 4DX
<b>Tenants</b>	Gitesh Modi
<b>Guarantor</b>	Not applicable
<b>Date of tenancy agreement</b>	1 March 2019
<b>Headline terms</b>	Start Date: 1 March 2019 End Date: 1 March 2024 Rent: £950 per month Deposit: No deposit was taken.
<b>Tenancy agreement in standard AST form. If no, provide details</b>	Yes, although the length of the agreement is slightly unusual.
<b>Confirmation</b>	We confirm that the tenancy agreement is in standard form; and the Borrower has advised us that the Tenant:  (i) is not in breach of any of its obligations under the tenancy agreement to pay rent or other sums due; and  (ii) is not in dispute with the Landlord

We are told the second flat 10a Eastway is currently vacant as it is in the process of being renovated. The Borrower has not advised when this flat will be ready for occupation.

### Commercial Lease

<b>Premises</b>	Ground floor Property only of 10 and 12 Eastway, Sale, Manchester M33 4DX
<b>Date</b>	14 October 2021
<b>Parties</b>	Landlord – Umeshkumar Parekh Tenant – A George & Sons Ltd Guarantor – Akhil Choorakulath George
<b>Current tenant</b>	A George & Sons Ltd (Company Number: 12943923)
<b>Current guarantor</b>	Akhil Choorakulath George
<b>Term commencement date and expiry date</b>	6 years from 14 October 2021 (expiring 13 October 2027)
<b>Excluded Tenancy</b>	Yes, the Lease has been excluded so the Tenant will not have the benefit of the security of tenure provisions of the Landlord and

	Tenant Act 1954 (“LTA 1954”), and we have been provided with a copy of the statutory declaration which was made by the Tenant & Guarantor, Akhil Choorakulath George on 14 October 2021
<b>Premium</b>	£64,400. This premium is payable in instalments with £10,000 being due on completion and a further £700 being payable each month of the term.  Please see our additional comments in the unusual provisions section of this report.
<b>Current rent and rent payment dates</b>	£30,000 per annum, payable monthly in advance
<b>Rent review dates and date of last review</b>	14 October 2024, and then annually until the end of the term.
<b>Rent review</b>	The rent will be reviewed on an upward only open market basis, taking in to account a standard list of assumptions and disregards.  Schedule 2 of the Lease sets out the full rent review provisions
<b>Forfeiture</b>  (a) Rent unpaid for 21 days after due. (b) Breach of condition. (c) Tenant/Guarantor insolvency	  (a) No, rent unpaid for 7 days after due. (b) Yes (c) Yes
<b>Use and any restrictions on use</b>	The Tenant can use the Premises only as a Shop.
<b>Repair and decoration</b>	<b>Repair</b> – The Tenant shall keep the Premises clean, tidy and in good and substantial repair and condition.  <b>Decoration</b> – The Tenant shall decorate the exterior of the Premises in every third year of the Term. The Tenant shall decorate the interior of the Premises in every fifth year of the Term.
<b>Insurance</b>	The Landlord shall keep the Premises insured against the Insured Risks for the full reinstatement value of the Premises, and the Tenant is required to pay to Insurance Rent on demand.  If the Premises are damaged or destroyed by an Insured Risk (as defined in the Lease) so as to make it unfit for occupation or use then the rent (or a fair proportion) shall be suspended until the Premises are fit for occupation and use.  The Landlord is required, subject to obtaining all necessary consents and permissions, to use all insurance monies received (other than for loss of rent) to repair and reinstate the Premises.  If following damage or destruction the Landlord reasonably considers that it is impossible or impractical to reinstate the Premises then the Landlord may terminate the Lease by giving notice to the Tenant.  If the Premises has not been reinstated so as to be fit for occupation and use within two and a half years of the damage or destruction then the Tenant may give notice to the Landlord to terminate the Lease.  If the Lease is terminated by notice (either by the Tenant or the Landlord) all insurance proceeds shall belong to the Landlord.

<p><b>Alterations</b></p> <p>(a) External/structural</p> <p>(b) Internal, non-structural alteration</p>	<p><b>External/Structural</b> – The Tenant is prohibited from making external or structural alterations or additions to the Premises.</p> <p><b>Internal/Non-Structural</b> – The Tenant shall not make internal, non-structural alterations to the Premises without the consent of the Landlord (such consent not to be unreasonably withheld or delayed).</p>
<p><b>Alienation</b></p>	<p><b>Assignment</b></p> <p>The Tenant cannot assign part of the Lease.</p> <p>The Tenant cannot assign the whole of the Lease without the consent of the Landlord (such consent not to be unreasonably withheld or delayed).</p> <p>As a condition of granting consent to an assignment of whole the Landlord can impose any or all of the following conditions:</p> <ul style="list-style-type: none"> <li>• A requirement for the assignor to enter into an Authorised Guarantee Agreement (AGA);</li> <li>• A condition that a person of acceptable standing to the Landlord acts as guarantor.</li> </ul> <p><b>Underletting</b></p> <p>The Tenant cannot underlet part of the Premises.</p> <p>The Tenant cannot underlet the whole of the Premises without the consent of the Landlord (such consent not to be unreasonably withheld) and subject to the conditions set out in the Lease.</p>
<p><b>Service Charge</b></p>	<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 of the Landlord’s Services, structure and other items used or capable of being used by the Property.</p> <p>We have not been provided with the details of any service charge demands which have been raised since the lease commenced in October 2021</p>
<p><b>Lease registerable? (ie, granted for more than 7 years)</b></p>	<p>No, the Lease is not registerable.</p>
<p><b>Lease executed correctly?</b></p>	<p>The Lease has been signed by all parties, the signatures have been witnessed and therefore the Lease has been executed as a deed.</p>
<p><b>Unusual Provisions</b></p>	<p>The inclusion of a £64,400 premium and the method of payment of this premium is very unusual. We have queried the payment structure for this lease and the Borrowers’ solicitor has provided the following comment.</p> <p><i>This is to bring the rent up to the current market value. The tenant didn't have the initial payments for the premium and so I agreed upon a term with a small down payment of £10,000.</i></p> <p>We have been advised that all payments, both the rent and the instalments payments for the premium, are up to date and there are currently no arrears.</p>

3. **Searches**

Date	Search	Material Matters Revealed
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	Local	No Search Indemnity will be implemented on completion by the Solicitor acting for the Borrower.
	Water and Drainage	No Search Indemnity will be implemented on completion by the Solicitor acting for the Borrower.
	Chancel Repair	No Search Indemnity will be implemented on completion by the Solicitor acting for the Borrower.
18 October 2021	Environmental	<p>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.</p> <p>Subject to the comments above we would point out that the report has been certified as "Passed" meaning that in the professional opinion of Landmark the level of risk associated with the information disclosed in the report:</p> <p>(a) is unlikely to have an adverse effect on the value of the Property, and</p> <p>(b) is not such that the Property would be designated "Contaminated Land" within the meaning of Part IIA of the Environmental Protection Act 1990.</p> <p>Notwithstanding the above this search also reveals that the Property is within 4km of drilling wells (or licences for the same) which could indicate that onshore oil and gas exploration and productions operations are or could happen in the area.</p>
7 January 2022	Mining	The results of this search state that <i>'No recorded or potential coal mining features have been identified in this report,'</i> and that <i>'according to the official mining information records held by the Coal Authority at the time of this search, there were no areas of concern</i>

		<i>relating to coal mining'</i>
Expires: 3 February 2022	Bankruptcy	Clear – against Umeshkumar Parekh
Expires: 24 February 2022	Land Registry Priority	GM707333 and GM184987  In favour of Proplend Security Limited  Clear
	SRA check	Ardale Brown – SRA Number: 55320
	Source of Funds	Not applicable, this is a capital raise and no additional funds are required from the Borrower to complete.
	Official Copies	Dated 14 January 2022

### **OTHER**

#### **4. Buildings Insurance**

<b>Insured</b>	Umeshkumar Parekh
<b>Insurer</b>	NIG, whose policies are underwritten by U K Insurance Limited
<b>Property</b>	10-12 Eastway, Sale, Cheshire, M33 4DX
<b>Sum Insured</b>	£920,000
<b>Reinstatement Figure – Valuation</b>	£600,000
<b>Policy No</b>	006727809
<b>Expiry</b>	16 December 2022
<b>Use</b>	Commercial
<b>Terrorism</b>	Yes
<b>36 Months Rent</b>	Yes, the cover for rent is £471,000
<b>PSL Interest Noted</b>	Yes
<b>Copy Policy sent to PSL</b>	Yes and approved.

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

<b>Date</b>	<b>Report</b>	<b>Contents</b>
	EPC	All of the EPCs for the Property are above the minimum rating required by the MEES Regulations.  Flat 10a – D(62)  Flat 12a – D(62)  Shop (10 & 12) – B(48)
December 2019	Fire Risk Assessment	The Fire Risk Assessment for the commercial unit did not make any recommendations and gave the shop a Low Risk rating.  Since the FRA was undertaken the Borrower has

		installed a fire detection and alarm system which covers the whole Property and we have been provided with an installation certificate which confirms this work was signed off on 11 September 2021
28 April 2020	Asbestos Management Survey	The Asbestos Management Survey indicates that no asbestos or asbestos containing materials were located within the Property.

6. **Valuation – Material Matters**

<b>Date</b>	24 October 2021
<b>Market Value</b>	£495,000
<b>Reinstatement</b>	£600,000
<b>Property</b>	10, 10a, 12 & 12a Eastway, Sale, M33 4DX
<b>Use</b>	Mixed use – shop with flats above.
<b>Tenure</b>	Freehold
<b>Other</b>	The report states that the Property needs modernisation and improvement in number of areas.

7. **Identification Documents**

Name	List A ID	Date/Expiry	List B	Date/Expiry
Umeshkumar Parekh	Passport	5 November 2026	Halifax Statement	14 January 2022
	Driving Licence	15 June 2030		

<b>Policies to be put into place on completion</b>
No Search (Lender Only) Insurance – (£495,000)
Lack of Planning – (£495,000)
Freehold Rent Charge Insurance – (£495,000)
Insolvency Act Insurance - (£495,000)

<b>Signed by:</b>	
<b>Signature Name:</b>	Nicholas Vaughan
<b>Position:</b>	LLP Partner
<b>Authorised to sign for and on behalf of:</b>	Paris Smith LLP
<b>Date:</b>	17 January 2022

Title Plan -GM707333

H.M. LAND REGISTRY		TITLE NUMBER		
		GM 707333		
ORDNANCE SURVEY PLAN REFERENCE ©	COUNTY	SHEET	NATIONAL GRID	SECTION
	GREATER MANCHESTER		SJ 7790	N
Scale: 1/1250		TRAFFORD DISTRICT		© Crown copyright 1973



Title Plan - GM184987

H.M. LAND REGISTRY		TITLE NUMBER		
		GM184987		
ORDNANCE SURVEY PLAN REFERENCE	COUNTY	SHEET	NATIONAL GRID	SECTION
	GREATER MANCHESTER		SJ7790	N
Scale: 1/1250		TRAFFORD DISTRICT		© Crown copyright 1973

