

REPORT ON TITLE



NB The image extracted is for illustrative purposes only

REFINANCE – SEPARATE REPRESENTATION

To	Proplend Security Limited (“PSL”)
From	Paris Smith LLP
Borrowers	Russell Michael Canner & Marika Ilonka Canner
Company Number	Not applicable
Property	Spectrum House, 20 Prenton Way, North Cheshire Trading Estate, Prenton CH43 3DU
Is the Borrower the same as the Owner?	Yes
Advance Amount	Gross Loan: £1,155,000.00 Amount to be released to Knights Plc on completion: £1,072,941.75
PG Required	Not applicable

1 **TITLE**

We certify that the Property is:

Tenure:	Freehold
Title Number:	Spectrum House – MS315444 Land to the west side of Prenton Way – MS346214
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 24 January 2023 prepared by Eddisons (“**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 and the original is held by the Borrowers Solicitor, and we hold an undertaking from them which requires them to provide the original post completion.

- a. Legal Mortgage To be dated on 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	3 March 2023
Reference:	AZC.113022.178

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
MS315444 & MS346214	InterBay Funding Limited	20 September 2019

(b) **Price Paid**

The price stated to have been paid on:

Title No	Price Paid	Date
MS315444 & MS346214	£960,000	31 March 2016

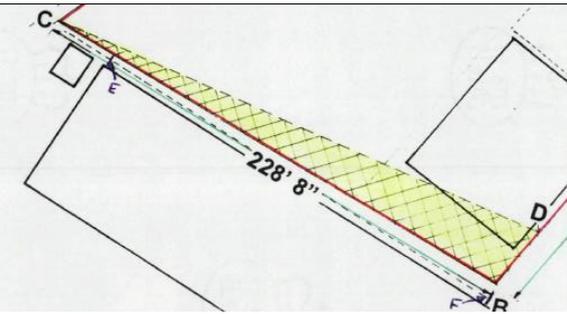
(c) **Property Address:**

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

Title Matters affecting MS315444		
Date	Document	Comments
27 July 1990	Transfer (entries A2 & C2)	<p>The land in this title has the benefit of the rights granted but is subject to the rights reserved</p> <p>Rights Granted</p> <p>A right of way over and along the roadway which the property abuts leading to the nearest public highway.</p> <p><i>Although we have not received the results of a highways or local authority search we can confirm that Prenton Way (which directly abuts the property) is a public highway.</i></p> <p>Rights Reserved</p> <ul style="list-style-type: none">• The right to use, erect, rebuild or alter any land or premises adjoining or adjacent to the property for any purpose and in any manner whatsoever.• Such rights of light and air for the benefit of the adjoining or neighbouring land and premise of the Vendor.• The right to lay or install under, over or upon the property (but not any buildings erected thereon) any drains, sewers, pipes, wires, cables or other service or conducting media and to make connections to any conducting media now existing or installed, within a period of 80 years (expiring 2070), upon the property. There is also a corresponding right to allow entry upon the

		<p>property for the purposes of exercising this right and to inspect, maintain, repairing, etc. the said conducting media.</p> <ul style="list-style-type: none"> • The right at all reasonable times to enter upon the property (but not any building thereon) for the purposes of repairing any adjoining or neighbouring land (provided that any damage caused is made good). • All rights of support and protection for the adjoining land and premises to the property. • The right for the North West Water authority or other authority to enter onto the property to repair, clean, maintain, etc. any surface water or foul water drains which pass under or through the property. The Borrower does not know if there are any such drain within the boundaries of the Property. <p>The Borrowers have advised that the exercise of the reserved rights does not impact their or the tenants use of the Property.</p> <p>In addition to the rights granted and reserved the Transfer also imposes a number of restrictive covenants and obligations of the owner of this land.</p> <p>Restrictive Covenants:</p> <ul style="list-style-type: none"> • Not to use the property for any retail trade or retail business. • Not to erect or place or suffer to remain on the property any temporary building, structure or caravan except for temporary purposes used in connection with any building works. • Not to use the property to do any act matter or thing of a dangerous, noxious, offensive or illegal nature. • Not to store materials or goods of any nature on any part of the external curtilage of the property. • Not to build or erect any structures or things over any area which lies within 5m of any surface water, foul water or mains drains or sewers. The Borrower does not know if there are any such drain within the boundaries of the Property. • Not to lop, top, damage or spoil any trees or shrubs on the property. <p>The Borrowers have confirmed that other than the storage covenant they are not aware of any of the covenants being breached, and further have not received any notices relating to the covenants.</p> <p>However, as storage covenant is being breached the Borrowers Solicitor will be putting a indemnity policy in respect of this covenant on risk on completion.</p>
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		<p>Obligations:</p> <ul style="list-style-type: none"> To keep any boundaries marked with an inward "T" on the transfer plan (extract below) in good and substantial repair  <ul style="list-style-type: none"> To keep all area of the Property not built upon clean and tidy To keep all landscaped areas of the Property maintained in accordance with good horticultural practices To pay and contribute fair proportion of the expenses of inspecting, maintaining, repairing, etc any party walls, paths, roadways, drains, sewers etc, serving the property in common with adjoining or neighbouring land and premises. <p>The Borrowers have confirmed that as far as they are aware all of the obligations have been complied with, but have advised that they have never paid or been asked to contribute towards any party walls, etc.</p>
30 August 2002	Transfer (entry A5)	<p>This land has the benefit of the following rights reserved by a transfer of edged and numbered MS465217 in green on the title plan.</p> <p>"There shall be excepted and reserved to the transferor and its successors in title the right to a set of keys to the gates shown at points E and F on the plan annexed hereto and also that the transferor and its successors in title and the occupiers of the time being of the land contained in title number MS315444 shall have the right to use the gates shown at points E and F on the said plan for the purposes of emergency access and exit from the premises erected on title number MS315444 onto the land hereby transferred."</p>

		 <p data-bbox="810 533 1444 667">We have asked if the Borrowers have a set of keys, and they have advised that they do and they would not have any difficulties exercising the right in the event of an emergency.</p>
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Title Matters affecting MS346214

Date	Document	Comments
27 September 1991	Transfer (entries A2 & C2)	<p data-bbox="810 788 1444 922">This transfer is identical to the one dated 27 July 1990, referred to above, and we have received the same confirmations in respect of this transfer as set out above.</p> <p data-bbox="810 936 1444 1034">In terms the boundaries which the owner of this land is to maintain we have included an extract of the transfer plan showing the "T" marks.</p>  <p data-bbox="810 1332 1444 1460">Please note that the restrictive covenant indemnity insurance referred above also covers the restrictive covenant relating to storage which is contained in this transfer.</p>

Title Matters affecting both MS315444 & MS346214

Date	Document	Comments
7 September 1965	Wayleave	<p data-bbox="810 1585 1444 1684">This Wayleave Agreement related to the installation of overhead line and underground cables for the supply of electricity.</p> <p data-bbox="810 1697 1444 1930">Unfortunately, the plan attached to this Wayleave Agreement has been lost and we have therefore asked for confirmation if there are any over head or underground cables running across the Property. The Borrowers have advised that there are electricity pylons within 100m of the Property, but none of these pass over the Property.</p>

2. Occupational Interests

The Property is currently subject to three leases which have been granted to companies which the Borrowers are involved with. As all of the leases have been granted using the same template we have provided a full report on one of the leases, and a summary on the two other leases.

Premises	The Premises isn't specifically described in the Lease, instead there is reference to lease plans, copies of which are annexed to this report.
Original parties	Landlord – Salisbury Developments Partners Tenant – Proform Laser Services Ltd
Date	To be dated on or before completion.
Current tenant	Proform Laser Services Ltd (company number: 09958550) of Lbw Chartered Accountants Enterprise House, The Courtyard, Old Court House Road, Wirral, Merseyside CH62 4UE
Current guarantor	Not applicable
Term commencement date and expiry date	A term of years commencing on 8 February 2023 and ending on 7 February 2026
Excluded Tenancy	The lease will be contracted out and we have asked to be provided with a copy of the tenant's statutory declaration before completion.
Rent and rent payment dates	£6,083.33 per month (£72,999.96 per annum), payable on the 1 st of each month.
Rent Review	The Lease states that if the term of the lease is greater than 3 years, then the rent will be reviewed every three years on an upward only open market basis.
Forfeiture	<p>(a) Rent unpaid for 21 days after due.</p> <p>(b) Breach of condition.</p> <p>(c) Tenant/Guarantor insolvency</p> <p>(a) No, if the Tenant is in default in the payment of any money due under the Lease and such default continues following any specific due date (or in the event that there is a specified due date 90 days after written notice is served by the Landlord requiring payment) then the Landlord may without further notice immediately re-enter the Premises.</p> <p>(b) Yes, but the Landlord must serve notice on the Tenant requiring them to remedy the breach, and if the breach has not been remedied within 90 days of the notice then the Landlord may without further notice immediately re-enter the Premises.</p> <p>(c) Yes</p>
Use and any restrictions on use	The Premises can be used for "manufacture and supply of steel fabrication and folding and engineering services.
Repair and decoration	<p>The Tenant covenants to occupy the Premises in a tenant-like manner, and will at all times (allowing for reasonable wear & tear) maintain and keep the Premises in repair.</p> <p>Further the Tenant will keep in good order, condition and repair the non-structural portions of the interior of the Premises and every part of this Premises.</p>
Insurance	The Landlord shall keep the Building insured against loss or damage

	<p>by an Insured Risk for the full reinstatement cost.</p> <p>The Tenant shall pay the Insurance Rent (being a fair proportion of the total costs incurred by the Landlord in insuring the Building) to the Landlord on demand.</p> <p>If the Building is damaged by an Insured Risk so as to make the Property unfit for occupation and use then the payment of the rent and any other sums due under the Lease (or a fair proportion according to the extent of the damage) shall be suspended until the relevant part of the Building and Common Areas and Facilities have been reinstated so as to make the Premises fit for occupation and use.</p> <p>If the Landlord (acting reasonably) considers that it is impossible or impractical to reinstate the relevant parts of the Property the Landlord may terminate this Lease by giving notice to the Tenant within six months from and including the date the damage occurred. If the Lease is so determined all insurance proceeds shall belong to the Landlord.</p>
<p>Alterations</p> <p>(a) External/structural</p> <p>(b) Internal, non-structural alteration</p>	<p>The Tenant must obtain the Landlord written permission before doing any of the following:</p> <ul style="list-style-type: none"> • Painting, wallpapering, redecorating or in any way significantly altering the appearance of the Premises; • Removing or adding walls or performing any structural alterations; • Changing the amount of heat or power normally used in the Premises as well as installing additional electrical wiring and heating units; • Placing or exposing or allowing to be placed or exposed anywhere inside or outside the Premises any placards, notices or signs; • Affixing or erecting upon or near the Premises any radio or TV antenna/tower or satellite dish; or • Installing or affixing upon or near the Premises any plant, equipment, machinery or apparatus without the Landlord's prior consent.
<p>Alienation</p>	<p>The Tenant will not assign the Lease or sublet or grant any concession or licence to use the Premises or any part of the Premises.</p>
<p>Service Charge</p>	<p>There are no formal service charge provisions, instead the Landlord covenants and agrees to effect at its expense repairs of a structural nature to the structural elements of the roof, foundation and outside walls of the Building (unless such damage is caused by the negligence of the Tenant, in which case the costs of affecting such repairs shall be recoverable from the Tenant).</p> <p>Further, although the Tenant is responsible for the maintenance of the Premises the Lease stipulates that:</p> <p>Major maintenance and repair of the Premises involving anticipated or actual costs in excess of £100.00 per incident not due to the Tenant's misuse, waste, or neglect or that of the Tenant's employee, family, agent, or visitor, will be the responsibility of the Landlord or the Landlord's assigns.</p>

Break Clause	There are no break provisions in the Lease.
Landlord Covenants	<ul style="list-style-type: none"> • Quiet enjoyment • Structural repairs
Lease registrable? (ie, granted for more than 7 years)	No, the Lease is not registrable

Premises	Tenant	Commencement Date	Term	Rent
See plans	Salisbury Management Services Ltd ("SMS")	To be dated on completion	8 February 2023 - 7 February 2026 (3 years)	£3,000 per month (£36,000 per annum), payable on the 1 st of each month
See plans	Salisbury Specialist Housing Ltd ("SSH")	To be dated on completion.	8 February 2023 - 7 February 2026 (3 years)	£1,333 per month (£15,996 per annum), payable on the 1 st of each month

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 the valuation does refer to two planning permission. The first (APP/19/01450) lapsed on 20 December 2022. as the work needed to commence within 3 years of the date of the decision notice being issued.</p> <p>The second (APP/21/00282) was granted on 1 February 2022 granted permission for a two-storey workshop extension to front elevation and amended access. The two conditions attached to this planning permission were: (1) that the development shall commence before the expiration of 3 years from the date of the permission (expiring 31 January 2025); and (2) The development hereby permitted shall be carried out in accordance with the amended plans received by the local planning authority on 26 November 2021 (copies of which are enclosed with this report).</p> <p>The Borrowers Solicitor has confirmed that this planning permission is yet to be implemented, and further that at present no building contracts, warranties, schedules of works, etc. are available. As stated in the valuation if these works are going to be undertaken during the course of your loan (noting that your loan is for 24 months and the works need to commence before 31 January 2025) then the works should be carefully monitored, and copies of</p>

		<p>the relevant completion certificates should be provided by the Borrower.</p> <p><i><u>Please note that documents relating to this current permission can be obtained from the Wirral Planning Portal (link below).</u></i></p>
<p>Planning Authority Portal: https://online.wirral.gov.uk/planning/index.html?fa=getApplication&id=126965</p>		
	Water and Drainage	No Search Indemnity will be implemented on completion by the Borrowers Solicitor.
	Mining	No Search Indemnity will be implemented on completion by the Borrowers Solicitor.
24 January 2023	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 this report has been certified as "Passed " meaning that in the professional opinion of Argyll Environmental 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>Aside from the assessment in relation to contaminated land the search also reveals that the Property is located within an area at a moderate risk to natural ground instability. Please note that the insurance documents we've received show that subsidence is covered and the excess for such a claim is £1,000 per claim.</p>

Expires: 17 March 2023	Bankruptcy	Clear – against Russell Michael Canner & Marika Ilonka Canner
Expires: 11 April 2023	Land Registry Priority	MS315444 & MS346214 In favour of Proplend Security Limited Clear
	SRA check	Knights Professional Services Limited (SRA Number: 620595)
	Source of Funds	Not applicable, as the new loan is fully refinancing the existing loan.
	Official Copies	MS315444 – 19 January 2023 MS346214 – 19 January 2023

OTHER

4. Buildings Insurance

Insured	Russell Canner
Property	Spectrum House, 20 Prenton Way, North Cheshire Trading Estate, Prenton CH43 3DU
Sum Insured	£2,562,500
Reinstatement Figure – Valuation	£2,050,000
Policy No	CHIB50248209
Expiry	18 July 2023
Use	Precision Engineers and Fabricators
36 Months' Rent	Loss of rent cover up to £512,500
PSL Interest Noted	Yes
Copy Policy sent to PSL	Yes
Other	Please note that terrorism and flood risks are not covered.

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

Date	Report	Contents
29 October 2020	EPC	C(71), valid until 28 October 2030
22 December 2020	Asbestos Management Survey	No asbestos survey has been provided, but the Borrower has advised in replies to CPSE7. That the Property was fully refurbished in 2016 and no asbestos was found, although no refurbishment survey was undertaken at this time.
12 September 2022	Fire Risk Assessment ("FRA")	The FRA was prepared by Safety Panda Ltd which stated that the hazard from fire at the Property is "Medium" Medium is defined in the FRA as meaning: 'Normal fire hazards for this type of occupancy, with fire

		<p><i>hazards generally subject to appropriate controls (other than minor shortcomings).'</i></p> <p>Aside from the 'Medium' rating the FRA identified a number of recommendations. We have asked for confirmation that these have been actioned or continuing to be observed, and the Borrowers Solicitor has so confirmed.</p> <p>Lastly, the FRA suggests that the assessment be reviewed again in September 2023 (or sooner if there are significant changes)</p>
12 August 2022	Air Conditioning Maintenance Checklist	This states that the air conditioning in the Property was in a satisfactory condition when it was inspected, and the Borrower's solicitors have advised that the next inspection is booked for this month (February 2023).

6. Identification Documents

Name	List A ID	Date/Expiry	List B	Date/Expiry
Russell Michael Canner	Passport	10 June 2023	Driving Licence	6 December 2023
Marika Ilonka Canner	Passport	10 June 2023	Driving Licence	3 October 2023

7. Valuation – Material Matters

Inspection Date	24 January 2023									
Market Value	<p>Vacant Possession: £1,650,000</p> <p>Vacant Possession & a 180 day marketing period: £1,570,000</p> <p>Market Rent: £117,000 per annum</p>									
Reinstatement	£2,050,000									
Property	Spectrum House, 20 Prenton Way, Prenton, CH43 3DU									
Use	Industrial manufacturing unit									
Tenure	Freehold									
Recommendations/Comments	<p>Intercompany Lease: Please refer to the lease reports included at Section 2 of the Schedule to this report.</p> <p>Flood & Subsidence Insurance Cover: We can confirm that subsidence cover is included, but flooding is excluded.</p> <p>Mining Search: No mining search is being obtained as this is one of the searches which is covered by the no search insurance. However, the environmental desktop search includes the following comments:</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Argyll's Summary</th> <th>Suggested Action</th> </tr> </thead> <tbody> <tr> <td>Former Mining</td> <td>Our search indicates that the Site is not within a Coalfield Consultation Area.</td> <td>As such, no action is required.</td> </tr> <tr> <td>Coal Mining Subsidence Damage Claims</td> <td>Our search indicates that the Site is not within an area where Coal Mining Subsidence Damage Claims have been recorded.</td> <td>As such, no action is required.</td> </tr> </tbody> </table>	Risk	Argyll's Summary	Suggested Action	Former Mining	Our search indicates that the Site is not within a Coalfield Consultation Area.	As such, no action is required.	Coal Mining Subsidence Damage Claims	Our search indicates that the Site is not within an area where Coal Mining Subsidence Damage Claims have been recorded.	As such, no action is required.
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Coal Mining Subsidence Damage Claims	Our search indicates that the Site is not within an area where Coal Mining Subsidence Damage Claims have been recorded.	As such, no action is required.								

	Extension Works: Please refer to the comments in the local authority search section of this report (Section 3 of the Schedule)
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Policies to be put into place on completion
No Search Insurance – £1,670,000 limit of indemnity
Restrictive Covenant Insurance – £1,169,000 limit of indemnity

Signed by:	
Signature Name:	Alexander Cheele
Position:	Associate
Authorised to sign for and on behalf of:	Paris Smith LLP
Date:	2 March 2023

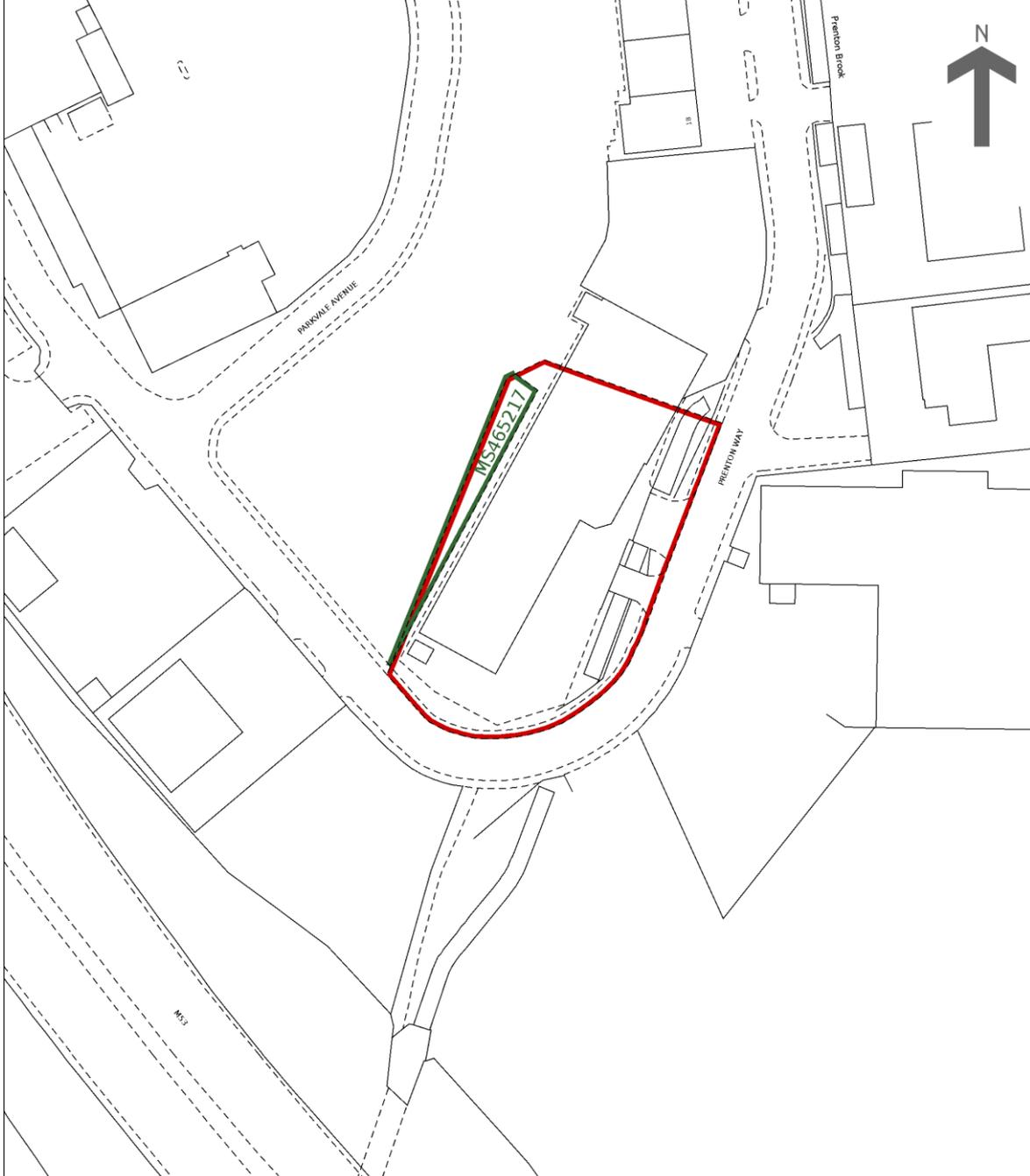
Title Plan – MS315444

HM Land Registry
Official copy of
title plan

Title number **MS315444**
Ordnance Survey map reference **SJ2985NW**
Scale **1:1250 enlarged from 1:2500**
Administrative area **Merseyside : Wirral**

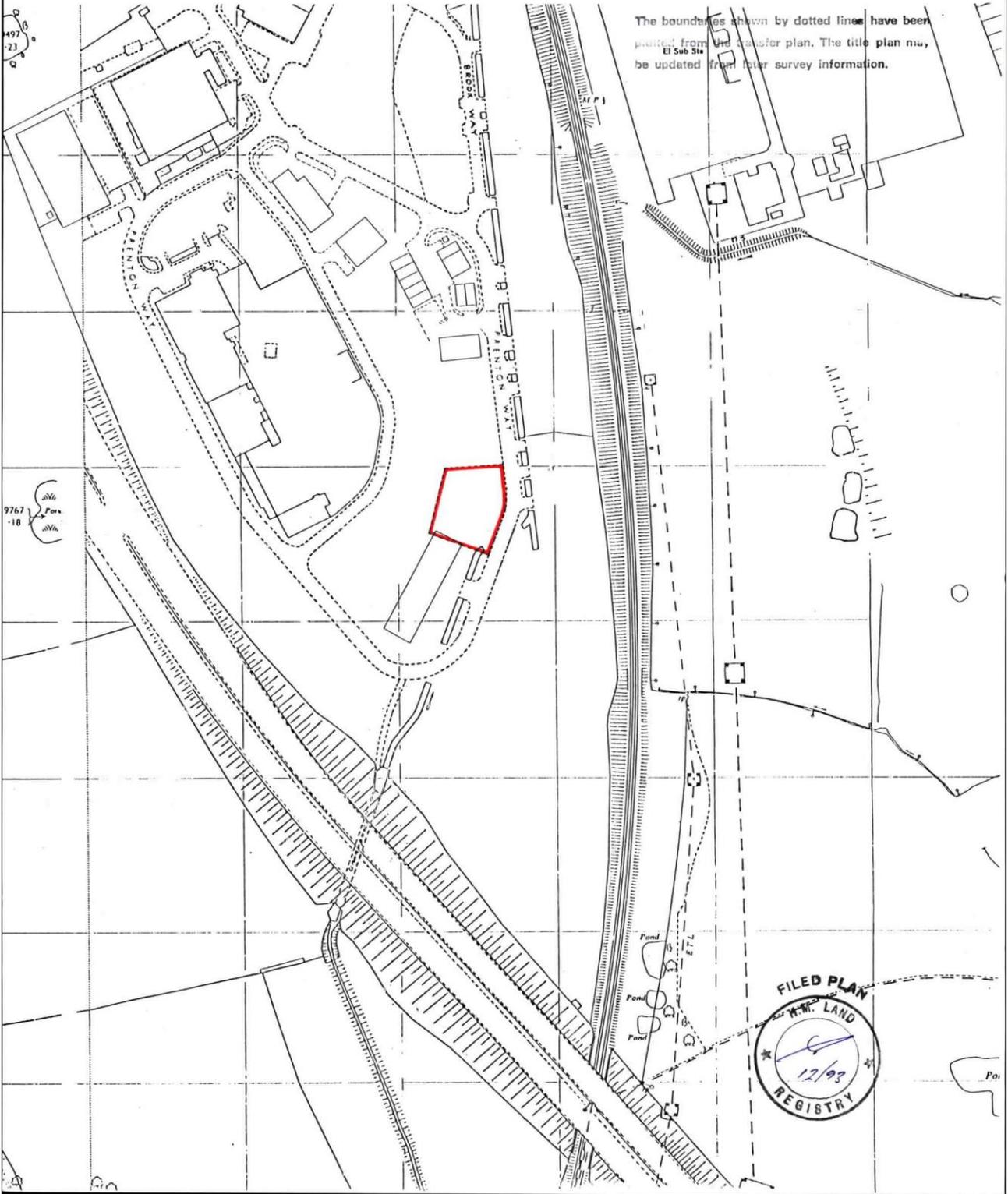


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Title Plan -MS346214

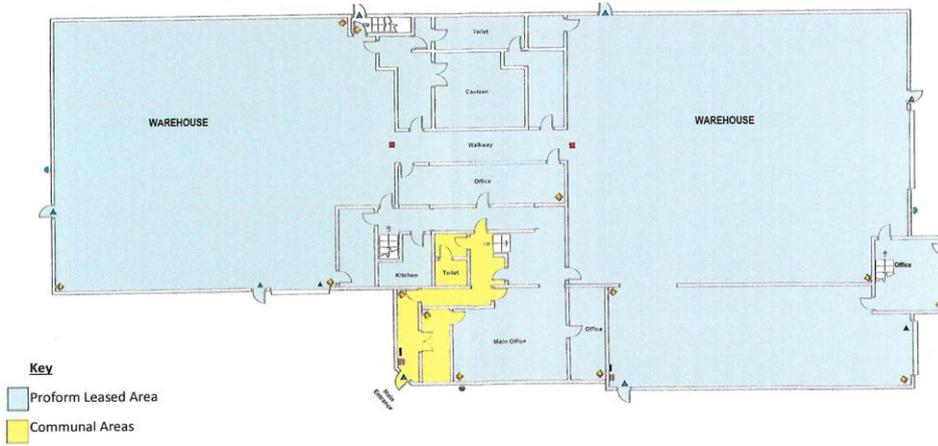
H.M. LAND REGISTRY		TITLE NUMBER	
		MS346214	
ORDNANCE SURVEY PLAN REFERENCE	SJ 2985	SECTION	Scale 1/2500
COUNTY	MERSEYSIDE	DISTRICT	WIRRAL
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Proform Lease Plans

Spectrum House Lease Plan

Ground Floor – Proform Laser Services



Spectrum House Lease Plan

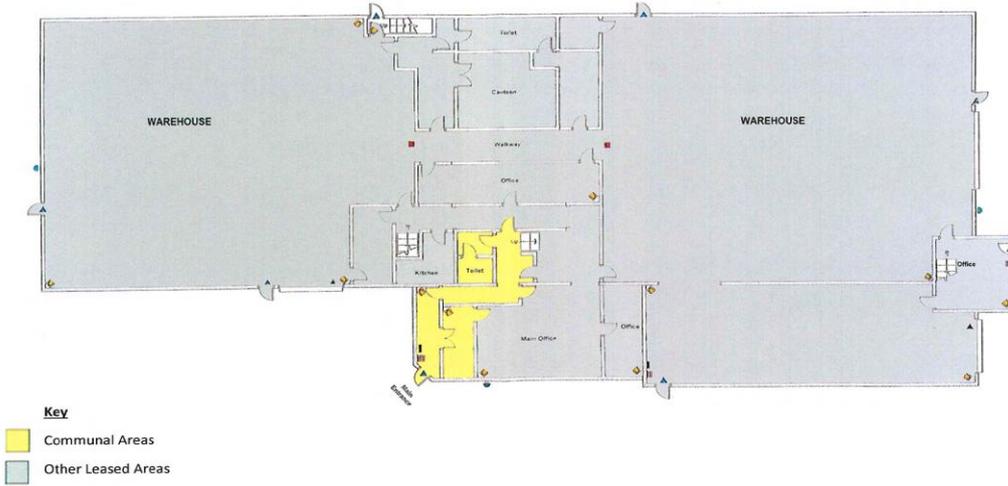
First Floor – Proform Laser Services Lease



SMS Lease Plans

Spectrum House Lease Plan

Ground Floor – Salisbury Management Services Lease



Spectrum House Lease Plan

First Floor – Salisbury Management Services Lease



SSH Lease Plans

Spectrum House Lease Plan
Ground Floor – Salisbury Specialist Housing Lease



Spectrum House Lease Plan
First Floor – Salisbury Specialist Housing Lease

