



S I N G L E T O N

WITH COMPLIMENTS
SINGLETON ENGINEERING (UK) LIMITED

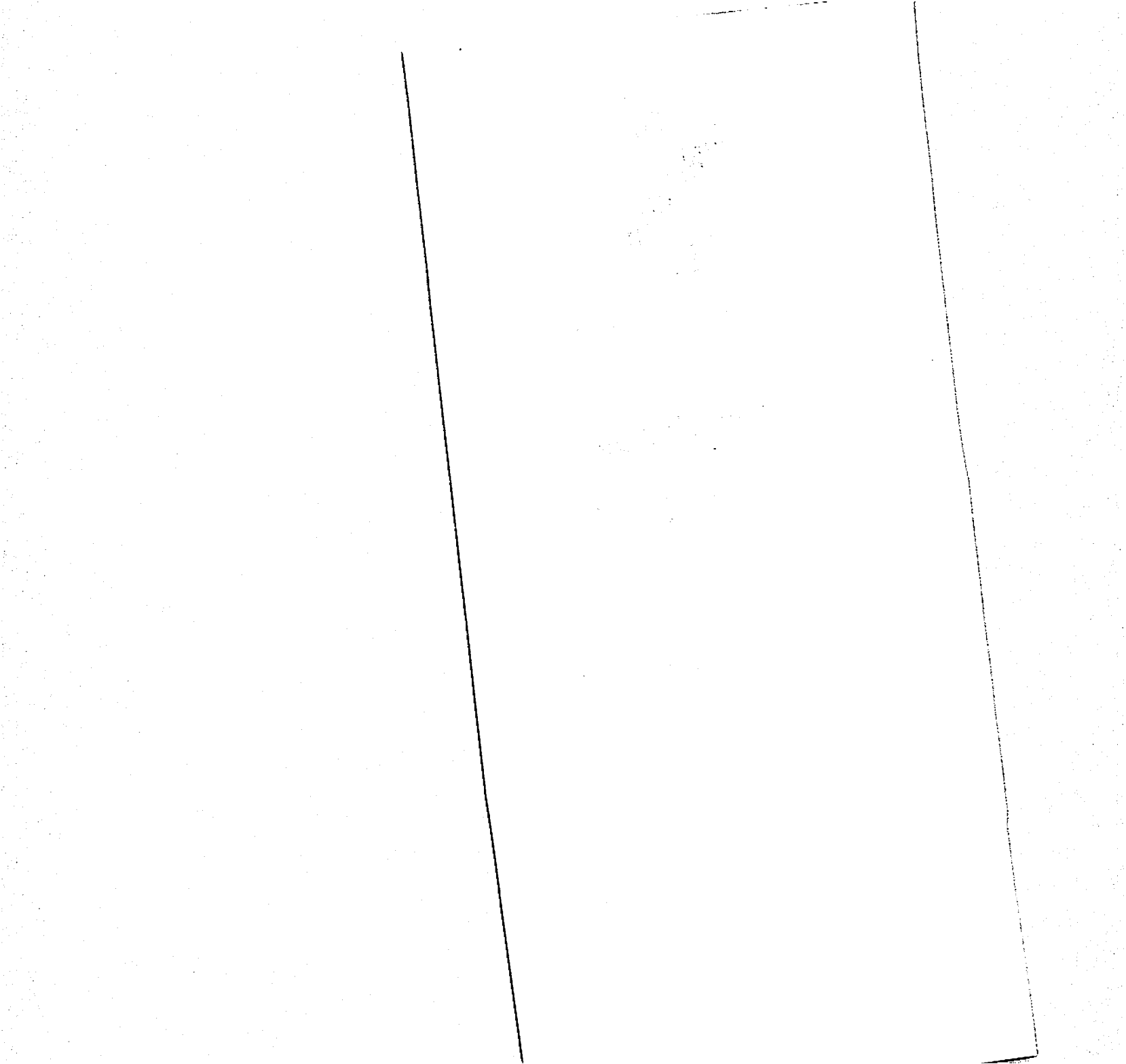
BLACKNELL LANE INDUSTRIAL ESTATE, CREWKERNE, SOMERSET, TA18 7HE
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www.singletoneng.com

Attn: Gavin

Property valuations
for your information

Regards

Tim S



cc
PWS
MMS
DBS
DCS
RA
GW
PP

REPORT & VALUATION INSPECTION REPORT

of

The Eden Building (Part of)
Unit 2
Blacknell Lane Trading Estate
Crewkerne
Somerset
TA18 7HE

For and on behalf of

Trustees of Singleton Engineering Pension Scheme
Blacknell Lane Industrial Estate
Crewkerne
Somerset
TA18 7HE



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On the instructions of:

Trustees of Singleton Engineering Pension Scheme
The Eden Building (Part of)
Unit 2
Blacknell Lane Trading Estate
Crewkerne
Somerset
TA18 7HE

Our ref: LB/SC

7 February 2013

**STRICTLY PRIVATE AND CONFIDENTIAL
TO ADDRESSEES AND THEIR PROFESSIONAL ADVISORS ONLY**

**RICS REPORT AND VALUATION
INSPECTION REPORT**

Dear Mr Singleton

**Re: The Eden Building (Part of), Unit 2, Blacknell Lane Trading Estate
Crewkerne, Somerset, TA18 7HE**

INSTRUCTIONS

Lyndon Brett Partnership received confirmation of instructions on 7th January 2013 at a meeting at the above named premises, to advise on the value of the Freehold interest in the property known as The Eden Building (Part of), Unit 2, Blacknell Lane Trading Estate, Crewkerne, Somerset, TA18 7HE, for the purpose of contemplating current market values for the possible apportionment of the Pension Fund Assets, held by the Trustees of Singleton Engineering Pension Scheme.

A copy of our Valuation instruction letter dated 7th January 2013 and signed 14th January 2013 is attached as annex 1 which includes our Terms of Engagement and complaints procedure, which should be read in conjunction with this Report.

The Valuation in this report has been prepared in accordance with the Appraisal and Valuation Standards 5th Edition ('The Red Book') issued by the Royal Institution of Chartered Surveyors in April 2010 (6th Edition).

The basis of Valuation adopted is Market Value (MV). In using this definition we confirm that the interpretive commentary set out in the Red Book has been applied.

The property was inspected on 7th February 2013 by Lyndon Brett MRICS and following consideration of all relevant matters we now report.

We confirm that Lyndon Brett Partnership, County Court Chambers, Queen Street, Bridgwater, Somerset, TA6 3DA holds Professional Indemnity Insurance for up to £1,000,000 in respect of any one claim.

This report is provided for the Trustees.

Valuations for the Financial Statements of pension schemes shall be in accordance with the SORP issued by the Pension Research Accountants Group (PRAG).

Valuations for this purpose are Regulated Purpose Valuations (UKPS 5.1) and the various disclosure requirements apply (see Basis of Valuation section hereunder)

Occupational pension schemes are governed by the Pension Schemes Act 1993 and the Pensions Act 1995. The Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 (SI 1996/1975) impose requirements with regard to audited accounts.

PRAG is recognised as the SORP-making body for pension scheme Financial Statements.

The SORP Financial Reports of Pension Schemes, A statement of Recommended Practice (Revised May 2007) states that properties should be included at 'Open Market Value' or other appropriate Basis of Valuations determined in accordance with Practice Statement 'UK Chapter 2 Valuations for Financial Statements – specific applications'. There is no material difference between 'Open Market Value' and 'Market Value' and the correct application of either will produce the same figure. The term 'Market Value' will be used for the purposes of this report.

The SORP applies only to pension schemes that are regulated by the FSA.

The SORP recommends that where property comprises a significant proportion of total investments, property Valuations should be carried out by Independent Valuers at the same frequency as actuarial Valuations of the fund, but in any case not less than triennially.

In other cases, properties may be included on the basis either of an annual Valuation by an External or Internal Valuer or, if a less frequent Valuation is justified, on a rolling basis over one to three years by an External or Internal Valuer. More frequent Valuations may be necessary in the case of properties in the course of development, re-development or refurbishment.

It is understood that an appraisal of value is required in respect of the above-mentioned property for the purposes of Pension Fund Asset assessment. We are able to confirm that this report has been prepared in accordance with your instructions and the relevant Practice Statements contained within the RICS Appraisal and Valuation Standards 6th Edition (April 2010 as amended).

We would reiterate that we have had no dealings with the property to be valued, (other than for valuation purposes in March 2011), the customer or any other party connected with this valuation, during the past two years, nor do we anticipate any fee earning involvement arising.

We are therefore unaware of any conflicts of interest, which prevent us from carrying out your instructions.

We have been instructed by the Pension Trustees to prepare a dilapidation report on another property within the Pension Portfolio. We do not believe that such an instruction provides for a conflict of interest.

SCOPE & LIMITATIONS

The Scope and limitations of this appraisal and valuation are as detailed in our letter of instruction dated, 7th January 2013. Copy correspondence may be found in Annex 1.

This Valuation is prepared solely for the use of The Trustees of Singleton Engineering Pension Fund and no responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to other professional advisers assisting in respect of the purpose for which the Valuation is prepared.

INFORMATION SUPPLIED

- In accordance with your instructions we are reliant upon information supplied by the client in relation to tenure, services, rights of way, adoption of access roads and land contamination.
- In accordance with your instructions we are further reliant upon information supplied by South Somerset District Council in respect of Planning matters and Business Rates liability.

MARKET CONSIDERATIONS

Freehold property as an investment vehicle is at this time in good demand particularly for the 'well-let' properties offering long lease terms. Demand has strengthened against other investments from 2004-2008, due to low interest rates, demand from pension plans and endowments, but over the last few years due to the current economic climate, investment yields have hardened and premises and tones of rent have weakened, which have been a material consideration in the assessment of values. Whilst yields are still at low levels, investors are seeking longer term lettings with capital growth potential.

The secondary market is not as strong in terms of yields as the primary market but nonetheless yields have followed the downward trend of prime property.

The demand from Tenants for industrial property is balanced with supply and rental values that showed a rising trend for some time in the mid "noughties", having now stabilised, but with higher risks of voids, potential for Tenant default or longer periods of voids.

In secondary property, lease terms are generally both short and flexible. The lease terms are outlined in the Tenure section of the report. We would point out that ten year lease terms have been entered into by Merriott Plastics Ltd and a further lease is imminent, with legal terms documented and the draft lease approved for signature by Sleabridge Ltd.

Part of the premises continues to be occupied by Singleton Engineering on a rolling annual lease, which can be terminated on minimal notice, but is currently sub-let to Merriott Plastics.

The company will be vacating the balance of the unit on May 31st 2013. The accommodation is currently being marketed by Greenslade Taylor Hunt, but with no marketing board in place.

We have taken into account the fact that the lease will be concluded in respect of the letting to Sleabridge Limited in 2013 and we have assumed that the rental roll would rise to circa £103,328 pa exclusive.

SPECIAL ASSUMPTIONS

No Special Assumptions have been made in the preparation of this Valuation Report.

BASIS OF VALUATION

Our Valuation has been carried out in accordance with the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors. The basis adopted for this instruction is Market Value, which is defined in the Manual as:-

‘The estimated amount for which an asset should exchanges 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 knowledgably, prudently and without compulsion’

PS 20 of the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, requires the disclosure of all related party interests or arrangements in land and buildings which a Pension or Superannuation Fund has an interest and for the purposes of this Valuation it has been assumed that the Trustees have made the Valuer aware of all the essential details outlined below.

Trustees have a general duty to act in good faith in relation to their dealings with a Fund’s assets and the disclosure of transactions with related parties helps to ensure that their duty is not compromised by such transactions.

All related party transactions of which the Valuer is aware or is made aware by the Trustees and or Fund Manager, should be disclosed but the onus of identifying potential conflicts of interest is on the Trustees rather than the Valuer.

It follows that, in assessing who should be identified as a related party in a transaction involving a Fund, the Trustees should consider all those parties whose interest’s conflict or may possibly conflict, with the interest of the beneficiaries of the Fund and who might be seen as influencing the terms of the transaction.

The guidelines which illustrate the breadth of this general principle are set out as follows:

The related parties of pensions and superannuation schemes or funds fall into three broad categories:

- Employer-related;
- Trustee-related; or
- Related to the Fund Manager, scheme administrator or other parties engaged by the Trustees to carry out functions for the Fund

Related parties also include other Funds for the benefit of employees of companies and businesses related to the Employers, Trustees or parties engaged by the Trustees.

Employer related parties are:

- The sponsoring Employer, its Directors and their immediate families;
- Companies and businesses under the same control as the sponsoring Employer;
- Companies (and their associated undertakings and joint ventures) in the same group as the sponsoring employer; and
- Companies and businesses controlled by the directors of the sponsoring Employer or their immediate families

In so far as the Trustees were, or are now, aware of the relationship.

Trustee-related parties are:

- Trustees and their immediate families;
- Trustees' employers and employees; and
- Companies and businesses controlled by the Trustees and their immediate families

Parties related to the Fund Manager, scheme administration or other parties engaged by the Trustees to carry out functions for the scheme are:

- The parties so engaged, their directors or equivalent principal managers and their immediate families;
- Companies and businesses under the same control as the parties so engaged;
- Companies (and their associated undertakings and joint ventures) in the same group as the parties so engages; and
- Companies and businesses controlled by the directors or equivalent principal managers of the parties so engaged or their immediate families.

In so far as the Trustees were, or are now, aware of the relationship.

The Valuer has been provided with the following information by the Trustees:

a) The names of the related parties:

Peter William Singleton, Martin Hugh Singleton, David James Singleton and Duncan Charles Singleton

b) A description of the relationship between the parties:

Co Trustees, co beneficiaries of the fund and co directors of the Tenant company.

c) Description of the transaction:

Landlord and Tenant as described above.

d) The amounts involved

Rental only, under the terms of the lease(s) as above

e) Other elements of the transactions of which the Valuer is aware and which are necessary for an understanding of the Report:

None

In accordance with your instructions we have provided opinions of:-

- Market Value
- Market Rent

We trust that we have interpreted your instructions correctly and on that assumption report as follows:-

1 Name and Address of Client

Trustees of Singleton Engineering Pension Scheme
Singleton Engineering
Blacknell Lane Industrial Estate
CREWKERNE
Somerset
TA18 7HE

2 Type of Property and Classification

Industrial and Warehouse Space – B1, B2 and B8 use.

3 Address of Property Inspected

The Eden Building (Part of)
Unit 2
Blacknell Lane Trading Estate
Crewkerne
Somerset
TA18 7HE

4 Date and Extent of Inspection

The property was inspected by the writer on the 7th February 2013.

It should be noted that on site constraints and the lack of access platform or scaffolding prevented a close inspection of the building's roof covering. We are advised that the works of roof overhaul, completed in 2011 were satisfactory.

5 Weather at Time of Inspection

Initial inspection 19th November 2012 – weather overcast and raining, with intermittent rainfall throughout the inspection.

Second site visit 7th February 2013 – dry conditions with cloud cover after heavy and prolonged rainfall.

6 Date of Valuation

The date of our valuation is 7th February 2013. No account has been taken of any changes to the property that may have occurred subsequent to the date of our inspection.

7 Tenure and a note of Tenancies (if any)

We have assumed for the purposes of our Valuation that the Freehold interest is unencumbered and free from any unduly onerous or unusual easements, conditions, restrictions or outgoings. We are not aware of any rights of way over the property.

We assume that the boundaries on the site plan (annex 2) are correct.

We would recommend that it is confirmed that the above assumptions are accurate and that the Freehold interest is good and marketable.

We have had sight of a lease for a term of 10 years dated 19th November 2010 between Peter William Singleton, Martin Hugh Singleton, David James Singleton, Duncan Charles Singleton (The Managing Trustees of The Singleton Engineering Pension Scheme) and Merriott Plastics Limited (whose registered office is at Tail Mill, Tail Mill Lane, Merriott, Somerset, TA16 5PG, Company Registration Number 03496164) in respect of the above property.

We have had sight of a draft lease undated between Peter William Singleton, Martin Hugh Singleton, David James Singleton and Duncan Charles Singleton (The Managing Trustees of Singleton Engineering Pension Scheme) and Sleabridge Limited, whose registered office is at 2 Chartfield House, Castle Street, Taunton, TA1 4AS (Company Registration number: 4143748).

8 Services

We are advised that mains gas, electricity (three phase) and water are supplied and connected. We are advised that the drainage is pumped to the mains drain system.

We have assumed for the purposes of our Valuation that the Services are in satisfactory condition and that the supply capacity is sufficient for the use of the property.

Heating in the main production areas is by way of high level overhead gas fired blower heaters.

9 Local Taxation

Our internet enquiries confirm that the property is entered in the Rating List of the various assessments which are not subject to any transitional relief.

The assessments are an amalgamation of the parts of the premises known as 'The Eden Building' occupied by the various Tenants. This is not just the part that is the subject of this report, which in itself has been subject to re-assessment, following the sub-division of the unit shared with Sleabridge Ltd.

Details of the various assessments are provided in Annex 3.

10 Situation and Location

The property is located in the principle trading area known as Blacknell Lane Trading Estate approximately half a mile from the town centre of Crewkerne, Somerset just off the A356 (Dorchester Road). Key occupiers on the estate are TOD Aero Defence, VES Precision Engineering, Rotalink, Cronite, Parker and Royal Mail.

A location Plan/site plan is attached annex 2 of this report. The subject property is edged red on the plan.

Crewkerne is a busy little Somerset former market town of around 7,000 residents, but targeted for growth. The town is situated 9 miles (14 km) south west of Yeovil and 7 miles (11 km) east of Chard in the South Somerset district, close to the border with Dorset.

There are local supermarkets at Henhayes (Waitrose and Lidl) and local shops, and some local industry providing employment, but with the main source of employment for the district located at Yeovil.

New development is ongoing on the Persimmon Homes development to the South and West of Crewkerne, abutting Cathole Bridge Road.

The town retains neo-Georgian architecture in its famous honey-coloured town centre stone built buildings. Crewkerne boasts a variety of shops, small cafes, local pubs, a traditional hotel in the market square, variety of leisure outlets, museum, GP Surgeries

Further out of town, there are industrial estates for various businesses and manufacturers. Visible from many parts of the town is the open farm land of the South Somerset countryside which surrounds the settlement of Crewkerne.

New development is envisaged by virtue of the CLR for Crewkerne, which includes approximately 1,000 new homes and additional employment land being made available to provide economic benefits, jobs and sustainable development for the town's population.

The site is located adjacent to the County Council recycling and waste transfer session.

As part of the development linked with the development link road (CLR), the recently approved development scheme will include a link between the A30 to Yeovil and the A356 to Dorchester. Running to the East of Crewkerne the site will provide for a mixed use scheme of residential to the north and employment land to the South, East of Crewkerne, bounded by the CLR, which will provide for improved linkage into the Blacknell Lane industrial estate.

The residential element provides for 525 new homes with new school facilities together with community hall and neighbourhood shopping, as a local centre.

General

The property comprises a substantial part of the property known as, the Eden Building, a manufacturing/warehouse building (see Accommodation).

The Eden Building was originally purpose built for Eden Enterprises in 1986 with a further bay added in 1988.

The building footprint to site ratio is restrictive and could be construed as over developed with limited on site space to the rear and sides but the front yard appears adequate for its purpose.

To the West and North of the premises is an outside area abutting the Western and Northern boundaries, part of which is currently used for outside storage and part we understand an area for circulation over which the neighboring rear unit outside of the Pension Trust asset, enjoys rights of access.

To the North and West of the property is the municipal recycling centre and waste transfer station.

To the East of the subject premises is the remainder of the Eden premises (part of which is also under the occupation of Merriott Plastics Limited on a similar lease length, to another Landlord owner and part in the occupation of an owner occupier, who we understand manufactures kitchens).

and Schools.

To the South is the entrance, yard and parking areas (which extends into the area under the separate lease held by Merriotts Plastics Limited, presumably with rights of access over).

There is no formal entrance or reception area to the subject property occupied by Singleton Engineering Ltd. This could be achieved, if let separately from the current arrangements subject to obtaining all necessary consents. The Tenant of the central section owned by the Pension Trustees have a reception which is located to the right hand side at the front of the Eden Building, forming part of a purpose built office block under the adjoining owner's lease as described above.

No office provision is included with Merriott's area of occupation.

Vehicular access to the site is off Blacknell Lane. Blacknell Lane finishes just past the entrance and boundary of the Eden campus (as a whole). We have been informed that the access road has not been adopted up to the entrance of the property. The last 50 metres we understand is in private ownership.

Our Valuation assumes that there are no financial obligations upon the owner for the upkeep or adoption of this section of road and full access rights are secured.

The car parking area is tarmacaded and the HGV served area are mainly surfaced in concrete.

11 Roads/Highways

The Client has informed us that the property is, to the best of his knowledge, unaffected by any third party rights of way.

Legal Advisors to verify the above.

12 Construction

Construction is of steel frame with a concrete floor and principally insulated profile steel panelled walls with 8 No. roller shutter doors and personnel fire doors to the side and rear elevations.

The property is built on a sloping site and internally the building is of 2 No. split levels.

Part of the later extension (See – 13. Accommodation) is close to ground level at the front of the building with loading by a ramp. There is dock level loading provided at the remaining roller shutter doors serving the main production area (Accommodation). The rear sections of the property, (Accommodation) are at a higher level.

Lyndon Brett Partnership were not instructed to undertake any structural surveys, test the services, or arrange for any investigations to be carried out to determine whether any deleterious or hazardous materials have been used in the construction of the

property valued. It is assumed that the property is free from latent defects.

From our inspection for Valuation purposes the various elements are generally in reasonable order for the construction, age and use although there is considerable impact damage to the cladding both to the inside and outside of the building.

This is a report for valuation purposes and not a full building survey, as a full building survey report has not been commissioned, or in fact sought.

We have not carried out a building survey of the property nor inspected parts of the property which were covered, unexposed or inaccessible, nor arranged for nor carried out specialist tests of the ground conditions, of any part of the structure and sub-structure, nor of the electrical, heating, air conditioning, plant and machinery equipment or other services to the property or running under the site.

The Lyndon Brett Partnership cannot express an opinion about or advise upon the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts. Those relying on this report should be aware that although regard has been taken of the apparent state of the property, defects might exist that are latent or would be revealed in a more detailed survey.

The Lyndon Brett Partnership is unable to confirm that the property is free from risk of high alumina cement concrete, calcium chloride additive, asbestos of any type or other potentially deleterious or hazardous materials or techniques having been used in the construction or alterations to the property.

No measurement or calculation has been made of the load bearing capacity of foundations, floors or other elements of the structure, which it is assumed is suitable for the present or proposed uses.

The valuation assumes that any more detailed reports, tests or calculations would not reveal any materially adverse conditions.

Unless stated otherwise in this report, we have not been made aware of the content of any environmental audit, land quality statement or soil survey, which may identify contamination/pollution or warn of this possibility.

Our report in this respect, made only from visual inspection and limited enquiry, cannot be relied upon as conclusive and accordingly the valuation on the assumption that the property is not subject to contamination can only be validated if, following an exhaustive investigation by appropriately qualified consultants, the property is found to be uncontaminated and not exposed to pollution.

Where Lyndon Brett Partnership are provided with reports by identifying the existence and extent of contamination and the costs of remediation, we rely upon the information contained without any liability thereof.

This report is provided for the stated purpose only and for the sole use of the named client. It is confidential to the client and their professional advisors.

13 Accommodation

The property is situated on a site which extends to 0.757 hectares or thereabouts and is outlined in red on the accompanying plan – Annex 2.

The area of occupation and the demise of the Trustees of the Singleton Engineering Pension Scheme and Merriot Plastics Limited is outlined in red – Annex 2.

The area of demise occupied under the proposed lease between Trustees of the Singleton Engineering Pension Scheme and Sleabridge Limited is outlined in red on the plan accompanying the lease – Annex 2.

We have measured the building in accordance with the RICS Code of Measuring Practice (Fifth Edition) and calculate that it provides the following Gross Internal Floor areas – See Annex 4.

14 Plant, Machinery, Furniture, and Equipment

Plant, machinery furniture and equipment are excluded from this Valuation.

15 Accounts

N/A

16 **BUILDING REGULATIONS, TOWN PLANNING, ROADS, STATUTORY, MINING, ENVIRONMENTAL MATTERS AND SERVICES**

(General comment where appropriate - no enquiries have been made as these are the responsibility of your legal advisor)

We have made informal verbal enquiries with South Somerset District Council and understand that the properties have consent for the existing use.

We are not aware of any Local Authority Planning or Highway proposals likely to have an adverse effect upon the value of the property.

Planning Permission has been granted in 2013 for a mixed use scheme including a substantial residential development extending to 14.21 hectares which would provide for 525 new homes, together with School site and meeting hall, local centre with a small parade of shops, all linked with the creation of the Crewkerne link road (CLR) – see annex 5 of master plan for 525 units.

The scheme also frees up land for employment use purposes to the East side of town, west of the new CLR and the network road link will improve access to the industrial

estates of Blacknell Lane.

A section 106 agreement with Taylor Wimpey and the consortium of residential house builders has been agreed.

The agreement provides for the link road to be fully completed within 4 years of the occupation of the first house, subject to the developer being allowed to have no more than 199 dwellings occupied until the link road is completed.

There are a number of conditions which are to be discharged before the scheme can be implemented.

Despite the prospect of development being in the offing, realistically the benefits to Crewkerne of the CLR and in particular, the benefit to Blacknell Lane industrial estate is likely to be delayed for 4-5 years but will in turn provide good roadside frontage to what is the rear end of the Eden building, possibly benefiting from quasi retail end use.

The Eden building is currently the building located at the end of Blacknell Lane, East of the town, so with the opening up of additional land for employment purposes and associated internal estate roads, the improved road network and access onto the CLR and its links with the A30 and A356 will improve marketability.

In preparing this report we have assumed that all necessary statutory and legislative enactments have been complied with. We have also assumed that there are no outstanding notices in respect of the premises.

In preparing this report we have assumed that all necessary statutory and legislative enactments have been complied with.

Prior to exchange of contracts we would advise that you ascertain from the vendor whether any asbestos containing materials (ACMs) exist within the property, and whether there exists a register or risk assessment together with plans to show compliance with the Control of Asbestos at Work Regulations.

If any works to the premises are proposed, you should be aware of the Construction Design and Maintenance Regulations 1994 and the obligations arising therefrom.

If purchasers should be aware of the existence of Mineral Rights, advice should be taken on the implications of the Land Registration Bill 2001 and inspection of the Register of Cautions.

Prior to exchange of contracts we would advise that your insurers through their appointed surveyors confirm the level of premium payable in respect of Insurance Reinstatement and that the materials of construction are deemed acceptable for purposes of cover.

Advice on the level of cover available, together with the weighting applied and confirmation that the premises will be considered an appropriate and acceptable risk

should also be prior obtained.

Disability Discrimination Act 1995

Under the Disability Discrimination Act 1995 requirements are imposed on owners and occupiers of business premises who provide a service to the public. This relates to means of access for disabled persons and requirements will be imposed with effect from October 2004 to make provision for this. At present there is no evidence in the market to support a difference in values between those buildings conforming with the requirements of the Act and those which do not. In the longer terms there may be implications for the value of property which do not comply with the Regulations.

Environmental Considerations

The Environment Act 1995 places a duty upon Local Authorities to identify contaminated land in their areas, gives them and the Environment Agency power to serve remediation notices and to maintain registers of remediation statements, declarations and appeals. The principle will be for the polluter to pay for remediation works and only where liability is legally transferred or the polluter cannot be found will the costs fall on the owner.

An owner would not include a mortgagee not in possession but liability will be of concern to a lender if possession is ever to be contemplated. Liability will extend to pre-existing pollution and an owner who has caused or knowingly permits an escape of pollution through his or her land will be liable even if the source was on other land.

In preparing this report our investigations have been limited to visual inspection of the property, consideration of its use, the uses of this and adjacent property, so far as is evident and only superficial enquiry into past uses of this property.

Should it be established subsequently that contaminants, seepage or pollutions exist at the property, or any neighbouring land, or that the premises have been or are being put to any contaminative use, this might reduce the values as now reported.

As our investigations and enquiries have not been exhaustive and in view of the potential liabilities, we recommend consideration be given to considering a Land Quality Statement or Environmental Audit for which we can introduce the relevant consultants.

We are advised that the property was developed on a Greenfield site (formerly agricultural land). Our Valuation is therefore on the basis that no previous uses are likely to have caused contamination.

As previously reported, the neighbouring land to the North and East of the site is used as a municipal household waste disposal tip which may cause smells and noise.

We have not undertaken a survey of the accommodation to facilitate the preparation of

an Asbestos Register in accordance with the control of Asbestos Regulations at Work 2001. If not undertaken this should be completed at the earliest opportunity.

Lyndon Brett Partnership is unable to confirm or comment that the property is free from Asbestos contamination. Consequently should it be established that asbestos products exists in the property this might reduce the values now reported.

The above comments do not imply or give any warranty and we would be pleased to arrange for specialist environmental engineers to carry out an investigation should you wish to verify the situation.

17 DELETERIOUS OR HAZARDOUS MATERIALS

Asbestos is a health hazard if damaged or disturbed and replacement costs involved may be high. Appropriate advice should be obtained from an accredited specialist for carrying out any work affecting these parts. Even where asbestos is in good condition and left undisturbed, there are some potential purchasers who may be deterred by its presence.

Due to the age and type of the property, building components may contain an element of asbestos.

The control of Asbestos at Work Regulations has imposed from 2004 further duties in Managing Asbestos in the Workplace.

This includes an asbestos survey, manual and log book and plans indicating areas of construction identified as containing asbestos, handling procedures etc.

18 Commentary

a) Summary

The subject property was previously occupied at a higher level of rent overall, but with changes in Tenants, proposals for Singleton Engineering to vacate and a potential reduced rent roll, combined with changes in the overall property investment sector for properties of this form and ilk; this has impacted on property values.

Our valuation advices also reflect the tenancies, tenancy demise and the divided property interests. It also reflects the fact that the property is not compartmented, separating out the different ownership and the potential for costs associated with property division.

b) Methodology

In arriving at our opinion of value we have adopted both comparative and investment methods of valuation. Due consideration has been given to comparable sales and lettings evidence.

Alternative Uses

We do not consider that there are any alternative uses, which would materially affect the value of the property at the present time. With the advent of the CLR and new employment land being developed, this may open up opportunities to secure a higher value occupier, but for purposes of this valuation the opportunity is too remote to factor in.

19 Valuation

Under UK Appendix 2.4 Valuations for pensions schemes 2. Identification of categories and Basis of Valuation, of the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, valuations of land and buildings owned by Pension and superannuation funds are to be categorised under guidelines.

For the purpose of this report we have categorised the subject properties as follows:

'Properties held as Investments' - See Annex 4.

Complying with RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, the Valuer reports the total value of the properties divided into:

- Freeholds
- Leaseholds, distinguishing between long leases (those with over 50 years unexpired) and short leases (those with less than 50 years unexpired).

The value of the properties in any or each of these categories must be sub-divided between those let or contracted to be let to third parties and any let to, or occupied by, or contracted to be let to, or occupied by, a related party where the property is wholly or substantially (not less than one third by value) let to, or owned by, a related party and the Valuer must comment appropriately if an arrangement is not on normally-accepted current commercial terms, or where the rent presently reserved differs by more than 10% from the market rental value.

Aggregate totals of gross rental incomes, net rents (after deduction of all ground and head rents) and net rental incomes (after deduction of ground and head rents and all non-recoverable property outgoings but not amortisation) passing at the date of valuation (sub-divided between those derived from lettings to third parties and those from properties occupied by related parties);

Either:

- By category, the aggregate totals of such gross rental incomes, net rents and net rental incomes in order to forecast reversionary increases and decreases at appropriate yearly anniversary dates based on market rental values current at the valuation date. The projection need not normally be for a period beyond ten years unless so requested by the Trustees; or
- The market rental values current at the valuation date together with such information as is necessary to enable the Fund Manager to compute such reversionary increases/decreases; and

Percentage breakdown of the capital value of the portfolio as between offices, retails industrial and business space, agricultural and other classes of property, differentiating between UK and overseas properties.

Taking into account current market conditions, it is our opinion that the Market Value (MV) of the Freehold interest in the above described property, as at the date of this Valuation Report are as follows:

Market Value is understood as the value of an asset estimated without regard to costs of sale or purchase and without off set for any associated taxes.

Neither the Whole nor any part of this Valuation Report, nor any reference thereto may be included in any published document, circular or statement, nor published in any way without the Valuers written approval of the form and context in which it may appear.

We are of the opinion that the market value of the property in its existing condition subject to the existing and proposed tenancies reflecting a gross rental income of £113,328, but with the anticipated future void is **£1,200,000 (ONE MILLION TWO HUNDRED THOUSAND POUNDS)**

We trust the above report is satisfactory for the Trustees of Singleton Engineering Pension Fund purposes but should you have any further information or clarification, please do not hesitate to contact us.


LYNDON BRETT, (MRICS)

Lyndon Brett Partnership
Chartered Surveyor
County Court Chambers
Queen Street
BRIDGWATER
Somerset
TA6 3DA

PURPOSES, BASES AND LIMITATIONS RELATING TO THIS VALUATION

1. **Purpose of Valuation**

This valuation is prepared specifically for the purposes of advising the client on the open market value of the above property.

2. **Bases of Valuation**

- (a) This valuation is prepared in accordance with the RICS Statement of Asset Valuation Practice and Guidance Notes. It is prepared on the basis of the current open market value of the property, in its existing use, except where otherwise specifically stated in this report.
- (b) Guidance Note GN18 advises that it is not appropriate to value a property to be used as a security on a 'forced sale' basis. The basis of the valuation is, therefore, 'open market value' which is defined in accordance with Guidance Note G22 as the best price for which an interest in a property might reasonably be sold, assuming:-
 - (i) a willing seller
 - (ii) that prior to the date of the valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale
 - (iii) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation,
 - (iv) no account to be taken of any additional bid by a purchaser with a special interest
 - (v) no account is taken in this valuation of the effect on value of any special taxation

3. **Limitations**

- (a) Our valuation has had regard to the apparent state of repair and condition of the property, but we have not carried out a detailed inspection of the property. We understand that a structural survey of the property is not required and, therefore, our valuation assumes that the property is structurally sound and free from defects other than those specifically mentioned in this report.
- (b) In any case, we have not inspected those parts of the property which were covered, unexposed or inaccessible and consequently we cannot comment whether such parts are free from rot, beetle or other defects. Similarly, we have not inspected or tested services connected to or installed in the property and so cannot comment on their serviceability or otherwise.
- (c) We have not arranged for any investigation to be carried out to determine whether any high alumina cement, deleterious or hazardous materials have been used in the construction of the property and as it is impracticable to comment on the state of any wall ties we are, therefore, unable to report that the property is free from risk in this respect. For the purpose of this valuation we have assumed that such investigation would not disclose the presence of any such materials in any adverse condition. Although we believe the use of such materials to be most unlikely, we suggest that if this aspect is critical your solicitors should obtain copies of the normal pre-contract enquiries relating to this aspect.
- (d) We have not made searches at the office of the Local Planning Authority or Highway Authority and our valuation is based on information received from these departments from verbal enquiries only. We nevertheless recommend that, prior to exchange of contracts, your solicitors incorporate in their application for Local Searches to the Local Authority questions relating to proposed road works, highway development projects or planning schemes.
- (e) This report and valuation is based upon our inspection of the property and the information which has been made available to us, which we assume to be correct.

- (f) We do not have any direct or indirect interest in the property.
- (g) We have not inspected any documents of title and for the purpose of our valuation we have assumed that good title can be shown, and that the property is not subject to any onerous restrictions, encumbrances or obligations.
- (h) We assume that the property is unaffected by any statutory or contractual notice restricting its use and neither the property or its use gives rise to a contravention of any statutory requirement, and that planning permission has been granted or exists for its existing use, and that any conditions attaching thereto have been strictly complied with.
- (i) Whether or not there is any qualification in the report as to the source of any particular information, it remains the responsibility of the lender and the proposed borrower to ensure that all appropriate enquiries are made, accounts inspected, licenses and other permissions examined and the usual searches and other precautions taken by a solicitor in connection with the purchase and/or mortgage of the business or property.

This report is not intended to replace any of these investigations or enquiries but it may, however, point to further enquiries being necessitated. It must be remembered that the report does not contain a decision as to whether money should be lent or the business or property acquired.

- (j) This report is for the benefit of the parties to whom it is addressed and their professional advisors and no responsibility is accepted to any third party for the whole or any part of this report.
- (k) This report should be read as a whole and no part should be taken separately or out of context. It is prepared specifically for the stated purposes and no other.
- (l) Neither the whole or any part of this valuation, or any reference thereto, may be included in any published document, circular, or statement, or published in any way without written approval of the content or form in which it may appear.
- (m) No allowance has been made for the expense of realisation, or any taxation, which may arise in the disposal of development of the whole or any part of the property.
- (n) In view of the changing market conditions, this valuation should not be relied upon after the expiry of three months from the date of this report, even assuming that there are no changes in matters or assumptions affecting the valuation(s).

Annex

1. Instruction letter
2. Site Location Plan
3. Rating Assessment
4. Properties held as investments
5. Master plan of 525 units



**LYNDON
BRETT
PARTNERSHIP**

Principal: Lyndon Brett MRICS, FAVP

County Court Chambers, Queen Street, Bridgwater, Somerset TA6 3DA
Telephone: (01278) 450350 Facsimile: (01278) 428375
E-mail: info@lbp-rics.co.uk www.lbp-rics.com

Private & Confidential

PW, MH & DJ Singleton &
Namulas Pension Trustees Ltd
Singleton Engineering (UK) Ltd
Blacknell lane Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Our ref: LB/jaog

4th January 2013

Dear Mr Singleton

Re: Freehold Valuation Report – Singleton Engineering (UK) Ltd, Blacknell Lane, Crewkerne, Somerset, TA18 7HE

With reference to our recent telephone conversation, I confirm the fee quote to carry out the reports and valuations. I write to confirm that I would be pleased to undertake this work on your behalf.

It is my understanding that you require a valuation of the premises on the basis of an open market freehold valuation with vacant possession, or as per specific instruction of financial institution.

Fees

With regard to my fees, these will be based upon the former RICS scale of charges plus disbursements and VAT. The scale of charges is based upon the valuation figure and calculation at 1% on the first £1,500, 0.5% on the next £11,500 and 0.25% on the residue. The minimum figure to be £500 plus disbursements and VAT.

In light of historical research work previously carried out, I am pleased to offer an £850.00 reduction in fee, exclusive of VAT.

Payment of costs

As a general rule costs and disbursements are to be paid within 30 days of the issue of the invoice and after that time bear interest at 8% above National Westminster Bank plc based rate until paid in accordance with the Commercial Debts (Interest) Act.

Or

The commissioned report will be made available upon the payment of my firm's account which will be invoiced when the report has been finalised. The report can be forwarded or collected on the settlement of that account.

Responsibility for work

I shall carry out the majority of the work involved in connection with this matter personally. If you need to contact me I will usually be in the office or alternatively can be contacted on my mobile 07970 893963. You can also contact Julie Odhams-Good who will be familiar with the file. If they are unable to help you they will be able to take a message for you.

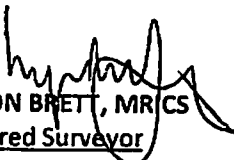
The ultimate responsibility for matters dealt with by this firm is the writer Lyndon Brett. I aim to offer my clients an efficient and effective service and I am confident that I will do so in this case. However, should there be any aspect of this practice's service with which you are unhappy, and which I cannot resolve on a mutual basis, then you may raise the matter with my colleague Julie, at this office who will implement our Internal Complaints Procedure. A copy of the Complaints Procedure is available on request.

RICS Regulations and Bye-Laws

It is a pre-requisite of the RICS that a signed letter of instruction is obtained prior to commencement of work. To save you writing a letter of instruction and by way of confirmation that you would like us to proceed on the basis as set out hereinbefore, I would be grateful if you would sign the enclosed extra copy letter and return same to the office.

Should you wish to vary my interpretation of your instructions in any way, please do not hesitate to contact the office.

Yours sincerely


LYNDON BRETT, MRICS
Chartered Surveyor

Peter Singleton

Date

Address of property: **UNITS A/B/C/E, EDEN WORKS, BLACKNELL LANE, CREWKERNE, SOMERSET, TA18 7HE**

Rating list: **2010 (Current)**

With effect from: **01 Oct 2012**

Description: **WORKSHOP, OFFICES AND PREMISES**

Billing authority: **SOUTH SOMERSET**

Billing authority reference: **301074396**

Special category code: **096 - Factories, Workshops and Warehouses (Incl Bakeries & Dairies)**

Basis of measurement: **GIA**

Valuation scheme reference: **121609**

Unadjusted £ m2/unit: **£25.00/m2**

Valuation

Ref.	Floor	Description	Area m2/unit	£ m2/unit	Value
1	Ground	Workshop	2863.87	£23.75	£68,017
2	Ground	Workshop	384.76	£23.75	£9,138
3	Ground	Office	41.65	£26.13	£1,088
4	Ground	Office	16.20	£26.13	£423
5	Ground	Office	6.53	£26.13	£171
6	Ground	Area Under Supported Floor	15.57	£16.63	£259
7	Ground	Store	36.52	£23.75	£867
8	Ground	Offices	496.90	£26.13	£12,984
9	Mezzanine	Store	41.51	£11.88	£493
10	Mezzanine	Store	22.10	£11.88	£263
11	First	Offices	533.42	£26.13	£13,938
12	Ground	Warehouse	1084.28	£23.75	£25,752
Total area:			5543.31	Subtotal:	£133,393
Total before adjustments:					£133,393
Adjustments made					
shared access				-2.5%	
Total adjustments:					-£3,334
Total value:					£130,059
Rateable value:					£ 130,000

Address of property: **UNIT D, EDEN WORKS, BLACKNELL LANE, CREWKERNE, SOMERSET, TA18 7HE**

Rating list: **2010 (Current)**

With effect from: **04 Apr 2011**

Description: **WORKSHOP AND PREMISES**

Billing authority: **SOUTH SOMERSET**

Billing authority reference: **301073792**

Special category code: **096 - Factories, Workshops and Warehouses (Incl Bakeries & Dairies)**

Basis of measurement: **GIA**

Valuation scheme reference: **121609**

Unadjusted £ m2/unit: **£34.50/m2**

Valuation

Ref.	Floor	Description	Area m2/unit	£ m2/unit	Value
1	Ground	Workshop	819.07	£32.78	£26,849
2	Ground	Office	25.87	£36.05	£933
3	First	Office	39.53	£36.05	£1,425
Total area:			884.47	Subtotal:	£29,207
Total before adjustments:					£29,207
Adjustments made					
Access				-2.5%	
Total adjustments:					-£730
Total value:					£28,477
Rateable value:					£ 28,250

Chartered Surveyors

County Court Chambers
Queen Street
Bridgwater
Somerset
TA6 3DA

Tel: 01278 450350
Fax: 01278 428375
E-mail: Info@lbp-rics.co.uk
Website: www.lbp-rics.com

Client: Trustees of Singleton
Engineering Pension Scheme

Address: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Location: The Eden Building
(Part of) Unit 2
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Purpose: Site Location Plan for
Valuation Report Purposes

Dwg.No.: A1/110331

Scale: 1:1250 (A3)

Date: March 2011

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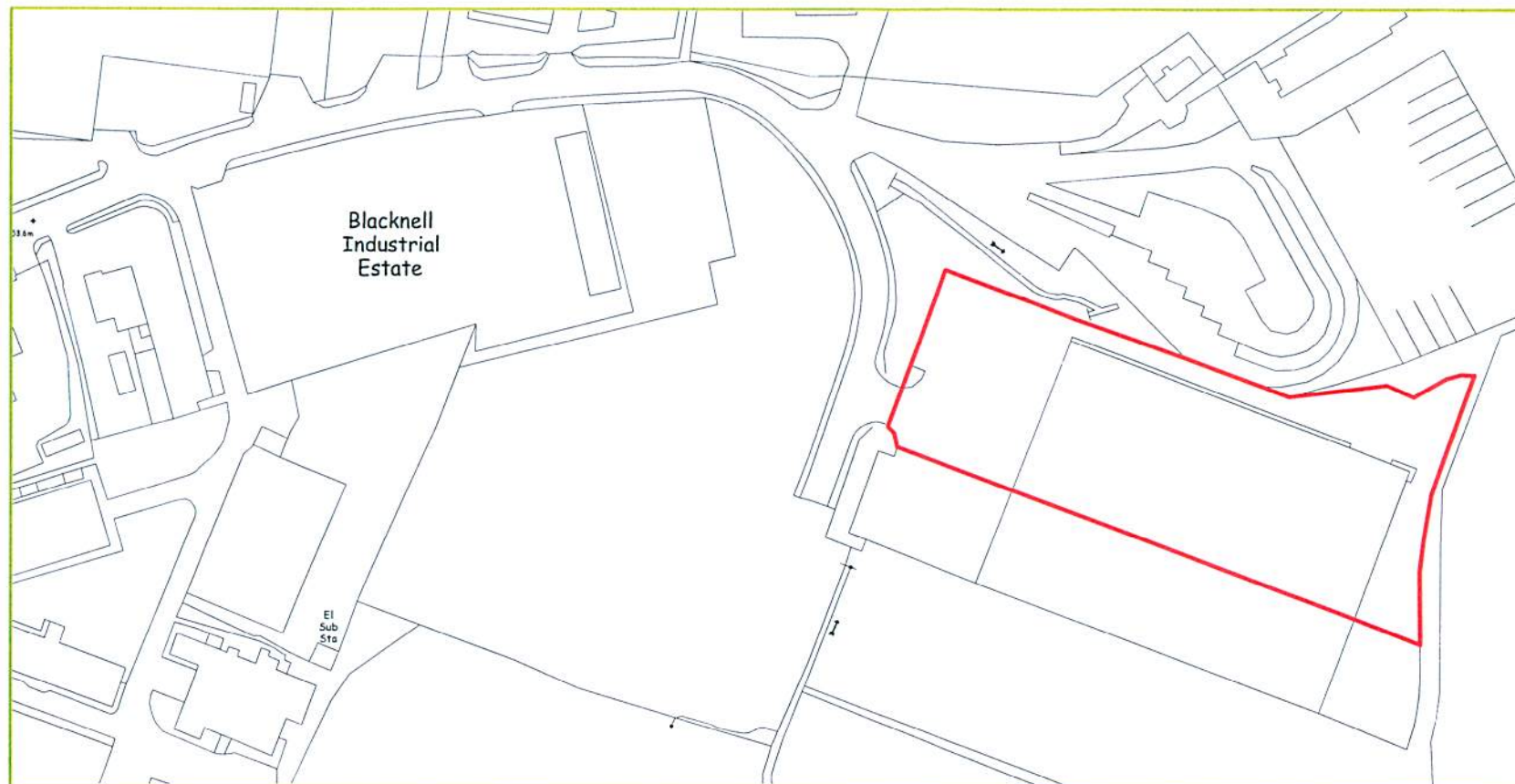
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All measurements are to be checked on-site
for validation and authenticity.

No amendments or copies are to be
produced without prior consent from the
Design Team at Lyndon Brett Partnership.

All works are for and included within the
boundaries of: The Eden Building
(Part of) Unit 2, Blacknell Lane Industrial
Estate, CREWKERNE, Somerset, TA18 7HE

Site Location Plan - Scale 1:1250

1:1250 0 25 50 75 100 125 Scale in Meters

Block Plan - Scale 1:750



LBP LYNDON
BRETT
PARTNERSHIP
Purveyors, LONDON AND BRISTOL

Chartered Surveyors

County Court Chambers
Queen Street
Bridgwater
Somerset
TA6 3DA

Tel: 01278 450350
Fax: 01278 428375
E-mail: Info@lbp-rics.co.uk
Website: www.lbp-rics.com

Client: Trustees of Singleton
Engineering Pension Scheme

Address: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Location: The Eden Building
(Part of) Unit 2
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Purpose: Block Plan for
Valuation Report Purposes

Dwg No.: B2/110331

Scale: 1:750 (A3)

Date: March 2011

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All works are for and included within the
boundaries of: The Eden Building
(Part of) Unit 2, Blacknell Lane Industrial
Estate, CREWKERNE, Somerset.



CC
PLA
MMS
DSB
DCS
RB
GLS
PP

REPORT & VALUATION INSPECTION REPORT

of

Former Gibbs [REDACTED] Site
Units 1, 2, 2A, 3, 3A & 4 Blacknell Lane
Crewkerne
Somerset
TA18 7HE

For and on behalf of

The Trustees of Singleton Engineering Pension Scheme
Blacknell Lane Industrial Estate
Crewkerne
Somerset
TA18 7HE



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Fax: 01278 428375 (Office)
E-mail: info@lbp-rics.co.uk
Website: www.lbp-rics.com



[REDACTED]

On the instructions of:

Trustees of Singleton Engineering Pension Scheme
Units 1, 2, 2A, 3, 3A & 4 (former Gibbs Valet Service)
Blacknell Lane Trading Estate
Crewkerne
Somerset
TA18 7HE

Our ref: LB/SC

11 February 2013

STRICTLY PRIVATE AND CONFIDENTIAL
TO ADDRESSEES AND THEIR PROFESSIONAL ADVISORS ONLY

RICS REPORT AND VALUATION
INSPECTION REPORT

Dear Mr Singleton

Re: Units 1, 2, 2A, 3, 3A & 4 (former Gibbs Valet Service), Blacknell Lane Trading Estate, Crewkerne, Somerset, TA18 7HE

INSTRUCTIONS

Lyndon Brett Partnership received confirmation of instructions on 7 January 2013, at a meeting at the above named premises, to advise on the value of the Freehold interest in the property known as Units 1, 2, 2A, 3, 3A & 4, Blacknell Lane Trading Estate, Crewkerne, Somerset, TA18 7HE, for the purpose of contemplating current market values for the possible apportionment of the Pension Fund Assets, held by the Trustees of Singleton Engineering Pension Scheme.

A copy of our Valuation instruction letter is attached at Annex 1 to include our Terms of Engagement and complaints procedure, which should be read in conjunction with Report.

The Valuation in this report has been prepared in accordance with the Appraisal and Valuation Standards 5th Edition ('The Red Book') issued by the Royal Institution of Chartered Surveyors in April 2010 (6th Edition).

The basis of Valuation adopted is Market Value (MV). In using this definition we confirm that the interpretive commentary set out in the Red Book has been applied.

The property was inspected on 7 February 2013 by Lyndon Brett, MRICS and following consideration of all relevant matters, we now report.

We confirm that Lyndon Brett Partnership, County Court Chambers, Queen Street, Bridgwater,

Somerset, TA6 3DA holds Professional Indemnity Insurance for up to £1,000,000 in respect of any one claim.

This report is provided for the Trustees.

Valuations for the Financial Statements of pension schemes shall be in accordance with the SORP, issued by the Pension Research Accountants Group (PRAG).

Valuations for this purpose are Regulated Purpose Valuations (UKPS 5.1) and the various disclosure requirements apply (see Basis of Valuation section hereunder)

Occupational pension schemes are governed by the Pension Schemes Act 1993 and the Pensions Act 1995. The Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 (SI 1996/1975) impose requirements with regard to audited accounts.

PRAG is recognised as the SORP-making body for pension scheme Financial Statements.

The SORP Financial Reports of Pension Schemes, A statement of Recommended Practice (Revised May 2007) states that properties should be included at 'Open Market Value' or other appropriate Basis of Valuations determined in accordance with Practice Statement 'UK Chapter 2 Valuations for Financial Statements – specific applications'. There is no material difference between 'Open Market Value' and 'Market Value' and the correct application of either will produce the same figure. The term 'Market Value' will be used for the purposes of this report.

The SORP applies only to pension schemes that are regulated by the FSA.

The SORP recommends that where property comprises a significant proportion of total investments, property Valuations should be carried out by Independent Valuers at the same frequency as actuarial Valuations of the fund, but in any case not less than triennially. In other cases, properties may be included on the basis either of an annual Valuation by an External or Internal Valuer or, if a less frequent Valuation is justified, on a rolling basis over one to three years by an External or Internal Valuer. More frequent Valuations may be necessary in the case of properties in the course of development, re-development or refurbishment.

It is understood that an appraisal of value is required in respect of the above-mentioned property for the purposes of Pension Fund Asset assessment. We are able to confirm that this report has been prepared in accordance with your instructions and the relevant Practice Statements contained within the RICS Appraisal and Valuation Standards 6th Edition (April 2010 as amended).

We would reiterate that we have had no dealings with the property to be valued, (other than for valuation purposes in March 2011), the customer or any other party connected with this valuation, during the past two years, nor do we anticipate any fee earning involvement arising. We are therefore unaware of any conflicts of interest, which prevent us from carrying out your instructions.

SCOPE & LIMITATIONS

The Scope and limitations of this appraisal and valuation are as detailed in our letter of instruction dated, 7 January 2013. Copy correspondence may be found in Annex 1.

This Valuation is prepared solely for the use of The Trustees of Singleton Engineering Pension Fund and no responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to other professional advisers assisting in respect of the purpose for which the Valuation is prepared.

INFORMATION SUPPLIED

- In accordance with your instructions we are reliant upon information supplied by the client in relation to tenure, services, rights of way, adoption of access roads and land contamination.
- In accordance with your instructions we are further reliant upon information supplied by South Somerset District Council in respect of Planning matters and Business Rates liability.

MARKET CONSIDERATIONS

Whilst freehold property as an investment vehicle is at this time in good demand particularly for the 'well-let' properties offering long lease terms, those properties with short term occupancies or transient tenants are less attractive to the investment sector.

Demand for properties has strengthened against other investments from 2004-2008, has remained steady despite the recession, due to low interest rates, demand from pension plans and endowments.

Over the last few years, due to the current economic climate, investment yields have hardened and premises and tones of rent have weakened, which has been a material consideration in assessment of current values. Whilst yields are still at lower levels, investors are seeking longer term lettings with capital growth potential and where these characteristics are not available, yields are under pressure with higher yield expectation and lower capital value.

This option is not available for the current valuation assessment because of the annual occupancy of Singleton Engineering.

The secondary market is not as strong in terms of yields as the primary market, but nonetheless yields have risen and followed the downward trend of prime property, with resultant reduced capital values.

The demand from Tenants for industrial property is balanced with the supply of available properties and rental values, construction and condition issues, with properties showing a rising trend during the early and middle part of the last decade, but which for some time having stabilised, now reflecting a competitive edge, but with higher risks of voids, tenant default or longer periods of voids, particularly for older style properties with high occupation costs.

The buildings which due to the nature of construction and material finishes are life expired or have substantial dilapidation issues, or “want of repair” liabilities, adversely impact on capital values and the likely levels of interest expressed in the market place because of high occupation costs and costs of putting the premises into good tenantable repair.

In secondary property, lease terms are generally both short and flexible. The lease terms are outlined in the Tenure section of the report.

We would point out that Singleton Engineering occupy the premises on a flexible arrangement, with annual one year terms, which have suited the current arrangements, but which may have some significant implications regarding security of tenure provisions and investment values longer term, dependent upon the Landlord and Tenant relationship which will follow, due to the different obligations and or expectations or aspirations of both parties.

The premises will continue to be occupied by Singleton Engineering on a rolling annual lease, which can be terminated on minimal notice. The property also comprises elements of the premises as a whole, which have not been occupied, to the front of the property and which is in need of refurbishment.

Suitable for office or an alternative use, subject to any necessary consents, the costs of renovation and refurbishment to put into good tenantable repair, is likely, in the current market to make this element of the property un-lettable in terms of the cost of repair, to rental returns. A cost liability has been applied to our valuation.

SPECIAL ASSUMPTIONS

No Special Assumptions have been made in the preparation of this Valuation Report.

BASIS OF VALUATION

Our Valuation has been carried out in accordance with the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors. The basis adopted for this instruction is Market Value, which is defined in the Manual as:-

‘The estimated amount for which an asset 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’

PS 20 of the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, requires the disclosure of all related party interests or arrangements in land and buildings which a Pension or Superannuation Fund has an interest and for the purposes of this Valuation it has been assumed that the Trustees have made the Valuer aware of all the essential details outlined below.

Trustees have a general duty to act in good faith in relation to their dealings with a Fund's assets and the disclosure of transactions with related parties helps to ensure that their duty is not compromised by such transactions.

All related party transactions of which the Valuer is aware or is made aware by the Trustees and or Fund Manager, should be disclosed but the onus of identifying potential conflicts of interest is on the Trustees rather than the Valuer.

It follows that, in assessing who should be identified as a related party in a transaction involving a Fund, the Trustees should consider all those parties whose interest's conflict or may possibly conflict, with the interest of the beneficiaries of the Fund and who might be seen as influencing the terms of the transaction.

The guidelines which illustrate the breadth of this general principle are set out as follows:

The related parties of pensions and superannuation schemes or funds fall into three broad categories:

- Employer-related;
- Trustee-related; or
- Related to the Fund Manager, scheme administrator or other parties engaged by the Trustees to carry out functions for the Fund

Related parties also include other Funds for the benefit of employees of companies and businesses related to the Employers, Trustees or parties engaged by the Trustees.

Employer related parties are:

- The sponsoring Employer, its Directors and their immediate families;
- Companies and businesses under the same control as the sponsoring Employer;
- Companies (and their associated undertakings and joint ventures) in the same group as the sponsoring employer; and
- Companies and businesses controlled by the directors of the sponsoring Employer or their immediate families

In so far as the Trustees were, or are now, aware of the relationship.

Trustee-related parties are:

- Trustees and their immediate families;
- Trustees' employers and employees; and
- Companies and businesses controlled by the Trustees and their immediate families

Parties related to the Fund Manager, scheme administration or other parties engaged by the Trustees to carry out functions for the scheme are:

- The parties so engaged, their directors or equivalent principal managers and their immediate families;
- Companies and businesses under the same control as the parties so engaged;
- Companies (and their associated undertakings and joint ventures) in the same group as the parties so engaged; and
- Companies and businesses controlled by the directors or equivalent principal managers of the parties so engaged or their immediate families.

In so far as the Trustees were, or are now, aware of the relationship.

The Valuer has been provided with the following information by the Trustees:

a) The names of the related parties:

Peter William Singleton, Martin Hugh Singleton, David James Singleton and Duncan Charles Singleton

b) A description of the relationship between the parties:

Co Trustees, co beneficiaries of the fund and co directors of the tenant company

c) Description of the transaction:

Landlord and Tenant as described above.

d) The amounts involved

Rental only under the terms of the lease as above

e) Other elements of the transactions of which the Valuer is aware and which are necessary for an understanding of the Report:

None

In accordance with your instructions we have provided opinions of:-

- Market Value
- Market Rent

We trust that we have interpreted your instructions correctly and on that assumption report as follows:-

1 Name and Address of Client

Trustees of Singleton Engineering Pension Scheme
Singleton Engineering
Blacknell Lane Industrial Estate
CREWKERNE
Somerset
TA18 7HE

2 Type of Property and Classification

Part of the former British Gas works depot, subsequently Gibbs Valet Service (Yeovil) Ltd premises and since acquisition by the Pension Trustees, part occupied by Singleton Engineering, as manufacturing and warehousing facilities.

Over the years, the balance of the premises at any one time, not required by Singleton Engineering has been occupied by various Tenants including a building company and engineering works.

The premises therefore benefit from established use as a B1, B2 and B8 site, although there is no specific consents relating thereto, covering these Use Class definitions.

The lawful use therefore is as an industrial and warehouse use, established through use over time as general industrial, light industrial and warehousing, with associated office use.

3 Address of Property Inspected

Units 1, 2, 2A, 3, 3A & 4
Blacknell Lane Trading Estate
Crewkerne
Somerset
TA18 7HE

4 Date and Extent of Inspection

The property was inspected by the writer on the 7 February 2013.

It should be noted that on site constraints and the lack of access platforms or scaffolding, prevented a close inspection of the building's roof covering.

5 Weather at Time of Inspection

Initial visit, weather conditions prevailing: raining and overcast, with steady rainfall throughout the inspection.

Second visit, a bright sunny day with intermittent cloud cover.

6 Date of Valuation

The date of our valuation is 14th February 2013. No account has been taken of any changes to the property that may have occurred subsequent to the date of our inspection.

7 Tenure and a note of Tenancies (if any)

We have assumed for the purposes of our Valuation that the Freehold interest is unencumbered and free from any unduly onerous or unusual easements, conditions, restrictions or outgoings.

We are aware of the rights of way enjoyed over the property for the benefit of Singleton Engineering's original property, to the rear.

We assume that the boundaries on the site plan (Annex 2) are correct.

Our Valuation assumes that this information is correct but should it subsequently be found that the information is incorrect it may affect the values now reported.

Tenancies

Reference	Occupier	Passing Rent (Per Annum)	Terms of Occupation
1	Singleton Engineering	£16,875.00	Rolling annual agreement subject to 3 months notice
2 & 2A	Singleton Engineering	£20,005.00	Rolling annual agreement subject to 3 months notice
3	Singleton Engineering	£2,400.00	Rolling annual agreement subject to 3 months notice
3	Singleton Engineering	£6,000.00	Rolling annual agreement subject to 3 months notice
3A	Singleton Engineering	£10,000.00	Rolling annual agreement subject to 3 months notice
4	Former Café		Vacant
Total		£55,280.00	

In our opinion whilst the tenancies may have been intended, for the most part, to be opted out of the provisions of the Landlord and Tenant Act 1954, the principle of the rolling agreement is likely to confer security of tenure upon the Tenants even though the current arrangements for Singleton Engineering are worked on flexibility of occupation and mutual benefit for the engineering business and the Pension Trustees, it assumes that in the latter case void periods and rent liability are absorbed by the Tenants, to maintain the Pension Trustees investment.

The current arrangement is based on an underpinned investment subject to the rolling annual agreement and three months' notice.

8 Services

We are advised by the Vendors that mains gas, electricity and water are supplied and connected. We have assumed for the purposes of our Valuation that the services and appliances are in satisfactory condition and that the supply capacity is sufficient for the use of the property.

9 Local Taxation

Our internet enquiries confirm that the property is entered in the Rating List as part of a global assessment with effect from April 2010 are as outlined in Annex 3; with a revision in 2011 to reflect the vacation of Units 2 and 2A by Sleabridge Ltd. This information has been taken from the internet and there is no evidence to suggest that the changes to the hereditament and liability to business rates is therefore subject to transitional relief.

What is evident is that overtime there will be a number of assessments relating to different areas of occupations associated with Singleton Engineering's occupational needs and changes in these areas of occupation will trigger reassessments.

At present Singleton Engineering's occupation extends to and includes the original Singleton Engineering Works and open storage land and therefore the assessment is on a global basis and cannot be separated out for purposes of this valuation.

It should be noted however that the assessment is subject to variation as the areas of occupation vary and elements are either taken in hand, or revert to voids.

10 Situation and Location

The property is located in the principle trading area known as Blacknell Lane Trading Estate approximately half a mile from the town centre of Crewkerne, Somerset just off the A356 (Dorchester Road). Key occupiers on the estate are TOD Aero Defence, VES Precision Engineering, Rotalink, Cronite, Parker and Royal Mail.

A location Plan/site plan is attached annex 2 of this report. The subject property is edged red on the plan.

Crewkerne is a busy little Somerset former market town of around 7,000 residents and expanding to reflect the shortfall in housing supply in South Somerset, with 10% of the shortfall to be accommodated in Crewkerne.

The town is situated 9 miles (14 km) south west of Yeovil and 7 miles (11 km) east of Chard in the South Somerset district, close to the border with Dorset.

There are local supermarkets at Henhayes (Waitrose and Lidl) and local shops, and some local industry providing employment, but with the main source of employment for the district located at Yeovil.

New development is ongoing on the Persimmon Homes development to the South and West of Crewkerne, abutting Cathole Bridge Road.

The town retains neo-Georgian architecture in its famous honey-coloured town centre stone built buildings. Crewkerne boasts a variety of shops, small cafes, local pubs, a traditional hotel in the market square, variety of leisure outlets, museum, GP Surgeries and Schools.

Further out of town, there are industrial estates for various businesses and manufacturers. Visible from many parts of the town is the open farm land of the South Somerset countryside which surrounds the settlement of Crewkerne.

New development is envisaged by virtue of the CLR for Crewkerne, which includes additional employment land being made available to provide economic benefits, jobs and sustainable development for the town's population, as well as residential scheme.

As part of the development linked with the development link road (CLR), the recently approved development scheme will include a link between the A13 to Yeovil and the A356 to Dorchester. Running to the East of Crewkerne the site will provide for a mixed use scheme of residential to the north and employment land to the East of Crewkerne with improved linkage into the Blacknell Lane industrial estate.

The residential element provides for 525 new homes with new school facilities together with community hall and neighbourhood shopping, as a local centre.

11 General

Blacknell Lane comprises an industrial estate of mixed use and ages of property, ranging from post war, to modern units.

Occupiers include TODS aerodefence, VES Precision Engineering, Rotalink, Cronite, Parker and Royal Mail.

The subject site comprises a group of indifferently constructed units, in the main of steel portal frames, clad with concrete blocks at the lower levels and fibre cement cladding at upper and roof levels.

The accommodation offered is somewhat dated and whilst functional, would benefit from upgrading, particularly where areas of void property exist or areas of the premises are underutilised and could be available to let.

Works of cladding to elevations would improve marketability, with the prospect of improved rental income and the real prospect of seeking to attract new Tenants.

The site is situated, however at the entrance to the Trading Estate which, under current key site proposals, associated with the CLR, being a relief road for the town, providing residential and employment opportunities, the profile of this site and its location could

result in this site being more attractive for alternative uses including edge of town retail.

There is however no planning design brief for this and such proposals although mooted before, these have not come to fruition and at this juncture are too speculative to factor into our valuation.

Associated development for Crewkerne is planned to be significantly extended and provided with new roads to provide easier to the regional infrastructure network and increase in population, the prospect of attracting more national companies is not an unreasonable assumption.

The site has an extensive frontage to the entrance to the Blacknell Lane Industrial Estate and in our view, gives good opportunities for re-development, due to: (a) those frontage characteristic; (b) its prominence on entering the Estate and; (c) the planning benefits that would arise from securing removal of an extant established consent, which includes heavy industrial use, in an area of mixed uses, including roadside residential use, in close proximity.

The town centre which offers a wide range of local and regional shops as well as national retail shops is about 0.5 mile distant.

12 Roads/Highways

The Client has informed us that the property is, to the best of their knowledge, unaffected by any third party rights of way, other than that enjoyed by Singleton Engineering and provisions regarding access devolved to Tenants as part of their respective existing and or any proposed Tenancy agreement, in terms of occupation(s).

We are not aware of any rights of way over the property, other than:

(a) to land similarly owned by the Trustees of Singleton Engineering Pension Scheme and comprising the original engineering works for Singleton Engineering UK Ltd and the traditional range of buildings comprising the "gas works".

We have assumed that for purposes of our valuation, the assets of the remainder of the site can be accessed off of Blacknell Lane and South Street; and

(b) The former Transco site which lies to the west of the buildings, which is the subject of a shared access to the North side of the main building, comprising the former Gibbs premises, which affords access to the rear land and rear service area, to the industrial buildings (west face).

Legal Advisors to verify the above.

13 Construction

The nature of the various businesses occupying the majority of the buildings and likely

potential occupiers will inevitably generate heavy usage of the yard areas and put strain on the fabric of the buildings, requiring an ongoing maintenance programme.

The buildings are of mixed type steel frame design, externally clad in industrial sheeting of various forms, condition and age, part insulated but all of an age which would benefit refurbishment.

From our inspection, for Valuation purposes the various elements are generally in fair order, for the age and type of buildings, but we did not carry out a structural survey.

This is a report for valuation purposes and not a full building survey, as a full building survey report has not been commissioned, or in fact sought.

We have not carried out a building survey of the property nor inspected parts of the property which were covered, unexposed or inaccessible, nor arranged for nor carried out specialist tests of the ground conditions, of any part of the structure and sub-structure, nor of the electrical, heating, air conditioning, plant and machinery equipment or other services to the property or running under the site.

The Lyndon Brett Partnership cannot express an opinion about or advise upon the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts. Those relying on this report should be aware that although regard has been taken of the apparent state of the property, defects might exist that are latent or would be revealed in a more detailed survey.

The Lyndon Brett Partnership is unable to confirm that the property is free from risk of high alumina cement concrete, calcium chloride additive, asbestos of any type or other potentially deleterious or hazardous materials or techniques having been used in the construction or alterations to the property.

No measurement or calculation has been made of the load bearing capacity of foundations, floors or other elements of the structure, which it is assumed is suitable for the present or proposed uses.

The valuation assumes that any more detailed reports, tests or calculations would not reveal any materially adverse conditions.

Unless stated otherwise in this report, we have not been made aware of the content of any environmental audit, land quality statement or soil survey, which may identify contamination/pollution or warn of this possibility.

Our report in this respect, made only from visual inspection and limited enquiry, cannot be relied upon as conclusive and accordingly the valuation on the assumption that the property is not subject to contamination can only be validated if, following an exhaustive investigation by appropriately qualified consultants, the property is found to be uncontaminated and not exposed to pollution.

Where Lyndon Brett Partnership are provided with reports by identifying the existence and extent of contamination and the costs of remediation, we rely upon the information contained without any liability thereof.

This report is provided for the stated purpose only and for the sole use of the named client. It is confidential to the client and their professional advisors.

14 Accommodation

We have measured the building in accordance with the RICS Code of Measuring Practice (Fifth Edition) and calculate that it provides the following Gross Internal Floor areas.

15 Plant, Machinery, Furniture, and Equipment

Plant, machinery furniture and equipment are excluded from this Valuation.

16 Accounts

Not applicable

17 BUILDING REGULATIONS, TOWN PLANNING, ROADS, STATUTORY, MINING, ENVIRONMENTAL MATTERS AND SERVICES

(General comment where appropriate - no enquiries have been made as these are the responsibility of your legal advisor)

We have assumed for the purposes of our Valuation that the property is occupied in accordance with valid planning consents and that all relevant statutory requirements have been materially complied with.

We are not aware of any Local Authority Planning or Highway proposals likely to have an adverse effect upon the value of the property.

Planning Permission has been granted in 2013 for a mixed use scheme including a substantial residential development extending to 14.21 hectares, which would provide for 525 new homes, together with School site and meeting hall, local centre with a small parade of shops, all linked with the creation of the Crewkerne link road (CLR) – see annex of master plan for 525 units.

The scheme also frees up land for employment use purposes to the East side of town, west of the new CLR and the network road link will improve access to the industrial estates of Blacknell Lane.

A section 106 agreement with Taylor Wimpey and the consortium of residential house builders has been agreed.

The agreement provides for the link road to be fully completed within 4 years of the

occupation of the first house, subject to the developer being allowed to have no more than 199 dwellings occupied and till the link road is completed.

There are a number of conditions which are to be discharged before the scheme can be implemented.

Despite the prospect of development being in the offing, realistically the benefits to Crewkerne of the CLR and in particular, the benefit to Blacknell Lane industrial estate is likely to be delayed for 4-5 years.

In preparing this report we have assumed that all necessary statutory and legislative enactments have been complied with. We have also assumed that there are no outstanding notices in respect of the premises.

We understand that the property has a register of asbestos containing materials (ACMs) which exist within the property, and that the register includes a risk assessment together with plans to show compliance with the Control of Asbestos at Work Regulations.

If any works to the premises are proposed, you should be aware of the Construction Design and Maintenance Regulations 1994 and the obligations arising therefrom.

Disability Discrimination Act 1995

Under the Disability Discrimination Act 1995 requirements are imposed on owners and occupiers of business premises who provide a service to the public. This relates to means of access for disabled persons and requirements will be imposed with effect from October 2004 to make provision for this.

At present there is no evidence in the market to support a difference in values between those buildings of this style and form, conforming to the requirements of the Act and those which do not.

In the longer terms there may be implications for the value of property which do not comply with the Regulations.

Environmental Considerations

The Environment Act 1995 places a duty upon Local Authorities to identify contaminated land in their areas, gives them and the Environment Agency power to serve remediation notices and to maintain registers of remediation statements, declarations and appeals.

The principle will be for the polluter to pay for remediation works and only where liability is legally transferred or the polluter cannot be found will the costs fall on the owner. An owner would not include a mortgagee not in possession but liability will be of concern to a lender if possession is ever to be contemplated. Liability will extend to pre-existing pollution and an owner who has caused or knowingly permits an escape of pollution through his or her land will be liable even if the source was on other land.

In preparing this report our investigations have been limited to visual inspection of the property, consideration of its use, the uses of this adjacent property so far as evident and only after superficial enquiry into past uses of this property. Should it be established subsequently that contaminants, seepage or pollutions exist at the property, or any neighbouring land, or that the premises have been or are being put to any contaminative use, this might reduce the values as now reported.

As our investigations and enquiries have not been exhaustive and in view of the potential liabilities, we recommend consideration be given to considering a Land Quality Statement or Environmental Audit for which we can introduce the relevant consultants.

We have not undertaken a survey of the accommodation to facilitate the preparation of an Asbestos Register in accordance with the control of Asbestos Regulations at Work 2001. If not undertaken this should be completed at the earliest opportunity. Lyndon Brett Partnership is unable to confirm or comment that the property is free from Asbestos contamination. Consequently should it be established that asbestos products exists in the property this might reduce the values now reported.

The above comments do not imply or give any warranty and we would be pleased to arrange for specialist environmental engineers to carry out an investigation should you wish to verify the situation.

18 DELETERIOUS OR HAZARDOUS MATERIALS

The presence of asbestos was noted in the form of asbestos cement fibre roof sheets to the external cladding also asbestos cement fibre rainwater goods, together with elements of internal finishes.

Asbestos is a health hazard if damaged or disturbed and replacement costs involved may be high. Appropriate advice should be obtained from an accredited specialist for carrying out any work affecting these parts. Even where asbestos is in good condition and left undisturbed, there are some potential purchasers who may be deterred by its presence.

Due to the age and type of the property, other building components may contain an element of asbestos.

The control of Asbestos at Work Regulations has imposed from 2004 further duties in Managing Asbestos in the Workplace.

19 Commentary

a) Summary

The subject premises are traditional low eaves, post war to 1980's construction, principally around portal frame design and similar, with asbestos cement cladding.

Built to high ratio of built footprint to site area ratios the development suffers from reduced yard and access ways, these themselves being shared with Singleton Engineering's occupation of the rear land.

Issues of tenure and investment values have a significant impact on values, due to the secondary nature of the development and the age and disabilities of the existing buildings. In addition, the potential for elements of contamination on site, related to previous occupiers and their respective uses, is also a material consideration.

In addition, whilst historically the site has previously been identified for alternative high end value uses, associated with food retailing, in conjunction with the land to the rear, that interest has waned due to the subsequent town centre redevelopment scheme, involving Waitrose and Lidl.

Such "high end" alternative uses may include electrical retailers, DIY stores, who could be encouraged by virtue of the imminent new developments which would add to the prosperity of the town, but there are no proposals on the horizon, which would result in an alteration to the assessment of value.

DIY or white goods retailers, or associated retail park type developments may also add to the potential value, but such an assessment would be premature, as this land has not been designated for any use other than that as prescribed, through use.

b) Methodology

In arriving at our opinion of value we have adopted both comparative and investment methods of valuation. Due consideration has been given to comparable sales and lettings evidence.

c) Alternative Uses

We do not consider that there are any alternative uses, which would materially affect the value of the property, at the present time.

20 Valuation

Under UK Appendix 2.4 Valuations for pensions schemes 2. Identification of categories and Basis of Valuation, of the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, valuations of land and buildings owned by Pension and superannuation funds are to be categorised under guidelines.

For the purpose of this report we have categorised the subject properties as follows:

'Properties held as Investments' - See Annex 5.

Complying with RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, the Valuer reports the total value of the properties divided into:

- Freeholds
- Leaseholds, distinguishing between long leases (those with over 50 years unexpired) and short leases (those with less than 50 years unexpired).

The value of the properties in any or each of these categories must be sub-divided between those let or contracted to be let to third parties and any let to, or occupied by, or contracted to be let to, or occupied by, a related party where the property is wholly or substantially (not less than one third by value) let to, or owned by, a related party and the Valuer must comment appropriately if an arrangement is not on normally-accepted current commercial terms, or where the rent presently reserved differs by more than 10% from the market rental value.

Aggregate totals of gross rental incomes, net rents (after deduction of all ground and head rents) and net rental incomes (after deduction of ground and head rents and all non-recoverable property outgoings but not amortisation) passing at the date of valuation (sub-divided between those derived from lettings to third parties and those from properties occupied by related parties);

Either:

- By category, the aggregate totals of such gross rental incomes, net rents and net rental incomes in order to forecast reversionary increases and decreases at appropriate yearly anniversary dates based on market rental values current at the valuation date. The projection need not normally be for a period beyond ten years unless so requested by the Trustees; or
- The market rental values current at the valuation date together with such information as is necessary to enable the Fund Manager to compute such reversionary increases/decreases; and

Percentage breakdown of the capital value of the portfolio as between offices, retails industrial and business space, agricultural and other classes of property, differentiating between UK and overseas properties.

The methodology used in arriving at our Valuation is based on researched comparable market evidence.

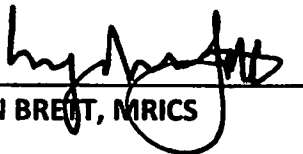
Taking into account current market conditions, it is our opinion that the Market Value (MV) of the above-described property as at 14 February 2013 is as follows:

£500,000 (FIVE HUNDRED THOUSAND POUNDS)

Market Value is understood as the value of an asset estimated without regard to costs of sale or purchase and without offset for any associated taxes.

Our Valuation assumes that the information provided by the Landlord as set out hereinbefore in the Tenancies section, is correct. Should it subsequently be found that the information is incorrect it may affect the values now reported.

We trust the above report is satisfactory for the Trustees of Singleton Engineering Pension Fund purposes, but should you have any further information or clarification, please do not hesitate to contact us.


LYNDON BRETT, MRICS

Lyndon Brett Partnership
Chartered Surveyor
County Court Chambers
Queen Street
BRIDGWATER
Somerset
TA6 3DA

PURPOSES, BASES AND LIMITATIONS RELATING TO THIS VALUATION

1. Purpose of Valuation

This valuation is prepared specifically for the purposes of advising the client on the open market value of the above property.

2. Bases of Valuation

- (a) This valuation is prepared in accordance with the RICS Statement of Asset Valuation Practice and Guidance Notes. It is prepared on the basis of the current open market value of the property, in its existing use, except where otherwise specifically stated in this report.
- (b) Guidance Note GN18 advises that it is not appropriate to value a property to be used as a security on a 'forced sale' basis. The basis of the valuation is, therefore, 'open market value' which is defined in accordance with Guidance Note G22 as the best price for which an interest in a property might reasonably be sold, assuming:-
 - (i) a willing seller
 - (ii) that prior to the date of the valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale
 - (iii) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation,
 - (iv) no account to be taken of any additional bid by a purchaser with a special interest
 - (v) no account is taken in this valuation of the effect on value of any special taxation

3. Limitations

- (a) Our valuation has had regard to the apparent state of repair and condition of the property, but we have not carried out a detailed inspection of the property. We understand that a structural survey of the property is not required and, therefore, our valuation assumes that the property is structurally sound and free from defects other than those specifically mentioned in this report.
- (b) In any case, we have not inspected those parts of the property which were covered, unexposed or inaccessible and consequently we cannot comment whether such parts are free from rot, beetle or other defects. Similarly, we have not inspected or tested services connected to or installed in the property and so cannot comment on their serviceability or otherwise.
- (c) We have not arranged for any investigation to be carried out to determine whether any high alumina cement, deleterious or hazardous materials have been used in the construction of the property and as it is impracticable to comment on the state of any wall ties we are, therefore, unable to report that the property is free from risk in this respect. For the purpose of this valuation we have assumed that such investigation would not disclose the presence of any such materials in any adverse condition. Although we believe the use of such materials to be most unlikely, we suggest that if this aspect is critical your solicitors should obtain copies of the normal pre-contract enquiries relating to this aspect.
- (d) We have not made searches at the office of the Local Planning Authority or Highway Authority and our valuation is based on information received from these departments from verbal enquiries only. We nevertheless recommend that, prior to exchange of contracts, your solicitors incorporate in their application for Local Searches to the Local Authority questions relating to proposed road works, highway development projects or planning schemes.

- (e) This report and valuation is based upon our inspection of the property and the information which has been made available to us, which we assume to be correct.
- (f) We do not have any direct or indirect interest in the property.
- (g) We have not inspected any documents of title and for the purpose of our valuation we have assumed that good title can be shown, and that the property is not subject to any onerous restrictions, encumbrances or obligations.
- (h) We assume that the property is unaffected by any statutory or contractual notice restricting its use and neither the property or its use gives rise to a contravention of any statutory requirement, and that planning permission has been granted or exists for its existing use, and that any conditions attaching thereto have been strictly complied with.
- (i) Whether or not there is any qualification in the report as to the source of any particular information, it remains the responsibility of the lender and the proposed borrower to ensure that all appropriate enquiries are made, accounts inspected, licenses and other permissions examined and the usual searches and other precautions taken by a solicitor in connection with the purchase and/or mortgage of the business or property.

This report is not intended to replace any of these investigations or enquiries but it may, however, point to further enquiries being necessitated. It must be remembered that the report does not contain a decision as to whether money should be lent or the business or property acquired.

- (j) This report is for the benefit of the parties to whom it is addressed and their professional advisors and no responsibility is accepted to any third party for the whole or any part of this report.
- (k) This report should be read as a whole and no part should be taken separately or out of context. It is prepared specifically for the stated purposes and no other.
- (l) Neither the whole or any part of this valuation, or any reference thereto, may be included in any published document, circular, or statement, or published in any way without written approval of the content or form in which it may appear.
- (m) No allowance has been made for the expense of realisation, or any taxation, which may arise in the disposal of development of the whole or any part of the property.
- (n) In view of the changing market conditions, this valuation should not be relied upon after the expiry of three months from the date of this report, even assuming that there are no changes in matters or assumptions affecting the valuation(s).

Annex

1. Instruction letter
2. Site Location Plan
3. Rating Assessments
4. Master plan for 525 units
5. Appraisal



**LYNDON
BRETT
PARTNERSHIP**

Principal: Lyndon Brett MRICS, FAVP

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E-mail: info@lbp-rics.co.uk www.lbp-rics.com

Private & Confidential

PW, MH & DJ Singleton &
Namulas Pension Trustees Ltd
Singleton Engineering (UK) Ltd
Blacknell lane Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Our ref: LB/jaog

4th January 2013

Dear Mr Singleton

Re: Freehold Valuation Report – Singleton Engineering (UK) Ltd, Blacknell Lane, Crewkerne, Somerset, TA18 7HE

With reference to our recent telephone conversation, I confirm the fee quote to carry out the reports and valuations. I write to confirm that I would be pleased to undertake this work on your behalf.

It is my understanding that you require a valuation of the premises on the basis of an open market freehold valuation with vacant possession, or as per specific instruction of financial institution.

Fees

With regard to my fees, these will be based upon the former RICS scale of charges plus disbursements and VAT. The scale of charges is based upon the valuation figure and calculation at 1% on the first £1,500, 0.5% on the next £11,500 and 0.25% on the residue. The minimum figure to be £500 plus disbursements and VAT.

In light of historical research work previously carried out, I am pleased to offer an £850.00 reduction in fee, exclusive of VAT.

Payment of costs

As a general rule costs and disbursements are to be paid within 30 days of the issue of the invoice and after that time bear interest at 8% above National Westminster Bank plc based rate until paid in accordance with the Commercial Debts (Interest) Act.

Or

The commissioned report will be made available upon the payment of my firm's account which will be invoiced when the report has been finalised. The report can be forwarded or collected on the settlement of that account.

Responsibility for work

I shall carry out the majority of the work involved in connection with this matter personally. If you need to contact me I will usually be in the office or alternatively can be contacted on my mobile 07970 893963. You can also contact Julie Odhams-Good who will be familiar with the file. If they are unable to help you they will be able to take a message for you.

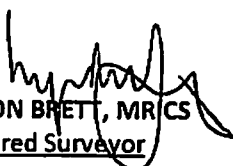
The ultimate responsibility for matters dealt with by this firm is the writer Lyndon Brett. I aim to offer my clients an efficient and effective service and I am confident that I will do so in this case. However, should there be any aspect of this practice's service with which you are unhappy, and which I cannot resolve on a mutual basis, then you may raise the matter with my colleague Julie, at this office who will implement our Internal Complaints Procedure. A copy of the Complaints Procedure is available on request.

RICS Regulations and Bye-Laws

It is a pre-requisite of the RICS that a signed letter of instruction is obtained prior to commencement of work. To save you writing a letter of instruction and by way of confirmation that you would like us to proceed on the basis as set out hereinbefore, I would be grateful if you would sign the enclosed extra copy letter and return same to the office.

Should you wish to vary my interpretation of your instructions in any way, please do not hesitate to contact the office.

Yours sincerely


LYNDON BRETT, MRICS
Chartered Surveyor

Peter Singleton

Date

Address of property: **UNIT 2-2A, BLACKNELL LANE TRADING ESTATE, CREWKERNE, SOMERSET,
TA18 7HE**

Rating list: **2010 (Historic)**

With effect from: **01 Apr 2010**

Description: **WORKSHOP AND PREMISES**

Billing authority: **SOUTH SOMERSET**

Billing authority reference: **301069538**

Special category code: **096 - Factories, Workshops and Warehouses (Incl Bakeries & Dairies)**

Basis of measurement: **GIA**

Valuation scheme reference: **106629**

Unadjusted £ m2/unit:

Valuation

Ref.	Floor	Description	Area m2/unit	£ m2/unit	Value
1	Ground	Factory & Wcs	471.37	£32.62	£15,376
2	Ground	Office	21.87	£38.16	£835
3	Ground	Internal Storage	19.13	£27.19	£520
Total area:			512.37	Subtotal:	£16,731
			Spaces	Area m2	Value
Plant:					£61
Total before adjustments:					£16,792
Adjustments made					
Layout				-5.0%	
Inadequate car parking				-4.0%	
Total adjustments:					-£1,477
Total value:					£15,315
Rateable value:					£ 15,250

Address of property: **UNIT 4, BLACKNELL LANE INDUSTRIAL ESTATE, CREWKERNE, SOMERSET,
TA18 7HE**

Rating list: **2010 (Historic)**

With effect from: **01 Apr 2010**

Description: **STORE AND PREMISES**

Billing authority: **SOUTH SOMERSET**

Billing authority reference: **301070597**

Special category code: **268 - Stores**

Basis of measurement: **NIA**

Valuation scheme reference: **128416**

Unadjusted £ m2/unit:

Valuation

Ref.	Floor	Description	Area m2/unit	£ m2/unit	Value
1	Ground	Internal Storage	28.70	£52.15	£1,497
2	Ground	Internal Storage	12.80	£52.15	£668
6	Ground	Internal Storage	9.90	£52.15	£516
7	Ground	Staff Toilets	N/A	£0.00	£0
8	Ground	Internal Storage	15.60	£52.15	£814
9	Ground	Internal Storage	9.30	£52.15	£485
10	Ground	Office	9.70	£59.60	£578
Total area:			86.00	Subtotal:	£4,558
			Spaces	Area m2	Value
Car parking:			2		£250
					£250
Total value:					£4,808
Rateable value:					£ 4,800

Chartered Surveyors

County Court Chambers
Queen Street
Bridgwater
Somerset
TA6 3DA

Tel: 01278 450350
Fax: 01278 428375
E-mail: Info@lbp-rics.co.uk
Website: www.lbp-rics.com

Client: Trustees of Singleton
Engineering Pension Scheme

Address: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Location: Gibbs Site
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Purpose: Site Location Plan for
Valuation Report Purposes

Dwg.No.: A1/110331

Scale: 1:1250 (A3)

Date: March 2011

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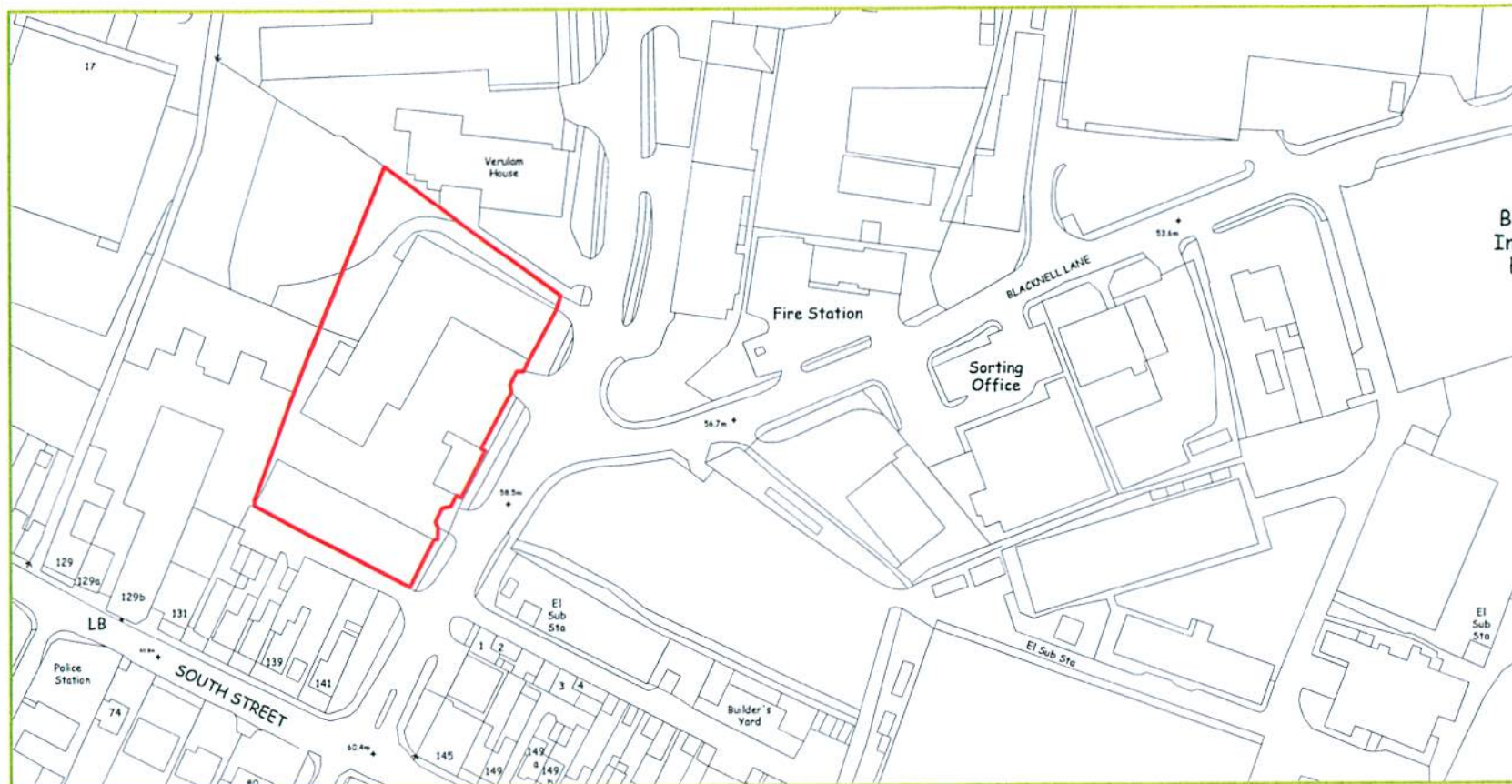
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Where applicable, figured dimensions to
be taken in preference to scaled dimensions
All measurements are to be checked on-site
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All works are for and included within the
boundaries of: Gibbs Site, Blacknell Lane,
CREWKERNE, Somerset, TA18 7HE

Site Location Plan - 1:1250

1:1250 0 25 50 75 100 125 Scale in Meters



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LYNDON BRETT PARTNERSHIP

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Client: Trustees of Singleton
Engineering Pension Scheme

Address: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Location: Gibbs Site
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Purpose: Block Plan for Valuation
Report Purposes

Dwg.No.: B2/110331

Scale: 1:500 (A3)

Date: March 2011

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CREWKERNE, Somerset, TA18 7HE

Block Plan - 1:500

Verulam
House

58.5m
+



0 10 20 30 40 50
1:500 Scale in Meters

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129b

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06 AUG 2007
RESOLUTION CENTRE

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REPORT & VALUATION INSPECTION REPORT

of

**Singleton Engineering & 129 South Street
Crewkerne
Somerset
TA18 7HE**

For and on behalf of

**Trustees of Singleton Engineering Pension Scheme
Blacknell Lane Industrial Estate
Crewkerne
Somerset
TA18 7HE**



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Website: www.lbp-rics.com**



On the instructions of:

Trustees of Singleton Engineering Pension Scheme
Singleton Engineering & 129A South Street
Crewkerne
Somerset
TA18 7HE

Our ref: LB/SC

11 February 2013

**STRICTLY PRIVATE AND CONFIDENTIAL
TO ADDRESSEES AND THEIR PROFESSIONAL ADVISORS ONLY**

**RICS REPORT AND VALUATION
INSPECTION REPORT**

Dear Mr Singleton

Re: Singleton Engineering, 129A South Street, Crewkerne, Somerset, TA18 7HE

INSTRUCTIONS

Lyndon Brett Partnership received confirmation of instructions on 7 January 2013 at a meeting at the above named premises, to advise on the value of the Freehold interest in the property known as Singleton Engineering, 129A South Street, Crewkerne, Somerset, TA18 7HE, for the purpose of contemplating current market values for the possible apportionment of the Pension Fund Assets, held by the Trustees of Singleton Engineering Pension Scheme.

A copy of our Valuation instruction letter is attached at Annex 1 to include our Terms of Engagement and complaints procedure, which should be read in conjunction with Report.

The Valuation in this report has been prepared in accordance with the Appraisal and Valuation Standards 5th Edition ('The Red Book') issued by the Royal Institution of Chartered Surveyors in April 2010 (6th Edition).

The basis of Valuation adopted is Market Value (MV). In using this definition we confirm that the interpretive commentary set out in the Red Book has been applied.

The property was inspected on 7 February 2013 by Lyndon Brett, MRICS and following consideration of all relevant matters we now report.

We confirm that Lyndon Brett Partnership, County Court Chambers, Queen Street, Bridgwater, Somerset, TA6 3DA holds Professional Indemnity Insurance for up to £1,000,000 in respect of any one claim.

This report is provided for the Trustees.

Valuations for the Financial Statements of pension schemes shall be in accordance with the SORP issued by the Pension Research Accountants Group (PRAG).

Valuations for this purpose are Regulated Purpose Valuations (UKPS 5.1) and the various disclosure requirements apply (see Basis of Valuation section hereunder)

Occupational pension schemes are governed by the Pension Schemes Act 1993 and the Pensions Act 1995. The Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 (SI 1996/1975) impose requirements with regard to audited accounts.

PRAG is recognised as the SORP-making body for pension scheme Financial Statements.

The SORP Financial Reports of Pension Schemes, A statement of Recommended Practice (Revised May 2007) states that properties should be included at 'Open Market Value' or other appropriate Basis of Valuations determined in accordance with Practice Statement 'UK Chapter 2 Valuations for Financial Statements – specific applications'. There is no material difference between 'Open Market Value' and 'Market Value' and the correct application of either will produce the same figure. The term 'Market Value' will be used for the purposes of this report.

The SORP applies only to pension schemes that are regulated by the FSA.

The SORP recommends that where property comprises a significant proportion of total investments, property Valuations should be carried out by Independent Valuers at the same frequency as actuarial Valuations of the fund, but in any case not less than triennially. In other cases, properties may be included on the basis either of an annual Valuation by an External or Internal Valuer or, if a less frequent Valuation is justified, on a rolling basis over one to three years by an External or Internal Valuer. More frequent Valuations may be necessary in the case of properties in the course of development, re-development or refurbishment.

It is understood that an appraisal of value is required in respect of the above-mentioned property for the purposes of Pension Fund Asset assessment. We are able to confirm that this report has been prepared in accordance with your instructions and the relevant Practice Statements contained within the RICS Appraisal and Valuation Standards 6th Edition (April 2010 as amended).

We would reiterate that we have had no dealings with the property to be valued, (other than for valuation purposes in March 2011), the customer or any other party connected with this valuation, during the past two years, nor do we anticipate any fee earning involvement arising. We are therefore unaware of any conflicts of interest, which prevent us from carrying out your instructions.

SCOPE & LIMITATIONS

The Scope and limitations of this appraisal and valuation are as detailed in our letter of instruction dated, 7 January 2013. Copy correspondence may be found in Annex 1.

This Valuation is prepared solely for the use of The Trustees of Singleton Engineering Pension Fund and no responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to other professional advisers assisting in respect of the purpose for which the Valuation is prepared.

INFORMATION SUPPLIED

- In accordance with your instructions we are reliant upon information supplied by the client in relation to tenure, services, rights of way, adoption of access roads and land contamination.
- In accordance with your instructions we are further reliant upon information supplied by South Somerset District Council in respect of Planning matters and Business Rates liability.

MARKET CONSIDERATIONS

Freehold property as an investment vehicle is at this time in good demand particularly for the 'well-let' properties offering long lease terms. Demand had strengthened against other investments from 2004-2008, but whilst this has tapered off, it still remains strong due to low interest rates, alternative returns on investment rates, demand from pension plans (SIPS) and endowments. Over the last few years, however due to the current economic climate, investment yields have hardened, based around economic activity, risk of voids and potential for Tenant default and premises and tones of rent have weakened, which have been a material consideration in assessment of values.

Whilst primary investment yields are still at relatively low levels, investors are seeking longer term lettings, with capital growth potential.

The secondary market is not as strong in terms of yields, as the primary market, but nonetheless, yields have followed the downward trend of prime property but the disparity is increasing, as secondary and or more complex investments are driven to expectations of higher yields and as a consequence, lower capital values.

The demand from Tenants, for industrial property is balanced with supply and rental values, that showed a rising trend in the first decade of the 21st Century, but which for some time has now stabilised, but with higher risks of voids, or longer periods of voids, with the added burden of Business Rates liability.

In secondary property, lease terms are generally both short and flexible.

The lease terms are outlined in the Tenure section of the report. Part of the premises continues to be occupied by Singleton Engineering on a rolling annual lease, which can be terminated on three month's notice.

The balance of the property comprising the former Gas showroom premises and subsequently a private home for the Singleton family is currently occupied as a GP Doctor's practice. The

occupation is holding over and will be vacated mid-year. We are currently preparing a dilapidation schedule to deal with terminal lease liabilities and the property will then be re-let. The property we believe will shortly be marketed by local agents.

We have assumed that the rental value would be confirmed circa £7,500 pa exclusive.

SPECIAL ASSUMPTIONS

No Special Assumptions have been made, in the preparation of this Valuation Report.

BASIS OF VALUATION

Our Valuation has been carried out in accordance with the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors. The basis adopted for this instruction is Market Value, which is defined in the Manual as:-

‘The estimated amount for which an asset 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’

PS 20 of the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, requires the disclosure of all related party interests or arrangements in land and buildings which a Pension or Superannuation Fund has an interest and for the purposes of this Valuation it has been assumed that the Trustees have made the Valuer aware of all the essential details outlined below.

Trustees have a general duty to act in good faith in relation to their dealings with a Fund’s assets and the disclosure of transactions with related parties helps to ensure that their duty is not compromised by such transactions.

All related party transactions of which the Valuer is aware or is made aware by the Trustees and or Fund Manager, should be disclosed but the onus of identifying potential conflicts of interest is on the Trustees rather than the Valuer.

It follows that, in assessing who should be identified as a related party in a transaction involving a Fund, the Trustees should consider all those parties whose interest’s conflict or may possibly conflict, with the interest of the beneficiaries of the Fund and who might be seen as influencing the terms of the transaction.

The guidelines which illustrate the breadth of this general principle are set out as follows:

The related parties of pensions and superannuation schemes or funds fall into three broad categories:

- Employer-related;
- Trustee-related; or
- Related to the Fund Manager, scheme administrator or other parties engaged by the

Trustees to carry out functions for the Fund

Related parties also include other Funds for the benefit of employees of companies and businesses related to the Employers, Trustees or parties engaged by the Trustees.

Employer related parties are:

- The sponsoring Employer, its Directors and their immediate families;
- Companies and businesses under the same control as the sponsoring Employer;
- Companies (and their associated undertakings and joint ventures) in the same group as the sponsoring employer; and
- Companies and businesses controlled by the directors of the sponsoring Employer or their immediate families

In so far as the Trustees were, or are now, aware of the relationship.

Trustee-related parties are:

- Trustees and their immediate families;
- Trustees' employers and employees; and
- Companies and businesses controlled by the Trustees and their immediate families

Parties related to the Fund Manager, scheme administration or other parties engaged by the Trustees to carry out functions for the scheme are:

- The parties so engaged, their directors or equivalent principal managers and their immediate families;
- Companies and businesses under the same control as the parties so engaged;
- Companies (and their associated undertakings and joint ventures) in the same group as the parties so engages; and
- Companies and businesses controlled by the directors or equivalent principal managers of the parties so engaged or their immediate families.

In so far as the Trustees were, or are now, aware of the relationship.

The Valuer has been provided with the following information by the Trustees:

a) The names of the related parties:

Peter William Singleton, Martin Hugh Singleton, David James Singleton and Duncan Charles Singleton

b) A description of the relationship between the parties:

Co Trustees, co beneficiaries of the fund and co directors of the tenant company

c) Description of the transaction:

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Landlord and Tenant as described above.

d) The amounts involved

Rental only under the terms of the lease as above

e) Other elements of the transactions of which the Valuer is aware and which are necessary for an understanding of the Report:

None

In accordance with your instructions we have provided opinions of:-

- Market Value
- Market Rent

We trust that we have interpreted your instructions correctly and on that assumption report as follows:-

1 Name and Address of Client

Trustees of Singleton Engineering Pension Scheme
Singleton Engineering
Blacknell Lane Industrial Estate
CREWKERNE
Somerset
TA18 7HE

2 Type of Property and Classification

An industrial and warehouse use, established through use over time as general industrial, light industrial and warehousing, with associated office use.

The Doctors surgery is a D1 use and the premises fronts South Street and was formerly the Gas Showroom/office and managers house, later occupied by the Singleton family as their private residence.

3 Address of Property Inspected

Singleton Engineering & 129 South Street
Crewkerne
Somerset
TA18 7HE

4 Date and Extent of Inspection

The property was inspected by the writer on the 7 February 2013.

It should be noted that on site constraints prevented a close inspection of the building's roof covering.

5 Weather at Time of Inspection

Initial inspection – overcast and raining, with steady rainfall throughout the inspection.

Second site visit – sunny conditions with some cloud cover.

6 Date of Valuation

The date of our valuation is 14 February 2013. No account has been taken of any changes to the property that may have occurred subsequent to the date of our inspection.

7 Tenure and a note of Tenancies (*if any*)

We have assumed for the purposes of our Valuation that the Freehold interest is unencumbered and free from any unduly onerous or unusual easements, conditions, restrictions or outgoings.

We are not aware of any rights of way over the property, save the right of way afforded over the entrance access of South Street, for the benefit of 129 South Street, the adjacent property, in third party ownership.

We assume that the boundaries on the site plan (Annex 2) are correct.

We would recommend that it is confirmed that the above assumptions are accurate and that the Freehold interest is good and marketable.

We have had sight of two leases dated 24th December 1995 and 15th April 1996 between PW, MH and DJ Singleton and Namulas Pension Trustees Ltd and Singleton Engineering (UK) Ltd, in respect of the above properties – both expiring 31st March 2019.

The freehold of the land to the South of the engineering works was purchased in 2001 or thereabout (edged in blue on the plan attached in Annex 2).

We have not been provided with a copy of the lease of this land but have been advised that it is leased in accordance with the leases as above at a rental of £7,500 per annum exclusive and we have assumed this in our valuation.

We have had sight of older leases including those dated 11th November 1998 and 26th

November 2003 between PW, MH and DJ Singleton and Namulas Pension Trustees Ltd and Michael Ian Osborne, which have expired due to effluxion of time. Negotiations we understand were ongoing for lease renewal with the present incumbent "year on year", which have not been implemented as long term plans to relocate are coming to fruition, in conjunction with support from the local PCT. Relocation of the Doctor's Practice will follow in Summer/Autumn 2013, date to be advised.

The new surgery site has been selected, acquired and is currently undergoing refurbishment and hence the anticipation that the premises will become vacant mid-year or thereabouts.

For purposes of this report we have assumed that terms until determination will be on the basis that the Tenant will be holding over, on covenants etc., consistent to that currently prevailing, other than the term.

8 Services

We are advised that mains gas, electricity (three phase) and water are supplied and connected. We have assumed for the purposes of our Valuation that the services are in satisfactory condition and that the supply capacity is sufficient for the use of the property.

Heating in the main production areas is by way of overhead gas fired radiant heaters.

The Administrative Offices are heated by way of individual electric powered convector heaters.

The property known as 129A South Street has a conventional gas fired hot water radiator system.

It is understood that 129A and the WC facilities within the period former gas works buildings are connected to mains drainage.

The Administrative Offices WC's are connected to mains drainage aided by a macerator and pump unit. This connection has been made via an adjoining property under separate ownership, which has not been granted on a formal basis. We are not aware that this situation has been legally formalised and our recommendation would be to put this in hand, particularly as a documented connection may assist any future long term development proposals for the site.

9 Local Taxation

Our internet enquiries confirm that the property is entered in the Rating List as part of a global assessment of the various assessments. These which are not subject to a transitional relief and would be subject to review, to reflect altered areas of occupation, where those are outside the area of this valuation.

The assessments are an amalgamation of the parts of the premises known as 'Singleton Engineering' occupied by the Tenants, and not just the part that is the subject of this report and will be subject to re-assessment following alterations affecting the combined assets.

Details of the various assessments are provided in Annex 4.

10 Situation and Location

The property is located in the principle trading area known as Blacknell Lane Trading Estate approximately half a mile from the town centre of Crewkerne, Somerset just off the A356 (Dorchester Road). Key occupiers on the estate are TOD Aero Defence, VES Precision Engineering, Rotalink, Cronite, Parker and Royal Mail.

A location Plan/site plan is attached Appendix 4 of this report. The subject property is edged red on the plan.

Crewkerne is a busy little Somerset former market town of around 7,000 residents, situated 9 miles (14 km) south west of Yeovil and 7 miles (11 km) east of Chard in the South Somerset district, close to the border with Dorset.

There are local supermarkets at Henhayes (Waitrose and Lidl) and local shops, and some local industry providing employment, but with the main source of employment for the district located at Yeovil.

New development is ongoing on the Persimmon Homes development to the South and West of Crewkerne, abutting Cathole Bridge Road.

The town retains neo-Georgian architecture in its famous honey-coloured town centre stone built buildings. Crewkerne boasts a variety of shops, small cafes, local pubs, a traditional hotel in the market square, variety of leisure outlets, museum, GP Surgeries and Schools.

Further out of town, there are industrial estates for various businesses and manufacturers. Visible from many parts of the town is the open farm land of the South Somerset countryside which surrounds the settlement of Crewkerne.

New development was envisaged by virtue of the CLR for Crewkerne, to include approximately 1,000 new homes, but this has been scaled back with the recently approved scheme. Additional employment land is also being made available to provide economic benefits, jobs and sustainable development for the town's population.

As part of the development linked with the development link road (CLR), the recently approved development scheme will include a link between the A30 to Yeovil and the A356 to Dorchester.

Running to the East of Crewkerne the site will provide for a mixed use scheme of

residential to the North and employment land to the South, with the development located on the East of Crewkerne. The CLR will provide improved linkage into the Blacknell Lane industrial estate.

The residential element provides for 525 new homes with new school facilities together with community hall and neighbourhood shopping, as a local centre.

General

The property comprises a site, previously occupied as a Gas Works of approximately 1.41 acres (0.57 ha) (edged red on the plan Annex 2. Please note that the plan also includes edged in red, 129A South Street, the subject of this report) on which now stands, a range of industrial buildings of various age, construction and size occupied and developed as an engineering works (see 13.0 Accommodation) centered around the administrative pre-fabricated offices and yard area, plus the Doctor's Surgery (as 129A South Street).

The site also includes a parcel of land extending to 0.54 acres (0.2 ha) accessed to the North of the site from Blacknell Lane, which formerly had a gas holder erected upon it and was purchased from Transco in 2001, or thereabout. This is currently used for ad hoc car parking and compressor housing.

The legal rights of entry reserved by Transco we understand, has been extinguished now that the pipework through the site is no longer in use.

Access to the site is at two points, from Blacknell Lane and restricted and shared access from South Street. Owing to the split level of the site, the Northern access provides only pedestrian access to the production buildings and vehicle access only to the undeveloped land.

Fronting South Street and currently occupied by a Doctor's Surgery (within the boundary edged red on the plan Annex 2) is a substantially built semi-detached property. Built to the pavement, the property is of natural stone construction under a slate roof.

To the right hand side of the property are access gates to the engineering works buildings and yard.

The end part of the former gas works buildings (see below) has been provided as a garage for the Surgery and is included in the leased area.

The former Gas Works Buildings (Buildings 1, 2 & 3 for the purpose of this valuation) are constructed of natural stone construction, under a part slate and part fibre cement pitch roof with concrete floors. The accommodation provides workshops, stores, foreman's office and WCs.

Within these buildings a modern steel framed mezzanine has been erected with timber floor boarding, which is utilised as storage and a staff room.

Connected via the arches of the above buildings is Building 4. Building 4 is of modern steel frame construction with block infill walls to a height of approximately 240cm with plastic coated profile sheeting above to the exposed walls. Access to the Northern end of the building is via a roller shutter door.

Building 6 is used as a spray booth. This building is of metal frame with single skin profile iron walls and roof.

Building 7 is in the form of an open fronted lean-to with steel purlins supporting a plastic coated profile steel roof.

Building 8 is a single storey natural stone building with slate roof housing a compressor.

The Administration Offices (reference Building 9) is based around a portable building format, which has been extended overtime. Constructed of pre-fabricated infill panels and glazing with a pebble dash finish and a flat felted roof. This is linked to a 'portacabin' style structure with an office and WC. The Administrative Offices also connect to the main production building.

The main production building (reference Building 10) comprises the most recent construction on site being of modern steel portal frame with block infill walls under a lined plastic coated profile sheet roof.

The building is currently divided into two areas. An addition has been added to accommodate spraying equipment.

11 Roads/Highways

The Client has informed us that the property is, to the best of his knowledge, unaffected by any third party rights of way, save as follows:

- a) Shared rights of access from South Street, for the benefit of 129 South Street
- b) Shared rights of access over Blacknell Lane and the rear service road to the South Street properties and
- c) Right of access over land, also in the ownership of the pension trustees but comprising the former Gibbs Valet work site, both through the main entrance and the service road entrance to the North, leading to the former Transco site.
- d) A pedestrian walkway from South Road to Henhayes bounds the site to the North.

Legal Advisors to verify the above.

12 Construction

Lyndon Brett Partnership were not instructed to undertake any structural surveys, test the services, or arrange for any investigations to be carried out to determine whether any deleterious or hazardous materials have been used in the construction of the

property valued. It is assumed that the property is free from latent defects.

The nature of the engineering business occupying the majority of the buildings will inevitably generate heavy usage of the yard areas and put strain on the fabric of the buildings requiring an ongoing maintenance programme.

There is a combination of traditionally stone built buildings, with additions and alterations, steel frame and externally clad buildings, using a variety of materials including block work and cladding, some of which is life expired.

From our inspection for Valuation purposes the various elements are generally in reasonable order for the construction, age and use although there is considerable impact damage to the cladding both to the inside and outside of the building.

The buildings are in part insulated but the level of insulation, even in the most modern portion of the premises does not comply with current requirements.

This is a report for valuation purposes and not a full building survey, as a full building survey report, has not been commissioned, or in fact sought.

We have not carried out a building survey of the property nor inspected parts of the property which were covered, unexposed or inaccessible, nor arranged for nor carried out specialist tests of the ground conditions, of any part of the structure and sub-structure, nor of the electrical, heating, air conditioning, plant and machinery equipment or other services to the property or running under the site.

The Lyndon Brett Partnership cannot express an opinion about or advise upon the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts. Those relying on this report should be aware that although regard has been taken of the apparent state of the property, defects might exist that are latent or would be revealed in a more detailed survey.

The Lyndon Brett Partnership is unable to confirm that the property is free from risk of high alumina cement concrete, calcium chloride additive, asbestos of any type or other potentially deleterious or hazardous materials or techniques having been used in the construction or alterations to the property.

No measurement or calculation has been made of the load bearing capacity of foundations, floors or other elements of the structure, which it is assumed is suitable for the present or proposed uses.

The valuation assumes that any more detailed reports, tests or calculations would not reveal any materially adverse conditions.

Unless stated otherwise in this report, we have not been made aware of the content of any environmental audit, land quality statement or soil survey, which may identify contamination/pollution or warn of this possibility. Our report in this respect, made only

from visual inspection and limited enquiry, cannot be relied upon as conclusive and accordingly the valuation on the assumption that the property is not subject to contamination can only be validated if, following an exhaustive investigation by appropriately qualified consultants, the property is found to be uncontaminated and not exposed to pollution.

Where Lyndon Brett Partnership are provided with reports by identifying the existence and extent of contamination and the costs of remediation, we rely upon the information contained without any liability thereof.

This report is provided for the stated purpose only and for the sole use of the named client. It is confidential to the client and their professional advisors.

13 Accommodation

We have measured the building in accordance with the RICS Code of Measuring Practice (Fifth Edition) and calculate that it provides the following Gross Internal Floor areas – see annex 5.

14 Plant, Machinery, Furniture, and Equipment

Plant, machinery furniture and equipment are excluded from this Valuation.

15 Accounts

N/A

**16 BUILDING REGULATIONS, TOWN PLANNING, ROADS, STATUTORY,
MINING, ENVIRONMENTAL MATTERS AND SERVICES**

(General comment where appropriate - no enquiries have been made as these are the responsibility of your legal advisor)

We have made informal verbal enquiries with South Somerset District Council and understand that the properties have consent for the existing use.

In 1998 the property known as 129A South Street was granted planning consent for use as a Doctors Surgery reference 98/016/79.

We have assumed for the purposes of our Valuation that the various elements of the properties are occupied in accordance with valid planning consents and that all relevant statutory requirements have been materially complied with.

We are not aware of any Local Authority Planning or Highway proposals likely to have an adverse effect upon the value of the property.

Planning Permission has been granted in 2013 for a mixed use scheme including a substantial residential development extending to 14.21 hectares which would provide

for 525 new homes, together with School site and meeting hall, local centre with a small parade of shops, all linked with the creation of the Crewkerne link road (CLR) – see annex 3 of master plan for 525 units.

The scheme also frees up land for employment use purposes to the East side of town, West of the new CLR and the internal estate road network road link will improve access to the industrial estates of Blacknell Lane.

A section 106 agreement with Taylor Wimpey and the consortium of residential house builders has been agreed.

The agreement provides for the link road to be fully completed within 4 years of the occupation of the first house, subject to the developer being allowed to have no more than 199 dwellings occupied and till the link road is completed.

There are a number of conditions which are to be discharged before the scheme can be implemented.

Despite the prospect of development being in the offing, realistically the benefits to Crewkerne of the CLR and in particular, the benefit to Blacknell Lane industrial estate is likely to be delayed for 4-5 years.

There are changes afoot in planning, which will allow changes from Use Class B1 to Residential, subject to pre-proposal consultation with the Local Planning Authority, without a formal change in use application for planning permission being required. This may be useful for the traditional buildings on site, which are currently used for manufacturing purposes.

In preparing this report we have assumed that all necessary statutory and legislative enactments have been complied with. We have also assumed that there are no outstanding notices in respect of the premises.

In preparing this report we have assumed that all necessary statutory and legislative enactments have been complied with.

We understand that a register of asbestos containing materials (ACMs) exist and is held the property. The register or risk assessment together with plans to show compliance with the Control of Asbestos at Work Regulations, is required under the Control of Asbestos at work regulations.

If any works to the premises are proposed, you should be aware of the Construction Design and Maintenance Regulations 1994 and the obligations arising therefrom.

Disability Discrimination Act 1995

Under the Disability Discrimination Act 1995 requirements are imposed on owners and occupiers of business premises who provide a service to the public. This relates to

means of access for disabled persons and requirements will be imposed with effect from October 2004 to make provision for this.

At present there is no evidence in the market to support a difference in values between those buildings conforming with the requirements of the Act and those which do not. In the longer terms there may be implications for the value of property which do not comply with the Regulations.

Environmental Considerations

The Environment Act 1995 places a duty upon Local Authorities to identify contaminated land in their areas, gives them and the Environment Agency power to serve remediation notices and to maintain registers of remediation statements, declarations and appeals.

The principle will be for the polluter to pay for remediation works and only where liability is legally transferred or the polluter cannot be found will the costs fall on the owner. An owner would not include a mortgagee not in possession but liability will be of concern to a lender if possession is ever to be contemplated. Liability will extend to pre-existing pollution and an owner who has caused or knowingly permits an escape of pollution through his or her land will be liable even if the source was on other land.

In preparing this report our investigations have been limited to visual inspection of the property, consideration of its use, the uses of this adjacent property so far as evident and only after superficial enquiry into past uses of this property. Should it be established subsequently that contaminants, seepage or pollutions exist at the property, or any neighbouring land, or that the premises have been or are being put to any contaminative use, this might reduce the values as now reported. As our investigations and enquiries have not been exhaustive and in view of the potential liabilities, we recommend consideration be given to considering a Land Quality Statement or Environmental Audit for which we can introduce the relevant consultants.

The property has been developed on the site of and utilises a number of original buildings, of the former Gas Works. It is likely therefore that there is an element of contamination which could adversely affect the re-development value of the site at a future date with tar oil contaminants potentially a significant factor. On other sites, contamination in the form of cyanide and other by-products has been noted from anecdotal evidence. Our Valuation is therefore on that basis.

The land to the North of the site has in the past had a gasholder erected there upon. We have been made aware of a report prepared by Kennedy Donkin dated 1999, which was prepared on the instructions of Transco, but we are informed that the benefit has been passed to the current owners.

The report we are advised concludes that, although there may be minor pockets of contamination, however the site was used for gas storage and not production; it is unlikely that there are any major contamination issues.

We have not undertaken a survey of the accommodation to facilitate the preparation of an Asbestos Register in accordance with the control of Asbestos Regulations at Work 2001. If not undertaken this should be completed at the earliest opportunity. Lyndon Brett Partnership is unable to confirm or comment that the property is free from Asbestos contamination. Consequently should it be established that asbestos products exists in the property this might reduce the values now reported.

The above comments do not imply or give any warranty and we would be pleased to arrange for specialist environmental engineers to carry out an investigation should you wish to verify the situation.

17 DELETERIOUS OR HAZARDOUS MATERIALS

The presence of asbestos was suspected in the form of asbestos cement fibre roof sheets to the external fabric also asbestos cement fibre rainwater goods.

Asbestos is a health hazard if damaged or disturbed and replacement costs involved may be high. Appropriate advice should be obtained from an accredited specialist for carrying out any work affecting these parts. Even where asbestos is in good condition and left undisturbed, there are some potential purchasers who may be deterred by its presence.

Due to the age and type of the property, other building components may contain an element of asbestos.

The control of Asbestos at Work Regulations has imposed from 2004 further duties in Managing Asbestos in the Workplace.

We have not had sight of the Asbestos Management Report.

18 Commentary

a) Summary

The property is a mixed use site, which has been developed over the years, with a range of traditional and more modern buildings, housing part of the Singleton Engineering works and the local Doctor's Surgery.

The property is subject to and benefits from rights of way. The property is generally in fair condition having regard to its construction, age, details and the current uses.

b) Methodology

In arriving at our opinion of value we have adopted both comparative and investment methods of valuation. Due consideration has been given to comparable sales and lettings evidence.

c) Alternative Uses

We do not consider that there are any alternative uses, which would materially affect the value of the property at the present time.

Whilst previous food retail and residential uses have been promoted, these interests have not materialised with substantive schemes. The present climate is not conducive to alternative uses being promoted as a viable option, without an improvement in market conditions, or changes in circumstances i.e. the CLR being close to an implementable stage.

Without the linkage between the new development, through the establishment of the CLR for a further 4 or 5 years, consideration of such alternative uses would be considered premature.

19 Valuation

Under UK Appendix 2.4 Valuations for pensions schemes 2. Identification of categories and Basis of Valuation, of the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, valuations of land and buildings owned by Pension and superannuation funds are to be categorised under guidelines. For the purpose of this report we have categorised the subject properties as follows:

'Properties held as Investments'

Complying with RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors, the Valuer reports the total value of the properties divided into:

- Freeholds
- Leaseholds, distinguishing between long leases (those with over 50 years unexpired) and short leases (those with less than 50 years unexpired).

The value of the properties in any or each of these categories must be sub-divided between those let or contracted to be let to third parties and any let to, or occupied by, or contracted to be let to, or occupied by, a related party where the property is wholly or substantially (not less than one third by value) let to, or owned by, a related party and the Valuer must comment appropriately if an arrangement is not on normally-accepted current commercial terms, or where the rent presently reserved differs by more than 10% from the market rental value.

Aggregate totals of gross rental incomes, net rents (after deduction of all ground and head rents) and net rental incomes (after deduction of ground and head rents and all non-recoverable property outgoings but not amortisation) passing at the date of valuation (sub-divided between those derived from lettings to third parties and those from properties occupied by related parties);

Either:

- By category, the aggregate totals of such gross rental incomes, net rents and net rental incomes in order to forecast reversionary increases and decreases at appropriate yearly anniversary dates based on market rental values current at the valuation date. The projection need not normally be for a period beyond ten years unless so requested by the Trustees; or
- The market rental values current at the valuation date together with such information as is necessary to enable the Fund Manager to compute such reversionary increases/decreases; and
- Percentage breakdown of the capital value of the portfolio as between offices, retail, industrial and business space, agricultural and other classes of property, differentiating between UK and overseas properties.

The methodology used in arriving at our valuation is based upon the current combined agreed rental of £52,500 per annum exclusive.

Taking into account current market conditions, it is our opinion that the Market Value (MV) of the Freehold interest in the above described property, as at the date of this Valuation Report are as follows:

Market Value is understood as the value of an asset estimated without regard to costs of sale or purchase and without off set for any associated taxes.

Neither the Whole nor any part of this Valuation Report, nor any reference thereto may be included in any published document, circular or statement, nor published in any way without the Valuers written approval of the form and context in which it may appear.

We are of the opinion that the market value of the property in its existing condition subject to the existing and proposed tenancies is **£495,000 (FOUR HUNDRED AND NINETY FIVE THOUSAND POUNDS)**

We trust the above report is satisfactory for the Trustees of Singleton Engineering Pension Fund purposes but should you have any further information or clarification, please do not hesitate to contact us.



LYNDON BRETT MRICS

Lyndon Brett Partnership
Chartered Surveyor
County Court Chambers
Queen Street
BRIDGWATER
Somerset
TA6 3DA

PURPOSES, BASES AND LIMITATIONS RELATING TO THIS VALUATION

1. Purpose of Valuation

This valuation is prepared specifically for the purposes of advising the client on the open market value of the above property.

2. Bases of Valuation

- (a) This valuation is prepared in accordance with the RICS Statement of Asset Valuation Practice and Guidance Notes. It is prepared on the basis of the current open market value of the property, in its existing use, except where otherwise specifically stated in this report.
- (b) Guidance Note GN18 advises that it is not appropriate to value a property to be used as a security on a 'forced sale' basis. The basis of the valuation is, therefore, 'open market value' which is defined in accordance with Guidance Note G22 as the best price for which an interest in a property might reasonably be sold, assuming:-
 - (i) a willing seller
 - (ii) that prior to the date of the valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale
 - (iii) that the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation,
 - (iv) no account to be taken of any additional bid by a purchaser with a special interest
 - (v) no account is taken in this valuation of the effect on value of any special taxation

3. Limitations

- (a) Our valuation has had regard to the apparent state of repair and condition of the property, but we have not carried out a detailed inspection of the property. We understand that a structural survey of the property is not required and, therefore, our valuation assumes that the property is structurally sound and free from defects other than those specifically mentioned in this report.
- (b) In any case, we have not inspected those parts of the property which were covered, unexposed or inaccessible and consequently we cannot comment whether such parts are free from rot, beetle or other defects. Similarly, we have not inspected or tested services connected to or installed in the property and so cannot comment on their serviceability or otherwise.
- (c) We have not arranged for any investigation to be carried out to determine whether any high alumina cement, deleterious or hazardous materials have been used in the construction of the property and as it is impracticable to comment on the state of any wall ties we are, therefore, unable to report that the property is free from risk in this respect. For the purpose of this valuation we have assumed that such investigation would not disclose the presence of any such materials in any adverse condition. Although we believe the use of such materials to be most unlikely, we suggest that if this aspect is critical your solicitors should obtain copies of the normal pre-contract enquiries relating to this aspect.
- (d) We have not made searches at the office of the Local Planning Authority or Highway Authority and our valuation is based on information received from these departments from verbal enquiries only. We nevertheless recommend that, prior to exchange of contracts, your solicitors incorporate in their application for Local Searches to the Local Authority questions relating to proposed road works, highway development projects or planning schemes.

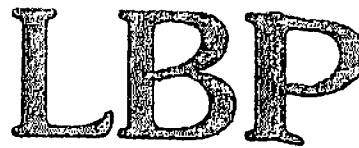
- (e) This report and valuation is based upon our inspection of the property and the information which has been made available to us, which we assume to be correct.
- (f) We do not have any direct or indirect interest in the property.
- (g) We have not inspected any documents of title and for the purpose of our valuation we have assumed that good title can be shown, and that the property is not subject to any onerous restrictions, encumbrances or obligations.
- (h) We assume that the property is unaffected by any statutory or contractual notice restricting its use and neither the property or its use gives rise to a contravention of any statutory requirement, and that planning permission has been granted or exists for its existing use, and that any conditions attaching thereto have been strictly complied with.
- (i) Whether or not there is any qualification in the report as to the source of any particular information, it remains the responsibility of the lender and the proposed borrower to ensure that all appropriate enquiries are made, accounts inspected, licenses and other permissions examined and the usual searches and other precautions taken by a solicitor in connection with the purchase and/or mortgage of the business or property.

This report is not intended to replace any of these investigations or enquiries but it may, however, point to further enquiries being necessitated. It must be remembered that the report does not contain a decision as to whether money should be lent or the business or property acquired.

- (j) This report is for the benefit of the parties to whom it is addressed and their professional advisors and no responsibility is accepted to any third party for the whole or any part of this report.
- (k) This report should be read as a whole and no part should be taken separately or out of context. It is prepared specifically for the stated purposes and no other.
- (l) Neither the whole or any part of this valuation, or any reference thereto, may be included in any published document, circular, or statement, or published in any way without written approval of the content or form in which it may appear.
- (m) No allowance has been made for the expense of realisation, or any taxation, which may arise in the disposal of development of the whole or any part of the property.
- (n) In view of the changing market conditions, this valuation should not be relied upon after the expiry of three months from the date of this report, even assuming that there are no changes in matters or assumptions affecting the valuation(s).

Annex

1. Instruction Letter
2. Site and Location Plan
3. Master Plan for 525 units
4. Rating Assessment
5. Appraisal



LYNDON
BRETT
PARTNERSHIP

Principal: Lyndon Brett MRICS, FAVP

County Court Chambers, Queen Street, Bridgwater, Somerset TA6 3DA
Telephone: (01278) 450350 Facsimile: (01278) 428375
E-mail: info@lbp-rics.co.uk www.lbp-rics.com

Private & Confidential

PW, MH & DJ Singleton &
Namulas Pension Trustees Ltd
Singleton Engineering (UK) Ltd
Blacknell lane Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Our ref: LB/jaog

4th January 2013

Dear Mr Singleton

Re: Freehold Valuation Report – Singleton Engineering (UK) Ltd, Blacknell Lane, Crewkerne, Somerset, TA18 7HE

With reference to our recent telephone conversation, I confirm the fee quote to carry out the reports and valuations. I write to confirm that I would be pleased to undertake this work on your behalf.

It is my understanding that you require a valuation of the premises on the basis of an open market freehold valuation ~~with vacant possession~~, or as per specific instruction of financial institution.
AS OCCUPIED.

Fees

With regard to my fees, these will be based upon the former RICS scale of charges plus disbursements and VAT. The scale of charges is based upon the valuation figure and calculation at 1% on the first £1,500, 0.5% on the next £11,500 and 0.25% on the residue. The minimum figure to be £500 plus disbursements and VAT.

In light of historical research work previously carried out, I am pleased to offer an £850.00 reduction in fee, exclusive of VAT.

Payment of costs

As a general rule costs and disbursements are to be paid within 30 days of the issue of the invoice and after that time bear interest at 8% above National Westminster Bank plc based rate until paid in accordance with the Commercial Debts (Interest) Act.

Or

The commissioned report will be made available upon the payment of my firm's account which will be invoiced when the report has been finalised. The report can be forwarded or collected on the settlement of that account.

Responsibility for work

I shall carry out the majority of the work involved in connection with this matter personally. If you need to contact me I will usually be in the office or alternatively can be contacted on my mobile 07970 893963. You can also contact Julie Odhams-Good who will be familiar with the file. If they are unable to help you they will be able to take a message for you.

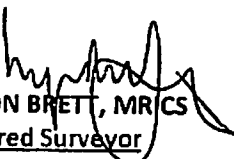
The ultimate responsibility for matters dealt with by this firm is the writer Lyndon Brett. I aim to offer my clients an efficient and effective service and I am confident that I will do so in this case. However, should there be any aspect of this practice's service with which you are unhappy, and which I cannot resolve on a mutual basis, then you may raise the matter with my colleague Julie, at this office who will implement our Internal Complaints Procedure. A copy of the Complaints Procedure is available on request.

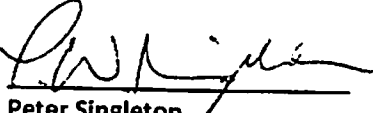
RICS Regulations and Bye-Laws

It is a pre-requisite of the RICS that a signed letter of instruction is obtained prior to commencement of work. To save you writing a letter of instruction and by way of confirmation that you would like us to proceed on the basis as set out hereinbefore, I would be grateful if you would sign the enclosed extra copy letter and return same to the office.

Should you wish to vary my interpretation of your instructions in any way, please do not hesitate to contact the office.

Yours sincerely


LYNDON BRETT, MRICS
Chartered Surveyor


Peter Singleton

14.1.13.
Date

Address of property: **SINGLETON ENGINEERING (UK) LTD, BLACKNELL LANE INDUSTRIAL ESTATE, CREWKERNE, SOMERSET, TA18 7HE**

Rating list: **2010 (Current)**

With effect from: **01 Nov 2011**

Description: **WORKSHOP AND PREMISES**

Billing authority: **SOUTH SOMERSET**

Billing authority reference: **301074105**

Special category code: **096 - Factories, Workshops and Warehouses (Incl Bakeries & Dairies)**

Basis of measurement: **GIA**

Valuation scheme reference: **106629**

Unadjusted £ m2/unit: **£27.00/m2**

Valuation

Ref.	Floor	Description	Area m2/unit	£ m2/unit	Value
1	Ground	Workshop	615.06	£23.77	£14,620
2	Ground	Store	45.50	£23.77	£1,082
3	Ground	Store	81.20	£18.77	£1,524
4	Ground	Workshop	33.11	£22.58	£748
5	Ground	External Storage	10.88	£16.04	£175
6	Ground	Workshop	193.55	£25.02	£4,843
7	Ground	Workshop	111.65	£23.10	£2,579
8	Ground	Workshop	73.01	£24.26	£1,771
9	Ground	Area Under Supported Floor	128.17	£16.17	£2,073
10	Ground	Workshop	163.66	£23.65	£3,871
11	Ground	Works Office	25.29	£22.53	£570
12	Ground	Store	18.83	£22.53	£424
13	Ground	Store	7.95	£22.53	£179
14	Mezzanine	Store	7.95	£11.56	£92
15	Mezzanine	Store	112.81	£11.56	£1,304
16	Ground	Store	13.48	£21.95	£296
17	Mezzanine	Internal Storage	13.48	£11.56	£156
18	Ground	Store	16.54	£22.53	£373
18	Ground	Warehouse	215.55	£25.02	£5,393
19	Ground	Offices	32.78	£27.52	£902
20	Ground	Warehouse	241.48	£25.02	£6,042
21	Ground	Offices	118.71	£27.52	£3,267
22	Ground	Warehouse	227.23	£25.02	£5,685
23	Ground	Mess/Staff Room	19.52	£27.52	£537
24	Ground	Warehouse	555.11	£25.02	£13,889
25	Ground	Warehouse	627.08	£25.02	£15,690
Total area:			3709.58	Subtotal:	£88,085
Additional items					
Portable Building			19.0	£25.00	£475
Portable Building			62.0	£25.00	£1,550
Portable Building			9.0	£25.00	£225
Total before adjustments:					£90,335
Adjustments made					
Layout/split level/mixed ages				-10.0%	
Total adjustments:					-£9,033
Total value:					£81,302
Rateable value:					£ 81,000

Singleton Engineering
Singleton Engineering Ltd Premises and Land at Blacknell Lane, Crewkerne, Somerset, TA18 7HP

Properties held as Investments**Singleton Engineering Premises**

Ref	Description	Use	Size Imperial (ft ²)	Rate adopted ft ²	Rental Value	Capital Value
1	former gas works building	Production	1440.00	£2.00		2,880
2	former gas works building	Production	1148.00	£2.00		2,296
3	former gas works building	Production	1522.00	£1.00		1,522
	Plus Mezzanine		986.00	£2.00		1,972
3A	Office/WC	Office/WC	277.00	£3.00		831
	modern attached to former gas					
4	works building	Production	2058.00	£2.75		5,659
5	former gas works building	Production	1324.00	£2.00		2,648
6	modern spay booth	Production	516.00	£2.75		1,419
	modern lean to infill with open					
7	front	Production	923.00	£2.75		2,536
	stone store building with					
8	compressor	Production	461.00	£2.00		922
		Administrative				
9	pre-fab' and	Offices	665.00	£3.00		1,995
	'portacabin'		204.00	£3.00		612
10	Modern Industrial building	Production	6620.00	£2.75		18,205

Total Gross Internal Area **Total Gross Internal Area** **18,144.00** **Total**

Current Rent - Annual Tenancy **£45,000**

Capital Value **Capital Value** **Adopted yield 13%** **£346,050**

Say **£345,000**

Former Transco Land (Not Developed)

Ref	Description	Use	Size Imperial (acres)	Rate adopted ft ²	Rental Value	Capital Value
		Land	0.54			£7,500
	Capital Value				Adopted yield 12%	£62,475

Say **Capital Value subject to the tenancy** **£60,000**

129A South Street

Ref	Description	Use	Size Imperial (ft ²)	Rate adopted ft ²	Rental Value	Capital Value
	Ground Floor & First Floor Accommodation		1006			
	Outside (forming part of the former gas works building)	Garage	358		£ 7,500.00	
	Capital Value subject to the tenancy				Adopted yield 8.5%	£88,200
	Capital Value assuming vacant possession and permission for sale as house					£ 90,000
	VALUATION OF WHOLE SUBJECT TO EXISTING TENANCIES					£495,000
	SAY					£495,000

Broadcast Report

P 1

27/03/2013 13:49

Serial No. A0ED022062331

TC: 69977

Addressee	Start Time	Time	Prints	Result	Note
King Stag Ltd.	03-27 13:34	00:00:39	001/001	OK	
5	03-27 13:48	00:00:54	000/001	No Ans	

Note TXR: Timer TX, POL: Polling, ORG: Original Size Setting, FME: Frame Erase TX,
 MIX: Mixed Original TX, CALL: Manual TX, CSRC: CSRC, FWD: Forward, PC: PC-Fax,
 BND: Double-Sided Binding Direction, SD: Special Original, FCODE: F-code, RTX: Re-TX,
 RL: Relay, MEX: Confidential, BUL: Bulletin, SIP: SIP Fax, IPADR: IP Address Fax,
 I-FAX: Internet Fax

Result OK: Communication OK, S-OK: Stop Communication, PW-OFF: Power Switch OFF,
 TEL: RX from TEL, NG: Other Error, Cont: Continue, No Ans: No Answer,
 Refuse: Receipt Refused, Busy: Busy, M-Full: Memory Full,
 LOVR: Receiving length Over, POVR: Receiving page Over, FIL: File Error,
 DC: Decode Error, MDN: MDN Response Error, DSN: DSN Response Error.



SINGLETON

SINGLETON ENGINEERING (UK) LTD

BLACKNELL LANE INDUSTRIAL ESTATE, CREWKERNE, SOMERSET, TA18 7HE
 TELEPHONE: CREWKERNE (01460) 72763 FAX: (01460) 76676
 e-mail: accounts@singletoneng.com and sales@singletoneng.com www.singletoneng.com

FACSIMILE MESSAGE

To... King Stag Transport..... FAO... Mike.....

Date... 27/03/2013..... From... Mark Noake.....

Page... 1..... of ... 1.....

Hi Mike.

Could I please have a price for.

1

10

50

100

Curtain sided Artics to Stotfold, Hertfordshire
 from Crewkerne

Many Thanks 

Chartered Surveyors

County Court Chambers
Queen Street
Bridgwater
Somerset
TA6 3DA

Tel: 01278 450350
Fax: 01278 428375
E-mail: Info@lbp-rics.co.uk
Website: www.lbp-rics.com

Client: Trustees of Singleton
Engineering Pension Scheme

Address: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Location: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Purpose: Site Location Plans for
Valuation Report Purposes

Dwg.No.: A1/110331

Scale: 1:1250 (A3)

Date: March 2011

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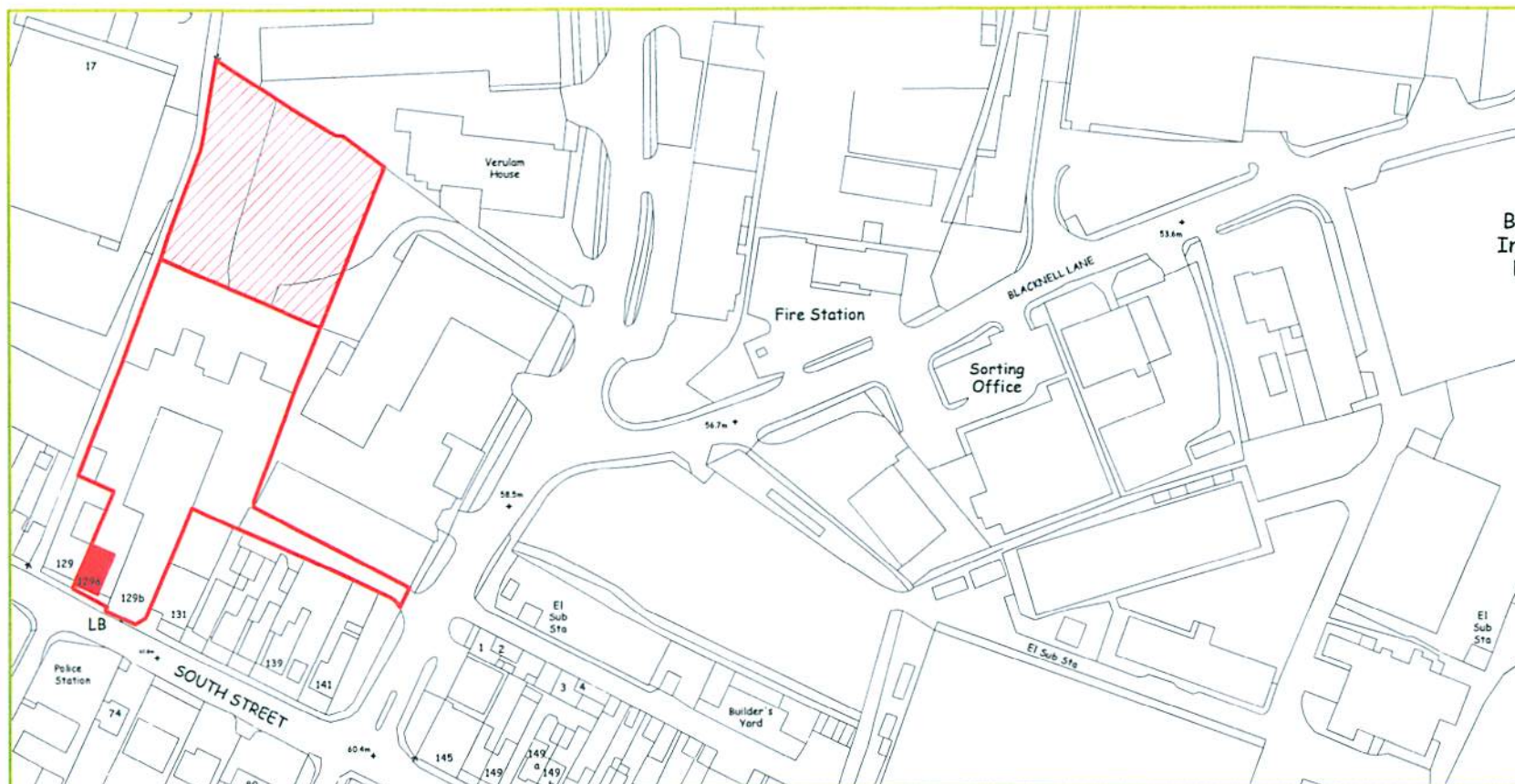
This drawing is for Client and
Local Authority Approval only

Where applicable, figured dimensions to
be taken in preference to scaled dimensions.
All measurements are to be checked on site
for validation and authenticity

No amendments or copies are to be
produced without prior consent from the
Design Team at Lyndon Brett Partnership

All works are for and included within the
boundaries of: Singleton Engineering Ltd,
Blacknell Lane, Industrial Estate,
CREWKERNE, Somerset, TA18 7HE

Site Location Plan - 1:1250



- Singleton Engineering
- Doctor's Practice Building
- Former Transco Gasometer Site

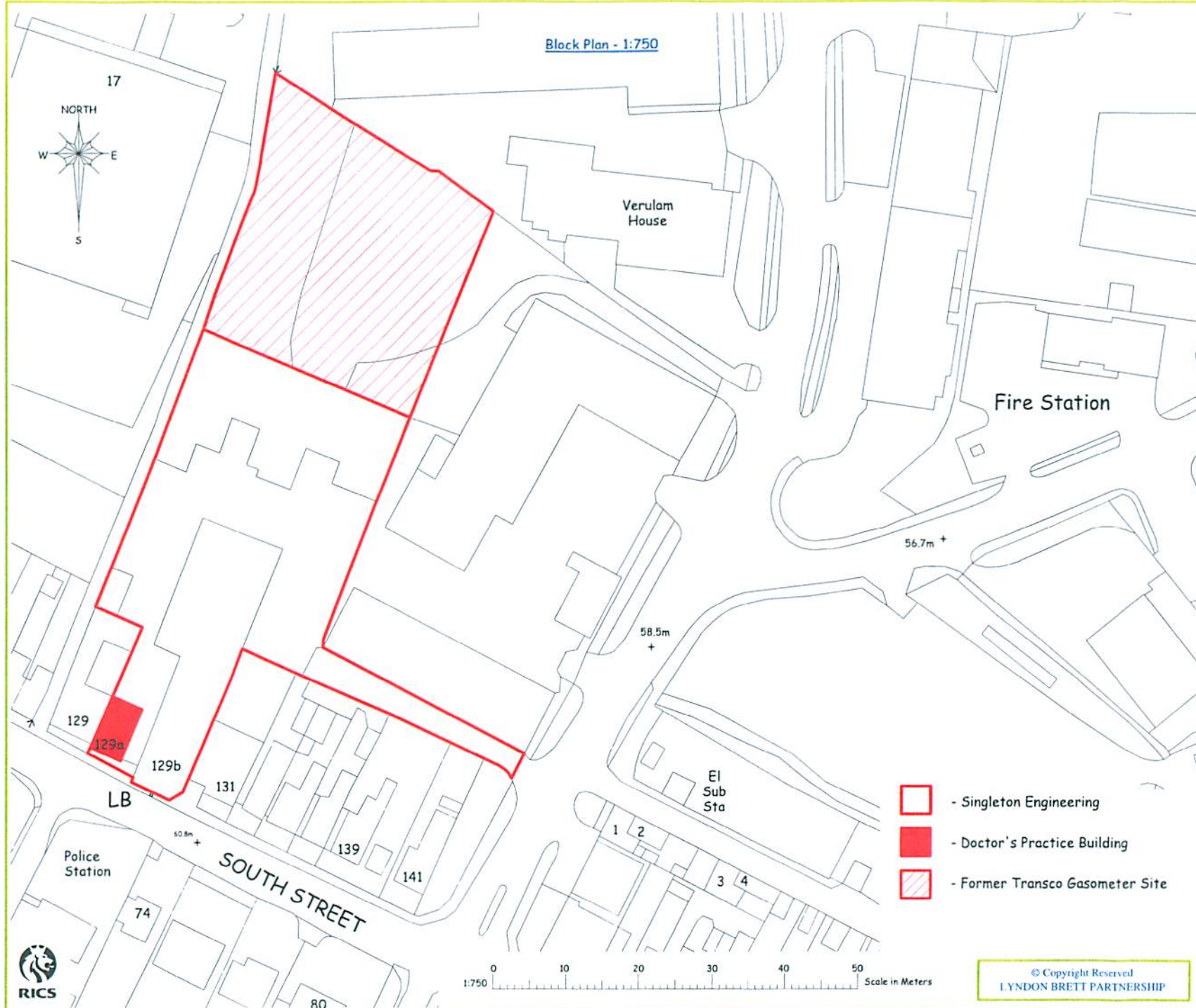


1:1250 0 25 50 75 100 125 Scale in Meters



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LYNDON BRETT PARTNERSHIP

Block Plan - 1:750



LBP LYNDON
BRETT
PARTNERSHIP
PO BOX 1000000000000000

Chartered Surveyors

County Court Chambers
Queen Street
Bridgwater
Somerset
TA6 3DA

Tel: 01278 450350
Fax: 01278 428375
E-mail: Info@lbp-rics.co.uk
Website: www.lbp-rics.com

Client: Trustees of Singleton
Engineering Pension Scheme

Address: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Location: Singleton Engineering Ltd
Blacknell Lane
Industrial Estate
CREWKERNE
Somerset
TA18 7HE

Purpose: Block Plans for
Valuation Report Purposes

Dwg No.: B2/110331

Scale: 1:750 (A3)

Date: March 2011

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All works are for and included within the
boundaries of: Singleton Engineering Ltd,
Blacknell Lane, Industrial Estate,
CREWKERNE, Somerset, TA18 7HE



RICS



LANDUSE BUDGET	
Gross Site Area	50.22 ha
Employment Area	7.78 ha
1 Form Entry School and Meeting Hall	1.50 ha
Net Residential Area	14.21 ha
Local Centre	0.16 ha
Portland, structural landscape infrastructure and other land	26.49 ha
TOTAL	50.22 ha

S.SOM.D.C
06 AUG 2007
RESOLUTION CENTRE