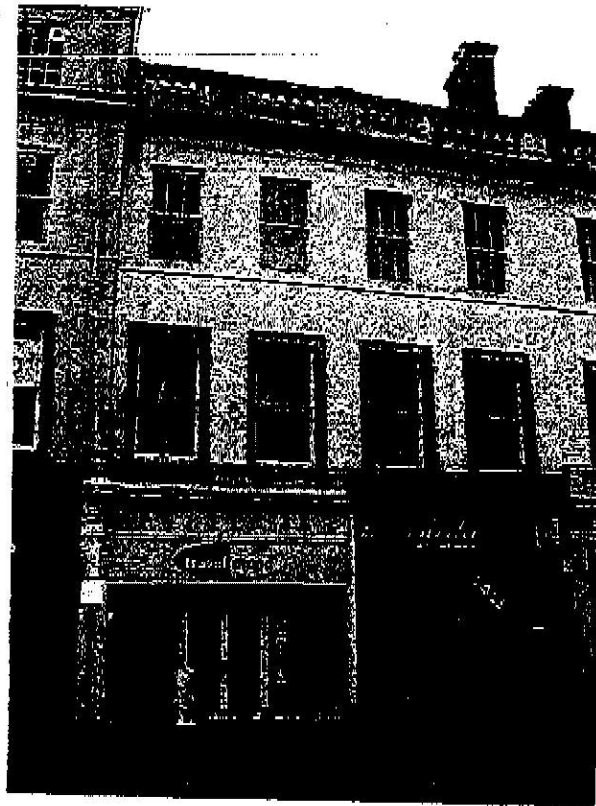


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Commercial Property Valuation and Appraisal



prepared on behalf of

Travelmood Limited

over premises known as

16 Reform Street, Dundee DD1 1RG

by Jonathan Reid BLE Hons (MRICS)

ABERDEEN 01224 640557
AYR 01292 267387
COATBRIDGE 01226 436361
DUMFRIES 01236 301238
DUNDEE 01382 864335

EAST KILBRIDE
EDINBURGH
FALKIRK
FRASERBURGH
GLASGOW

01355 340330
0131 225 1254
01274 605999
01246 517436
01896 750150



GREENOCK
INVERNESS
KILMARNOCK
KIRKCALDY

01475 730717
01462 712229
01360 820018
01892 265442

MUSSELBURGH
PAISLEY
PERTH
PETERHEAD

0131 655 5456
0141 880 6334
01738 638183
01779 420766

**EXECUTIVE SUMMARY**

* Property Address	16 Reform Street, Dundee DD1 1RG.
* Location	Dundee city centre.
* Description	Travel Agency planned over ground, basement and mezzanine floors.
* Tenure	Assumed owned.
* Basis of Valuation	(i) Vacant possession. (ii) With benefit of lease.
* Date of Valuation	17 th January 2006.
* Market Value	(i) £700,000. (ii) £825,000.
* Market Rent	£ 55,000 per annum.

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CONFIRMATION OF INSTRUCTIONS

In accordance with your verbal instructions of 16th January 2006, and to our written confirmation of instructions dated 17th January 2006, we write to confirm an inspection of the above property was carried out by Jonathan Reid BLE Hons (MRICS) acting as an independent valuer, on 17th January 2006.

We can confirm that this valuation has been carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Standards (Fifth Edition) for secured lending purposes to determine Market Rent and Market Value.

Finally, we consider that no conflict of interest arises as a result of our acceptance of these instructions.

DATE OF VALUATION

17th January 2006.

LOCATION

The subjects are located on the west side of Reform Street, a prime retailing thoroughfare within the centre of Dundee, a short distance north of High Street.

Surrounding occupiers include McDonalds, Costa Coffee, Cheltenham & Gloucester, Skipton Building Society, Boots, Ann Summers, British Heart Foundation and a number of other local and national retailers.

STATUTORY ENQUIRIES

The subjects are currently used as a Travel Agency and accordingly we have assumed that the subjects will benefit from the appropriate planning consent, all in terms of the Town and Country Planning (Use Classes) (Scotland) Order 1997. Should this prove not to be the case, then it is assumed that a Certificate of Established Use can be demonstrated.

We have assumed that the subjects are unaffected by any statutory, town planning or road proposals which are likely to have an adverse effect on the property.

We have assumed that all alterations, additions, and/or extensions to the property have received all necessary Town Planning and Building Authority Approval (Building Warrants) and that appropriate Completion Certificates or documentation is available.

We are advised that Reform Street has been made up and adopted by the local highway authority.

A fire certificate would likely be required in relation to the property. The existence of the same should be confirmed prior to purchase.



DESCRIPTION

The subjects form part of a traditional, 3 storey attic and basement, mid-terraced tenement.

The main walls are of stone construction with the roof over being pitched and clad in slates.

There are extensions to the rear, which are a combination of stone and brick construction, with the roofs over being a combination of pitched roofs and flat/domed felt covered roofs.

We understand the building is Grade 'B' listed.

The subjects are accessed directly from Reform Street with fire exit provisions to the rear.

Internally the premises are planned over ground, mezzanine and basement levels, with the flooring being a combination of suspended timber and solid construction.

ACCOMMODATION

The accommodation and floor areas provided within the property can be summarised as follows:

Ground floor	-	134.27 sq.m.	(1,445 sq.ft.)
Mezzanine	-	30.96 sq.m.	(333 sq.ft.)
Basement	-	98.01 sq.m.	(1,054 sq.ft.) or thereby
Total		263.24 sq.m.	2,832 sq.ft. or thereby

The foregoing area has been calculated on a gross internal area basis in accordance with the Code of Measuring Practice (Fifth Edition).

CAR PARKING/SITE

We are unaware of any additional ground or outbuildings effeiring to the subjects.

CONDITION

We have not been requested to report on the condition of the premises and, should this be required, our Building Surveying Department would be delighted to attend to this on receipt of further instructions.

This report constitutes a valuation and not a building survey. Comments, if any, on the physical condition of the foundations, walls, floors, ceilings, roof or roof voids, roof coverings, chimneys, gutters, drains, pipes, tanks and services etc., must be read in this context. If any further information is required a separate survey with respect to these items or to other parts of the property related thereto must be specifically instructed in writing. Woodwork or other parts of the property, which were covered, unexposed or inaccessible, have not been inspected and we are therefore unable to report that such parts of the property are free from rot, beetle or other defects.



SERVICES

The subjects benefit from main supplies of water and electricity, whilst drainage is assumed to be to the main public sewer.

Space heating is provided by means of electric convection heaters.

None of the systems, circuits or services have been checked or tested for the purpose of this report.

TENURE

Assumed owned.

RATING ASSESSMENT

In terms of the Valuation & Rating (Scotland) Act, as amended, the property has been assessed for rating purposes and entered in the Valuation Roll for the current year at Net and Rateable Value £52,300.

The Unified Business Rate for the 2005/2006 Financial Year is 46.5 pence in the pound exclusive of water rates and sewerage rates.

All non-domestic property was re-valued effective 1st April 2005. A right of appeal will be available against the amended assessment for a period of six months and if unchallenged the assessment will form the basis of the rates charge until the next revaluation.

Similarly, a new owner or tenant of a non-domestic property has a right to appeal against the Rateable Value for a period of up to six months after assuming an interest in the property.

Effective from 1st April 2003 the Scottish Executive introduced the Small Business Rate Relief Scheme. Non-domestic properties in Scotland with a rateable value of £11,500 or less are eligible for a discount of between 5% and 50% on the rate poundage. You should contact your local revenue office to be advised of the appropriate discount.

We would also draw your attention to the fact that any property unoccupied for a period in excess of three months could be liable to a payment of 50% of the normal rates levied.

BURDENS

We assume the Title Deeds contain no onerous or restrictive conditions and that the existing use of the property is permitted in terms of the Titles and complies fully with current town and country planning law.



ENVIRONMENTAL PROTECTION ACT 1990 (CONTAMINATED LAND)

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigation into the past or present uses of either the property or any neighbouring land to establish whether there is any potential for contamination from these uses or sites which may affect the subject property and have therefore assumed that none exists.

However, should it subsequently be established that contamination exists at the property or on any neighbouring land or that the premises have been or are being put to a contaminative use, this may substantially reduce the values now reported. Eradication of contamination in land and buildings can be a very costly undertaking.

We have assumed that no contaminative or potentially contaminative uses have ever been carried out on the property.

DISABILITY DISCRIMINATION ACT 1995

The Disability Discrimination Act states that service providers will require to "address those physical features, which make it impossible or unreasonably difficult for disabled people to use their services".

Everyone, regardless of the size of their business, who provides services to the public, or a section of the public whether in the private, public or voluntary sectors will require to undertake "reasonable adjustments" either to their premises or in the way they provide their services to comply with the Act.

Initially, an access audit will require to be undertaken, which should form the basis of an action plan to consider such issues as physical constraints, alternative ways of providing the service and the reasonableness of making the adjustments identified.

Should further assistance or advice be required in this regard, we would be happy to provide the necessary advice, or arrange an access audit.

THE CONTROL OF ASBESTOS AT WORK REGULATIONS 2002

The Control of Asbestos Regulations impose a duty to manage the risk posed by asbestos containing materials (ACM's) in non domestic properties but including the common areas of residential property.

The Regulations state that those responsible for premises require to form a coherent Asbestos Management Plan to establish the existence of asbestos, its amount and what condition it is in.

In order to comply with the Legislation and establish the existence of ACM's within a property, it is likely that an inspection of the property will require to be arranged by an accredited asbestos surveyor.



Our valuation assumes the foregoing exercise has been completed and, where necessary, that a Register of Asbestos and an Asbestos Management Plan exist which does not require expenditure, pose a risk to health or breach Health & Safety Legislation. Should further assistance be required in this regard we would be happy to provide the necessary advice or indeed arrange an appropriate inspection.

VALUATION

• Market Rent

The valuation of the property has been prepared in accordance with the Appraisal & Valuation Standards as published by the Royal Institution of Chartered Surveyors to determine market rent and market value with vacant possession.

Market rent is an opinion of the estimated amount for which the property or space within a property should let on the date of valuation, assuming:

- a) a willing lessor and a willing lessee;
- b) that, prior to the date of 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 rent and other lease terms and for the completion of the letting;
- c) the transaction is an arm's-length transaction between parties who do not have a particular or special relationship which may bring about a rent level uncharacteristic of the market;
- d) that no account is taken of any additional bid by a prospective tenant with a special interest;
- e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion; and
- f) appropriate lease terms for a letting of the type and class of the subject property.

We are of the opinion that the current market rental value of the premises on the basis of a 10 year lease, incorporating a rent review at year five, and assuming such a lease would not contain any unduly onerous or restrictive conditions upon the tenant, may be fairly stated as being in the sum of **FIFTY FIVE THOUSAND POUNDS STERLING PER ANNUM** (£55,000 per annum).

• Market Value

Market Value is the estimated amount for which the property should exchange on the date of valuation, assuming:

- a) a willing buyer and a willing seller;
- b) that, prior to the date of 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;



- c) the transaction is an arm's-length transaction between parties who do not have a particular or special relationship which may bring about a price level uncharacteristic of the market;
- d) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion;

Taking the foregoing into consideration, together with our general observations on site we are of the opinion that the current market value of the subjects, with the benefit of vacant possession, may be fairly stated as being in the capital sum of **SEVEN HUNDRED THOUSAND POUNDS STERLING (£700,000)**.

• **Market Value (with benefit of lease to Travelmood Limited)**

Market Value is the estimated amount for which the property should exchange on the date of valuation, assuming:

- e) a willing buyer and a willing seller;
- f) that, prior to the date of 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;
- g) the transaction is an arm's-length transaction between parties who do not have a particular or special relationship which may bring about a price level uncharacteristic of the market;
- h) that no account is taken of any additional bid by a prospective purchaser with a special interest; and
- e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion;

Taking the foregoing into consideration, together with our general observations on site we are of the opinion that the current market value of the subjects, with the benefit of lease to Travelmood Limited, may be fairly stated as being in the capital sum of **EIGHT HUNDRED AND TWENTY FIVE THOUSAND POUNDS STERLING (£825,000)**.

In arriving at our above noted valuation we have assumed a 10 year lease to Travelmood Limited at an annual rental of £55,000 per annum, with usual 5 year Rent Review Clause, and all other terms and condition as you would be expected for a commercial property of this type.

The above mentioned valuation figure makes no allowance for any effect on value of the imposition of Value Added Tax on some property transactions.

**CONFIDENTIALITY**

This report will be provided for the stated purpose(s) and for the sole use of the named Client. It will be confidential to the Client and the Client's professional advisers. The Valuer accepts responsibility to the Client alone that the Report will be prepared with the skill, care and diligence reasonably to be expected of a competent chartered surveyor, but accepts no responsibility whatsoever to any other parties other than the Client. Any such parties rely upon the Report at their own risk. Neither the whole or any part of the Report nor any reference to it may be included in any published document, circular or statement nor published in any way without the Valuer's written approval of the form and context in which it may appear.

We would reiterate that this report has been prepared in accordance with the RICS Appraisal and Valuation Standards for secured lending purposes. As this report has not been commissioned by a lender or financial institution, this report or indeed its current format may not be suitable to meet the requirements of a number of lenders, who may seek to instruct an independent report.

We trust this will be sufficient for your present purposes.

A handwritten signature in cursive script that reads "Jonathan Reid".

.....
Jonathan Reid BLE Hons (MRICS)
for J & E Shepherd

20th January 2006.

(JR/MSJ)



CHARTERED SURVEYORS
AUCTIONEERS, VALUERS, LAND & ESTATE AGENTS

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Survey & Valuation Department
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Email: johnhope@listerhaigh.co.uk www.listerhaigh.co.uk

Our Ref: MDH/KER/18282

01 February 2006

Mr Voutiras
Travel Mood
5A Praed Street
London
W2 1NJ

Dear Mr Voutiras

Re: Unit 1, Brunswick Court, Lower Brunswick Street, Leeds

Further to my letter of 30th January 2006 and to our subsequent telephone conversation.

I can confirm that the valuation in that letter was prepared in accordance with the RICS Appraisal and Valuation Manual to reflect the existing arrangements at the property, i.e. the fact that you are Owner Occupiers.

You have asked me to make a Special Assumption that, at the date of valuation, the property was let on a Conventional Commercial lease on FRI terms for a period of between 10 – 15 years and with provision for rent reviews. This would be an attractive investment opportunity and, at present yields, would attract bids around £330,000 (three hundred and thirty thousand pounds) for the freehold interest.

Should you require any further information, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'MD Harvey'.

M D Harvey BSc FRICS
Director



Lister Haigh Limited Company No. 444459

Registered Office: 106 High Street, Knaresborough, North Yorkshire HG5 0HN
DIRECTORS: John E. Haigh BSc MRICS FRAV, Michael D. Harvey BSc FRICS,
Catherine M. Davies MRICS FRAV

Offices in Yorkshire at: Harrogate, Knaresborough, Boroughbridge, and Leeds



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CHARTERED SURVEYORS
 AUCTIONEERS, VALUERS, LAND & ESTATE AGENTS

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 Email: johnhope@listerhaigh.co.uk www.listerhaigh.co.uk

Our Ref: MDH/CLL/18282

30 January 2006

Mr Voutiras
 Travel Mood
 5A Praed Street
 London
 W2 1NJ

Dear Mr Voutiras

Re: Unit 1, Brunswick Court, Lower Brunswick Street, Leeds

Further to your verbal instructions of 16 January 2006, I carried out an inspection at the property on 20 January 2006.

Rents and capital values in this area of the city have levelled out since my last inspection in 2004 and there is no evidence of significant increases.

I am therefore of the opinion that the current market value of the subject premises remains at **£265,000 (two hundred and sixty five thousand pounds)**. This is based on an estimated current rental value of **£27,000 (twenty seven thousand pounds) per annum**.

If you require these valuations in a different format, please do not hesitate to let me know.

You also asked me to provide an opinion as to whether there is potential for conversion of the existing roof space. Access to the roof space is considerably restricted as there is a plastic vapour barrier above the existing suspended ceiling. However, from the limited access available, I doubt whether it would be feasible to expand into this area due to the configuration of the roof trusses, the supports for the suspended ceiling, service wires and pipes and the pitch/height of the roof design.



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If you are looking for additional space in the vicinity there are several units close by which have been on the market for some time and which may be available at attractive and flexible rates. If you provide me with a list of the space requirement, I can run them past one or two local Agents and find out whether these can be accommodated.

I look forward to hearing from you further in this matter.

I enclose a note of my fees to-date in connection with the valuation inspection.

Yours sincerely



Michael Harvey BSc FRICS
Chartered Surveyor

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