

REPORT AND VALUATIONS

PROPERTY:

Linelands, All Saints Lane, Nettleham LN2 2NT

PREPARED FOR:

**Lincolnshire County Council
County Offices
Newland
Lincoln
LN1 1YL**

DATE OF VALUATION:

12 December 2019

PREPARED BY:

Harriet Hatcher BSc (Hons) MRICS



EXECUTIVE SUMMARY

ADDRESS	Linelands, All Saints Lane, Nettleham LN2 2NT	
LOCATION	Situated in the centre of the popular village of Nettleham, approximately 4 miles north east of Lincoln	
DESCRIPTION	A former care home set in a large plot	
SITE AREA	0.40 hectares (0.98 acres)	
TENURE	Freehold	
VALUATION	Market Value:	£500,000 (Five Hundred Thousand pounds)
SWOT ANALYSIS	Strengths:	Popular village location Lack of similar stock on market
	Weaknesses:	Presence of asbestos
	Opportunities:	Re-development
	Threats:	Change in economy
KEY PROPERTY RISKS	Location:	Secondary
	Situation:	Stable
	Flood risk:	Low
	Capital growth prospects:	Stable
	Sales liquidity of the asset:	Medium
	Asset management potential:	Medium
	Demand:	Good
POTENTIAL ISSUES	Lack of Planning Consent	

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20 December 2019

HHA/YL/9910 (V1)

S Schjerve Esq
Lincolnshire County Council
County Offices
Newland
Lincoln
LN1 1YL

Dear Sam

Property: Linelands, All Saints Lane, Nettleham LN2 2NT

1.0 Instructions

In accordance with your instructions dated 10 December 2019, we have now inspected the above property and have made all of the relevant enquiries in order to provide you with our opinion of the current Market Value of the Freehold interest of Linelands, All Saints Lane, Nettleham LN2 2NT.

We understand that the valuation is required for Internal Purposes. Our Report and Valuation has been prepared in accordance with your instructions, our own standard Conditions of Engagement, copies of which are incorporated within Appendix 1 of this report, together with the requirements of the RICS Valuation Global Standards 2017 (which incorporate the International Valuation Standards 2017) and the UK National Supplement.

The property was inspected externally by Harriet Hatcher BSc (Hons) MRICS who is also an RICS Registered Valuer, we were advised not to enter the building and therefore we have not carried out an internal inspection. The inspection took place on the 12 December 2019. The weather at the time of the inspection was intermittently raining.

The Valuer has knowledge of the particular market for this property and the skills and understanding to undertake the valuation competently. Banks Long & Co act as external Valuers whilst we have previously provided marketing advice in January 2019, we do not consider there to be any conflict of interest or potential conflict of interest that may arise as a result of us undertaking this valuation on your behalf. Appropriate Professional Indemnity Insurance is available in respect of the service provided.

In arriving at our valuation we may have taken reliance on information provided by a third party. Where this is the case, it will be brought to the reader's attention. Whilst we will use reasonable endeavours to validate this information no warranties can be given as to its accuracy.

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Regulated by RICS

The valuation is prepared in pounds sterling (GBP).

The date of the valuation is 12 December 2019.

2.0 Basis of Value

Market Value as defined in VPS4 of the RICS Valuation Global Standards being:

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

3.0 Subject of the Valuation

Linelands, All Saints Lane, Nettleham LN2 2NT.

4.0 Type and Classification

Freehold – Former residential care home

5.0 Location

The site is situated in the centre of the large and popular village of Nettleham, which lies about 4 miles north east of Lincoln City Centre.

The village offers a good range of local amenities including three pubs, a Lincolnshire Co-operative Convenience Store, pharmacy and post office, together with a well regarded junior school and medical centre, all located within relatively close proximity of the subject property. The village is bordered to the west by the A46, which in turn provides easy access to Lincoln Bypass and the City Centre.

The village has a resident population of 3,437 (2011 Census) and is the home of the Lincolnshire Police Headquarters, which is located on a site on Deepdale Lane.

The subject site is bordered to the west by Nettleham Infant School and to the east by Church View Care Home, the remainder of the surrounding area is predominately residential in nature.

Plans showing the location of the property in both a regional and local context are included in Appendix 2.

6.0 Description

The subject site comprises a relatively level parcel of land, extending to 0.4 hectares. At present is an irregularly shaped former care home of brick construction under a pitched tiled roof to each of the four wings, and a flat roof over the central area. At the time of our inspection, steel shutters had been fitted for security purposes.

We understand the property is in a poor state of repair internally, having been vandalised over recent years.

Externally is a tarmaced surfaced car park to the rear, with the remainder of the site being mainly laid to lawn, with mature trees to the boundaries.

Photographs of the subject property are shown to the rear of this report at Appendix 3.

7.0 Accommodation

The approximate dimensions and area of the site, which have been scaled from the Ordnance Survey Plan, detail the site occupying an area of 0.40 hectares (0.98 acres).

8.0 Tenure

We understand the property is held Freehold.

We have not inspected any documents of Title and for the purposes of this valuation we have assumed that the subject interest is unencumbered and free from any unduly onerous or unusual easements, restrictions, outgoings, covenants or Rights of Way. We have also assumed that it is not affected by any Local Authority proposals. We recommend that solicitors be instructed to verify the position.

We confirm that we have not had sight of the Report on Title, however upon receipt of a copy, we would be pleased to separately confirm whether the content of this has an impact on the advice provided in this appraisal.

9.0 Services

We have assumed that all mains services are available to the property although we have not made enquiries with respective service supply companies.

It should be noted that none of the services or appliances have been tested and no warranty can be given as to their condition or use.

10.0 Rating

The property is not currently assessed for rating purposes.

11.0 Planning and Statutory Enquiries

We have made enquiries of the Planning Department at West Lindsey District Council and understand that the property has a valid planning consent for its current use. There are currently no outstanding applications or consents made with respect to the subject property.

We have assumed for the purposes of our Report and Valuation that the use of the property falls within Use Class C2 (Residential Institutions) of the Town and Country Planning (Use Classes) Order 1987. In our opinion the most appropriate use of the site will be for private residential C3 or some form of care or residential house facility with the current user clause. We further understand that the property is not Listed and is not situated within a Conservation Area.

We have made enquiries of the Highways Department at Lincolnshire County Council and it has been confirmed that All Saints Lane is an adopted highway maintainable at public expense.

The Regulatory Reform (Fire Safety) Order 2005 came into effect on 1 October 2006. This requires the responsible persons for all non-domestic properties to prepare a Fire Risk Assessment (FRA). During our inspection we were not provided with an FRA and we are unable to confirm whether the use of the property complies with the requirements. It is the responsibility of the tenants to provide their own FRA.

In England and Wales the Government has implemented the Energy Performance of Buildings Directive requiring Energy Performance Certificates (EPC) to be made available for all properties (with limited exceptions), residential and commercial when bought, sold or rented. The Certificate is valid for ten years and includes an Energy Efficiency Rating between A (Most Efficient) and G.

We have undertaken a search using the web-based register of EPC documents provided by Landmark. This confirms that an EPC has been issued. The Certificate Reference number is 9432-3026-8026-0300-5401. The certificate is shown to the rear of this report detailing a rating of C62 with an expiry date of 06 June 2022.

The existing EPC certificate that has been provided indicates that the subject property will fall within the acceptable energy performance range for the purposes of the Act. Although the legislation is not expected to be reviewed again until 2020, the method of assessment may have changed since the EPC certificate was issued. It is therefore advisable to obtain an expert's opinion on whether the building would still comply with the minimum standard if the building were re-certified under the current methodology.

The Energy Act 2011 applies to both residential and commercial property and stipulates that properties with an energy efficiency rating falling in bands F and G of the Energy Performance Certificate (EPC) are no longer permitted to be let, as of April 2018, without improvement works being undertaken. There may be an adverse impact on the value of these properties that do not meet the minimum standards, together with their marketability.

The Equality Act came into force on 1 October 2010. The Act consolidates and brings together previous equality laws including the law on disability discrimination. Operators are under a duty to make reasonable adjustments to the provision of their services to accommodate people with disabilities. The duty is anticipatory – so adjustments must be made before a claim for disability discrimination is brought. What will constitute a reasonable adjustment very much depends on the size and nature of the service.

12.0 Environmental Considerations

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 to be made, then nothing would be discovered sufficient to affect value.

Our brief enquiries have provided no evidence that there is a significant risk of contamination affecting the property or neighbouring property which would affect our valuation. We would stress, however, that we have not carried out, nor are we qualified to carry out an environmental audit. Our comments therefore, should be used as a guide only and should not be relied upon. If you require confirmation of the position then we strongly recommend that an initial environmental audit is carried out. Our inspections were only of a limited visual nature and we cannot give any assurances that previous uses on-site or in the surrounding areas have not contaminated sub-soils or ground waters. In the event of contamination being discovered, then further specialist advice should be obtained.

We have been provided with a copy of the asbestos report provided by Rilmac Asbestos Services dated 05 November 2019. We understand that asbestos is present throughout the fabric of the building and the quote provided necessitates £120,000 is spent on the removal of this.

We have detected no evidence to suggest that further deleterious or hazardous materials or techniques have been used in the construction or subsequent modification of the building.

At the time of the inspection we did not identify any invasive plant or shrub species. Should it be established that they are apparent on the subject property, or any neighbouring land or boundaries, we would reserve the right to re-inspect or revise the report as this may adversely affect the valuation.

We have made enquiries of the Environment Agency website, which identifies the property at postcode LN2 2NT as being in an area that has a very low chance of flooding from rivers and seas. The chance of flooding in this location is detailed as less than 0.1%. Enquiries into the risk of surface water flooding reveal that the area has a low chance of flooding. The chance of flooding from surface water each year is detailed as between 0.1% and 1%.

The Public Health England (PHE) website has identified that the property is situated in an area where between 5% and 10% of properties are at or above the radon gas action level. Further advice should be taken to establish whether action is required on this property.

We have also referred to the Public Health England website for further information on Environmental matters. From our informal enquiries, there is no indication that the site or its immediate locality:

- is on or near landfills
- is located within a mining area
- is in an area that has been identified as having a risk of subsidence or landslip
- is subject to water or land pollution
- has been used for the manufacture, storage or sale of hazardous/toxic materials such as chemicals, petroleum products, pesticides, fertilisers, acids, asbestos, explosives, paint or radioactive materials
- is close to incinerators or chimneys giving off heavy emissions

13.0 General Condition & State of Repair

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

We cannot express an opinion about, or advise upon the condition of uninspected parts and this report should not be taken as making any implied representation or statement about such parts. Further, we have not tested any of the drains or other services, and for the purpose of this valuation we have assumed that they are all functioning adequately and no allowances have been made for replacement or repair. The property has been valued with due regard to its existing state of repair and condition, including reference to its age, nature of construction and functional obsolescence. We have formed a general opinion of the state of repair of the property insofar as it is likely to affect our valuation.

We consider the building to be suitable for demolition due to the poor state of repair, presence of asbestos and location of the site within the village.

14.0 General Market

The subject property comprises a former care home as a site of 0.98 acres, situated in the popular village of Nettleham.

The latest UK Property Market Survey conducted by the RICS showed a fairly subdued trend across the occupier market, with the uncertainties created by the ongoing Brexit negotiations, weighing heavily on occupier decisions. However, structural challenges continue to pose the most significant near-term threat particularly for retailers, while on the flip side conditions within the industrial sector continue to benefit from the shift towards online shopping. At a headline level, occupier demand fell slightly for the fifth consecutive quarter, driven by the fall in demand for retail space, although this fails to reflect the disparities between the three traditional sectors of the UK market, as demand for industrial space continued to grow, thereby extending a run of interrupted growth going back to 2012. At the same time demand for office space has remained static.

Consequently, the availability of space grew within the retail sector, prompting Landlords to increase incentive packages, whilst availability and the size of incentive packages remained stable within the office sector and fell within the industrial sector, driven by a continuing lack of supply and strong demand.

At an all sector level, it is anticipated that rental levels will remain unchanged in the short term but industrial rents are expected to post solid growth over the medium to longer term, with the expectation for prime office rental levels be moderately positive and broadly flat for secondary space. Expectations for rental levels for both prime and secondary retail space in the short to medium term remains firmly negative.

At a regional level, the picture mirrors the projections for the wider national market, with retail rents across all regions expected to fall, office rents remain stable and industrial rents grow across all areas, although in some areas the level of projected growth has been trimmed back slightly from levels expected early last year.

Within the investment market, demand fell firmly in line with the strengths of the different sectors within the occupier market, with demand therefore strongest for industrial properties, with the level of demand growing slightly from the previous quarter and demand lowest within the retail sector, although demand within this sector was slightly up from levels seen in the previous quarter. Overseas investment demand remains largely unchanged with a small growth within the demand for industrial investment products. Alongside this, the supply of property investments for sale fell within all but the retail sector, where supply continued to rise for the fifth consecutive quarter.

On the back of this, capital value expectations in the short to medium term remain negative within the retail sector nationwide, with a fall in the capital value of both primary and secondary stock widely anticipated. Relative to recent expectations, office capital value growth in the medium term has been paired back slightly within the prime sector, so limited growth is now expected, whilst expectations within the secondary market have fallen slightly into negative territory. Finally given the supportive supply and demand dynamics, prime and secondary capital values within the industrial sector are expected to again see solid growth over the year ahead.

At a regional level, the picture for capital values mirror the expectations for rental values, with industrial values expected to grow in all parts of the UK, retail values fall across the whole country and office values remain broadly flat. The outlook for secondary industrial values appear strongest in the South and Midland regions.

On a wider macro-economic level, economists are suggesting that if a deal can be agreed with the EU to resolve the Brexit crisis, removing the uncertainty hanging over the economy, there remains scope for activity to pick up later this year. We would expect that if this can be maintained then it should have a positive benefit on the property market across all sectors, to varying degrees, as occupiers will feel more confident in investing in their businesses.

We would expect that there would be a good level of demand for the property due to the popular village location and lack of similar stock on the market and we are aware there are parties who have expressed an interest in the site for residential development.

In respect of capital values, we would expect that there will be a marketing period in the order of 9-12 months to achieve a sale.

15.0 Comparable Evidence

In formulating our opinion as to Market Value, we have had regard to lettings and sales of comparable properties in and around the surrounding area making allowances for age, size, specification and location. In particular, we perceive that the following evidence is the most pertinent.

Price/Yield Evidence						
Address	Description	Effective Date	Size (acres)	Price	Comments	Analysis
Land adjacent Fir Tree Lodge, North Scarle	Residential development site	January 2019	1.76	£615,000	Planning consent for 7 dwellings. Less popular village than subject	£350,000 per acre
Dunholme Road, Scothern	Residential development site	October 2017	4.09	£1,250,000	Consent for 32 dwellings including 8 affordable units.	£305,000 per acre
Site on Longleys Road, Lincoln	Residential care home development site	2018	1.23	£750,000	Site sold without planning consent	£609,756 per acre

16.0 Valuation Consideration and Analysis

The property is a former care home situated on a good sized plot of 0.98 acres, situated in the centre of Nettleham close to amenities. In our opinion, due to its location, the site would appeal to care home operators and residential developers alike.

Whilst the site does not have planning for redevelopment, we consider the previous use and surrounding land uses, mean that securing planning consent for an attractive scheme should be relatively straight forward. With this in mind we consider the land to be reasonably valued at a figure of £500,000. This is at the upper end of the comparables above but allows for an element of quantum, the popular village location but also takes the lack of planning permission into account.

17.0 Valuation

Market Value

We are of the opinion that the Market Value of the Freehold interest of the site as at the 12 December 2019, with vacant possession, as described above for Internal Purposes, is:

£500,000
(Five Hundred Thousand pounds)

We consider 9-12 months is a realistic period required to achieve this value, although anticipate that changes in market conditions may adversely affect the property performance and rental and capital values.

Taking into account the evidence set out, for valuation purposes we have adopted the market approach using the comparable method. We do not foresee any substantial increase in the value of the property other than as a result of any general improvement in market conditions. We do not consider that there is likely to be any significant decrease in the valuation figure stipulated provided that current market conditions prevail and the property continues to be maintained to at least an equivalent standard to that witnessed at the time of our inspection.

We do not consider that there are any environmental or contamination issues at the property or on adjoining land which would materially affect our valuation figures.

We do not consider that there is any Hope, Marriage or Special Purchaser Value attached to the property now, or likely to arise in the future.

We can confirm that our Firm carries current Professional Indemnity Insurance of £5,000,000 for any one claim plus legal fees. There is an excess of £10,000 for each and every claim.

19.0 Confidentiality

In accordance with the recommendations of the RICS, we would state that this report is provided solely for the purposes stated above. It is confidential to and for the use only of the party to whom it is addressed and no responsibility whatsoever is accepted to any third party for the whole of any part of its contents. Any such parties rely upon this report at their own risk. Neither the whole nor any part of this report or any reference to it may be included now, or at any time in the future, in any published document, circular or statement, nor published, referred to or used in any way without our written approval of the form and context in which it may appear.

HBHatch

.....
Harriet Hatcher BSc (Hons) MRICS
RICS Number: 1249443

Countersigned

[Signature]

.....
James R Butcher BSc (Hons) MRICS
RICS Number: 0844159

For and on behalf of Banks Long & Co

Date 20 DECEMBER 2019

APPENDIX 1

Standard Conditions of Engagement

CONDITIONS OF ENGAGEMENT Appraisal and/or Valuation Instructions

In accordance with formal procedures set out by the RICS Valuation Global Standards 2017 - including the International Valuation Standards ("The Red Book"), we confirm our Conditions of Engagement for the work undertaken on behalf of clients in connection with the preparation of formal Reports and Appraisals/Valuations for all types of commercial and residential property.

Purpose of Valuation or Appraisal	Each Report we provide to our clients will confirm the purpose of the Valuation or Appraisal. If there are special circumstances which require this to be confidential, then we will make appropriate assumptions which will be specified in our Report in order that clients can clearly see the way in which we have approached the Valuation or Appraisal.
Nature of Property Interest	Our Report will clearly confirm the interest in the property which is the subject of the Valuation or Appraisal, for example: freehold with vacant possession; freehold subject to a specified Lease; or a leasehold interest. With regard to any leasehold interest we will clearly confirm our summary of the principal terms and any assumptions which have been made where there is no formal Lease documentation available for our inspection.
Scope and Nature of Valuation	Our Report will clearly state whether or not we have valued or appraised a property on a "bricks and mortar" only basis or whether we have included fixtures, fittings, plant and/or machinery in our Valuation or Appraisal figures, being that present within the property at the date of our inspection. Unless otherwise stated, our Valuation or Appraisal of a property will normally exclude any element of value attributable to specialist trade fixtures, fittings and equipment and will not include any element of value attributable to any goodwill which may exist in connection with an established Business or Company occupying the property.
Basis of Valuation and Market Value (MV)	<p>We will confirm the basis of our Valuation or Appraisal figures provided and each Report will include (unless otherwise agreed) our opinion of the property's Market Value (MV). This is defined in the RICS Valuation Global Standards 2017 as:</p> <p>"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."</p>
Valuation as an Operational Entity	With regard to certain properties, it may be appropriate to provide an opinion of Value on the basis of a fully equipped operational entity having regard to trading potential. This does not include a Valuation of the goodwill which is specific to a certain owning party and which would not pass with the property on a sale with vacant possession, but will take into account value which is attributable to the property for its ongoing business use inclusive of all trade fixtures, fittings, equipment, furnishings and/or floor coverings present within the property at the date of valuation. In such cases it will be assumed that any Justices/Statutory Licences, Certificates or other approvals which are required for the operation of the business from the property will for the foreseeable future be readily capable of renewal and that the property will for the foreseeable future continue to comply with all required Statutory Consents and Regulations. Any consumable stocks will, however, be excluded from any Valuation on this basis. No equipment or fixtures have been tested in respect of Electrical Equipment Regulations and Gas Safety Regulations and it is assumed that where appropriate all such equipment meets the necessary legislation. Unless otherwise specifically mentioned the valuation excludes any value attributable to plant and machinery.

<p>Depreciated Replacement Cost (DRC)</p>	<p>Certain properties of a specific and specialised nature will by definition be required to be valued on the basis of Depreciated Replacement Cost. This is defined in the RICS Valuation Global Standards 2017 as:</p> <p>"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."</p> <p>DRC should not be confused with net current replacement cost as by definition it has been reduced to reflect the physical characteristics and factors affecting the specific property (such as age, condition, construction and nature of design). It is also specific to the particular building or buildings which comprise the property at the valuation date and should not be construed as an estimate to erect a building or buildings in the future.</p> <p>When providing an opinion of the DRC, we will qualify our valuation figure as being subject to the adequate potential profitability of the business compared with the value of the total assets employed. It will be for the Directors or Owners to decide if the business is sufficiently profitable to be able to carry the property in the balance sheet at the full DRC or whether some lower figure should be adopted. In the case of leasehold land, we will draw our client's attention to the amount of rent payable both in the present and (where foreseeable) future and any unusual or onerous covenants which could affect the Directors' or Owners' judgement on the adequacy of profits.</p> <p>In the case of specialised properties in public ownership or not occupied primarily for profit, where the test of adequate potential profitability is not available, we will confirm our opinion of DRC as being subject to the prospect and viability of the continuance of the occupation and use.</p> <p>As and when required we can confirm separately in further detail the specific assumptions and procedures adopted with regard to the land and buildings elements when confirming our opinion of DRC.</p>
<p>Market Rent (MR)</p>	<p>Where required we are able to provide our opinion of Market Rent (MR) and this is defined in the RICS Valuation Global Standards 2017 as:</p> <p>"The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."</p> <p>MR 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 impact on Market Rent. In certain countries or states, statutory factors may either restrict the terms that may be agreed, or influence the impact of terms in the contract. These need to be taken into account where appropriate.</p>
<p>Reinstatement Valuation</p>	<p>If we have prepared a Reinstatement Valuation we will not have carried out a detailed cost appraisal and the figure should therefore be considered for guidance purposes only.</p>
<p>The Nature of Inspection</p>	<p>Unless otherwise specifically agreed, our inspection of the property will be undertaken externally from ground level only and internally from the main accommodation areas where accessible to us. If our internal or external inspections have been unduly restricted then this will be confirmed in our Report. For example, where a property is situated in a narrow street amongst other abutting or connecting buildings, it may not be possible to visually inspect all the walls and roof slopes as these may not be capable of being seen from the Public Highway or from within the curtilage of the property.</p> <p>Any other restrictions limiting our inspection of the property will be specifically referred to in our Report and where known prior to our inspection will have been agreed with our client.</p> <p>With regard to land considered suitable for development, we will assume that there are no onerous ground conditions and that normal construction methods relative to the proposed development can be used without any material increase in cost as a result of the condition of the land which is the subject of our Report and Valuation/Appraisal. We will not have undertaken any on-site ground condition tests and where appropriately accessible to us we will have only undertaken a visual surface inspection of the land and its immediate surroundings. If information on ground conditions and the resulting additional construction costs is made available to us by our instructing clients, then this will be appropriately referred to and reflected in our Valuation/Appraisal.</p> <p>Where a property is occupied and/or contains fixtures, fittings, trade equipment, stock, furnishings and/or floor coverings, the existence of such items and/or the property's occupation (where applicable) will restrict the nature of our internal inspection and we will confirm in our Report whether or not this has been the case.</p> <p>Unless specifically instructed to do so, we will not have undertaken a full Structural or Dilapidations Survey but will, subject to the limitations of our inspection, reflect the general apparent condition and state of repair of the property at the date of our inspection in our Appraisal or Valuation figures. In this regard, those parts of the property which are hidden, inaccessible or otherwise unexposed cannot be inspected and we would not therefore be able to reflect any defects in these areas in our Appraisal or Valuation figure(s).</p>

	<p>If a Structural or Dilapidations Survey is required then this can be provided by our in-house Chartered Building Surveyor and where required can be reflected in our valuation figure(s).</p>
<p>Tenure, Lettings and Reports on Title and/or Tenancies</p>	<p>Unless otherwise stated, we have not inspected the title deeds, leases and related legal documents and, unless otherwise disclosed to us, we have assumed that there are no onerous or restrictive covenants in the titles or leases which would affect the value.</p> <p>Where we have not been supplied with leases, unless we have been advised to the contract, we have assumed that all the leases are on a full repairing and insuring basis and that all rents are reviewed in an upwards direction only, at the intervals notified to us, to the full market value.</p> <p>We have assumed that no questions of doubt arise as to the interpretation of the provisions within the leases giving effect to the rent reviews.</p> <p>We have disregarded any inter-company lettings and have arrived at our valuations of such accommodation on the basis of vacant possession.</p> <p>If a solicitors' Report on Title and/or Tenancies has been provided to us, our valuation will have regard to the matters therein. In the event that a Report on Title and/or Tenancies is to be prepared, we recommend that a copy is provided to us in order that we may consider whether any of the matters therein have an effect upon our opinion of value.</p>
<p>Environmental Matters and Contamination</p>	<p>In each Report we will confirm our assumptions and/or qualifications with regard to environmental factors. A formal Environmental Assessment will not be provided or implied and this would only be available where separately commissioned. Our Report and Valuation/Appraisal will be provided on the assumption that there are no environmental or contamination issues which materially affect the value of the property as confirmed.</p> <p>Subject to the limitations of our inspection we will, however, draw to our client's attention any issues which give rise for concern and as a result of which it may be prudent to separately commission an environmental audit, land quality statement or similar environmental report prepared by a specialist advisor. Where such is required we reserve the right to vary our valuation figure(s), or where such is already available and forwarded to us we can (where applicable) reflect the contents of such specialist report in our Report and Valuation/Appraisal.</p>
<p>Third Party Enquiries</p>	<p>Where a client has specifically asked us to rely on certain information which limits the scope of our normal enquiries or inspection of the property then our valuation figures will be totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made and such will be specified in our Report.</p>
<p>Date of Inspection and Conflicts of Interest</p>	<p>Our Report will confirm the date of our inspection and the name and qualifications of the person who inspected the property. We will also confirm that such person has the necessary experience and expertise to value a property of this particular nature in the subject location. We will further confirm to the best of our knowledge that neither this firm nor the individual Valuer has any conflict of interest in the matter. All valuations will be prepared by a suitably qualified valuer as defined by Valuation Practice Statement 1 of the RICS Valuation Global Standards 2017.</p>
<p>Date of Valuation</p>	<p>Unless otherwise specifically stated, the assumed date of valuation will be the date of our inspection. Where instructed by our clients we can confirm a specific date of valuation and the assumptions which have been taken into account in this regard.</p>
<p>Currency</p>	<p>Unless otherwise specifically stated, all valuation figures will be confirmed in pounds sterling (GBP).</p>
<p>Taxation</p>	<p>Whilst we have had regard to the general effects of taxation on market value, we have not taken into account any liability for tax which may arise on a disposal, whether actual or notional, and neither have we made any deduction for Capital Gains Tax, Value Added Tax or any other tax.</p>
<p>Descriptions and Area Calculations</p>	<p>Subject to the limitations of our inspection, our Report will confirm an appropriate description of the property, commenting on its age, nature, use, accommodation, construction, general state of repair and condition, amenities and services.</p> <p>Subject to the limitations of our inspection, our Report will confirm a description of the locality in which the property is situated, commenting on the characteristics of the locality, neighbouring uses, availability of highway and other relevant communications, together with any other apparent matters affecting value.</p> <p>Our description of the property will include a summary schedule of the approximate floor areas of the main accommodation and comment on any specific areas of accommodation which are not accessible to us at the date of our inspection. Such schedules of accommodation will confirm the approximate area in square metres and in square feet. Where applicable we will also confirm an approximate calculation of the site area and site coverage of any buildings thereon.</p> <p>All measurements of land and buildings will be undertaken in accordance with the current edition of the RICS Code of Measuring Practice and any departures therefrom will be drawn to the attention of our client. With regard to site areas, we will confirm whether or not these have been calculated from on-site measurements or scaled from the Ordnance Survey or such other plans as are available to us.</p>

Local Authorities, Statutory Undertakers and Legal Searches	<p>We have not made any formal searches or enquiries in respect of the property and are therefore unable to accept any responsibility in this connection. We have, however, made informal enquiries of the local planning authority in whose areas the property is situated as to whether or not they are affected by planning proposals. We have not received a written reply and, accordingly, have had to rely upon information obtained verbally.</p> <p>We have assumed that all consents, licences and permissions including, inter alia, fire certificates, enabling the property to be put to the uses ascertained at the date of our inspection have been obtained and that there are no outstanding works or conditions required by lessors or statutory, local or other competent authorities.</p>
Utility Services	<p>We will confirm, subject to the limitations of our inspection, which mains utility services are connected to the property or, where appropriate, those which in our opinion are available for connection. However, unless specifically instructed, we cannot confirm the ongoing suitability of any existing or anticipated services or connections and will have assumed they are connected and/or available for the purposes of our valuation figures. Unless separately commissioned, no specific tests will be undertaken of the service installations within the property but, subject to the limitations of our visual surface only inspection, we will endeavour to draw to the attention of our clients any issues which give rise for concern to the extent that a specialist report should be obtained.</p>
Rating	<p>We will make verbal enquiries of the Billing Authority to ascertain the Rateable Value of the property (or with regard to residential property the Band for Council Tax purposes). We will not comment on the appropriateness of the Rateable Value confirmed to us unless we are specifically instructed to do so and in which circumstances we will be able to provide specialist Rating Advice from our in-house Rating Surveyors.</p>
Mortgages	<p>We have disregarded the existence of any mortgages, debentures or other charges to which the property may be subject.</p>
Arrears	<p>We have assumed that all rents and other payments payable by virtue of the leases have been paid to date. If there are rent or other arrears, we recommend that we should be informed in order that we may consider whether our valuation should be revised.</p>
Defective Premises Act, Health & Safety at Work Act and Disability at Work Act	<p>Our valuations do not take account of any rights, obligations or liabilities, whether prospective of accrued, under the Defective Premises Act, 1972. Unless advised to the contrary, we have assumed that the properties comply with, and will continue to comply with, the current Health & Safety and Disability legislation.</p>
Insurance	<p>In arriving at our valuation we have assumed that the building is capable of being insured by reputable insurers at reasonable market rates. If, for any reason, insurance would be difficult to obtain or would be subject to an abnormally high premium, it may have an effect on value.</p>
Duty of Care	<p>Unless specifically agreed, our Report and Valuation/Appraisal will be prepared for the sole reliance of the instructing party for the purpose(s) confirmed and should not be relied upon by any other party, or by the instructing party for any other purpose, without our prior written consent.</p>
Publication and Circulation	<p>With the exception of valuations prepared for commercial or residential mortgage/ loan purposes neither the whole nor part of our Report, nor published references thereto, including references in company accounts and/or directors' reports, chairmen's or other statements or reviews or any company statement or circular, should be published without our prior written consent.</p> <p>Valuations prepared for Accounting and/or Balance Sheet purposes will be specifically stated as being prepared for such purpose and will therefore be deemed to have our consent for such publication and use.</p>
Fees	<p>Unless a client has established fee arrangements the fee will be agreed in advance for each commission.</p> <p>Our Scale of Charges leaflet is available on request.</p> <p>Fees for professional services are payable within twenty-eight days of issue of our fee account.</p>

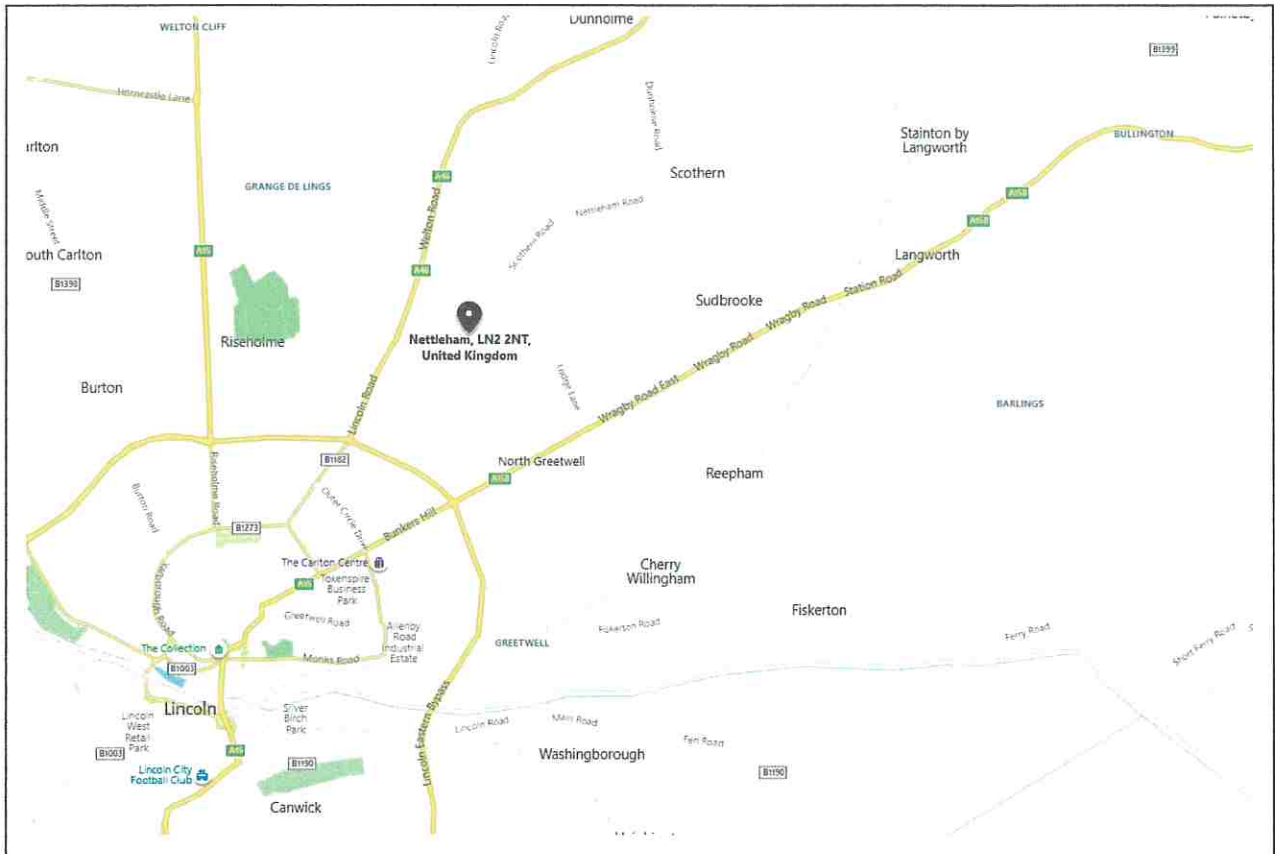
We would be pleased to provide clarification of any of our conditions of engagement and enquiries should be addressed to the Directors or senior staff.

APPENDIX 2

Location Plan Ordnance Survey Extract

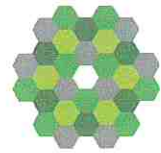


LOCATION PLAN

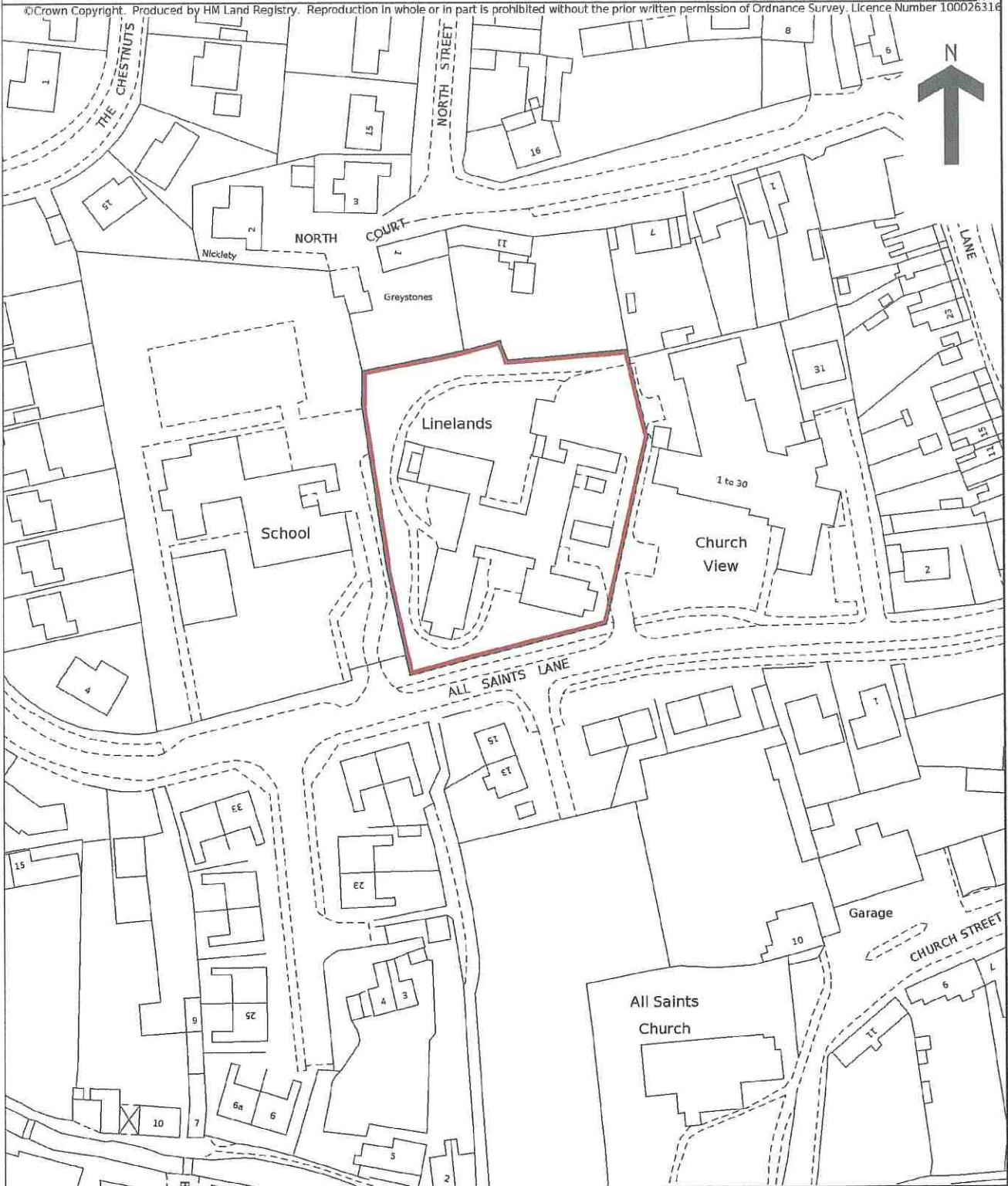


HM Land Registry Current title plan

Title number **LL249084**
Ordnance Survey map reference **TF0075SE**
Scale **1:1250**
Administrative area **Lincolnshire : West
Lindsey**



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This is a print of the view of the title plan obtained from HM Land Registry showing the state of the title plan on 20 December 2019 at 14:27:45. 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, Kingston upon Hull Office.

APPENDIX 3

Photographs

1	
2	
3	
4	

5	 A close-up photograph of a building's exterior. The facade is dark and appears to be made of a textured material, possibly metal or stone. The lighting is somewhat dim, and there are some bare tree branches visible in the upper left corner.
6	 A photograph showing a building partially hidden behind a dense thicket of green bushes and trees. The building has a light-colored facade and several windows. The scene is overcast.
7	 A photograph of a long, low-profile building with a light-colored facade. A brick structure is visible on the right side. The building is partially obscured by green bushes in the foreground. The sky is overcast.
8	 A photograph of a building with a light-colored facade and a dark roof. A paved area, possibly a driveway or walkway, is in the foreground. There are trees and bushes around the building. The sky is overcast.

APPENDIX 4

Energy Performance Certificate

Energy Performance Certificate

Non-Domestic Building



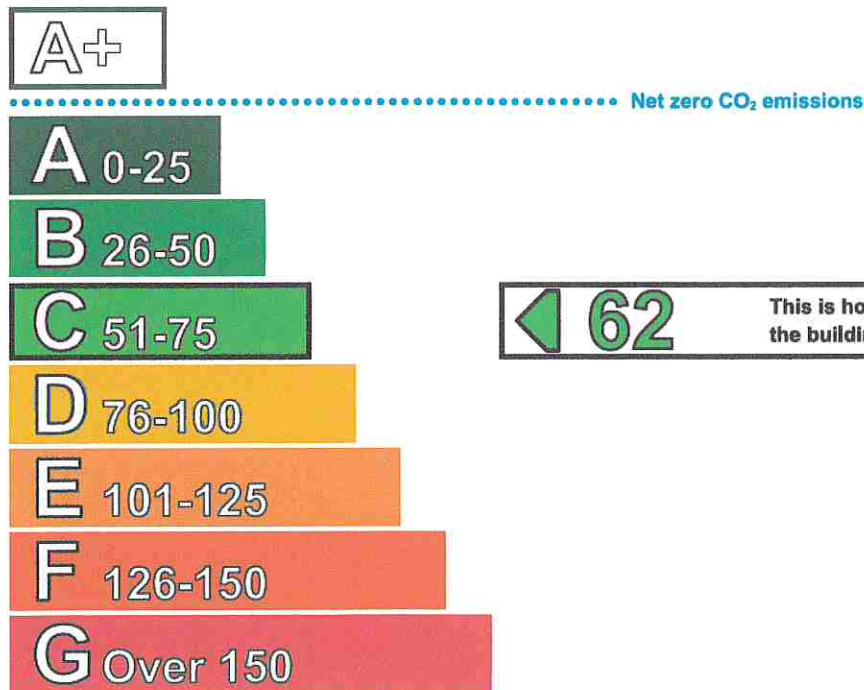
Linelands
All Saints Lane
Nettleham
LINCOLN
LN2 2NT

Certificate Reference Number:
9432-3026-0826-0300-5401

This certificate shows the energy rating of this building. It indicates the energy efficiency of the building fabric and the heating, ventilation, cooling and lighting systems. The rating is compared to two benchmarks for this type of building: one appropriate for new buildings and one appropriate for existing buildings. There is more advice on how to interpret this information in the guidance document *Energy Performance Certificates for the construction, sale and let of non-dwellings* available on the Government's website at www.gov.uk/government/collections/energy-performance-certificates.

Energy Performance Asset Rating

More energy efficient



Less energy efficient

Technical Information

Main heating fuel:	Natural Gas
Building environment:	Heating and Natural Ventilation
Total useful floor area (m ²):	1382
Assessment Level:	4
Building emission rate (kgCO ₂ /m ² per year):	109.25
Primary energy use (kWh/m ² per year):	Not available

Benchmarks

Buildings similar to this one could have ratings as follows:

28	If newly built
76	If typical of the existing stock

Administrative Information

This is an Energy Performance Certificate as defined in the Energy Performance of Buildings Regulations 2012 as amended.

Assessment Software:	ISBEM v4.1.d using calculation engine SBEM v4.1.d.0
Property Reference:	426843230000
Assessor Name:	Mr Kristen Jones
Assessor Number:	EES/008857
Accreditation Scheme:	Elmhurst Energy Systems
Employer/Trading Name:	Lincoln Energy Surveys
Employer/Trading Address:	62 St. Augustine Road, Lincoln, LN2 4FH
Issue Date:	07 Jun 2012
Valid Until:	06 Jun 2022 (unless superseded by a later certificate)
Related Party Disclosure:	Not related to the owner.

Recommendations for improving the energy performance of the building are contained in the associated Recommendation Report - 0540-0342-3869-2206-4002.

About this document and the data in it

This document has been produced following an energy assessment undertaken by a qualified Energy Assessor, accredited by Elmhurst Energy Systems. You can obtain contact details of the Accreditation Scheme at www.elmhurstenergy.co.uk.

A copy of this certificate has been lodged on a national register as a requirement under the Energy Performance of Buildings Regulations 2012 as amended. It will be made available via the online search function at www.ndepcregister.com. The certificate (including the building address) and other data about the building collected during the energy assessment but not shown on the certificate, for instance heating system data, will be made publicly available at www.opendatacommunities.org.

This certificate and other data about the building may be shared with other bodies (including government departments and enforcement agencies) for research, statistical and enforcement purposes. Any personal data it contains will be processed in accordance with the General Data Protection Regulation and all applicable laws and regulations relating to the processing of personal data and privacy. For further information about this and how data about the property are used, please visit www.ndepcregister.com. To opt out of having information about your building made publicly available, please visit www.ndepcregister.com/optout.

There is more information in the guidance document *Energy Performance Certificates for the construction, sale and let of non-dwellings* available on the Government website at: www.gov.uk/government/collections/energy-performance-certificates. It explains the content and use of this document, advises on how to identify the authenticity of a certificate and how to make a complaint.

Opportunity to benefit from a Green Deal on this property

The Green Deal can help you cut your energy bills by making energy efficiency improvements at no upfront costs. Use the Green Deal to find trusted advisors who will come to your property, recommend measures that are right for you and help you access a range of accredited installers. Responsibility for repayments stays with the property – whoever pays the energy bills benefits so they are responsible for the payments.

To find out how you could use Green Deal finance to improve your property please call 0300 123 1234.

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