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VALUATION REPORT

Address – The Print Room, Ketts House, Winchester Road, Chandlers Ford, Hampshire, SO53 2FZ

Lender – Prop Lend Security Limited

Lender Address – 20-22 Wenlock Road, London, N1 7GU

Date – 09/02/2018

Valuation Company – Kempton Carr Croft

Property Address:	The Print Room, Ketts House, Winchester Road, Chandlers Ford, Hampshire, SO53 2FZ		
Lender:	Prop Lend Security Limited	Applicant Name:	M&S Property Rental Ltd
Valuer:	Simon Mills	Date of Valuation:	09/02/2018
Purpose of Valuation:	Loan Security	Valuation Method:	[Comparison and Investment



VALUATION:

(please carefully read the lenders instruction letter and make sure that valuations are provided on the required basis)

Market Value (MV) / Vacant Possession Value (VPV)	[£130,000]	One hundred and thirty thousand pounds
Market Value (MV) / Vacant Possession Value (VPV) with Special Assumption of 180 day marketing period	£130,000	One hundred and thirty thousand pounds
Market Value (MV) / Vacant Possession Value (VPV) with Special Assumption of 90 day marketing period	£115,000	One hundred and fifteen thousand pounds
Market Rent (MR)	[£10,800 pa]	Ten thousand eight hundred pounds per annum
Insurance Reinstatement Estimate:	[£70,000]	Seventy thousand pounds

VALUATION ISSUES: None

Estimated Sales period:

3 to 12 months

LOCATION / DESCRIPTION:

Location Summary:	<p>The subject property is located within a wider retailing parade of residential accommodation above called Ketts House. The surrounding tenants are mainly local occupiers servicing the local community. Ketts House benefits from public car parking for up to 3 hours and we understand that there is some car parking for the tenants also.</p> <p>Chandlers Ford overground station is within a short walk of the subject property. Chandlers Ford is part of the GWR and Southwestern railway network and provides access to Salisbury and Romsey.</p> <p>Junction 13 of the M3 is approximately 1 mile away from the subject property. This provides access to the wider UK motorway network.</p>
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Property Type:	Retail	Size:	59.22 sq m / 637 sq [basis of floor area N/A
Description Summary:	The subject property is a ground floor retail unit currently trading as a print works. The property provides a main retailing area, a wc and some ancillary storage. To the rear of the property there is a rear access alleyway which is shared with a neighbouring occupier. Above the subject property, we understand that there are residential flats. We have not inspected these flats and they are not part of our valuation.		
Condition:	Good,	Site Area:	N/A

TENURE / TENANCY:

Tenure:	Freehold		
Tenancy:	licence to occupy by the applicant dated 1 st November 2015 between Mr M Kum and Digital Printworks Ltd	Market Rent:	£10,800 per annum. In line with market rent

SWOT ANALYSIS:

Strengths:	Weaknesses:
<ul style="list-style-type: none"> Popular local parade 	<ul style="list-style-type: none"> Possible void periods between tenants
Opportunities:	Threats:
<ul style="list-style-type: none"> Can benefit from good vehicular exposure going to and from the motorway. 	<ul style="list-style-type: none"> Interest rates

DEFECTS & SPECIALIST REPORTS:

(please identify any structural, legal or environmental issues from the drop down lists. Please confirm the status of the defect and provide further commentary below if you have recommended that a specialist report is required)

Legal Issues	Report Required / Issue Identified	Structural Issues	Report Required / Issue Identified	Environmental Issues	Report Required / Issue Identified
Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
Comments:	[Fretext]				

RECOMMENDED ACTION POINTS / SUITABILITY FOR LOAN SECURITY:

We would recommend the following action points	
Is the property suitable for loan security?	YES

Please note that this Executive Summary is merely a summary of the valuation report and should not be read in isolation to the full valuation report provided overleaf.

VALUATION REPORT ON:

**Digital Printworks Limited,
7 The Central Precinct,
Winchester Road,
Chandlers Ford,
Hampshire, SO53 2GB**



PROPERTY CONSULTANTS

Chatsworth House

29 Broadway

Maidenhead

Berkshire | SL6 1LY

01628 771221 | kemptoncarr.co.uk

enquiries@kemptoncarr.co.uk

Name of client

Prop Lend Security Limited
20 – 22 Wenlock Road
London
N1 7GU

FAO: Stuart Bruce

Date of inspection

9th February 2018

Weather conditions

Overcast

Our Reference

RH/hvw/The Print Room/Vals2018

Name of surveyor

Simon Mills MRICS
RICS Registered Valuer

Regulated by RICS | Offices: Basingstoke | Farnham | Gerrards Cross | Maidenhead | Mayfair, London | Reading | Staines-Upon-Thames | Windsor

Kempton Carr Croft is the business name of Kempton Carr (Maldenhead) Ltd. registered in England & Wales. Registration Number 05578213

Registered office: Chatsworth House | 29 Broadway | Maidenhead | Berkshire | SL6 1LY. A full list of directors is open for inspection at the registered office.

Valuation report summary



Property:

Digital Printworks Limited, 7 The Central Precinct, Winchester Road, Chandlers Ford, Hampshire, SO53 2GB

Location:

Large local retailing parade approximately 5.5 miles north of Southampton city centre in the area of Chandlers Ford.

Description:

A ground floor retail shop with self-contained residential accommodation above. We have only looked at the retail aspect of the property.

Planning use:

Retail – A2

Tenure:	Freehold
Valuation date:	9 th February 2018
Valuation basis:	Market Value (MV)
Market value:	£130,000 (One hundred and thirty thousand pounds)
Market value with limited 180 day marketing period:	£130,000 (One hundred and thirty thousand pounds)
Market value with limited 90 day marketing period:	£115,000 (One hundred and fifteen thousand pounds)
Vacant possession value:	£130,000 (One hundred and thirty thousand pounds)
Market rent:	£10,800 per annum (Ten thousand eight hundred pounds per annum)
Reinstatement valuation (Shop only):	£70,000 (Seventy thousand pounds)
Suitable for loan security purposes:	YES
Supported by market evidence:	YES

Special instructions and assumptions – (See Appendix A - Instruction Letter)

This Valuation Report has been prepared for the purpose of considering the subject property as possible security for loan security purposes.

The Market Value (MV) indicated within this report is dated the 9th February 2018.

This Valuation Report has been prepared in accordance with our standard Conditions of Engagement – Commercial Property and in accordance with the RICS Valuation, Global Standards 2017, from the 1st July 2017.

In accordance with the RICS Valuation, Global Standards 2017, from the 1st July 2017, we set out below the special and / or unusual assumptions made in accordance with your instructions during the preparation of this Report : -

Within our report we have provided the following:

- A Market Value (MV) of the property on the assumption of vacant possession basis.
- A Market Value (MV) of the property on the assumption of investment assuming a 90 day and 180 day marketing period.
- A Market rent (MR) of the property.
- An estimated fire reinstatement value of the property.

There are no, or no further, special assumptions that would affect our valuation.

Date and extent of inspection

Our inspection of the above property was made on the 9th February 2018 when the weather was overcast.

The property was inspected by Rob Hutchins BSc (Hons) MRICS and Simon Mills MRICS and the report has been checked by Malcolm Kempton FRICS.

An inspection for valuation purposes was possible to all parts of the property valued herein.

At the time of inspection the property was occupied by a tenant. We were provided access by the son of the applicant and were accompanied on our inspection time of 3pm.

Situation, communications and amenities

The subject property is located within a wider retailing parade of residential accommodation above. The surrounding tenants are mainly local occupiers servicing the local community. The Precinct/Ketts House benefits from public car parking for up to 3 hours and we understand that there is some car parking for the tenants also.

Chandlers Ford overground station is within a short walk of the subject property. Chandlers Ford is part of the GWR and Southwestern railway network and provides access to Salisbury and Romsey.

Junction 13 of the M3 is approximately 1 mile away from the subject property. This provides access to the wider UK motorway network.

Description of property

The subject property is a ground floor retail unit currently trading as a print works. The property provides a main retailing area, a wc and some ancillary storage. To the rear of the property there is a rear access alleyway which is shared with a neighbouring occupier. Above the subject property, we understand that there are residential flats. We have not inspected these flats and they are not part of our valuation.

The property is believed to have been constructed in 1960's. We estimate the property has an economic life in excess of 25 years, provided regular maintenance and repairs are carried out.

The property sits on Winchester Road which we believe to be the adopted highway.

Legal enquiries should confirm that vehicular and pedestrian access rights are allowed at all times in perpetuity.

Construction

We have not arranged for an investigation to be carried out to determine whether or not high alumina cement concrete, calcium chloride additive or any other potentially deleterious or hazardous materials or techniques were used in the construction of this property or has since been incorporated, and we are therefore unable to report that the property is free from risk in this respect. For the purpose of this valuation we have assumed that such investigation would not disclose the presence of any such material to any significant extent.

The property is of concrete framed construction with brick and block set beneath what appears to be a flat roof. However, we were unable to identify the roof covering.

The floor is of suspended concrete construction.

Windows and doors are uPVC double glazed specification. There is no heating provided to the property.

All mains services apart from gas are provided to the property. We have been informed that the retail unit benefits from 3 phase electricity as well.

Condition and state of repair

We have not carried out a building survey, nor have we 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. For the purposes of this valuation we have assumed that an inspection of those parts that have not been inspected would neither reveal material defects nor cause the Valuer to alter the valuation materially.

At the time of inspection, the property was in a good condition with no major items of disrepair noted.

Subject to regular maintenance and decoration the property has a useful life expectancy in excess of 50 years.

Accommodation

In accordance with the Royal Institution of Chartered Surveyors Property Measurement 1st Edition all areas quoted herein have been calculated strictly on a Net Internal Area (NIA) basis for the commercial areas.

The accommodation briefly comprises:-

Description	Sq. Metres	Sq. Feet
Ground floor		
Main retailing area	50.64	545
Wc		
Ancillary storage/kitchenette	8.58	92

The size of the property is approximately 59.22 sq. m (637 sq. ft)

The ITZA is approximately 42.07 sq. m (452 sq. ft)

We have adopted a conversion multiplier of 10.764 between sq. m and sq. ft.

Tenure and tenancies

The property is freehold and for the purposes of this valuation we have assumed that full vacant possession will be available.

We have assumed that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing.

Tenancies

We have been provided with a copy of the licence to occupy by the applicant dated 1st November 2015 between Mr M Kum and Digital Printworks Ltd. We outline the terms as follows:

Demise	Unit 7 Central Precinct, Chandlers Ford, SO53 2GB
Landlord	Mr M Kum
Tenant	Digital Printworks Ltd
Lease Date	1 st November 2015
Lease Term	10 years from 01.11.2015
Rent	Years 1 & 2- £10,200 per annum Years 3,4 & 5- £10,800 per annum
Alienation	The benefit of the licence is personal to the licensee and is not assignable.
Repair	To reinstate any existing fixtures and fittings at the end of the term as specified by the licensor.
Alterations	Not to construct in the Designated Space any structure or building not considered to be classed as 'betterment' of the internals of the unit. (The licensor has granted permission for the licensee to construct any internal stud walls and structures as long as these have a positive impact on aesthetics of the unit)
Break Option	Not applicable

Environmental factors

We are unaware of any environmental factors affecting the property which could adversely affect its occupation in the future or be detrimental to the value. Legal enquiries should verify that the property complies with all statutory requirements.

Invasive species

There was no evidence of any Japanese Knotweed within the property or the immediate vicinity.

Radon Gas

Radon gas is a naturally-occurring substance, particularly, but not exclusive, prevalent in areas with granite sub-strata. We are unable to confirm whether or not the site is affected by radon gas affecting the property or future occupants.

Flooding

From informal enquiries of The Environment Agency's website the property does not lie in a recognised flood plain. Legal enquiries should verify and confirm that all the necessary insurance policies are in place, if required.

Contamination

Our enquiries have not revealed any contamination affecting the property or neighbouring property which would affect our valuation. However, should it be established subsequently that contamination exists at the property or on any neighbouring land or that the premises have been or are being put to any contaminative use, this might reduce the values now reported.

We found no evidence on site during our inspection to indicate that the property has ever been used for a contaminating use in the past. If however, solicitors' searches reveal that the site was previously under an ownership or a planning use considered likely to create chemical contamination, (e.g. asbestos production, petrochemical or paintworks), or that the site was used for the disposal of waste by land fill tipping this information should be referred back to us so that we can advise further.

Energy Performance Certificates (EPCs)

Since 1st October 2008 an EPC must be made available whenever a non-domestic building is constructed, sold or rented out, subject to certain exemptions. EPC's are valid for ten years.

We have consulted the EPC Non Domestic online Register and have identified an EPC dated 28th October 2008 under reference number 0305 – 9202 – 6830 – 5990 - 4803 which gives the property an EPC Rating of C (58).

The Energy Act 2011, which has received Royal Assent, will make it unlawful to let buildings with F and G rated Energy Performance Certificates after April, 2018. This means investors could face significant improvement costs to mitigate the potentially disastrous falls in the value of older buildings. For the purposes of our valuation we have assumed that the property has an energy rating of E or better and it will not be affected by the changes in legislation in the future. Furthermore, our valuation as at the Valuation Date above has assumed a rating of E or better for valuation purposes.

Equality Act 2010

Under the Equality Act 2010, there is a requirement for service providers to make reasonable adjustment for disabled people, such as providing extra help or making changes to the way they provide their services. Service providers are liable to make reasonable adjustments to the physical features of their premises to overcome physical barriers to access, although there are no definitive requirements for the "reasonable" adjustments which may have to be made. However, further information regarding the requirements can be obtained from the Disability Rights Commission who may be able to put you in contact with their Local Access Group to provide further advice. In the first instance, further information can be obtained from the Direct Gov Website www.direct.gov.uk.

This building clearly does not meet these requirements in regard to:-

- Lack of disabled toilet provision
- Unsuitable door widths and furniture

You should note that these comments are observations and not a comprehensive indication of the requirements of the Act. We have not undertaken an audit of all the facilities to establish the restriction of users with disabilities but have made one or two general observations. You should consider commissioning a full audit of the premises to establish any further alteration, which will be required to comply with the Act.

Further information: The Department for Work and Pensions provides extensive advice on the application of the legislation at www.dwp.gov.uk/employers/dda/.

Other statutory matters

We have assumed that the property and its value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the property, nor its condition, or its use, or its intended use, is or will be unlawful.

Fire safety law

From 1 October 2006, The Regulatory Reform (Fire Safety) Order 2005 (SI 2005 No. 1541) introduced a requirement for the 'responsible person' to make a suitable and sufficient assessment of the risks and to identify the fire precautions required to comply with the Order. The Order applies to all non-domestic property. Such fire precautions may include adaptation of the building and installation of fire safety equipment, but must in all cases include: signage, fire safety action plans, staff training, identifying duty holders and routine maintenance/monitoring via signed and dated checklists. Detailed information on the Regulations and fire safety in general is available from www.fire.gov.uk.

There is a fire alarm system in operation here.

Planning and use – planning consents and permitted use

Solicitors' enquiries should undertake all the required searches on the property and refer back to us so that we can comment upon the effect, if any, these may have upon our valuation.

Business Rates

We have been unable to find the rateable value from the Valuation Office Agency website. Legal enquires to do further research to understand the rateable value of the property.

Market conditions and trends

Q4 2017: UK Commercial Property Market Survey
Generally solid conditions although retail an exception

- Industrial remains standout performer in both occupier and investment markets
- Retail sentiment continues to weaken
- London market values increasingly viewed as expensive

The Q4 2017 RICS UK Commercial Property Market Survey results show trends continuing to diverge across sectors. Industrial remains the clear outperformer, with retail continuing to lag significantly in terms of capital value and rental growth expectations. Meanwhile, sentiment across London is still more cautious in comparison to other parts of the country, although rising investment demand appears to be slightly at odds with current occupier market conditions.

On a UK-wide basis, the survey's headline occupier demand gauge registered a net balance of +2% in Q4, compared with +5% previously. As such, this measure continues to signal a broadly flat trend in all-property tenant demand. When viewed at the sector level, demand for industrial space continued to rise smartly, but was broadly unchanged for office space. In the retail segment, demand reportedly fell for the third consecutive quarter, with the net balance of -22% the poorest return since 2011. Alongside this, the retail sector was the only area of the market to see an increase in the availability of leasable space.

That said, although changes in supply and demand have appeared more or less steady in the office sector over recent quarters, the value of landlord incentive packages has now risen in six straight reports. Furthermore, the pace of increase during Q4 (in net balance terms) was the steepest since 2010.

Given these dynamics, near term industrial rental growth expectations are firmly positive. By way of contrast, rents in the retail portion of the market are expected to come under further downward pressure, while respondents anticipate little change in office sector rents. On a twelve month view, both prime and secondary industrial rents are envisaged rising smartly. At the same time, prime office rents are expected to post modest gains while the outlook for secondary remains flat. In the retail sector, projections for prime space were downgraded, from a marginally positive outlook previously, to flat in the Q4 results. Meanwhile, expectations in secondary retail locations slipped deeper into negative territory.

When broken down by region, all-sector rental growth projections are modestly positive across most areas (albeit to a slightly lesser extent than previously). Again, London remains the exception, where respondents foresee declining rents in the office and retail sectors. Nevertheless, the weakness is largely concentrated across secondary space, while rents across prime markets may prove more resilient and hold steady over the year ahead.

Focussing on the investment side of the market, a net balance of +21% of respondents cited an increase in enquiries during Q4 (+20% in Q3), marking the sixth successive quarterly rise. Within this, investor demand reportedly picked-up in both the office and industrial segments of the market, while enquiries were unchanged across retail. Interest from overseas buyers continued to rise modestly across the board, with growth evenly matched in each market segment. The supply of investable office and industrial units continued to decline over the quarter, but respondents noted a stable trend in the retail sector.

Near term capital value expectations strengthened slightly in the office sector relative to Q3, with the net balance improving to +15% from +7%. Contributors continue to expect the industrial segment to deliver the most significant capital value gains, posting a net balance of +38%. At the other end of the scale, retail capital values are now projected to decline modestly in the near term (net balance -10%). At the twelve month horizon, projections are now comfortably positive in both prime and secondary office sub markets. Industrial assets still exhibit the firmest twelve month outlook, both prime and secondary, compared to all other categories. Secondary retail is the only sub-market in which respondents anticipate a fall in values over the year ahead in its entirety.

When disaggregated, near term all-property capital value expectations are positive to a greater or lesser degree across virtually all regions. In London, the headline net balance of +5% represents a marginal improvement on +1% in Q3, but remains in broadly neutral territory nonetheless. Expectations did however turn marginally positive in the office sector (net balance edged up to +6% from -6%), although retail expectations remain negative.

Across London as a whole, the proportion of respondents viewing the market as overpriced increased to 63% in Q4. In fact, having dropped to 42% at the end of 2016, this proportion has been steadily on the rise throughout the course of 2017. In terms of the national figures (ex-London), the majority of contributors (70%) feel the market offers fair value, although 18% sense prices are now stretched relative to fundamentals (up from 10% on the same basis at the start of the year).

Summary of local market

We would expect the interest for this property would be from mainly owner occupiers of local investors. Local occupiers would purchase the property in a view of serving the local community. We would expect a marketing period between 3- 12 months to sell the property.

We would expect some interest if the subject property was available to rent. The interest will be from local businesses. We would expect the property to be let within 6 months.

Market evidence

The following comparable evidence has been used in the preparation of our report and in determining our opinion of the Market Value (MV)

Rent comparables -

Address	Comments
Unit 1, The Precinct, Winchester Road, SO53 2GA	<p>A ground floor shop totalling 654 sq ft is currently let for £10,560 per annum. The lease is for a term of 10 years from October 2017. The tenant benefited from a break in year 3. There is a rent review in year 5.</p> <p>The ITZA is 484 sq ft.</p> <p>The letting equates to £21.82 ITZA psf.</p>
23 High Street, Eastleigh, SO50 5LF	<p>A ground and first floor retail shop totalling 1,031 sq ft is current let for £18,500 per annum. The lease is for a term of 9 years from August 2017. There is a tenant break and rent review in year 5.</p> <p>The ITZA is 478 sq ft.</p> <p>The letting equates to £38.71 ITZA psf.</p>
19 High Street, Eastleigh, SO50 5LF	<p>A ground floor retail unit totalling 518 sq ft is currently let for £15,000 per annum. The lease is for a term of 10 years from February 2017. There is a break clause at the end of the first year. This property benefits from 2 parking spaces.</p> <p>The ITZA is 394 sq ft.</p> <p>The letting equates to £38.10 ITZA psf.</p>

Sales comparables

Address	Comments
402 Bitterne Road, Southampton, SO18 5RS	<p>A freehold two storey bank with parking sold for £275,000 in December 2017.</p> <p>The property is let to the Bank of Scotland on a 10 year ease from September 2014. The lease has a rent review in year 5.</p> <p>The income totals £20,800 per annum.</p> <p>The sale reflects a yield of 7.56%.</p>

**22/22b Manor
Farm Road,
Bitterne Park,
Southampton,
SO18 1NP**

A freehold mid terrace 2 storey building arranged s a shop let and vacant 1 bed flat sold for £191,000 in February 2017.

The income totals £6,500 per annum,

The sale reflects a yield of 3.40%.

**3 Leigh Road,
Eastleigh,
SO50 9YM**

A freehold 2 storey building arranged as bank with office accommodation above sold for £530,000 in October 2016.

The property is let to HSBC on a 15 year lease form November 2006. The lease has 5 yearly rent reviews.

The income totals £35,000 per annum.

The sale reflects a yield of 6.60%.

**64/66 Shirley
High Street,
Southampton,
SO15 3NF**

A freehold 2 storey building arranged a shop with ancillary upper parts sold for £515,000 in February 2018.

The property is let to Poundland Ltd on a 10 year lease from December 2012. The lease has 5 yearly rent reviews.

The income totals £38,000 per annum.

The sale reflects a yield of 7.38.

Valuation summary and analysis comparables

We have been able to source local lettings which give us a good understanding of the retail marketing. We have included lettings within Chandlers Ford, as well as Eastleigh. The comparable transactions have all been let within the last 12 months.

The strongest comparable is Unit 1 The Precinct. This retail shop is similar in size and quality. This shop is a part of the same wider local shopping complex as the subject property. We understand this shop was in adequate condition however could be better presented.

We have sourced two recent lettings located in Eastleigh. Eastleigh is approximately 2 miles south east of the subject property location. 23 High Street is over two floors. The agent explained that the property benefits from a large car park to the rear which is apart of the letting. 19 High Street is a smaller shop and is similar in size to the subject property. The High Street in Eastleigh leads onto The Swan Shopping and Leisure Centre. We would consider this

a better retailing location because of the increased footfall. Other nearby tenants include Iceland, Nationwide and Pizza Hut.

The ITZA range from £21.82 psf to £38.71 psf.

We have been informed that the passing rent is £10,800 per annum. This equates to £23.79 ITZA psf.

Based upon the comparable evidence we are of the opinion that the market rent is in line with the current passing rent of £10,800 per annum. Whilst Unit 1 The Precinct has achieved a lower price per square foot ITZA there is little between the two lettings. The subject property is larger and of a better quality.

We have not been able to source any vacant possession retail sales however we have included some investment sales to get an understanding of the market value of the property. We have included some more historical transactions for further analysis.

402 Bitterne Road is located Bitterne which is a more central location. The property is located to a better covenant and achieved a yield of 7.56%.

22/22b Manor Farm Road is a shop with a flat above. The flat is vacant which has meant it does not give a full understanding of the local investment market. The sale reflects a yield 3.40%.

3 Leigh Road is located in the nearby area of Eastleigh. This property is let to a national covenant. The auction details explain possible development potential subject to planning. This is a better investment because of the strength of the covenant as well as the development potential. The sale reflects a yield of 6.60%.

64/66 Shirley High Street is located close to Southampton city centre. This property is a large shop let to Poundland. This is more attractive as an investment purchase than the subject property.

Based on the comparable evidence we are of the opinion that the market value of the subject property is £130,000. This equates to 8.3%.

We have applied a weaker yield to reflect the poorer location as well as potential void periods. The subject property is a less attractive investment compared to some of the other investment sales with national occupier tenants. However the shop is affordable and we would expect interest if available to purchase.

Valuation commentary

When valuing this property we have utilised the "Investment valuation technique" and the "comparison valuation technique" and have utilised our knowledge of transactions within the local area.

In preparing our valuation here we have obtained what we consider to be adequate comparable valuation evidence to support the values provided.

Basis of valuation

This Valuation Report is prepared in accordance with the RICS Valuation, Global Standards 2017, from the 1st July 2017.

The Basis of Valuation used is as defined in Valuation Practice Statement 4 – Basis of Value, and is:-

Market Value (MV)

We confirm that the Interpretive Commentary has been applied when making our valuations herein.

Definition

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)

Valuations based on Market Rent (MR) shall adopt the definition settled by the International Valuation Standards Committee.

Definition

The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and 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:	£130,000 (One hundred and thirty thousand pounds)
Market value with limited 180 day marketing period:	£130,000 (One hundred and thirty thousand pounds)
Market value with limited 90 day marketing period:	£115,000 (One hundred and fifteen thousand pounds)
Vacant possession value:	£130,000 (One hundred and thirty thousand pounds)
Market rent:	£10,800 per annum (Ten thousand eight hundred pounds per annum)
Reinstatement valuation (Shop only):	£70,000 (Seventy thousand pounds)

Suitability for lending security purposes

We consider this property suitable for loan security purposes at the level of our valuations.

Legal enquiries

Prior to the exchange of contracts, we strongly advise that Legal Enquiries must confirm the suitability of the following points and refer back to us if any are incorrect so we may amend our valuation accordingly.

1. Confirmation that the property will enjoy free and uninterrupted rights of vehicular and pedestrian access from Winchester Road.
2. Local Searches should assess and verify the risk of flooding, contaminated land, radon and environmental concerns relating to the site.

3. Rights and obligations in respect of the boundary ownership and liabilities.
4. We are unaware of any adverse features affecting the subject property and for the purposes of this valuation have assumed that no such adverse features exist. If any adverse features are identified during solicitors searches these should be notified to us as this may affect our valuation of the property.
5. We have assumed that a good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings.
6. Legal enquiries should confirm the property is held freehold. If long leasehold it should be confirmed the length of lease, service charges and ground rents and that there is nothing within the lease that would affect our valuation.

Third party reference

This Report is provided for the stated purpose and for the sole use of the named Client. It will be confidential to the Client and the Clients' professional advisers. The Valuer accepts responsibility to the Client alone that the Report will be prepared with the skill, care and diligence reasonably to be expected of a competent Chartered Surveyor and accepts no responsibility whatsoever to any parties other than the Client. Any such parties rely upon the Report at their own risk. Neither the whole or any part of this Report, nor any reference to it, may be included in any published document, circular or statement, nor published in any way without the Valuer's written approval of the form and context in which it may appear.

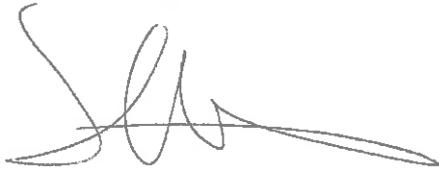
Status of the valuer

The valuer preparing this valuation is an External Valuer who has no current or presently foreseeable potential fee earning relationship concerning the subject property apart from the valuation fee and who has disclosed in writing to you, the client, any present relationship, or a relationship within the past 2 years of receipt of the valuation instruction, with any of the interested parties and any previous involvement with the subject property.

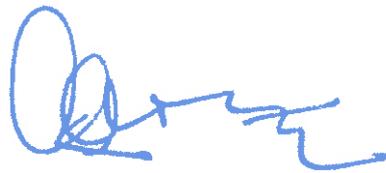
The valuer preparing this report has the knowledge, skills and understanding of the property and market in order to undertake the valuation competently.

Certification

The valuation has been prepared in accordance with the RICS Valuation July 2017. During the preparation of our valuation we have made assumptions in regard to the property, which are set out within our Conditions of Engagement and these assumptions form an integral part of this report.



Simon Mills MRICS
RICS Registered Valuer
For Kempton Carr Croft
21 March 2018



Malcolm Kempton FRICS
RICS Registered Valuer
For Kempton Carr Croft
21 March 2018

Appendix A – Instruction Letter

****PLEASE SEND ALL REPORTS TO VAS PANEL****

Following our recent communications, please take this as our formal instruction to carry out a valuation of the property detailed below on behalf of:

Proplend Security Limited

Please note that our client's requirements are attached. Please make sure all Lender requirements are adhered to, including their basis of valuation.

***IMPORTANT* - Please append the VAS Executive Summary to the front of your Valuation Report (Not as a separate document as this will be rejected at Audit Stage) – As agreed in our Panel Agreement**

The Service Level Agreement (SLA) for this instruction is: **5 days** from date of inspection

Should there be any reason that the SLA cannot be adhered to, VAS Panel should be notified immediately in order to keep our client informed of the delay in issuing the Report.

Your Report should be submitted electronically to info@vas-panel.com no later than 12pm on the Report return date.

THE INSPECTION DATE MUST BE COMMUNICATED TO VAS PANEL WITHIN 24 HOURS OF INSTRUCTION

Property Address:

The Print Room
Ketts House
Winchester Road
Chandler's Ford, Eastleigh
Hampshire
SO53 2FZ

Estimated Value:

£130k

Property Description:

freehold premises - retail outlet

Property Type:

Commercial

Type of Report Requested:

Red Book

Valuation Requirements:

AS IS

Additional Information:

N/A

Report to be carried out on behalf of:

Proplend Security Limited
20-22 Wenlock Road, London, N1 7GU

Applicant Name:

M & S Property Rental Ltd

Access Arranged Through:

Marc Kum

Access Contact Details:

07748 978 653

NB: Copies of the Report are NOT to be distributed to any third party, including Brokers or the Applicant, without full consent of VAS Panel. Valuation figures are also not to be disclosed to those parties stated without written consent from VAS Panel, failure to acquire consent may result in exclusion from the panel.

Please note: All Valuation reports are audited by our affiliated valuation audit company Valuation Audit Services UK Ltd (VAS Audit) The emphasis of the audit will be centred around rental/ sales comparables with full methodology and justification of your valuation approach.

We trust the above is self-explanatory, however; should you require any further information or assistance please do not hesitate to contact us.

Kind Regards,

Team VAS

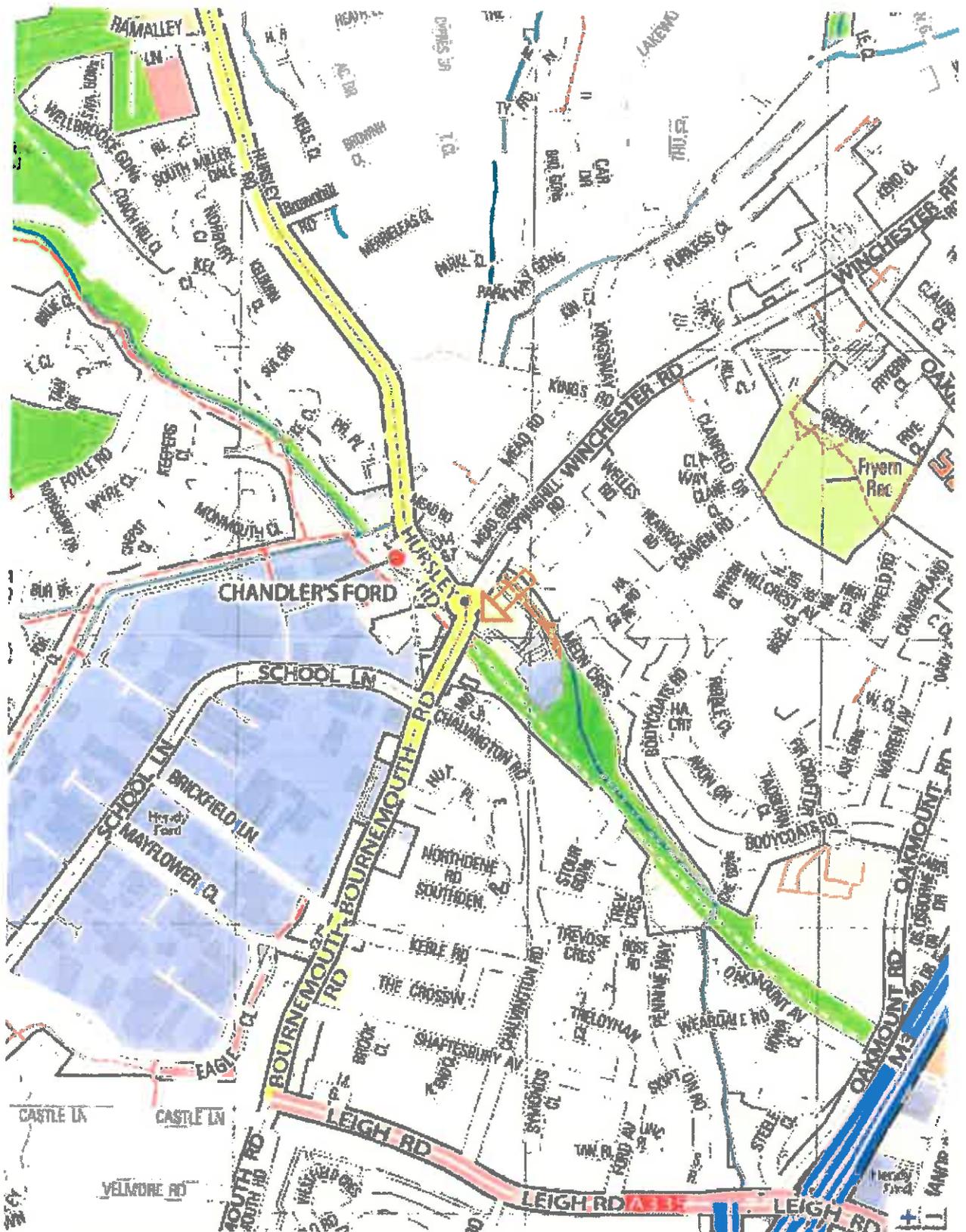
T: 01642 262 217

A: The Palace Hub | 28-29 Esplanade | Redcar | TS10 3AE

W: www.vas-panel.com



Appendix B – Location Plan



All Technology © Copyright: Streetmap.co.uk/Streetmap EU Ltd 2016
This site includes mapping data licenced from Open Street Map, Ordnance Survey & Bartholomew.

[Landscape](#)
[Print](#)



Appendix C – Photographs & Site Plan



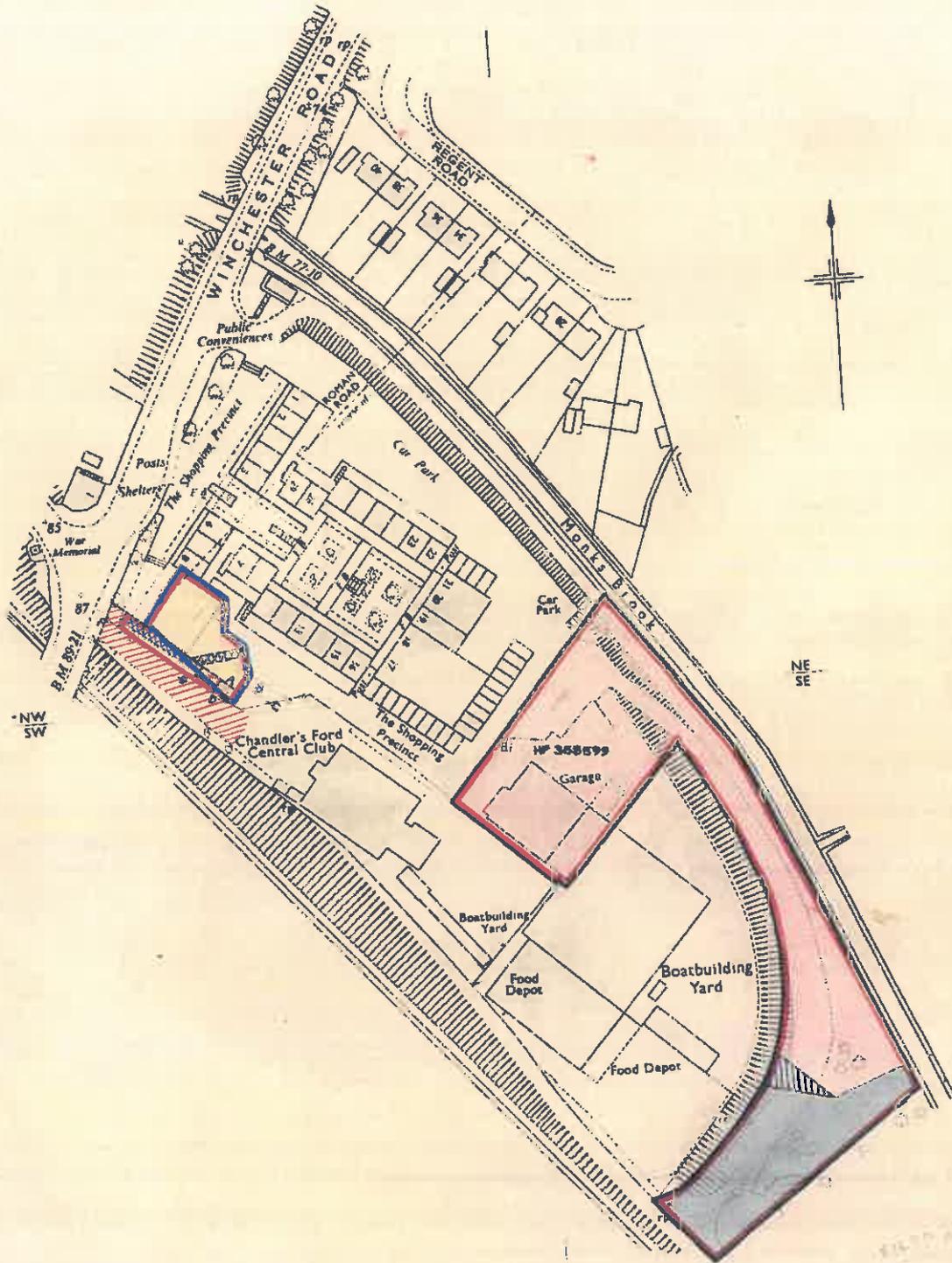








H.M. LAND REGISTRY		TITLE NUMBER	
		HP 225263	
ORDNANCE SURVEY PLAN REFERENCE	SU 4320	SECTION L	Scale 1/1250
COUNTY HAMPSHIRE	DISTRICT EASTLEIGH		© Crown copyright 1975



This is a print of the view of the title plan obtained from HM Land Registry showing the state of the title plan on 14 February 2018 at 16:00:46. 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 taken between the same points on the ground.

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

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Register View - HTML

Register view information

THIS IS A PRINT OF THE VIEW OF THE REGISTER OBTAINED FROM HM LAND REGISTRY SHOWING THE ENTRIES SUBSISTING IN THE REGISTER ON 21 MAR 2018 AT 10:52:38. BUT PLEASE NOTE THAT THIS REGISTER VIEW IS NOT ADMISSIBLE IN A COURT IN THE SAME WAY AS AN OFFICIAL COPY WITHIN THE MEANING OF S.67 LAND REGISTRATION ACT 2002. UNLIKE AN OFFICIAL COPY, IT MAY NOT ENTITLE A PERSON TO BE INDEMNIFIED BY THE REGISTRAR IF HE OR SHE SUFFERS LOSS BY REASON OF A MISTAKE CONTAINED WITHIN IT. THE ENTRIES SHOWN DO NOT TAKE ACCOUNT OF ANY APPLICATIONS PENDING IN HM LAND REGISTRY.

FOR SEARCH PURPOSES, THE ABOVE DATE SHOULD BE USED AS THE SEARCH FROM DATE.

THIS TITLE IS DEALT WITH BY HM LAND REGISTRY, WEYMOUTH OFFICE

TITLE NO. HP225263

REGISTER LAST UPDATED ON : 08 AUG 2017 AT 15:46:13

[New enquiry](#)

[Printer-Friendly Version](#)

Use current title number for:

[Title Plan View](#)

[QC Title Known](#)

[QS with Priority](#)

[QS w/o Priority](#)

[Home Rights](#)

Register View

A: Property Register

This register describes the land and estate comprised in the title.

HAMPSHIRE : EASTLEIGH

1. (31.01.1983) The Freehold land shown edged with red on the plan of the above Title filed at the Registry and being land and building to the South East of Winchester Road, Chandlers Ford, Eastleigh.

2. The land has the benefit of the following rights granted by a Conveyance of the land in this title and other land dated 14 November 1958 made between (1) The Chandlers Ford Central Club and Institute Limited (Vendors) and (2) South Hants Harvesting Company Limited:-

"TOGETHER with in common with the Vendors and all others authorised by then a right of way at all times and for all purposes over and along the roadway and entrance drive coloured brown on the said plan."

NOTE: The roadway coloured brown referred to is hatched brown on the filed plan.

3. The land has the benefit of the following rights reserved by a Conveyance of adjoining land dated 30 January 1961 made between (1) South Hants Harvesting Company Limited (Vendors) and (2) Groove Grant Property Company Limited:-

"Except and Reserved as mentioned in the First Schedule hereto.

THE FIRST SCHEDULE above referred to

Matters excepted and reserved to the Vendors out of this Conveyance

In favour of the Vendors as incident to the ownership or occupation of the said adjoining land of the Vendors shown edged blue on the said plan the right to erect and maintain at or near to the junction of the service roadway hereinbefore mentioned and the main Southampton/Winchester Road a suitable sign directing traffic to the buildings on the Vendors on the said land edged blue.

NOTE: The land tinted pink and tinted yellow on the filed plan forms part of the land edged blue referred to.

4. The land tinted pink, tinted blue, hatched blue and edged blue on the filed plan has the benefit of the rights granted by a Deed dated 14 August 1968 made between (1) The Prudential Assurance Company Limited (2) Pettisfree Properties Limited and (3) South Hants Engineering Company Limited.

-NOTE: Original filed.

5. The land edged and numbered in green on the title plan has been removed from this title and registered under the title number or numbers shown in green on the said plan.

6. A Transfer of the land edged and numbered HP358599 in green on the filed plan dated 19 May 1988 made between (1) Chamberlayne Homes Limited (Transferee) and (2) Pricketts Limited (Transferor) contains the following provision:-

IT is hereby agreed and declared as follows

i. The Transferor and the Transferee will contribute to the costs set out in clause 3(2) of the Deed in proportion to their User of the service road coloured blue on the plan annexed to the Deed

ii. The Transferee will bear the liability under Clause 3(1) of the Deed entirely and hereby covenants to indemnify the Transferor against all liabilities claims and demands in respect thereof.

NOTE: The Deed referred to is that dated 14 August 1968 referred to above.

B: Proprietorship Register

This register specifies the class of title and identifies the owner. It contains any entries that affect the right of disposal.

Title Absolute

1. (31.01.1983) PROPRIETOR: #PRICKETTS LIMITED# of 225 London Road, Staines, Middx, TW18 4HR.

2. (08.08.2017) RESTRICTION: No disposition of the registered estate by the proprietor of the registered estate is to be completed by registration without a certificate signed by a conveyancer at Dixon Ward, Solicitors, 16 The Green, Richmond, Surrey, TW9 1QD, that the conveyancer is satisfied that (1) the company which executed the document submitted for registration as disponor is the same company as the proprietor, and (2) reasonable steps have been taken to establish that each person who signed as an officer of the company held the stated office at the time of execution.

C: Charges Register

This register contains any charges and other matters that affect the land.

1. The land is subject to the following rights granted by a Conveyance of the land hatched blue on the filed plan and other land dated 26 September 1925 made between (1) The Chandlers Ford Central Club and Institute Limited and (2) The Rural District Council of Hursley (Council):-

"SECONDLY full right and liberty for the Council their successors and assigns and their tenants and servants and all persons authorised by them in that behalf (in common with the Club its successors and assigns and all persons authorised by them respectively) from time to time and at all times hereafter at their will and pleasure for all purposes authorised by the said order to pass and repass with or without horses cattle and other animals carts and wagons or with steam and motor propelled vehicles in along and over the piece of land twelve feet in width coloured Brown on the said plan between the points marked A and B thereon THIRDLY full right and liberty for the Council their successors and assigns to lay and at all times hereafter to maintain a sewer outfall to the works authorised as aforesaid and a rising main for pumping and two manholes for access to the sewer along the course shown in the said plan between the points marked C and D and shown by a blue line provided that the said works shall be so constructed and maintained so as to avoid all interference with the foundations of the Club buildings and so as not to damage or injure the said buildings."

-NOTE: Copy plan filed.

2. The land is subject to the following rights reserved by a Conveyance of the land tinted mauve on the filed plan and other land dated 18 July 1962 made between (1) Chandlers Ford Central Club and Institute Limited (Vendors) (2) Devenish and Groves Limited and (3) South Hants Harvesting Company Limited (Purchasers):-

"EXCEPT AND RESERVING unto the Vendors and their successors in title a right of way over and along the strip of land twenty feet wide coloured Brown on the said plan for the purpose of enabling the Vendors their Agents and all persons authorised by them to have access to the land immediately to the North and East of the Vendors said premises."

NOTE: The land coloured Brown referred to is reproduced on the filed plan.

3. The parts of the land affected thereby are subject to the following rights granted by a Deed dated 16 July 1986 made between (1) Pricketts Limited (Grantor) and (2) British Gas Corporation (the Corporation):-

"the Grantor" as beneficial owner HEREBY GRANTS to the Corporation and their assigns for the benefit and extension of and to be used in connection with and appertaining to the statutory gas undertaking of the Corporation LICENCE to lay construct inspect maintain protect use replace remove or render unuseable a main or pipe for the transmission or storage of gas or other materials connected with the exercise and performance of the functions of the Corporation and all necessary apparatus ancillary thereto (all hereinafter together called "the said works") under a strip of land (hereinafter called "the said strip of land") 3 metres in width coloured pink for identification purposes only on the plan bound up within and forming part of the land comprising in the title above mentioned but without the benefit of the rights referred to in the Property Register of the said title and subject so far as the same affect the said strip of land to the entries numbered 1 and 2 in the Charges Register of the said title and in common with the Grantor and all other persons authorised by the Grantor and all others entitled to pass over the said strip of land for the purpose of access to the said works and of any works of the Corporation contiguous therewith"

The said Deed also contains the following covenant:-

"THE Grantor (to the intent and so as to bind the said strip of land into whosoever hands the same may come and to benefit and protect the rights hereby granted) hereby covenants with the Corporation whilst the licence hereby granted is subsisting as follows:-

(i) the Grantor shall not do or cause or permit to be done on the said strip of land anything calculated or likely to cause damage or injury to the said works and will take all reasonable precautions to prevent such damage or injury

(ii) the Grantor shall not without the prior consent in writing of the Corporation make or cause or permit to be made any material alteration to or any deposit of any thing upon any part of the said strip of land so as to interfere with or obstruct the access thereto or to the said works by the Corporation or so as to lessen or in any way interfere with the support afforded to the said works by the surrounding soil including minerals or so as materially to reduce the depth of soil above the said works

(iii) the Grantor shall not erect or install or cause or permit to be erected or installed any building or structure or permanent apparatus in through upon or over the said strip of land"

NOTE: The strip of land referred to is cross hatched blue on the filed plan.

4. (30.11.2012) The land is subject to the rights granted by a Lease for a term of 99 years from 18 October 1963 (less 10 days) of an electricity substation dated 24 January 1964 made between (1) Pettisfree Properties Limited and (2) The Southern Electricity Board.

-NOTE: Copy filed under HP756019.

End of register

NOTE 1: The date at the beginning of an entry is the date on which the entry was made in the Register.

NOTE 2: Symbols included in register entries do not form part of the register and are used by HM Land Registry for internal purposes only.

H.M.LAND REGISTRY

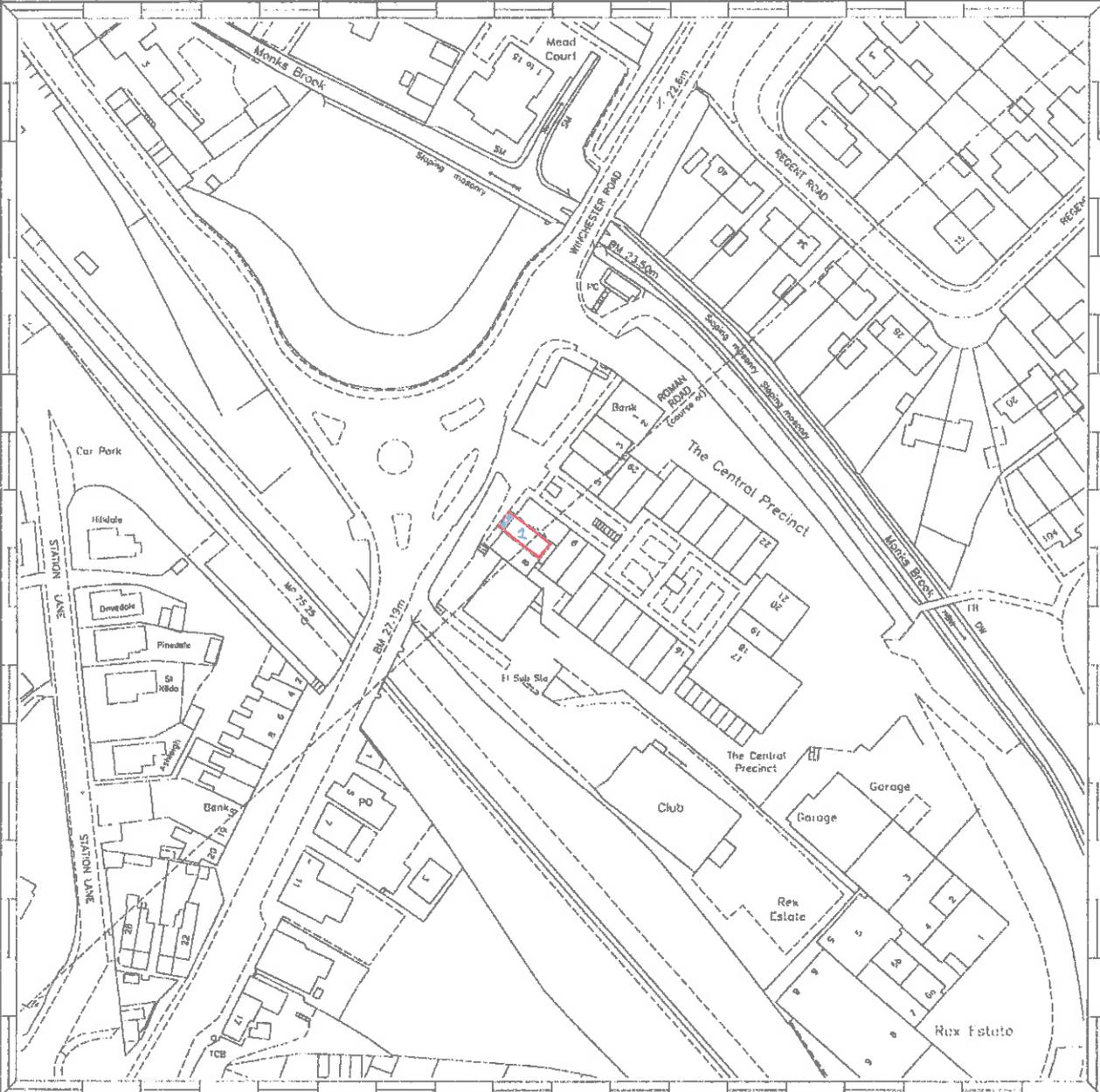
TITLE NUMBER
HP 568029



ADMINISTRATIVE AREA
HAMPSHIRE:EASTLEIGH

ORDNANCE SURVEY MAP REFERENCE
SU4320SW:SU4320SE:SU4320NW:SU4320NE

SCALE
1:1250



CROWN COPYRIGHT

This plan is based on the largest scale of the published Ordnance Survey map

This is a print of the view of the title plan obtained from HM Land Registry showing the state of the title plan on 16 March 2018 at 16:34:47. 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.

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Register View - HTML

Register view information

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FOR SEARCH PURPOSES, THE ABOVE DATE SHOULD BE USED AS THE SEARCH FROM DATE.

THIS TITLE IS DEALT WITH BY HM LAND REGISTRY, WEYMOUTH OFFICE

TITLE NO: HP568029

REGISTER LAST UPDATED ON : 21 JUN 2010 AT 10:50:37

[New enquiry](#)

[Printer-Friendly Version](#)

Use current title number for:

[Title Plan View](#)

[QC Title Known](#)

[OS with Priority](#)

[OS w/o Priority](#)

[Home Rights](#)

Register View

A: Property Register

This register describes the land and estate comprised in the title.

HAMPSHIRE : EASTLEIGH

1. (23.02.1984) The Freehold land shown edged with red on the plan of the above Title filed at the Registry and being 7 and 7A The Precinct, Winchester Road, Chandler's Ford, Eastleigh (SO53 2GE).

NOTE: As to the part tinted blue on the title plan only the first floor canopy is included in the title.

2. The land has the benefit of the rights granted by but is subject to the rights reserved by the Transfer dated 1 April 1985 referred to in the Charges Register.

3. The Transfer dated 1 April 1985 referred to above contains provisions as to light or air and boundary structures.

4. (30.03.1999) The land has the benefit of the rights granted by but is subject to the rights reserved by a Transfer of the land in this title dated 17 March 1999 made between (1) Hyman Cooney and Ruth Cooney and (2) Joyce Gertrude Healy.

-NOTE: Original filed.

5. (30.03.1999) The Transfer dated 17 March 1999 referred to above contains a provision as to light or air.

B: Proprietorship Register

This register specifies the class of title and identifies the owner. It contains any entries that affect the right of disposal.

Title Absolute

1. (21.06.2010) PROPRIETOR: #MARC ROLAND KURNIS of 18 Charlecote Drive, Chandler's Ford, Eastleigh, *Hampshire* SO53 15F.

2. (21.06.2010) The price stated to have been paid on 7 June 2010 was £71,000.

3. (21.06.2010) The Transfer to the proprietor contains a covenant to observe and perform the covenants referred to in the Charges Register and of indemnity in respect thereof.

C: Charges Register

This register contains any charges and other matters that affect the land.

1. A Transfer of the land in this title and other land dated 1 April 1985 made between (1) Dares Investments Limited and (2) Hyman Cooney and Ruth Cooney contains restrictive covenants.

-NOTE: Original filed under HP276007.

2. The Transfer dated 1 April 1985 referred to above contains a reservation of a rent charge therein mentioned.

3. The parts of the land affected thereby are subject to the leases set out in the schedule of leases hereto. The leases grant and reserve easements as therein mentioned.

4. (21.06.2010) REGISTERED CHARGE dated 7 June 2010.

5. (21.06.2010) Proprietor: #BARCLAYS BANK PLC# (Co. Regn. No. 1026167) of UK Banking Service Centre, PO Box 299, Birmingham B1 3PF.

Schedule of Notices of Leases

Reg. date Property description Date of Lease Lessee's Title
and Plan ref. and Term

1. 06.08.1985 Unit 7a The Precinct (First 01.04.1985 HP282355
Numbered 1 in and Second Floor 125 years from
blue (Part of) Maisonette) 18.10.1984

End of register

NOTE 1: The date at the beginning of an entry is the date on which the entry
was made in the Register.

NOTE 2: Symbols included in register entries do not form part of the register
and are used by HM Land Registry for internal purposes only.