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Chartered Surveyors

Commercial Property Agents and Valuers

## **REPORT ON MARKET VALUE**

**NETTLEBUSH**

**OFF FINEDON ROAD**

**WELLINGBOROUGH**

**NORTHAMPTONSHIRE**

**NN8 4NY**

Prepared on behalf of: -

**THE TRUSTEES OF THE ROBERTS PENSION SCHEME**

**20 DECEMBER 2019**



Director: David N Walker BSc FRICS, an RICS Registered Valuer  
David Walker Commercial Limited

9 Rushton Road, Wilbarston, Market Harborough, Leics LE16 8QL  
Co. No. 09139774

## INSTRUCTIONS

Instructions were received from Mr Simon Carlin of The Lost Coin Financial Planning Ltd requesting a Report on Market Value for the Pension Trustees in respect of their proposed purchase of premises in Nettlebush owned by a connected party.

The purpose of the Report is to establish the current Market Value for internal Trustee purposes due to a prospective purchase from that connected party.

The premises were originally valued by Mr Martin Pendered, and a copy of his Report was provided (and attached.) Sadly, Mr Pendered has recently died, so we are therefore instructed **to confirm that the contents of Martin Pendered's original Report dated 21 August 2018 are still relevant and can be relied on by the Pension Trustees in establishing market value for a potential transfer with a connected party.**

A copy of our Terms of Engagement as agreed by Mr Roberts is attached.

The property was inspected on 16 December 2019

## LOCATION

The property was accurately described in Mr Pendered's Report.

## DESCRIPTION

The property was accurately described in Mr Pendered's Report.

For clarification it appears that the portable toilet that had been previously used, had been removed, although water supply and drainage from a macerator to the septic tank remained on site and should enable facilities to be reconnected if required.

## AREAS

The property was accurately described in Mr Pendered's Report. The mezzanine storage is not full height.

Utilising his measurements, the property has the following approximate IPMS 2- Industrial Area (International Property Measurement Standard, closely equivalent to the gross internal area):

Builders Store (level 0)	41.6 m <sup>2</sup>	448 sq ft
Potential mezzanine storage (level 1)	18.0 m <sup>2</sup>	124 sq ft
Rear open fronted store (level 0)	<u>45.0 m<sup>2</sup></u>	<u>484 sq ft</u>
<b>IPMS 2 (Gross Internal) Area</b>	<b>104.6 m<sup>2</sup></b>	<b>1,056 sq ft</b>

The site area as estimated by Mr Pendered was about **0.684 Ha or 0.17 acres** (from Promap data.) Nimbus mapping indicated a slightly larger area of **0.19 acres**, possibly including that part of the access road included within the Title Plan.

## RATES

According to the online Rating List the 2017 Rateable Value appears to be as stated, £3,450.

## ENERGY PERFORMANCE CERTIFICATE (EPC)

According to the online EPC Register there is no EPC.

There is no heating in the property, which is stand alone, so it may be excluded from the requirements of the EPC Regulations.

## PLANNING

The planning history is not clear, but from Wellingborough Council's Planning Portal the following appear to relate to the subject property. The original consent may have been time limited (Details of older applications are not available) and was subsequently extended.

WU/1962/0051 **Builders Yard and Store**, and BW/1983/0229 **Storage Building** workshop and garage in connection the builders store.

## CONDITION

The property was accurately described in Mr Pendered's Report.

The buildings and yard are used for storage. The front building could be improved for a more valuable workshop use if required.

The property was in full use and occupation.

There is evidence of water penetration to the covered open store.

The adjoining container store also appears to be included within the freehold, and not a Tenant Improvement.

This description is only intended to give an indication of condition and does not represent a full list of defects, as a building survey has not been undertaken.

## CONTAMINATION

The site was accurately described in Mr Pendered's Report.

No specific enquiries have been made regarding contamination. The wider area is marked as allotments, with a former brick works to the south of the site.

There was no visible evidence of any issues relating to the standard RICS Property Observation Checklist, other than those expected with the open storage use of the site as evidenced on the attached photographs.

No Environmental Audit has been provided and we have therefore valued the site and premises on the basis that there is no contamination present.

According to the online Environment Agency Flood Plan for Planning, the site is within the lowest Flood Zone 1 with a low probability of flooding.

## LEASE

Mr Pendered indicated a verbal agreement, and this was also confirmed by Mr Roberts as follows.

Let to **Gladstone Construction** on an **oral agreement** at a rent of **£700 per month** (£8,400 pa.) Gladstone are stated to have been in occupation for 4 years. As such they are likely to be on a **Monthly Periodic Tenancy**.

As a verbal agreement, this information cannot be verified.

## MARKET COMMENTRY

The market in 2018 was accurately described in Mr Pendered's Report, and his comments continue to apply. We would add the following.

Mr Pendered alluded to some potential for future residential development. Barratt Developments have secured planning for 156 houses just to the south of this site, and consent was also granted for 2 houses behind 130 and 132 Finedon Road, off the Nettlebush access road WP/18/00098/FUL, which may have been approved after Mr Pendered's Report.

As stated, site assembly would be required, but future hope value would be considered by a prospective purchaser.

There remains significant media speculation and uncertainty regarding Brexit, although we have seen some evidence of smaller investors turning back to property.

On a macro level there remain some issues with bank funding despite low interest rates. Commercial lots are in demand, and the limited number of low value freehold transactions is usually a factor of lack of supply rather than lack of demand.

There should be reasonable demand if sold with vacant possession, due to the lack of similar open storage sites and storage buildings in the wider area.

## VALUATION

We are therefore of the opinion that the property known as Nettlebush, off Finedon Road Wellingborough has a Market Value **in line with Mr Pendered's Report**, subject to the lease details provided in the region of **£150,000 (One Hundred and Fifty Thousand Pounds)** exclusive as at the agreed Valuation Date of **18 December 2019**.

We believe the Vacant Possession Value to be a similar figure.

Mr Pendered assessed the Market Rent to be in the Region of **£12,000 pa (Twelve Thousand Pounds per annum exclusive.)** We would consider the rack market rent to be a similar figure, but may be subject to fitting out incentives if the tenancy changed unless the outgoing tenant fully reinstated.

We have not undertaken a detailed appraisal in respect of a reinstatement cost and the following figure does not constitute a formal building reinstatement cost assessment. It is intended for guidance purposes only.

We would confirm a similar **reinstatement figure for insurance purposes as stated in Mr Pendered's Report** of **£125,000 (One Hundred and Twenty Five Thousand Pounds)** excluding VAT apart from VAT on fees.

The date of inspection was **16 December 2019**. Our Report is subject to the terms and conditions that follow and are an integral part of our advice.

## TERMS AND CONDITIONS

Our Report has been undertaken in accordance with the RICS Valuation – Global Standards 2017 (the RICS Red Book) which incorporate the International Valuation Standards (IVS). Any Departure from the RICS Red Book must be identified with justification for that departure. The following statements 1-8 were part of our Terms of Engagement, and our advice is subject to the following:

1. The purpose of the valuation shall be as agreed between the Client and the Valuer. David Walker, for and on behalf of David Walker Commercial Limited was responsible for preparing the Report. Valuations are required for many purposes and it is essential that the Valuer has this information so that the



appropriate Basis of Valuation is adopted. If the Client declines to reveal the purpose of the valuation, the Client must be advised that this omission will be referred to in the Report. In this case the Report must not be published or disclosed to any third parties.

2. The subject, including treatment of fixtures and fittings, and tenure (freehold/leasehold) of the property to be valued shall be as specified by the Client. Unless valuing an interest in property as part of an operational entity, it is usual to exclude trade fixtures, machinery, furnishings and other equipment from the valuation.

3. Unless otherwise agreed, the basis of valuation to be provided will be as prescribed by The RICS Red Book. Any special assumptions relating to the basis of valuation if found to be appropriate will be agreed prior to the issue of the Report.

4. Subject to paragraphs 5, 6 and 7 below, the Valuer shall carry out such inspections and investigations as are, in the Valuer's professional judgement, appropriate and possible in the particular circumstances.

5. The Valuer shall rely upon information provided by the Client and the Client's legal or other professional advisers relating to tenure, tenancies and other relevant matters. Unless revealed in information provided, we will normally assume that there are no encumbrances on title.

6. The Valuer will have regard to the apparent state of repair and condition of the property but will not carry out a building survey nor inspect those parts of the property which are covered, unexposed or inaccessible. Such parts will be assumed to be in good repair and condition. The Valuer will not be under a duty to arrange for the testing of electrical, heating or other services.

7. In reporting the Valuer will meet the relevant requirements of the RICS Valuation - Global Standards, and will make the following assumptions, which he will be under no duty to verify:

(a) that no harmful or hazardous material has been used in the construction of the property or has since been incorporated and that there is no contamination in or from the ground, and it is not landfilled ground. Unless formal environmental enquiries with appropriate conclusions are provided we will assume that either:

(i) the property is to be valued on the assumption that there is no contamination; or

(ii) the valuation is to reflect the contents of an environmental screening, land quality statement or similar environmental report prepared by a chartered environmental surveyor or a specialist environmental consultant to report upon contamination and with an estimate or remedial costs or other impacts on the value or marketability clearly defined if provided.

(b) that the building is in good repair except for any defects specifically noted.

(c) that the services and any associated controls or software are in working order or free from defect, unless specifically noted.

(d) that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances, or outgoing, unless a synopsis is provided by the Client, or relevant documents, leases etc are provided. It must be appreciated that the interpretation of legal documents is a matter for lawyers. Any assumption made must be checked by the Client's legal advisors as no responsibility or liability will be accepted for the true interpretation of the Client's legal title in the property.

(e) that the property and its value are unaffected by any matters which would 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 use, nor its intended use, is or will be unlawful;

(f) that inspection of those parts which have not been inspected would neither reveal material defects nor cause the Valuer to alter the valuation materially;

(g) unless provided with a planning report the Valuer shall rely on either verbal responses from the relevant planning officers or available electronic data from the Authority's web site. Where delays or expense may be incurred in obtaining definitive information, this shall be stated in the report and an assumption made on the current or future planning consent or use.

(h) environmental matters; some property will be affected by environmental factors that are either an inherent feature of the property itself, or the surrounding area, which could impact on the value of the property interest. Examples include historic mining activity or electricity transmission equipment. Detailed commentary on their effects will be outside the realm of the Valuer's expertise. Unless visually apparent no further enquiries will be made and it will be assumed that non exist.

(i) The *Control of Asbestos Regulations 2012*, requires non-domestic property to have management plans in place. Unless provided with a management plan identifying asbestos containing materials we will assume that none exist. The Valuer is not qualified to interpret or validate the content of any asbestos register or management plan.

Comment will be made on any such factors should they become known through local knowledge or normal enquiries.

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

9. For the avoidance of doubt, this is a Valuation, and not a building survey. We have not inspected those parts of the property that are covered, unexposed or inaccessible. 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.

10. As we have not been provided with or arranged for any investigation to be carried out to determine whether or not any deleterious or hazardous material has been used in the construction of this property, or has since been incorporated, we are unable to report that the property is free from risk in this respect.

11. We have not been provided with or made aware of the content of any environmental audit or other environmental investigation or soil survey which has been carried out on the property. In undertaking our work, we have therefore been instructed to assume that no contaminative or potentially contaminative uses have been carried out.

In practice, purchasers in the property market do require knowledge about contamination. A prudent purchaser of this property would likely to require appropriate investigations to be made to assess any risk before completing a transaction. Should it be established that contamination does exist, this might reduce the value now reported.

12. Our valuation does not take into account any liability for taxation on disposal or reflect the costs of acquisition or realisation. All sums are expressed net of any VAT that may apply, and advice in respect of VAT should be obtained from your Property Advisers. All figures are expressed in Pounds sterling.

13. The National Radiological Protection Board (NRPB) has identified the area in which the property is situated as one in which, in more than 1% of dwellings, the levels of radon gas entering the property 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, as the gas is colourless and odourless. Tests can be carried out to assess the level of radon in a building. At a small charge test instruments and results are available by post from the NRPB and other approved laboratories. The minimum testing period is three months. The NRPB strongly advises against using shorter-term testing instruments as they can give misleading results.

Any risks to health require long term exposure. If tests have not been carried out, they are recommended. It has been the experience of the NRPB that it is not expensive, in proportion to the value of most properties, to implement any recommended remedial measures.

14. Under the *Equality Act 2010* there is a duty to make reasonable adjustments where a provision, criterion or practice puts a disabled person at a substantial disadvantage. This may extend to making physical alterations to the workplace.

The *Regulatory Reform (Fire Safety) Order 2005* (SI 2005 No. 1541) came into effect on 1 October 2006. The new Order replaces the certificate procedure under the Fire Precautions Act 1971 with a requirement for the 'responsible person' to make a suitable and sufficient assessment of the risks and to identify the fire precautions required to comply with the Order. The Order applies to all non-domestic property.

15. Energy Performance Certificates (EPC's) are now generally required before a letting or sale takes place on commercial premises. An EPC has not been made available to the Valuer.

The Valuer has sufficient current local knowledge of the particular market, and the skills and understanding to undertake the Valuation competently.

The basis of valuation is Market Value, the definition of which is:

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

The Valuer has sufficient current local knowledge of the particular market, and the skills and understanding to undertake the Valuation competently.

David Walker Commercial have not had any previous material involvement with the property and are in a position to provide an objective and unbiased valuation.

A handwritten signature in black ink, appearing to be "DW", is located below the text.

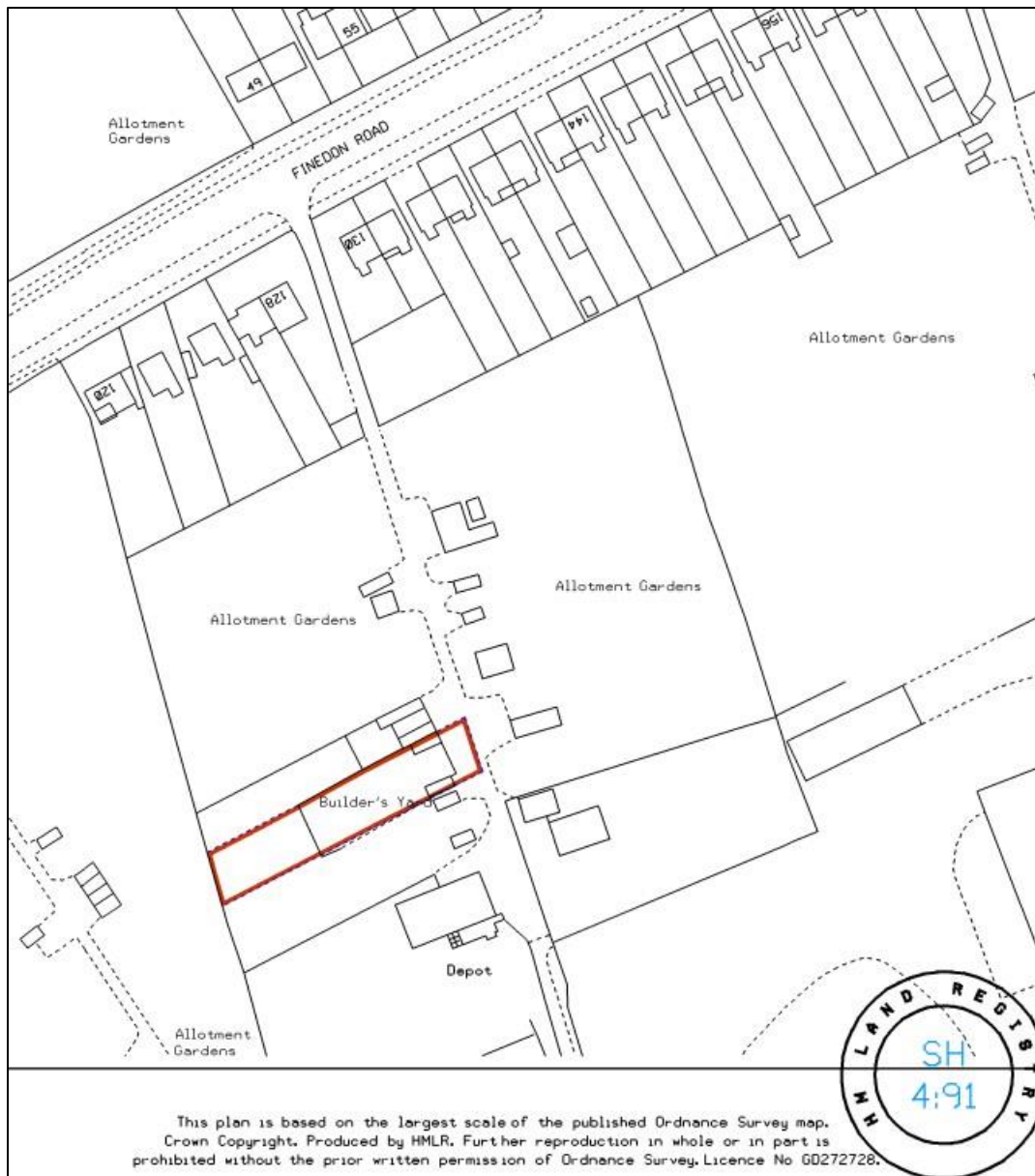
**David N Walker B.Sc. FRICS.**  
an RICS Registered Valuer  
For and on behalf of

David Walker Commercial Limited  
9 Rushton Road  
Wilbarston  
Market Harborough  
Leics LE16 8QL

01536 771588

**20 December 2019.**

Location Plan (not to scale)





Nettlebush Wellingborough



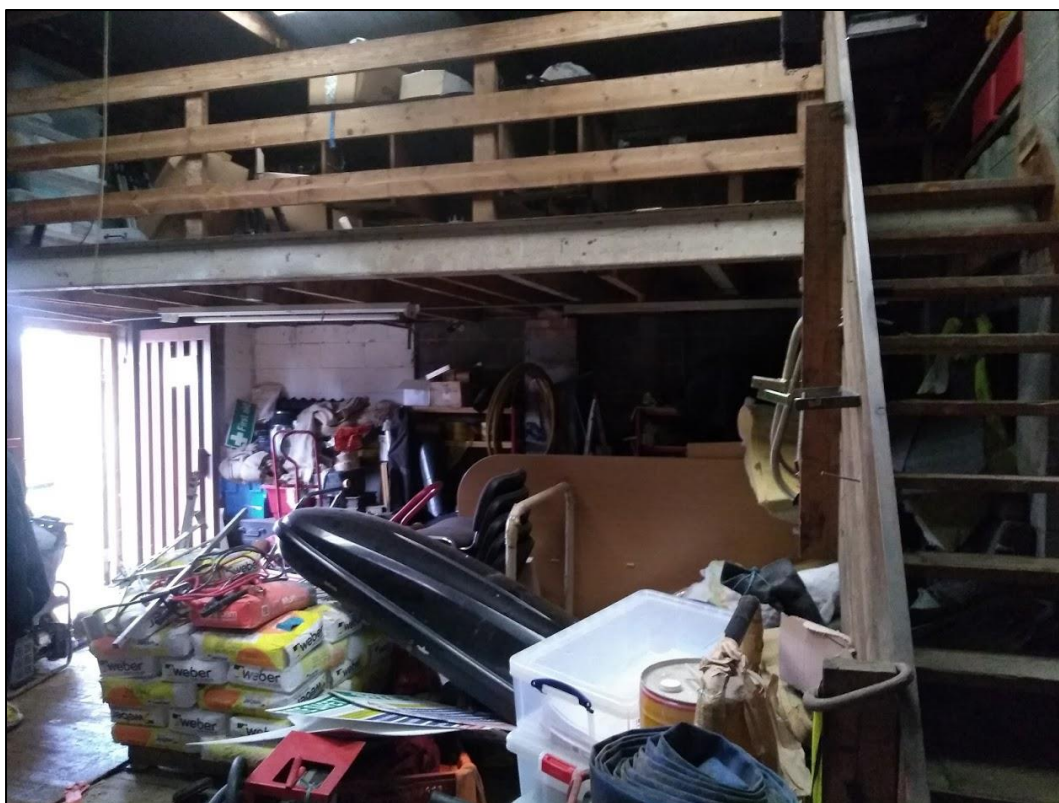


Nettlebush Wellingborough





Nettlebush Wellingborough





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david@davidwalkercommercial.co.uk  
www.davidwalkercommercial.co.uk

Chartered Surveyors  
Commercial Property Agents and Valuers

Ref: Com\Vals\GlobalStandards

18 December 2019

S Roberts  
Roberts Pension Scheme  
c/o Lost Coin  
5 Loveridge Court  
Frampton Cotterell  
Bristol BS36 2NX

Dear Sirs

**Re: TERMS OF ENGAGEMENT FOR A PROFESSIONAL VALUATION**

The following terms of engagement will apply to any professional valuation carried out on your behalf. Our Report will be undertaken in accordance with the RICS Valuation – Global Standards 2017 (the RICS Red Book) which incorporate the International Valuation Standards (IVS). Any Departure from the RICS Red Book must be identified with justification for that departure. Please sign and return one copy to confirm your instruction to us to prepare a report on your behalf.

1. The purpose of the valuation shall be as agreed between the Client and the Valuer. David Walker, for and on behalf of David Walker Commercial Limited will be responsible for preparing the Report. Valuations are required for many purposes and it is essential that the Valuer has this information so that the appropriate Basis of Valuation is adopted. If the Client declines to reveal the purpose of the valuation, the Client must be advised that this omission will be referred to in the Report. In this case the Report must not be published or disclosed to any third parties.

2. The subject, including treatment of fixtures and fittings, and tenure (freehold/leasehold) of the property to be valued shall be as specified by the Client. Unless valuing an interest in property as part of an operational entity, it is usual to exclude trade fixtures, machinery, furnishings and other equipment from the valuation.

3. Unless otherwise agreed, the basis of valuation to be provided will be as prescribed by The RICS Red Book, and Value reported in £ sterling. Any special assumptions relating to the basis of valuation if found to be appropriate will be agreed prior to the issue of the Report.

4. Subject to paragraphs 5, 6 and 7 below, the Valuer shall carry out such inspections and investigations as are, in the Valuer's professional judgement, appropriate and possible in the particular circumstances.

5. The Valuer shall rely upon information provided by the Client and the Client's legal or other professional advisers relating to tenure, tenancies and other relevant matters. Unless revealed in information provided, we will normally assume that there are no encumbrances on title.

6. The Valuer will have regard to the apparent state of repair and condition of the property but will not carry out a building survey nor inspect those parts of the property which are covered, unexposed or inaccessible. Such parts will be assumed to be in good repair and condition. The Valuer will not be under a duty to arrange for the testing of electrical, heating or other services.

7. In reporting the Valuer will meet the relevant requirements of the RICS Valuation - Global Standards, and will make the following assumptions, which he will be under no duty to verify:

(a) that no harmful or hazardous material has been used in the construction of the property or has since been incorporated and that there is no contamination in or from the ground, and it is not landfilled ground. Unless formal environmental enquiries with appropriate conclusions are provided we will assume that either:

(i) the property is to be valued on the assumption that there is no contamination; or



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David Walker Commercial Limited

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Co. No. 09139774



- (ii) the valuation is to reflect the contents of an environmental screening, land quality statement or similar environmental report prepared by a chartered environmental surveyor or a specialist environmental consultant to report upon contamination and with an estimate of remedial costs or other impacts on the value or marketability clearly defined if provided.
- (b) that the building is in good repair except for any defects specifically noted.
- (c) that the services and any associated controls or software are in working order or free from defect, unless specifically noted.
- (d) that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances, or outgoing, unless a synopsis is provided by the Client, or relevant documents, leases etc are provided. It must be appreciated that the interpretation of legal documents is a matter for lawyers. Any assumption made must be checked by the Client's legal advisors as no responsibility or liability will be accepted for the true interpretation of the Client's legal title in the property.
- (e) that the property and its value are unaffected by any matters which would 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 use, nor its intended use, is or will be unlawful;
- (f) that inspection of those parts which have not been inspected would neither reveal material defects nor cause the Valuer to alter the valuation materially;
- (g) unless provided with a planning report the Valuer shall rely on either verbal responses from the relevant planning officers or available electronic data from the Authority's web site. Where delays or expense may be incurred in obtaining definitive information, this shall be stated in the report and an assumption made on the current or future planning consent or use.
- (h) environmental matters; some property will be affected by environmental factors that are either an inherent feature of the property itself, or the surrounding area, which could impact on the value of the property interest. Examples include historic mining activity or electricity transmission equipment. Detailed commentary on their effects will be outside the realm of the Valuer's expertise. Unless visually apparent no further enquiries will be made and it will be assumed that none exist.
- (i) The *Control of Asbestos Regulations 2012*, requires non-domestic property to have management plans in place. Unless provided with a management plan identifying asbestos containing materials we will assume that none exist. The Valuer is not qualified to interpret or validate the content of any asbestos register or management plan.

Comment will be made on any such factors should they become known through local knowledge or normal enquiries.

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

9. None of our employees, or directors has a contract with you or owes you a duty of care or personal responsibility. You agree that you will not bring any claim against any such individuals personally in connection with our services.

10. If you suffer loss as a result of our breach of contract or negligence, our liability shall be limited to a just and equitable proportion of your loss having regard to the extent of responsibility of any other party. Our liability shall not increase by reason of a shortfall in recovery from any other party, whether that shortfall arises from an agreement between you and them, your difficulty in enforcement, or any other cause.

11. The Client will pay to the Valuer the agreed fee and the amount of any Value Added Tax on the fee. In addition, if similarly agreed in writing, the Client will reimburse the Valuer the cost of all reasonable out-of-pocket expenses that may be incurred and any VAT thereon.

12. David Walker Commercial Limited's **compliance with the RICS Valuation – Global Standards may be subject to monitoring under the Institution's conduct and disciplinary regulations.**

13. David Walker Commercial Limited is a Firm regulated by the RICS. A copy of our complaints handling procedure is available on request.

14. If you believe that David Walker Commercial have had any previous material involvement in respect of the property, this needs to be advised in these Terms and will be stated in the Valuation Report.

15. The Valuer has sufficient current local knowledge of the particular market, and sufficiently developed skills and understanding to undertake the Valuation competently.

16. Our contract with you for the provision of this valuation is subject to English law. Any dispute in relation to this contract, or any aspect of the valuation, shall be subject to the exclusive jurisdiction of the Courts of England and Wales, and shall be determined by the application of English law, regardless of who initiates proceedings in relation to the valuation.

The date of valuation will be as agreed, subject to the condition found at the time of inspection. It should be noted that values change over time and a valuation given on a particular date may not be valid on an earlier or later date.

The basis of valuation will be Market Value, the definition of which is:

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

The Report will be addressed to the **Trustees of The Roberts Pension Scheme**  
(The Client)

The property to be valued is **Land and Buildings at Nettlebush, Finedon Road, Wellingborough, Northants, NN8 4NY** as described in Martin Pendered's Report dated 21 August 2018.

The type of asset (property) or liability, as used or classified by the Client is for **Industrial Investment.**

The tenure is **Freehold.**

The date of Valuation will be **18 December 2019** unless otherwise agreed.

Our fee is **£300 plus VAT** payable within 7 days of receipt of our report. By signing these Terms of Engagement the Client authorises David Walker Commercial to commence work on the Report before the 14 day Cancellation period available to Consumers in The Consumer Contract Information Cancellation and Additional Charges) Regulations 2013 expires (if applicable.) The Client will be liable to pay for any work undertaken should these instructions be cancelled before the Report is completed. This will be a reasonable amount which is in proportion to what work has been performed before cancellation.

The purpose of the valuation is to **Confirm that the contents of Martin Pendered's original Report dated 21 August 2018 are still relevant and can be relied on by the Pension Trustees in establishing market value for a potential transfer with a connected party.**

The Royal Institution of Chartered Surveyors recommends the use of liability caps to members as a way in which to manage the risk in valuation work. Our aggregate liability arising out of, or in connection with this valuation, whether arising from negligence, breach of contract, or any other cause whatsoever, shall in no event exceed **£150,000**. This clause shall not exclude or limit our liability for actual fraud, and shall not limit our liability for death or personal injury caused by our negligence.

Our valuation is provided for your benefit alone and solely for the purposes of the instruction to which it relates. Our valuation may not, without our written consent, be used or relied upon by any third party,



even if that third party pays all or part of our fees, or is permitted to see a copy of our valuation report. If we do provide written consent to a third party relying on our valuation, any such third party is deemed to have accepted the terms of our engagement.

Please ensure that all relevant documents including any leases and licences affecting the property, asbestos management plan and EPC is provided to the Valuer before the property is inspected. Should we be instructed to undertake a valuation on the basis of restricted information, the nature of the restriction must be agreed, and the possible valuation implication of the restriction confirmed in writing before the valuation is reported.

David Walker Commercial have had no previous dealings with the property and the Valuer is in a position to provide an objective and unbiased valuation.

Yours sincerely

A handwritten signature in black ink, appearing to be "D. Walker", written over a light blue horizontal line.

David N Walker B.Sc. FRICS.  
an RICS Registered Valuer  
for and on behalf of  
**DAVID WALKER COMMERCIAL LIMITED**

Please proceed with a Report subject to these Terms of Engagement.

SIGNED .....

DATED .....

**Martin Pendered & Co.**

Chartered Surveyors • Estate Agents • Letting Agents



**VALUATION  
OF  
LAND AND BUILDINGS  
NETTLEBUSH  
FINEDON ROAD  
WELLINGBOROUGH  
NORTHAMPTONSHIRE  
NN8 4NY  
FOR  
NIGEL ROBERTS  
MADE  
21<sup>st</sup> AUGUST 2018**

SURVEYS, VALUATIONS AND PROFESSIONAL DEPARTMENT

2 BURYSTAD PLACE WELLINGBOROUGH NORTHAMPTONSHIRE NN8 1AH  
Telephone: 01933 233920 Fax: 01933 233922  
Website: [www.martinpendered.co.uk](http://www.martinpendered.co.uk) Email: [survey@martinpendered.co.uk](mailto:survey@martinpendered.co.uk)  
Martin Pendered & Co Limited Reg. No. 03689328  
Directors: M C Pendered FRICS MEWI J M Pendered  
Registered Office: 310 Wellingborough Road, Northampton NN1 4EP  
Regulated by RICS



**RICS**





**VALUATION OF LAND AND BUILDINGS, NETTLEBUSH, FINEDON ROAD, WELLINGBOROUGH,  
NORTHAMPTONSHIRE NN8 4NY**

**CLIENT:-**

Mr N Roberts  
16 School Lane  
Islip  
Kettering  
Northamptonshire NN14 3LQ

**PURPOSE OF REPORT:-**

It is proposed to transfer the buildings to a pension fund but details of the name of the pension fund have not yet been confirmed.

**NATURE OF INSTRUCTION:-**

Oral. Instruction confirmed by Martin Pendered & Co.

**DATE OF INSTRUCTION:-**

15<sup>th</sup> August 2018

**INSPECTION DATE:-**

21<sup>st</sup> August 2018

**APPENDICES ATTACHED:-**

Photographs/Digital Images  
Ordnance Survey Plan

## **1. Executive Summary and Valuation**

**Note:** This summary and valuation forms part only of the whole report. The whole of the report should be read.

### **1.1 Address of Property Valued**

Land and Buildings  
Nettlebush  
Finedon Road  
Wellingborough  
Northamptonshire NN8 4NY

### **1.2 Property Type**

The property comprises a workshop building with a secure yard.

### **1.3 General Construction**

The building is of block construction with a monopitch asbestos-cement sheeted roof.

### **1.4 Salient Points Including State of Repair**

The building is generally in a sound state of repair. The land is generally concreted and overall condition is considered to be adequate.

### **1.5 Tenure and Occupation**

The property is understood to be freehold and is let to Gladstone Construction.

### **1.6 Other Relevant Matters**

There is some potential for residential development, which is considered as part of the report.

### **1.7 Market Value**

£150,000

### **1.8 Market Rent**

£12,000 per annum

### **1.9 Insurance Valuation**

The insurance valuation below is provided as a general guide only. To ascertain a precise insurance figure it will be necessary to engage the services of a Quantity Surveyor. Any insurance figure is stated excluding any VAT which may be payable.

£125,000

### **1.10 Status of Valuer**

This valuation was prepared by Martin Pendered FRICS MEWI who is qualified as required in the RICS Red Book to undertake valuations of this type in this geographical location. Martin Pendered FRICS MEWI is an independent valuer. We confirm that we have no conflict of interest in this case and, unless stated, no previous involvement.

## **2. GENERAL INFORMATION**

### **2.1 Weather**

Fine and dry.

### **2.2 Tenure**

The property is understood to be freehold without encumbrance to the title.

### **2.3 Possession & Leases**

The property is currently let to Gladstone Construction on an oral agreement on a current rent of £700 per calendar month (equivalent to £8,400 per annum). The tenants are understood to have been in the property for 4 years and therefore would qualify under the Landlord and Tenant Act 1954 as secure tenants under the Act. The property is understood to be on an internal repairing lease.

## **2.4 PLANNING**

### **2.4.1 Local Planning Authority**

Wellingborough Borough Council

### **2.4.2 Existing Use**

The existing use is thought to fall within Class B8 of the Town and Country Planning (Use Classes) Order 1987 as amended. It is understood that it has previously been used as a vehicle repair workshop but it is not clear from my investigations as to the current legal use of the property. I have therefore assumed for the purposes of the valuation that the B8 use is appropriate.

### **2.4.3 Alternative Uses**

Clearly there is some potential to use the property for light industrial purposes but, more importantly, there is potential in the long term for the site to be used for residential purposes, but there are difficulties in this which are discussed more fully Section 5.2 of the report.

### **2.4.4 Listing/Conservation Area**

The building is not listed nor is it located in a conservation area.

## **2.5 Highways**

The track serving the property, which runs off the Finedon Road, is a private road. It is not clear who formally has the responsibility for maintaining this road but the client advises that he has done so as and when required.

## **2.6 Asbestos Regulations 2012**

I am not aware of any assessment for asbestos which has been undertaken.

## **2.7 Fire Risk Assessment**

It is probably unlikely that there is a fire risk assessment in place.

## **2.8 Energy Performance**

I have not been able to identify an EPC for this property. It is important to note that if a new lease is granted to the tenant it will be necessary to ensure that the building has a minimum 'E' rating as, under MEES Regulations, buildings with an 'F' or 'G' rating cannot legally be let. It may be that the building will need to be upgraded to meet the regulation requirement.

## **2.9 Flooding**

It is not considered likely that the property will suffer from flooding.

### **2.10 Rating Assessment**

We have investigated the published rating list on the Valuation Office Agency Website. The rating assessment set out below is, we believe, the assessment relating to the subject property but it should be noted that this is only based on an examination of the register, backed up where necessary with an oral enquiry to the Local Authority.

We have not investigated the amount actually payable in respect of the subject property or whether there is currently a proposal to alter the entry in the Valuation List.

**£3,450**



### **3. DESCRIPTION**

#### **3.1 Location**

Nettlebush is an estate of allotments on the south side of Finedon Road in Wellingborough. Among the allotments is a small area of commercial buildings used for storage and industrial purposes, of which the subject property forms part. It is considered to be a generally secluded location with limited access up the track. Much of the surrounding ground is derelict allotments which have not been worked in many years.

#### **3.2 Brief Description**

The property comprises a single-storey workshop/storage building with a secure yard, mostly concreted, to include an open-fronted store at the back.

#### **3.3. Age/Extension**

The buildings are thought to date probably from the 1970s.

#### **3.4 Construction**

The main structure is built in concrete blockwork with an asbestos cement sheeted roof and concrete floor.

#### **3.5 Accommodation**

The workshop has a roller shutter door to the front with side pedestrian access. Within the workshop is an inspection pit for motor vehicle repairs and part of it has been laid out to accommodate a first floor mezzanine.

The building has an eaves height of approximately 4m.

There is an open-fronted store at the back.

Within the site is provision for a wc although at the moment only a portable toilet is in use.

#### **3.6 Floor Areas**

All floor areas are based on the RICS Code of Measuring Practice

Main workshop footprint	41.6 sq.m.	(448 sq.ft.)
Mezzanine	18 sq.m.	(124 sq.ft.)
Open-fronted Store	45 sq.m.	(484 sq.ft.)
<b>Total:</b>	<b>104.6 sq.m.</b>	<b>(1056 sq.ft.)</b>

#### **3.7 Site**

The site slopes up gently from the roadway at the front. It has secure gates to the front and generally secure fencing. Total site area is 684 sq.m. (0.17 acres).

The site is generally laid to concrete.

#### **3.8 Services & Heating**

Mains water and electricity are laid to the site. There is provision within the site for a septic tank for the installation of toilets. Gas is not laid to the site. The buildings are not heated.

#### **4. GENERAL COMMENTS AND RECOMMENDATIONS**

Based on a brief inspection as specified in Section 1.5

##### **4.1 Condition**

The buildings are considered to be in satisfactory condition.

##### **4.2 Essential Repairs**

None.

##### **4.3 Contamination**

Any comments under this heading are for additional guidance and based on observation during the normal valuation inspection. They are intended to assist the client but do not override the general conditions set out in 7.5 of this report, which take precedence.

###### **4.3.1 Buildings and Site**

The building has a fibre cement roof which is believed to be asbestos-based but has not been tested.

No specific investigation for the presence of asbestos or other contaminatory materials has been made. For the purpose of the valuation it has been assumed that there are no other contamination issues present.

###### **4.3.2 Surrounding Areas**

Most of the surrounding land has been allotments and is simply overgrown. It is not known what contamination, if any, exists in adjoining buildings.

##### **4.4 Economic Life**

Given proper maintenance the property should have an economic life of at least 25 years.

##### **4.5 Hope/Marriage Value**

None.

## **5. APPRAISAL AND VALUATION**

### **5.1 Market Conditions**

The valuation is undertaken against a background of strong market conditions generally. Prices for freehold industrial premises have been rising strongly because of a shortage of supply and high demand; partly driven by strong local economy and partly by low interest rates which mean that purchasing is effectively cheaper than renting.

It is difficult to see this situation changing significantly.

As far as investment values are concerned, yields are still relatively high for secondary investments but prime yields are very low.

### **5.2 Valuation Approach and Comparables**

The valuation has been carried out on the assumption of comparisons with other sold properties. Unfortunately, because of the unique nature of this building, it is extremely difficult to find good comparables. I am informed, but have been unable to confirm, that the adjoining building, which has a slightly smaller yard, has been on the market at around £200,000.

Most of the comparables which are available are for buildings which, whilst small, have virtually no yard space. A typical small building is on the Leyland Trading Estate where 1,044 sq.ft. with a poor quality mezzanine has been sold for £120,000, equivalent to £115 per sq.ft. The yard however was probably only 200-300 sq.ft. This sale took place in June of this year.

Small units on Denington Court of just over 2,000 sq.ft. have sold for £105 per sq.ft. in 2016 and 2017.

Although now a little historic and in Northampton, a property in Ryehill Court on the Lodge Farm Industrial Estate, which was only 814 sq.ft. and in fairly poor condition, sold for £132,000 a year ago. I carried out a mortgage valuation and down-valued to £100,000 but that is still equivalent to £122 per sq.ft.

The difficult part to value is the yard. Yards very rarely come on the market and to have a good secure workshop with a large yard significantly changes the dynamic of the valuation.

I would consider that although the building is not of particularly high-quality construction, it is a good building and because of its small size it will carry a premium value.

Land values currently are between £400,000-500,000 per acre for industrial land in Northamptonshire. Transactions are rare but those are for large serviced sites on industrial estates. Small units of this type are extremely difficult to find and therefore again carry premium prices and I would expect pro-rata the value to be much higher than £400,000 per acre.

I have looked at the possibility of residential development at some point in the future. As things stand at the moment, residential land values are probably between £700,000 and £800,000 per acre but, although this site is always going to be potential for residential redevelopment, the problem will be site assembly. There are dozens of unknown owners in this area and it is thought that the only way it can be developed will be through use of a Compulsory Purchase Order by the Borough Council of Wellingborough as otherwise it will not be possible to trace all the various owners. Also at the moment access is quite limited but there is potential to come through from the Barratt development on the south side. Even so, I do not think that the residential value will exceed the existing commercial value and I have therefore discounted this for the time being.

### **5.3 Valuation**

I think it is appropriate, because of the small nature of the building, to apply a freehold value of £125 per sq.ft., adding something for the mezzanine and also for the open-fronted store. The yard area I would take on the basis of £500,000 per acre reflecting the pro-rata increase.

This brings me to a total value when rounded down to £150,000.

As far as rental is concerned, I think it would be appropriate to apply between £9 and £10 per sq.ft. to the workshop space and then add around about £8,000 per annum for the yard, to include the store. Rounded down, this produces a rental of £12,000 per annum.

### **5.4 Special Valuation Considerations**

None.

### **5.5 Market Value**

£150,000 (ONE HUNDRED AND FIFTY THOUSAND POUNDS)

### **5.6 Market Rent**

£12,000 (TWELVE THOUSAND POUNDS) per annum



## **6. BASIS OF VALUATION**

### **6.1**

The report is carried out strictly in accordance with the relevant sections of the RICS Professional Standards 2012 (The Red Book).

### **6.2 MARKET VALUE**

Market value 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 where the parties had each acted knowledgeably, prudently and without compulsion”

### **6.3 MARKET RENT**

Market rent is defined as “The estimated amount for which a property, or space, within a property, should lease on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms, in an arm’s length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion”.

### **6.4**

The date of the valuation, unless otherwise stated is the date of the inspection.

### **6.5**

Where the valuation comprises a portfolio of properties then the assessment of value forms the sum of the individual valuations. If it is appropriate to adjust such aggregate then comment is made, but it is assumed that on sale properties will, where appropriate, be split in to individual lots.

## **7. TERMS AND CONDITIONS**

### **7.1**

The conditions of engagement notified to the client prior to the undertaking of this valuation are reproduced again at the end of the report. If the instruction arises from the clients written instructions a copy of that letter is at Appendix One.

### **7.2 Confidentiality**

The report is provided for the stated purpose and for the sole use of the named client. It is confidential to the client and the client's professional advisers. No responsibility is accepted in respect of any other party and any other party relies upon the report at their own risk. Neither the whole report or any part thereof, nor any reference to it may be included in any published document, circular or statement nor published in any way without the valuer's written approval of the form or context in which it may appear.

### **7.3 Inspection**

The valuation has been prepared having regard to the apparent state of repair and condition of the property but no inspection of those parts of the property which are covered, unexposed or inaccessible has been made and such parts have been assumed to be in good repair and condition. No testing of electrical, heating installations, plant or other services has been carried out.

The property has been inspected as far as is reasonably necessary for valuation purposes. This comprises a visual inspection of the interior and exterior of the property in so far as it can be undertaken safely at ground level within the boundaries of the site and adjacent public or communal areas.

It should be noted that no Building Survey has been undertaken and this report does not purport to express an opinion about or advise upon the condition of un-inspected parts.

### **7.4**

This Valuation Report includes all items which could be described as "Landlords Fixture". Such items would include central heating installations, tanks, fixed partitions, ramps and where stated mezzanines.

The valuation specifically excludes loose plant machinery, loose tools, chattels and unless specifically specified any goodwill or other business assets.

### **7.5**

The client should note that Martin Pendered & Co are not environmental specialists and have no specialised knowledge in this area.

In preparing this valuation no tests or detailed investigations have been undertaken to identify the presence of deleterious harmful or hazardous material used in the construction of the property or since incorporated and that there is no contamination in or from the ground and that it is not land filled ground. The valuation has been prepared on the assumption that no such contamination exists. If contamination is found subsequently to exist then the valuation may need to be adjusted accordingly. If there is clear evidence of contamination or the use of contaminatory materials on site then appropriate comment is made regarding further investigations and the potential effect on the value of the property.

Asbestos may be present in buildings and is a potential hazard to health and can particularly be costly to remove. The Asbestos Regulations 2012 cover the inspection, identification and management of asbestos and all businesses should have conducted an asbestos investigation and prepared a management plan. Where appropriate enquiries are made of the occupier and any comments made are based on their oral report, unless a copy of the Asbestos Investigation Report is made available.

#### **7.6 Title**

It is assumed that a good title can be shown and the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing. If any matters revealed by investigation of the title might have an adverse effect on the value of the building we will, on request, advise as to the likely effect on value.

#### **7.7 Local Searches**

It is assumed that the property and its value are unaffected by any matters which would be revealed by a local search and that there are no statutory notices of which we are not aware and that neither the property, nor its condition, nor its use, nor its intended use is or will be unlawful.

#### **7.8 Verification or Information**

Where information has been verified with public or other bodies it has been verified only on an oral basis and written verification has only been obtained where specifically stated

#### **7.9**

All valuations exclude VAT which may be required to be charged in addition to the valuation figure

#### **7.10**

Martin Pendered & Co has a complaints procedure in place in accordance with RICS requirements. A copy can be made available on request.

**SIGNED**



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**MARTIN PENDERED FRICS MEWI**

**DATED**

30th August 2018











