

- 6) Strip out former occupier's fixtures and fixings and redecorate thereafter. Replace carpets to most of accommodation. According to user upgrade lighting to Cat II lighting to second floor.
- 7) According to particular occupier investor requirements option to strip out all internal demountable partitioning, make good and carry out works necessary thereafter to electric system, heating system, ceilings and lighting, redecorate and recarpet.
- 8) Provide a fire risk assessment in respect of those parts of building not covered by report and carry out recommendation.

We have not carried out a building survey of the property as this was not within the scope of our instructions, nor have we inspected those parts of the property which are covered, unexposed or inaccessible, and for the purpose of this report, such parts have been assumed to be in good repair and condition.

We cannot express an opinion about, or advise upon the condition of uninspected parts and this report should not be taken as making any implied representation or statement about such parts. Further, we have not tested any of the drains or other services, and for the purpose of this valuation we have assumed that they are all operating satisfactorily and no allowances have been made for replacement or repair except for: please note comments above in respect of Comfort Cooling cassettes.

We have not arranged for any investigation to be carried out to determine whether or not any deleterious materials have been used in the construction of the property, or have since been incorporated and we are, therefore, unable to report that the property is free from risk in this respect. For the purpose of this valuation we have assumed that such investigation would not disclose the presence of any such material to any significant extent.

We have not carried out or commissioned a site investigation or geographical or geophysical survey and we can give no assurance that the ground has sufficient load bearing strength to support either existing structures or any other structure, which may be erected in the future. In addition, we cannot provide any assurance that there are no underground mineral or other workings beneath the site or in its vicinity.

3.6 ENVIRONMENTAL ISSUES:

Contaminated Land

We are not aware of any contamination affecting the property or neighbouring properties which will affect our valuation. We understand from Central Bedfordshire Council Environmental Health that they are unable to provide formal advice as to potential contamination.

For the purpose of this valuation report we have assumed that no such level of contamination is on site as to affect the value of the property. However 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 may greatly reduce the values now reported.

Asbestos

Under the Control of Asbestos at Work Regulations 2006 occupiers and/or owners are now placed under a comprehensive duty to carry out an assessment of their property and to manage the risk from exposure from asbestos for all persons on their premises.

The regulations require a written management plan to be in place if asbestos is identified stating the measures for managing and controlling the risk from asbestos present. If such a management plan does not exist, since this is a legal requirement one should be prepared by the duty holder and the recommendations carried out. Specialist advice should be sought on this matter by a qualified asbestos surveyor. We have been provided with a copy of an asbestos inspection report MDHS 100 type two inspection carried out by Asbestos Solutions Consultants Limited on the 11th May 2007. The report indicates very low level risk, category two is applicable in respect of floor tiles under carpets to part of the property and to toilet cistern to second floor. Recommend that 12 monthly reinspection by a competent surveyor.

We have not been provided with copy of a management report subsequent to the inspection.

We are not qualified to comment on asbestos and any building work where asbestos is present. Cost of maintenance, alteration and repair can be significantly increased because of the need to take appropriate precautions under the regulations. Noting the comments under the report obtained we have assumed that there are no significant costs involved and accordingly no impact on our valuation of the property. Should this not be the case we reserve the right to re assess our opinion.

3.7 TOWN AND COUNTRY PLANNING, STATUTORY REQUIREMENTS

We understand from informal enquires from the Local Planning Authority - Central Bedfordshire Council that existing use as offices (B1a) under the Town & Country Planning User Class Order is the lawful use. Further an application for conversion of the property to residential flats in principle will not be objected to subject to meeting planning requirements. The requirement for car parking may be an issue but in our view since the existing office use will provide a requirement for car parking we would hope this issue could be resolved. The opinion is an informal one from a planning officer and it will be necessary to lodge an application to establish whether consent would or would not be granted.

All planning information has been given orally and we have not examined any entries in the Planning Register. In the absence of further information, we have assumed that the use being carried out in the property is an authorised planning use and that the buildings have been erected with full planning permission.

We have assumed that the property and its value are unaffected by any matters which will be revealed by a local search and replies to the usual enquiries or by any statutory notice and that neither the property nor its condition nor its present or intended uses are or will be unlawful.

We assume the premises comply in all other respects with the requirements of the various statutory bodies: an inspection of the premises in terms of these requirements is beyond the scope of this report.

Equality Act 2010 and Disability Discrimination Act 1995

Under the above legislation every service provider has to make 'reasonable adjustments' for disabled people such as providing extra help or making changes to the way they provide their services. Since 1st October 2004 service providers may have to make other 'reasonable adjustments' in relation to the physical features of their premises to overcome physical barriers to access.

We have assumed that to comply with the Act will not require significant capital expenditure in terms of alteration to the building. Should this not be the case we reserve the right to amend our assessment. Specialist advice should be obtained from an architect/building surveyor. We would anticipate some alterations may be needed - provision of disabled toilet to ground floor level, probably need to improve entrance access, etc.

Energy Performance Certificate

We have not been provided with a copy of a certificate and it is a legal requirement for one to be provided prior to a sale/letting of a property. Should the property be offered for sale/letting, it would therefore be necessary to provide same.

Noting the age and method of construction the standard of insulation is likely to be less than that of a modern building. It is anticipated that certification will result in encouragement for people to upgrade the standard of insulation to their building and that the market will differentiate in value between those that do and those that do not have a high rating.

Regulatory Reform (Fire Safety) Order 2005:

Under the above legislation from October 2006 all occupiers and/or owners are under a comprehensive duty to have a fire risk assessment of their property carried out. We have been provided with a fire risk assessment carried out on 20th January 2011 but it is limited to occupiers of the second floor. We have assumed that this will not involve major capital expenditure: should this not be the case we reserve the right to review our assessment.

3.8 TITLE/TENURE

We have not inspected any documents of title and for the purpose of this valuation we have assumed that the subject interest is unencumbered and free from any unduly onerous or unusual easements, restrictions, outgoing, covenants or rights of way and that it is not affected by any local authority proposals. We attach site plan (Appendix IV) with extent of property as advised by owner edged red.

We have not carried out investigations as to the rights of public utilities over the property, and we have assumed that any such rights would not impose any undue restrictions thereon. We have also assumed that all roads adjoining the property, or providing access thereto are adopted by the local authority and maintainable at public expense, unless otherwise stated.

Important Note: We understand the second floor is occupied by Priory Gate Limited on an informal basis with no rent being paid. We are instructed to disregard this occupancy and assume the property has full vacant possession. If this should not be the case we reserve the right to amend our assessment.

4. OTHER MATTERS

4.1 MARKET CONDITIONS

As a result of the recent and continuing major economic recession and current financial crisis in the UK, Europe and America and with the impact of government cuts in expenditure, employment and increases in taxation, demand for office accommodation in the area freehold or leasehold is extremely poor particularly for dated building of this type and there continues to be pessimism in respect of rental and capital values. In addition the commercial property market has been severely affected by extensive cutbacks in the availability of funds and where funds are available substantial changes in respect of loan to valuation ratios, arrangement fees and interest rates.

In respect of Dunstable whilst it has the benefit of proximity to the M1 motorway and London Luton International Airport it lacks a mainline railway station (albeit Thameslink at Luton). The town has been particularly severely hit by the recession with a substantial number of vacant retail units and available office accommodation. The Dukeminster estate providing industrial and office units are in the process of being demolished due to the lack of demand and redevelopment for residential purposes. In the future with the construction currently under way of the Luton/Dunstable translink to provide direct access to Luton mainline railway station (Thameslink) and London Luton International Airport together with the proposed new link road from the northern edge of Dunstable to the M1 perception of Dunstable and value should improve.