

## Report and Valuation

in respect of:

**4 buildings known as**

**Units 13, 18 & 20 Staveley Way  
Brixworth  
Northants  
NN6 9EU**

**and**

**Unit B Saxon Fields  
Old Harborough Road  
Brixworth  
Northants  
NN6 9BX**

**Prepared by**

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## 1.0 Preamble

<b>Instructing Client:</b>	Mr M Stevens on behalf of the Trustees of the Micron 1996 Executive Pension Scheme.
<b>Date of Instruction:</b>	5 September 2017.
<b>Purpose of Valuation:</b>	Pension Fund purposes.
<b>Status of Valuer:</b>	External.
<b>Additional Special Assumptions:</b>	None.
<b>Date of Inspection:</b>	8 September 2017.
<b>RICS Compliance:</b>	Prepared in accordance with the Requirements of the RICS Valuation – Global Standard 2017 by an External Valuer/RICS Registered Valuer.
<b>Definition:</b>	Appendix 1.
<b>Limitations and Conditions:</b>	Appendix 2.
<b>Professional Indemnity Cover:</b>	£5,000,000.
<b>Matters requiring further investigation:</b>	None.
<b>Conflicts of Interest:</b>	None.

## 2.0 Location

The premises at Staveley Way are all situated within a courtyard development of similar buildings located on the Scaldwell Road Industrial Estate. The remaining property at Saxon

Fields is located on the edge of the same estate which lies to the north of Brixworth village, close to the A508 Northampton to Market Harbrough road.

The surrounding locality comprises a mixed range of commercial properties with prominent companies already established in the area including Ilmor Engineering, Haddonstone and P C Howard Transport.



The village of Brixworth has grown considerably during the course of the last 25 years with further residential development currently being undertaken on land adjacent to Northampton Road. The village provides a wide range of local amenities to include public houses, shops and petrol filling stations.

### 3.0 Description

#### Units 13, 18 & 20 Staveley Way, Brixworth

These comprise 3 very similar properties, each of which is constructed around a steel portal frame with blockwork elevations surmounted by profile steel cladding to eaves. Above, each property has a mono-pitched, corrugated asbestos clad roof which has been lined and insulated internally and incorporates translucent roof panels.

Internally, Units 13 and 18 comprise open plan buildings with no office accommodation although WC facilities are provided. Unit 20 is similar in design and size but benefits from a mezzanine floor upon which two partitioned offices have been constructed. Each property is accessed for loading purposes via a single roller shutter loading door incorporated within the front elevation whilst there are separate pedestrian entrances at the front of each unit together with fire escapes incorporated within the rear elevation. Both heating and lighting are provided within each property.



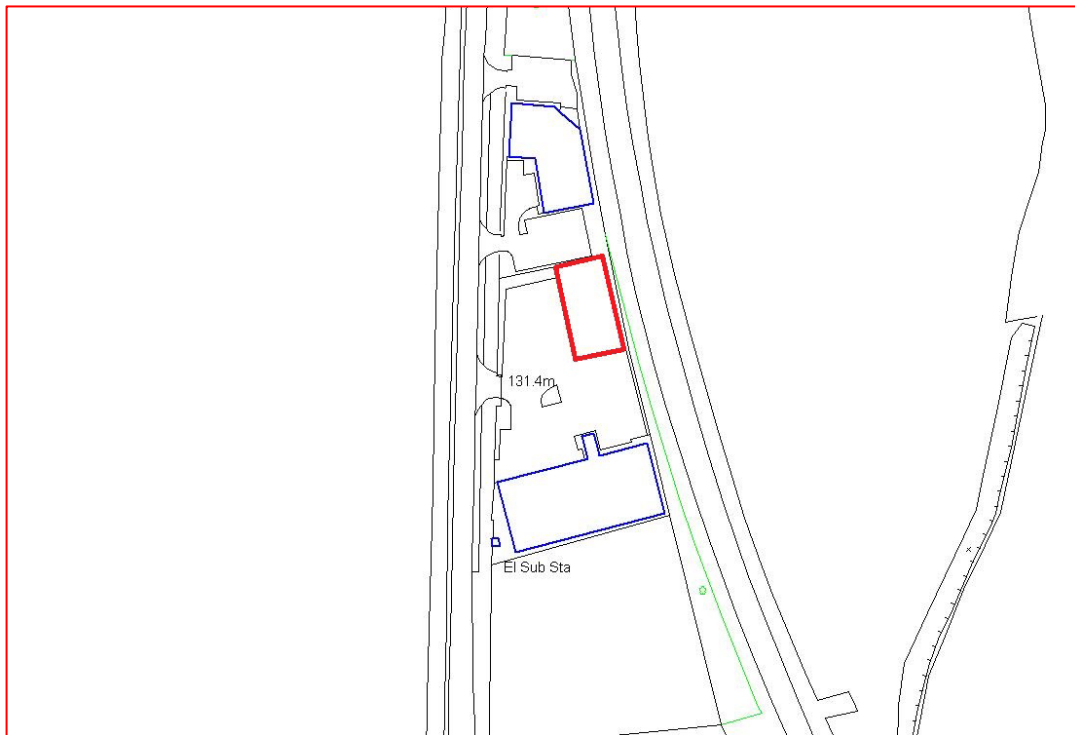
*Not to scale – See Appendix 3.*

Externally, each unit fronts onto Staveley Way and benefits from a concrete surfaced forecourt which provides access into the buildings for loading purposes together with allocated on site car parking spaces.

### **Unit B Saxon Fields, Old Harborough Road, Brixworth**

The premises comprise a modern, detached industrial/warehouse building of steel portal frame construction with brick and block elevations surmounted by profile steel cladding to eaves. Above, there is a barrel shaped roof which has been covered in profile steel cladding and incorporates translucent roof panels. A section of curtain glazing has been incorporated within the front elevation allowing a large amount of natural light into the property.

Internally, the premises incorporate good quality, two-storey office accommodation together with WC and kitchen facilities. These offices are fitted out to a high specification and benefit from a good level of natural light at first floor level together with part air-conditioning and gas-fired radiator central heating. The remainder of the building comprises an open plan workshop with access gained via a single, sectional up and over loading door incorporated within the front elevation.



*Not to scale – See Appendix 3.*

Externally, the premises are situated within a secure site shared with the adjoining occupier. To the front of the property, there is a good sized yard area that provides ample on site car parking together with access into the building for loading purposes.

#### **4.0 Floor Areas**

The below areas have been derived from measurements taken during the course of our previous inspections and are to gross internal area as defined by the RICS Code of Measuring Practice (6<sup>th</sup> Edition):

Property	Sq m	Sq ft
Unit 13 Staveley Way, Brixworth	109.81	1,182
Unit 18 Staveley Way, Brixworth	109.26	1,176
Unit 20 Staveley Way, Brixworth	158.40	1,705
Unit B Saxon Fields, Brixworth	532.91	5,736

## 5.0 Services

Whilst it is emphasised that the services have not been tested as part of our valuation, we understand that all mains services are available to each property.

## 6.0 Condition of Premises

Whilst it is emphasised that no condition or site survey has been carried out for the purposes of this report, we note that each property was found to be in a generally good state of repair commensurate with its age, construction and use. This comment is particularly relevant to Unit B Saxon Fields which is a more modern building and has been constructed to a high specification. The 3 buildings at Staveley Way are more mature but each provides accommodation well suited to their current engineering use.

Your attention is drawn to the Conditions of Valuation set out at Appendix 2.

## 7.0 Tenure

We have not examined or been provided with a Report on Title, but in arriving at our valuation of the premises referred to, we have assumed that the freeholder (Unit B Saxon Fields) and long leaseholder (Units 13, 18 & 20 Staveley Way) possesses a good marketable title which is transferable and not subject to any unusual or onerous restrictions, covenants, easements, encumbrances or outgoings and that the properties are not adversely affected by any schemes of any Local or other Authority.

We have further assumed that there is an uninterrupted right of way over the access road leading to the 3 buildings at Staveley Way and that the Old Harborough Road has been adopted.

## 8.0 Tenancies

Whilst we have not been provided with any leases relating to the subject premises, we have been informed of the current lease terms as detailed below.

### Unit 13 Staveley Way, Brixworth

This property is let by way of a 6 year full repairing and insuring lease which commenced in early 2017. The current passing rent is £8,880 per annum exclusive.

### Unit 18 Staveley Way, Brixworth

This property is let by way of a 6 year full repairing and insuring lease which commenced in early 2017. The current passing rent is £8,880 per annum exclusive.

### Unit 20 Staveley Way, Brixworth

This property is let by way of a 12 year lease which commenced on 4 November 2008 and is due to expire on 3 November 2020. The lease is held upon full repairing and insuring terms and incorporates regular rent reviews. The current passing rent is £10,000 per annum.

### Unit B Saxon Fields, Old Harborough Road, Brixworth

This property is subject to a lease agreed in 2015 for a term of 5 years with a rent review due on the third anniversary of the term. The lease is on a full repairing and insuring basis with the current passing rent agreed at a figure of £32,500 per annum.

## 9.0 Statutory Enquiries

### 9.1 Local Taxation

Property	Rateable Value	Rates Payable (2017/18)
Unit 13 Staveley Way, Brixworth	£6,500	£3,113.50
Unit 18 Staveley Way, Brixworth	£6,300	£3,017.70
Unit 20 Staveley Way, Brixworth	£7,600	£3,640.40
Unit B Saxon Fields, Brixworth	£22,000	£10,538.00

The above estimates of rates payable exclude any transitional or small business rates relief which may be applicable in individual circumstances.

## **9.2 Town Planning**

Whilst we have not received confirmation from Daventry District Council Planning Department, we have assumed for the purposes of this valuation report that each property has a valid planning consent for their existing industrial use and other uses falling within Classes B1 (light industrial), B2 (general industrial) and B8 (warehousing and distribution) as defined by the Town & Country Planning (Use Classes) Order 1987 as amended.

## **9.3 Highways**

We have assumed that both Staveley Way and Old Harborough Road are public adopted highways.

## **9.4 Fire Regulations**

Copies of Fire Risk Assessments have not been provided in connection with this report.

## **9.5 Control of Asbestos Regulations 2012**

Under the Control of Asbestos Regulations 2012, occupiers and/or owners are placed under a comprehensive duty to carry out an assessment of their property and to manage the risk from exposure to asbestos for all persons on their premises. During our general inspection for valuation purposes we noted the evident presence of asbestos based products in the premises at Staveley Way. The general effect of these on property values cannot yet be quantified but, since asbestos products have been used in the construction of this property, marketability and possible future value may be affected until any necessary remediation work has been undertaken. (State whether any reflection has been made of this situation in the valuation – this will be dependent upon the nature of the product and the amount which has been used).

## **9.6 Equality Act 2010**

No significant issues identified.

## **9.7 Office Shops & Railways Premises Act**

No significant issues identified.

## 9.8 Energy Performance Certificate

The Register of Energy Performance Certificates has been consulted and the properties were found to have the following EPC ratings:

Property	EPC Rating	
Unit 13 Staveley Way, Brixworth	G	(156)
Unit 18 Staveley Way, Brixworth	G	(182)
Unit 20 Staveley Way, Brixworth	G	(196)
Unit B Saxon Fields, Old Harborough Road, Brixworth	C	(60)

The Minimum Energy Efficiency Standards Regulations (MEES) issued under the Energy Act 2011 will make it unlawful from April 2018 to let buildings (commercial and domestic) in England and Wales that have an EPC Rating of “F” or poorer. This applies to lease renewals as well as new lettings. From the 1<sup>st</sup> April 2023, MEES will be extended to apply to all properties whenever the lease was granted.

The Staveley Way properties all have EPC Ratings of G. Once the new regulations come into effect next year, these buildings will require certain works to be carried out in order to improve their energy rating. Alternatively, if no heating is provided within the building, then this removes the need to have an EPC.

## 10.0 Environmental Considerations

### 10.1 Hazardous and Deleterious Materials

During the course of our inspection we did not note the obvious presence of hazardous or deleterious materials and have assumed that the premises are clear of the same for the purposes of this report.

### 10.2 Contamination

We are not aware of any historic use of the buildings which may give rise to the possibility of contamination.

### **10.3 Invasive and Protected Species**

We did not note the obvious presence of any invasive or protected species and have assumed the properties to be clear of the same for the purposes of this report.

### **10.4 Site Stability**

No soil condition report has been made available to us for any of the properties. We have assumed that ground conditions are normal in all respects and the buildings have been constructed upon adequate foundations.

### **10.5 Radon**

Public Health England has identified the area in which the properties are situated as one in which, in less than 1% of dwellings, the levels of Radon Gas entering the properties are such that remedial action is recommended.

It is not possible in the course of inspection/survey to determine whether Radon Gas is present in any given building. If tests have not been carried out, they are recommended but where Radon is discovered, it has been the experience of the Health Protection Agency that it is not expensive in proportion to the value of the property, to effect the recommended remedial measures.

### **10.6 Flood Risk**

The Government Flood Map for planning website has been checked and the premises are not situated in an area that is considered to be at high risk of flooding.

## **11.0 Market Commentary**

We have continued to experience an ongoing improvement in market conditions during the course of the last few years. This is particularly evident within the industrial/warehousing sector where there remains strong demand from both owner occupiers and property investors. Assuming economic and political factors remain stable, this trend looks set to continue, largely as a consequence of the ongoing policy of the Bank of England to maintain interest rates at historically low levels and also due to the severe shortage of available properties on the market. This is most notable for freehold or (long leasehold) buildings, although demand from tenants also remains strong. Whilst the office and retail sectors have

shown some signs of improvement, this is not to the same extent as that evidenced within the industrial sector.

These views are echoed by the latest Royal Institution of Chartered Surveyors research published in April 2017. This highlights in their commercial property market survey that “both rental and capital value growth projections have strengthened with sentiment still strongest across the industrial sector. Meanwhile, the office and retail areas of the market appear a little flatter in comparison”. The report went on to highlight that availability of properties continues to decline sharply within the industrial sector and that given these demand and supply dynamics, rents are expected to rise most firmly within the industrial sector both over the near and medium term. Taking a 12 month view, both prime and secondary industrial rents are projected to record the strongest growth on a sectorial comparison.

The transactional evidence in Northamptonshire falls in line with the findings of this survey, due in part to the county’s central location and its strong manufacturing and warehousing heritage. There remains strong underlying demand for industrial and warehousing buildings of all types and sizes. Looking further forward, this demand should be underpinned by the ongoing expansion of the principal towns within the county.

## **12.0 Valuation Commentary**

The subject premises comprise 4 industrial properties all located upon the Scaldwell Road Industrial Estate in the village of Brixworth. The buildings on Staveley Way provide ideal units for small companies and have historically proved to be popular with a range of local occupiers. Due to the limited supply of such properties in Brixworth and the surrounding locality, this is a trend that is likely to continue for the foreseeable future. The building at Saxon Fields comprises a more modern, high quality industrial/warehouse building that was constructed to an above average specification. Such buildings continue to be popular with both occupiers and investors.

In arriving at our opinion as to the current market values of each property, we have taken into consideration a number of recent transactions that provide useful comparable evidence. These sales and lettings have been analysed and the figures adjusted where appropriate to reflect the individual characteristics for each property.

### **13.0 Valuation**

Market Value of the long leasehold interest subject to the existing lease agreement is in the order of:

**Unit 13 Staveley Way, Brixworth**

**£120,000 (One hundred and twenty thousand pounds).**

**Unit 18 Staveley Way, Brixworth**

**£120,000 (One hundred and twenty thousand pounds).**

**Unit 20 Staveley Way, Brixworth**

**£130,000 (One hundred and thirty thousand pounds).**

Market Value of the freehold interest subject to the existing lease agreement is in the order of:

**Unit B Saxon Fields, Old Harborough Road, Brixworth**

**£475,000 (Four hundred and seventy five thousand pounds).**

### **14.0 VAT**

In arriving at our opinion of value, it is assumed that all parties (actual or potential) are registered for VAT purposes and would be able to reclaim any VAT chargeable in relation to this property. VAT has therefore been excluded from any reported values. No deduction has been made for taxation or the cost of realisation.

### **15.0 Status of Valuer**

We confirm that the Valuer who prepared this Report is an External Valuer as defined in the RICS Valuation – Global Standards 2017 and has the relevant knowledge, skills and understanding in order to undertake the valuation competently.



.....  
Charles Church BSc (Hons) MRICS  
Partner  
Chartered Surveyor / RICS Registered Valuer  
For and on behalf of Underwoods

Underwoods  
Shire House  
Pyramid Close  
NORTHAMPTON  
NN3 8PH

Dated this 13th day of September 2017

## **APPENDIX 1**

### **Definition**

#### Definition of Market Value

The valuation is as at the date hereof and is on the basis of the market value which is defined as:

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.

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## **APPENDIX 2**

### **Conditions of Valuation**

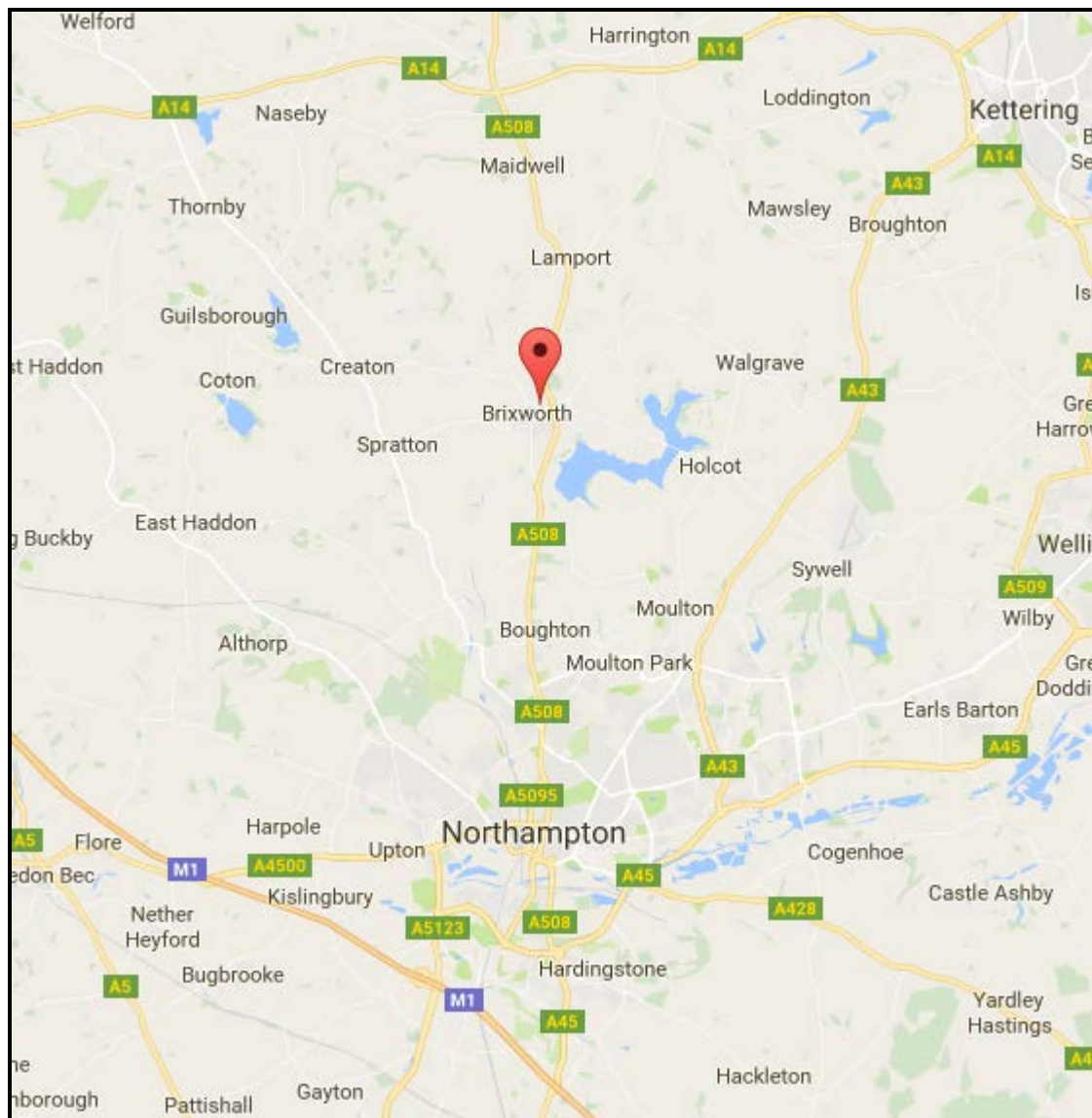
In addition to the specific assumptions and conditions referred to in this Report, our Valuation is subject to the following general assumptions and conditions:-

1. That a condition survey has not been carried out, nor have inspections been made of the woodwork or other parts of the structure and tests have not been carried out on the electrical, heating or other services. It is assumed that the property is free from dry rot, woodworm and latent defects and that no hazardous or deleterious materials have been used in its construction. It is further assumed that the services to the property are free from defects and that inspection of those parts which have not been inspected would neither reveal material defects nor cause the Valuer to alter the valuation materially.
2. That unless where otherwise stated the subject property and grounds are free from Japanese Knotweed. Whilst best endeavours are made to inspect all parts of the property this may not be possible in all circumstances. This factor combined with the difficulties in identifying the species as it undergoes seasonal changes means that we cannot guarantee the site is clear from Knotweed and we advise that horticultural specialists are consulted to verify the same.
3. No allowance has been made for any expenses of realisation or taxation that would occur in the disposal of the whole or any part of the property.
4. This Report is confidential to Trustees of the Micron 1996 Executive Pension Scheme and should only be used for the purpose to which it refers.
5. Neither the whole nor any part of this Report nor any reference thereto may be included in any published document, circular or statement, nor published in any way without the Valuer's written approval of the form or context in which it might appear.
6. No responsibility or liability whatsoever is accepted to any party other than to Trustees of the Micron 1996 Executive Pension Scheme and no responsibility or liability is accepted for the interpretation of the legal position of the client or other parties.

## **APPENDIX 3**

### **Plans**

**LOCATION PLAN –**  
**4 BUILDINGS KNOWN AS**  
**UNITS 13, 18 & 20 STAVELEY WAY, BRIXWORTH, NORTHANTS**  
**AND UNIT B SAXON FIELDS, OLD HARBOROUGH ROAD, BRIXWORTH, NORTHANTS**





130.8m

131.4m

El Sub Sta

128.0m

Depot  
HARBOR HIGH ROAD

STAVELEY WAY

El Sub Sta

Depot

© Crown Copyright 2008. All rights reserved. Licence number 100020449. Plotted Scale - 1:2500

Ordnance Survey

Industrial

0m 25m 50m 75m

## APPENDIX 4 Photographs



Unit 13 Staveley Way, Brixworth



Unit 18 Staveley Way, Brixworth



Unit 20 Staveley Way, Brixworth



Unit B Saxon Fields, Old Harborough Road, Brixworth