

## Valuation Report



Address:	Former Leon Motor Services Old Bawtry Road Finningley Doncaster DN9 3BX
Client:	Trustees of the Mass Engineering SSAS Roundwood House 30C Worksop Road Thorpe Salvin S80 3JU
Purpose of Report:	Pension Valuation
Date of Report:	01/07/2019
Prepared By:	Eamonn Stones MRICS



54 Campo Lane  
Sheffield  
S1 2EG  
Tel: 0114 281 2183  
Email: [info@smcommercial.co.uk](mailto:info@smcommercial.co.uk)

## 1. INSTRUCTIONS

### a. The Client

Trustees of the Mass Engineering SSAS  
Roundwood House  
30C Worksop Road  
Thorpe Salvin  
S80 3JU

### b. Purpose of The Valuation

Valuation for pension fund.

### c. Status of RICS Member Undertaking The Valuation And Disclosure of Any Previous Involvement

We confirm that the instruction has been undertaken by Eamonn Stones MRICS who is suitably qualified and has the knowledge, skills and understanding to undertake the valuation.

We are acting as external valuers in this instruction.

We have undertaken a conflict of interest check and there is no conflict with this instruction.

### d. Interest To Be Valued

Freehold

### e. Type of Asset or Liability And How It Is Used

Commercial Land (Vacant)

### f. Basis or Bases of The Valuation

#### • Market Value (MV)

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.

#### • Market Rent (MR)

The estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

### g. Date of Valuation

01/07/2019

### h. Any Assumptions, Special Assumptions, Reservations, Any Special Instructions or Departures

None.

i. Schedule of Assumptions And Basis of Valuation

Our report and valuation has been undertaken with reference to the assumptions set out in Appendix I. These assumptions apply, except where otherwise noted in our report.

j. Compliance

Our report and valuation is prepared in accordance with the RICS Valuation - Global Standards 2017 Global Edition and UK National Supplement November 2018 and the International Valuation Standards (IVS) 2017. We are an RICS regulated firm.

## 2. INSPECTION

Our inspection of the property was carried out on 21/06/19. The site was inspected from ground floor level.

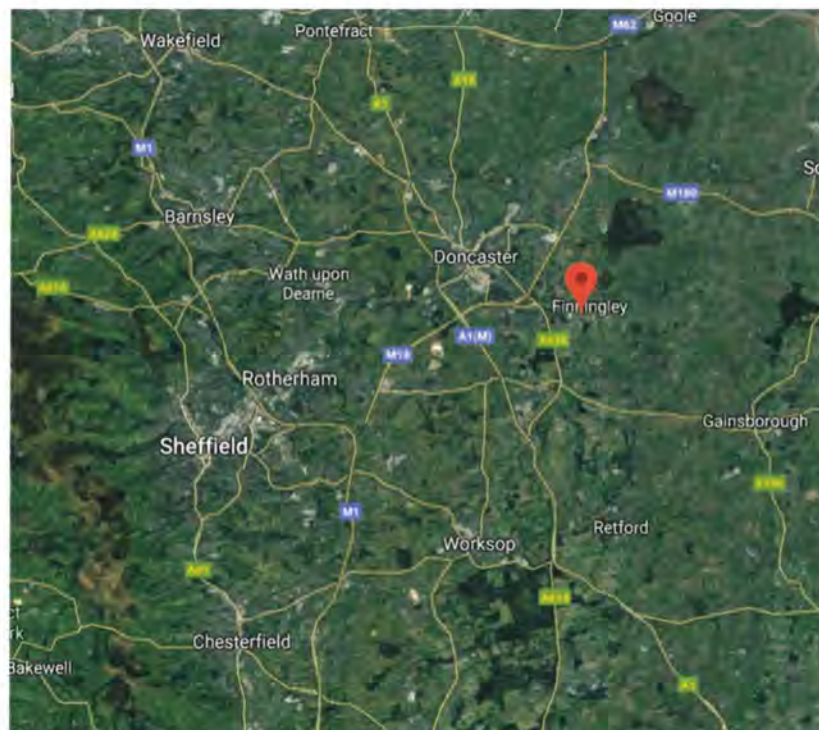
We have inspected the property in accordance with your instructions, but we have not carried out a Building Survey as this is not within the scope of our instructions. We have not inspected woodwork or other parts of the structures which are covered, unexposed or inaccessible. We are, therefore unable to report that any such part of the property is free from defects, unless provided with information to the contrary.

Where we have recommended further investigations or a building survey, our valuation may be subject to alteration once the results of such investigations or survey are known.

We cannot express an opinion about or advise upon the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts.

## 3. LOCATION

### Macro





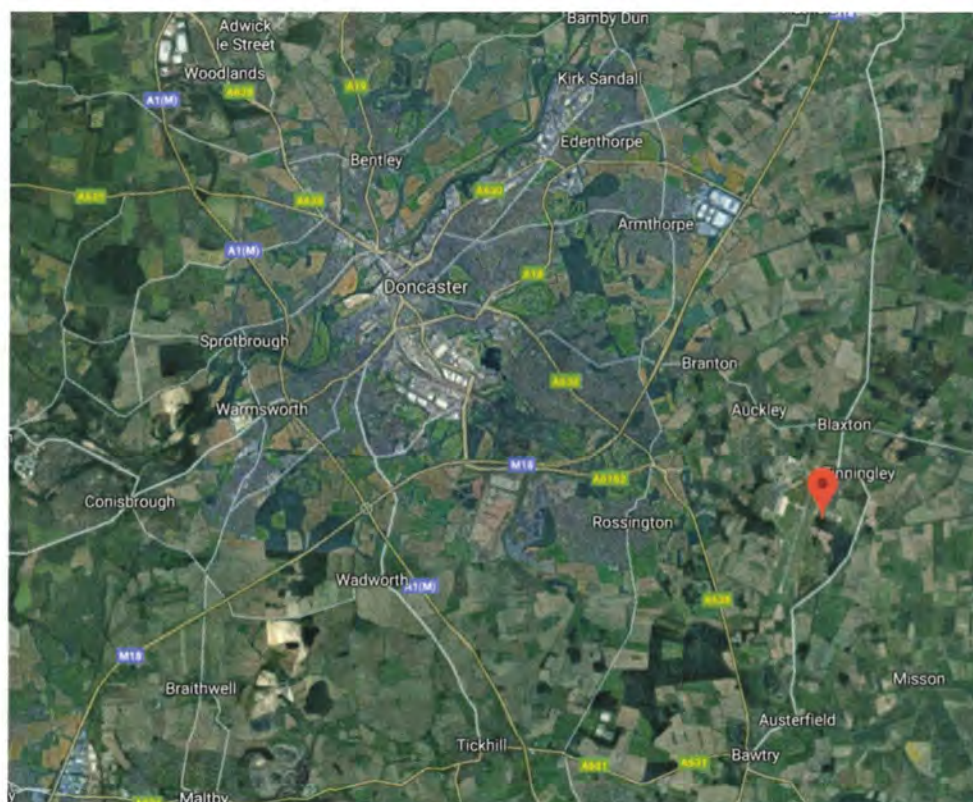
Location (Key Facts)	
Population size (2011 census)	1,497 (Finningley)
Local Authority	Doncaster
Post Town	Doncaster

Place	Distance (Miles)
Bawtry Road (A614)	0.5
Doncaster Sheffield Airport	3.3
Great Yorkshire Way	5.8
M18 Motorway (J3)	8.4
Doncaster	8.5
M1 Motorway (J32)	18.6
Sheffield	28.0

Finningley is a village and civil parish in the Metropolitan Borough of Doncaster, in South Yorkshire approximately 6 miles (direct) to the south east of Doncaster. It is a small village to the east of what was RAF Finningley, in 2005 the base was converted to a commercial/passenger airport and as the airport has grown improved road links have followed. The Great Yorkshire Way has recently been completed linking the airport with the M18 (Junction 3). This investment has improved road links with Doncaster and wider road network.

Public transport links to the immediate are limited and the nearest bus stop is over half a kilometre away on The Green (services 57f, 58f & 521). The nearest train station is Doncaster central.

### Micro





#### 4. DESCRIPTION & CONSTRUCTION

The site is a former bus depot which is level and rectangular in shape (see appendix II) with a hardcore surface. The front of the site is fenced and the neighbouring site (north) has been fenced with herras fencing. The rear and southern boundary is identified by a hedges and trees.



Entrance from Bawtry Road



Site from entrance



Neighbouring property & site



Fencing to the Northern boundry



Fire damaged building



View towards Old Bawtry Road

A building at the rear has been burnt down, presumably in an act of arson. Due to the condition this was not internally inspected and is more of a liability rather than an asset. Neighbouring housing occupy similar sized plots appear to have had successful planning applications for multiple houses to be built within their grounds.

## 5. ACCOMMODATION

The site has been measured using on-line mapping software.

Site Area	Acres	Ha
Total Site Area	0.926	0.375

## 6. CONDITION

As stated in paragraph 7 of the Schedule of Standard Assumptions and Basis of Valuation in Appendix I of this report, we have not carried out any formal building or structural survey. We have not inspected those parts of the property which are covered, inaccessible, unexposed or not visible from ground level and such parts are assumed to be in good repair and condition.

We cannot express an opinion about, or advise upon, the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts. The site is level with the remanence of a burnt-out industrial building including the bus inside. The building can be considered to be 'destroyed' and will require formal demolition.

No obvious signs of deleterious materials were noted during the inspection however due to the age of the burnt out building it may have contained asbestos and therefore this should be an assumption for demolition and disposal.

## 7. ROAD

We understand that Old Bawtry Road, on to which the property fronts, is fully adopted and maintained at the public expense.

## 8. ENVIRONMENTAL MATTERS

### Flood Risk

We have checked the Government long term flood risk website (<https://flood-warning-information.service.gov.uk/long-term-flood-risk>) and note that the flood risk for the property is shown as:

- Rivers/the sea: Very low risk means that each year this area has a chance of flooding of less than 0.1%. This takes into account the effect of any flood defences in the area. These defences reduce but do not completely stop the chance of flooding as they can be overtopped, or fail.
- Surface water: Very low risk means that each year this area has a chance of flooding of less than 0.1%. Flooding from surface water is difficult to predict as rainfall location and volume are difficult to forecast. In addition, local features can greatly affect the chance and severity of flooding.



### Ground Conditions

We have not carried out any soil tests or made any other investigations and therefore we are not able to offer any opinion as to the suitability of the site for the existing/proposed buildings. We have assumed that there are no problems in this respect.

### Contamination

We have not been instructed to make any investigations in relation to the presence or potential presence of contamination in land or buildings, and to assume that if investigations were made to an appropriate extent, then nothing would be discovered sufficient to affect value. We have not carried out any investigation into past uses, either of the properties or any adjacent land, to establish whether there is any potential for contamination from such uses or sites and have therefore assumed that none exist.

In practice, purchasers in the property market do not make such an assumption about contamination and a purchaser of this property would require appropriate investigations to be made so as to assess any risk before completing a transaction. Should it be established that contamination exists, this might reduce the value now reported.

No indications of past or present contaminative land uses were noted during our inspection. Our inspection was only of a limited visual nature and we cannot give any assurances that previous uses on the site or in the surrounding areas have not contaminated sub soils or ground waters. In the event of contamination being discovered, further specialist advice should be obtained.

### Deleterious Materials

I was not provided with any deleterious reports prior to the inspection and therefore am not aware if any deleterious material present.

### Invasive Species

No invasive species were noted during the inspection.

### Energy Performance

The Energy Act 2011 introduced the Minimum Energy Efficiency Standards (MEES) came into effect in April 2018. It is unlawful (except in limited circumstances, such as listed buildings) to let a property with an EPC rating of F or G. This applies to any property let on a tenancy which is six months or more and less than 99 years in length, and which is legally required to have an EPC. In addition, this legislation will extend to cover existing lettings in 2020 for residential properties and 2023 for commercial buildings. Penalties for non-compliance are severe.

Properties with an E rating could also be potentially at risk, as it is expected that the MEES standards may include E rated properties in the unlawful category at some point in the future.

We understand there is no current EPC rating for this property and have checked the Private Rented Sector (PRS) exemption register to verify this information. Accordingly, our valuation on the assumption that the subject property will meet the Minimum Energy Efficiency Standards specified in the Extant Regulations made under the Energy Act 2011 and that there will be no adverse impact on value and marketability. It is advisable to obtain an experts opinion to advise whether an EPC should be commissioned and if the building is likely to meet with the legislative requirements.

It is important to keep EPC issues under review and to consider the potential impact on property value of any additional future government initiatives.

There is currently little empirical evidence of a 'green premium' for highly energy efficient properties, but properties with poor EPC ratings will suffer significantly decreased values as the market takes account of the financial cost of improving properties, most of which may fall upon landlords as opposed to tenants.

## 9. SERVICES

We are not aware of what services are connected to the site however we have assumed that mains water, electricity and gas are accessible from Old Bawtry Road.

## 10. RATEABLE VALUE

We have checked the rating list at <https://www.tax.service.gov.uk/business-rates-find/search> and note that the premises are currently described in the Rating List as "Workshop & Premises" and that the rateable value in the 2017 rating list is £12,250.

## 11. TENURE

We are advised by you that the property is freehold (see Appendix II for plans) and we have assumed it is not subject to any onerous encumbrances, adverse restrictive covenants, onerous wayleaves, easements, rights of way or other unfavourable dominant rights. We have not inspected the Deeds. We recommend that your solicitor investigates the title to the property and if any of the assumptions we have made are incorrect, we may have to amend our opinion of value.

## 12. TENANCIES

None.

## 13. PLANNING

### Planning Policy

Under the UDP adopted July 1998 the property zoned as 'Residential Policy Area'.

### Planning History

Reference	84/1321/P
Application Received	Mon 10 Sep 1984
Application Validated	Wed 12 Sep 1984
Address	Finningley House, Old Bawtry Road Finningley Doncaster South Yorkshire DN9 3DD
Proposal	ERECTION OF SINGLE STOREY STUDY/HALL EXTENSION (1.4M X 3.96M) AT SIDE
Status	Decided
Decision	Planning Permission GRANTED
Decision Issued Date	Fri 26 Oct 1984

Reference	14/02124/DEM
Application Received	Fri 05 Sep 2014
Application Validated	Wed 24 Sep 2014
Address	Bus Depot Old Bawtry Road Finningley Doncaster DN9 3DD
Proposal	Demolition of existing garage and relocable building
Status	Decided
Decision	Planning Not Required (Det)
Decision Issued Date	Thu 16 Oct 2014



## 14. MARKET CONDITIONS

It is anticipated that following a controlled demolition/clearance of the fire damaged building the site could be let for commercial storage purposes, a tenant may want the site fully fenced either as part of the deal or as an incentive to take the site. In all likelihood the long term use of the site will be residential redevelopment and I would expect it to deliver multiple detached or semi-detached houses (STP).

The size of the site will mean it should appeal to the small independent house builders or even someone looking to self-build.

Current demand for commercial and residential land remains strong as there is a lack of land being marketed at the moment.

## 15. COMPARABLE TRANSACTIONS

### Morrison Utility Services Ltd, Ecclesfield 35, Station Road, Ecclesfield

Surfaced yard area with 1.47 acres (usable). Let in March 2015 for £18,776 pa for 3 years on an FRI basis plus a service charge of £13,068 for common parts and roadways. Rent equivalent to £18,776 per acre per annum. Including the service charge, this is £27,665 per acre per annum.

### Tarmac Ltd, Ecclesfield 35, Station Road, Ecclesfield

Let to Tarmac Ltd on a 25 year lease (without breaks) as a batching plant. 1.62 acres. Tarmac paid to surface and drain the site and to bring in a permanent electricity supply. They have also constructed covered plant areas and have portakabin offices on site. The passing rent is £35,471.03 (£21,896 per acre per annum). There is an outstanding rent review. Rent reviews are to the higher of market rent or an RPI indexed increase. Based on RPI, this will be approximately £39,722.75 pa (£24,520 per acre per annum) as a minimum.

### Land at Hobson Avenue, Hillsborough, Sheffield

Arthur's Skips yard – a waste transfer site – let at £30,000 pa in 2016 to a car dealership for car storage. The site is 1.06 acres so the rent devalues to £5.85 per sq yd (£28,302 per acre). The lease is for 10 years with a review and break option at 5 years. Ed Norris at CPP dealt with this. The car dealership is based locally, so may have had a special interest in paying this level of rent.

### Stevenson Road, Sheffield

A licence to Lookers earlier this year on the old Stevenson Rd Tyres site. 1.5 acres at £30,000 pa, so c. £20,000 per acre per annum, or about £4.13 per sq yd.

### Land at Darnall Works, Darnall Road, Sheffield

A letting to Multiwaste – yard for skip storage 1,065 sq yds – let at £6,000 pa on a short term excluded tenancy £5.63 psy. Larger yard areas on the site are on the market at £20,000 - £25,000 per acre (£4.13 - £5.16 psy), but remain unlet after 10 months, although there has been interest from energy companies wanting longer term leases to house battery back up units for the electricity grid.

### Former Sterecycle site, Sheffield Road, Templeborough, Rotherham

A former waste transfer site. Let to Costain for 2.5 years. The rent ignores the value of the 70,000 sq ft building and is just based on the site area of 8.48 acres. The passing rent is £169,600 pa (£20,000 per acre per annum) and the lease commenced in March 2015. Source: Fowler Sandford.

## Sales

### Land at Woodbourn Hill/Rippon Street, Sheffield

A freehold brownfield site unsurfaced measuring 0.58 acres sold for £170,000 in May 2018. This is equivalent to £293,103 per acre. Located much more centrally than the subject property.

### Former Central Depot, Worthing Road, Sheffield

Sold for £725,000 on 10 September 2018. This was a former council depot which had been destroyed by fire in the main part. Consequently, the buildings were in very poor condition. The owner had gone into administration. The total site area was 2.09 acres. The buildings totalled 28,963 sq ft. Based upon site area only, the price paid is equivalent to £346,890 per acre. Had been in waste transfer use. Also taking into account values of the surviving buildings and the surplus yard area, the analysis still comes out to £345,000 per acre. Waste transfer use.

### Plot 1, Sandall Stones Road, Kirk Sandall Ind. Est. Doncaster

An industrial development site measuring 0.56 hectares/1.39 acres approx, was sold at auction in January 2017 for £215,000 equating to £154,676 per acre.

### Land off Water Vole Way, Balby, Doncaster

An industrial development site measuring 3.8 acres gross/2.8 acres net at First Point Doncaster, with planning permission for a vehicle workshop with substantial office element was sold in December 2016 for £825,000. The price paid equates to £217,105 per acre on a gross basis or £294,642 per acre if the net developable area is considered.

### Land off Lands End Road, Thorne

A plot of land measuring 0.61 acres, zoned for industrial development was acquired in January 2017 as part of site assembly works for a warehouse/distribution project under option agreement at a sale price of £90,000. The price achieved equates to £200,000 per acre with 20% end adjustment to reflect poor access/lack of services to site boundaries.

### Bullrush Grove, First Point, Doncaster

A plot of industrial development land measuring 2.25 acres approx. This is quite an old deal as it was sold in spring 2013 for £525,000 and subsequently developed out as a 13 unit warehouse/workshop scheme with ancillary office content. The price paid equates to £233,333 per acre.

## **16. VALUATION COMMENTARY**

Land transactions are difficult to evidence and rarely come to the open market. As you will see from the above the comparables are quite historic however commercial land values have been constant for several years with an industry standard of £20-25k per annum per acre.

Due to the non-commercial location of the site I believe the market would be limited for a commercial occupier compared with the deals listed above. I have therefore made an allowance to reflect the inferior commercial location to those comparables above. I have assumed the fire damaged building would be demolished and the site would be fenced and secure to achieve eighteen thousand pounds per annum.

I believe the site would be worth more as a residential site with outline consent (STP) compared to selling it as a commercial one. The residual value of such residential site will be dependant on the planning obtained however I could see this site and the neighbouring on (north) be married to create a large more developable site.



## 17. OTHER MATTERS

### Market Trends

Due to the lack of industrial premises in the local, regional and at a national level I expect values to remain constant in the short term however Brexit is due at the end of October and this could have unforeseen consequences which are not foreseeable. Due to the current unknown of Brexit looking beyond the short term is impossible.

### Brexit

The UK's proposed exit from the EU is unprecedented and the extent of the effect this may have on property values cannot easily be predicted. For this reason alone, there is greater than normal uncertainty surrounding the UK economy and the property sector in general. We consider there is a greater than normal risk of an economic downturn. We advise that you should therefore factor this into any decisions based on our valuation(s).

### Date of Valuation

Our valuation is based on information known to us at the time of preparing our report and is an opinion as at the date(s) of valuation. Circumstances can change rapidly subsequently. We recommend that you ask us to reconsider our opinion of value if you intend to rely on our report later. Depending on circumstances and the time that has elapsed, we may make an additional charge for providing the additional advice.

### Recommendations

We recommend the following are obtained:

- Full report on title and title searches/local searches/utility searches
- Asbestos survey

Adverse results from the recommended reports could cause us to amend our opinion of value.

## 18. VALUATION

### Market Value

£200,000 (Two hundred thousand pounds) as commercial land with vacant possession.

This is assuming the fire damaged property has been demolished/removed professionally.

### Market Rent

£18,000 (Eighteen thousand pounds) per annum.

Lettings of commercial land are usually of a short term nature (less than 3 years) however due to the lack of alternative options tenants tend to stay much longer.

## 19. REINSTATEMENT COST ESTIMATE

Due to no habitable buildings on site and the fact it has been valued based on commercial land value no reinstatement cost can be provided.

## 20. CONFIDENTIALITY

This report is for the use only of the party to whom it is addressed and should only be used within the context of the instructions under which it is prepared. The Valuer accepts responsibility to the Client.

alone that the report will be prepared with the skill, care and diligence to be reasonably expected of a competent Chartered Surveyor but accepts no responsibility whatsoever to any person other than the Client itself. Any such person relies upon the report at his or her own risk.

Neither the whole nor any part of this report or any reference thereto may be included in any published document, circular or statement, nor published in any way without written approval of Saxton Mee Commercial Ltd of the form and context in which it may appear.

## 21. TAXATION

For the purposes of this valuation, we state our opinion of the market value of the property with no allowance for any grants or tax allowances which may be appropriate under current legislation. In addition the figures do not take account of any present or future taxation liability which could be payable on the disposal of an asset owing to a change of use or development situation.

Signed: .....

Eamonn Stones MRICS  
SMC Chartered Surveyors

Counter-Signed: .....

Mike Hull MRICS  
SMC Chartered Surveyors

Date:

9/8/19

Date:

9/8/19



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## APPENDIX I

### Standard Assumptions, Basis of Valuation & Background Information

1. Compliance

Our report and valuation is prepared in accordance with the RICS Valuation – Global Standards 2017 Global Edition and UK National Supplement November 2018 and the International Valuation Standards (IVS) 2017. We are an RICS regulated firm.

2. Verification of Information

We rely upon the information provided by those parties referred to in our report and should any of this information prove to be incorrect it is possible that we may have to reconsider our opinion.

3. Standard Valuation Bases - Definitions

- Market Value (MV)

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.

Notes on Market Value

1 *Market value* is a *basis of value* that is internationally recognised and has a long-established definition. It describes an exchange between parties that are unconnected and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the *valuation date*, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximises its productivity and that is possible, legally permissible and financially feasible – fuller treatment of this particular premise of value can be found at section 140 of IVS 104.

2 It ignores any price distortions caused by *special value* (an amount that reflects particular attributes of an asset that are only of value to a *special purchaser*) or *marriage value*. It represents the price that would most likely be achievable for an asset across a wide range of circumstances. *Market rent* (see below) applies similar criteria for estimating a recurring payment rather than a capital sum.

3 In applying *market value*, regard must also be had to the requirement that the valuation amount reflects the actual market state and circumstances as of the effective *valuation date*. The full conceptual framework for *market value* can be found at paragraph 30.2 of IVS 104.

4 Notwithstanding the disregard of *special value*, where the price offered by prospective buyers generally in the market would reflect an expectation of a change in the circumstances of the asset in the future, the impact of that expectation is reflected in *market value*. Examples of where the expectation of additional value being created or obtained in the future may have an impact on the *market value* include:

- the prospect of development where there is no current permission for that development and
- the prospect of *marriage value* arising from merger with another property or asset, or interests within the same property or asset, at a future date.

5 The impact on value arising by use of an *assumption* or *special assumption* should not be confused with the additional value that might be attributed to an asset by a special purchaser.

6 In some jurisdictions a *basis of value* described as 'highest and best use' is adopted and this may either be defined by statute or established by common practice in individual countries or states.



- **Market Rent (MR)**

The estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Notes on Market Rent

Whenever Market Rent is provided the 'appropriate lease terms' which it reflects should also be stated.

*Market rent* will vary significantly according to the terms of the assumed lease contract. The appropriate lease terms will normally reflect current practice in the market in which the property is situated, although for certain purposes unusual terms may need to be stipulated. Matters such as the duration of the lease, the frequency of rent reviews and the responsibilities of the parties for maintenance and outgoings will all affect the *market rent*.

- **Investment Value**

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

- **Fair Value**

Valuations based on *fair value* shall adopt one of two definitions:

1. the definition adopted by the IVSC:

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

2. the definition adopted by the International Accounting Standards Board (IASB):

'The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date'.

- **Depreciated Replacement Cost (DRC)**

DRC is a approach to valuation of an asset in order to establish its Market Value. It is usually adopted for specialised property or where there is little or no market evidence available. The International Valuation Standards define DRC as:

The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

- **Existing Use Value (EUV) [Used for inclusion in UK financial statements where property is owner-occupied by a business]**

The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.

- **Special Value**

Special Value can arise where an asset has attributes that make it more attractive to a particular buyer, or to a limited category of buyers, than to the general body of buyers in the market. These attributes can include the physical, geographic, economic or legal characteristics of an asset. Market Value requires the disregard of any element of Special Value because at any given date it is only assumed that there is a willing buyer, not a particular willing buyer.

Synergistic Value can be a type of Special Value that specifically arises from the combination of two or more assets to create a new asset that has a higher value than the sum of the individual assets.

When Special Value is reported, it should always be clearly distinguished from Market Value.

▪ **Estimate of Reinstatement Cost For Insurance Purposes**

*[NB This is not a valuation basis, but a cost estimate]*

Reinstatement cost for insurance purposes is our estimate of the likely cost of reinstating all the buildings on the following basis:

- That the accommodation provided will be similar in construction, design and area to the existing buildings.
- It is assumed that the policy is on an indemnity basis with a fully operative reinstatement clause and no special conditions. We have assumed an instantaneous basis of value and have had no regard to any variation in building costs subsequent to the date of our estimate.
- Reinstatement will be in compliance with the conditions imposed by Local Authorities in connection with the construction of the building.
- In arriving at the reinstatement value for insurance purposes an allowance has been made to cover the cost of necessary demolition prior to rebuilding.

The reinstatement cost does not include any allowance for:

- i) any loss of rent incurred during rebuilding
- ii) planning restrictions that the Planning Authority might impose
- iii) special foundations, drains and sewers, yard surfaces, private roadways, hard-standing, boundary walls and fences
- iv) all plant, machinery, equipment, tanks, fixtures and fittings, loose tools, office furniture and equipment, or items of tenant's fit out
- v) any effect of inflation on building costs occurring after the date of valuation ('Day One' basis)
- vi) party wall works
- vii) extra costs of working
- viii) land remediation and contaminated waste costs

Following the outcome of the legal case *Bartoline v Royal and Sun Alliance Insurance plc* and another 2006, our assessment will not include for cost liabilities arising from any environmental consequences, contamination or pollution. We recommend that you consult your Insurers in respect of any specialist cover required.

Professional fees which would normally be incurred in connection with the rebuilding operations are included.

In the event of a building being destroyed either wholly or partially, the reconstruction may attract a VAT charge. We have not reflected this liability and you are advised to discuss this matter with your Insurers

**4. Legal Documentation (Title Deeds and/or Leases etc)**

Unless indicated in our report, we do not inspect the Title Deeds and/or Leases and assume that all documentation is satisfactorily drawn and in terms currently prevalent on the type of document and that there are no onerous encumbrances, adverse restrictive covenants, onerous wayleaves, easements, rights of way or other unfavourable dominant rights which would materially affect our opinion.

We assume that the flank walls are party walls and that satisfactory arrangements are in existence for their repair and maintenance. We recommend that a Solicitor should comment in respect of all legal documentation.

We assume that access from public roads to development land is not restricted by legal documentation or third party rights, unless otherwise indicated in our report.

**5. Status of Tenants**



We do not usually make any enquiries as to the financial status of the actual/prospective tenants and, unless otherwise noted in our report, we assume for the valuation that Tenants are not in breach of any lease covenants and are not in arrears of rent and are fully able to meet all contractual obligations under the lease.

**6. Measurements and Floor Areas**

When taken, measurements are made in accordance with RICS Property Measurement (2nd Edition) issued by the Royal Institution of Chartered Surveyors but must nevertheless be regarded as approximate. With regard to office buildings, the 6<sup>th</sup> edition of the Code of Measuring Practice no longer applies and has been replaced with IPMS: Office Buildings, which differs from the previously used Net Internal Area basis.

**7. Condition**

We inspect the property in accordance with your instructions, but we do not carry out a Building Survey as this is not within the scope of our instructions, nor do we inspect woodwork or other parts of the structures which are covered, unexposed or inaccessible. We are, therefore unable to report that any such part of the property is free from defects, unless provided with information to the contrary.

If we recommend further investigations or a building survey, our valuation may be subject to alteration once the results of such investigations or survey are known.

We cannot express an opinion about or advise upon the condition of un-inspected parts and this report should not be taken as making any implied representation or statement about such parts.

We do not test any of the drains or other services. Unless specifically stated otherwise, for the purpose of this valuation we assume that they are all operating satisfactorily and no allowances have been made for replacement or repair.

We have regard to the general condition of the property as observed by us during our inspection and reflect in our valuation any defects and items of disrepair noted.

When valued with vacant possession:

Our valuation assumes that all damage caused by the removal of plant, machinery, fixtures and fittings etc will be made good prior to sale.

Unless you specifically instruct us to do so, we do not arrange for any investigation to be carried out to determine whether any deleterious materials have been used in the construction of the property, or have since been incorporated and we are, therefore, unable to report that the property is free from risk in this respect. Unless otherwise stated in our report, we assume that such investigation would not disclose the presence of any such material to any significant extent.

It is assumed that normal periodic maintenance will be carried out to maintain the property in a state of repair fit for its present use.

Unless specifically stated in our report, it is assumed that the condition of the property at the date of valuation is identical to that found at the date of our inspection.

**8. Town Planning**

We have made informal enquiries of the local planning and highway authorities and the information provided is assumed to be correct.

Unless otherwise stated in our report:

- all planning information has been given verbally and we have not examined any entries in the planning register. In the absence of further information, we have assumed that the uses being carried out in each of the properties is an authorised planning use and that the buildings have been erected with full planning permission.
- no formal search has been instigated and if reassurance is required we recommend that verification be obtained from your solicitors that the position is correctly stated in our report,

that the property is not adversely affected by local authority proposals or requirements and that there are no outstanding statutory notices.

- we have assumed that the properties and their value are unaffected by any matters which will be revealed by a local search and replies to the usual enquiries or by any statutory notice and that neither the properties nor their condition nor their present or intended uses are or will be unlawful.
- we have assumed that each property has full unconditional consent for the stated use and development described within.

If appropriate, we recommend that your solicitors should check this information by taking out a local search and we would be pleased to advise further upon receipt of the confirmation of these details.

Following the Planning and Compulsory Purchase Act 2004, the old plan-making system is being replaced by Local Development Frameworks (LDF). The LDF is not a single document or plan; rather, it is a suite of documents that combine to form the development plan for the area. The principal document is the Core Strategy, which sets the overall planning policy approach, which is supported by various Development Plan Documents (DPDs) for specific issues, such as site allocations.

#### 9. Rating

We will check the website of the Valuation Office Agency for the current rating assessment.

Before April 2008 most types of empty property were subject to rates at 50% of the normal charge. With effect from 1<sup>st</sup> April 2008 the empty property rate has changed from 50% to 100% of the basic occupied business rate, after initial void periods have elapsed. For most properties, excluding industrial, the void period is 3 months. For industrial properties, the void period is 6 months. Prior to this change, industrial properties had an indefinite period of 100% relief.

#### 10. Ground Conditions

We do not carry out any soil tests or make any other investigations. Unless we are provided with investigation reports by suitably qualified experts, we are not able to offer any opinion as to the suitability of the site for the existing/proposed buildings, or as to the existence or likelihood of any contamination. In the absence of third party reports, we will assume that ground conditions are satisfactory. If we recommend further investigations, our preliminary assumption will be that there are no adverse ground conditions, which may have to be amended once the relevant reports are available.

#### 11. Plans

A Plan/Plans for identification purposes only and based upon the Ordnance Survey Sheet is/are attached. The reproduction of the Ordnance Survey Sheet has been sanctioned by the Controller of Her Majesty's Stationery Office Crown Copyright Reserved.

#### 12. Dwellings

(Houses and Flats)

Unless specifically mentioned in our report, our valuation does not take into account any rights, obligations or liabilities whether prospective or accrued under the Defective Premises Act 1972.

#### 13. Site Areas

The site areas are computed from the Ordnance Survey Sheet and not from a physical site survey and must be regarded as approximate.

#### 14. Fixtures and Fittings *[except where valuing using the profits method, ie as a going concern]*

We exclude all items in the nature of tenants' fixtures and fittings, plant and machinery and we include in our valuation the following:

The electric wiring for lighting and power from the distribution board to wall and ceiling points. The gas supply from the meter to the central heating boiler and other appliances.

Drains for both surface water and foul water and their connection to the sewer.



Boiler and associated plant and machinery including fuel tanks, pipes and fittings (radiators and unit fan heaters that are used primarily for supplying or using steam or hot water for space heating and other non-process purposes).

Hydrants, pumps and main sprinkler systems, smoke detectors and fitted fire and burglar alarm systems.

Rails and supporting gantries for overhead travelling cranes, where they form an integral part of the building.

**15. Insurance**

Capital Values quoted are not appropriate for insurance purposes which should be calculated on a reinstatement or indemnity basis.

**16. Taxation and Disposal Costs**

Our valuation does not take into account any expense which would be incurred in realisation nor any possible tax liabilities including Capital Gains Tax and Value Added Tax.

**17. Statutory Regulations**

Unless otherwise mentioned in our report, we assume the property has, if appropriate, a relevant Fire Certificate, that it complies with the requirements under the Shops, Offices & Railway Premises Act 1963, Factory Acts, Disability Discrimination Act 1995 and Equality Act 2010 as far as they are applicable. In addition, we assume that the property is not affected by any outstanding Statutory Notice or other Contractual Notice which might restrict the use or affect value.

**Fire Legislation** - As from 1 October 2006 the Regulatory Reform (Fire Safety) Order 2005 came into force in England and Wales. Under this Order, fire certificates are no longer issued and existing certificates have been superseded by Risk Assessments. A Risk Assessment is now to be carried out by a 'Responsible Person' as defined within the Order. The findings of any risk assessment must be recorded in writing where more than five or more persons are employed or the premises are licensed or there is an alterations notice.

Further information on the regulations may be found at [www.fire.org.uk](http://www.fire.org.uk).

**Discrimination** - The Equality Act 2010 makes it unlawful for service providers to treat disabled people less favourably because they are disabled (unless there is a clear and fair reason) in relation to their access to their place of employment or education; their access to goods, services and facilities (although note that where private clubs are concerned, only those with 25 or more members are required to be compliant with the Act) and their access to the functions of public bodies.

Employers, educators and service providers must all make *reasonable* adjustments for disabled people to be able to access and use property they have a right or need to visit; this is not restricted to physical access.

Where a temporary or permanent physical feature makes it impossible, or unreasonably difficult, for disabled customers to make use of a service or place of education or work, the provider has to take reasonable measures to remove the feature; alter it so that it no longer has that effect; provide a reasonable means of avoiding the feature; or, provide a reasonable alternative method of making the service available to disabled people.

The test of reasonableness is about what is practical in the service provider's individual situation; what resources they might have (and the amount of any resources already spent on making adjustments); whether taking any particular measures would be effective in overcoming a particular difficulty; the extent to which it is practicable for the service provider to take the measures; the extent of any disruption which taking the measures would cause.

**18. Asbestos and Composite Panel Cladding**

**Asbestos** - This material was regularly used from 1960s to 1980s. The cost of maintenance, alteration and repair of any building where asbestos is present can be significantly increased because of the need

to take appropriate precautions under The Control of Asbestos Regulations 2012. This in turn may impact value.

The duty to manage asbestos is contained in regulation 4 of the Control of Asbestos Regulations 2012. It requires the person who has the duty (ie the 'dutyholder') to:

- take reasonable steps to find out if there are materials containing asbestos in non-domestic premises, and if so, its amount, where it is and what condition it is in
- presume materials contain asbestos unless there is strong evidence that they do not
- make, and keep up-to-date, a record of the location and condition of the asbestos-containing materials - or materials which are presumed to contain asbestos
- assess the risk of anyone being exposed to fibres from the materials identified
- prepare a plan that sets out in detail how the risks from these materials will be managed
- take the necessary steps to put the plan into action
- periodically review and monitor the plan and the arrangements to act on it so that the plan remains relevant and up-to-date
- provide information on the location and condition of the materials to anyone who is liable to work on or disturb them

There is also a requirement on others to co-operate as far as is necessary to allow the dutyholder to comply with the above requirements

**Composite Panel Cladding** - If the property has composite panel cladding, this may have implications for insurance and valuation purposes and our understanding of the position is set out below.

Building insurers are currently taking a pessimistic view of the use of composite cladding panels in construction. This is due to the nature of some of the composite panels, particularly those involving polystyrene which are highly combustible and can become unstable in the event of a fire. Additionally, fire may spread through these panels extremely quickly. This has led to fire fighters becoming reluctant to tackle buildings made of any composite panels other than from the outside unless there is a danger to life - this can result in total loss to the insurer.

Many insurance companies are now requesting confirmation from the building owner/insured as to whether composite panels have been used and if so what make they are and whether they are approved for use by the Loss Prevention Council (LPC), it being virtually impossible to tell from external inspection only. This may lead to the insurer charging considerably higher premiums for buildings with composite panels used in their construction or requiring replacement of the panels.

Unless stated otherwise, we have assumed for the purposes of our valuation report that the panels are 'Loss Prevention Council' compliant. If this is subsequently found not to be the case then this may affect the valuation figures reported herein.

#### 19. Contaminative Invasive Species

The three main non-native invasive plant species in the UK are Japanese Knotweed (*Fallopia japonica*), Himalayan (Indian) Balsam or purple sticky (*Impatiens glandulifera*) and New Zealand Pygmyweed (*Crassula Helmsii*). Other notifiable plants and weeds include giant hogweed, ragwort and azolla.

Japanese knotweed in particular is a rampant non-native invasive species which can cause physical damage to buildings and hard surfaces. Under s.14(2) of the Countryside and Wildlife Act 1981 it is an offence to cause this plant to grow in the wild and failure to dispose of any material containing Japanese knotweed may also result in prosecution under this Act and under ss.33 and 34 of the Environmental Protection Act 1990.

#### 20. Flooding

**Flood Risk** - the Environment Agency website uses indicative Flood Plain maps to provide a general overview of areas of land in natural flood plains and therefore potentially at risk of flooding from rivers or sea. The maps use the best information currently available, based on historical flood records



and geographical models and indicate where flooding from rivers, streams, water courses or the sea is possible.

The information relating to the likelihood of flooding is the Environment Agency's assessment of the likelihood of flooding from rivers and the sea at any particular location, based on the presence and effect of all flood defences, predicted floor levels, and ground levels. The probability or likelihood of flooding is described as the chance that a location will flood in any one year.

Further information regarding flood maps and their accuracy can be obtained from [www.environment-agency.gov.uk](http://www.environment-agency.gov.uk).

**Drainage** – surface water run off flooding, known as 'pluvial' flooding, at times of prolonged, exceptionally heavy downpours of rain, is becoming increasingly frequent given surrounding drains and sewers are not always able to cope. It can be made worse in urban areas where the ground consists mostly of hard surfaces, such that the rain flows straight off rather than soaking away. Rising groundwater levels resulting from heavier rainfall and reduces abstractions can also present problems.

Detailed Flood Risk Surveys do not currently form one of the mandatory searches undertaken by solicitors at the time of property purchase.

Further information can be found within the RICS publication "A Clear Guide to Flooding for Property Owners."

**21. Energy Performance Certificates (EPCs) and Display Energy Certificates (DECs)**

EPCs and DECs contain information about the energy performance of a building. Our valuations assume that EPCs/DECs would be provided on sale or letting, unless not required by current legislation.

From 1 April 2018 it became unlawful to let a property for more than six months or less than 99 years, if the property has an F or G-rating (with some exceptions and exemptions).

**22. Contaminated Land**

We have not been instructed to make any investigations in relation to the presence or potential presence of contamination in land or buildings. We have assumed that if investigations were made to an appropriate extent, then nothing would be discovered sufficient to affect value. We have not carried out any investigation into past uses, either of the property or any adjacent land, to establish whether there is any potential for contamination from such uses or sites and have therefore assumed that none exist.

In practice, purchasers in the property market do not make such an assumption about contamination and a purchaser of this property would be likely to require appropriate investigations to be made to assess any risk before completing a transaction. Should it be established that contamination exists, this might reduce the value now reported.

**23. Aggregated or Total Valuation**

The value of each property is used to arrive at the total value. It is envisaged that the properties would be marketed singly or in groups over an appropriate period. If all the properties were to be sold as a single lot the realisation would not necessarily reach the total of our valuation.

**24. Reproduction and Use**

Our report is for the use only of the party to whom it is addressed and should only be used within the context of the instructions under which it is prepared. It may be disclosed to other Professional Advisers assisting in respect of that purpose. No responsibility is accepted to any third party for the whole or any part of its contents. No responsibility is accepted for any use by any party of the whole or any part of the report for a purpose not disclosed to us prior to the report being made available to the client.

Neither the whole nor any part of our valuation or report or any reference thereto may be included in any published document, circular or statement or published in any way without written approval of Saxton Mee Commercial Ltd of the form and context in which it may appear.

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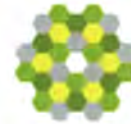
## APPENDIX II

### Land Registry Title Plans



# HM Land Registry Current title plan

Title number **SYK534132**  
Ordnance Survey map reference **SK6698NE**  
Scale **1:1250 enlarged from 1:2500**  
Administrative area **South Yorkshire :**  
**Doncaster**



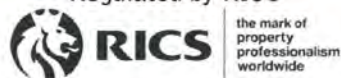
This is a print of the view of the title plan obtained from HM Land Registry showing the state of the title plan on 08 August 2019 at 10:47:16. This title plan shows the general position, not the exact line, of the boundaries. It may be subject to distortions in scale. Measurements scaled from this plan may not match measurements between the same points on the ground.

This title is dealt with by HM Land Registry, Nottingham Office.

- RICS Registered Valuers
- Commercial sales and lettings
  - Acquisitions
  - Investments
- Development advice
- Landlord and tenant specialists
  - Property managers
  - Building surveyors
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Regulated by RICS



SMC Chartered Surveyors

54 Campo Lane  
Sheffield  
S1 2EG

Telephone: 0114 281 2183

Fax: 0114 276 2979

Email: [info@smcommercial.co.uk](mailto:info@smcommercial.co.uk)

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