

DAVID GREGSON LIMITED

VALUATION REPORT

39 Windsor Road
Neath
SA11 1NB

David Gregson Limited
50, Walter Road
Swansea. SA1 5PW

Telephone 01792 474042
Fax 01792 465600

1.0 Introduction

- 1.1 My name is David Hugh Gregson. I am a Chartered Surveyor and a Member of the Royal Institution of Chartered Surveyors. I am a Director of David Gregson Limited based at 50, Walter Road, Swansea SA1 5PW. I am a Member of the Academy of Experts. My CV is enclosed as Appendix 1.
- 1.2 I confirm that I am generally experienced in valuation and survey work and that I have particular knowledge of the matters in which I am presently instructed.
- 1.3 I am acting on the instructions of Christina Rees M.P. c/o 39 Windsor Road, Neath SA11 1NB. I am asked to prepare a valuation of the current Market Rental Value of the same premises, 39 Windsor Road.
- 1.4 I inspected the property on 22nd October 2015..
- 1.5 I confirm that the property is generally familiar to me and I have previously valued this property on behalf of the Constituency Party.
- 1.6 This report is based on a brief visual inspection of the property and no special investigations, tests or surveys have been undertaken.
- 1.7 This report is prepared in accordance with the RICS Appraisal and Valuation Manual 2014.
- 1.8 I confirm that I am not aware of any conflict of interest that would prevent me from preparing this report.

2.0 Description

- 2.1 The subject property comprises an end of terrace commercial unit. It is situated in a secondary location alongside Windsor Road and within a short walk of the pedestrianised area of Neath Town Centre.
- 2.2 The building is of conventional masonry construction and dates from around 1900.
- 2.3 The accommodation is divided into a ground floor office premises and a first floor flat, 39a Windsor Road, which is separately let. The flat does not form any part of my valuation.
- 2.4
- 2.5 The property has no curtilage and there is no yard or parking facility available.

3.0 Condition

- 3.1 The property is generally maintained and presented to satisfactory standard for its age, type and location. No significant defects were noted during the course of my inspection.

4.0 Valuation commentary and valuation

- 4.1 I understand the property is let on internal repairing terms to Christina Rees MP. I have not seen a copy of the lease and I understand that none exists. The proposed agreement is an annual licence to occupy from 8th May 2015 until 6th May 2016. My valuation is prepared on that understanding.
- 4.2 A complicating factor is that the landlords, The Neath Constituency Labour Party, retain the right to hold meetings at the premises and I understand that approximately twenty of these are held per year. In addition I understand that they store some office materials within the premises
- 4.3 This is a very unusual arrangement although it is, I assume, beneficial to both parties and mutually convenient.
- 4.4 I estimate a conventional open Market Rental Value of 39 Windsor Road, Neath, on internal repairing terms, assuming normal lease terms allowing exclusivity of possession, to be in the region of £7,000.00 (seven thousand pounds) per annum, exclusive of rates.
- 4.5 I am of the opinion that there must be a diminution in value of the rent occasioned by the requirement of the tenant to share the premises on an irregular basis with the landlords.
- 4.6 I am of the opinion that a realistic Market Rental Value of the same property, on the same terms but subject to the occasional use of the premises by the landlords, is in the sum of £6,100.00 (six thousand one hundred pounds) per annum exclusive of rates.

NB: The attached appendix details in full the basis on which this valuation has been made. It is an integral part of the overall report and as such must be read in conjunction with the valuation reproduced above.

APPENDIX TO VALUATION REPORT

Purpose of valuation

For private valuation purposes

Basis of valuation

The basis of valuation is **Market Value**. This is defined as:

"An opinion of the best price at which the sale of interest in the property would have been completed unconditionally for cash consideration on the date of valuation assuming:

- a) A willing seller.
- b) That, prior to the date of valuation, there had been a reasonable period (having regard to the nature of the property and the state of the market) for a proper marketing of the interest, for the agreement of the price and terms and for the completion of the sale.
- c) That the state of the market, level of values and other circumstances were, on any earlier assumed date of exchange of contracts, the same as on the date of valuation.
- d) That no account is taken of any additional bid by a prospective purchaser with a special interest; and
- e) That both parties to the transaction had acted knowledgeably, prudently and without compulsion".

Tenure

It is assumed that the property is held freehold and free from onerous restrictions and liabilities.

Special instructions and assumptions

None

Plant and machinery

In preparing this valuation no account has been taken of any plant and machinery in the property at the date of inspection, other than those items which would normally be regarded as fixed plant in a property of this kind.

Assumptions and caveats

The property is assumed to be held with good legal title and free from any significant encumbrances which would adversely affect its value.

It is assumed that the usual local searches or replies to the usual enquiries would not reveal any factor or factors which would have a significant adverse effect upon the marketability or value of the property. It is further assumed that there are no statutory notices affecting the property.

This report is not a building survey. It is based upon a brief visual inspection of the property and no tests, surveys or specialist inspections have been carried out. We have not inspected those parts of the property which are covered, unexposed or inaccessible and 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. Defects may be present which have not been identified, and you should not assume that all defects which have been identified have been recorded in the report. If you propose to acquire the property we strongly suggest that you obtain a more detailed report on its condition before proceeding to exchange of contracts.

It is assumed that the property is free from latent defects, and that there are no deleterious or hazardous substances present which could adversely affect its value.

It is assumed that the period required to obtain vacant possession of the property will be within the normal expected timescale for a property of this type and in this location.

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of such contamination. In undertaking our work, we have been instructed to assume that no contaminative or potentially contaminative uses have ever been carried out in the property. We have not carried out any investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the subject property from these uses or sites, and have therefore assumed that none exists.

However, should it be established subsequently that contamination, seepage or pollution exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the values now reported.

It is assumed that the property has all appropriate Planning, Building and Fire Consents and Regulations approvals for the use to which it is presently put and that it is not affected by any adverse planning proposals. It is also assumed that any existing consents do not contain any onerous or adverse conditions.

Sources, extents and non-disclosure of information

All information specifically relied upon in this report has been provided by yourself, or advisers acting on your behalf, and is assumed to be true and accurate, and we have not attempted to verify it independently.

Vat, taxation and the costs of acquisition or realisation

No allowance has been made for any liabilities or costs associated with the above mentioned matters.

Third part reference

This report is provided for the stated purpose and for the sole use of the named client. It is confidential to the client and his professional advisers and the valuer accepts no responsibility whatsoever to any other person.

General

This report is prepared by an independent valuer.

Neither the whole nor any part of this valuation report or any reference hereto may be included in any published document, circular or statement, or published in any way, without the valuer's written approval of the form and context in which it may appear.

This valuation has been made in accordance with the practice statements in the RICS Appraisal and Valuation Manual.

A copy of our Complaints Handling Procedure is available on request.

.....
David Gregson MRICS

26th October 2015

APPENDIX 1
Curriculum Vitae