

REPORT ON TITLE

PURCHASE – SEPARATE REPRESENTATION



To	Proplend Security Limited ("the Security Trustee ")
From	Dutton Gregory LLP
Borrower	Vasin Estate Ltd
Company Number	13548790
Property	Northdown House, 2 Stanley Road, Carshalton, Surrey SM5 4LF
Is the Borrower the same as the Owner?	No. The current owner is the Seller:
FULL NAME OF THE OWNER IF DIFFERENT (where Property is being transferred state intended owner): not applicable	Jane Del Toro
Advance Amount	Gross Loan: £370,500 Amount to be released to Dutton Gregory LLP on completion: £332,980.40
PG REQUIRED	Original signed PG and ILA certificate held by Borrower's Solicitors for: <ul style="list-style-type: none"> ▪ Veeravagu Vaaheesan ▪ Aiyadurai Navaratna-Rajah

1. **TITLE**

a. We certify that the Property is:

Tenure:	Freehold
Title number:	SGL274314
Class of title:	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 hereto a copy of the Filed Plan for the Property ("the **Title Plan**") showing the Property **edged red**. The Filed Plan accords with the plan attached to the Valuation.
- c. The Property is to be purchased in the name of the Borrower.
- d. We confirm that the only material **Restrictive Covenants** which affect the Property are set out in the Schedule.
- e. We confirm that the only material **Adverse Interests/Rights** affecting the Property are referred to in the Schedule.
- f. No person other than the Borrower will have an equitable or overriding interest in the Property save as disclosed in this report.
- g. The Security Trustee will obtain a **First Legal Charge** over the Property.
- 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. **PRE-COMPLETION SEARCHES:**

We confirm we hold:-

- a. Clear Land Registry Priority Search giving the Security Trustee priority beyond the date of completion.
- b. Clear Bankruptcy Search giving priority beyond the date of completion against the guarantors/directors of the Borrower.
- c. Local Land Charges and Local Authority Search no older than four months prior to the date of completion of the Legal Charge revealing no entries which might adversely affect the Security Trustee's security.

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 Report dated 16 November 2021 prepared by Bellevue Mortgages ("**Valuation**") 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 (and below in summary):

- 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.
- c. In respect to the use of the Property the Borrower's solicitor comments:
 - "The property description [in the Business Rates bill] states dance studio and premises. The property has been used as a dance hall for a long time. Furthermore in view of the Class E Classification all these are included in class E."
- d. the seller has supplied a copy of an **Asbestos Report** dated 1 June 2021 which we now provide for review by the valuer.
- e. the Local Authority Search obtained by the Borrower's solicitor confirms that Stanley Road is a public highway but The Avenue at the rear of the Property is not.

A copy of this Report has been provided to the valuer who has confirmed that the contents do not have an adverse impact on the Valuation.

4. PURCHASE CONTRACT

- Purchase price: £575,000
- Property: £(as above)
- Fixtures and fittings: £0

5. SECURITY DOCUMENTATION:

The following security documentation has been properly executed and witnessed (where required) and originals are held by ourselves.

- a. Legal Mortgage To be dated on completion
- b. Debenture To be dated on completion
- c. Guarantee To be dated on completion
- d. Board Resolution Dated 21 December 2021

NB: We also hold the original Independent Legal Advice Certificates signed by Vas Solicitors in respect of the advice given to the Personal Guarantors.

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 solicitor to effect the purchase of the Property by the Borrower.

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

We will request an irrevocable undertaking from the Borrower's solicitor confirming that following completion they will send all necessary supporting documentation to support an application to in respect of the Purchase of the Property and registration of the Security Trustee's Legal Mortgage. Any title documents that are received from the Borrower's solicitor will be sent to you as required following completion of registration.

Our banking details are:

Account Name	Dutton Gregory Client Account
Account Number	10332186
Bank	Barclays Bank plc

Branch	50 Jewry Street, Winchester
Sorting Code No	20-97-19
Completion date	27 January 2022

SCHEDULE

RESTRICTIVE COVENANTS/ ADVERSE INTERESTS/RIGHTS

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

1. Sighting Paper – copy not received from Security Trustee

- (a) Borrower Strategy
No details provided by Security Trustee
- (b) Exit Strategy
No details provided by Security Trustee

2. Title Matters

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

Title No.	Lender	Charge Date
SGL274314	None registered	

(b) Price Paid

The price stated to have been paid on:

Title No.	Price Paid
SGL274314	Not registered

Market Value: £570,000

Purchase Price: £575,000

(c) Property Address:

2 Stanley Road, Carshalton, Surrey SM5 4LF

Title Matters affecting SGL274314		
Date	Document	Comments
16 February 1979	Conveyance	<p>RISK: A Conveyance of the Property contains a restrictive covenant not to use the Property for any purpose other than a Proprietary Club with residential accommodation ancillary thereto.</p> <p>SOLUTION: The restrictive period has now expired.</p>

3. Occupational Interests

The Property will be sold to the Borrower with vacant possession on completion.

The Borrower has agreed a lease of part of the Property on completion on the following terms:

Tenant: Kanapathippillai lnharran

Term: 5 years

Rent: £20,000 pa subject to review in year 3.

Landlord insures. Tenant pays 50% of premium.

Demise: edged red on the lease plan (copy awaited)

Permitted use: storage only

Internal repairing

A copy of the draft lease has been provided to the Security Trustee.

4. Searches

Date	Search	Material Matters Revealed
29.09.2021	Local Authority	<p>Planning Permissions</p> <p>Erection of a single storey extension to provide new waiting room and a buggy store at side Application Number: C2012/66725 21/01/2013</p> <p>Continued use of first floor premises for office purposes Application Number: S1990/35161 08/11/1990</p> <p>Use of ground floor of premises comprising 406m2 for office purposes and first floor for residential and office accommodation together with parking facilities Application Number 87/30263 02/09/1987</p> <p>Advert applications 10/09/1982 and 07/05/1982</p> <p>Smoke control area 01/01/1966</p> <p>Building Regulations approval Reference: 13/24222</p>

		<p>Description: Single Storey Extension</p> <p><u>Building regulation completion certificate</u> Reference: 13/24222 Description: Single Storey Extension Completion Certificate Issued: 16/10/2013</p> <p><u>Building regulations certificate or notice issued in respect of work carried out under a competent person self-certification scheme</u> None</p> <p><u>NB: Neither the vendor's nor the Borrower's solicitors have provided copies of planning documents.</u></p> <p><u>Planning designations and proposals</u> Local Centre</p> <p><u>Nearby railways schemes</u> Is the property within 200m of the centre line of a proposed railway, tramway, light railway or monorail?</p> <p>Planning: No Highways: Stanley Road is an adopted highway. The Avenue is not adopted. The Property is within 10m of a public right of way or public footpath.</p> <p><u>Are there any proposals for a railway, tramway, light railway or monorail within the Local Authority's boundary?</u></p> <ul style="list-style-type: none"> • Yes – Croydon Tramlink Extension For further information please contact TfL Railway Searches website: www.tfl.gov.uk/conveyancingsearches or further information please email railwaysearches@tfl.gov.uk <p><u>Community infrastructure levy (CIL)</u> Is there a CIL charging schedule? There are two CIL charging schedules that affect this borough: 1. Sutton CIL which commenced 01 April 2014 for further details: https://www.sutton.gov.uk/info/2000464/planning_policy/1336 2. Mayoral CIL Charging Schedule commenced 01 April 2012 & Mayoral CIL 2 Charging Schedule commenced 01 April 2019 for further details: https://www.gov.uk/guidance/community-infrastructure-levy To establish whether the property under search is directly affect by either of the CIL charging schedules please check the Local Land Charges Register.</p> <p><u>Radon Gas</u> Do records indicate that the property is in a "Radon Affected Area" as identified by Public Health England: No</p>
		<p>London Borough of Sutton confirm that the extent of the adopted highway is Stanley Road only. The Avenue is not public adopted highway.</p>
21.09.2021	Water Drainage	<p>The Property drains foul water to the public sewer. The Property drains surface water to the public sewer. The Property is subject to a surface water drainage charge.</p> <p>The Property is connected to a mains water supply and has a water meter.</p>

26.09.2021	Environmental Desktop	<p><u>Contaminated Land:</u> NONE IDENTIFIED</p> <p><u>Flood Risk:</u> NONE IDENTIFIED</p> <p><u>Ground Stability:</u> NONE IDENTIFIED</p> <p><u>Radon:</u> PASSED</p>
17.11.2021	Energy & Transportation	<p><u>Energy:</u> IDENTIFIED</p> <p>The Property is within 5km of existing or proposed wind and solar installations, and a power station.</p> <p><u>Environmental Constraints:</u> IDENTIFIED</p> <p>The Property is within 250 m of a protected area with visual and cultural protected areas. There is a Listed structure next door.</p> <p><u>Transportation:</u> NONE IDENTIFIED</p>
19.11.2021	SIMR	Title SGL274314 – Freehold – no other registered estate, caution against first registration, application for first registration or application for caution against first registration is shown on the index map in relation to the Property.
17.11.2021	Chancel Repair Liability	<p>The Property is not within the historical boundary of a tithe or district within a parish that has chancel repair liability.</p> <p>However, the Borrower's solicitor has incepted a chancel repair liability indemnity insurance policy for the Property.</p>
	Companies House entries	<p>Name: Vasin Estate Ltd</p> <p>Active: Yes</p> <p>Directors: Aiyadurai Navaratna-Rajah Veeravagu Vaaheesan</p> <p>Secretary: None</p> <p>PSC: Aiyadurai Navaratna-Rajah Veeravagu Vaaheesan</p> <p>Purpose: (68100) – buying and selling own real estate (68320) – Management of real estate on a fee or contract basis</p> <p>Charges: None</p>
Expires: 28.1.2022	Bankruptcy	Aiyadurai Navaratna-Rajah Veeravagu Vaaheesan Both clear
Expires: 18.2.2022	Priority	SGL274314 In favour of the Security Trustee taking a charge – clear

	Lender Exchange Check	The Borrower's solicitors account details are not registered with Lender Exchange. We have called their offices to confirm their bank details. We will also call their offices to verify the bank details again before transmitting funds on completion.
11.1.2022	SRA Check	Nantha & Co - registered
18.11.2021	Source of Funds	We hold a signed undertaking from the Borrower that additional £5,000 purchase price is to be paid by them from their own equity.
25.06.2021	Official Copies	SGL274314

5. Buildings Insurance

Insured	Vasin Estate Limited
Insurer	Covea Insurance plc
Sum Insured	£1,260,000 (Declared Value £1,050,000)
Reinstatement Figure – Valuation	£1,050,000
Policy No	7716515
Expiry	2 December 2022
Use	Ground floor storage of grocery/provisions; upper floor self-contained residential flats occupied by professional/working tenants
Terrorism	Yes. Separate policy – copy provided and approved by Security Trustee
36 Months' Rent	Yes
PSL Interest noted	Yes
Copy Policy sent to PSL	Yes

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

Date	Report	Contents
25.05.2021	EPC	Rating – D
	Access Audit	None carried out, and the valuer has commented that the Property appears to comply with the Equality Act 2010.
01.06.2021	Asbestos Report	Carried out by Arisien Ltd Copy attached. We are not qualified to comment on the contents of this Report. <u>NB: we understand the valuer has been provided with a copy of the Asbestos Report and has confirmed it has no adverse impact on the valuation.</u>
	Survey	We are not advised whether the Borrower has carried out a survey of the Property.
26.11.2021	Fire Risk Assessment	A Fire Risk Assessment (FRA) has been carried out by the Borrower and a copy is attached. We hold a signed Borrower's Undertaking to carry out the works required to remedy the deficiencies and observations contained in this FRA within 1 month of completion of drawdown and to obtain a further FRA within 3 months of completion of drawdown.

7. **Identification Documents**

Name	List A ID	Date/Expiry	List B	Date/Expiry
Veeravagu Vaaheesan	Passport	13.12.2031	Driving Licence	08.03.2022
Aiyadurai Navaratna-Rajah	Passport	21.11.2023	BT Phone bill	06.11.2021

8. **Valuation – Material Matters**

Date	4 November 2021
Market Value	£570,000
Reinstatement	£1,050,000
Property	Semi-detached part single and part two storey building
Use	Dance Studio with first floor residential (D2 and C3)
Built	Circa 1850
Access	Stanley Road
Tenure	Freehold
Invasive species	No invasive plant species are present at the Property.
Planning	Established use as dance studio with residential first floor
Other matters	There is air conditioning plant installed to the main dance studio. This system is however now obsolete, using refrigerant R22. The Borrower has agreed to disconnect the air conditioning on completion. The residential accommodation accounts for less than 40% of the total gross internal area. Sold with vacant possession. No tenancies currently exist. Access to the rear is not onto an adopted highway.

9. Material Terms of the Contract and Transfer

(a) Contract (copy provided to us by the Borrower's solicitor)

Seller	Jane Del Toro
Buyer	Vasin Estate Ltd
Property	2 Stanley Road, Carshalton, Surrey SM5 4LF
Title	SGL274314
Use	Vacant possession
Purchase Price	£570,000 (BUT £575,000 if completion is after 31 December 2021).
VAT	N/A
Exchanged	3 December 2021
Completion date agreed	10 weeks from exchange. Long stop date: 31 January 2022
Other matters	Contractual completion is 31 January 2022 but the Borrower is aiming to complete on 27 January 2022. The additional £5,000 purchase price which is payable if completion is after 31/12/21 will be funded provided by the Borrower.

(b) Transfer (copy provided to us by the Borrower's solicitor)

Seller	As above
Buyer	As above
Property	As above
Title	As above
Purchase Price	£575,000

10. CPSE 1 and ADDITIONAL ENQUIRIES

NB: The Borrower's solicitor commented:

- No access audit
- The access to the rear of the property over The Avenue is along a private access but this is not used by the vendor.
- It is understood the Borrower intends to grant a lease of the Property to a third party after completion. A draft copy of this lease has been provided for approval.

Policies to be put into place on completion:	
Defective title (absence of easement) indemnity - £600,000	
Signed by:	<i>Sophie Macarthy</i>
Signature Name:	Sophie Macarthy
Position:	Associate Solicitor
Authorised to sign for and on behalf of:	Proplend Security Ltd
Date:	20 January 2022

Copy Filed Plan

(ATTACHED SEPARATELY)