

VALUATION REPORT

Belhaven Hospital Garden Site, Beveridge Row, Dunbar, East Lothian, EH42 1TR

Prepared by Graham + Sibbald LLP

On behalf of:

Belhaven Community Garden Trust

Date of Valuation:

01 January 2025

Our Ref:

DC/LF/EDI-2025/01/0032

GRAHAM + SIBBALD

Belhaven Hospital Garden Site, Beveridge Row, Dunbar, East Lothian, EH42 1TR



Site



Site

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Executive Summary

Property	Belhaven Hospital Garden Site, Beveridge Row, Dunbar, East Lothian, EH42 1TR
Tenure	Outright ownership of the heritable interest, assuming vacant possession, in isolation of the larger site of which it currently forms a part.
Property Use	Currently utilised as a community garden (Sui Generis) but zoned for residential in the Local Development Plan, assumed Class 9 in terms of the Town & Country Planning (Use Classes) (Scotland) Order 1997.
Location	The subjects lie towards the south western extremity of Dunbar, lying adjacent to the mainline railway (immediately to the south) and within a larger generally residential locality, being accessed off Beveridge Row which in turn ultimately interconnects with the A1 trunk road to the south and the A1087 Edinburgh Road to the north. The location of the site would be considered appropriate for its existing use as a community garden, albeit, the land is currently zoned in the local plan as housing land supply.
Description	The subjects comprise a relatively regularly shaped area of level ground currently utilised as a community garden and forming part of what was Belhaven Hospital which has subsequently closed. The NHS envisage the land and adjacent buildings as a residential development site whereas in our opinion, the constrained nature of the site under report in isolation of the larger entity of which it forms a part would render such use as impractical. The land is in effect agricultural in nature.
Accommodation	<p>The land extends to a gross area of approximately 2.235 acres with an estimated net developable acreage of circa 2.03 acres. In our opinion, a reasonable density of development would allow for circa 30 (15 units/acre) family homes to be developed upon the site and we have appraised the land on this basis. We have assumed Social Affordable Housing would be provided off site, by way of a commuted sum.</p> <p>On completion of development, we have assumed that each property will comprise a 3/4 bed entity extending to a gross internal area of 111.50 sq m (1,200 sq ft) with accompanying garden ground.</p>
Date of Valuation	1 January 2025
Basis of Valuation	<ul style="list-style-type: none"> - Market Value – Gross Development Value - Market Value – Residual Land Value - Market Value – Existing Use

Market Value – Residual on the Special Assumption Planning Consent in place for 30 family homes, with no restrictive access issues to the site	£625,000 (SIX HUNDRED AND TWENTY FIVE THOUSAND POUNDS STERLING)
Market Value – No Planning Consent in place but Zoned within the Local Plan for Housing Allocation, with no restrictive access issues to the site	£470,000 (FOUR HUNDRED AND SEVENTY THOUSAND POUNDS STERLING)
Market Value – existing use, assuming restrictions to access would prevent future development of the site for commercial or residential purposes.	<p>£45,000 (FORTY FIVE THOUSAND POUNDS STERLING)</p> <p>This figure reflects existing use and further assumes that the site in isolation could not be accessed for redevelopment purposes.</p>
Gross Development Value based on the Valuation Assumptions contained within this Report	<p>£10,050,000 (TEN MILLION AND FIFTY THOUSAND POUNDS STERLING)</p> <p>(£335,000 per dwelling house)</p>

This valuation summary is provided as a quick reference but is subject to and must not be relied upon out of context from the full valuation report.

Instructions

On behalf of: Belhaven Community Garden Trust

Belhaven Community Garden Trust
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Our Ref: DC/LF/EDI-2025/01/0032

Date: 17 January 2025

For a full list of Partners
visit our website.

Dear Sirs

Belhaven Hospital Garden Site, Beveridge Row, Dunbar, East Lothian, EH42 1TR
Client: Belhaven Community Garden Trust
Report for Valuation Purposes in Respect of Land pertaining to Belhaven Hospital

We refer to your e-mailed instructions of 5 December 2024 to prepare a Valuation Report on the above-mentioned property, and our written response of 6 January 2025 confirming the instructions and our Terms and Conditions of Engagement. A copy of our Confirmation Letter is enclosed as **Appendix 1**.

We have been instructed by you to prepare a Valuation (Pounds Sterling) as at 1 January 2025 for the purpose of determining Market Value for the land in question for potential purchase purposes by way of a community asset transfer.

This report has been prepared in accordance with the RICS Valuation – Global Standards, incorporating International Valuation Standards (IVS), and having regard to the UK National Supplement.

Valuation

You have requested the following:

- Market Value – Residual, assuming Planning Permission in place for Residential Development
- Market Value – Residual, accounting for Existing Land Allocation within the Local Plan, but without consent in place
- Market Value – Assuming existing use as agricultural land, with restricted access preventing future development
- Gross Development Value – Assuming the Site is Developed to its maximum potential

This report is subject to, and should be read in conjunction with, the attached Assumptions and Standard Limitations attached to the rear as **Appendix 2**.

Conflicts of Interest

In assessing any potential conflicts of interest we have complied with the RICS Professional Statement – Conflicts of Interest (1st edition, March 2017 / reissued in July 2023) and the RICS Rules of Conduct.

As far as we are aware, we have no conflict of interest in relation to the provision of valuation advice in respect of the Property. Accordingly, we are acting as External Valuers.

Limitation of Liability and Professional Indemnity Insurance

We have Professional Indemnity Insurance at a level adequate in terms of this instruction in respect of the services we are providing. Our total liability in connection with this instruction/Valuation Report is capped by our Terms and Conditions of Engagement.

Date and Extent of Inspection

The property was inspected on 14 December 2024 by Donald Cameron BSc MRICS, RICS Registered Valuer who has the knowledge, skills and understanding to undertake the Valuation competently. Weather conditions at the time were good.

We now report as follows:

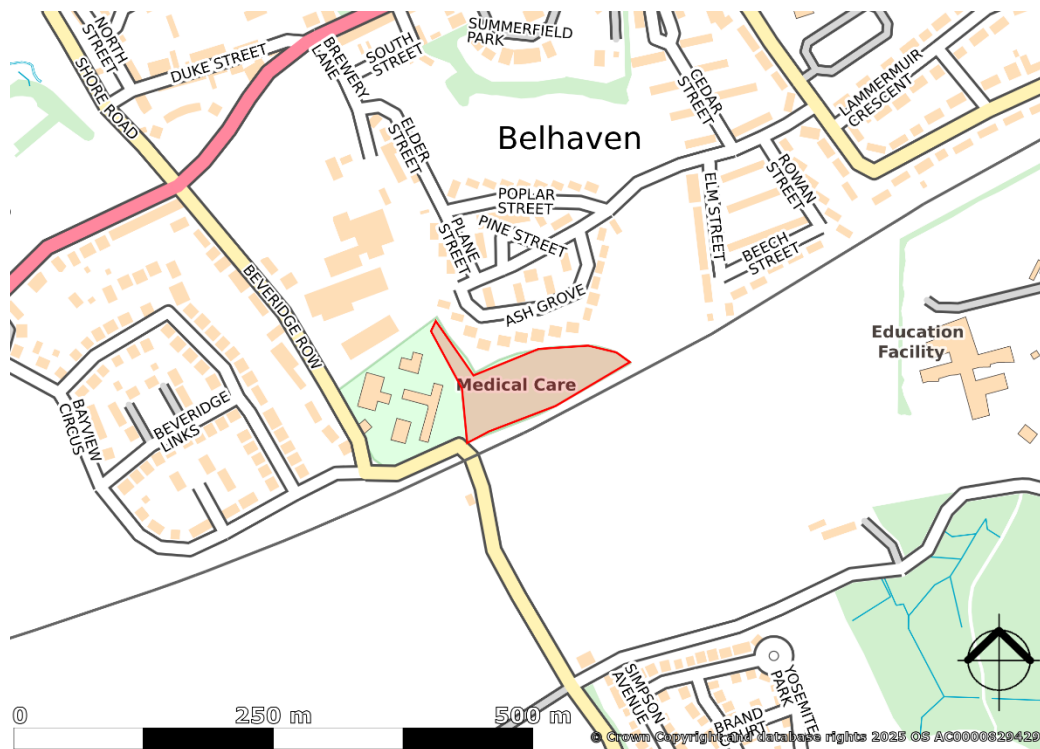
The Property

Location + Situation

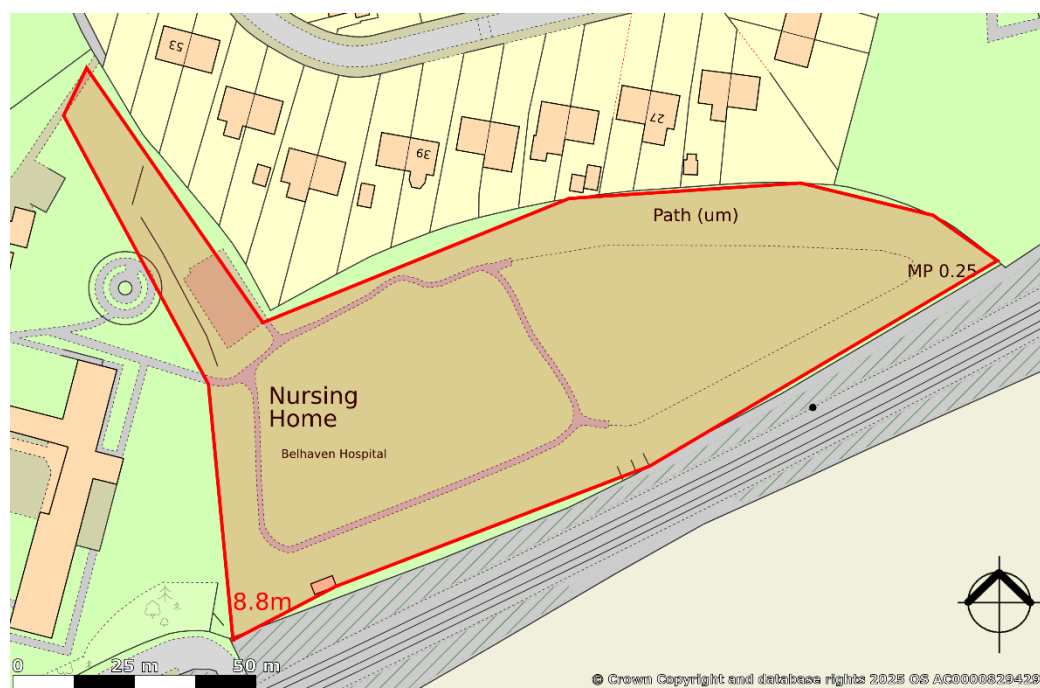
The site is well known to you and we would not proposed describing it in detail, however, for identification purposes we would confirm that the subjects under report form part of a larger site presently occupied by Belhaven Hospital (closed). The site in question comprises the eastern portion of the larger land holding and is currently utilised as a community garden, with the land being laid to allotments and orchards with additional recreational/seating areas having been incorporated. Included within the site is an area containing a polytunnel. The site, in isolation of the larger subjects of which it forms part, has very limited access with only a small vehicular access point off Beveridge Row, close to the mainline railway underpass, and immediately off a 90 degree angle in the road. In our opinion further input would be required from a traffic consultant in order to determine whether the existing adjacent publicly adopted highway would be sufficient to allow for the redevelopment of the site for residential purposes – assuming planning consent for such a proposal were granted. Pedestrian access is available via a pedestrian walkway accessed off Pine Street the north and, at present, via the western part of the larger hospital site which in turn is accessed again from Beveridge Row and the Pine Street Walkway. Subject to agreement with whoever owns the western section of the larger site, a vehicular access could be made available over this land, however, it is likely that some form of payment may be required in order to facilitate this – assuming the aforementioned vehicular access point is deemed unsuitable for the proposal.

It is our opinion that the site could only be realistically developed for residential purposes if this were undertaken in conjunction with the larger hospital site, being accessed off Beveridge Row, via the existing entrance. That said, Beveridge Row is a narrow thoroughfare, already servicing a number of properties and a newbuild development to the south and the Transport & Highways Division of East Lothian Council would require to be satisfied as to the suitability of this access road in terms of servicing a redevelopment of the hospital site, either in whole or part.

The site lies towards the western edge of Dunbar and south of Belhaven Bay within a location that has been, and is currently being, developed for residential purposes. The location would be considered suitable for its existing use as a community garden and, subject to consents being granted and adequate access being provided, for residential development purposes, however, again in our opinion, this would seem more difficult to obtain for the site in isolation of the larger entity of which it forms a part.



Location Plan



Ordnance Survey Extract

These plans are published for convenience of identification only and although believed to be correct their accuracy is not guaranteed.

Description

Again, the site is well known to you and we would not propose describing it in detail, however, for identification purposes, the land under report forms a relatively regularly shaped area of ground, being level in nature and currently utilised for community purposes comprising an extensive orchard, containing a variety of fruit bearing trees, together with allotment raised beds and a substantial polytunnel for undercover cultivation. The land has been utilised for this purpose over a number of years and is well supported by the local community. The site is bounded to the north by private housing, to the west by the hospital buildings, on land forming part of the larger subjects to the present time, to the south by the east coast mainline railway and to the east by recreational parkland.

There is pedestrian access to the site from the north via a foot path and vehicular access to the west, off Beveridge Row. This is a poor access point, on a 90 degree angle in the road, close to the mainline railway underpass. We are doubtful if this access point would be seen as sufficient to allow for the future redevelopment of the site in isolation of the larger land holding of which it forms a part. Whilst the site could be, and at present is, accessed from the existing western section to the Hospital site, this may not be the case, if the land under report is viewed in isolation.

We enclose as **Appendix 3** an indicative Photographic Schedule of the site as at the date of inspection.

Accommodation

From the Edozo Digital Mapping System, we estimate that the site in question extends to a gross area of approximately 2.235 acres and in our opinion would have a net developable acreage for residential redevelopment purposes of some 2.03 acres. On this basis, it is our opinion the site could accommodate circa 30 family homes with associated garden ground, car parking and infrastructure. Such development would depend upon suitable access being available to the site in isolation of the larger property of which it currently forms a part.

We have appraised the site on the basis it could accommodate 30 family homes, each extending to circa 1,200sq.ft. (111.5sqm) and providing 3-4 bedrooms. The housing is likely to be a mix of detached homes, semi-detached entities and terraced townhouses.

A development of this size would require to provide 8 units for Social Affordable purposes. In this instance we have appraised the site on the basis that a private developer would seek to provision the SAH element to the development off site, by way of a commuted sum payment to the Council.

Services

At present the site would appear to be un-serviced, however, mains utility services are provided to neighbouring properties within the immediate vicinity and therefore we assume the site could be adequately serviced without undue additional cost.

Were the site to be developed for residential purposes, we assume it would benefit from mains water, drainage and electricity connections throughout.

General Condition + Remarks

For the purposes of this valuation report, we assume the land in question is unencumbered by any defect by way of ground contamination or instability, resulting in additional costs being incurred to develop the site for either commercial or residential purposes. We would comment that the site abuts the mainline railway immediately to the south and as such, this could put constraints upon future residential development, such that an appropriate buffer zone may be required between any newbuild housing and the railway tracks.

Property Compliance

Asbestos

We assume there are no asbestos containing materials or other pollutants on site that would require removal, prior to development, with associated costs.

Environmental Issues + Ground Conditions

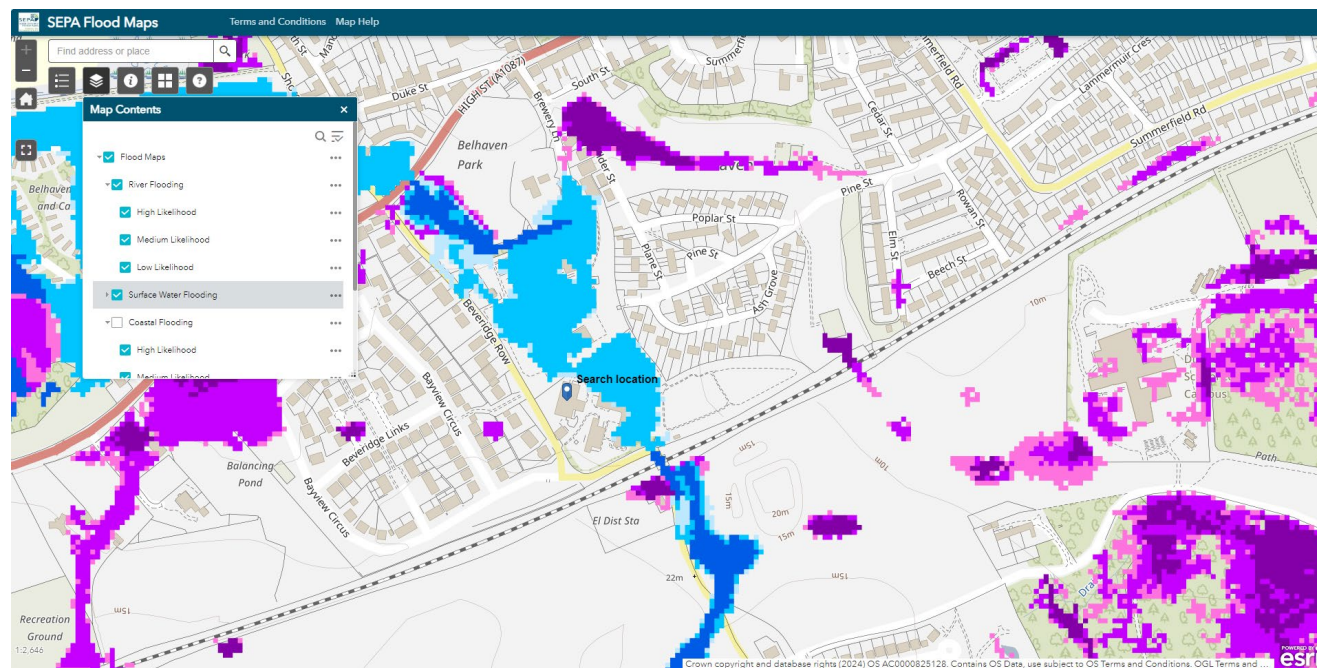
Environmental

We assume the site is unencumbered by adverse environmental issues or ground conditions and as such no additional costs would result were the site to be developed for alternative purposes. Similarly, we assume the site can continue in its existing use as community garden ground without additional cost being incurred by way remediation.

We note that the site lies in an area where circa 10%-20% of homes are affected by Radon Gas.

Flooding

The SEPA Flood Map indicated that part of the site lies in an area that is at **0.5% risk** from **River** flooding in any given year. The site appears to be unaffected by surface water or coastal flooding issues. We recommend that enquiries are made of your insurer to ensure that the property can be insured in normal commercial terms and at market rates. If insurance for the property proves problematic or is not available on normal commercial terms at market rates, then value and marketability will be affected. Until otherwise advised, we have valued the property on the assumption that the building can be insured on normal commercial terms at market rates. A copy of the SEPA Flood Map Extract is noted below.



Flood Map

Statutory Enquiries

Planning History

Recent planning applications for the subject address are outlined below:

Address	Reference	Date	Description	Decision	Link
Belhaven Hospital Beveridge Row Belhaven Dunbar East Lothian EH42 1TR	13/00438/P	30/08/2013	Change of use of hospital ground and agricultural land to form a community garden and associated works (retrospective)	Approved	View details
Belhaven Hospital Beveridge Row Dunbar East Lothian EH42 1TR	13/00502/P	12/08/2013	Formation of bin enclosure and hardstanding area	Approved	View details
Belhaven Hospital Beveridge Row Belhaven Dunbar East Lothian EH42 1TR	13/00052/P	10/07/2013	Formation of bin enclosure and hardstanding area	Withdrawn	View details
Belhaven Hospital Hospital Road Dunbar East Lothian EH42 1TR	01/00425/O UT	09/10/2002	Outline planning permission for housing development	Approved	View details
Belhaven Hospital Hospital Road Dunbar East Lothian EH42 1TR	96/00189/H IS_P	10/05/1996	Alterations and extension to building.	Approved	View details
Belhaven Hospital Hospital Road Dunbar East Lothian EH42 1TR	95/00657/H IS_P	26/09/1995	Alterations & extension to ward 1.	Approved	View details
Belhaven Hospital Hospital Road Dunbar East Lothian EH42 1TR	93/00378/H IS_P	01/06/1993	Erection of new boiler flues.	Approved	View details

Please note that our Planning History data covers the last twenty years, please refer to the relevant local councils planning data if you require older records.

Local Plan

The Local Plan for East Lothian LPA can be found [here](#). The Emerging Local Plan for East Lothian LPA can be found [here](#).

Conservation Area

We have made Internet enquiries with the local planning authority and the information provided is assumed to be correct. 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 and the property is not adversely affected by local authority proposals, requirements or outstanding statutory notices.

The property is not located in a conservation area.

Planning Position

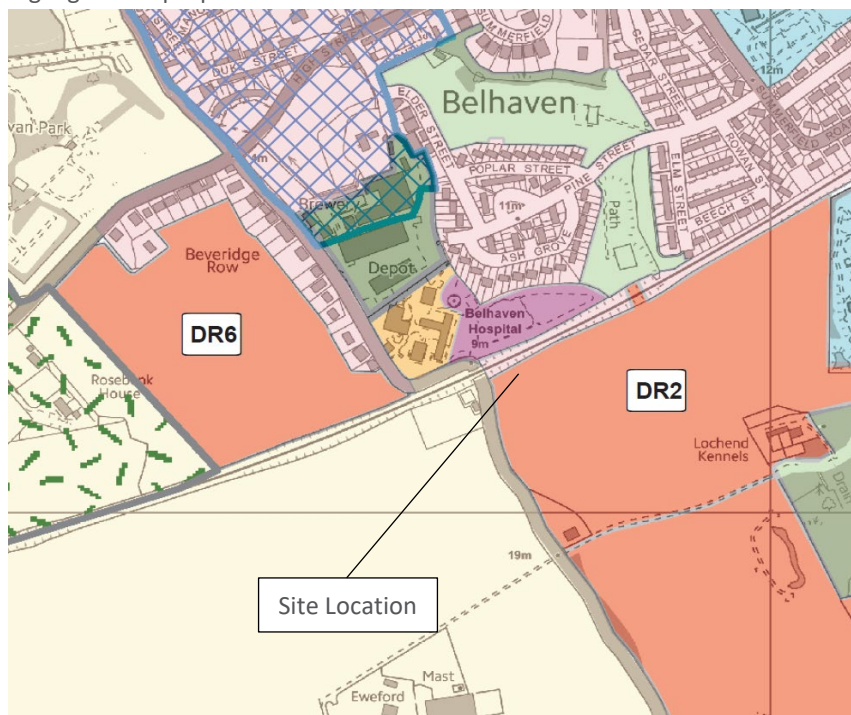
Planning History

The site was Granted Planning Permission in Principle in October 2002 for a “housing development” (application ref: 01/00425/OUT). As the application was for in-Principle consent and due to the age of the application, there is no indication on the online planning portal of how many units were intended for the site, or the proposed layout. No further applications were submitted in association with this consent and the relevant conditions were not discharged. **The consent has therefore lapsed and is no longer live.**

Subsequently, retrospective Planning Permission was obtained for the use of the land as a community garden, having been granted in October 2013 (ref: 13/00438/P). This was linked partially to the adjacent hospital, and included a sensory garden for therapeutic activity for patients of the hospital. The site has operated with this consent since then, and continues to be used for this purpose.

Planning Policy Position

The adopted development plan for the site comprises of the National Planning Framework 4 (NPF4) and the East Lothian Local Development Plan 2018 (LDP). In the LDP, **the site is allocated as part of the Housing Land Supply**, and is subject to Policy HOU1. The housing allocation relates only to the land used for the garden, and is shown in the below map extract by the area highlighted in purple.



The allocation is not a formal residential opportunity (such as DR2 or DR6 shown in red shading in the above plan extract, which have a defined set of developer requirements and indicative capacity), rather it is a site where the principle of residential use is accepted, but has no developer associated or active interest in development for such a use.

LDP Policy HOU1: Established Housing Land states:

“The Council continues to support the principle of appropriate residential development on the sites of the established housing land supply as set out in the Housing Land Audit...”

The site is included in the most recent Housing Land Audit (2023) under “Constrained Sites”, and is titled Belhaven Hospital Field, with an indicative capacity of 40 units. This we feel is overoptimistic.

Furthermore, **NPF4 Policy 16 (Quality Homes)** states that:

“Development proposals for new homes on land allocated for housing in LDPs will be supported.”

Therefore, the use of the site for residential purposes would be supported in planning terms by both the LDP and the NPF4. However, **we note that the site has an extant consent as a community garden, which does not appear to accord with its allocated use**. Furthermore, despite being allocated for the principle of residential use, the site is acknowledged to be constrained in the most recent Housing Land Audit, and does not appear to have any active developer interest.

The site does not appear to have been promoted for development by the landowner or any other party during the preparation of the Local Development Plan 2018.

Though not allocated as such, the site evidently fulfils a current function as public green space, shown by the extant consent granted in 2013. Given this, other policies of the Development Plan would be applicable, including the following:

LDP Policy OS1: Protection of Open Space, which states that:

“Recreational, leisure and amenity open space and facilities, including outdoor sports facilities, will be safeguarded to meet the recreational needs of the community or protect the amenity or landscape setting of an area. Alternative uses will only be considered where there is no significant loss of amenity or impact on the landscape setting and:

- i. the loss of a part of the land would not affect its recreational, amenity or landscape function, or*
- ii. alternative provision of equal community benefit and accessibility would be made available, or*
- iii. provision is clearly in excess of existing and predicted requirements.”*

LDP Policy NH5: Biodiversity and Geodiversity Interests, which states, inter alia, that:

“New development that would result in:

- b. an adverse impact to the biodiversity value of the development site or the surrounding area ...*

will only be permitted where the loss is clearly outweighed by the public benefit of the development and suitable mitigation has been proposed and will be secured.”

LDP Policy NH8: Trees and Development which states, as relevant to the site:

“There is a strong presumption in favour of protecting East Lothian’s woodland resources. Development affecting trees, groups of trees, or areas of woodland will only be permitted where:

- a. Any tree, group of trees or woodland that makes a significant positive contribution to the setting, amenity of the area has been incorporated into the development through design and layout, and wherever possible such trees and hedges should be incorporated into public open space and not into private gardens or areas ...”*

NPF4 Policy 20 (Blue and green infrastructure) which states, inter alia, that:

- a) *Development proposals that result in fragmentation or net loss of existing blue and green infrastructure will only be supported where it can be demonstrated that the proposal would not result in or exacerbate a deficit in blue or green infrastructure provision, and the overall integrity of the network will be maintained. The planning authority's Open Space Strategy should inform this.*

Emerging Policy Position

The process for preparing the next East Lothian Local Development Plan has commenced, and a Call for Ideas and Sites has already been held, concluding in September 2024.

It is understood that Sustaining Dunbar have written to East Lothian Council requesting that the allocation of the site be changed from its current designation as part of the Establish Housing Land supply to reflect its status and current use as a community garden and green network asset. However, this was submitted outside of the relevant consultation window, and it is not evident whether East Lothian Council will consider this as a valid submission or not.

East Lothian Council had previously submitted an Evidence Report to the Scottish Government for the “Gatecheck” procedure, the process to allow them to commence with the formal preparation of the Plan, however this was subsequently withdrawn and does not appear to have been resubmitted at this stage.

Summary

The site has a live and implemented consent for use as a community garden. This was granted on a retrospective basis in 2013.

The site is currently allocated as part of the Established Housing Land supply and was identified within the most recent Housing Land Audit. However, in this it was acknowledged as a “constrained” site. The residential allocation does not appear to reflect any established interest in developing the land as the site was not actively promoted for residential use in the preparation of the adopted East Lothian Local Development 2018. The current allocation also does not correspond to the active use of the site as recreational green space and is a biodiversity asset.

A representation has been made to East Lothian Council to formally recognise this discrepancy between the allocated use and the established and consented use in the next Local Development Plan, though it is unclear what the Council's view on this will be.

It is difficult to give an indication of whether the residential allocation would over-ride the established use as garden ground without discussing this with the Council. Our initial thoughts would be that the allocation of the site takes precedence if there was a realistic prospect of it being developed by a committed developer – but as stated previously this seems not to be the case at the present time. Further investigations with the Council and possibly a traffic management specialist would be recommended in order to try and establish the likelihood of residential consent being granted in the short to mid term for the site in isolation of the larger land holding of which it forms a part.

Rateable Value	Were the subjects to be redeveloped for residential purposes, individual houses would require to be assessed for Council Tax purposes on completion.
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Tenure

The site is assumed to be held on the basis of the outright ownership of the heritable interest with vacant possession.

The subject property forms part of a larger site at present and as such may have to contribute to a share of repairs, maintenance, insurance etc to the common parts. We have not had sight of any documentation detailing this and until otherwise informed have made an assumption that all such charges are shared on an equitable basis.

We have not had sight of any report on Title and therefore cannot comment further in this regard. We have assumed that there are no unusual or onerous Title conditions which impact on value or marketability.

Valuation Considerations

Evidence + Valuation Methodology

In valuing the site, we have undertaken a residual exercise based on various assumptions incorporated into our modelling.

In its existing use as quasi agricultural land, being a community garden with raised beds, orchards, and a poly tunnel, we have had regard to comparable transactional evidence of agricultural land within East Lothian, which suggests land rates of circa £5,000/acre for hill ground up to circa £20,000 per acre for prime arable land, dependent upon location, lot size and the quality of land under report. On the basis of the small size of site and its relatively urban location, we have applied a capital rate of £20,000 per acre to reflect the amenity value of the land as much as its agricultural value. This has been applied to the gross acreage of the site, resulting in a rounded value for the land in its existing use of £45,000.

Were the subjects to be granted residential planning consent for the development of 30 family homes on the site, we have undertaken a residual land value calculation on this basis using the following inputs:-

A development of this size would require 25% of the units (No. 8) to be provided for social affordable housing purposes. Given the nature of the site under report, we are of the opinion that a private developer would seek to make a SAH provision off site by way of a commuted sum, thus 30 homes for private sale could be constructed on the site, with the developer paying a cash sum of say £10k/plot (£80,000) to the council for offsite delivery of the Social Housing requirement.

In terms of the Development Appraisal, our Exit Values have had regard to the following comparable transactional evidence:-

On Market Comps				
Address	Style	Size	Price/ Price Per Square Metre	Comments
2 Wilderness Walk EH42 1EB	DETACHED 5 BED HOUSE WITH LARGE GARAGE	205	£699,995 / £3,414	ON MARKET - Gilson Gray
4 Wilderness Walk EH42 1EB	DETACHED 5 BED HOUSE WITH DETACHED DOUBLE GARAGE	229	£789,995 / £3,450	ON MARKET - Gilson Gray
4 Reid Avenue EH42 1NY	DETACHED 4 BED HOUSE	157	£549,995 / £3,503	ON MARKET- Gilson Gray
22 Ironside Way EH42 1ZL	DETACHED 4 BED HOUSE WITH DETACHED SINGLE GARAGE	154	£480,000 (Fixed price) / £3,117 PSM	ON MARKET- PARIS STEELE
57 Comrie Avenue EH42 1ZN	DETACHED 4 BED HOUSE WITH SINGLE GARAGE	179	£520,000 (FIXED PRICE) / £2,905	ON MARKET- Gilson Gray
Plot 2 Alasdair, Queens Road EH42 1QH	DETACHED 4 BED HOUSE WITH GARAGE	209	£610,000 (FIXED PRICE) / £2,919	ON MARKET- COULTERS

Plot 3, Maragrian, Queens Road EH42 1QH	DETACHED 4 BED HOUSE WITH GARAGE	196	£560,000 (FIXED PRICE) / £2,857	ON MARKET- COULTERS
3 Pikeman Crescent EH42 1zj	3 BED SEMI DETACHED HOUSE	86	O.O £290,000 / Valuation £295,000 / £3,430	ON MARKET- MCKINNON FORBES

On Market Sales New properties > 5 years				
Address	Style	Size	Price/ Price Per Square Metre	Comments
6 Laing Court EH42 1YU	Mid terraced 2 bed	56	£200,250 / £3,576	Sold 30.05.2024
14 Haines Drive EH42 1FA	2 Bed End Terraced	75	£221,000 / £2,947	Sold 20.09.2024
5 Brand Court EH42 1ZW	Semi Detached 3 bed	77	£240,000 / £3,117	Sold 05.06.2024
17 Moray Avenue EH42 1QG	Semi detached 3 bed integral garage	97	£286,500 / £2,954	Sold 12.12.2024
19 Kirkwood Crescent EH42 1FS	Detached- integral single garage 4 bed	116	£330,000 / £2,845	Sold 19.07.2024
51 Sinton Park Dunbar EH42 1ZP	Detached 4 bed with single integral	141	£430,000 (Valuation) / £3,050	Did not sell. On market 15.01.2024
10 Alexander Garden EH42 1ZS	Detached- integral single garage 4 bed	150	£420,000 / £2,800	Sold 17.09.2024
9 Beveridge Links	Detached 5 bed detached double garage	229	£660,000 / £2,882	Sold 09.01.2025

Based on the foregoing, we have applied a capital rate of £3,000 per sq m (£280 per sq ft) to the assumed gross internal area of each entity. This results in a rounded capital value for private sale housing of **£335,000 per property**.

On the cost side of the equation, we have made the following assumptions:-

Construction Period	12 months
Sales Period	8 months post completion, selling at a rate of 3units/month, commencing 2 months prior to completion of the scheme.
Sale Costs	1.0% of Gross Development Value: £100,500
Interest	8.5% of 70% Gross Development Cost, plus Developer's Equity at 6% based on the remaining 30% : £488,959
Construction Cost	£170.00 per sq ft: £6,120,000. This would be considered an appropriate rate for a volume house builder and is slightly below the mean figure provided by BCIS for this general location
Contingency	5% of construction cost : £306,000
Site Acquisition Costs (Legal & LBTT)	£30,999
Finance Fees	1% of Gross Development Cost: £83,772
Professional Fees	7.5% of Gross Development Cost: £488,959 – this would be considered towards the lower end of expectations
NHBC (or similar) Guarantees	£2,000 per unit: £60,000
Social Affordable off site Contribution	68 units at £10,000 per unit: £80,000
Developer's Profit	Based on 20% of Gross Development Cost: £1,672,820

This results in a residual land value assuming planning consent is in place, with no site access restrictions preventing development of the site, of £625,000 (£307,880 per developable acre or £20,833/plot).

We have also provided a sensitivity analyses of this appraisal, assuming a variance (+ or - 5%-10%) on construction cost and sales values. This leads to a potential spread of residual land values of negative £755k (assuming a 10% increase in costs and 10% fall in exit values) to £1,935m should the variance be in the opposite trajectory)

In terms of a comparable land sale, we are aware that land at Hallhill, immediately to the south of the subject site, appears to have sold to Taylor Wimpey in two tranches in October 2022 and March 2023 in the combined sum of £8,250,000. The site extends to approximately 23.2 acres (£355,600 per acre) with the scheme having consent for 245 units of which 22 are for social affordable housing purposes. This equates to a land sale price of £36,955 per private plot.

On the basis that planning consent is by no means guaranteed, but the site has an allocation for housing provision within the current Local Plan, albeit, with no developer promoting the site at the last inclusion, we have made a deduction of 25% reflecting the risk, costs and time delays in obtaining planning consent for the site, resulting in a current value of £470,000. This value again assumes no access restrictions and this would require to be established via a Highways/ Traffic Management specialist.

Valuation

Subject to the property not being adversely affected by structural or service defects, planning, title or any other matters, we would confirm that we are of the opinion that the Market of the site situate, Belhaven Hospital Garden Site, Beveridge Row, Dunbar, East Lothian, EH42 1TR, as at January 2025 would be fairly stated as follows:-

Market Value – Residual on the Special Assumption Planning Consent in place for 30 family homes, with no restrictive access issues to the site	£625,000 (SIX HUNDRED AND TWENTY FIVE THOUSAND POUNDS STERLING)
Market Value – No Planning Consent in place but Zoned within the Local Plan for Housing Allocation, with no restrictive access issues to the site	£470,000 (FOUR HUNDRED AND SEVENTY THOUSAND POUNDS STERLING)
Market Value – existing use, assuming restrictions to access would prevent future development of the site for commercial or residential purposes.	£45,000 (FIFTY FIVE THOUSAND POUNDS STERLING)
Gross Development Value based on the Valuation Assumptions contained within this Report	£10,050,000 (TEN MILLION AND FIFTY THOUSAND POUNDS STERLING) (£335,000 per dwelling house)

Valuation Certainty

Market Conditions Explanatory Note

Market volatility can affect the certainty of property valuations as set out in VPS 3 and VPGA 10 of the current RICS Valuation – Global Standards ('the Global Red Book'), incorporating the IVSC International Valuation Standards, and having regard to the UK National Supplement.

The property market in the UK has been subject to continued volatility in recent years, as a result of a wide variety of global, political and economic factors which have impacted on the daily life, the UK economy and the property market. There may, therefore, be continued uncertainty in some property sectors.

Our valuation has been undertaken using the most suitable methodology, and where necessary our approach has had regard to the most recent transactional evidence available of comparable properties. It must be made clear that the certainty of our valuation might be affected by the property, financial and perception of the UK economy in the short term until markets become more settled and certain. With this in mind, we recommend that this valuation is regularly reviewed going forward to ensure that any effects caused by market volatility can be gauged and any impact reflected in our valuation.

Report Sign-off

We trust this report is sufficient for your present purposes, but should you require any further information, please do not hesitate to contact this office.

Yours faithfully



Donald Cameron BSc MRICS

RICS Registered Valuer

For and on behalf of Graham + Sibbald LLP

donald.cameron@g-s.co.uk



Lewis Berg BSc (Hons) MRICS

RICS Registered Valuer

For and on behalf of Graham + Sibbald LLP

lewis.berg@g-s.co.uk

Appendices

Appendix 1 Confirmation Letter

Belhaven Community Garden
27 High Street
Dunbar
EH42 1EN
F.A.O: Philip Revell

40 Torphichen Street
Edinburgh, EH3 8JB
E: edinburgh@g-s.co.uk

Commercial
T: +44 (0)131 240 5311

Residential
T: +44 (0)131 225 1559

Our Ref: DC/LF/EDI-2025/01/0032

Date: 06/01/2025

For a full list of Partners
visit our website.

Dear Sirs

www.g-s.co.uk

Belhaven Community Garden, Hospital Road, Dunbar
Customer: Belhaven Community Garden
Conditions of Engagement for Commercial Valuation

We refer to your e-mailed instructions to us dated 5 December 2024 and now write to seek formal confirmation of your instructions to provide a valuation in respect of the above-mentioned property.

- 1. Instructions:** We have been instructed by you to prepare a Valuation (Pounds Sterling) as at the date of inspection for community asset purposes.
- 2. Compliance:** Our valuation will be undertaken in accordance with the RICS Valuation - Global Standards ('the Global Red Book'), incorporating the International Valuation Standards (IVS), and having regard to the UK National Supplement.

We will measure the property in accordance with the RICS Property Measurement (2nd Edition), which incorporates the RICS Code of Measuring Practice (6th Edition). Our measurement exercise will be undertaken on the basis of gross area.

- 3. Basis of Valuation:**
The following bases of value have been adopted for this valuation: -

Market Value

- 4. Interest to be Valued:** The valuation will be of the Heritable Interest with the benefit of Vacant Possession.
- 5. Nature and Extent of Investigations:** A full inspection of the subject property will be carried out as agreed.
- 6. Conflicts of Interest and Competency:** We have no conflict of interest. We confirm we will be acting as an External Valuer.

The valuation will be undertaken by Donald Cameron BSc MRICS, RICS Registered Valuer who has the knowledge, skills and understanding to undertake the Valuation competently. The valuation will be the responsibility of a named individual valuer.

Rotation Policy

Graham + Sibbald has in place a strict counter signatory and peer review procedure which is enforced on all valuations to ensure accuracy and consistency. The Firm does operate a valuer rotation policy such that the principal signatory to a valuation would not ordinarily prepare a series of valuations on a specific property over a continuous period of longer than 5 years (if undertaken every year).



Regulated by RICS
Chartered Surveyors
A Quality Assured Firm



7. **Conditions of Engagement:** Our Valuation will be subject to our Terms and Conditions of Engagement for the Valuation of Commercial Property, a copy of which is enclosed, and the basis of value which will form an integral part of our valuation. Following our inspection, any other relevant caveats necessarily arising as a result of the inspection will also be specified.
8. **Professional Indemnity Insurance and Limit on Liability:** We confirm we have Professional Indemnity Insurance adequate on a per claim basis in respect of the services we are providing. The RICS recommend the use of liability caps to members as a way in which to manage risk in valuation. You should read Clause 19 of our attached Terms and Conditions of Engagement which sets out any applicable liability cap or limit to this instruction.
9. **Format of the Report:** We will provide a full Red Book compliant valuation report.
10. **Fees & Disbursements:** The proposed fee is £3,770 plus VAT, including all reasonably incurred disbursements. It should be noted our policy is that reports on valuation will not generally be issued until our fee invoice has been settled. If a survey instruction is cancelled after we have inspected the property, we reserve the right to seek an abortive fee equating to 75% of the agreed fee plus outlays and VAT.
11. **Timing:** We shall endeavour to produce our report within 10-working days following inspection.

We assume you find the above to be in order and we are now proceeding accordingly however, please confirm by signing this confirmation letter, duly accepting these instructions, together with our Terms + Conditions and returning it to us.

Yours faithfully

Donald Cameron BSc MRICS

Partner

For and on behalf of Graham + Sibbald LLP

E: donald.cameron@g-s.co.uk

Enc. Terms and Conditions of Engagement for the Valuation of Commercial Property



I / We confirm these instructions and acceptance of the fee arrangements.

Signed: Naomi Barnes

Name (Print): Naomi Barnes

Date: 20/Jan/25

COMMERCIAL PROPERTY VALUATION

Terms + Conditions

GRAHAM  SIBBALD

TERMS AND CONDITIONS OF ENGAGEMENT FOR COMMERCIAL PROPERTY VALUATION

In these Terms and Conditions of Engagement, the following expressions shall have the following meanings:

"Agreement" means these Terms and Conditions of Engagement and the Letter of Engagement, as the same may be varied, amended or supplemented in accordance with these Terms and Conditions of Engagement.

"Client"/"you"/"your" means the person, firm, company, organisation or other entity appointing Graham + Sibbald.

"Data Protection Legislation" means the UK Data Protection Legislation and any other European Union legislation relating to personal data and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of personal data (including, without limitation, the privacy of electronic communications).

"Fair Value" means "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", as defined in the International Financial Reporting Standards (IFRS 13).

OR

"Fair Value" means "the amount for which an asset can be exchanged, a liability settled, or an equity instrument granted to be exchanged, between knowledgeable, willing parties at an arm's length transaction", as defined within the Financial Reporting Standard 102 (FRS 102).

"Graham + Sibbald"/"We"/"us"/"our" means Graham + Sibbald LLP, a limited liability partnership incorporated in Scotland (Registered Number SO307130) and having its registered office address at Seabraes House, 18 Greenmarket, Dundee, DD1 4QB.

"Investment Value (or worth)" means 'the value of an asset to a particular owner or prospective owner for individual investment or operational objectives', as defined in IVS 104.

"Letter of Engagement" means the letter of engagement, signed by the Client and us, which sets out the particulars of our engagement.

"Market Rent" means '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.'

"Market Value" means '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.'

"Property" means the property identified and described in the Letter of Engagement.

"UK Data Protection Legislation" means all applicable data protection and privacy legislation in force from time to time in the UK including the UK GDPR; the Data Protection Act 2018; the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive

2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended.

"UK GDPR" has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018.

Our valuation is subject to and conditional upon the following basis, unless otherwise stated within our written report:

1. Unless otherwise stated, the inspection and valuation will be undertaken by an External Valuer as defined in, and in accordance with, the RICS Valuation – Global Standards ('the Global Red Book') which incorporates the International Valuation Standards (IVS) and (where applicable) having regard to the UK national or jurisdictional supplement.
2. The valuer will inspect the Property for the purpose of providing you with our opinion of value in line with the adopted and agreed bases of value as outlined in the RICS Valuation – Global Standards ('the Global Red Book') which incorporates the International Valuation Standards (IVS). The date of valuation shall be the date of the inspection or a date as agreed with the valuer. It will be assumed that there are no changes affecting the Property after that the date of inspection which will have an impact upon the bases of value adopted. The valuer will undertake a visual inspection of so much of the exterior and interior of the Property as is accessible with safety and without undue difficulty, as can be seen whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels, which the valuer considers reasonably necessary to inspect, having regard to its purpose. The valuer is under no duty to carry out a building survey or to inspect those parts of the Property which are covered, unexposed or inaccessible or to raise boards, move anything, use a moisture detecting meter, or to arrange for the testing of electrical heating or other services. Roof voids and sub floor areas will not be inspected.
3. In undertaking the inspection we will have due regard to the general state of repair and condition of the Property. The inspection is not a building or structural survey (although our Building Surveying department would be pleased to provide this service) and this report is not intended to detail minor defects which do not materially affect value, however, if minor defects are mentioned in the report, they should be regarded as indicative and not an exhaustive list of defects. For the purposes of the valuation, it is assumed that the Property is in good repair, except for any defects specifically noted.
4. We will not carry out any tests to determine whether or not any hazardous building materials including asbestos and flammable insulation have been incorporated in the construction. We will not inspect woodwork or other parts of the structure which are covered, unexposed or inaccessible at the time of our inspection and we will therefore be unable to report that any such part is free from defect. Services and their appliances will not be tested and it is assumed that all services, and any associated controls or software, are in working order and free from defect. Specifically the valuer will not carry out an

asbestos inspection and will not act as an asbestos inspector in completing the valuation inspection of the Property which may fall within the control of Asbestos at Work Regulations 2012. No enquiry of the duty holder, as defined in the Control of Asbestos in the Workplace Regulations 2012, of the existence of an asbestos register, or of any plan for the management of asbestos will be made. For the purposes of the valuation, we will however assume that there is a duty holder, as defined in the Control of Asbestos in the Workplace Regulations 2012 and that a register of asbestos and effective management plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE Regulations.

5. It will be assumed that the Property possesses good and marketable title, is free from any onerous or unusual burdens or covenants, restrictions, charges or other matters which may adversely affect the Property and that any necessary access ways or servitude requirements are covered by the relevant formalised documents. Site boundaries are to be taken as generally indicated on site although no checks will be made in this connection and any site area quoted will be subject to verification from the title deeds. The valuer shall rely upon information provided by the Client and/or the Client's legal agents with regard to the extent of title, provision of lease documentation and any other relevant documentation. We confirm that the interpretation of legal documents is a matter for the Client's legal agents and no responsibility or liability is accepted for the true interpretation of the legal title in the Property.
6. It is assumed that all works necessary to meet the requirements of all competent legislation, statutory instruments and Local Authority orders will have been complied with (in particular fire regulations/fire assessments, disability discrimination legislation, legionella control and energy performance certificates).
7. It will be assumed that the roads and footpaths ex adverso the Property are fully made up and the responsibility of the Local Authority.
8. We will not carry out any investigations as to ground conditions or whether the site, and surrounding area, is or has in the past been contaminated and our valuation is prepared on the assumption that the Property is not adversely affected by ground conditions or any form of contamination. The valuer will not carry out an inspection for Japanese Knotweed. Unless otherwise stated, for the purposes of the valuation we have assumed that there is no Japanese Knotweed within the boundaries of the Property or in neighbouring properties. The identification of Japanese Knotweed should be made by a specialist contractor. It must be removed by specialist contractors and removal may be expensive. Where the valuer does report the presence of Japanese Knotweed, further investigations may be recommended.
9. In arriving at our opinion, no allowance will be made in respect of any expenses liable to be incurred in effecting realisation of the asset or for any tax liability which may be eligible following disposal of the asset. For the avoidance of doubt, the valuation will be net of any Value

Added Tax which may be applicable.

10. Information in respect of the Property provided by the Client or other connected party and referred to will be relied upon.
11. Each Property will be valued on the basis that it does not form part of a larger disposal and on the assumption that neither the whole nor a significant part of the total estate will be exposed to the market at the same time. For the avoidance of doubt, each Property will be valued individually and the values shown will not take any cognisance of any portfolio considerations.
12. It is assumed that the Property will have all necessary lawful statutory consents (including planning permissions) for the current buildings and use and that there are no matters adversely affecting the Property which might be revealed by a local search. The valuer will, where appropriate, investigate as to whether there are any policies or proposals by statutory authorities that could positively or adversely affect the value. On occasions, delays or expense may be such that this information is not available and in these instances it will be assumed that the Property is not adversely affected by any proposals.
13. Unless appropriate we will exclude any value in respect of goodwill or tenant's fixtures and fittings, and will disregard any value attached to plant and machinery with the exception of heritable items.
14. Neither the whole nor any part of the valuation nor any reference thereto may be included in any published document, circular or statement nor published in any way without our written approval to the form and the content in which it may appear.
15. The report is provided for the sole use of the named Client and is confidential to the Client. The contents are not to be disclosed nor made use of by any third party without our express prior written consent. Without such consent we can accept no responsibility to any third party. In the event that this report is presented to a lender, we cannot guarantee that the report will be suitable for security purposes. We also reserve the right to charge a transcription fee for any report that requires to be retyped in a lender's own format. In the event of any proposal to place a loan on the subject Property into a syndicate, the Client must notify the valuer with a view to agreeing responsibility to the further named parties.
16. Unless otherwise stated the report will be signed by the External Valuer on behalf of Graham + Sibbald and we confirm that the valuer has the specified qualifications being either Professional Members or Fellows of the Royal Institution of Chartered Surveyors.
17. In instances where an indicative reinstatement valuation is required for insurance purposes, the figure given will be for guidance purposes only, and without any liability, since a formal reinstatement valuation provided by us requires to be undertaken by our Building Surveying department, or other person with sufficient experience of replacement costs.
18. Our invoices are payable on presentation. We reserve the right to charge interest in the case of overdue accounts. We may terminate this

Agreement if payment of any fees billed is unduly delayed. In the event of our fees for the services provided in terms of this Agreement, VAT thereon and/or outlays incurred on your behalf in connection with this Agreement not being settled, we reserve the right (a) To instruct solicitors, debt collection agents or other third parties to endeavour to collect said fees, VAT and outlays for us. It is a specific condition of this Agreement that in the event of said solicitors, debt collection agents or third parties being instructed by us, you will be liable to reimburse us for the whole fees and other costs charged by them to us and thereby incurred in that connection; and (b) To exercise our statutory right under the Late Payment of Commercial Debts (Interest) Act 1998 as amended by the Late Payment of Commercial Debts Regulations 2002 and any subsequent legislation to claim interest and compensation for debt recovery costs under such legislation. In instances where the instruction is cancelled after we have inspected the Property, we reserve the right to charge an abortive fee equating to 75% of the agreed fee plus outlays and VAT. If our account details change, we will notify these to you by letter or face to face and never by email.

19. Our total liability to the Client under this Agreement (including liability in contract, tort (including negligence), breach of statutory duty, or otherwise) shall not exceed the lower of the following: 25% of the valuation OR £250,000.

Nothing in this Agreement limits any liability which cannot legally be limited including but not limited to our liability for death or personal injury caused by our negligence.

20. Graham + Sibbald and the Client each undertake that:

- (a) they shall comply with all applicable requirements of the Data Protection Legislation, including without limitation any obligations relating to the rights of a data subject and the reporting of personal data breaches (all as defined in the UK GDPR); and
- (b) not do or omit to do anything which puts any other party to the Agreement in breach of the Data Protection Legislation.

Without prejudice to the generality of this clause, you shall ensure that you have all necessary appropriate consents and notices in place to enable lawful transfer of the personal data to Graham + Sibbald for the duration and purposes of this Agreement. You shall have liability for and shall indemnify Graham + Sibbald for any loss, liability, costs (including legal costs), damages, or expenses resulting from any breach by you of the Data Protection Legislation. For further information regarding how Graham + Sibbald processes personal data in relation to this Agreement, please see Graham + Sibbald's privacy notice at <https://www.g-s.co.uk/privacy-policy/>.

21. Graham + Sibbald are regulated by the Royal Institution of Chartered Surveyors and the valuation may be subject to monitoring under the RICS Conduct and Disciplinary Regulations.
22. The valuers signing the report accept no personal liability for the content of the report. The report is signed solely on behalf of Graham + Sibbald.
23. No variation of this Agreement shall be effective unless it is in writing

and signed by the parties (or their authorised representatives).

24. This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
25. This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Scotland.
26. The courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

Appendix 2 Assumptions + Standard Limitations

Graham + Sibbald - Assumptions and Standard Limitations

RICS Valuation – Global Standards

Unless otherwise stated, all work has been carried out in accordance with the RICS Valuation – Global Standards, incorporating International Valuation Standards (IVS), and having regard to the UK National Supplement. The valuation has been prepared by an RICS Registered Valuer(s).

Sources of Information

Information in respect of the subjects under valuation provided by the client, its agents, or other connected party, and referred to has been relied upon. We have assumed that this information is accurate, complete and up to date. We assume that no information which may have a material impact on the valuation has been withheld from us.

When undertaking valuation for secured lending purposes on behalf of a bank or lending institution, we may request and rely on information provided by the borrower or a connected party. We again assume this information to be accurate, complete and up to date, and that no information which may have a material impact on the valuation has been withheld from us.

Basis of Valuation

Our valuation is subject to and conditional upon the following bases of value, unless otherwise stated within our written report:

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

Market Rent (MR) is 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.

Fair Value (FV) is 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, as defined in the International Financial Reporting Standards (IFRS 13).

Fair Value (FV) is the amount for which an asset can be exchanged, a liability settled or an equity instrument granted to be exchanged, between knowledgeable, willing parties at an arm's length transaction, as defined within the Financial Reporting Standard 102 (FRS 102).

Investment Value (or Worth) is the value of an asset to a particular owner or prospective owner for individual investment or operational objectives', as defined in IVS 104.

Each property is valued on the basis that it does not form part of a larger disposal, unless otherwise stated in our report, and on the assumption that neither the whole nor a significant part of the total estate will be exposed to the market at the same time. For the avoidance of doubt, each property has been valued individually and the values shown do not take any cognisance of any portfolio considerations.

Unless appropriate we have excluded any value in respect of goodwill or tenant's fixtures and fittings and have disregarded any value attached to plant and machinery with the exception of heritable items.

In arriving at our opinion, no allowance will be made in respect of any expenses liable to be incurred in effecting realisation of the asset or for any tax liability which may be eligible following disposal of the asset. For the avoidance of doubt, the valuation is net of any Value Added Tax which may be applicable.

Assumptions and Special Assumptions

Where we adopt "assumptions" and/or "special assumption" these are as defined within the RICS Valuation – Global Standards.

Assumption: A supposition taken to be true. It involves facts, conditions or situations affecting the subject of, or approach to, a *valuation* that, by agreement, do not need to be verified by the valuer as part of the valuation process. Typically, an *assumption* is made where specific investigation by the valuer is not required in order to prove that something is true.

Special Assumption: An *assumption* that either assumes facts that differ from the actual facts existing at the valuation date or that would not be made by a typical market participant in a transaction on the valuation date.

Inspection

If Graham + Sibbald is requested to arrange any inspection or other work by any other party this is done so on the Client's behalf. The Client must satisfy itself as to the terms and conditions on which such party renders its services. Graham + Sibbald does not assume or accept any liability whatsoever in connection with any arrangement or recommendation including without limitation for the acts or omissions of such other party.

The Valuer inspected the Subjects for the purpose of providing you with our opinion as to the Bases of Value as instructed. The date of Valuation is the date of the inspection or a date as agreed with the Valuer. It is assumed that there have been no changes affecting the property after that the date of inspection which will have had an impact upon our assessment of value. The Valuer undertook a visual inspection of so much of the exterior and interior of the property as was accessible with safety and without undue difficulty, as was seen whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels, which the Valuer considered reasonably necessary to inspect, having regard to its purpose. The Valuer is under no duty to carry out a building survey or to inspect those parts of the property which are covered, unexposed or inaccessible or to raise boards, move anything, use a moisture detecting meter, or to arrange for the testing of electrical heating or other services. Roof voids and sub floor areas were not inspected.

In undertaking the inspection we have had due regard to the general state of repair and condition of the property. The inspection is not a Building or Structural survey (although our Building Surveying Department would be pleased to provide this service) and this report is not intended to detail minor defects which do not materially affect value. However, if minor defects are mentioned in the report, they should be regarded as indicative and not an exhaustive list of defects. For the purposes of the Valuation, it is assumed that the property is in good repair, except for any defects specifically noted.

We have not carried out any tests to determine whether or not any hazardous building materials including asbestos and flammable insulation have been incorporated in the construction. We have not inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible at the time of our inspection and we are therefore unable to report that any such part is free from defect. Services and their appliances have not been tested and it is assumed that all services, and any associated controls or software, are in working order and free from defect. Specifically, the Valuer has not carried out an Asbestos Inspection and has not acted as an Asbestos Inspector in completing the valuation inspection of the Property which may fall within the Control of Asbestos Regulations 2012. No enquiry of the duty holder (as defined in the Control of Asbestos Regulations 2012), of the existence of an Asbestos Register, or of any Plan for the Management of Asbestos has been made. For the purposes of this Valuation, it is assumed that there is a Duty Holder, and that a Register of Asbestos and Effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE Regulations.

Measurement

We will measure the property in accordance with the RICS Property Measurement (2nd Edition), which incorporates the RICS Code of Measuring Practice (6th Edition).

Under the International Property Measurements Standards (IPMS) the appropriate basis of measurement for offices is IPMS2 and residential IPMS3. IPMS was introduced to try and create a universal measuring standard. We recommend however that we be instructed to undertake our analysis of comparables and prepare our valuation(s) (where applicable), on the basis of NIA and GIA as the market still operates on this basis. The reason for this departure is to facilitate comparative analysis; all the comparables are presented on this basis.

Where floor areas have been provided to us, we have relied upon these for valuation purposes and have assumed that they have been calculated in line with the appropriate measurement standards noted above.

Services

It is outwith the scope of our instructions to carry out or commission investigations into the capacity, specification or condition of services. For the purposes of this report, we assume that the services are in working order and free from defects. We additionally assume that the services are of sufficient capacity for current and future requirements.

Ground Conditions and Invasive Species

We have not carried out any investigations as to ground conditions or whether the site, and surrounding area, is or has in the past been contaminated. Our valuation is prepared on the assumption that the subjects are not adversely affected by ground conditions or any form of contamination or invasive species, unless otherwise stated in our report. The Valuer did not carry out an inspection for Japanese Knotweed and unless otherwise stated we have assumed that there is no Japanese knotweed within the boundaries of the property or in neighbouring properties. The identification of Japanese Knotweed should be made by a specialist contractor. It must be removed by Specialist contractors and removal may be expensive. Where the Valuer does report the presence of Japanese Knotweed, further investigations may be recommended.

Asbestos and Deleterious Materials

Asbestos was regularly used from 1960s to 1980s in the UK. 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 (amended February 2016) which may impact on marketability and/or value.

Under the terms of these Regulations a Duty holder is required to manage asbestos in non-domestic premises. Typically, this encompasses a positive obligation to assess the likelihood of asbestos containing materials (ACMs) being present at the premises. This can be achieved either by reference to bona fide statements confirming that ACMs were not incorporated into the construction of the building, or by commissioning an asbestos survey. The results of that survey would then be interpreted, acted upon and recorded in an Asbestos Management Plan. For the purpose of our report, we have assumed that, unless indicated to the contrary, a survey would not disclose any evidence of asbestos or deleterious materials in the construction of the subject, in circumstances where it is likely to have an effect on health or safety.

Equality Act 2010

We have not carried out a full Disabled Access Audit to determine the extent of non-compliance with the property in relation to the requirements of the Disability Discrimination Act 2005. It is a requirement of this Act that disabled people are provided similar access to commercial/public properties as able bodied people, and as such it is the responsibility of the property owner/occupier to ensure that disabled persons are given such access where reasonably practicable. The extent of any non-compliance is normally ascertained by carrying out a detailed audit of the subjects which is outwith the scope of this valuation. Unless otherwise stated we have made an assumption that there are no issues in terms of the Equality Act that would adversely affect marketability or value.

Tenure, Title and Tenancy Information

We do not normally read leases or document of title. It is assumed that the Property possesses good and marketable Title is free from any onerous or unusual burdens or covenants, restrictions, charges or other matters which may adversely affect the subjects and that any necessary access ways or servitude requirements are covered by the relevant formalised documents. Site boundaries are to be taken as generally indicated on site although no checks have been made in this connection and any site area quoted will be subject to verification from the Title Deeds. The Valuer has relied upon information provided by the client and/or the Client's legal agents with regard to the extent of title, provision of lease documentation and any other relevant documentation. We confirm that the interpretation of legal documents is a matter for the client's legal agents and no responsibility or liability is accepted for the true interpretation of the legal title in the property.

Planning

It is assumed that the subjects have all necessary lawful statutory consents (including planning permissions) for the current buildings and use and that there are no matters adversely affecting the property which might be revealed by a local search. The Valuer has, where appropriate, investigated as to whether there are any policies or proposals by statutory authorities that could positively or adversely affect the value. On occasions, delays or expense may be such that this information is not available and in these instances it will be assumed that the property is not adversely affected by any proposals.

It is assumed all that works necessary to meet the requirements of all competent legislation, statutory instruments and Local Authority Orders will have been complied with (in particular Fire Regulations / Fire Assessments, Disability Discrimination Legislation, Legionella control and Energy Performance Certificates). It is assumed that the roads and footpaths ex adverso the subjects are fully made up and the responsibility of the Local Authority.

Limitations and Liabilities

Neither the whole nor any part of the Valuation nor any reference thereto may be included in any published document, circular or statement nor published in any way without our written approval to the form and the content in which it may appear.

This Report is provided for the sole use of the client and is confidential to the client. The contents are not to be disclosed nor made use of by any third party without our express prior written consent. Without such consent we can accept no responsibility to any third party. In the event that this report is presented to a Lender, we cannot guarantee that the format of this report will be suitable for the Lender's purposes. We also reserve the right to charge a transcription fee for any report that requires to be retyped in a Lender's own format.

In the event of any proposal to place a loan on the subject property into a syndicate, the client must notify the Valuer with a view to agreeing responsibility to the further named parties.

Unless otherwise stated this Report will be signed by the External Valuer on behalf of the LLP and we confirm that the Valuer and all Partners of the Firm have the specified qualifications being either Professional Members or Fellows of the Royal Institution of Chartered Surveyors.

Graham + Sibbald LLP are regulated by the Royal Institution of Chartered Surveyors and the valuation may be subject to monitoring under the RICS Conduct and Disciplinary Regulations.

The Valuers signing this report accept no personal liability for the content of this report. The report is signed solely on behalf of Graham + Sibbald LLP.

Appendix 3 Photographs



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