



# Valuation Report



Flat 1/2, 1 Windsor Place, Bridge of Weir,  
Renfrewshire, PA11 3AF

**Client:** The Nicola Steele SSAS

**Date of Valuation:** 30 November 2023

## EXECUTIVE SUMMARY

PROPERTY ADDRESS	Flat 1/2, 1 Windsor Place, Bridge of Weir, Renfrewshire, PA11 3AF
TYPE OF PROPERTY	Retail unit.
PURPOSE OF VALUATION	Pension Fund Purposes.
DATE OF INSPECTION	30 November 2023
DATE OF VALUATION	30 November 2023
BASIS OF VALUE	Market Rent and Market Value with vacant possession.
LOCATION	<p>The property is situated within the centre of the Renfrewshire village of Bridge of Weir and fronting the main road through the village.</p> <p>Specifically, the property lies on the north side of Windsor Place within a ground floor parade within a larger tenement block of similar shops just off the (A761).</p>
DESCRIPTION	The subjects comprise a retail unit forming part of the ground floor of a larger three storey tenement building of traditional stone construction. The upper two floors of the building are in residential use and do not form part of the subjects to be valued.
TENURE	Assumed Heritable (Scottish equivalent of English Freehold).
INTEREST VALUED	Heritable.
TENANCIES	Not applicable
MARKET RENT	£5,500 per annum exclusive
MARKET VALUE (Vacant Possession)	£45,000
SPECIAL VALUATION ASSUMPTIONS	When arriving at our valuations we have assumed that there are no defects pertaining to the property which would impact on the values noted herein.

*This summary is intended for quick reference purposes only and must be considered within the context of this entire report.*

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## 1. CONFIRMATION OF INSTRUCTIONS

### 1.1 Introduction

We refer to your instructions of 21 November 2023 and our Terms and Conditions of Engagement dated 21 November 2023 a copy of which is reproduced in Appendix 1.

In accordance with these instructions, an inspection of the property was undertaken by Liam Loudon BA(Hons) MSc MRICS, Associate, acting as an external valuer, on 30 November 2023. The extent of the inspection carried out is as described in the attached Scope of Work and Valuation Assumptions and any specific limitations will be outlined within this report.

We can confirm Liam Loudon BA(Hons) MSc MRICS, Associate (an RICS Registered Valuer) has the necessary knowledge and expertise to provide the advice required.

This report has been prepared in accordance with the RICS - Global Standards 2022 incorporating the IVSC International Valuation Standards.

### 1.2 Conflict of Interest

We are not aware of any conflict of interest that would preclude us from providing the valuation advice requested.

### 1.3 Professional Indemnity

J & E Shepherd maintain Professional Indemnity Insurance with Zurich Insurance plc and others with a limit of indemnity set at a level which is proportionate to the instruction as fully outlined within the Terms and conditions of Engagement previously provided and appended to this report.

### 1.4 Purpose of Valuation

This report is provided for pension fund purposes.

Whilst this report may be suitable for secured lending purposes, any lender wishing to rely upon its contents should instruct this Firm to prepare a further report which addresses the lenders specific reporting assumptions and requirements.

### 1.5 Basis of Value

Our Valuation has been prepared to determine Market Rent and Market Value with vacant possession.

### 1.6 Sources of Information

For the purpose of this valuation we have considered and relied upon a range of information provided to us which we have assumed to be true and correct.

### 1.7 Scope of Work and Valuation Assumptions

The scope of work and valuation assumptions adopted for the purposes of this report are set out in Appendix 5.

### 1.8 Verification

Before any financial transaction is entered into the validity of the assumptions that we have adopted should be verified. Any variation should be referred to us immediately, as this could impact the valuation(s) reported.

## 2. TYPE OF PROPERTY

Retail unit.

## 3. DATE OF VALUATION

30 November 2023

## 4. LOCATION

### 4.1 Regional

Bridge of Weir forms a small settlement within Renfrewshire having a population of approximately 4,900 persons (2011 Census information) and being located on the A761 which forms the main road between Paisley to the east and Port Glasgow to the northwest. The A761 in turn links with the A737 Paisley to Largs Road to the east and the A8 Glasgow/Greenock Road, both of which link in with the M8, which in turn leads to Glasgow and the West of Scotland motorway network.

Bridge of Weir is an affluent commuter suburb serving both Paisley and Greater Glasgow conurbations. The village has an above average range of services and facilities for its size including a reasonable mix of retailing outlets, with Paisley being the nearest main town.

### 4.2 Local

Specifically, the property is situated within the main part of the village of Bridge of Weir with a frontage to the main road within a similar retail parade off the A761 on the north side of Windsor Place, and to the east of the junction with Kilbarchan Road.

The location is well served by local businesses providing a range of retail and service businesses primarily serving the local population. Bridge of Weir village however attracts custom from the wider area and particularly the villages of Kilmacolm, Brookfield and Houston.

Free on-street parking is available to the front of the property.

The location of the property is shown on the appended Location Plan within Appendix 2.

## 5. DESCRIPTION

### 5.1 The Property

The subjects comprise a retail unit forming part of the ground floor of a larger tenement building of traditional stone construction with the upper two floors in residential use.

### 5.2 External Construction and Finishes

The building of which the subjects form part is of traditional blonde sandstone construction and is surmounted by a pitched roof assumed to be of timber frame construction, finished in what appears to be concrete tiles. Rainwater goods are run in a mix of uPVC with cast-iron downpipes.

The retail unit has a traditional glazed retail frontage which is of aluminium frame construction and is single glazed with access provided by a single leaf door of the same construction. There is space for traditional retail signage above. A close to the side of the building leads to the upper floor flat dwellings.

### 5.3 Accommodation

The internal accommodation comprises the following:

- Retail/Sales
- Storage
- WC

The main retailing space is predominantly taken up by the sales area, which is of broadly regular shape laid out to form a showroom/salon style area interspersed with part dividing wall and columns separating the front and rear of the unit.

The floor is of solid concrete construction with mainly wood floorboard coverings, with the walls and ceilings being lined and painted/papered with aertex finish incorporating inset spotlight units.

At the rear the staff area comprises mainly ancillary storage space together with an enclosed WC and freestanding sink unit and served by an immersion system for hot water provision. The WC has modern fittings.

An air heating/cooling airflow unit also been installed.

### 5.4 The Site

The subjects extend to the footprint of the retail unit as described herein. The site extends to the footprint of the building although there is access to the rear communal garden area. All title documentation should be verified by your solicitor.

## 6. AREAS

The property provides the following accommodation and approximate floor areas:

DESCRIPTION	AREA (SQM)	AREA (SQ FT)
Ground Floor – Retail	33.78	364
<b>TOTAL</b>	<b>33.78</b>	<b>364</b>

The above areas, which have been calculated from on site measurements have been calculated on a Net Internal area in line with the RICS Property Measurement Professional Statement (2<sup>nd</sup> Edition) and the RICS Code of Measuring Practice (6<sup>th</sup> Edition).

The reduced area (ITZA) extends to approximately **309 sq ft or thereby**.

## 7. SERVICES

The property is understood and assumed to connect to mains supplies of water and electricity. Drainage is understood and assumed to be into the main public sewer.

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

## 8. STATE OF REPAIR

We have not been instructed to provide a detailed report upon the structure and fabric of the property however for the purposes of our valuation report a visual, non disruptive inspection of the property was undertaken in accordance with the limitations noted within the appendices of this report. A general comment on the condition of the property is noted below.

### 8.1 External

- The subjects appear to have suffered from past structural movement however this appears to be longstanding and no recent movement was evident upon our single inspection. We do not consider there to be a requirement for a Structural Engineer's report or further investigation.
- Some minor attention is required to the paintwork on the front elevation.
- We assume that all common repairs are shared on a fair and equitable basis between occupiers of the building.

### 8.2 Internal

- Internally, in the main, the property is generally adequate in terms of its décor but would benefit from the implementation of a programme of redecoration.
- Routine maintenance items were noted throughout the remainder of the property.
- We assume electric wiring complies with current NICEIC regulations.
- We have attempted to reflect the overall condition of the property in the valuation figure reported.

### 8.3 Items Requiring Further Investigation

- We would recommend that the factoring arrangement for the larger building be verified. For the purpose of this report it is assumed that any factoring charges are shared on a fair and equitable basis and that there are no outstanding charges or planned works affecting the property which may impact on our value reported.

The above should not be considered as an exhaustive list. Unless otherwise stated, when arriving at our valuations we have assumed that there are no defects pertaining to the property that would impact on the values. Should detailed reports on the condition of the property be required or where specialist advice is recommended, our Building Consultancy Department would be pleased to deal with this on receipt of further written instructions.

## 9. STATUTORY ENQUIRIES

### 9.1 Structure and Local Plan

The subjects are covered by the National Planning Framework 4 (NPF4) and the Renfrewshire Local Development Plan, adopted 2021. Within said plan the subjects are zoned as a 'Local Town/Village Centre'.

### 9.2 Listed Building Status, Conservation Areas and Other Relevant Planning Matters

The subjects are not listed.

The subjects are located within a conservation area and is designated by the Planning Authority to preserve character. They require planning permission to be sought for a range of works that would otherwise be considered permitted development.



### 9.3 Current Planning Use/Consent(s)

The subjects are currently used as a retail unit and accordingly we have assumed that the subjects will benefit from an unrestricted Class 1A (shops and financial, professional and other services) 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 or otherwise the values reported herein may be impacted.

### 9.4 Recent or Proposed Alterations

Not appropriate.

### 9.5 Licenses and Other Consents

Not appropriate.

### 9.6 Roads

We assume that the roads which serve the subjects have been fully made up and adopted by the Local Highways Authority and that the subjects benefit from an unimpeded access onto same.

### 9.7 Fire (Scotland) Act 2005

The Fire (Scotland) Act introduces a fire safety regime for non-domestic properties in Scotland.

It has been assumed appropriate safety measures have been implemented and that a Fire Risk Assessment exists or will be put into place to periodically review these measures to ensure it complies with legislation.

### 9.8 Equality Act 2010

The Equality Act 2010 requires service providers to address physical features which make it impossible or unreasonably difficult for disabled persons to use their services and to make reasonable changes where required to improve services and ensure disabled persons are not at substantial disadvantage.

Our valuation assumes that there are no issues in relation to the legislation that would impact on our figures. Our Building Consultancy Department would be happy to provide necessary advice or arrange an access audit should this be required on receipt of further written instructions.

### 9.9 Rateable Value

2023 Revaluation Rateable Value (effective 1<sup>st</sup> April 2023): £9,600 (for the whole shop prior to its sub-division). We assumed the building will be assessed upon occupation.

The poundage rate for the financial year 2023/2024 is 49.8 pence for properties with a Rateable Value up to £51,000. For properties with a Rateable Value between £51,001 and £100,000 the rate is 51.1 pence and 52.4 for properties with a Rateable Value in excess of £100,001.

Fresh Start Relief continues to include all property types (other than if last used for payday lending purposes) which have been empty for six months and to provide relief of 100% for the first year of any new occupier (other than if to be used for payday lending purposes). The upper limit for eligibility for Fresh Start Relief is Rateable Value £100,000 with effect from 1<sup>st</sup> April 2023. To qualify, properties must have been empty and receiving Empty Property Relief for a minimum of 6 months immediately prior to being re-occupied. Properties in receipt of Fresh Start Relief on 31st March 2023 will continue to receive relief for the remaining duration of the relief, regardless of whether the new 2023 Revaluation Rateable Value is now above the qualifying threshold.



Up until 31<sup>st</sup> March 2023 the Small Business Bonus Scheme provided relief for qualifying occupiers at 100% for properties with a Rateable Value up to £15,000 and 25% for those where the Rateable Value is between £15,001 and £18,000. The upper limit for 25% relief for multiple premises was a cumulative Rateable Value of £35,000 (the 25% relief is available for qualifying occupiers for each individual property with a Rateable Value of £18,000 and under).

Significant changes to the Small Business Bonus Scheme were introduced from 1<sup>st</sup> April 2023. Under these changes 100% SBBS relief will continue to be available to qualifying ratepayers on properties with a Rateable Value up to £12,000 (ie down from £15,000 previously). The upper Rateable Value threshold for individual properties to qualify for SBBS relief will be extended from £18,000 to £20,000. Relief will taper from 100% to 25% for properties with Rateable Values between £12,001 and £15,000; and from 25% to 0% for properties with Rateable Values between £15,001 to £20,000. The cumulative rules including the Rateable Value threshold of £35,000 will remain. Car parks, car spaces, advertisements and betting shops will be excluded from eligibility for SBBS relief from 1st April 2023.

Small Business Bonus Scheme relief is subject to the operation of other reliefs including Empty Property Relief, Rural Rate Relief, Charitable Rate Relief, Disabled Persons Rate Relief, discretionary relief for not-for-profit recreational clubs and Fresh Start Relief, each of which may be available in certain circumstances. A Small Business Transitional Relief has been introduced from 1<sup>st</sup> April 2023 for those losing or seeing a reduction in Small Business Bonus Scheme Relief or Rural Rates Relief (including due to SBBS exclusions) from 1st April 2023. The maximum increase in the rates liability relative to 31st March 2023 will be capped at £600 in 2023-24, rising to £1,200 in 2024-25 and £1,800 in 2025-26.

A Revaluation Transitional Relief has also been introduced from 1<sup>st</sup> April 2023 to cap increases in rates liabilities due to increases in Rateable Value at the 2023 Revaluation. The capped increases (in cash terms) in 2023-24 will be 12.5% for small properties (RV up to £20,000), 25% for medium-sized properties (RVs between £20,001 and £100,000) and 37.5% for large properties (RVs of £100,001 and above), rising in subsequent years.

Properties in receipt of Business Growth Accelerator (New and Improved Property) relief on 31 March 2023 will continue to be eligible for an equivalent percentage of relief on the new Rateable Value for the remaining duration of the relief.

In the 2023-24 Scottish Budget, it was announced that Enterprise Area relief will be extended by one year to 31 March 2024.

Empty Property Relief has been devolved to local authorities as of 1st April 2023 with a concurrent transfer to local government. It is important to be aware that different Empty Property Relief policies may now apply in different council areas.

An additional transitional relief scheme was introduced on 1<sup>st</sup> April 2023 in respect of new entries on the Valuation Roll from 1<sup>st</sup> April 2023, including properties located within parks added to the Valuation Roll as a result of the Non-Domestic Rates (Scotland) Act 2020. This additional transitional relief scheme will cap bills at 33% of the gross liability on affected new entries in the Valuation Roll in 2023/24, 66% in 2024/25 and reaching 100% in 2025/26.

Proprietors, tenants and occupiers have a right to challenge their 2023 Revaluation Rateable Value under new, and complex, appeal regulations and within a strict time limit. Detailed Proposals require to be submitted in this regard by no later than 31<sup>st</sup> July 2023. Shepherd can provide proprietors, tenants and occupiers with expert and experienced professional advice as required.

## 10. **TENURE**

Assumed Heritable (Scottish equivalent of English Freehold). We have not had sight of a report on title and assume that the title deeds contain no onerous or restrictive conditions and that the existing use complies fully with current planning law.

## 11. **OCCUPATIONAL LEASES**

None.

## 12. **TRADE FIXTURES AND FITTINGS**

Not applicable.

## 13. **THE BUSINESS**

Not applicable.

## 14. **ENVIRONMENTAL CONSIDERATIONS**

### 14.1 Observed Use of Property and Surrounding Properties/Land

The property is currently used as a retail unit and surrounding areas are a mix of residential and retail uses.

### 14.2 Energy Performance Certificate (EPC)

It is a legal requirement for most commercial properties to have an EPC when constructed, modified or made available for sale/lease. An EPC survey has been undertaken and the draft report has categorised the energy rating as B+.

We would advise that due to a recent adjustment to the Government's assessment tool, energy ratings for commercial properties are, in some cases different to those previously achievable. While the existing EPC rating remains valid for the lifespan of the EPC, were the property to be reassessed a different rating may be obtained.

Section 63 of the Climate Change (Scotland) Act 2009 – The Assessment of Energy Performance of Non-domestic Buildings (Scotland) Regulations 2016 came into force on 1st September 2016. At this stage the regulations only apply to buildings over 1,000 sq.m. Those buildings which meet the 2002 Building Regulation Standards or those already improved via 'Green Deal' are exempt. There are also a number of other exemptions including temporary buildings, building types with low energy demands and transactions relating to the renewal of existing leases and 'short term' lettings.

Where the regulations apply, and the building falls below the minimum 2002 Building Regulation Standards, the owner of the building must have an 'Action Plan' assessment carried out to define the measures to be completed to improve the energy performance of the building. The owner thereafter has a choice to 1) implement the works to improve the building within 42 months or 2) defer the works and record/report operational energy ratings yearly via a Display Energy Certificate (DEC) to be independently assessed each year.

While legislation relating to energy has been in force for some time, there is little, if any, clear evidence available to enable us to comment on the impact of the market value or rental value. We have, therefore, assumed that there are no issues regarding the EPC for the property which would adversely affect our valuation. It should be noted however that those properties with Action Plans will likely have cost implications to bring the property to an acceptable level and these costs may impact on property values.

Our team of specialist energy assessors and consultants offer full coverage throughout Scotland and can provide further advice and guidance on receipt of further written instructions.

### 14.3 Asbestos

The Control of Asbestos Regulations 2012 imposes an obligation upon those responsible for commercial properties to hold an Asbestos Register.

We have not had sight of any such Register and therefore for the purposes of our report we have assumed that there are no issues in this regard which would affect our undervoted valuations however we reserve the right to amend our said valuations on sight of any relevant reports in this regard.

#### 14.4 Flooding

We have referred to the Scottish Environmental Protection Agency (SEPA) "Flood Map" which provides a general overview of potential risks of flooding in Scotland.

We have not carried out formal checks or received reports concerning flood risk however from our enquiries of SEPA's website it would appear the property is not at risk of flooding.

When arriving at our valuations we have assumed that there is no history of flooding, no flood issues that would impact on the property and that the property can obtain insurance. Should this not prove to be correct it may impact on the values reported herein and we would recommend further checks are made.

#### 14.5 Radon Gas

When arriving at our undernoted valuations we have made no investigations with regard to Radon gas and assume that there are no issues in this regard. We do however reserve the right to amend our valuations on sight of further information.

#### 14.6 Invasive Species

Unless otherwise specified elsewhere within this report, we have specifically assumed that there are no invasive species contained within the property/site or within the surroundings of the property/site including, but not exclusively, Japanese Knotweed. We reserve the right to amend our valuations on sight of further reports in this regard.

#### 14.7 Coal Mining

The property is in a coal mining area although it is believed that no underground workings have taken place within the area for a number of years. It would, however be prudent to obtain a written report from the Coal Authority on previous mine workings in the vicinity. The valuation is on the basis that this does not reveal that the property is at risk of movement from underground mine workings.

#### 14.8 Summary and Recommendation

Based on the observed use of the property and surrounding properties we have assumed that there is no existence of contamination which would affect value.

Similarly we have assumed there are no EPC, asbestos, Radon gas, Japanese Knotweed, invasive species or flooding issues that would affect value. We reserve the right to amend our valuations on sight of any further information with regard to any of these items as noted herein and above.

### 15. **ALTERNATIVE USAGE**

Not applicable.

### 16. **MARKET COMMENTARY**

#### 16.1 Market Commentary

The Office for National Statistics (ONS) reports that the UK gross domestic product (GDP) increased by 0.2% in Quarter 2 (April to June) 2023, a 0.1% lower increase than was seen in the previous quarter. Continued high inflation and tight financial conditions have continued to weigh on the economy in recent months. The level of quarterly GDP in Quarter 1 2023 is now 0.5% below its pre-coronavirus (COVID-19) level (Quarter 4 (Oct to Dec) 2019). There was a narrowing in the UK current account deficit in Quarter 1 2023 to 2.6% of GDP compared to 3.3% of GDP in Quarter 4 2022.

The employment rate stood at 75.5% in the three months to July 2023, which remains below the 76.6% figure recorded in February 2020 before the pandemic. This is due to a higher inactivity rate today. The unemployment rate for May to July 2023 increased by 0.7% from the previous quarter to 4.3%. This remains low by historic standards but indicates that the rise in interest rates is starting to have an impact on the labour market.

Persistent high inflation is the major driver of financial conditions in the current climate. New ONS data shows that Headline CPI in September 2023 came in at 6.7%, the same figure, which was seen in the 12 months to August 2023, while core inflation — which excludes volatile energy, food, alcohol and tobacco prices — came in at 5.9%, also the same rate which was seen in August showing the continued stickiness of current inflation levels.

On the back of these figures, the Bank of England's Monetary Policy Committee (MPC) met in November where the decision was taken to keep the UK base rate at the same level of 5.25%, echoing the decision to pause rate rises in the previous month. Many investors will be hoping that this provides certainty in the market and lending rates have started to stabilise in recent weeks as banks become more confident that rates are at or near their peak. Despite this, ongoing inflationary pressures are likely to be the main determining factor as to the level of the base rate for some time to come and so any increase in inflation still poses risks.

The Office for Budget Responsibility's latest forecast predicted the UK will avoid a technical recession in 2023. In general, many recent economic indicators, while clearly subdued, have exceeded forecasts. For instance, the Q4 GDP figure was revised upwards from zero to 0.1%. Late last year most commentators were expecting a negative reading for Q4.

On a global level, the economy is benefiting from the fall for many commodity prices and easing supply chain bottlenecks. Also, markets and firms have adapted faster and more successfully to the impact of the Ukraine War than had been originally expected. However, macroeconomic risks are still prevalent and significant events can arise quickly and have an impact on global markets.

While the outlook has brightened in recent weeks and months due to better-than-expected data, there remain significant headwinds facing the economy, such as sticky core inflation, industrial disputes, volatile financial markets and ongoing geo-political risks. A sharp escalation of one or more of these risks could prompt renewed speculation on a recession occurring.

Moreover, there are a number of problems that could dampen the pace of a future economic recovery, such as labour shortages in key industries and higher taxation. Also, the UK will face a general election at some point next year, which will heighten political risks.

## 16.2 Local Market Commentary

The market for properties of this type within Bridge of Weir village is considered to be reasonable. There is typically a limited supply of commercial premises available with the village.

Demand is considered to be superior for a retail unit than for an office.

If the property were to come to the market for sale it would be anticipated that a sale period of around 6-9 months may be expected with purchasers tending to be private individuals or private SIPPs.

Limited transactions have taken place in Bridge of Weir in recent times and as such comparable evidence is more limited. We have taken into consideration previous lettings and sales where available, thereafter making adjustments to reflect the characteristics of the subject property.

## 16.3 Marketability

Should the tenant vacate the premises we would anticipate a void period of around 3-6 months with incentives to any new tenant of approximately 1-3 months' rent free depending on the length of lease negotiated. We would also expect a similar timeframe of around 3-6 months to effect a sale of the subject property as an investment proposition or with the benefit of vacant possession.

## 17. METHODOLOGY, ANALYSIS AND COMPARABLE EVIDENCE

### 17.1 Valuation Methodology

Our Valuation uses the Comparable methodology making reference to market transactions when arriving at our valuations.

### 17.2 Comparable Evidence & Valuation Analysis

In line with RICS Red Book guidance, we remind the client that in undertaking any valuation exercise the degree of subjectivity involved varies significantly as will the degree of certainty (that is, the probability that the valuer's opinion would be the same as the price achieved by an actual sale at the valuation date). These variations are generally very minor with an accurate figure being produced through the use of comparables however variations can arise due to inherent features of the property, the market place, economy or the quality of comparable information available.

In the case of the subject property(ies), as at the date of valuation, transaction volumes, relevant evidence or other information are at an adequate level upon which to base an option of value. Accordingly our valuation is not reported as being subject to 'Material Valuation Uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation - Global Standards.

For the avoidance of doubt, the inclusion of this explanatory note (and where applicable) the 'Material Valuation Uncertainty' declaration above does not mean that the valuation(s) cannot be relied upon. Rather, the declaration has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion(s) was prepared.

We have set out below general information of recent sales and letting transactions in support of our valuation. These are taken from the immediately surrounding area and the wider locale with adjustments made as necessary to reflect the specific nature of the subjects. The information below should be considered as an illustration of the information utilised and not as an exhaustive list.

### 17.3 Rental Market

There have been few retail rental transactions in Bridge of Weir in recent times but vacancy rates have increased slightly over the last 18 months or so. The majority of lettings are of smaller retail units situated on the main retailing section of the village.

The subject retail unit is in a slightly peripheral retailing location, but it is generally accepted that smaller units are in greater demand throughout the retail sector in strong locations.

We have adopted a Zone A unit rental rate of £17.50 per sq ft, equating to £5,500 per annum, allowing for rounding, which we consider is supported by the most recent rental transactions locally, and also reflects current condition.

### 17.4 Sales Market

In the case of vacant possession sales we have adopted an all risks yield of 12.0% which we consider is a fair reflection of the local market at this time, resulting in a value of £45,000 allowing for rounding. This also reflects a capital rate of £145.63 per sq ft, which, in our professional opinion, is in keeping with current evidence.

## 18. VALUATIONS

Our valuation(s) have been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) - Global Standards 2022 incorporating the IVSC International Valuation Standards. Any departures from this will be clearly stipulated within our report. All valuations will be carried out under the definitions of the various valuation bases set out by the RICS, which are appended.

### 18.1 Market Rent

We are of the opinion that the Market Rent for the property with vacant possession (on the basis of a full repairing and insuring lease assuming the lease would contain no unduly onerous or restrictive terms/conditions) as at 30 November 2023, may be stated as being in the sum of:

**£5,500 (FIVE THOUSAND FIVE HUNDRED POUNDS) PER ANNUM EXCLUSIVE**

### 18.2 Market Value

We are of the opinion that the Market Value of the property with vacant possession as at 30 November 2023, may be fairly stated as being in the sum of:

**£45,000 (FORTY FIVE THOUSAND POUNDS)**

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

## 19. SPECIAL VALUATION ASSUMPTIONS

When arriving at our valuations we have assumed that there are no defects pertaining to the property which would impact on the values noted herein.

## 20. REINSTATEMENT COST ASSESSMENT

As an approximate guide we would recommend a minimum reinstatement cost assessment based upon present day rebuilding costs with due allowance for all demolition, site clearance and professional fees although expressly excluding VAT as being in the minimum sum of:

**£170,000 (ONE HUNDRED AND SEVENTY THOUSAND POUNDS)**

We would point out however that the reinstatement figure indicated above is provided for approximate guidance purposes only. The construction tender market is currently seeing much higher than anticipated prices reflecting the greater levels of price and supply uncertainty due to range of issues which affect all levels of the construction supply chain. This has led to enforced rate rises well beyond any tender price inflation index allowances and raises concerns over the predictability and certainty of price indexation. It will remain difficult to reasonably estimate reinstatement figures until price inflation and material availability stabilises. As such this figure should be considered with a greater degree of uncertainty and be kept under regular reconsideration at the present time. It should also be noted that a formal estimate for insurance purposes can only be given by a Quantity Surveyor or other person with sufficient current experience of replacement costs.

## 21. LIMITATION AND PUBLICATION

This valuation report is prepared solely for the use of the named client. No responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to other professional advisors assisting in respect of the purpose for which the valuation is prepared.

Neither whole nor any part of this valuation report, nor any reference thereto may be included in any published document, without the valuer's written approval over the form and context which it may appear.

We trust that this report will be satisfactory for your present purposes.

Yours faithfully,



Inspected and Prepared By  
Liam G. Loudon BA (Hons) MSc MRICS, Associate  
RICS Membership Number: 1205826  
For and on behalf of J & E Shepherd  
Chartered Surveyors

13 December 2023



Approved By  
Kevin N Bell BSc MRICS, Partner  
RICS Membership Number: 0070497  
For and on behalf of J & E Shepherd  
Chartered Surveyors

13 December 2023

(LL/JM)

22 Miller Road, Ayr KA7 2AY  
T: 01292 267987  
E: [liam.loudon@shepherd.co.uk](mailto:liam.loudon@shepherd.co.uk)



## APPENDIX 1 - TERMS AND CONDITIONS OF ENGAGEMENT

COMMERCIAL VALUATION REPORT TERMS AND CONDITIONS OF ENGAGEMENT		
<b>J &amp; E Shepherd</b> 22 Miller Road, Ayr KA7 2AY		
To:	Ms Nicola Steele	
Date:	30 <sup>th</sup> November 2023	
Dear:	Sirs,	
We write to confirm your instructions to provide a valuation report of the property at on a desktop basis only:-		
PROPERTY TO BE VALUED:	Flat 1/2, 1 Windsor Place, Bridge of Weir, Renfrewshire, PA11 3AF	
INTEREST TO BE VALUED:	Heritable (Scottish equivalent of English Freehold) interest.	
PURPOSE OF VALUATION:	Pension Fund Purposes	
The instruction is based on the following information and is subject to the undemoted Terms and Conditions of Engagement.		
INSTRUCTING PARTY:	Ms Nicola Steele	
CLIENT:	Nicola Steele SSAS	
PRICE QUOTED/AGREED:	N/A	
CLASSIFICATION OF PROPERTY:	Retail	
STATUS OF VALUER:	RICS Registered External Valuer	
DATE OF VALUATION:	As at date of Valuation Report	
SPECIAL ASSUMPTIONS:	None	
INFORMATION TO BE RELIED UPON:	None	
REPORT TYPE:	Valuation Report	
SURVEYOR:	Liam G. Loudon BA (Hons) MSc, MRICS, RICS-Registered Valuer	
FEE £1,250 exclusive of VAT to also include an Energy Performance Certificate (EPC) plus any agreed additional costs/fees associated with separate specialist investigations.		
Unless otherwise agreed, the fee invoice will be made out in the name of the instructing party who will be liable for payment. It is expected that payment will be received within 14 days of issue.		
In the event of our fee for the services provided in terms of this Contract, V.A.T. thereon and/or outlays incurred on your behalf in connection therewith not being settled within our standard settlement terms of 14 days, we reserve the right:-		
1. To instruct Solicitors, Debt Collection Agents or other third parties to endeavour to collect said fees, V.A.T. and outlays for us. It is a specific condition of our accepting instructions from you 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 2. 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.		
THE VALUER: J & E Shepherd, Chartered Surveyors at the address shown above.		
<b>Terms and Conditions of Engagement</b> We are not aware of any conflict of interest that would preclude us from providing the valuation advice requested. The Valuer shall not physically inspect the property to be valued and shall provide a written report and valuation on a desktop basis only. Unless the property is to be valued as part of an operational entity the valuation shall not include trade fixtures and fittings, tenant's improvements, plant and machinery unless specifically agreed in writing. Following discussion with the instructing party and/or client it is understood that the valuation is required for Pension Fund Purposes. On this understanding the Valuer will assess the valuation on the basis of Market Value and Market Rent with Vacant Possession. The valuation report is not suited for secured lending purposes and cannot be relied on for same. The valuation will be undertaken in accordance with the RICS – Global Standards 2022 incorporating the IVSC International Valuation Standards and on the basis of our Scope of Work and Valuation Assumptions attached and appended to the report. Compliance with these standards and external inspection of the report may be required during investigation by the RICS for the purposes of administration of the Institutions conduct and disciplinary regulations. The valuation report is prepared solely for the use of The Client. No responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to another professional adviser assisting in respect of the purpose for which this valuation is prepared. Neither the whole nor any part of the Report, nor reference thereto may be included in any published document, without the Valuers written approval over the form and context in which it may appear.		
<b>Energy Performance Certificate</b> If you provide us with an EPC produced by anyone other than J & E Shepherd you agree we may treat it as having been prepared using best practice and accurate. Otherwise unless instructed to provide one, we will presume that there are no matters covered by an EPC which would affect the property's value.		

## COMMERCIAL VALUATION REPORT TERMS AND CONDITIONS OF ENGAGEMENT

J & E Shepherd

22 Miller Road, Ayr KA7 2AY



### Consumer Contracts

If you are a consumer you have a right to cancel your contract with us under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 ("Regulations") if your contract with us is an off-premises or distance contract. Please read this information carefully.

You have the right to cancel an off-premises or distance contract with us without giving any reason. The cancellation period will expire at the end of 14 days after the day on which you receive these terms and conditions. To exercise the right to cancel, you must inform us of your decision to cancel this contract by a clear statement (e.g. a letter sent by post, fax or e-mail to us at the address on the letter enclosing these terms). To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired.

If you exercise your right to cancel, we will reimburse to you all payments received from you pursuant to this letter of engagement. We will make the reimbursement without undue delay, and not later than 14 days after the day on which we are informed about your decision to cancel the contract. We will make the reimbursement using the same means of payment as you used to make the payment to us, unless you have expressly agreed otherwise. In any event, you will not incur any fees as a result of the reimbursement.

If you requested us to begin the performance of services during the cancellation period (see below), you are liable to pay us an amount which is in proportion to what has been performed until you have communicated to us your cancellation of this contract, in comparison with the full coverage of the contract.

In terms of the Regulations, we cannot start to provide services to you under this letter of engagement during the cancellation period unless you expressly request us to do so. If you ask us to supply services during the cancellation period you will lose your right to cancel your contract with us if, having made the request, the services are fully performed during the cancellation period; and if you exercise your right to cancel during the cancellation period, and the services have been partly performed, you will be liable to pay us an amount which is in proportion to what has been performed until you have communicated to us your cancellation of this contract, in comparison with the full coverage of the contract.

### Privacy Policy

In the course of providing services to you, we may collect or receive personal data or sensitive personal data relating to you and (where the client is a company) your employees, officers, and shareholders or (where the client is an individual) members of your family. In line with the new EU General Data Protection Regulation (GDPR) we have updated our Privacy Policy to provide detailed information on how we use and protect personal information and your rights in relation to this. The updated Privacy Policy can be viewed in full at [www.shepherd.co.uk/information/privacy-policy](http://www.shepherd.co.uk/information/privacy-policy). If you have any questions, queries or requests, please contact us at [dataprotection@shepherd.co.uk](mailto:dataprotection@shepherd.co.uk) and we will endeavour to respond to you as quickly as possible.

### Money Laundering Regulations

We are obliged in certain circumstances to identify our clients in accordance with the requirements of the Money Laundering Regulations 2007. We are likely to request from you, and retain some information and documentation for these purposes and/or make searches of appropriate databases electronically. For the avoidance of doubt, searches may also be conducted on directors and "beneficial owners" of the client as is required by the legislation. If satisfactory evidence of your identity is not provided within a reasonable time, there may be circumstances in which we are not able to proceed with the instructions.

The provision of certain of our services is business in the regulated sector under the Proceeds of Crime Act 2002 and, as such, we may be required to comply with this legislation which includes provisions that may require us to make a money laundering disclosure in relation to information we obtain as part of our normal work. It is not our practice to inform you when such a disclosure is made or the reasons for it because of the restrictions imposed by the "tipping off" provisions of the legislation.

### Limitation of Liability

Neither party will be liable for any loss of profit (other than in respect of our fees, costs or charges), loss of business or goodwill, or for any special, indirect or consequential loss or damage suffered by the other (including as a result of an action brought by a third party), save that nothing in these Terms of Engagement will exclude or restrict any liability which either party may have for death or personal injury arising out of negligence, fraudulent misrepresentation or any other liability which cannot be restricted or excluded by law. We will not be liable for any loss which may occur as a result of your reliance on a subsequent valuation in, among other things, any discharge of any loan or advance of further funds.

We will not be liable for any loss as a result of your receipt of any information, data or communications supplied or sent by us electronically, where through no fault of our own the relevant information, data or communication has been corrupted or otherwise modified as a result of it being supplied or sent electronically. You will be responsible for ensuring that any materials you provide or send us by any electronic medium and/or by computer disk are, and remain, virus free.

Subject to the above, our total liability in contract, including negligence or breach statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of this appointment or otherwise under the Terms of Engagement, unless otherwise agreed in writing, be on the basis of a liability cap set at a level which is proportionate to the instruction as follows:

Market Value of the Property as Existing	Liability Capped at:
£250,000 and below	£10,000
£250,001 to £500,000	£20,000
£500,001 to £1,000,000	£40,000
£1,000,000 or above	50% of any loss attributable to us after the application of the following provisions on just and equitable shares, up to a maximum of £500,000

Without prejudice to any other exclusion or limitation of liability, damages, loss, expense or costs our liability if any for any loss or damage (the loss and damage) under this Appointment shall not exceed such sum as it would be just and equitable for us to pay having regard to the extent of our responsibility for the loss or damage and on the assumptions that:

- \* all other consultants, contractors, sub-contractors, project managers and advisers engaged in connection with the transaction have provided contractual undertakings on terms no less onerous than those set out here;



## COMMERCIAL VALUATION REPORT TERMS AND CONDITIONS OF ENGAGEMENT

J & E Shepherd  
22 Miller Road, Ayr KA7 2AY



- there are no exclusions or limitations of liability nor joint insurance or co-insurance provisions between you and any other party referred to in this clause and any such other party who is responsible to any extent for the loss and damage is contractually liable to you for the loss and damage; and
- all the parties referred to in this clause have paid you such proportion of the loss and damage which it would be just and equitable for them to pay having regard to the extent of their responsibility for the loss and damage.

Claims shall be brought only against the firm of J&E Shepherd and no liability shall rest with any individual partner (save through J&E Shepherd), employee or agent of J & E Shepherd.

Should any part of this section be held to be unenforceable for any reason, the remainder of the agreement and this section shall remain in full force and effect.

### Complaints Procedure

In accordance with the Royal Institution of Chartered Surveyors Rules of Conduct, J&E Shepherd, Chartered Surveyors operate a formal procedure to deal with complaints from clients and others. Our Complaints Handling Procedure is intended to:-

Provide certainty for both the company and individuals; Ensure a fair and transparent process is adhered to; Enable a written policy to be provided on request, to satisfy the expectations of externally consumers and the RICS.

Full details of our Complaints Handling Procedure are available from [Complaints@shepherd.co.uk](mailto:Complaints@shepherd.co.uk).

If you remain dissatisfied with any aspect of our handling of your complaint, then we will attempt to resolve this promptly through negotiations and otherwise agree to enter into mediation via the Surveyors Ombudsman Services-Property (OS-P), an independent service set up to adjudicate on disputes between Chartered Surveyor firms and consumers.

### Governing law

This agreement shall be governed by and construed in accordance with the law of Scotland and is subject to the exclusive jurisdiction of the Scottish Courts.

### Confirmation of instruction

Please check that the terms incorporate your instructions and sign below and return to us to confirm instructions. If we do not hear from you by return, we shall assume that all matters are in order and we will proceed with the instructions as detailed herein.

Signature:

Date:

12/12/2023

#### DEFINITION OF VALUE

The agreed basis of valuation is as noted on page one of these terms, which is defined in the RICS valuation standards, and is reproduced below.

#### Market Rent

The estimated amount for which a property would 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

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.

#### Relevant Use Value

The estimated amount for which an asset 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 - assuming that the buyer is granted vacant possession of all parts of the asset required by the business, and disregarding potential alternative uses and any other characteristics of the asset that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.

#### Worth and Investment Value

The value of an asset to the owner or a prospective owner for individual investment or operations objectives.

#### Full Value

The estimated price for the transfer of an asset or a liability between identified knowledgeable and willing parties that reflects the respective interests of those parties.

#### SCOPE OF WORK AND VALUATION ASSUMPTIONS

The Valuer has inspected the property for the purpose of providing an opinion of Market Value and/or Market Rent as instructed. The Valuer has undertaken a visual inspection of so much of the exterior and interior of the property as was accessible safely and without undue difficulty. The inspection was carried out whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels.

#### REPAIRS AND CONDITION

This report constitutes a valuation and not a building survey. The Valuer was under no duty to carry out a building survey or to inspect those parts of the property that are covered, unoccupied or inaccessible or to take boreholes, move any fixtures, fittings or contents or to arrange for the testing of heating or other services. It has been assumed that all services, and any associated controls or software, are in working order and free from defect. Roof voids and sub-floor areas were only inspected where readily accessible and safe access was available.

Comments, if any, on the physical condition of the foundations, walls, floors, ceilings, roof or roof voids, roof coverings, chimneys, gutters, down pipes, tanks and services etc., must be noted in this report. If further information is required a separate survey with respect to these items or to other parts of the property related thereto must be specifically included in writing.

In undertaking the inspection, the general state of repair and condition of the property has been taken into account. The inspection was not a building or structural survey and this report is not intended to detail minor defects which do not materially affect value. If however, minor defects are mentioned in the report, they should be regarded as indicative and not an exhaustive list of defects. For the purpose of the Valuation, it is assumed that the property is in a reasonable repair, except for any defects specifically noted.

Windows or other parts of the property, which were covered, unoccupied or inaccessible, have not been inspected and we are therefore unable to report that such parts of the property are free from rot, decay or other defects.

#### STATUTORY ENQUIRIES

We have not secured a written planning history from the local authority nor have we made formal enquiries to other relevant bodies. The information contained within this report therefore represents our findings based on verbal enquiries with the relevant statutory bodies and investigations thought appropriate. Whilst the information provided is based on the accurate, we have assumed that a full planning history and further formal enquiries will be conducted by your legal advisors. Any discrepancy should be immediately notified to ourselves in order that we may advise whether this may impact our valuation(s) recorded.

Unless stated otherwise within this report and in the absence of any information to the contrary, we have assumed that:

all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

the property is not adversely affected by town planning or road proposals;

all alterations, additions or extensions to the property have received all necessary Town Planning Consents, Building Authority Approvals (Building Warrants) and Completion Certificates;

the property complies with all relevant statutory and local authority requirements, including but not limited to fire regulations, the Equality Act, The Control of Asbestos Act, The Licensing (Scotland) Act, Health and Safety Regulations, Environmental Health Regulations and similar.

#### PICTURES & FITTINGS

Unless otherwise specified the following items are excluded, except in the case of Trading Related valuations where they are specifically included, unless stated to the contrary:

All items of process plant and machinery, boilers and other equipment not primarily serving the building, cranes, hoists, conveyors, elevators, structures which were auxiliary to, or form part of an item of process plant and machinery, sewerage plant primarily concerned with treating trade effluents, air conditioning forming part of a computer installation or primarily serving plant.

In the case of trading related valuations, all items of trade equipment and fittings, currently present within the property that are necessary for the continued operation of the business are assumed to be owned outright (unless otherwise stated) and included with the sale of the business. No tests have been undertaken to establish the operation of the trade fixtures and fittings which are assumed to be in good working order.

#### INFORMATION SOURCES

All information provided to the valuer by the client and/or the client's professional advisors or any other party is assumed to be complete and correct.

#### TITLE, TENURE AND FINANCING

It is assumed that there are no encumbrances or unduly onerous restrictions, easements, servitudes, outgoings, conditions or other burdens that would have an adverse effect upon the value of the property and that a good and marketable title is held.

We do not generally have access to all leases, title deeds, or other legal documents relating to the property.

Any information recorded in this report represents our understanding of the relevant documents provided. We cannot emphasise that the interpretation of the documents of title (including relevant deeds, leases and planning consents), is the responsibility of your legal advisor.

Unless otherwise stated and in the absence of any information to the contrary, we have assumed that:

a. There are no tenants improvements that will materially affect our opinion of the rent that would be obtained at next review or lease renewal;

b. The tenants will meet their obligations under their leases and are responsible for insuring the property or reimbursing the cost of insurance to the landlord, payment of business rates, and all repairs, whether directly or by means of a service charge;

c. There are no user restrictions or other restrictive covenants in leases which would adversely affect value;

d. Where appropriate, permission to assign the interest being valued would not be withheld by the landlord;

e. Vacant possession can be secured for all accommodation let on a temporary basis, serviced occupancy etc.

Where we have not conducted credit enquiries on the financial status of any of the tenants, we have reflected our general understanding of the likely perception of the tenants in the marketplace. Accordingly, purchasers should satisfy themselves of the financial strength of the tenants prior to purchase.

#### GROUND AND ENVIRONMENTAL INVESTIGATIONS

We will not carry out or commission a site investigation or geophysical or geophysical survey. We will, therefore, not be able to give any opinion or assurance or guarantee that the ground has sufficient load bearing strength to support any of the existing construction or any other construction that may be erected in the future. We also cannot give any opinion or assurance or guarantee that there are no underground rivers or other workings beneath the site or in its vicinity nor that there is no fault or disunity underground that might affect the property or any construction thereon. We have, unless otherwise stated, assumed that there are no anomalous site or ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the property.

We will not undertake or commission an environmental assessment to establish whether contamination exists or may exist. We will not carry out any detailed investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination of the subject property from these uses or properties.

Therefore, for the purposes of our Valuation Report, unless definitive information to the contrary is made available to us, we will normally assume that no contamination exists in relation to the property which would affect value.

It should be established subsequently that contamination exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the value(s) set out in the report. You should therefore inform us of this immediately and we will reconsider our opinion of value accordingly.

Similarly, we have assumed there are no PPC, asbestos, legion gas, Japanese knotweed, invasive species or flooding issues that would affect value. We reserve the right to amend our valuations on sight of any further information with regard to any of these items as noted herein and above.

No tests have been carried out to determine whether or not any deleterious or hazardous building materials including (but not limited to) asbestos, composite paneling and flammable insulation have been incorporated in the construction or subsequent alterations of the premises. We have, unless otherwise stated, assumed that there are no deleterious or hazardous materials within the property which might adversely affect the current or future occupation, development or value of the property. 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 that may fall within the current control of Asbestos at Work Regulations. No enquiry has been made with the Duty Holder, as defined in the Control of Asbestos in the Workplace Regulations, of the existence of an Asbestos Register, or of any Plan for the Management of Asbestos.

#### REINSTATEMENT COST ASSESSMENT

Any reinstatement figure indicated within this report is provided for guidance purposes only, as a formal estimate for insurance purposes can only be given by a Quantity Surveyor or other person with sufficient current experience of replacement costs.

Unless otherwise stated, the calculation is based upon the building in its present form including the cost of demolition, site clearance and professional fees but excluding:

- VAT
- Loss of rent or turnover
- Cost of alternative accommodation for the reinstatement period
- Any other consequential loss.

#### TAXATION

We have not been advised whether the property is leased for Value Added Tax (VAT). For the avoidance of doubt, all values stated in this report are exclusive of VAT and take no account of any liability for it or any other form of taxation that may arise upon the disposal or acquisition of the property.

#### STATE BOUNDARIES

Boundaries highlighted on any appended plans indicate the approximate extent of the site inspected as understood or as indicated to us during our visit to the property. No guarantee can be given as to whether this corresponds to that over which the title is held. It remains the responsibility of your legal advisor to confirm the legal boundaries and title applying to the property.

Should any of the assumptions or any additional stated assumptions prove to be incorrect (or inappropriate), we reserve the right to revise our opinion(s) of value accordingly.

The foregoing Instruction Acknowledgement and Conditions of Engagement sets out the basis upon which we are to prepare our report and valuation of the property at the Property To be Valued noted herein.

Please check that these incorporate your instructions and if we do not hear from you by return, we shall assume that all matters are in order and we will proceed with the instructions as outlined herein.

If appropriate, please pass a copy of this Instruction Acknowledgement and Conditions of Engagement to your client.

Yours faithfully

*J & E Shepherd*

J & E Shepherd



**APPENDIX 2 - LOCATION PLAN**



## APPENDIX 3 – PHOTOGRAPHS







## APPENDIX 4 - DEFINITIONS OF VALUE

### Market Rent

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

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.

### Existing Use Value

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 acted knowledgeably, prudently and without compulsion - assuming that the buyer is granted vacant possession of all parts of the asset required by the business, and disregarding potential alternative uses and any other characteristics of the asset that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.

### Worth and Investment Value

The value of an asset to the owner or a prospective owner for individual investment or operational objectives.

### Fair Value

The estimated price for the transfer of an asset or a liability between identified knowledgeable and willing parties that reflect the respective interests of those parties.

## APPENDIX 5 – SCOPE OF WORK AND VALUATION ASSUMPTIONS

### General

The Valuer has inspected the property for the purpose of providing an opinion of Market Value and/or Market Rental as instructed. The Valuer has undertaken a visual inspection of so much of the exterior and interior of the property as was accessible safely and without undue difficulty. The inspection was carried out whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels.

### Repair and Condition

This report constitutes a valuation and not a building survey. The Valuer was under no duty to carry out a building survey or to inspect those parts of the property that are covered, unexposed or inaccessible or to raise boards, move any fixtures, fittings or contents or to arrange for the testing of heating or other services. It has been assumed that all services, and any associated controls or software, are in working order and free from defect. Roof voids and sub-floor areas were only inspected where readily available and safe access was available.

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 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.

In undertaking the inspection, the general state of repair and condition of the property has been taken into account. The inspection was not a Building or Structural survey and this report is not intended to detail minor defects which do not materially affect value. If however, 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 specially noted.

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.

### Statutory Enquiries

We have not secured a written planning history from the local authority nor have we made formal enquiries to other relevant bodies. The information contained within this report therefore represents our findings based on verbal enquiries with the relevant statutory bodies and investigations thought appropriate. Whilst the information provided is taken to be accurate, we have assumed that a full planning history and further formal enquiries will be conducted by your legal advisors. Any discrepancy should be immediately notified to ourselves in order that we may advise whether this may impact our valuation(s) reported.

Unless stated otherwise within this report and in the absence of any information to the contrary, we have assumed that:

- (a) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;
- (b) the property is not adversely affected by town planning or road proposals.
- (c) all alterations, additions or extension to the property have received all necessary Town Planning Consents, Building Authority Approvals (Building Warrants) and Completion Certificates.
- (d) the property complies with all relevant statutory and local authority requirements, including but not limited to Fire Regulations, The Equality Act, The Control of Asbestos Act, The Licensing Scotland Act, Health and Safety Regulations, Environmental Health Regulations and similar.

## Fixtures and Fittings

Unless otherwise specified the following items are excluded, except in the case of Trading Related valuations where they are specifically included, unless stated to the contrary:

All items of process plant and machinery, tooling and other equipment not primarily serving the building, cranes, hoists, conveyors, elevators, structures which were ancillary to, or form part of an item of process plant and machinery, sewerage plant primarily concerned with treating trade effluents, air conditioning forming part of a computer installation or primarily serving plant.

In the case of trading related valuations, all items of trade equipment and fittings currently present within the property that are necessary for the continued operation of the business are assumed to be owned outright (unless otherwise stated) and included with the sale of the business. No tests have been undertaken to establish the operation of the trade fixtures and fittings which are assumed to be in good working order.

## Information Sources

All information provided to the valuer by the client and/or the client's professional advisors or any other party is assumed to be complete and correct.

## Title, Tenure and Tenancies

It is assumed that there are no encumbrances or unduly onerous restrictions, easements, servitudes, outgoing, conditions or other burdens that would have an adverse effect upon the value of the property and that a good and marketable title is held.

We do not generally have access to all leases, title deeds, or other legal documents relating to the property.

Any information recorded in this report represents our understanding of the relevant documents provided. We should emphasise that the interpretation of the documents of title (including relevant deeds, leases and planning consents), is the responsibility of your legal advisor.

Unless otherwise stated and in the absence of any information to the contrary, we have assumed that:

- a) There are no tenant's improvements that will materially affect our opinion of the rent that would be obtained at rent review or lease renewal.
- b) The tenants will meet their obligations under their leases and are responsible for insuring the property or reimbursing the cost of insurance to the landlords, payment of business rates, and all repairs, whether directly or by means of a service charge.
- c) There are no user restrictions or other restrictive covenants in leases which would adversely affect value.
- d) Where appropriate, permission to assign the interest being valued would not be withheld by the landlord.
- e) Vacant possession can be secured for all accommodation let on a temporary basis, serviced occupancy etc.

Where we have not conducted credit enquiries on the financial status of any of the tenants, we have, reflected our general understanding of the likely perception of the tenants in the marketplace. Accordingly, purchasers should satisfy themselves of the financial strength of the tenants prior to purchase.

## Ground and Environmental Investigations

We will not carry out or commission a site investigation or geographical or geophysical survey. We will, therefore, not be able to give any opinion or assurance or guarantee that the ground has sufficient load bearing strength to support any of the existing constructions or any other constructions that may be erected in the future. We also cannot give any opinion or assurance or guarantee that there are no underground mineral or other workings beneath the site or in its vicinity.

nor that there is no fault or disability underground that might affect the property or any construction thereon. We have, unless otherwise stated, assumed that there are no abnormal site or ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the property.

We will not undertake or commission an environmental assessment to establish whether contamination exists or may exist. We will not carry out any detailed investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination of the subject property from these uses or properties.

Therefore, for the purposes of our Valuation Report, unless definitive information to the contrary is made available to us, we will normally assume that no contamination exists in relation to the property which would affect value.

Should it be established subsequently that contamination exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the value(s) set out in the report. You should therefore inform us of this immediately and we will reconsider our opinion of value accordingly.

Similarly we have assumed there are no EPC, asbestos, Radon gas, Japanese Knotweed, invasive species or flooding issues that would affect value. We reserve the right to amend our valuations on sight of any further information with regard to any of these items as noted herein and above.

No tests have been carried out to determine whether or not any deleterious or hazardous building materials including (but not limited to) asbestos, composite panelling and flammable insulation have been incorporated in the construction or subsequent alterations of the premises. We have, unless otherwise stated, assumed that there are no deleterious or hazardous materials within the property which might adversely affect the current or future occupation, development or value of the property. 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 that may fall within the current control of Asbestos at Work Regulations. No enquiry has been made with the Duty Holder, as defined in the Control of Asbestos in the Workplace Regulations, of the existence of an Asbestos Register, or of any Plan for the Management of Asbestos.

#### Reinstatement Cost Assessment

Any reinstatement figure indicated within this report is provided for guidance purposes only, as a formal estimate for insurance purposes can only be given by a Quantity Surveyor or other person with sufficient current experience of replacement costs.

Unless otherwise stated, the calculation is based upon the building in its present form including the cost of demolition, site clearance and professional fees but excluding:

- a) VAT
- b) Loss of rent or turnover
- c) Cost of alternative accommodation for the reinstatement period.
- d) Any other consequential loss.

#### Taxation

We have not been advised whether the property is elected for Value Added Tax (VAT). For the avoidance of doubt, all values stated in this report are exclusive of VAT and take no account of any liability for it or any other form of taxation that may arise upon the disposal or acquisition of the property.

#### Site Boundaries

Markings highlighted on any appended plans indicate the approximate extent of the site inspected as understood or as indicated to us during our visit to the property. No guarantee can be given as to whether this corresponds to that over which the title is held. It remains the responsibility of your legal advisor to confirm the legal boundaries and title applying to the property.

Should any of the assumptions or any additional stated assumptions prove to be incorrect (or inappropriate); we reserve the right to revise our opinion(s) of value accordingly.