



VALUATION REPORT

IN RESPECT OF

**6 BERKELEY SQUARE
CLIFTON
BRISTOL**

PREPARED FOR

ALEXANDER CHAPEL ASSOCIATES LTD

Prepared by:

**ALDER KING
Property Consultants**

Pembroke House
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Date of Issue:

29 May 2008

Our Ref: WM/RB/0153/63424

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**alder
king**

PROPERTY
VALUERS

29 May 2008

Mr S Travis
Alexander Chapel Associates Ltd
6 Berkeley Square
Clifton
BRISTOL
BS8 1HG

Dear Mr Travis

6 BERKELEY SQUARE, CLIFTON, BRISTOL

1 INTRODUCTION

- 1.1 We refer to your instructions received by email on 7 May 2008 requesting a market valuation in respect of the above property.
- 1.2 We understand this letter report is to enable the purchase of the Property out of the pension fund.
- 1.3 It has been prepared in accordance with the RICS Valuation Standards (Red Book) (Sixth Edition) having had particular regard to Practice Statement 3.2.
- 1.4 The valuation report was undertaken by **WILLIAM MEADOWS MRICS** who has acted in the capacity of an external valuer. The instruction was accepted on the basis that we have no previous material involvement.
- 1.5 The valuation may be investigated by the RICS for the purposes of the administration of the Institutions Conduct and Disciplinary Regulations
- 1.6 Date of Inspection: **12 May 2008**
- 1.7 Date of Valuation: **15 May 2008**
- 1.8 The Property has been valued assuming its vacant possession value and assuming the existing lease.



Unit	Floor Area		Price per Unit	Price per m ²	Price per ft ²
	m ²	ft ²			
Ground Floor Front	30.20	326	£98,000	£3,229	£300
Ground Floor Part Front and Rear	91.90	990	£263,000	£2,852	£265
First Floor Front	80.7	869	£257,000	£3,175	£295
First Floor Rear	82.9	892	£246,000	£2,960	£275
Second Floor Front	82.3	886	£257,000	£3,121	£290
Second Floor Rear	84.5	910	£251,000	£2,960	£275

10 VALUATIONS

10.1 Market Value

10.1.1 The **Market Value** (as defined below) of the freehold interest with vacant possession for secured lending purpose is currently:

£1,000,000
(One million pounds)

10.1.2 The above figure is exclusive of VAT.

10.1.3 **Market Value** is defined as

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

10.1.4 We have valued the Property assuming a rate of £2,691 per m² (£250 per ft²).

10.2 Market Value with Special Assumption

10.2.1 We have assumed an investment sale subject to the existing lease. The company name according to our credit check has not lodged accounts since 2005 and we have therefore assumed a lease name change to Alexander Chapel (Holdings) Limited. The current rent was due for review on 9 April 2008 we have assumed the Market Rent from this date in accordance with the rent review clause. The current lease has approximately 5 years unexpired.

10.2.2 The **Market Value** (as defined in 10.1.3) with **Special Assumption** is:

£940,000
(Nine hundred and forty thousand pounds)

10.2.3 The above figure is exclusive of VAT.

10.3 Market Rent

10.3.1 The **Market Rent** (as defined below) is currently

£57,640 per annum
(Fifty seven thousand six hundred and forty pounds)

10.3.2 The above figure is exclusive of VAT.

10.3.3 **Market Rent** is defined as:

'The estimated amount for which a property, or space within a property, should lease (let) on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion.'

10.3.4 The above would be a 5-year lease on FRI terms. A longer lease would need to be subject to tenant only options to determine on 6 months written notice. We have applied a rent of £161.46 per m² (£15 per ft²) to the ground, first and second floors, £129 per m² (£12 per ft²) on the lower ground floor and £118 per m² (£11 per ft²) on the third floor.

11 CONCLUSION

11.1 The Property is in good condition for its age, design and construction. There is evidence of some movement which we have assumed to be historic, although as part of any prudent purchase, we would recommend that a building inspection report is undertaken.

11.2 We have not had regard to the occupational lease as it has been drawn up between connected parties. We have assumed for the purpose of this report that the Property is underpinned by its vacant possession value and that full vacant possession could be obtained in a 2 month timescale. If the Property is sold with the benefit of the existing lease then we have also reported the current investment value reverting to vacant possession in 5 years.

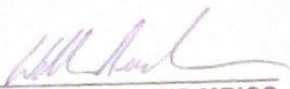
11.3 We trust the content of this report is sufficient for your purposes but should you require any further clarification or elaboration please do not hesitate to contact us.

11.4 Finally please find enclosed our firm's fee invoice has been enclosed on the agreed basis.

6 Berkeley Square
Clifton
Bristol



Yours faithfully


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for ALDER KING LLP
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BRISTOL BS8 3BA