

Our Ref: BPE/ED/838

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Messrs G Cartledge & C Cox
Meller Limited
Lockington Hall
Main Street
Lockington
Derby
DE74 2RH

23 February 2015

Dear Sirs

**LITTLE TREASURES DAY CARE CENTRE, 42-44 DERBY ROAD, DRAYCOTT,
DERBYSHIRE**

On behalf of Meller Limited, (Company Registration Number 03805185), who are now the freehold owner of the above property as detailed within the enclosed particulars, plans and Land Registry Title Number DY338644, we are pleased to set out below our informed opinion of its market value as at February 2015.

By way of an explanation, Hawksmoor were duly instructed by G Cartledge on behalf of Meller Limited in April 2014 in which to identify a new building which was:

1. Located within circa 5 miles of Meller's existing offices at Lockington Hall, DE74 2RH;
2. Contained a net internal floor area of not less than 185 square metres (2,000 square feet);
3. Was available either upon a freehold or leasehold tenure basis and
4. Was either an existing office or was a building that could, subject to planning permission, be suitable for conversion to an office.

Following an initial stage one search resulting in 8 properties being identified which were located approximately 7 to 12 miles from DE74 2RH and a subsequent stage two search which identified two further properties, the subject property at 42-44 Derby Road was duly short-listed.

An approach was made to the Receiver's agent, GVA Grimley Limited who had, at that time, very recently exposed the property to the open market at an informal guide price of unconditional offers over £160,000 (one hundred and sixty thousand pounds). It should be noted that guide prices by Receivers' agents are traditionally suggested at lower than market value in which to generate interest in the property.

Hawksmoor is the trading name of
Hawksmoor Property Services Limited

Registered office as above (Reg. No. 4396432)

Directors: S H Fawcett BSc (Est Man) MRICS

B P Egerton BSc (Hons) ICIOB

R S F Wain BSc (Hons) MRICS

Company Secretary: K M Needham

Regulated by RICS

A guided property inspection was held on 23 May 2014 which confirmed that a number of guided viewings had already been given by the Receiver's agent and resulted in Hawksmoor recommending to Meller Limited an initial unconditional offer of £145,000 (one hundred and forty five thousand pounds) in which to start negotiations. This was duly submitted by Hawksmoor on 30 May 2014 and it was recognised that this offer would be below the property's perceived market value.

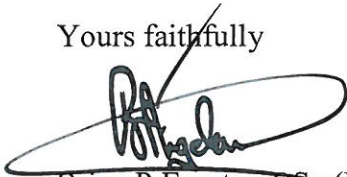
Feedback to the offer was not surprising and it was reported that 7 offers had been received for the property including an unconditional offer 'well in excess of £145,000' (one hundred and forty five thousand pounds) and as a consequence, 'best and final offers were to be invited'. The subsequent negotiations with GVA Grimley Limited led to the submission of a final and best offer at £176,540 (one hundred and seventy six thousand five hundred and forty pounds) on 6 June 2014. This offer was, after due consideration by the Receiver and their agent, duly accepted on 17 June 2014. The freehold ownership was then transferred to Meller Limited on 23 July 2014.

The property extends to a net floor area of 3,067 square feet (as provided within the attached sales particulars), and as verified through an internal and external viewing of the property on 16 January 2015, remains unoccupied and unaltered since the date of purchase. We have been informed by G.Cartledge that no surveys have been undertaken and no planning applications are outstanding or planning permissions granted relating to the property, since the date of purchase. As a result no further information can be relied upon in determining the property's value. Due to the lack of suitable comparable evidence for this type of property in the current market we feel the best evidence of the property's current market value remains the purchase price which was dictated by the open market in competition with other interested parties. This took account of the property's condition and potential for change of use to offices and other higher valued uses such as residential.

We therefore confirm our opinion of the property's freehold value is £176,540 (one hundred and seventy six thousand five hundred and forty pounds). This opinion is written for the benefit of G Cartledge and C Cox, Directors of Meller Limited, and for clarity does not comprise a formal Red Book Valuation.

We trust this clarifies matters.

Yours faithfully



Brian P Egerton BSc (Hons) ICIOB
Director

Enc Particulars
Title Register DY338644 19.2.15
Topographical, Ground and First Floor Plans 01.10.14