

**VALUATION AND REPORT**

**IN RESPECT OF**

**Land and Buildings**

**at**

**The Gate  
Victoria Street  
Dunstable  
Bedfordshire  
LU6 3BA**

**PREPARED FOR:**

**Thamesbridge Groundworks Ltd**

**DATE OF INSPECTION:**

**1<sup>st</sup> February 2016**

**DATE OF VALUATION:**

**1<sup>st</sup> February 2016**

Our ref: TJ/ldi/15427



**Private & Confidential**

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Dear Sir

**LAND & BUILDINGS AT THE GATE, VICTORIA STREET, DUNSTABLE,  
BEDFORDSHIRE LU6 3BA**

We are pleased to report that the above property has been inspected and valued in accordance with your instructions.

**Extent/Circumstances of Inspection**

We have undertaken an inspection of the subject property externally from ground floor level and internally from basement and ground floor levels.

Only a cursory inspection of part of the first floor was possible since the door leading from the landing to the dance hall, which was a glazed door, was locked.

As a consequence of this, we have relied upon the measurements of the first floor which are shown in the Valuation Office rating assessment.

We were afforded only limited visibility of the rear elevation since this adjoins property in separate ownership.

**Weather:** The weather was fine with temperatures of approximately 10°C. Our inspection followed a period of 2-3 weeks of mild weather for the time of year with some intermittent heavy showers.

**1.0 Executive Summary**

Identification of the Client	Thamesbridge Groundworks Ltd
Purpose of the Valuation	Asset accounting for pension purposes.
Subject of the Valuation	Land and buildings at The Gate, Victoria Street, Dunstable, Bedfordshire LU6 3BA
Interest to be Valued	Market Value (MV) – subject to occupational lease.

<b>Type of asset and how it is used or classified</b>	Class A4 Drinking Establishment.
<b>Basis or bases of value</b>	Market Value (MV)
<b>Valuation date</b>	1 <sup>st</sup> February 2016
<b>Disclosure of any material involvement</b>	Brasier Freeth LLP and the Valuer (Timothy J Jones) have had no previous involvement with the subject property which would give rise to any conflicts of interest in respect of complying with this instruction.
<b>Identity of the valuer</b>	Timothy J Jones Dip VEM MRICS MEWI
<b>Currency</b>	Great British Pounds (Sterling).
<b>Special Assumptions</b>	This valuation has been prepared on the special assumption that the first floor accommodation has the floor area which is set out within the Valuation Office rating assessment.
<b>Extent of valuer's investigations</b>	<ul style="list-style-type: none"> <li>• Internal/external inspection.</li> <li>• Planning investigations.</li> </ul>
<b>The nature and source of information relied on by the valuer</b>	<ul style="list-style-type: none"> <li>• Valuer's inspection.</li> <li>• Indicative plans showing possible future demolition of the property and construction of a block of flats.</li> </ul>
<b>Consent/restrictions on publication</b>	Neither the whole nor any part of this report may be included in any statement, circular or published document without the prior written consent of Brasier Freeth LLP.
<b>Exclusion of liability to others</b>	This report is for the sole use of the client for the purpose set out above and no responsibility is accepted to any third party for the whole or any parts.
<b>Valuation approach</b>	<p>Assessment of market rent.</p> <p>Capitalisation of rent passing up until anticipated lease expiry.</p> <p>Consideration of alternative uses.</p> <p>Opinion of value subject to statutory consent being obtained for alternative use having regard to the time, expense and risk of obtaining such a consent.</p> <p>Deferment of future value to allow for current usage.</p>
<b>Statement from the Valuer</b>	The valuer is registered as such with the RICS and has the appropriate knowledge/experience in respect of this instruction.

<b>Valuation</b>	<p align="center"><b><u>Market Value (MV)</u></b></p> <p><b>WE ASSESS the current Market Value (MV) of the land and buildings known as The Gate, Victoria Street, Dunstable, Bedfordshire LU6 3BA in its existing state, subject to the occupational lease detailed below, shown outlined in red on the Ordnance Survey extract in Appendix 1, to be in the sum of:-</b></p> <p align="center"><b>£240,000</b>  <b>(Two Hundred and Forty Thousand Pounds)</b></p>
<b>Confirmation of Valuation Standards</b>	This valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Professional Standards January 2014.

## **2.0 Location**

### **2.1 Situation**

The subject property is situated at the Southern end of Victoria Street, just North of its junction with West Street (B489) approximately 150m/0.1 miles West of Dunstable Town Centre.

An Ordnance Survey extract with our understanding of the site boundaries marked in red is included in Appendix 1.

### **2.2 Neighbouring Property**

The majority of the properties within Victoria Street are residential; however, the Southern neighbour comprises offices with frontage onto West Street.

### **2.3 General**

Dunstable is a South Bedfordshire market town with a population of 37,400 (Source: 2011 Census) which is situated 4 miles from Luton, 6.5 miles from Leighton Buzzard, 10 miles from Hemel Hempstead, 16 miles from Milton Keynes and 33.5 miles from Central London.

Transport links are good. Dunstable is situated in close proximity to both junctions 10 and 11 of the M1 motorway.

The nearest mainline railway stations are situated at Harpenden and Luton.

A location plan is included in Appendix 2.

### **3.0 Description**

The subject property comprises a two storey end of terrace building likely to have been constructed around 1950.

A single storey flat roof projection is present on the Southern elevation.

#### **3.1 Construction**

The construction can briefly be summarised as follows:-

<b><i>Walls:</i></b>	Cavity construction finished externally in facing brickwork.
<b><i>Floors:</i></b>	Solid construction.
<b><i>Windows:</i></b>	Plastic framed double glazed replacements.
<b><i>Roof:</i></b>	A double pitched design with coverings of slates, tiles and concrete tiles.
<b><i>Rainwater fittings:</i></b>	Plastic.

The building is built of traditional construction methods.

#### **3.2 Parking**

No provision for off-road parking.

#### **3.3 Grounds**

There is a small outside seating area in the North Eastern corner of the site.

Photographs are included in Appendix 3.

### **4.0 Accommodation**

#### **4.1 Layout**

The accommodation can briefly be summarised as follows:-

##### ***Basement:***

Cellar storeroom 1  
Cellar storeroom 2  
Cellar storeroom 3

##### ***Ground floor:***

Entrance hall  
Bar 1  
Bar 2  
Gents WC

Ladies WC  
Service lobby  
Storeroom (locked)

*First floor:*

Landing  
Dance hall  
Cloakroom  
Kitchen

#### 4.2 Measurements

The gross internal floor areas measured in accordance with the RICS Code of Measuring Practice can briefly be summarised as follows:-

Floor	Sq.m.	Sq.ft.
Basement	66.01	711
Ground	231.07	2,487
First	193.60*	2,113*
<b>Totals</b>	<b>490.68</b>	<b>5,311</b>

Measurements were taken on site by the valuer.

\* Measurements taken from the rating assessment as this part of the property was locked during our inspection.

#### 5.0 Condition

We have not carried out a building survey (structural survey) on any part of the property and this report should not be interpreted as such. However, during the course of our inspection for valuation purposes the following items of disrepair were noted:-

- 1) The roof covering comprises several different materials and ongoing maintenance will no doubt be required in order to keep the building water tight.
- 2) Fading external decorations.
- 3) Fading internal decorations.
- 4) Dated landlord's fittings

Generally speaking, it was evident that the property has not been modernised in many years and is in need of general maintenance and redecoration.

#### 5.1 Energy Performance

We have not seen an Energy Performance Certificate (EPC) for the property as a whole; however, we consider it reasonable to assume that the building has an energy performance rating which is compatible with its peers.

## 5.2 The Energy Act 2011

The Energy Act 2011 will have important consequences since from April 2018 it will be against the law to rent out either residential or commercial premises where a minimum energy efficiency standard has not been achieved. The rating that premises will have to meet has not been confirmed; however, the guidance suggests that it is likely that an EPC "E" rating as a minimum will be required.

Once this provision comes into force, landlords will not be able to let that property until appropriate energy efficiency improvements have been made. This means that landlords of buildings that are currently rated "F" have some time to make the necessary improvements but provision should be made as appropriate in respect of the cost and inconvenience of making those changes.

## 5.3 The Control of Asbestos Regulations 2006

We have not seen an asbestos inspection report in respect of any part of the subject property. Under the Control of Asbestos Regulations 2006 an inspection should have been undertaken on all commercial buildings from 1st May 2004. Following the discovery of asbestos, there would be a requirement for an asbestos management plan to be drawn up and implemented. Confirmation should be sought that an asbestos inspection report has been obtained and a management plan put in place.

## **6.0 Statutory Enquiries**

We have made statutory enquiries to the relevant Local Authority which is Central Bedfordshire Council.

### 6.1 Flood Risk

The subject property is not shown on the Environment Agency website as being situated in an area which is subject to flooding from rivers or sea.

### 6.2 Business Rates

The subject property is described in the 2010 Rating List as "Club and Premises" with a rateable value of £11,500.

### 6.3 Planning

We have made enquiries but have been unable to locate any recent planning history in respect of the subject property.

It is evident from our inspection that the property has been used in the past as a working men's club and most latterly as a drinking establishment.

Drinking establishments fall under classification A4 of The Town and Country Planning (Use Classes Order) as Amended.

As a general comment, Class A4 premises can also be used for Class A1 (General Retail Use), Class A2 (Financial and Professional Services) or Class A3 (Restaurant) Use under permitted development.

#### 6.4 Highways

Victoria Street is an adopted highway (maintained by the Local Authority).

#### 6.5 Disability Discrimination Act

Since October 2004 "All Service Providers" have had legal duties under the Disability Discrimination Act (DDA) 1995 as Amended not to discriminate against disabled persons.

The duty requires businesses to make "reasonable adjustments" to their premises in order to make services available to the disabled. This may include physical alterations, for example provision of a ramp for access, large and well defined signage, improving access to WCs and washing facilities etc.

We have not been provided with an audit report in respect of the property; however, there are no particular issues to which we have had regard.

#### 6.6 Conservation Area/Listed Building Status

The subject property is not shown on the Historic England website as being a Listed Building.

The subject property is not situated within a Conservation Area.

### **7.0 Services**

Mains water, electricity, gas and drainage are connected.

### **8.0 Site & Ground Conditions**

The site has an approximate area of 0.094 acres/0.038 hectares.

Measurements were scaled from the Ordnance Survey extract using the Promap measuring tool.

#### 8.1 Geography and Overview

The site is roughly level but an irregular shape.

As a general comment, a large proportion of the site is currently covered by the existing building (eyesight coverage).

#### 8.2 Radon Gas

By reference to the Health Protection Agency website, on entering the postcode of the subject property no adverse results were reported. We would, however, confirm that in accordance with RICS Valuation Standard Procedures no subterranean tests have been implemented as part of this valuation exercise.

## **9.0 Tenure**

We have assumed a good freehold tenure free from any restrictive or vexatious covenants of a nature deleterious to value.

## **10.0 Occupational Leases**

The whole of the subject property is occupied on an occupational lease.

We have not had sight of any documentation in respect of the lease; however, we are verbally informed that the rent is £12,000 per annum and that the rent has been at this level for some time.

In the circumstances, we consider it likely that the tenant has security of tenure. That said, we are also informed that it is likely that the tenant will wish to vacate the premises in the near future since the operation of the property as a drinking establishment is no longer economic.

## **11.0 Land Contamination**

Given the nature of the property which is a drinking establishment and has been used as such, albeit both as a Public House and as a Working Men's Club in the past, and given the fact that it is located in an area dominated by residential properties, we are of the opinion that it is unlikely that any contamination has occurred which is likely to give rise to significant liabilities under environmental legislation.

We would emphasise that we are not qualified to comment on environmental issues and this can only be done by way of an environmental audit. If an environmental audit were to be carried out and the land was subsequently found to be contaminated, this could adversely affect the valuations now reported.

## **12.0 Marketability**

Demand for the subject property as a retail investment property is likely to be poor. The tenant, which is an individual, is likely to be of poor covenant strength and it is understood the business is struggling with negotiations underway for the lease term to end in approximately 3 months' time.

We are of the opinion that if the property were sold at the present time, interest would come mainly from speculative builders and developers wishing to re-develop the property for residential use.

Demand for such premises is currently fair/good since the residential sales market within the locality has been buoyant for the last 12 months or more.

### **13.0 Valuation Commentary**

#### **13.1 Market Rent (MR)**

In arriving at an opinion of value for the subject property in its existing state, subject to the current occupational lease, we have considered the nature of the property, the existing lease and the prospect of future alternative uses for the subject property.

The rent passing under the terms of the occupational lease is currently £12,000 per annum.

The subject property is large but it is poorly situated for a drinking establishment since Dunstable is well served with such premises. The property is also considerably disadvantaged since it has no off-street car parking.

The Victoria Public House, which is a building of conventional configuration including 3 bedroom living accommodation, is currently let on a lease at a rent of £31,500 per annum. The landlords are currently looking to assign the lease residue and are seeking a premium of £79,950.

We are of the opinion that the Market Rent for the subject property is £12,000 per annum and there is little prospect of obtaining a higher rent for this use.

We have considered alternative Class A1, A2 or A3 Use but have concluded that it is unlikely that such use would give rise to any higher value.

Retail rents are comparatively low in Dunstable and there are vacant shop units within more prominent retailing locations such as the High Street.

We have therefore formed our opinion of value capitalising the rent passing in the short term but also having regard to future alternate use of the subject property.

#### **13.2 Alternative Use**

Given the property's location we are of the opinion that there is the prospect for residential redevelopment.

Such redevelopment would require statutory consent.

The existing structure takes up the majority of the site and is in need of some maintenance/upkeep. We conclude that it is unlikely to be economic to modernise the existing structure but there would be potential to demolish the existing structure and replace it with a smaller building, perhaps on three rather than two floors thus freeing up part of the site for car parking.

We have explored this option in more detail having regard to indicative plans provided to us in the course of this valuation exercise.

The plans show the replacement of the existing structure with a new three storey building which would incorporate five self-contained flats. Gross internal floor areas of the proposed flats can be summarised as follows:-

Flat No.	Floor	Beds	Baths/Shower	Balcony	Sq.m.	Sq.ft.
1	Ground	2	2	0	62.0	688
2	First	2	2	0	78.0	837
3	First	2	2	1	87.0	937
4	Second	2	2	0	78.0	837
5	Second	2	2	1	87.0	937
					<b>392.0</b>	<b>4,236</b>

The block will have a gross external floor area of 508 sq.m/5,468 sq.ft.

Measurements have been scaled from plans.

We have then considered the likely values of these flats using the comparable method of valuation, having regard to the recent sales and availability of similar premises within the locality.

Comparable evidence included (PLEASE NOTE:- Comparable evidence has been provided in confidence by local Estate Agents and Surveyors and wherever possible it should not be relayed to the general public):-

#### *Sales*

**Russett Way, Dunstable:** A two bedroom modern first floor flat with a long lease sold and completed on 30<sup>th</sup> January 2015 at a sale price of £132,000. The flat had a gross internal floor area of 573 sq.ft. consequently the sale price achieved equated to £230 per sq.ft.

**Riley Grove, Dunstable:** A modern two bedroom first floor flat sold and completed on 22<sup>nd</sup> April 2015 at a sale price of £137,500. The flat had a gross internal floor area of 676 sq.ft. consequently the sale price achieved equated to £203 per sq.ft.

**Riley Grove, Dunstable:** A modern two bedroom first floor flat sold and completed on 20<sup>th</sup> May 2015 at a sale price of £145,000.

**Russett Way, Dunstable:** A modern two bedroom, two bath/shower room flat with car port sold and completed on 16<sup>th</sup> June 2015 at a sale price of £147,000.

**Spoondell, Dunstable:** A purpose built two bedroom first floor flat sold and completed on 14<sup>th</sup> August 2015 at a sale price of £149,950. The flat had a gross internal floor area of 651 sq.ft. consequently the sale price achieved equated to £230 per sq.ft.

**Leyland Road, Dunstable:** Purpose built modern two bedroom flat sold and completed on 17<sup>th</sup> July 2015 at a sale price of £149,950.

**The Parklands, Dunstable:** A modern two bedroom, two bath/shower room flat with balcony within the theatre area of Dunstable sold and completed on 5<sup>th</sup> May 2015 at a sale price of £150,000. The flat had a gross internal floor area of 638 sq.ft. consequently the sale price achieved equated to £235 per sq.ft.

**The Parklands, Dunstable:** A two bedroom purpose built flat sold and completed on 4<sup>th</sup> June 2015 at a sale price of £155,000.

**Leyland Road, Dunstable:** A modern two bedroom, two bath/shower room flat with a garage in a block sold and completed on 28<sup>th</sup> August 2015 at a sale price of £159,000. The house had a gross internal floor area of 620 sq.ft. consequently the sale price achieved equated to £255 per sq.ft.

**Beechwood Court, Dunstable:** A modern two bedroom second floor flat with a garage in a block sold and completed on 19<sup>th</sup> November 2015 at a sale price of £164,995.

**Beechwood Court, Dunstable:** A two bedroom second floor flat with a garage in a block sold and completed on 25<sup>th</sup> August 2015 at a sale price of £165,000.

**Leyland Road, Dunstable:** A modern two bedroom flat with garage sold and completed on 25<sup>th</sup> September 2015 at a sale price of £165,000.

**Leyland Road, Dunstable:** A one bedroom flat above garage sold and completed on 7<sup>th</sup> October 2015 at sale price of £165,000.

**Walsey Drive, Dunstable:** A modern two bedroom, two bathroom flat above garage sold and completed on 22<sup>nd</sup> May 2015 at a sale price of £195,000. The flat had a gross internal floor area of 673 sq.ft. (excluding single garage) consequently the sale price achieved equated to £290 per sq.ft.

#### *Availability*

**High Street North, Dunstable:** A modern one bedroom flat is currently being offered for sale at an asking price of £109,000. The flat has a gross internal floor area of 358 sq.ft. consequently the asking price equates to £304 per sq.ft.

**Milliners Place, Matthew Street, Dunstable:** A one bedroom modern purpose built flat is currently being offered for sale at an asking price of £110,000.

**High Street North, Dunstable:** A modern two bedroom flat is currently being offered for sale at an asking price of £125,000.

**Victoria Street, Dunstable:** A two bedroom flat in a purpose built block likely to have been constructed around 1960 is currently being offered for sale at an asking price of £129,995. The flat has the benefit of a garage in a block.

**The Parklands, Dunstable:** A modern one bedroom flat is currently being offered for sale at an asking price of £135,000.

**Milliners Place, Matthew Street, Dunstable:** A two bedroom first floor flat is currently being offered for sale at an asking price of £135,000.

Our assessment of the likely values of the proposed new flats, assuming them to be constructed to a high standard in accordance with the plans provided and assuming each could be sold off separately on a long leasehold basis, can be summarised as follows:-

Flat No.	Floor	Beds	Baths/Shower	Balcony	Sq.ft.	MV	Equivalent £/sq.ft
1	Ground	2	2	0	688	£165,000	240
2	First	2	2	0	837	£200,000	239
3	First	2	2	1	937	£230,000	245
4	Second	2	2	0	837	£200,000	239
5	Second	2	2	1	937	£235,000	251
					<b>4,236</b>	<b>£1,030,000</b>	

We have then utilised the total sum of the anticipated values for the five flats (Gross Development Value – GDV) in order to arrive at an opinion of value for the land on the special assumption that it had statutory consent for such development which at the present time it does not.

The principal inputs within our residual valuation are as follows:-

- Gross Development Value - £1,030,000
- Total Gross External Floor Area – 5,468 sq.ft
- Anticipated build cost based on £90 per sq.ft - £492,120
- Demolition - £20,000
- Professional fees 7%
- Anticipated build period – 12 months
- Anticipated sales period – 12 months
- Bank finance – 6%
- Profit 15% GDV
- Estate Agents Fees for selling 1%

The residual land value on this basis is £265,000 (Two Hundred and Sixty Five Thousand Pounds).

For comparative purposes, our opinion of value equates to approximately 26% of the Gross Development Value.

### 13.3 Conclusion

Our opinion of value for the subject property in its existing state has been formed by capitalising the rent passing (£12,000 per annum) for the period up until the tenant is due to vacate in approximately 3 months' time.

We have then assumed the property will be redeveloped and have discounted our opinion of value for alternative use allowing for the cost and delay of obtaining planning consent.

### Market Value (MV)

**WE ASSESS the current Market Value (MV) of the land and buildings known as The Gate, Victoria Street, Dunstable, Bedfordshire LU6 3BA in its existing state, subject to the occupational lease detailed below, shown outlined in red on the Ordnance Survey extract in Appendix 1, to be in the sum of:-**

**£240,000**  
**(Two Hundred and Forty Thousand Pounds)**

**Market Value (MV) – “The estimated amount for which an asset or liability should exchange on the valuation date 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”.**

By way of a check, Land Registry records show the subject property was purchased on 24<sup>th</sup> August 2010 for £200,000 (Two Hundred Thousand Pounds).

#### **14.0 General Comments**

This property is not well suited to its current use.

The building has a high site coverage and there is poor demand for all types of retail property in the locality.

In the valuer’s opinion, the property has potential for residential re-development.

#### **15.0 Report Sign Off**

This report is for the sole use of the client for the purpose set out above and no responsibility is accepted to any third party for the whole or any part.

**Valuer:**            **TIMOTHY J JONES DIP VEM MRICS MEWI  
FOR AND ON BEHALF OF BRASIER FREETH LLP**

**Signed:**           Brasier Freeth LLP

**Date:**             25.02.16.

#### **Appendices:**

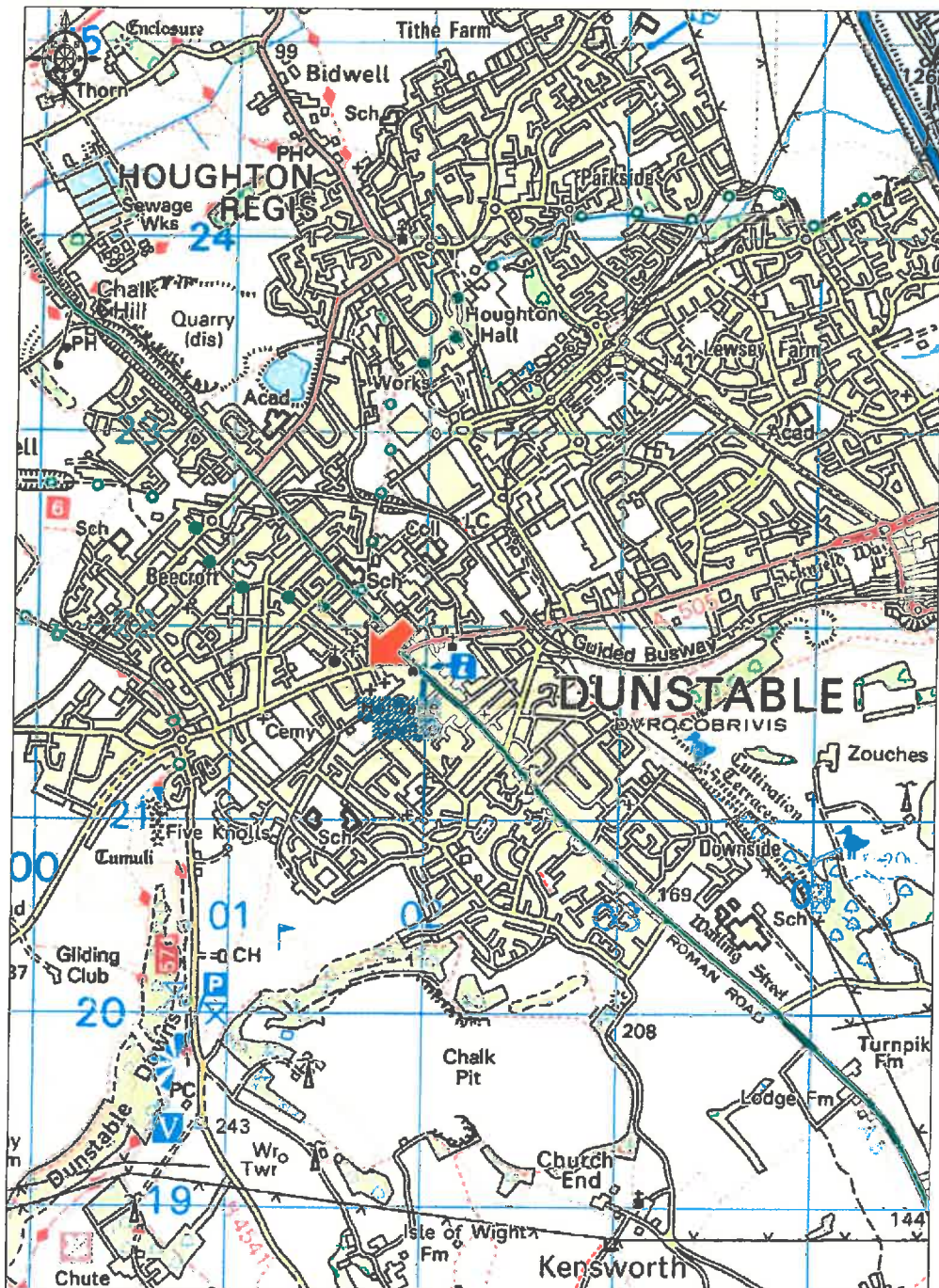
Appendix 1	Ordnance Survey Extract
Appendix 2	Location Plan
Appendix 3	Photographs
Appendix 4	Standard Conditions of Engagement and Bases of Valuation
Appendix 5	Instructions

**APPENDIX 1**  
**ORDNANCE SURVEY EXTRACT**



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**APPENDIX 2**  
**LOCATION PLAN**



**APPENDIX 3**  
**PHOTOGRAPHS**

**Land & Buildings at  
The Gate  
Victoria Street  
Dunstable  
Bedfordshire LU6 3BA**

**Front elevation**



**Roof**



**Ground floor**



**First floor**



## **APPENDIX 4**

### **STANDARD CONDITIONS OF ENGAGEMENT AND BASES OF VALUATION**

## STANDARD CONDITIONS OF ENGAGEMENT AND BASES OF VALUATION

Unless agreed otherwise in writing, or stated otherwise in our Valuation Report, the following Standard Conditions of Engagement shall apply:-

1. All valuations will be carried out in accordance with the Royal Institution of Chartered Surveyors Valuation - Professional Standards January 2014.
2. In preparing the Valuation and Report, the following assumptions will be made, which the Valuer shall be under no duty to verify:-
  - a) That all information provided to the Valuer by the Client, and/or his professional advisors or any other named party, upon which the Valuer will rely, is complete and correct.
  - b) That all information provided as to ownership is complete and correct and that there are no encumbrances or unduly onerous or unusual easements, restrictions, outgoing or conditions, likely to have an adverse effect upon the value of the property, attaching to the relevant interest in the property of which we have not been made aware and that a good and marketable title to the relevant interest is held.
  - c) That all covenants in any head leases have been complied with and that there are no disputes with the lessors or notices received from the lessors or lessees which would adversely affect the valuation.
  - d) That, unless we are informed otherwise, each property complies with all relevant Statutory Requirements (including, but not limited to, Fire Regulations, Bye-Laws and Health and Safety at Work).
  - e) That each property has been constructed, and is occupied, in accordance with valid Town Planning Consents and Building Regulations Approvals, and that it complies with any other relevant Statutory and Bye-Law requirements and that there are no outstanding Statutory or other notices in connection with the property or its current use.
  - f) That, unless we are notified otherwise, the presence of high alumina cement, calcium chloride additive, blue asbestos or any other deleterious, harmful or hazardous material has not been determined and our valuation will be arrived at on the basis that these materials have not been used in the construction of any buildings or subsequently added.
  - g) That the Control of Asbestos Regulations 2006 which from 1<sup>st</sup> May 2004 requiring all commercial buildings to have both an Asbestos Inspection Report and Management Plan have been complied with.
  - h) That the Disability Discrimination Act 1995 which required all service providers not to discriminate against disabled persons has been complied with.
3. No structural surveys will be carried out, nor will we test any services or inspect roof voids, woodwork or any parts of the structures which are covered, unexposed or inaccessible, and, therefore, such parts will be assumed to be in good repair and condition and the services will be assumed to be in full working order. Any obvious defects or items of disrepair will be taken into account, but we will not be able to give any assurance that any property is free from defect.
4. Plant and machinery will not be included in the valuation unless forming part of the structure and normally valued with the building.
5. We will not carry out or commission a site investigation or geographical or geophysical survey and, therefore, we will not be able to give any opinion or assurance or guarantee that the ground has sufficient load bearing strength to support any of the existing constructions or any other constructions that may be erected in the future. We also cannot give any opinion or assurance or guarantee that there are no underground mineral or other workings beneath the site or in its vicinity nor that there is any fault or disability underground which could or might affect the property or any construction thereon.
6. We will not be instructed to undertake or commission an environmental assessment to establish whether contamination exists or may exist, nor will we be provided with details of any such assessment which may have been prepared by a specialist adviser in respect of the subject property and its environs. We will not carry out any detailed investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination of the subject property from these uses or properties.

Therefore, for the purposes of our Valuation Report, we will assume that no contamination exists in relation to the property sufficient to affect value.

However, if during the course of our inspection and subsequent enquiries for valuation purposes, or through our knowledge of the locality, we become aware of any matters which may indicate the likelihood or potential for contamination of the subject property, these will be brought to the attention of the Client and will be stated in our Report.

Should it be established subsequently that contamination exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminate use, this might reduce the values set out in our Valuation Report.
7. All measurements will be carried out in accordance with the Code of Measuring Practice issued by the Royal Institution of Chartered Surveyors, unless stated otherwise in our Report.

8. We shall make informal oral/web enquiries of the relevant local planning and rating authorities and we will take into account the information received in the preparation of our Valuation Report. No searches will be carried out and, therefore, unless we are specifically advised to the contrary, we will assume that the property and its value are unaffected by any matters which would be revealed by a full Local Search.
9. No account will be taken of any liability for taxation which may arise upon the disposal of the property, nor will we deduct the likely costs of such disposal. However, normal purchasers' costs will be reflected in our valuations.
10. The valuation date will be the date of our Valuation Report, unless specified otherwise.
11. Unless agreed otherwise in writing our Valuation Report will be prepared in accordance with the requirements of the Royal Institution of Chartered Surveyors Valuation - Professional Standards and, in particular, the definitions of the various valuation bases set out therein, which are reproduced below as follows:-

#### **Market Value (MV)**

The value prepared on an open market basis in accordance with the RICS Valuation – Professional Standards.

"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".

#### **Market Value (MV) subject to special assumptions**

In certain circumstances valuers may be asked to provide a Market Value subject to special assumptions which have previously been agreed between the valuer and the client. Where such interpretations are required the additional special assumptions will be included within the valuation section of the report.

#### **Market Rent (MR)**

The estimated amount for which a property, or space within a property, should lease 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 each acted knowledgeably, prudently and without compulsion.

12. Unless stated otherwise, Brasier Freeth LLP, in its capacity as Independent (or External) Valuer, conforms to the requirements of the Valuation Standards referred to in 11 above.
13. If an informal estimate of current reinstatement cost for insurance purposes is required, our standard conditions in respect of such estimates, a copy of which is enclosed herewith, shall apply.
14. The Valuation Report will be provided only for the purpose agreed with the instructing Client and will be for the sole use of that Client. As such, it is confidential to the Client and his professional advisors.

We accept responsibility to the Client alone that the Report will be prepared with the skill, care and diligence which can reasonably be expected of a competent Valuer but accept no responsibility whatsoever to any other person, who relies upon the Report at his own risk.

15. Neither the whole nor any part of the Valuation Report may be included in any published document, circular or statement nor published in any way without the Valuer's written approval of the form and context in which it may appear.
16. Brasier Freeth LLP undertakes all services only on the basis of these terms which shall apply to the exclusion of any other terms and conditions which the Client may seek to impose.

No variation of these terms shall be binding unless agreed in writing between the authorised representative of Brasier Freeth LLP and the Client.

Our Valuation Report will be prepared based on these assumptions and any further assumptions stated therein. If any such assumptions are subsequently found to be incorrect or inappropriate we reserve the right to revise our opinions of value accordingly.

17. The Client will pay to the Valuer the fee agreed/confirmed in writing by the Valuer and the amount of any Value Added Tax on the fee. In addition, if similarly agreed/confirmed in writing, the Client will reimburse the Valuer the cost of all reasonable out-of-pocket expenses which may be incurred, and any VAT thereon. Brasier Freeth LLP reserves the right to levy interest at the statutory rate prescribed by the late payment of Commercial Debt (Interest Act 1998) on all accounts remaining unpaid 30 days after payment is due.
18. Any fees paid in advance of the work being carried out will be paid into a trading account. Such monies will not be treated as client monies and are not covered by the RICS Client Protection Scheme and Rules of Conduct.
19. Brasier Freeth LLP operates a Complaints Procedure in compliance with our Professional Body's requirements. If you are unsatisfied in any way with the service provided by Brasier Freeth LLP, any complaints should, in the first instance, be directed to Mr J Oliver, Brasier Freeth LLP, Wentworth Lodge, Great North Road, Welwyn Garden City. Complaints received in writing will be attended to promptly.

**APPENDIX 5**  
**INSTRUCTIONS**

Our ref: TJ/AMB/1902.2

19<sup>th</sup> February 2016

**Private & Confidential**

Mr D Curran  
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Carlton House  
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Dear Dave

**THE GATE, VICTORIA STREET, DUNSTABLE, BEDFORDSHIRE**

Further to our recent meeting and email conversation, we write to confirm your instructions for us to carry out a valuation of the freehold interest in the above property, subject to the current occupational lease.

Our valuation will be set out in a format which will conform to the RICS Valuation – Professional Standards January 2014.

For the avoidance of any doubt, our understanding of the requirements for the valuation is as follows:-

<b>a) Identification of the valuer</b>	Timothy J Jones Dip VEM MRICS MEWI
<b>b) Identification of the client and any other intended users</b>	Thamesbridge Groundworks Ltd.
<b>c) Purpose of the valuation</b>	Asset accounting. It is understood that the property is held in a Self-Invested Personal Pension Plan (SIPP).
<b>d) Identification of the asset or liability to be valued</b>	The Gate, Victoria Street, Dunstable, Bedfordshire LU6 3BA
<b>e) Basis of value</b>	Market Value (MV) – Subject to occupational lease.
<b>f) Valuation date</b>	1 <sup>st</sup> February 2016.

<b>g) Extent of Investigation</b>	Internal/external inspection.
<b>h) Nature and source of information to be relied upon</b>	<ul style="list-style-type: none"> <li>• Valuer's inspection.</li> <li>• Planning investigations.</li> <li>• Indicative plans showing possible future conversion to residential use.</li> </ul>
<b>i) Assumptions and special assumptions</b>	None.
<b>j) Currency</b>	All valuations provided by Brasier Freeth LLP are in GB Pounds (Sterling).
<b>k) Fees</b>	<b>Our fees will be charged at the rate of £950 plus VAT.</b>
<b>l) Complaints handling</b>	Brasier Freeth LLP is registered for regulation by the Royal Institution of Chartered Surveyors and a copy of the firm's Complaints Handling Procedure is available on request.
<b>m) Monitoring</b>	The valuation may be subject to monitoring under the RICS Conduct and Disciplinary Regulations.
<b>n) Status of valuer</b>	<p>The valuation will be carried out by an RICS Registered Valuer who has the appropriate knowledge and experience in respect of this instruction.</p> <p>The report will contain:-</p> <ol style="list-style-type: none"> <li>1. The identity of the valuer.</li> <li>2. Confirmation he/she is in a position to provide an objective and unbiased valuation.</li> <li>3. Confirmation whether the valuer has any material connection or involvement with the subject of the valuation assignment.</li> <li>4. Confirmation that the valuer is competent to undertake the valuation assignment.</li> </ol>

Brasier Freeth LLP has a valuer rotation policy in respect of regular revaluations.



It only remains for us to ask that you sign and date a copy of this letter by way of confirmation of your instructions/agreement to our fee basis and **return copy of same in the prepaid envelope provided.**

Kind regards

Yours sincerely

**TIMOTHY J JONES DIP VEM MRICS MEWI**  
**For and on Behalf of Brasier Freeth LLP**  
Email: [tim.jones@brasierfreeth.com](mailto:tim.jones@brasierfreeth.com)

Enc: *Copy letter*  
*Prepaid envelope*

SIGNED

(Signature)

.....  
*DAVID CURRAN*

(Name in Capitals)

.....  
*THAMESBRIDGE GROUNDS*

(Company if applicable)

.....  
*22/2/16*

(Date)