

REPORT ON TITLE



NB The image extracted is for illustrative purposes only

REFINANCE – SEPARATE REPRESENTATION

To	Proplend Security Limited (“PSL”)
From	Paris Smith LLP
Borrower	Paragon Real Estate (Midlands) Ltd
Company Number	11877382
Property	70-72 Willenhall Road, Wolverhampton WV1 2HJ, and land adjoining 70 Willanhall Road, Wolverhampton WV1 2HJ
Is the Borrower the same as the Owner?	Yes
Advance Amount	Gross Loan: £496,000 Amount to be released to Streathers Highgate LLP on completion: £159,338.40
PG Required	Anupe Singh, will be providing a personal guarantee limited to £124,000.

1 **TITLE**

We certify that the Property is:

Tenure:	Freehold
Title Number:	70-72 Willenhall Road - SF60802 land adjoining 70 Willanhall Road, Wolverhampton WV1 2HJ - WM643422
Class of Title:	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 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.
- 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 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 has an equitable or overriding interest in the Property save as disclosed in their report.
- g. PSL 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 **SEARCHES:**

We confirm we hold:-

- a. Clear Land Registry Priority Search giving PSL priority beyond the date of completion.
- b. “No Search” Indemnity Policy will be instigated on completion in lieu of Local Authority, Water and Drainage and Chancel Repair Searches.
- c. Clear Bankruptcy Search(es) giving 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 PSL’s security.

3 **VALUATION:**

We have read the Valuation Survey Report dated 26 September 2022 prepared by Lambert Smith Hampton (“**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.
- b. we are satisfied that PSL will obtain a legal mortgage over the whole of the land shown edged red on the Title Plan and

4 **SECURITY DOCUMENTATION:**

The following security documentation has been properly executed and witnessed (where required) and the 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 to be dated on or prior to completion.

5 **COMPLETION ARRANGEMENTS**

We now request to 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.

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

Our banking details are:

Account Name	Paris Smith LLP Client Account
Account Number	3755 9583
Bank	National Westminster Bank
Branch	High Street, Southampton
Sorting Code No	56-00-68
Completion Date	Friday 27 January 2023
Reference:	AZC.113022.166

SCHEDULE

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 upon completion:

Title No	Lender	Charge Date
SF60802 & WM643422	Proplend Security Limited	26 January 2021
As the new loan will redeem the existing loan, PSL will deduct the redemption monies from the net loan advance and we will deal with the discharge of the above-mentioned security as part of the registration of the new security.		

(b) Price Paid

The price stated to have been paid on:

Title No	Price Paid	Date
SF60802 & WM643422	£400,000	19 January 2021

(c) Property Address:

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

Title Matters affecting SF60802		
Date	Document	Comments
28 June 1965	Conveyance	<p>The land tinted pink on title number SF60802 (extract below) is subject to a restrictive covenant that prevents the land being used as a retail greengrocer. This covenant only applies during the lifetime of one Arthur Crowe.</p>  <p>The Borrower's solicitor has confirmed that this covenant has not been breached, and further the Borrower has not received any notices relating to the said covenant.</p>

2. Occupational Interests

Premises	<p>70-72 Willenhall Road Wolverhampton WV1 2HJ and Land on the North Side of Hickman Avenue Wolverhampton, as shown edged red on the LeasePlan (extract below)</p> 
Original parties	<p>Landlord – Paragon Real Estates (Midlands) Ltd Tenant – JC Fuels Ltd Guarantor – Jugraj Singh Chahal</p>
Date	15 May 2020
Current tenant	<p>JC Fuels Ltd (Company Number: 11838246) of Plasmar Estate, Neachells Lane, Wolverhampton WV11 3QG</p> <p><i>Please note that Companies House currently shows that there is an active proposal to strike off the tenant company as both the accounts and confirmation statement are overdue.</i></p>
Current guarantor	Jugraj Singh Chahal of 58 Scott Street, Great Bridge DY4 7AG
Term commencement date and expiry date	20 years from 15 May 2020 (expiring 14 May 2040)
Excluded Tenancy	The Lease has not been contracted out, so the security of tenure provisions of the Landlord & Tenant Act 1954 shall apply
Rent and rent payment dates	<p><u>£50,000 per annum from 15 May 2020 to 14 May 2025</u></p> <p>£55,000 per annum from 15 May 2025 to 14 May 2030</p> <p>£60,000 per annum from 15 May 2030 to 14 May 2035</p> <p>the rent is payable by equal instalments on the usual quarter days (25 March, 24 June, 29 September, 25 December)</p>
Rent review dates and date of last review	The rent will be reviewed on 15 May 2035
Rent review	<p>The Rent will be reviewed on 15 May 2035 to a figure that is equal to the Open Market Rental Value (as defined in the Lease) of the Property. In calculating the Open Market Rental Value the parties shall have regard to a standard list of assumptions and disregards.</p> <p><i>Please note this is not an upward only review so if the Open Market</i></p>

	<p><i>Rental Value were to decrease then the Annual Rent could decrease.</i></p> <p>The Open Market Rental Value can be agreed between the parties or failing an agreement shall be determined by an independent surveyor (acting as an expert)</p>
<p>Forfeiture</p> <p>(a) Rent unpaid for 21 days after due.</p> <p>(b) Breach of condition.</p> <p>(c) Tenant/Guarantor insolvency</p>	<p>(a) Yes, whether formally demanded or not</p> <p>(b) Yes, provided the breach is material</p> <p>(c) Yes</p>
<p>Use and any restrictions on use</p>	<p>The Premises can be used as a <i>“petrol filling station with ancillary convenience store, sale of hot and cold food and drinks for consumption on or off the Property, ATM, car wash, jet wash and valeting and ancillary offices and as a site for container storage”</i></p>
<p>Repair and decoration</p>	<p>The Tenant is required to keep the Premises clean and tidy and in good repair throughout the Term.</p> <p>The Tenant shall decorate the Premises (interior & exterior) as often as is reasonably necessary and also in the last year of the Term. With all such decorative works to be carried out in a good and property matter using good quality materials which are appropriate for the Premises.</p>
<p>Insurance</p>	<p>The Landlord covenants to insure the Premises against a standard list of Insured Risks (as defined in the Lease)</p> <p>The Tenant is to pay to the Landlord on demand the Insurance Rent, being the gross cost of the insurance premium.</p> <p>If the Premises is destroyed or damaged by any of the Insured Risks which results in the Property being unfit for occupation and use then, the rent or a fair proportion shall be suspended until the Premises has been rebuilt or reinstated or until the loss of rent period (3 years) has expired.</p> <p>Following damage or destruction of the Premises by an Insured Risk the Landlord will use all insurance proceeds (excluding the loss of rent) to rebuild or repair the Premises subject to obtaining all requisite consents and approval. The Landlord is required to reinstate the Premises, unless the Landlord is prevented from reinstating the Premises by any matter which is beyond its control. If the Landlord is prevented from reinstating the Premises then the Lease will determine and the insurance proceeds shall belong to the Landlord.</p> <p>If the Premises has not been rebuilt or reinstated within 3 years of the date of the damage or destruction then the Tenant may terminate the Lease by giving written notice to the Landlord, and upon service of the notice the Lease shall determine and any insurance proceeds shall belong to the Landlord.</p>
<p>Alterations</p> <p>(a) External/structural</p>	<p>The Tenant shall not make any structural alterations or additions to the Premises or make any openings in any boundary structure without the prior consent of the Landlord (such consent not to be</p>

(b) Internal, non-structural alteration	unreasonably withheld or delayed).
Alienation	<p>The Tenant shall not assign, sublet or charge the whole of the Property without the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed).</p> <p>Assignment - The Landlord may withhold consent to an assignment if any one or more of the following circumstances applied:</p> <ul style="list-style-type: none"> • If the proposed assignee is entitled to claim diplomatic or sovereign immunity; • If the proposed assignee is registered outside the UK or its assets are not in the UK • If there is an existing material breach of any tenant covenants in the Lease; and • If the proposed assignee is not (in reasonable opinion of the Landlord) of sufficient financial standing to enable it to comply with the tenant covenants. <p>The Landlord may grant consent to an assignment subject to any one or more of the following conditions:</p> <ul style="list-style-type: none"> • That all rent and other sums due under the lease have been paid • That the Tenant enters in to an AGA; and • That the assignee provided a guarantor who is reasonably acceptable to the Landlord. <p>Underletting - In addition to requiring the written consent of the Landlord, the Tenant cannot grant an underlease without complying with the following conditions:</p> <ul style="list-style-type: none"> • It is in writing; • The rent is an open market rent; • It expressly requires the undertenant to comply with the terms of the Lease (other than the payment of the rent); • It reserves a right of re-entry and forfeiture on the breach of any undertenant covenants/obligations; • It includes provisions for the upward only rent review and that the side rent review shall not be agreed without the approval of the Landlord (such approval not to be unreasonably withheld or delayed); and • It does not permit any alienation, other than an assignment of the whole with the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed). <p>The Tenant may underlet part of the Premises with the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed) provided that the underlease complies with the following conditions:</p> <ul style="list-style-type: none"> • It is in writing; • It reserves a right of re-entry and forfeiture on the breach of any undertenant covenants/obligations; and • It does not permit any alienation, other than an assignment of the whole with the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed). <p>Prior to any permitted underletting the Tenant must procure that the undertenant enters in to a direct covenant with the Landlord to observe and perform the tenant covenants in the Lease (other than</p>

	the payment of the rent reserved by the Lease) Sharing Occupation - The Tenant may share occupation of any part of or the whole of the Property with a Group Company so long as both companies remain members of that group and provided that no landlord and tenant relationship is formed.
Service Charge	There are no service charge provisions in the Lease as this is a lease of whole.
Break Clause	There are no break provisions in the Lease
Landlord Covenants	<ul style="list-style-type: none"> • Quiet enjoyment • Insurance
Lease registerable? (ie, granted for more than 7 years)	Yes, and it is registered under title number MM156302
Unusual Provisions	As mentioned in the rent review section of this report, the rent can be reviewed up or down. Consequently, if the market rent decreases then the reviewed rent could be less than the passing rent.

3. Searches

Date	Search	Material Matters Revealed
	Local	<p>No Search Indemnity will be implemented on completion by the Borrowers Solicitor.</p> <p>Although we have not reviewed the results of a local authority search we have been provided with the following planning permissions:</p> <ul style="list-style-type: none"> • 16/01169/FUL - 4 January 2017 - Proposed car wash on land to rear of 70 Willenhall Road; and • 16/00544/FUL - 26 July 2016 – which permitted the single storey extension to the side of the existing filling station to provide a cold food store, reduction of the grass verge landscaping to the front of the station, and the creation of a new low boundary wall along the frontage. Insertion of retrospective external roller shutters to windows and entrance doors. <p>We were advised as part of the due diligence on the 2021 loan that both of these planning permissions have been implemented, and it was confirmed that all conditions had been satisfied or discharged.</p> <p>In addition, as part of the due diligence on the 2021 loan we were provided with the following planning permissions:</p> <ul style="list-style-type: none"> • 17/01336 – 17 January 2018 - Retention of a free-standing ATM; • 17/01337 – 17 January 2018 – Retention of six vinyl decal signage; and • 17/00760 – 22 August 2017 – Replacement of existing illuminated scrolling advertising display

		with a digital LED display.
	Water and Drainage	No Search Indemnity will be implemented on completion by the Borrowers Solicitor.
26 October 2022	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>Please note that on this matter the Borrowers solicitor has provided separate reports, one for each of the titles which make up the Property, rather than a single report against the whole Property.</p> <p>70-72 Willenhall Road - SF60802</p> <p>Subject to the comments above we would point out that this report has been certified as "Moderate-High: Action Required" meaning that in the professional opinion of Groundsure the level of risk associated with the information disclosed in the report:</p> <ul style="list-style-type: none"> (a) could have an adverse effect on the value of this property, and (b) the land could be designated "Contaminated Land" within the meaning of Part 2A of the Environmental Protection Act 1990. <p>land adjoining 70 Willanhall Road, Wolverhampton WV1 2HJ - WM643422</p> <p>Subject to the comments above we would point out that this report has been certified as "Moderate: Acceptable Risk" meaning that in the professional opinion of Groundsure the level of risk associated with the information disclosed in the report:</p> <ul style="list-style-type: none"> (a) could have an adverse effect on the value of

		<p>this property, and</p> <p>(b) the land could be designated "Contaminated Land" within the meaning of Part 2A of the Environmental Protection Act 1990.</p> <p>Given that the Property is used as a petrol station the result of the first report, which includes the petrol station forecourt, is not unexpected. We have not been provided with any further environmental reports so cannot comment further.</p> <p>Aside from the comments about possible contamination this reports also states that the Property is located within an area:</p> <ul style="list-style-type: none"> • which may be affected by subsidence; • at a high risk from surface water flooding; and • where there are existing or proposed renewable solar and wind installations
As at 11 January 2023	Company	<p>Name: Paragon Real Estate (Midlands) Ltd</p> <p>Active: Yes</p> <p>Directors: 1 – Anupe Singh</p> <p>Secretary: None</p> <p>Shareholders: The sole share in the company is held by Paragon Consortium Limited (company number: 13708413)</p> <p>PSC: Paragon Consortium Limited</p> <p>Purpose: Other letting and operating of own or leased real estate (SIC: 68209)</p> <p>Charges: 2, being the Legal Charge & Debenture in favour of Proplend Security Limited both dated 26 January 2021</p>
Expires: 8 February 2023	Bankruptcy	Clear – against Anupe Singh
Expires: 1 March 2023	Land Registry Priority	<p>SF60802 & WM643422</p> <p>In favour of Proplend Security Limited</p> <p>Clear</p>
	SRA check	Streathers Highgate LLP (SRA Number: 551170)
	Source of Funds	Not applicable, as the new loan is fully refinancing the existing loan.
	Official Copies	<p>SF60802 – 10 January 2023</p> <p>WM643422 – 16 January 2023</p>

OTHER

4. Buildings Insurance

We have yet to be provided with the current building's insurance, but PSL have confirmed that they have requested this directly from the Borrower. Further PSL will not release the loan advance until such time as they have received satisfactory insurance documents.

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

Date	Report	Contents
27 April 2018	EPC	Shop - D(87), valid until 26 April 2028 Workshop – C(54), valid until 19 January 2033
22 December 2020	Asbestos Management Survey	The asbestos management survey, prepared by Angel Environmental Ltd t/a 0800 Asbestos, states that asbestos containing material (ACM), Chrysotile, was found to be located in the external wall of the building. However, the survey states that this material was found to be in a good condition and has been given a risk assessment score of 'very low.' We are advised that a further survey has not been undertaken, however, the only recommendation in the 2020 assessments was that the ACM should be labelled, and we were advised in 2021 that this had been done.
	Fire Risk Assessment ("FRA")	As the whole property is let it is the tenant who is the responsible person for the purposes of the FRA. The Borrowers solicitor has advised that a copy of the latest FRA has been requested from the tenant, but this is yet to be provided.
6 October 2020	Premises Licence	We have been provided with a photograph of a Premises Licence (ref: 20/18736/PRE) issued by the City of Wolverhampton Council. This licence permits the sale and supply of alcohol off the premises between the hours of 05:00 – 00:00 Monday-Sunday. As we have only been supplied with a photograph and there is no searchable register on the Council website we have emailed the Wolverhampton Licensing Department who have confirmed there is a licence in place for the Property.
3 August 2020	Petroleum Storage Licence	We have been provided with a copy of the tenant's Petroleum Storage Licence which has been issued by the Petroleum Enforcement Authority, West Midlands Fire Service. This Licence permits 25,000 litres of petrol to be stored at the Property.

6. Identification Documents

Name	List A ID	Date/Expiry	List B	Date/Expiry
Anupe Singh	Passport	9 December 2029	Driving Licence	5 November 2025
			Mobile Phone Bill	1 November 2022

7. Valuation – Material Matters

Date	26 September 2022
Market Value	£800,000
Reinstatement	£630,000
Property	70-72 Willenhall Road, Wolverhampton WV1 2HJ
Use	Petrol Filling Station
Tenure	Freehold, subject to an occupation lease.
Recommendations/Comments	<p>Underlease to the car wash operator – We have been advised that the car wash isn't subject to an underlease. We have therefore asked for confirmation that the car wash is operated by the tenant, JC Fuels Ltd, and if not on what basis the 3rd Party operates this facility. We have been advised that the car wash is operated by JC Fuel Ltd and that there is no separate tenancy or licence agreement in place.</p> <p>EPC for the workshop unit – see the comments regarding the workshop EPC in section 5, above.</p> <p>Fire Risk Assessment – see the comments regarding the latest FRA in section 5, above.</p>

Policies to be put into place on completion
No Search Insurance – £800,000 limit of indemnity

Signed by:	
Signature Name:	Alexander Cheele
Position:	Associate
Authorised to sign for and on behalf of:	Paris Smith LLP
Date:	24 January 2023

Title Plan – SF60802

H. M. LAND REGISTRY

NATIONAL GRID PLAN SO 9298 SECTION G
STAFFORDSHIRE

Scale 1/1250

WOLVERHAMPTON COUNTY BOROUGH



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AS BASED ON
PLAN 8466 OS



TITLE No. SF 60802

Title Plan – WM643422

H. M. LAND REGISTRY

NATIONAL GRID PLAN SO 9298 SECTION G
WEST MIDLANDS

Scale 1/1250

WOLVERHAMPTON DISTRICT



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