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WalkerSingleton
Chartered Surveyors

Our Ref: PBA/CM/42195

VALUATION REPORT

for secured lending purposes

Subject Asset of this Valuation Report:

**Hallam Express
North Anston Trading Estate
Houghton Road
Dinnington
S25 4JJ**

Prepared for:

Barclays PLC and each of its affiliates
497 Silbury Boulevard
Milton Keynes
MK9 2LD

and any other party to which its rights in a loan agreement
are transferred charged or disposed of.

Important notice to Mortgage Applicants:

This report has been prepared to allow the mortgage lender to assess the suitability of the property as security: it has not been prepared for the benefit of the Mortgage Applicant who is not entitled to rely on the report. The services have not been tested and a detailed survey has not been carried out and thus defects could exist which are not mentioned in this report. The Valuer is entitled to make certain assumptions which during subsequent legal or other investigations may prove to be inaccurate. Applicants acquiring property interests are strongly advised to obtain their own detailed advice from suitably qualified professionals before exchanging contracts.

Surveyors:

Walker Singleton (Commercial) Ltd
Oak House
New North Road
Huddersfield
HD1 5LG

Paul B Andrew DipSurv DipArb MRICS MCIArb
RICS Registered Valuer

Email: paul.andrew@walkersingleton.co.uk

Tel: 01484 477621

Date: 11 August 2021

Case Ref: XK222632

Applicant: The Northern Bus Retirement Benefit Scheme

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Walker Singleton (Commercial) Ltd. No. 3351035. Registered in England.
Property House, Lister Lane, Halifax, West Yorkshire, HX1 5AS.
VAT Registration No. 686 6645 75. **Regulated by RICS.**
A list of directors is available from the registered office.

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1. SUMMARY and VALUATION

1.1 The Asset (subject of this valuation) comprises real estate at:

Address: **Hallam Express
North Anston Trading Estate
Houghton Road
Dinnington
S25 4JJ**
referred to herein as 'the property'

1.2 BRIEF SUMMARY

1.2.1 Type of security

The property comprises an industrial investment property.

1.2.2 Location

The subject property forms part of a larger established industrial estate with a prominent frontage to Houghton Road located approximately 1 mile south west of Dinnington retail centre.

1.2.3 Description

The property comprises a tenanted industrial investment property.

1.2.4 Construction Type

Building 1 comprises a twin bay steel portal frame building with block inner leaf, brick faced, profile sheet metal clad under a dual pitched profile part asbestos cement sheet, part sheet metal roof coverings with Perspex rooflights and with a solid concrete floor throughout. There is a small single storey extension being brick faced and profile sheet metal clad under a flat roof.

Building 2 comprises a single storey brick built building under a flat roof with a solid concrete floor.

Building 3 comprises a steel portal frame industrial unit with a concrete block inner leaf, part brick faced part asbestos cement sheet clad, part profile sheet metal clad under a pitched profile asbestos cement sheet clad roof with solid concrete floor.

1.2.5 Age

We estimate that the original property was built in the 1970s with an extension in the 1990s.

1.2.6 Planning Use

There are no recent planning applications associated with the subject property noted on the Rotherham Council planning website.

We have specifically assumed that the property benefits from all the necessary planning consents required for its current use within Class E, B2/B8 of the Town and Country Planning (Use Classes) Order 1987 (as amended).

The subject property is not situated within a conservation area and is not listed.

The property is situated within a coal mining reporting area (a former colliery is situated adjacent the site) accordingly a coal mining search report should be obtained.

1.2.7 Floor Area

	m²	ft²
Hallam Express		
Building 1 - Warehouse	1,689.23	18,183
Single Storey Extension (Offices)	25.02	269
Building 2 – Offices	194.97	2,099
Building 3 - Warehouse	872.01	9,386
Gross Internal Floor Area (exc mezzanine)	2,781.23	29,937

1.2.8 Tenure

We have specifically assumed that the subject property is held freehold.

We have assumed that there are no unusual, onerous or restrictive encumbrances upon title.

The subject property is let on a formal lease agreement dated 19th December 2017 to Hydra Park Properties Limited being for a term of 3 years commencing 18 December 2017 and expiring 18 December 2020.

Accordingly the tenant is assumed to be holding over on the terms of the previous lease.

The passing rent is £128,000 per annum. The lease is on FRI terms albeit subject to a schedule of condition.

1.2.9 Overall Condition

The property is in keeping with its age and construction type needing normal maintenance and repairs we have assumed these will be carried out as part of a normal maintenance programme.

1.2.10 Specialist Reports

The Environment Agency website indicates the property is identified as being situated within an area at significant risk of flooding.

The tenant on site has indicated that they believe the site has never flooded.

We have specifically assumed that the property benefits from building insurance to include flood risk cover. We have further assumed that such a policy can be obtained at normal market rates.

We would recommend that the bank's solicitors seek confirmation of this.

We have been unable to identify an EPC assessment associated with the property.

We would recommend an EPC report is commissioned. We have specifically assumed that a Band E or better rating can be achieved. In the event this is not secured and the cost of remedial works to achieve compliance exceed £1,000 we may need to review our valuation advice.

1.2.11 Important issues and matters for further legal advice

None.

1.2.12 Market Factors

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets and travel restrictions continue to be implemented by many countries.

Whilst it appears that the UK economy has weathered the impact of various lockdowns relatively well it is difficult to determine the long term impact of Covid on wider industry and employment levels until the current government support mechanisms unwind and accordingly there remains a great deal of uncertainty.

As the third national lockdown comes to an end the last three months, contrary to expectations has seen sustained demand from both occupiers and purchasers alike within the majority of property sectors. This is likely due in part to historically low interest rates and plentiful availability of credit in addition to government measures such as the stamp duty holiday policy which began to taper from the end of June 2021.

However the UK economy continues to face significant challenges though including the ongoing impact of Covid 19, the revised trading relationship with the EU and the potential additional costs associated with trade and an increasing concern in relation to rising inflation and its potential impact upon interest rates.

Demand for freehold industrial property within South Yorkshire remains robust, reflecting a wider market trend.

1.2.13 Valuation Date

11 August 2021

1.3 VALUATION FIGURES – Definitions of bases of valuation are set out in 2.4 below.

1.3.1 **Market Value**

We consider the property has a Market Value of £1,400,000 (One Million Four Hundred Thousand Pounds).

1.3.2 **Market Rent**

We are of the opinion that the property commands a Market Rent of £145,000 per annum.

This assumes a standard modern commercial lease being for a term of years certain, on effective FRI terms incorporating regular upward only rent reviews where applicable.

1.3.3 **Market Value subject to Special Assumption 1**

We consider the property has a Market Value, freehold and subject to vacant possession of £1,400,000 (One Million Four Hundred Thousand Pounds).

1.3.4 **Insurance Reinstatement Cost Assessment**

We consider that the property has an Insurance Reinstatement Cost Assessment in the region of £2,700,000 (Two Million Seven Hundred Thousand Pounds).

1.4 SECURITY

We are of the opinion that the property provides suitable security for loan purposes.

2. INSTRUCTIONS AND TERMS OF ENGAGEMENT

2.1 INSTRUCTIONS

This report has been prepared following emailed instructions dated 2 August 2021 from Barclays Bank and has been carried out by Paul B Andrew DipSurv DipArb MRICS MCIArb an external valuer who conforms to the requirements of the RICS Valuation – Global Standards (which incorporate the International Valuation Standards) and the UK National Supplement issued 31st January 2020.

2.2 PURPOSE OF THE VALUATION

We have been asked to provide a valuation of the properties subject to a series of scenarios for secured lending purposes.

2.3 PRIVACY/LIMITATION ON DISCLOSURE OF VALUATION

This Report has been prepared for the purpose of the addressee only and no responsibility can be accepted to any third party for all or any part of the contents. Neither the whole nor any part of the Report nor any reference thereto may be included in any document, circular or statement without written approval first being obtained as to the form and context in which it will appear.

2.4 VALUATION BASES AND CURRENCY ADOPTED

All amounts expressing value are quoted in pounds sterling (GBP/£).

We have been requested to provide our opinion of:

Market Value

'The estimated amount for which 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.'

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 where the parties had each acted knowledgeably, prudently and without compulsion.'

2.5 INSURANCE REINSTATEMENT COST ASSESSMENT

An estimate for insurance purposes (which is given solely as a guide, as a formal estimate for insurance purposes can be given only by a Quantity Surveyor or other person with sufficient current experience of replacement costs) of the current reinstatement cost of:

- (a) the buildings in their present form (unless otherwise stated); or

(b) buildings being constructed as proposed to be completed

each including the costs of clearance and professional fees, but excluding:

- (i) VAT (except on fees);
- (ii) loss of rent; and/or
- (iii) cost of alternative accommodation for the reinstatement period

2.6 SCOPE AND CONTENT OF INSPECTION AND REPORT

Please see our Terms of Engagement which are attached as an appendix. We draw particular attention to certain caveats and assumptions as follows:

- 2.6.1 The valuation will include normal landlord's fixtures and fittings but will exclude any specialist plant, machinery and equipment.
- 2.6.2 The valuations will exclude any additional value attributable to personal goodwill or the value of any fixtures and fittings, furnishings and equipment, except in the case of property which changed hands as a fully equipped trading entity where only personal goodwill is excluded.
- 2.6.3 No responsibility or liability will be accepted for the true interpretation of the legal position of the client or other parties.
- 2.6.4 We can confirm that we do not consider that there is a conflict of interest in providing this valuation having had no prior dealings with the property or the bank's customer within the last two years.
- 2.6.5 No allowance has been made for liability for taxation which may arise on disposal, whether actual or notional, e.g. VAT and Capital Gains Tax nor any costs of acquisition or realisation.
- 2.6.6 The valuer shall have regard to the apparent state of repair and condition of the property but shall be under no duty to carry out a structural survey nor to inspect those parts of the property which are covered, unexposed or inaccessible and such parts will be assumed to be in good repair and condition. The report will not purport to express an opinion about nor to advise on the condition of uninspected parts and should not be taken as making any implied representation or statement about such parts. The valuer shall be under no duty to arrange further testing of electrical heating or the services or equipment. The client should satisfy themselves in connection with any hidden cables or electrical equipment at the premises or in their immediate vicinity.
- 2.6.7 In compiling the report the following assumptions will be made which the valuer shall be under no duty to verify:
 - a) that no deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated and that the property does not suffer from any latent defects.

- b) that good title can be shown and that the premises are not subject to any unusual or especially onerous restrictions encumbrances or outgoings.
- c) that the property and its value are unaffected by any matters which would be revealed by a local or mining search and replies to the usual enquiries or by any statutory notice that neither the property nor its conditions nor its use nor its intended use is or will be unlawful.
- d) that inspection of those parts which have not been inspected would reveal neither material defects nor cause the valuer to alter the valuation materially.

2.6.8 The valuer shall be under no duty to make any recommendations in connection with the Control of Asbestos at Work regulations 2012.

2.7 SOURCES AND EXTENT OF INFORMATION

In preparing this report we have based our opinion on information supplied to us. We have only attempted to obtain verification where there appeared to be a risk of doubt.

Further investigation could prove such information provided to be erroneous which would have the effect of nullifying our valuations. We have stated the various sources of information relied upon under the various headings.

2.8 DATE OF VALUATION

The date of valuation is based upon an inspection of the premises dated the 11 August 2021.

The valuation reflects our opinion of value as at this date. Property values are subject to fluctuation over time as market conditions may change.

3. THE PROPERTY (SUBJECT OF THE VALUATION)

3.1 LOCATION

A copy of the location plan is attached as an appendix.

Rotherham is a large town and the administrative centre of the Rotherham Metropolitan Borough which has a population of approximately 257,600.

Rotherham has good main road communications with ease of access to the M1 and M18 motorways.

Historically employment has been based upon the coal and steel industries although after a period of decline in the 1980s and 90s employment trends have diversified to include a range of IT, light engineering and public sector jobs.

Dinnington has a population of approximately 9,000 and is a small town forming part of the Metropolitan Borough of Rotherham and equidistant between Rotherham and Sheffield urban centres.

The subject property forms part of a larger established industrial estate with a prominent frontage to Houghton Road located approximately 1 mile south west of Dinnington retail centre.

3.2 DESCRIPTION

The property comprises a tenanted industrial investment property.

Building 1 provides warehouse accommodation with a minimum eaves height of 7.8 m and drive in loading access by way of 3 no steel roller shutter loading doors. A small extension provides 2 no private offices/stores.

Building 2 is sub-divided to form a large general office, entrance lobby, kitchen and kitchenette facilities, a meeting room and w.c provision.

The office accommodation is of a reasonable quality with plastered walls and ceilings, aluminium framed and glazed windows, kitchen and w.c fixtures and fittings and electrical and lighting installations.

Building 3 provides warehouse accommodation with a minimum eaves height of 6.17m with drive in loading access by way of 4 no steel roller shutter loading doors. Concrete block partitioning forms a store and w.c provision.

There is a steel frame timber boarded mezzanine which provides additional storage accommodation and a basic canteen area and w.c provision.

3.3 CONSTRUCTION

Building 1 comprises a twin bay steel portal frame building with block inner leaf, brick faced, profile sheet metal clad under a dual pitched profile part asbestos cement sheet, part sheet metal roof coverings with Perspex rooflights and with a solid concrete floor throughout. There is a small single storey extension being brick faced and profile sheet metal clad under a flat roof.

Building 2 comprises a single storey brick built building under a flat roof with a solid concrete floor.

Building 3 comprises a steel portal frame industrial unit with a concrete block inner leaf, part brick faced part asbestos cement sheet clad, part profile sheet metal clad under a pitched profile asbestos cement sheet clad roof with solid concrete floor.

3.4 AGE

We estimate that the original property was built in the 1970s with an extension in the 1990s.

3.5 SITE

The site is shown for identification purposes only edged red in the attached location plan.

Site 1: 0.51 ha (1.27 acres) approximately (Edged red on plan).

Site 2: 0.68 ha (1.68 acres) approximately (Edged blue on plan).

Total Site Area: 1.19 ha (2.95 acres) approximately.

The property comprises 2 no titles.

Site 1 is irregular in shape and is reasonably level and benefits from a generous surfaced yard area bound by a steel palisade fence with a gated entrance off Houghton Road together with a secondary access via Site 2 and also occupied by the same tenant accessed by way of an internal electric operated gate which provides car parking and the principal loading access with off road parking provision for at least 30 vehicles.

Site 2 is similarly irregular in shape and is reasonable level and comprises a generous sized surfaced yard and parking area bound in part by a steel palisade fence with gated vehicular access off Houghton Road.

3.6 ACCOMMODATION

We have provided a summary of the accommodation below in Table 1. All measurements have been taken in compliance with The Royal Institution of Chartered Surveyors (RICS) Property Measurement 2.

Table 1:

Summary of Areas

	m²	ft²
Hallam Express		
Building 1 - Warehouse	1,689.23	18,183
Single Storey Extension (Offices)	25.02	269
Building 2 – Offices	194.97	2,099
Building 3 - Warehouse	872.01	9,386
Gross Internal Floor Area (exc mezzanine)	2,781.23	29,937

Please note these measurements have been taken in metric and converted to the nearest imperial equivalent.

3.7 SERVICES

We have not tested any of the service installations.

The property is connected to the following mains services:

- Electricity
- Water
- Drainage
- Gas

We would recommend the banks seek copies of the latest electrical fixed wire and gas safety certificates.

4. LOCAL AUTHORITY AND STATUTORY ISSUES

Local Authority:

Rotherham Council

4.1 RATING ASSESSMENT

The property is assessed for Business Rates purposes as follows:

Workshop & Premises RV: £71,000

4.2 TOWN PLANNING

There are no recent planning applications associated with the subject property noted on the Rotherham Council planning website.

We have specifically assumed that the property benefits from all the necessary planning consents required for its current use within Class E, B2/B8 of the Town and Country Planning (Use Classes) Order 1987 (as amended).

The subject property is not situated within a conservation area and is not listed.

The property is situated within a coal mining reporting area (a former colliery is situated adjacent the site) accordingly a coal mining search report should be obtained.

4.3 DEVELOPMENT/CHANGE OF USE

We are not aware of any potential development or change of use of the subject property or surrounding properties in the locality which would materially affect our valuation.

4.4 HIGHWAYS AND RIGHTS OF ACCESS

We have assumed that the property has direct access to the adopted highway.

We would recommend that the bank's solicitors seek confirmation of this.

4.5 LICENCES

Not applicable.

4.6 THE FIRE REGULATORY REFORM (FIRE SAFETY) ORDER 2005

This legislation came into effect on 1st October 2006 and replaces most fire safety legislation. Fire authorities no longer issue Fire Certificates and those previously in force now have no legal status. Under this legislation the 'responsible person' must now carry out a 'Fire Risk Assessment' (or more particularly ensure one is carried out by a suitably qualified person). A Fire Risk Assessment is specific to an occupier and how the property is utilised rather than relating to the property itself. Lenders are advised to ensure that occupiers are required to obtain a Fire Risk Safety Assessment which should be kept under review.

We were unable to confirm that a fire risk safety assessment had been undertaken.

4.7 HEALTH AND SAFETY

All occupiers should be aware that Health and Safety requirements differ greatly according to how the premises are used. We have not made enquiries to ascertain the appropriateness of the premises for their current/proposed use or to confirm compliance with regulations.

4.8 CONTROL OF ASBESTOS REGULATIONS 2012

In November 2002 the UK Government introduced the Control of Asbestos at Work Regulations 2002 which had the effect to require the owners and those occupiers of all UK commercial premises to have responsibility for maintenance of that building to produce an asbestos register. This asbestos register is to be made available for inspection by employees or trades people working on the site. The purpose of the order is to determine whether there are any asbestos containing materials (ACMs) within the fabric of the building and if such materials are discovered to put in place a management programme for dealing with them.

The Control of Asbestos Regulations 2012 brought together and updated previous asbestos regulations to take account of EU Directives.

We have not had sight of an asbestos site survey.

4.9 MORTGAGE REGULATION

Lenders are required to ensure the mortgage contract will be regulated if more than 40% of the land to be given as security is (or should be) in residential use.

The property is entirely commercial and accordingly we do not believe that the mortgage contract will need to be regulated. We would recommend the bank's solicitors confirm this.

ENVIRONMENTAL ISSUES

4.10 CONTAMINATION

There is no surface evidence of contaminative or deleterious materials used in construction of the building and there are no particularly high risk land uses adjacent.

A Groundsure Environmental Report has been obtained (attached as an Appendix) which indicates that the property has an acceptable environmental risk for secured lending purposes.

However, if it should be established subsequently that contamination exists at the property or any neighbouring land or that the premises have been or are being put to any contaminative use, this might reduce the values in our report.

4.11 FLOODING

The Environment Agency website indicates the property is identified as being situated within an area at significant risk of flooding.

The tenant on site has indicated that they believe the site has never flooded.

We have specifically assumed that the property benefits from building insurance to include flood risk cover. We have further assumed that such a policy can be obtained at normal market rates.

We would recommend that the bank's solicitors seek confirmation of this.

4.12 ENVIRONMENTAL ISSUES: ENERGY PERFORMANCE CERTIFICATE

Other than a number of minor exceptions, all commercial and residential properties require an Energy Performance Certificate (EPC) to be prepared prior to marketing on a For Sale or To Let basis.

Although there is significant uncertainty as to if or how this will be enforced, under the Energy Act 2011 from April 2018 it may be unlawful to let residential or commercial properties with an EPC Rating of F or G.

We have been unable to identify an EPC assessment associated with the property.

We would recommend an EPC report is commissioned. We have specifically assumed that a Band E or better rating can be achieved. In the event this is not secured and the cost of remedial works to achieve compliance exceed £1,000 we may need to review our valuation advice.

4.13 ENVIRONMENTAL ISSUES: OTHER

We have not identified any Japanese Knotweed or any other particularly prevalent invasive species on the property.

We saw no evidence of archaeological remains but have not made enquiries.

Our opinion of value assumes no such remains exist but if you are concerned and your further prudent enquiries reveal new information, then this should be referred to us as the value could be affected.

The UK Radon Map indicates the property is situated with an area identified as having a maximum Radon of between 1 -3%.

In the event of the level of Radon at the property being discovered to be sufficiently high to require remedial works, significant costs could be incurred.

For the purpose of our valuation, however, we have specifically assumed that there are no such works necessary.

5. TENURE/TITLE

We have not been provided with a Report on Title.

We have specifically assumed that the subject property is held freehold.

We have assumed that there are no unusual, onerous or restrictive encumbrances upon title.

The subject property is let on a formal lease agreement dated 19th December 2017 to Hydra Park Properties Limited being for a term of 3 years commencing 18 December 2017 and expiring 18 December 2020.

Accordingly the tenant is assumed to be holding over on the terms of the previous lease.

The passing rent is £128,000 per annum. The lease is on FRI terms albeit subject to a schedule of condition.

6. ADDITIONAL COMMENTS AND RECOMMENDATIONS

6.1 GENERAL STATE OF REPAIR

We have not carried out a building or structural survey and, therefore, cannot make any comment regarding the structural stability of the building.

The property is in keeping with its age and construction type needing normal maintenance and repairs we have assumed these will be carried out as part of a normal maintenance programme.

We have taken into account the age and general condition of the building in arriving at our valuation.

6.2 PROPERTY MANAGEMENT ISSUES

We do not foresee significant management issues other than general repairs and maintenance and rent collection.

6.3 ECONOMIC LIFE

In our opinion the property has a functional and economic life of at least 25 years providing that a routine scheme of maintenance is undertaken to the property as and when required.

6.4 MARRIAGE/SPECIAL PURCHASER VALUE

We do not consider that there is any hope, synergistic/marriage or special purchaser value attributable to the property now or likely to arise in the near future.

6.5 MARKET CONDITIONS and DEMAND

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets and travel restrictions continue to be implemented by many countries.

Whilst it appears that the UK economy has weathered the impact of various lockdowns relatively well it is difficult to determine the long term impact of Covid on wider industry and employment levels until the current government support mechanisms unwind and accordingly there remains a great deal of uncertainty.

As the third national lockdown comes to an end the last three months, contrary to expectations has seen sustained demand from both occupiers and purchasers alike within the majority of property sectors. This is likely due in part to historically low interest rates and plentiful availability of credit in addition to government measures such as the stamp duty holiday policy which began to taper from the end of June 2021.

However the UK economy continues to face significant challenges though including the ongoing impact of Covid 19, the revised trading relationship with the EU and the potential additional costs associated with trade and an increasing concern in relation to rising inflation and its potential impact upon interest rates.

Demand for freehold industrial property within South Yorkshire remains robust, reflecting a wider market trend with upward pressure on both rental and capital values.

6.6 TIMESCALES

In respect of a sale of the property we have assumed a marketing period of up to 6 months.

We would expect a marketing period on a To Let basis of circa 6 - 9 months.

6.7 INCENTIVES

A rent free period of between 3 – 6 months maybe required in order to induce a tenant to take a lease of the premises.

6.8 COSTS OF VOIDS

Other than business rates liability and general routine scheme of repairs and maintenance we do not consider that there would be any unusual costs associated with the management of the property.

7. COMPARABLES & ANALYSIS

7.1 COMPARABLES

Our valuation has been arrived at by adopting the comparable method. However, the availability of direct comparable evidence is limited.

In arriving at our valuation we have, therefore, had regard to lettings and sales of similar properties within the South Yorkshire area generally with suitable adjustments made to reflect the difference in location and nature of the subject premises.

We have obtained the following comparable evidence:

We understand a suggested value of £1,300,000 (£43 psf) has been put forward by the banks customer.

4 Brooklands Way, Dinnginton S25 2JZ: A modern portal frame industrial unit of superior quality to the subject extending to 11,901 exc mezz, and let on a 5 year lease commencing February 2020 on FRI terms, no breaks at a passing rent of £57,500 per annum (£4.83 psf) and a fixed increase of £63,250 per annum (£531 psf) in February 2023 sold in July 2020 at a price of £720,000 (Gross Yield of 8.3% on avg rent/£60 psf).

Waterside Business Park, Dinnington S25 3QA: An investment comprising a two storey office block, a detached industrial unit and a modern 4 unit terrace generating a passing rent of £85,850 per annum. Rents range between £3.56 - £5.05 psf for units sized between 1,547 – 5,781 sq.ft. Sold in February 2020 at a price of £935,000 (Gross Yield of 9.2%/£54 psf). Site of 1.12 acres.

Rotherham 125, Rotherham S66 8EL: A distribution shed extending to 124,966 sq.ft being of superior quality to the subject (albeit significantly larger) let on a new 5 year lease at a rent of £3.50 psf sold in February 2021 at a price of £3,800,000 (£30.40 psf/Gross Yield 11.5%). We understand the sale price reflected roof repairs required.

Former Rosehill Press, Bradmarsh Way, Rotherham S60 1BW: A 19,309 sq.ft warehouse unit sold in January 2021 at a price of £1,300,000 (£67.33 psf).

24 Orgreave Place, Sheffield S13 9LU: A 10,795 sq.ft modern detached warehouse unit being of superior quality to the subject sold in February 2020 at a price of £960,000 (£89 psf).

441 Brightside Lane, Sheffield S9 2RS: A 11,977 sq.ft modern portal frame industrial unit being of superior quality to the subject with secure yard and car parking and main road frontage let in June 2020 on a new 10 year lease at a rent equating to £6.26 psf (marketed for 15 months).

Unit 12 Surbiton Street, Sheffield S9 2DN: A 20,000 sq.ft modern portal frame industrial unit let in December 2018 on a new 5 year lease at a rent equating to £4.25 psf.

Unit 1 Peel Logistics Park, Shepcote Lane, Sheffield S9 1RF: A 45,000 sq.ft modern portal frame industrial unit let in March 2020 on a new 15 year lease at a rent equating to £5.50 psf (avg).

Unit 12 – 14 Vulcan Road, Sheffield S9 1EW: A 34,903 sq.ft portal frame unit of circa 1980s construction let in March 2019 on a new 3 year lease at a rent equating to £3.15 psf.

Unit 15 Tinsley Industrial Estate, Shepcote Lane, Sheffield S9 1TL: A 11,117 sq.ft portal frame industrial unit let in July 2019 on a new 5 year lease agreement at a rent of £5.13 psf (marketed 20 months).

232 – 243 Woodbourne Road, Sheffield S9 3LQ: A single storey brick built workshop extending to 27,706 sq.ft let in October 2018 on a new 20 year lease at a rent of £90,041.25 per annum (£3.25 psf).

SIG Trading Ltd, Nunnery Drive, Sheffield S2 1TA: A 36,794 sq.ft modern portal frame unit let at a rent of £175,000 per annum (£4.75 psf) on a 10 year lease from November 2014 sold in September 2020 at a price of £2,700,000 (Gross Yield of 6.5%/£73 psf).

9 Atlas Way, Sheffield S4 7QQ: A 20,175 sq.ft modern portal frame unit being of superior quality to the subject sold in January 2020 at a price of £1,150,000 (£57 psf).

76 Tyler Street, Sheffield S9 1DH: A 9,600 sq.ft single storey portal frame workshop sold in December 2018 at a price of £470,000 (£48.96 sq.ft). Similar quality to the subject.

32 Atlas Way, Sheffield S4 7QQ: A 32,644 sq.ft lofty engineering works of superior quality to the subject sold in August 2018 at a price of £1,440,000 (£44 psf).

7.2 ANALYSIS OF COMPARABLES

The comparable evidence collated relates to similar industrial property located within Dinnington itself as well as the wider South Yorkshire region.

The subject does vary from the evidence collated as a result of having a substantial secure yard area, accordingly care must be taken and this should be reflected in the figures adopted.

7.3 VALUATION CALCULATION AND RATIONALE

We understand that the passing rent equates to £128,000 per annum (£4.25 psf).

We consider that the property has the following Market Rent:

Site 1 (existing security): £80,000 per annum

Site 2: £65,000 per annum

Total Market Rent: £145,000 per annum

The suggested value of £1,300,000 equates to a capital rate of £43 psf. Our view is that the suggested figure is slightly lower than Market Value and does not reflect the comparable transactions available for consideration.

We have adopted the following notional split in values to arrive at a Market Value of £1,400,000.

Site 1 (existing security): £825,000

Site 2: £575,000

8. GENERAL REMARKS AND RECOMMENDATIONS

Strengths

- Shortage of supply of freehold property
- Ease of access to main road and motorway network
- Generous sized of yard area – secure.

Weaknesses

- Building 1 is of a relatively basic quality.

Opportunities

- None

Threats

- General macro-economic issues resulting in a contraction in the availability of credit

7. SIGNATURE AND DATE OF REPORT

The property was inspected on 11 August 2021 and the report prepared by Paul B Andrew DipSurv DipArb MRICS MCI Arb an external valuer who has the relevant experience and knowledge of valuing this type of property.

We confirm that neither the firm nor the valuer have any conflict of interest in this matter.



Signed:

Paul B Andrew DipSurv DipArb MRICS MCI Arb
For and on behalf of Walker Singleton (Commercial) Ltd
Oak House
New North Road
Huddersfield
HD1 5LG

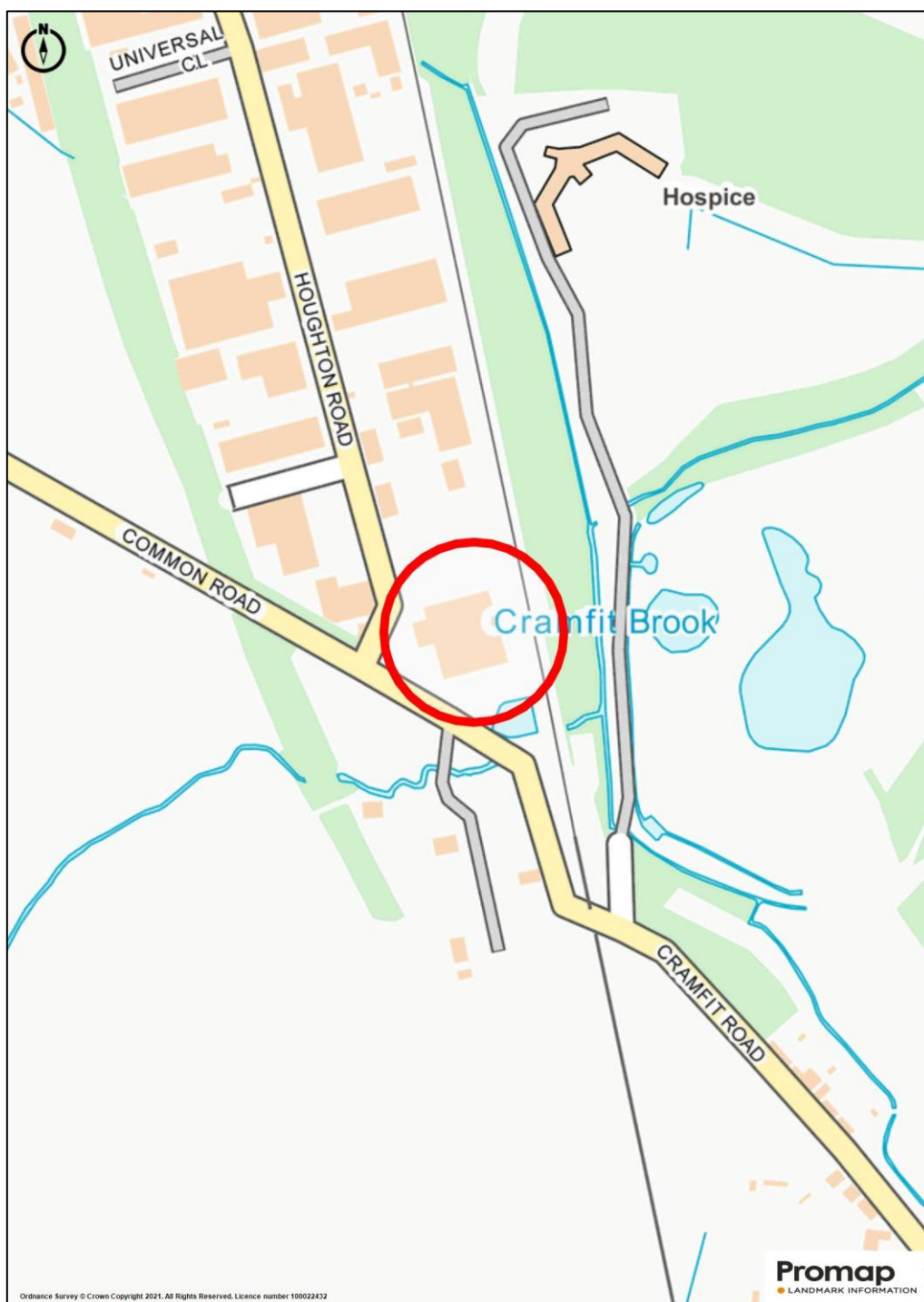


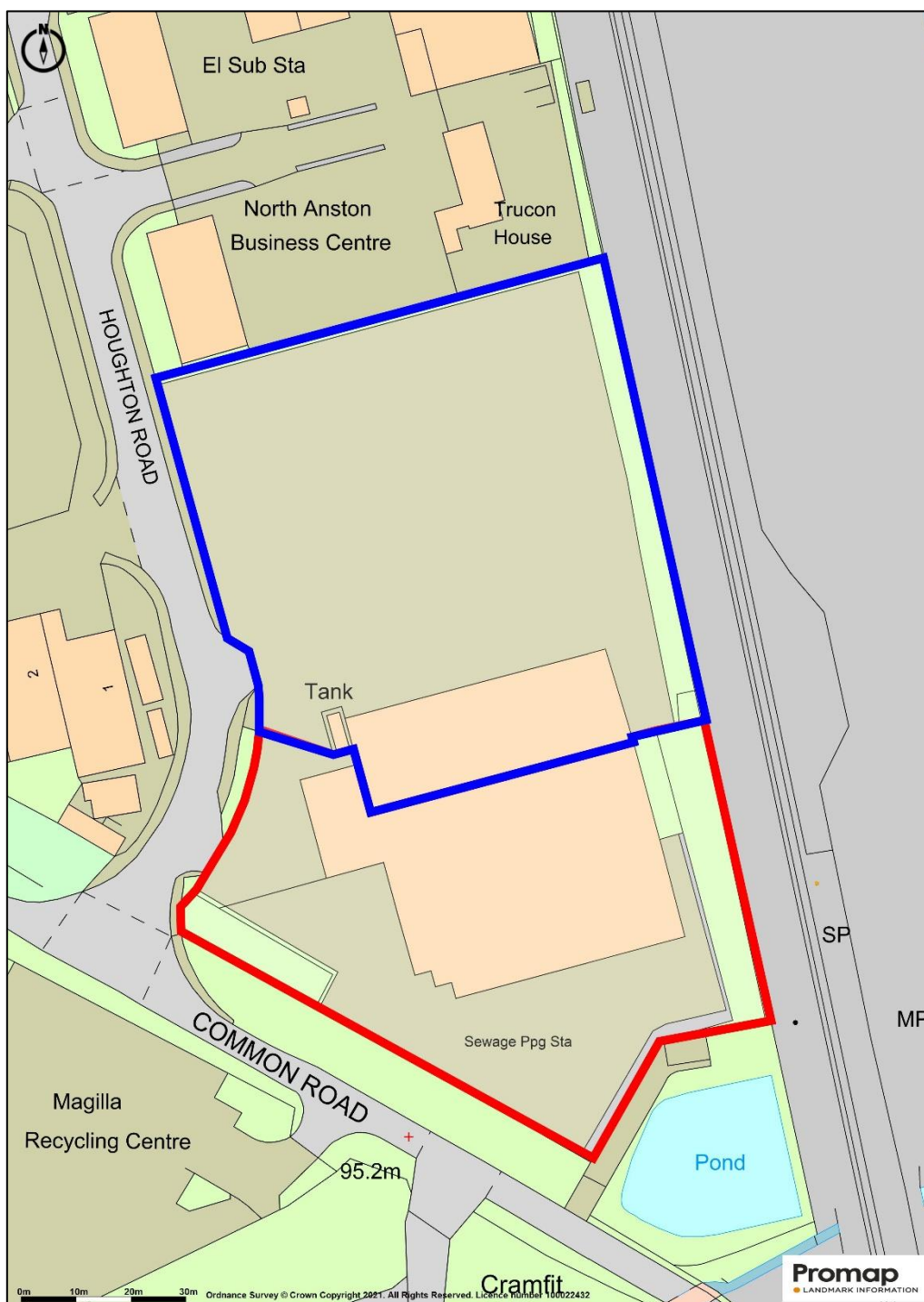
Simon Brearley MRICS
For and on behalf of Walker Singleton (Commercial) Ltd

Date of report: 11 August 2021

APPENDIX (I)

Location and Site Plan





APPENDIX (II)

Photographs of Property



Building 1



Building 2



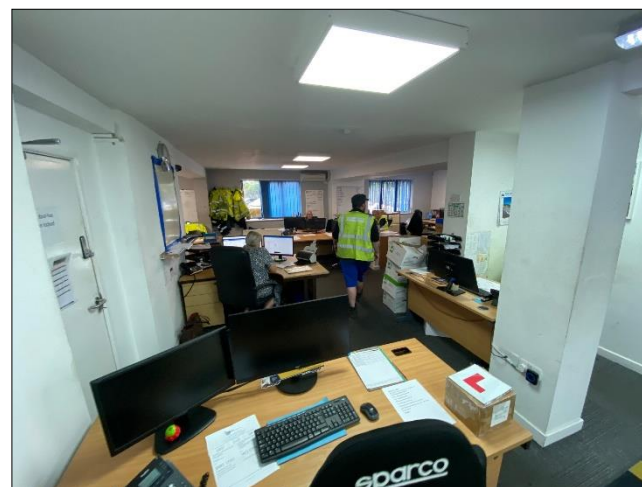
Generous Yard



Warehouse



Kitchen Area




General Office

APPENDIX (III)

Instructing Letter

Report Required	Executive Summary	Instruction From	Barclays CVT
Report Expected	05/08/2021 08:11:23	Lender Ref	XK222632
Property	- - Unit 7 North Anston Industrial Estate Houghton Road North Anston S25 4jn - S25 4JN	Loc Ref	LEN2807211662577
Tenure	Freehold	Source	Barclays CVT
Remaining Lease		Source Contact Tel	0845 300 9943
Num of copies of report to RM	2	Advance	£0
Num of copies of report to LOC Team	0	Barclays Legal Entity Requesting Valuation	Barclays Bank UK PLC
Other Info	"The property to be valued is a general industrial unit, Ref C1.1 and should be instructed using Appendix letter A.1- Valuation reports to confirm a minimum aggregate valuation based on the lower of investment / vacant possession figure.- Valuer to be provided with a copy of the underlying lease to confirm that the market rental value and passing rent figures are in line with and detailed in your remarks. RD: Andy Roberts, + 44 (0) 07881318172, + 44 (0) 0330 150 0222, andy.roberts9@barclays.com , 497 Silbury BoulevardMilton Keynes, Milton KeynesMK9 2LD."	Purchase Price	£1300000
User information	Team Name : Barclays Business Contact Name: Andy Roberts Postal Address: - Full Tel num: - External Email: commercialvaluations@barclays.com Alternative telephone: N/A RMs Fax Number: LOC team address: Not required, as documents will be uploaded to the case by the valuer Copies to solicitor: 0	Fee	£1566
		Applicant	THE NORTHERN BUS RETIREMENT BENEFIT SCHEME Phone 1: - Phone 2: Email:
		Approved Valuer Selected?	Yes
		Panel Firm Chosen	Walker Singleton (Commercial) Ltd
		Who Discussed Fee	Paul Andrew
		Access To Be Arranged With	Owner
		Lease	Owner
			Phone:N/A Alternative Phone: N/A

Instructor ID	0000
Who Discussed Fee	Paul Andrew
Panel Firm's Reference	
Job Type	CMV
Customer System ID Number	5459487178
Relationship Team Name	Barclays Business
Property Description	Industrial unit with offices
Property Type	C1.1Industrial - General (Industrial; Distribution Warehousing; Self-Storage; Cold Stores)
	Barclays Instruction Letters / Appendix 
Proposed Occupancy	Let or sub-let
Ownership	Property Owned
Number of Barclays Siteguard(s) Required	1
Date Barclays Siteguard Submitted	
Date Barclays Siteguard Response needed	
Reason for Valuation	New Facility

Solicitors	-
	-
Phone:-	
Access Details	Access Name: Mick Strafford Access Tel1: 07565947839 Access Tel2: N/A

Appendix A.1 – Standard Built Commercial Property

- 1 These notes provide details of the appropriate basis of valuation, contents of the report, and other requirements of Barclays.
- 2 All valuations reports shall be addressed to and relied upon by Barclays PLC and each of its affiliates
- 3 The inspection, report and valuation should be in accordance with the current practice statements, guidance notes and appendices of the latest edition of the RICS Valuation Standards (the "Red Book").
- 4 Please provide your opinion of:
 - 4.1 the current market value*;
 - 4.2 market rent of the property together with an opinion on the length of lease which could be granted on the open market and referring to any market related incentives necessary to achieve the market rent stated (e.g. rent-free periods);
 - 4.3 For Investment property only, the Market Value of the property(ies) on the assumption it is/they are available for sale with vacant possession
 - 4.4 the suitability of the property as banking security and any difficulties likely to arise if realisation by Barclays is necessary;
 - 4.5 whether the value of the property is likely to increase/remain static/decrease;
 - 4.6 An indication for insurance purposes of the current reinstatement cost* of the buildings. (This is for guidance only to ensure that the property is adequately insured. A formal estimate which would normally be provided by a quantity surveyor or equivalent expert is not required.)

*[NB:*Where multiple properties are to be valued please ensure your report clearly reflects the market value for each separate property / title. Where you are asked to provide an insurance re-instatement cost please also ensure this is provided for each separate property / title]*

- 5 Your Report should include details of and comment on:
 - 5.1 Location, description, use, accommodation, services, floor areas and specification. Please ensure the report contain the following:
 - A street map clearly identifying the location of the property
 - A copy of the Land Registry title plan or, where a LR title is not practical/ available, an Ordinance Survey extract (scale 1:1250) or promap with the exact boundaries of the premises/ land valued clearly marked in RED.

- Colour photographs showing as a minimum the front and rear elevations
- 5.2 Age and condition of structural, electrical and mechanical components, type of construction and an indication that, assuming reasonable maintenance, the building retains a useful economic life of at least 25 years
- 5.3 Where the height of the subject property is 18 metres (typically 6 storeys) or more and where the primary use of the property includes overnight occupancy or where specific concerns exist, please make appropriate enquiries and comment in your report on the following:
- the surface and internal make-up of the external wall system;
 - the material used for rain-screen cladding for the majority of the external surface of the building in which the subject property is situated, excluding the roof;
 - whether or not the building owner/ manager has assessed the cladding and make-up of the external walls and obtained a written report on whether or not the wall system conforms with the functional requirements of current Building Regulations and Fire Regulations, and any guidance provided by the MHCLG, and whether or not any remedial works are required; and
 - if you consider that the external wall system may contain potentially combustible materials, that you recommend a written report, prepared by a competent, independent, professional advisor.
- 5.4 Environmental issues including contaminated land either on the subject site or on an adjoining site, in line with Guidance contained in current RICS Valuation Standards. **An unconsidered assumption that the property is free from contamination would not be acceptable.** To ensure environmental factors are fully reflected, you may be asked within the Xit2 instruction to submit a Barclays SiteGuard: Land Use Questionnaire form. The Land Use Questionnaire form can be found in Xit2 under "Valuer Resources". The form can be saved and completed electronically. Please follow the instructions provided in the form (i.e. you should order a Barclays SiteGuard Report from GroundSure and then answer the follow up questions). If you have not been asked to submit a Barclays SiteGuard: Land Use Questionnaire form, kindly advise in your report whether there is any evidence of environmental issues that could potentially have clean up/liability implications for the current and future owners, including any mortgagees in possession or receivers and whether you consider it is necessary to obtain an up to date environmental risk assessment and, if so, why?;
- 5.5 Where the client holds a current Energy Performance Certificate, please report and comment on:

- The current EPC expiry date
- The rating A-G
- The proposals seen in the EPC 'Recommendations report' and any actions taken by the client to address
- If you consider there maybe merit in the client obtaining a new EPC and briefly explain why

Please attach a copy of the EPC in the appendix section of the valuation. Alternatively, if you are valuing a portfolio please summarise your findings in a schedule/ table format. Where the subject property does NOT currently have an EPC, please confirm using the web based register of EPC's provided by Landmark, that there are no records of an EPC being issued.

- 5.6 Where there are locational factors that may impact value these should be recorded and reported if they have a detrimental impact upon your valuation. Including, whether the property is in an area prone to flooding, mining settlement, subsidence, invasive vegetation [e.g. Japanese Knotweed], radon gas, or other issues that are particularly prevalent in certain districts
- 5.7 Planning, highway and other statutory considerations; is the property listed?
- 5.8 Title/tenure - as appropriate to the subject property, together with comments on any other matters which you consider to be relevant or which you believe should be drawn to Barclays' attention such as a variance between information provided and actuality. Is there any "hope", "marriage" or special purchaser value attaching to the property now or likely to arise in the future? If so, please quantify;
- 5.9 If leasehold or an investment property subject to a lease, please detail in a schedule format (if appropriate) and comment upon the terms of the lease, passing rent, privity of contract (if any), review dates, whether inclusive of repairs, insurance, rates, non-recoverable service charges: any restrictions on usage, alienation rights, alteration rights or any other lease clauses having a depreciating effect on marketability or value. Comment on whether the present rent is in line with current market rent (i.e. is the property over-rented/under-rented?). Where the current leases are less than 12 months to expiry, please comment on the likely level of rent, how long a void period to expect given supply and demand and any tenant inducements i.e. a rent free period that may need to be considered. In the case of investment properties, please provide your view on the market's opinion of the tenant(s) covenant's strength;
- 5.10 Please state clearly the methodology, (e.g. comparable, investment, etc) adopted and list any assumptions you have made and the effect of these

assumptions on your valuation. Please provide evidence of other transactions upon which the valuation is based;

- 5.11 Please include any observations on current market conditions for this type of property and your opinion as to any possible future changes in market conditions which Barclays should take into account when making its lending decision;
- 5.12 It would be most helpful if you were able to provide comment on any significant development or change of use potential of the property or properties in the locality which would materially affect your valuation;
- 5.13 Where you identify that: our client is a sole trader, partnership (England & Wales), charity, association, clubs or trustees; and any title deed within the security being valued includes or is expected to include a residential dwelling (whether owner occupied or not), please include in your report: a) If a formal lease agreement exists; and b) The percentage of floor space used as a residence (land and buildings) versus the overall Sq. metres of the specific title deed area

Where the percentage is 40% or more please highlight as potentially MCOB regulated.

- 5.14 Please specify the date of inspection and the name and qualifications of the person who visited the property and confirm that the person has relevant experience and knowledge of valuing the type of property concerned in the particular locality. Moreover, please confirm that the valuer is an external valuer as defined in the "Red Book". Your final report should be signed by both the individual RICS qualified surveyor who carried out the inspection and the RICS qualified senior Director / Partner of the firm responsible for supervising the standard of work undertaken for the Bank;
- 5.15 The Surveyor shall forward electronic Adobe PDF copy to the bank via the Valuation exchange/ Xit2 and to any solicitor identified as acting for Barclays in the Instructions issued to the Surveyor. You may be required to discuss the content of your report with the solicitor acting in this matter. The Surveyor shall also provide additional printed 'hard copies' of the report as requested by Barclays from time to time. Barclays may provide a copy of your valuation report to the customer on a non-reliance basis but it does not wish you to send a copy of the report direct.
- 5.16 In addition to your standard report, it is essential that the Executive Summary in Xit2 is completed and you incorporate a copy of the Executive Summary, the appropriate Appendix/ instruction letter and where applicable the Barclays SiteGuard/ LUQ into all copies of the final valuation report.

