

VALUATION REPORT

Lodge House, Priory Lane, Dunfermline, KY12 7DT

Prepared by Graham + Sibbald LLP

On behalf of:

Martin Commercial Property (Scotland) Limited

Date of Valuation:

27 September 2024

Our Ref:

DF/LF/DFN-2024/09/0014

Lodge House, Priory Lane, Dunfermline, KY12 7DT



External



Internal

Contents

Lodge House, Priory Lane, Dunfermline, KY12 7DT	1
Executive Summary	4
Instructions	7
The Property	10
Location + Situation	11
Description	12
Accommodation	14
Services	15
General Condition + Remarks	15
Property Compliance	15
Environmental Issues + Ground Conditions	17
Statutory Enquiries	18
Tenure	19
Lease Details	19
Valuation Considerations	24
Evidence + Valuation Methodology	25
Valuation	28
Valuation Certainty	29
Appendices	30
Appendix 1 Confirmation Letter	31
Appendix 2 Assumptions + Standard Limitations	32
Appendix 3 Photographs	35
Appendix 4 Valuation Appraisal	36

Executive Summary

Property	Lodge House, Priory Lane, Dunfermline, KY12 7DT																																				
Tenure	Heritable Ownership – subject to lease																																				
Property Use	For the purposes of this report, we assume that the subjects benefit from Use Class 1A & 4 (Office) in terms of the Town & Country Planning (Use Classes) (Scotland) Order 1997.																																				
Location	Priory Lane lies in the heart of Dunfermline city centre and only a short distance away from the main shopping and business amenity area. The subjects are located on the north side of Priory Lane towards its middle extent and at the access to a car park of a residential development.																																				
Description	The subjects comprise a two storey and detached building of stone construction surmounted by a series of pitched roofs clad in slate with some crow step features. Internally, it is arranged to provide two offices on the ground floor along with kitchen and toilet facilities with a further three offices and storage on the upper floor. There is also a small area of garden/ground to the rear which is fully enclosed. In addition, there are 3/4 car parking spaces to the front.																																				
Accommodation	<p>We have measured the property in accordance with the RICS Property Measurement (2nd Edition), which incorporates the RICS Code of Measuring Practice (6th Edition), from measurements taken on site and check measurements taken on site we provide the following approximate net internal floor areas:-</p> <table border="1"> <thead> <tr> <th>Floor</th> <th>Description</th> <th>Sq.m.</th> <th>Sq.ft</th> </tr> </thead> <tbody> <tr> <td colspan="4">Office as a whole</td> </tr> <tr> <td>Ground & First</td> <td>5 No. offices, kitchen, stores and male and female toilets</td> <td>100.77</td> <td>1,085</td> </tr> <tr> <td colspan="4">Office as individual lets</td> </tr> <tr> <td>Ground – Room 1</td> <td>Reception & Waiting</td> <td>11.91</td> <td>128</td> </tr> <tr> <td>Ground – Room 2</td> <td>Office</td> <td>7.06</td> <td>76</td> </tr> <tr> <td>Ground – Room 3</td> <td>Office</td> <td>22.89</td> <td>246</td> </tr> <tr> <td>Ground</td> <td>Kitchen</td> <td>7.48</td> <td>81</td> </tr> <tr> <td>First – Room 4</td> <td>Office</td> <td>20.54</td> <td>221</td> </tr> </tbody> </table>	Floor	Description	Sq.m.	Sq.ft	Office as a whole				Ground & First	5 No. offices, kitchen, stores and male and female toilets	100.77	1,085	Office as individual lets				Ground – Room 1	Reception & Waiting	11.91	128	Ground – Room 2	Office	7.06	76	Ground – Room 3	Office	22.89	246	Ground	Kitchen	7.48	81	First – Room 4	Office	20.54	221
Floor	Description	Sq.m.	Sq.ft																																		
Office as a whole																																					
Ground & First	5 No. offices, kitchen, stores and male and female toilets	100.77	1,085																																		
Office as individual lets																																					
Ground – Room 1	Reception & Waiting	11.91	128																																		
Ground – Room 2	Office	7.06	76																																		
Ground – Room 3	Office	22.89	246																																		
Ground	Kitchen	7.48	81																																		
First – Room 4	Office	20.54	221																																		

	First – Room 5	Office	9.68	104
	First - Room 6	Office	17.37	187
	First	Store	2.68	29
	First	Store	1.16	12
	Total		100.77	1,085
Date of Valuation	27 September 2024			
Basis of Valuation	<ul style="list-style-type: none"> - Market Value (assuming Vacant Possession) - Market Value (subject to the existing leases) - Market Rent 			
Market Value (Vacant Possession)	£160,000 (ONE HUNDRED AND SIXTY THOUSAND POUNDS STERLING)			
Market Value (Subject to the Occupational Leases)	£180,000 (ONE HUNDRED AND EIGHTY THOUSAND POUNDS STERLING)			
Market Rent	£15,750 PER ANNUM (FIFTEEN THOUSAND SEVEN HUNDRED AND FIFTY POUNDS STERLING PER ANNUM)			

This valuation summary is provided as a quick reference but is subject to and must not be relied upon out of context from the full valuation report.

Instructions

On behalf of: Martin Commercial Property (Scotland) Limited

Martin Commercial Property Scotland
Lodge House
Priory Lane
Dunfermline
KY12 7DT
F.A.O: Linda Martin

The Hive Business Centre
Dalgety House
Viewfield Terrace
Dunfermline
KY12 7HY

E: dunfermline@g-s.co.uk

Tel: +44(0) 1383 324993

For a full list of Partners
visit our website.

www.g-s.co.uk

Our Ref: DF/LF/DFN-2024/09/0014

Date: 02 October 2024

Dear Sirs

Lodge House, Priory Lane, Dunfermline, KY12 7DT
Client: Martin Commercial Property (Scotland) Limited
Report for Valuation Purposes in Respect of Office Premises

We refer to your e-mailed instructions of 24 September 2024 to prepare a Valuation Report on the above-mentioned property, and our written response of 25 September 2024 confirming the instructions and our Terms and Conditions of Engagement. A copy of our Confirmation Letter is enclosed as **Appendix 1**.

We have been instructed by you to prepare a Valuation (Pounds Sterling) as at the date of inspection for the purpose of the clients SAAS pension.

This report has been prepared in accordance with the RICS Valuation – Global Standards, incorporating International Valuation Standards (IVS), and having regard to the UK National Supplement.

Valuation

You have requested the following:

- Market Value – Vacant Possession
- Market Value Subject to the Occupational Lease
- Market Rent

This report is subject to, and should be read in conjunction with, the attached Assumptions and Standard Limitations attached to the rear as **Appendix 2**.

Conflicts of Interest

In assessing any potential conflicts of interest we have complied with the RICS Professional Statement – Conflicts of Interest (1st edition, March 2017 / reissued in July 2023) and the RICS Rules of Conduct.

As far as we are aware, we have no conflict of interest in relation to the provision of valuation advice in respect of the Property. Accordingly, we are acting as External Valuers.

Limitation of Liability and Professional Indemnity Insurance

We have Professional Indemnity Insurance at a level adequate in terms of this instruction in respect of the services we are providing. Our total liability in connection with this instruction/Valuation Report is capped by our Terms and Conditions of Engagement.

Date and Extent of Inspection

The property was inspected on 27 September 2024 by Duncan Fraser BSc (Hons) MRICS, RICS Registered Valuer who has the knowledge, skills and understanding to undertake the Valuation competently. Weather conditions at the time were dry.

We now report as follows:

The Property

Location + Situation

Dunfermline has a resident population of circa 50,000 and is considered one of the main commercial centres within the Fife region. Edinburgh lies approximately 17 miles to the south via the Queensferry Crossing and M90 with Perth lying approximately 30 miles and Dundee approximately 50 miles to the north, again via the M90 motorway.

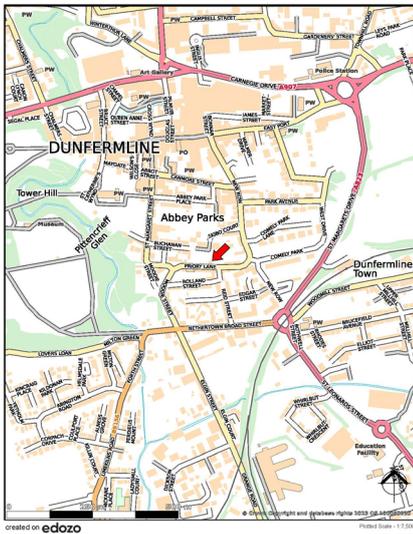
Priory Lane lies in the heart of Dunfermline city centre and only a short distance away from the main shopping and business amenity area. The subjects are located on the north side of Priory Lane towards its middle extent and at the access to a car park of a residential development.

Surrounding properties are generally of a residential nature at this location, although there are some commercial interests nearby with the main city centre lying approximately 0.25 miles to the north where large amounts of retail and other commercial interests can be found.

This is a good city centre location which offers good transport links with Dunfermline Railway Station lying approximately 0.5 miles to the east with the city's principal bus terminal lying approximately 0.5 miles to the north within the main city centre. Good communications via road are also available with the main M90 lying approximately 3 miles to the east with a further junction approximately the same distance to the south.

DFN 2023 03 0017

Lodge House, Priory Lane, Dunfermline, KY12 7DT



This map is published for convenience of identification only and although believed to be correct, is not guaranteed and it does not form any part of any contract

Location Plan



This map is published for convenience of identification only and although believed to be correct, is not guaranteed and it does not form any part of any contract

Ordnance Survey Extract

These plans are published for convenience of identification only and although believed to be correct their accuracy is not guaranteed.

Description

Overview

The subjects comprise a two storey and detached building of stone construction surmounted by a series of pitched roofs clad in slate with some crow step features. It is presently operated as a multi let office with no void space.



External



Internal

External and Construction

The property is estimated to date back to approximately 1880-1890 and is an attractive building. The building is of stone construction, surmounted by a series of pitched and slate clad roofs with some crow step stone features.

Internal and Accommodation

Internally, it is arranged to provide three private offices on the ground floor along with kitchen and toilet facilities with a further three offices on the upper floor. There is also a small area of garden/ground to the rear which is fully enclosed. In addition, there are 3/4 car parking spaces to the front.

It has suspended timber floors with a variety of carpeted and vinyl overlay with walls finished in painted/papered plaster and plasterboard. Ceilings are provided in painted plaster.

Kitchen facilities are of a modern type with domestic style wall and floor mounted units with worktops and stainless steel sink unit.

The toilet facilities are of an adequate type, and include female and male provisions with wash hand basin and toilet fixtures. There are also some tiled splashback areas.

We enclose as **Appendix 3** an indicative Photographic Schedule of the property as at the date of inspection.

Accommodation

We have measured the property in accordance with the RICS Property Measurement (2nd Edition), which incorporates the RICS Code of Measuring Practice (6th Edition), from measurements taken on site and check measurements taken on site we provide the following approximate net internal floor areas:-

Floor	Description	Sq.m.	Sq.ft
Office as a whole			
Ground & First	5 No. offices, kitchen, stores and male and female toilets	100.77	1,085
Office as individual lets			
Ground – Room 1	Reception & Waiting	11.91	128
Ground – Room 2	Office	7.06	76
Ground – Room 3	Office	22.89	246
Ground	Kitchen	7.48	81
First – Room 4	Office	20.54	221
First – Room 5	Office	9.68	104
First - Room 6	Office	17.37	187
First	Store	2.68	29
First	Store	1.16	12
Total		100.77	1,085

The subjects lie on a relatively flat site lying on a gently sloping north to south direction. The site to the front has a tarmac car parking area with the site to the rear having some paved and enclosed areas formed in stone walls.

The accommodation comprises a reception/waiting room, 2 no. offices, kitchen and toilets on the ground floor with 3 no. offices on the upper floor.

Services

The subject property is connected to mains supply for electricity, gas, water and mains drainage, although we have not made any enquiries of the respective service supply companies.

Heating is provided by a gas fired central heating system distributed by wet radiators.

None of the services were tested at the time of inspection however for the purposes of this report, they are assumed to function satisfactorily.

General Condition + Remarks

We have not been instructed to carry out a survey to determine the condition of the property, nor has it been inspected for this purpose. The following is merely a list of general items noted during the course of our inspection and should not under any circumstances be considered an exhaustive list of defects. If a report on the condition of the property is required, we would be pleased to assist further in that regard.

External

- Some evidence of timber decay to windows which should be addressed.
- No other significant issues noted.

Internal

- Cracking to some internal walls.
- No other significant issues noted.

The Property appeared to be in generally **good** condition considering its age, specification and use.

Property Compliance

Equality Act 2010

We have not carried out a full Disabled Access Audit to determine the extent of non-compliance with the property in relation to the requirements of the Disability Discrimination Act 2005. It is a requirement of this Act that disabled people are provided similar access to commercial/public properties as able bodied people, and as such it is the responsibility of the property owner/occupier to ensure that disabled persons are given such access where reasonably practicable. The extent of any non-compliance is normally ascertained by carrying out a detailed audit of the subjects which is outwith the scope of this valuation. Unless otherwise stated we have made an assumption that there are no issues in terms of the Equality Act that would adversely affect marketability or value.

Asbestos

You should note that we have not carried out a survey to determine the existence of asbestos containing materials within the subjects. At the time of our inspection an Asbestos Management Plan was not available.

It is a legal requirement of all non-domestic properties to maintain an Asbestos Management Plan. We have made an assumption that any Asbestos Management Plan does not highlight the need for any capital expenditure that would adversely affect the marketability or value of the subject property.

Assessment of Energy Performance of Non-Domestic Buildings (Scotland) Regulations 2016

The Property does not appear to have an EPC. As Valuers we are not qualified to prepare an EPC for the Property or to provide an indication of its likely assessment. We do however consider that it might be prudent, from a risk management perspective, to have an EPC assessment undertaken to assess the Property's exposure to the MEEES regulations. Our in-house Energy Assessors would be happy to provide a separate fee quotation to prepare an EPC if deemed a requirement.

Reinforced Autoclaved Aerated Concrete ('RAAC')

RAAC is an aerated lightweight cementitious material with no coarse aggregate, which is generally formed in planks or panels and mostly used in the construction of structural roof decks. The panels are constructed in factories, with the concrete mix provided with steel reinforcement bars. Chemicals are then used to create gas bubbles within the concrete, which gives it the 'aero chocolate bar' type look. The material properties and structural behaviour of the RAAC differs significantly from 'traditional' reinforced concrete. This is mainly due to the fact that it has no coarse aggregate and uses only fine aggregates. Panels are typically 600mm wide and come in varying lengths, up to several meters.

RAAC elements are not thought to have been incorporated into buildings before the late 1950's, or in significant quantity in the 1980's. However, examples of buildings constructed in the 1990's have been found to contain certain RAAC elements. RAAC was predominantly used in large scale public buildings, such as schools and hospitals. RAAC however is still manufactured and installed all over the world and can be an appropriate construction material if properly designed, manufactured, installed and maintained.

RAAC can be difficult to identify visually as it looks similar to reinforced concrete or other building materials. Many RAAC panels are at construction or at sometime thereafter faced with finishes or decoration. The planks have trade names such as Sipporex, Durox, Ceclon or Thermalite and are estimated to have a 30-year life span. The vast majority form the structure of a flat roof. These are therefore generally difficult to access, survey, maintain and replace.

The above is for information purposes only. If an inspection has been carried out as part of this valuation instruction, then it was not undertaken to determine if RAAC is present in the construction of the subject property. If required, our Building Surveyors can undertake a RAAC specific survey as part of a separate instruction.

Fire, Health + Safety

We were unable to ascertain whether a Risk Assessment has been undertaken, hence without evidence to the contrary, we have assumed that it has and that the Property complies with current regulations and that there are no outstanding issues.

We have assumed that this assessment will continue to be reviewed and updated if there are any alterations to the premises or changes to work practices or use of the premises.

Environmental Issues + Ground Conditions

Environmental

We have not been provided with any report on contamination pertaining to this property but on an informal basis, we would comment that the property and its immediate locality do not appear to be used for the storage and / or sale of toxic materials such as chemicals, petroleum products, pesticides, fertilisers, acids, asbestos, explosives, paint or radioactive materials.

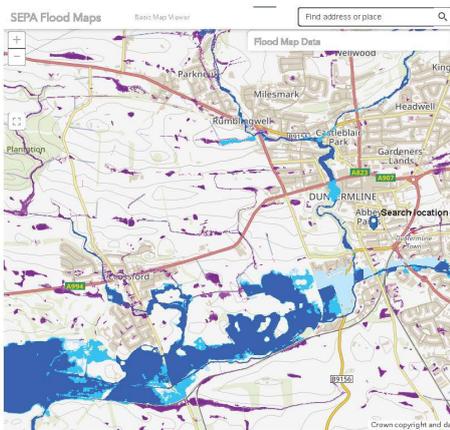
We have no information with regards to historic uses of the property. For the avoidance of doubt, unless stated within this Valuation Report, we have assumed there are no environmental concerns and ground conditions are suitable for the current and future use of the subject under valuation.

Site + Ground Conditions

We are unaware of any adverse ground conditions affecting the subject property, however, confirm we have not carried out any specific investigations in this regard.

Flooding

According to the Flood Map on the SEPA website and as far as we are aware, the location of the subject property is not at risk from flooding. A copy of the SEPA Flood Map Extract is noted below.



1:21,145

Flood Map

Statutory Enquiries

Current Use	For the purposes of this report, we assume that the subjects benefit from Use Class 1A & 4 (Office) in terms of the Town & Country Planning (Use Classes) (Scotland) Order 1997.													
Local Plan	The subjects lie within an area covered by the Fife Plan which was adopted on 21 September 2017.													
Zoning	The subjects lie in an area zoned as settlement envelope with no specific land zone allocation.													
Listed Building	Category C Listed													
Conservation Area	Yes													
Rateable Value	<table border="1"> <thead> <tr> <th>Address</th> <th>Rateable Value</th> </tr> </thead> <tbody> <tr> <td>CAR PARKING, FIRST FLOOR, THE LODGE HOUSE, PRIORY LANE DUNFERMLINE, FIFE, KY12 7DT</td> <td>£360</td> </tr> <tr> <td>CAR PARKING SPACE 1, THE LODGE HOUSE, PRIORY LANE DUNFERMLINE, FIFE, KY12 7DT</td> <td>£700</td> </tr> <tr> <td>FIRST FLOOR, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE FIFE, KY12 7DT</td> <td>£2,200</td> </tr> <tr> <td>GROUND FLOOR, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE, FIFE, KY12 7DT</td> <td>£5,000</td> </tr> <tr> <td>VACANT AREAS, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE FIFE, KY12 7DT</td> <td>£3,950</td> </tr> </tbody> </table>		Address	Rateable Value	CAR PARKING, FIRST FLOOR, THE LODGE HOUSE, PRIORY LANE DUNFERMLINE, FIFE, KY12 7DT	£360	CAR PARKING SPACE 1, THE LODGE HOUSE, PRIORY LANE DUNFERMLINE, FIFE, KY12 7DT	£700	FIRST FLOOR, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE FIFE, KY12 7DT	£2,200	GROUND FLOOR, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE, FIFE, KY12 7DT	£5,000	VACANT AREAS, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE FIFE, KY12 7DT	£3,950
Address	Rateable Value													
CAR PARKING, FIRST FLOOR, THE LODGE HOUSE, PRIORY LANE DUNFERMLINE, FIFE, KY12 7DT	£360													
CAR PARKING SPACE 1, THE LODGE HOUSE, PRIORY LANE DUNFERMLINE, FIFE, KY12 7DT	£700													
FIRST FLOOR, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE FIFE, KY12 7DT	£2,200													
GROUND FLOOR, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE, FIFE, KY12 7DT	£5,000													
VACANT AREAS, THE LODGE HOUSE, PRIORY LANE, DUNFERMLINE FIFE, KY12 7DT	£3,950													
Non-domestic Rates	<p>From 1 April 2024, three different tax rates apply:</p> <table border="0"> <tr> <td>1. Basic Property Rate (“poundage”)</td> <td>49.8p</td> </tr> <tr> <td>2. Intermediate Property Rate (Rateable values between £51,001 and £100,000)</td> <td>54.5p</td> </tr> <tr> <td>3. Higher Property Rate (Rateable values above £100,000)</td> <td>55.9p</td> </tr> </table> <p>Graham + Sibbald’s Rating team would be pleased to advise further if you have any queries in regard to the subjects under valuation.</p>		1. Basic Property Rate (“poundage”)	49.8p	2. Intermediate Property Rate (Rateable values between £51,001 and £100,000)	54.5p	3. Higher Property Rate (Rateable values above £100,000)	55.9p						
1. Basic Property Rate (“poundage”)	49.8p													
2. Intermediate Property Rate (Rateable values between £51,001 and £100,000)	54.5p													
3. Higher Property Rate (Rateable values above £100,000)	55.9p													

It is our understanding that the roads servicing the subjects under consideration are adopted and maintainable by the local authority.

Our enquiries have been restricted to the online version of the relevant Local Plan and relied upon. No written enquiries have been made.

Tenure

The subject property is understood and assumed to be held on the basis of the outright ownership of the heritable interest and is subject to tenancies/occupational leases. We have been made aware that there is presently one lease for one of the tenancies and the remaining tenancy leases are in the process of being drafted and will be backdated to the initial dates of occupation. Our Market Value – subject to lease, is provided on the essential assumption that the leases are concluded and are set on the same provisions as the existing lease as provided to us. It is also subject to the assumption that the rental/tenancy information is accurate and will reflect what is contained in the concluded leases.

We have not had sight of any report on Title and therefore cannot comment further in this regard. We have assumed that there are no unusual or onerous Title conditions which impact on value or marketability.

We are not aware of any issues in relation to access or any other known disputes and our valuations assume this to be the case.

Lease Details

We have been provided with a copy of the lease documentation and tenancy information from the client. We have been made aware that there is presently one lease for one of the tenancies and the remaining tenancy leases are in the process of being drafted and will be backdated to the initial dates of occupation. Our Market Value – subject to lease, is provided on the essential assumption that the leases are concluded and are set on the same provisions as the existing lease as provided to us. It is also subject to the assumption that the rental/tenancy information is accurate and will reflect what is contained in the concluded leases.

We emphasise our observations represent an informal summary of the lease terms and are not a legal opinion on the terms of the lease. Should this be required, we advise further legal advice from a Solicitor. The essential lease terms may be summarised as follows:

Landlord	Martin Property Scotland Limited
Tenant	Alana Byers, ABM Aesthetics
Subjects	Lodge House, Priory Lane, Dunfermline KY12 7DT
Lease Term	5 Years from 20th May 2024; 3 year TBO
Rental	£7,740 per annum (£645 PCM)
Rent Review	3rd anniversary Rent Review On the Rent Review Date, the Rent is to be reviewed to the higher of: the Rent payable immediately before the Rent Review Date; and the Market Rent.
Repairs + Insurance	Tenants full repairing and insuring obligation.
Alienation	Assignment permitted in whole, subject to Landlords prior written consent which will not be unreasonably withheld or delayed if the prospective tenant is of sound financial standing and demonstrably capable of fulfilling the Tenant's obligations under this Lease), except that: the Landlord may refuse consent to assign if the Tenant has not paid in full the Rent and all other sums due to the Landlord under this Lease that are not the subject of a legitimate dispute about their payment; the Landlord may refuse consent to assign in any other circumstances where it is reasonable to do so; and the Landlord may require any other condition to the Landlord's consent if it is reasonable to do so.
Use	Use as an office within Class 1A of the Schedule to the Town and Country Planning (Use Classes)(Scotland) Order 1997 or such other use as the Landlord may approve.
Summary	The leases are structured on what are considered to be standard commercial terms.

Landlord	Martin Property Scotland Limited
Tenant	Helen Farquharson – Helo Consulting
Subjects	Lodge House, Priory Lane, Dunfermline KY12 7DT
Lease Term	5 Years from 20th May 2024; 3 year TBO
Rental	£7,980 per annum (£665 PCM)
Rent Review	3rd anniversary

	<p>Rent Review</p> <p>On the Rent Review Date, the Rent is to be reviewed to the higher of: the Rent payable immediately before the Rent Review Date; and the Market Rent.</p>
Repairs + Insurance	Tenants full repairing and insuring obligation.
Alienation	Assignment permitted in whole, subject to Landlords prior written consent which will not be unreasonably withheld or delayed if the prospective tenant is of sound financial standing and demonstrably capable of fulfilling the Tenant's obligations under this Lease), except that: the Landlord may refuse consent to assign if the Tenant has not paid in full the Rent and all other sums due to the Landlord under this Lease that are not the subject of a legitimate dispute about their payment; the Landlord may refuse consent to assign in any other circumstances where it is reasonable to do so; and the Landlord may require any other condition to the Landlord's consent if it is reasonable to do so.
Use	Use as an office within Class 1A of the Schedule to the Town and Country Planning (Use Classes)(Scotland) Order 1997 or such other use as the Landlord may approve
Summary	The leases are structured on what are considered to be standard commercial terms.

Landlord	Martin Property Scotland Limited
Tenant	Billy George – Visit Dunfermline
Subjects	Lodge House, Priory Lane, Dunfermline KY12 7DT
Lease Term	5 Years from 20th May 2024; 3 year TBO
Rental	£5,940 per annum (£495 PCM)
Rent Review	<p>3rd anniversary</p> <p>Rent Review</p> <p>On the Rent Review Date, the Rent is to be reviewed to the higher of: the Rent payable immediately before the Rent Review Date; and the Market Rent.</p>
Repairs + Insurance	Tenants full repairing and insuring obligation.

Alienation	Assignment permitted in whole, subject to Landlords prior written consent which will not be unreasonably withheld or delayed if the prospective tenant is of sound financial standing and demonstrably capable of fulfilling the Tenant's obligations under this Lease), except that: the Landlord may refuse consent to assign if the Tenant has not paid in full the Rent and all other sums due to the Landlord under this Lease that are not the subject of a legitimate dispute about their payment; the Landlord may refuse consent to assign in any other circumstances where it is reasonable to do so; and the Landlord may require any other condition to the Landlord's consent if it is reasonable to do so.
	Use as an office within Class 1A of the Schedule to the Town and Country Planning (Use Classes)(Scotland) Order 1997 or such other use as the Landlord may approve
	The leases are structured on what are considered to be standard commercial terms.

Landlord	Martin Property Scotland Limited
Tenant	Caroline Whyte – Podcast Centre
Subjects	Lodge House, Priory Lane, Dunfermline KY12 7DT
Lease Term	5 Years from 20th May 2024; 3 year TBO
Rental	£4,200 per annum (£645 PCM)
Rent Review	3rd anniversary Rent Review On the Rent Review Date, the Rent is to be reviewed to the higher of: the Rent payable immediately before the Rent Review Date; and the Market Rent.
Repairs + Insurance	Tenants full repairing and insuring obligation.
Alienation	Assignment permitted in whole, subject to Landlords prior written consent which will not be unreasonably withheld or delayed if the prospective tenant is of sound financial standing and demonstrably capable of fulfilling the Tenant's obligations under this Lease), except that: the Landlord may refuse consent to assign if the Tenant has not paid in full the Rent and all other sums due to the Landlord under this Lease that are not the subject of a legitimate dispute about their payment; the Landlord may refuse consent to assign in any other circumstances where it is reasonable to do so; and the Landlord may require any other condition to the Landlord's consent if it is reasonable to do so.
Use	Use as an office within Class 1A of the Schedule to the Town and Country Planning (Use Classes)(Scotland) Order 1997 or such other use as the Landlord may approve.

Summary	The leases are structured on what are considered to be standard commercial terms.
Landlord	Martin Property Scotland Limited.
Tenant	Tina Sinclair – The Tina Sinclair Clinic
Subjects	Lodge House, Priory Lane, Dunfermline KY12 7DT
Lease Term	5 Years from 20th May 2024; 3 year TBO
Rental	£7,740 per annum (£645 PCM)
Rent Review	<p>3rd anniversary</p> <p>Rent review</p> <p>On the Rent Review Date, the Rent is to be reviewed to the higher of: the Rent payable immediately before the Rent Review Date; and the Market Rent.</p>
Repairs + Insurance	Tenants full repairing and insuring obligation.
Alienation	<p>Assignment permitted in whole, subject to Landlords prior written consent which will not be unreasonably withheld or delayed if the prospective tenant is of sound financial standing and demonstrably capable of fulfilling the Tenant’s obligations under this Lease), except that:</p> <p>the Landlord may refuse consent to assign if the Tenant has not paid in full the Rent and all other sums due to the Landlord under this Lease that are not the subject of a legitimate dispute about their payment; the Landlord may refuse consent to assign in any other circumstances where it is reasonable to do so; and the Landlord may require any other condition to the Landlord’s consent if it is reasonable to do so.</p>
Use	Use as an office within Class 1A of the Schedule to the Town and Country Planning (Use Classes)(Scotland) Order 1997 or such other use as the Landlord may approve
Summary	The leases are structured on what are considered to be standard commercial terms.

Valuation Considerations

Evidence + Valuation Methodology

Valuation Approach

We have adopted the Income Approach to Valuation, by capitalising the rental income contracted under the current lease. Our opinion of Market Rent and appropriate Investment Yield have been arrived at through use of the Market Approach, by consideration of comparable transactions, and then making any necessary adjustments taking into account the number of investment criteria.

Our valuations have been split up per the following sections:

Assessment of Passing Rent and Market Rent

Analysis of the current rent is as follows:

Rent	Area (sq.ft)	Date	Net Rate / sq.ft
Helo Consulting	246	20/05/2024	£32.44
Visit Dunfermline	76	20/05/2024	£78.16
Tina Sinclair	187	20/05/2024	£41.39
Carolyne Whyte	105	20/05/2024	£40.00
ABM Aesthetics	221	20/05/2024	£35.02

When assessing the appropriate level of Market Rent, we have had cognisance of lettings of other properties within areas deemed to be comparable.

The following comparable transactions have been of assistance in this regard:-

Address	Area (sq.ft)	Rate (£psf)	Date	Comments
First Floor 12 Abbey Park Place, Dunfermline	998	£11.02	April 2023	New 10 year FRI lease. Multi let building which we consider similar in quality.
Old Dickson House, Dickson Street, Dunfermline	1,730	£14.45	April 2023	Older vintage but with good refurbishment. Larger than subjects. New 5 year lease.

Walmer House, Walmer Drive, Dunfermline	2,755	£13.06	2021	Larger building with car parking in city centre. Rent uplift at review.
Ground Floor West, 12 Abbey Park Place, Dunfermline	1,200	£13.33	July 2024	Self-contained office in multi let building. 3 car parking spaces included. Let on annual rolling lease.

Rental rates in the bracket of £11-£14.45 per sq.ft have been derived for this type of office space, these reflecting older buildings to more modern purpose built units in and around the Dunfermline area.

The offices at Abbey Park Place are more basic unit with shared access. Little or no upgrading for some time other than decoration.

Old Dickson House is located on the fringes of an industrial estate but has benefited from substantial refurbishment. This is a better standard but poorer situation. Larger so some quantum at this level will apply.

Walmer House is an attractive building with the rent having been increased at last review. Good car parking provision but poorer standard and subjects are also larger and quantum will be at play.

In determining our opinions of Market Rent, we have chosen to adopt a rental rate of £14.50 per sq ft which when applied to our area of 1,085 sq ft produces a Market Rent of £15,732.50 which we have chosen to round to £15,750 per annum, exclusive.

Our opinion of the Market Rent assumes the subjects as a whole. At present, the offices are let on individual lets at rents which are all inclusive and based on standard FRI terms. From our analysis the gross rental rates across the lettings are in the bracket of £32.44 to £78.16 per sq.ft. These are seen as particularly high but will reflect the inclusive services and a large degree of inverse quantum.

Key Investment Criteria

When assessing the value of any commercial property investment, it is important to outline and assess the main factors affecting value. These are as follows:

Criteria	Comments	Rating
Financial Strength of Tenant	All local covenants	Average
Unexpired Term of Lease	4 ½ years with break option in 2 ½ years	Average
Location	City Centre location	Good
Accommodation	Attractive premises with car parking	Good
Rental Level	Let as serviced office with good levels of income.	Good

Comparable Evidence – Investment Sales

Address	Area (sq.ft)	Net Initial Yield	Date	Comments
Aquarius Court, Viking Way, Rosyth	17,216	12.13%	December 2023	Multi let investment in inferior location. Poorer tenant covenant mix. Buildings of modern design but basic and dated. Much larger building with potentially higher void liabilities/costs. WAULT of 5.53 years.
Dewar House, Dunfermline	16,271	12.42%	March 2023	Multi let investment in inferior location. Poorer tenant covenant mix. Buildings of modern design but basic and dated. Much larger building with potentially higher void liabilities/costs.
Whitefriars Crescent, Perth	9,322	7.23%	July 2022	Single Let investment. Lease expiry in 2032 so almost 10 years unexpired term. Building of reasonable quality. Good tenant covenant.
Wellside Place, Falkirk	3,783	9%	April 2023	Building of older vintage sold as multi let investment. Mixture of covenant strengths and WAULT of 6 years 2 months to lease expiry and 2 years and 7 months to break. Reasonable standard of accommodation but inferior to subjects under report.

The above table displays net initial yields in the bracket of 7.23% to 12.42% for investments of varying quality, style and location.

In arriving at our opinions of Market Value, the gross rental Income has been adjusted to recognise landlords service costs to arrive at a net rental income with a term yield of 9.5% applied to the point of the break when we have assumed vacancy and allowed for a 4 month void with the reversionary yield assuming similar covenant ascribed at 9.5% also and into perpetuity.

We have then deducted for purchasers' costs at the standard rate and adjusted for rounding to provide a Market Value, subject to lease of £180,000. This reflects a Net Initial Yield of 12.56%.

Market Value (Vacant Possession)

Address	Area (sq.ft)	Rate (£psf)	Date	Comments
Viewfield Terrace, Dunfermline	2,500	£112	March 2021	Period townhouse in city centre. Larger subjects and some repairs required.

Walmer House, Dunfermline	£129	2,755	2017	Dated comparison but not much change to conditions. Period property. Sold for £355,000
Castle Brae, George Square, Dunfermline	2,400	£117	March 2019	Modern office sold in largely shell state with fit out required. Reflected in rate. Out of town and larger unit.
St David's Drive, Dalgety Bay	C. 2,050	£105	October 2020	Good quality modern pavilion with car parking on site. Larger building in less desirable location.
Balcairn, Viewfield Terrace, Dunfermline	1,800	£208	March 2024	Multi let office sold for redevelopment to residential.

Walmer House is a larger building with good car parking. This is a larger office where quantum will apply.

The offices at George Square and at St David's are more modern offices and are larger.

We would go on to say that there is the prospect of change of use to residential due to the property characteristics and former uses but some adaptation would be required, which would come at a cost and also the building is listed. Also, consent would need to be obtained and in the absence of any such consent we are not able to comment any further thereon.

We have chosen to adopt a capital rate of £150.00 per sq.ft which when applied to our area of 1,085 sq.ft produces a Market Value of £162,750 which have chosen to round to £160,000 (adjusted rate of £146.47 per sq.ft capital).

Valuation

Subject to the property not being adversely affected by structural or service defects, planning, title or any other matters, we would confirm that we are of the opinion that the Market Value and Market Rent of the office premises situate, Lodge House, Priory Lane, Dunfermline, KY12 7DT as at the date of valuation would be fairly stated as follows:-

Market Value (Vacant Possession)	£160,000 (ONE HUNDRED AND SIXTY THOUSAND POUNDS STERLING)
Market Value (Subject to the Occupational Leases)	£180,000 (ONE HUNDRED AND EIGHTY THOUSAND POUNDS STERLING)
Market Rent	£15,750 PER ANNUM (FIFTEEN THOUSAND SEVEN HUNDRED AND FIFTY POUNDS STERLING PER ANNUM)

Valuation Certainty

Market Conditions Explanatory Note

Market volatility can affect the certainty of property valuations as set out in VPS 3 and VPGA 10 of the current RICS Valuation – Global Standards ('the Global Red Book'), incorporating the IVSC International Valuation Standards, and having regard to the UK National Supplement.

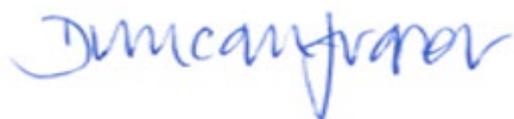
The property market in the UK has been subject to continued volatility in recent years, as a result of a wide variety of global, political and economic factors which have impacted on the daily life, the UK economy and the property market. There may, therefore, be continued uncertainty in some property sectors.

Our valuation has been undertaken using the most suitable methodology, and where necessary our approach has had regard to the most recent transactional evidence available of comparable properties. It must be made clear that the certainty of our valuation might be affected by the property, financial and perception of the UK economy in the short term until markets become more settled and certain. With this in mind, we recommend that this valuation is regularly reviewed going forward to ensure that any effects caused by market volatility can be gauged and any impact reflected in our valuation.

Report Sign-off

We trust this report is sufficient for your present purposes, but should you require any further information, please do not hesitate to contact this office.

Yours faithfully



Duncan Fraser BSc (Hons) MRICS
RICS Registered Valuer
For and on behalf of Graham + Sibbald LLP
duncan.fraser@g-s.co.uk



Donald Cameron BSc MRICS
RICS Registered Valuer
For and on behalf of Graham + Sibbald LLP
Donald.cameron@g-s.co.uk

Appendices

Appendix 1 Confirmation Letter

Linda Martin
Lodge House
Priory Lane
Dunfermline
KY12 7DT

The Hive Business Centre
Dalgety House
Viewfield Terrace
Dunfermline
KY12 7HY

E: dunfermline@g-s.co.uk

Tel: +44(0) 1383 324993

For a full list of Partners
visit our website.

www.g-s.co.uk

Our Ref: DF/LF/DFN-2024/09/0014

Date: 25/09/2024

Dear Linda

Lodge House, Priory Lane, Dunfermline, KY12 7DT
Customer: Linda Martin
Conditions of Engagement for Commercial Valuation

We refer to your e-mailed instructions to us dated 24 September 2024 and now write to seek formal confirmation of your instructions to provide a valuation in respect of the above-mentioned property.

- 1. Instructions:** We have been instructed by you to prepare a Valuation (Pounds Sterling) as at the date of inspection for the purpose of determining Market Value.
- 2. Compliance:** Our valuation will be undertaken in accordance with the RICS Valuation - Global Standards ('the Global Red Book'), incorporating the International Valuation Standards (IVS), and having regard to the UK National Supplement.

We will measure the property in accordance with the RICS Property Measurement (2nd Edition), which incorporates the RICS Code of Measuring Practice (6th Edition). Our measurement exercise will be undertaken on the basis of net internal floor area.

Under the International Property Measurements Standards (IPMS) the appropriate basis of measurement for offices is IPMS2 and residential IPMS3. IPMS was introduced to try and create a universal measuring standard. We recommend however that we be instructed to undertake our analysis of comparables and prepare our valuation(s) (where applicable), on the basis of NIA and GIA as the market still operates on this basis. The reason for this departure is to facilitate comparative analysis; all the comparables are presented on this basis.

3. Basis of Valuation:

The following bases of value have been adopted for this valuation: -

Market Value
Market Rent

- 4. Interest to be Valued:** The valuation will be of the Heritable interest with the benefit of Vacant Possession and subject to the Existing Occupational Lease(s).
- 5. Nature and Extent of Investigations:** A full inspection of the subject property will be carried out as agreed.
- 6. Conflicts of Interest and Competency:** We have no conflict of interest. We confirm we will be acting as an External Valuer.



Regulated by RICS
Chartered Surveyors
A Quality Assured Firm



The valuation will be undertaken by Duncan Fraser BSc (Hons) MRICS RICS Registered Valuer who has the knowledge, skills and understanding to undertake the Valuation competently. The valuation will be the responsibility of a named individual valuer.

Rotation Policy

Graham + Sibbald has in place a strict counter signatory and peer review procedure which is enforced on all valuations to ensure accuracy and consistency. The Firm does operate a valuer rotation policy such that the principal signatory to a valuation would not ordinarily prepare a series of valuations on a specific property over a continuous period of longer than 5 years (if undertaken every year).

7. **Conditions of Engagement:** Our Valuation will be subject to our Terms and Conditions of Engagement for the Valuation of Commercial Property, a copy of which is enclosed, and the basis of value which will form an integral part of our valuation. Following our inspection, any other relevant caveats necessarily arising as a result of the inspection will also be specified.
8. **Professional Indemnity Insurance and Limit on Liability:** We confirm we have Professional Indemnity Insurance adequate on a per claim basis in respect of the services we are providing. The RICS recommend the use of liability caps to members as a way in which to manage risk in valuation. You should read Clause 19 of our attached Terms and Conditions of Engagement which sets out any applicable liability cap or limit to this instruction.
9. **Format of the Report:** We will provide a full Red Book compliant valuation report.
10. **Fees & Disbursements:** The agreed fee is £1,050 plus VAT, including all reasonably incurred disbursements. It should be noted our policy is that reports on valuation will not generally be issued until our fee invoice has been settled. If a survey instruction is cancelled after we have inspected the property, we reserve the right to seek an abortive fee equating to 75% of the agreed fee plus outlays and VAT.
11. **Timing:** We shall endeavour to produce our report within 10-working days following inspection.

We assume you find the above to be in order and we are now proceeding accordingly however, please confirm by signing this confirmation letter, duly accepting these instructions, together with our Terms + Conditions and returning it to us.

Yours sincerely

Duncan Fraser BSc (Hons) MRICS

Director

For and on behalf of Graham + Sibbald LLP

E: duncan.fraser@g-s.co.uk

Enc. Terms and Conditions of Engagement for the Valuation of Commercial Property



I / We confirm these instructions and acceptance of the fee arrangements.

Signed: 
Linda Martin (Sep 25, 2024 11:31 GMT+1).....

Name (Print): Linda Martin.....

Date: 25/09/24.....

COMMERCIAL PROPERTY VALUATION

Terms + Conditions

GRAHAM + SIBBALD

TERMS AND CONDITIONS OF ENGAGEMENT FOR COMMERCIAL PROPERTY VALUATION

In these Terms and Conditions of Engagement, the following expressions shall have the following meanings:

"Agreement" means these Terms and Conditions of Engagement and the Letter of Engagement, as the same may be varied, amended or supplemented in accordance with these Terms and Conditions of Engagement.

"Client"/"you"/"your" means the person, firm, company, organisation or other entity appointing Graham + Sibbald.

"Data Protection Legislation" means the UK Data Protection Legislation and any other European Union legislation relating to personal data and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of personal data (including, without limitation, the privacy of electronic communications).

"Fair Value" means "the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date", as defined in the International Financial Reporting Standards (IFRS 13).

OR

"Fair Value" means "the amount for which an asset can be exchanged, a liability settled, or an equity instrument granted to be exchanged, between knowledgeable, willing parties at an arm's length transaction", as defined within the Financial Reporting Standard 102 (FRS 102).

"Graham + Sibbald"/"We"/"us"/"our" means Graham + Sibbald LLP, a limited liability partnership incorporated in Scotland (Registered Number SO307130) and having its registered office address at Seabraes House, 18 Greenmarket, Dundee, DD1 4QB.

"Investment Value (or worth)" means 'the value of an asset to a particular owner or prospective owner for individual investment or operational objectives', as defined in IVS 104.

"Letter of Engagement" means the letter of engagement, signed by the Client and us, which sets out the particulars of our engagement.

"Market Rent" means 'the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

"Market Value" means 'the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

"Property" means the property identified and described in the Letter of Engagement.

"UK Data Protection Legislation" means all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR; the Data Protection Act 2018; the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive

2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended.

"UK GDPR" has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

Our valuation is subject to and conditional upon the following basis, unless otherwise stated within our written report:

1. Unless otherwise stated, the inspection and valuation will be undertaken by an External Valuer as defined in, and in accordance with, the RICS Valuation – Global Standards ('the Global Red Book') which incorporates the International Valuation Standards (IVS) and (where applicable) having regard to the UK national or jurisdictional supplement.
2. The valuer will inspect the Property for the purpose of providing you with our opinion of value in line with the adopted and agreed bases of value as outlined in the RICS Valuation – Global Standards ('the Global Red Book') which incorporates the International Valuation Standards (IVS). The date of valuation shall be the date of the inspection or a date as agreed with the valuer. It will be assumed that there are no changes affecting the Property after that the date of inspection which will have an impact upon the bases of value adopted. The valuer will undertake a visual inspection of so much of the exterior and interior of the Property as is accessible with safety and without undue difficulty, as can be seen whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels, which the valuer considers reasonably necessary to inspect, having regard to its purpose. The valuer is under no duty to carry out a building survey or to inspect those parts of the Property which are covered, unexposed or inaccessible or to raise boards, move anything, use a moisture detecting meter, or to arrange for the testing of electrical heating or other services. Roof voids and sub floor areas will not be inspected.
3. In undertaking the inspection we will have due regard to the general state of repair and condition of the Property. The inspection is not a building or structural survey (although our Building Surveying department would be pleased to provide this service) and this report is not intended to detail minor defects which do not materially affect value, however, if minor defects are mentioned in the report, they should be regarded as indicative and not an exhaustive list of defects. For the purposes of the valuation, it is assumed that the Property is in good repair, except for any defects specifically noted.
4. We will not carry out any tests to determine whether or not any hazardous building materials including asbestos and flammable insulation have been incorporated in the construction. We will not inspect woodwork or other parts of the structure which are covered, unexposed or inaccessible at the time of our inspection and we will therefore be unable to report that any such part is free from defect. Services and their appliances will not be tested and it is assumed that all services, and any associated controls or software, are in working order and free from defect. Specifically the valuer will not carry out an

asbestos inspection and will not act as an asbestos inspector in completing the valuation inspection of the Property which may fall within the control of Asbestos at Work Regulations 2012. No enquiry of the duty holder, as defined in the Control of Asbestos in the Workplace Regulations 2012, of the existence of an asbestos register, or of any plan for the management of asbestos will be made. For the purposes of the valuation, we will however assume that there is a duty holder, as defined in the Control of Asbestos in the Workspace Regulations 2012 and that a register of asbestos and effective management plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE Regulations.

5. It will be assumed that the Property possesses good and marketable title, is free from any onerous or unusual burdens or covenants, restrictions, charges or other matters which may adversely affect the Property and that any necessary access ways or servitude requirements are covered by the relevant formalised documents. Site boundaries are to be taken as generally indicated on site although no checks will be made in this connection and any site area quoted will be subject to verification from the title deeds. The valuer shall rely upon information provided by the Client and/or the Client's legal agents with regard to the extent of title, provision of lease documentation and any other relevant documentation. We confirm that the interpretation of legal documents is a matter for the Client's legal agents and no responsibility or liability is accepted for the true interpretation of the legal title in the Property.
6. It is assumed that all works necessary to meet the requirements of all competent legislation, statutory instruments and Local Authority orders will have been complied with (in particular fire regulations/fire assessments, disability discrimination legislation, legionella control and energy performance certificates).
7. It will be assumed that the roads and footpaths ex adverso the Property are fully made up and the responsibility of the Local Authority.
8. We will not carry out any investigations as to ground conditions or whether the site, and surrounding area, is or has in the past been contaminated and our valuation is prepared on the assumption that the Property is not adversely affected by ground conditions or any form of contamination. The valuer will not carry out an inspection for Japanese Knotweed. Unless otherwise stated, for the purposes of the valuation we have assumed that there is no Japanese Knotweed within the boundaries of the Property or in neighbouring properties. The identification of Japanese Knotweed should be made by a specialist contractor. It must be removed by specialist contractors and removal may be expensive. Where the valuer does report the presence of Japanese Knotweed, further investigations may be recommended.
9. In arriving at our opinion, no allowance will be made in respect of any expenses liable to be incurred in effecting realisation of the asset or for any tax liability which may be eligible following disposal of the asset. For the avoidance of doubt, the valuation will be net of any Value

Added Tax which may be applicable.

10. Information in respect of the Property provided by the Client or other connected party and referred to will be relied upon.
11. Each Property will be valued on the basis that it does not form part of a larger disposal and on the assumption that neither the whole nor a significant part of the total estate will be exposed to the market at the same time. For the avoidance of doubt, each Property will be valued individually and the values shown will not take any cognisance of any portfolio considerations.
12. It is assumed that the Property will have all necessary lawful statutory consents (including planning permissions) for the current buildings and use and that there are no matters adversely affecting the Property which might be revealed by a local search. The valuer will, where appropriate, investigate as to whether there are any policies or proposals by statutory authorities that could positively or adversely affect the value. On occasions, delays or expense may be such that this information is not available and in these instances it will be assumed that the Property is not adversely affected by any proposals.
13. Unless appropriate we will exclude any value in respect of goodwill or tenant's fixtures and fittings, and will disregard any value attached to plant and machinery with the exception of heritable items.
14. Neither the whole nor any part of the valuation nor any reference thereto may be included in any published document, circular or statement nor published in any way without our written approval to the form and the content in which it may appear.
15. The report is provided for the sole use of the named Client and is confidential to the Client. The contents are not to be disclosed nor made use of by any third party without our express prior written consent. Without such consent we can accept no responsibility to any third party. In the event that this report is presented to a lender, we cannot guarantee that the report will be suitable for security purposes. We also reserve the right to charge a transcription fee for any report that requires to be retyped in a lender's own format. In the event of any proposal to place a loan on the subject Property into a syndicate, the Client must notify the valuer with a view to agreeing responsibility to the further named parties.
16. Unless otherwise stated the report will be signed by the External Valuer on behalf of Graham + Sibbald and we confirm that the valuer has the specified qualifications being either Professional Members or Fellows of the Royal Institution of Chartered Surveyors.
17. In instances where an indicative reinstatement valuation is required for insurance purposes, the figure given will be for guidance purposes only, and without any liability, since a formal reinstatement valuation provided by us requires to be undertaken by our Building Surveying department, or other person with sufficient experience of replacement costs.
18. Our invoices are payable on presentation. We reserve the right to charge interest in the case of overdue accounts. We may terminate this

Agreement if payment of any fees billed is unduly delayed. In the event of our fees for the services provided in terms of this Agreement, VAT thereon and/or outlays incurred on your behalf in connection with this Agreement not being settled, we reserve the right (a) To instruct solicitors, debt collection agents or other third parties to endeavour to collect said fees, VAT and outlays for us. It is a specific condition of this Agreement that in the event of said solicitors, debt collection agents or third parties being instructed by us, you will be liable to reimburse us for the whole fees and other costs charged by them to us and thereby incurred in that connection; and (b) To exercise our statutory right under the Late Payment of Commercial Debts (Interest) Act 1998 as amended by the Late Payment of Commercial Debts Regulations 2002 and any subsequent legislation to claim interest and compensation for debt recovery costs under such legislation. In instances where the instruction is cancelled after we have inspected the Property, we reserve the right to charge an abortive fee equating to 75% of the agreed fee plus outlays and VAT. If our account details change, we will notify these to you by letter or face to face and never by email.

19. Our total liability to the Client under this Agreement (including liability in contract, tort (including negligence), breach of statutory duty, or otherwise) shall not exceed the lower of the following: 25% of the valuation OR £250,000.

Nothing in this Agreement limits any liability which cannot legally be limited including but not limited to our liability for death or personal injury caused by our negligence.

20. Graham + Sibbald and the Client each undertake that:
 - (a) they shall comply with all applicable requirements of the Data Protection Legislation, including without limitation any obligations relating to the rights of a data subject and the reporting of personal data breaches (all as defined in the UK GDPR); and
 - (b) not do or omit to do anything which puts any other party to the Agreement in breach of the Data Protection Legislation.

Without prejudice to the generality of this clause, you shall ensure that you have all necessary appropriate consents and notices in place to enable lawful transfer of the personal data to Graham + Sibbald for the duration and purposes of this Agreement. You shall have liability for and shall indemnify Graham + Sibbald for any loss, liability, costs (including legal costs), damages, or expenses resulting from any breach by you of the Data Protection Legislation. For further information regarding how Graham + Sibbald processes personal data in relation to this Agreement, please see Graham + Sibbald's privacy notice at <https://www.g-s.co.uk/privacy-policy/>.

21. Graham + Sibbald are regulated by the Royal Institution of Chartered Surveyors and the valuation may be subject to monitoring under the RICS Conduct and Disciplinary Regulations.
22. The valuers signing the report accept no personal liability for the content of the report. The report is signed solely on behalf of Graham + Sibbald.
23. No variation of this Agreement shall be effective unless it is in writing

and signed by the parties (or their authorised representatives).

24. This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
25. This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Scotland.
26. The courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

Appendix 2 Assumptions + Standard Limitations

Graham + Sibbald - Assumptions and Standard Limitations

RICS Valuation – Global Standards

Unless otherwise stated, all work has been carried out in accordance with the RICS Valuation – Global Standards, incorporating International Valuation Standards (IVS), and having regard to the UK National Supplement. The valuation has been prepared by an RICS Registered Valuer(s).

Sources of Information

Information in respect of the subjects under valuation provided by the client, its agents, or other connected party, and referred to has been relied upon. We have assumed that this information is accurate, complete and up to date. We assume that no information which may have a material impact on the valuation has been withheld from us.

When undertaking valuation for secured lending purposes on behalf of a bank or lending institution, we may request and rely on information provided by the borrower or a connected party. We again assume this information to be accurate, complete and up to date, and that no information which may have a material impact on the valuation has been withheld from us.

Basis of Valuation

Our valuation is subject to and conditional upon the following bases of value, unless otherwise stated within our written report:

Market Value (MV) is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Market Rent (MR) is the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Fair Value (FV) is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date, as defined in the International Financial Reporting Standards (IFRS 13).

Fair Value (FV) is the amount for which an asset can be exchanged, a liability settled or an equity instrument granted to be exchanged, between knowledgeable, willing parties at an arm's length transaction, as defined within the Financial Reporting Standard 102 (FRS 102).

Investment Value (or Worth) is the value of an asset to a particular owner or prospective owner for individual investment or operational objectives', as defined in IVS 104.

Each property is valued on the basis that it does not form part of a larger disposal, unless otherwise stated in our report, and on the assumption that neither the whole nor a significant part of the total estate will be exposed to the market at the same time. For the avoidance of doubt, each property has been valued individually and the values shown do not take any cognisance of any portfolio considerations.

Unless appropriate we have excluded any value in respect of goodwill or tenant's fixtures and fittings and have disregarded any value attached to plant and machinery with the exception of heritable items.

In arriving at our opinion, no allowance will be made in respect of any expenses liable to be incurred in effecting realisation of the asset or for any tax liability which may be eligible following disposal of the asset. For the avoidance of doubt, the valuation is net of any Value Added Tax which may be applicable.

Assumptions and Special Assumptions

Where we adopt "assumptions" and/or "special assumption" these are as defined within the RICS Valuation – Global Standards.

Assumption: A supposition taken to be true. It involves facts, conditions or situations affecting the subject of, or approach to, a *valuation* that, by agreement, do not need to be verified by the valuer as part of the valuation process. Typically, an *assumption* is made where specific investigation by the valuer is not required in order to prove that something is true.

Special Assumption: An *assumption* that either assumes facts that differ from the actual facts existing at the valuation date or that would not be made by a typical market participant in a transaction on the valuation date.

Inspection

If Graham + Sibbald is requested to arrange any inspection or other work by any other party this is done so on the Client's behalf. The Client must satisfy itself as to the terms and conditions on which such party renders its services. Graham + Sibbald does not assume or accept any liability whatsoever in connection with any arrangement or recommendation including without limitation for the acts or omissions of such other party.

The Valuer inspected the Subjects for the purpose of providing you with our opinion as to the Bases of Value as instructed. The date of Valuation is the date of the inspection or a date as agreed with the Valuer. It is assumed that there have been no changes affecting the property after that the date of inspection which will have had an impact upon our assessment of value. The Valuer undertook a visual inspection of so much of the exterior and interior of the property as was accessible with safety and without undue difficulty, as was seen whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels, which the Valuer considered reasonably necessary to inspect, having regard to its purpose. The Valuer is under no duty to carry out a building survey or to inspect those parts of the property which are covered, unexposed or inaccessible or to raise boards, move anything, use a moisture detecting meter, or to arrange for the testing of electrical heating or other services. Roof voids and sub floor areas were not inspected.

In undertaking the inspection we have had due regard to the general state of repair and condition of the property. The inspection is not a Building or Structural survey (although our Building Surveying Department would be pleased to provide this service) and this report is not intended to detail minor defects which do not materially affect value. However, if minor defects are mentioned in the report, they should be regarded as indicative and not an exhaustive list of defects. For the purposes of the Valuation, it is assumed that the property is in good repair, except for any defects specifically noted.

We have not carried out any tests to determine whether or not any hazardous building materials including asbestos and flammable insulation have been incorporated in the construction. We have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible at the time of our inspection and we are therefore unable to report that any such part is free from defect. Services and their appliances have not been tested and it is assumed that all services, and any associated controls or software, are in working order and free from defect. Specifically, the Valuer has not carried out an Asbestos Inspection and has not acted as an Asbestos Inspector in completing the valuation inspection of the Property which may fall within the Control of Asbestos Regulations 2012. No enquiry of the duty holder (as defined in the Control of Asbestos Regulations 2012), of the existence of an Asbestos Register, or of any Plan for the Management of Asbestos has been made. For the purposes of this Valuation, it is assumed that there is a Duty Holder, and that a Register of Asbestos and Effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE Regulations.

Measurement

We will measure the property in accordance with the RICS Property Measurement (2nd Edition), which incorporates the RICS Code of Measuring Practice (6th Edition).

Under the International Property Measurements Standards (IPMS) the appropriate basis of measurement for offices is IPMS2 and residential IPMS3. IPMS was introduced to try and create a universal measuring standard. We recommend however that we be instructed to undertake our analysis of comparables and prepare our valuation(s) (where applicable), on the basis of NIA and GIA as the market still operates on this basis. The reason for this departure is to facilitate comparative analysis; all the comparables are presented on this basis.

Where floor areas have been provided to us, we have relied upon these for valuation purposes and have assumed that they have been calculated in line with the appropriate measurement standards noted above.

Services

It is outwith the scope of our instructions to carry out or commission investigations into the capacity, specification or condition of services. For the purposes of this report, we assume that the services are in working order and free from defects. We additionally assume that the services are of sufficient capacity for current and future requirements.

Ground Conditions and Invasive Species

We have not carried out any investigations as to ground conditions or whether the site, and surrounding area, is or has in the past been contaminated. Our valuation is prepared on the assumption that the subjects are not adversely affected by ground conditions or any form of contamination or invasive species, unless otherwise stated in our report. The Valuer did not carry out an inspection for Japanese Knotweed and unless otherwise stated we have assumed that there is no Japanese knotweed within the boundaries of the property or in neighbouring properties. The identification of Japanese Knotweed should be made by a specialist contractor. It must be removed by Specialist contractors and removal may be expensive. Where the Valuer does report the presence of Japanese Knotweed, further investigations may be recommended.

Asbestos and Deleterious Materials

Asbestos was regularly used from 1960s to 1980s in the UK. The cost of maintenance, alteration and repair of any building where asbestos is present can be significantly increased because of the need to take appropriate precautions under The Control of Asbestos Regulations 2012 (amended February 2016) which may impact on marketability and/or value.

Under the terms of these Regulations a Duty holder is required to manage asbestos in non-domestic premises. Typically, this encompasses a positive obligation to assess the likelihood of asbestos containing materials (ACMs) being present at the premises. This can be achieved either by reference to bona fide statements confirming that ACMs were not incorporated into the construction of the building, or by commissioning an asbestos survey. The results of that survey would then be interpreted, acted upon and recorded in an Asbestos Management Plan. For the purpose of our report, we have assumed that, unless indicated to the contrary, a survey would not disclose any evidence of asbestos or deleterious materials in the construction of the subject, in circumstances where it is likely to have an effect on health or safety.

Equality Act 2010

We have not carried out a full Disabled Access Audit to determine the extent of non-compliance with the property in relation to the requirements of the Disability Discrimination Act 2005. It is a requirement of this Act that disabled people are provided similar access to commercial/public properties as able bodied people, and as such it is the responsibility of the property owner/occupier to ensure that disabled persons are given such access where reasonably practicable. The extent of any non-compliance is normally ascertained by carrying out a detailed audit of the subjects which is outwith the scope of this valuation. Unless otherwise stated we have made an assumption that there are no issues in terms of the Equality Act that would adversely affect marketability or value.

Tenure, Title and Tenancy Information

We do not normally read leases or document of title. It is assumed that the Property possesses good and marketable Title is free from any onerous or unusual burdens or covenants, restrictions, charges or other matters which may adversely affect the subjects and that any necessary access ways or servitude requirements are covered by the relevant formalised documents. Site boundaries are to be taken as generally indicated on site although no checks have been made in this connection and any site area quoted will be subject to verification from the Title Deeds. The Valuer has relied upon information provided by the client and/or the Client's legal agents with regard to the extent of title, provision of lease documentation and any other relevant documentation. We confirm that the interpretation of legal documents is a matter for the client's legal agents and no responsibility or liability is accepted for the true interpretation of the legal title in the property.

Planning

It is assumed that the subjects have all necessary lawful statutory consents (including planning permissions) for the current buildings and use and that there are no matters adversely affecting the property which might be revealed by a local search. The Valuer has, where appropriate, investigated as to whether there are any policies or proposals by statutory authorities that could positively or adversely affect the value. On occasions, delays or expense may be such that this information is not available and in these instances it will be assumed that the property is not adversely affected by any proposals.

It is assumed all that works necessary to meet the requirements of all competent legislation, statutory instruments and Local Authority Orders will have been complied with (in particular Fire Regulations / Fire Assessments, Disability Discrimination Legislation, Legionella control and Energy Performance Certificates). It is assumed that the roads and footpaths ex adverso the subjects are fully made up and the responsibility of the Local Authority.

Limitations and Liabilities

Neither the whole nor any part of the Valuation nor any reference thereto may be included in any published document, circular or statement nor published in any way without our written approval to the form and the content in which it may appear.

This Report is provided for the sole use of the client and is confidential to the client. The contents are not to be disclosed nor made use of by any third party without our express prior written consent. Without such consent we can accept no responsibility to any third party. In the event that this report is presented to a Lender, we cannot guarantee that the format of this report will be suitable for the Lender's purposes. We also reserve the right to charge a transcription fee for any report that requires to be retyped in a Lender's own format.

In the event of any proposal to place a loan on the subject property into a syndicate, the client must notify the Valuer with a view to agreeing responsibility to the further named parties.

Unless otherwise stated this Report will be signed by the External Valuer on behalf of the LLP and we confirm that the Valuer and all Partners of the Firm have the specified qualifications being either Professional Members or Fellows of the Royal Institution of Chartered Surveyors.

Graham + Sibbald LLP are regulated by the Royal Institution of Chartered Surveyors and the valuation may be subject to monitoring under the RICS Conduct and Disciplinary Regulations.

The Valuers signing this report accept no personal liability for the content of this report. The report is signed solely on behalf of Graham + Sibbald LLP.

Appendix 3 Photographs



External



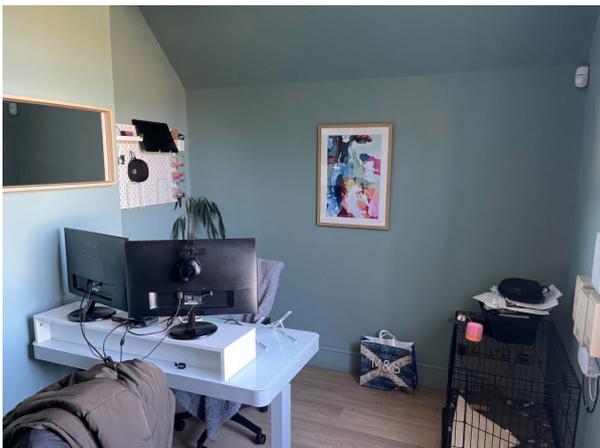
External



Internal



Internal



Internal



Internal

Appendix 4 Valuation Appraisal



Lodge House, Priory Lane, Dunfermline

Portfolio: General

Scenario: MARKET VALUE

Valuation Date:	17/09/2024		
Freehold			
Rounded Value:	180,000	Net Initial Yield:	12.563%
Net Rent:	23,140	Nominal Equivalent Yield:	9.516%
Total ERV:	21,690	True Equivalent Yield:	10.172%
Total Area:	1,085 sqft	Reversionary Yield:	8.551%
Net value / sqft	166		
WAULT (to First Break):	2 yrs, 9 mths		
WAULT (to Lease Expiry):	4 yrs, 8 mths		

Unit 1, Tina Sinclair

Current	Gross income	7,740		
	service charge	-2,092		
	Net Income		5,648	
	YP (9.500% for 2 years, 8 months and 5 days) 2.2707			12,825
21/05/2027	Gross income	0		
	Net Income		0	
	YP (10.500% in perpetuity deferred for 2 years, 8 months and 4 days) 7.2897			0

Unit Gross Value

12,825

Unit 2, Caroline Whyte

Current	Gross income	4,200		
		-2,092		
	Net Income		2,108	
	YP (9.500% for 2 years, 8 months and 5 days) 2.2707			4,787
21/05/2027	Gross income	0		
	Net Income		0	
	YP (10.500% in perpetuity deferred for 2 years, 8 months and 4 days) 7.2897			0

Unit Gross Value

4,787

Unit 3, Billy George

Current	Gross income	5,940		
		-2,092		
	Net Income		3,848	
	YP (9.500% for 2 years, 8 months and 5 days) 2.2707			8,738
21/05/2027	Gross income	0		
	Net Income		0	
	YP (10.500% in perpetuity deferred for 2 years, 8 months and 4 days) 7.2897			0

Unit Gross Value

8,738

Unit 4, Helen Farquharson

Current	Gross income	7,980		
		-2,092		
	Net Income		5,888	
	YP (9.500% for 2 years, 8 months and 5 days) 2.2707			13,370

Lodge House, Priory Lane, Dunfermline

Portfolio: General

Scenario: MARKET VALUE

Unit 4, Helen Farquharson (Continued)

21/05/2027	Gross income	0		
	Net Income		0	
	YP (10.500% in perpetuity deferred for 2 years, 8 months and 4 days)	7.2897		0
Unit Gross Value				13,370

Unit 5, ABM Aesthetics

Current	Gross income	7,740		
		-2,092		
	Net Income		5,648	
	YP (9.500% for 2 years, 8 months and 5 days)	2.2707		12,825
21/05/2027	Gross income	7,740		
	Net Income		7,740	
	YP (9.500% for 3 months and 29 days deferred for 2 years, 8 months and 4 days)	0.2420		1,873
18/09/2027	Gross income	0		
	Net Income		0	
	YP (10.500% in perpetuity deferred for 3 years and 1 day)	7.0567		0
Unit Gross Value				14,698

All, Vacant

Current	Gross income	0		
	Net Income		0	
	YP (9.500% for 2 years, 8 months and 5 days)	2.2707		0
21/05/2027	Gross income	15,750		
	Net Income		15,750	
	YP (9.500% in perpetuity deferred for 2 years, 8 months and 4 days)	8.2556		130,026
Unit Gross Value				130,026

Summary of Unit Values

Unit 1, Tina Sinclair	12,825
Unit 2, Caroline Whyte	4,787
Unit 3, Billy George	8,738
Unit 4, Helen Farquharson	13,370
Unit 5, ABM Aesthetics	14,698
All, Vacant	130,026
Total of Unit Values	184,443

Buyers Costs

Agents Fees	1.000%	-2,160	v
Legal Fees	0.800%	-1,728	v
LBTT	(=0.168%)	-300	
Total (=2.3267% of Say Value):			-4,188

Net Value	180,247
Rounded Net Value	180,000

Total VAT Amount: 649

Running Yield Report

Date	Cumulative Capital Invested	Capital Adjustment	Gross Income	Net Income	Running Yield	Cap Adj Running Yield
17/09/2024	184,188	0	33,600	23,140	12.563%	12.563%
21/05/2027	184,188	0	23,490	23,490	12.753%	12.753%

KEL Full Valuation Report

Printed on 07/10/2024 by GRAHAM & SIBBALD

Page 2

Lodge House, Priory Lane, Dunfermline

Portfolio: General

Scenario: MARKET VALUE

Running Yield Report (Continued)

Date	Cumulative Capital Invested	Capital Adjustment	Gross Income	Net Income	Running Yield	Cap Adj Running Yield
18/09/2027	184,188	0	15,750	15,750	8.551%	8.551%

Assumptions

Running Yields and Net Initial Yield are based on say value plus buyer's costs 184,188.

Formulae as in Parry's Tables: rent annually in arrears.

Stamp Duty is progressive and derived from the set "LBTT (Scotland)"

Cap Adj Running Yield is based on rounded cumulative capital invested.

Buyer's costs are based on Say Value.

VAT rate of 20.00% applied where applicable.