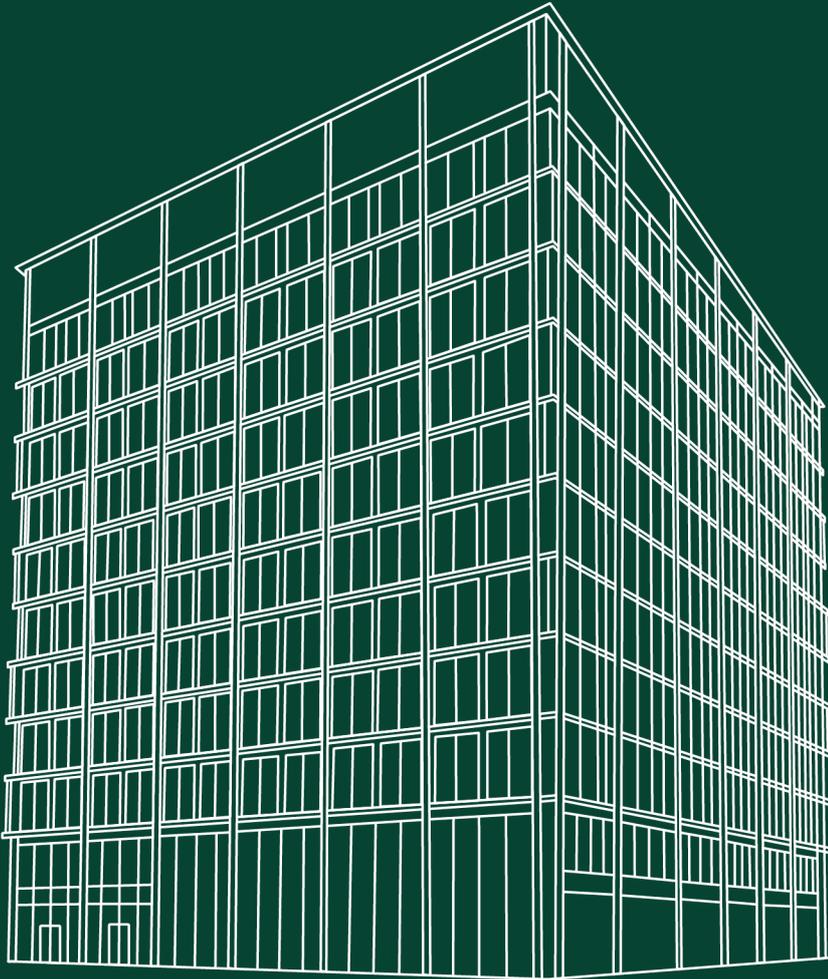




**BNP PARIBAS
REAL ESTATE**



VALUATION REPORT

PROPLEND SECURITY LIMITED

**WATERLOO COURT, 31
WATERLOO ROAD,
WOLVERHAMPTON, WV1 4DJ**

5 APRIL 2022

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APPENDIX 1: TERMS OF ENGAGEMENT

APPENDIX 2: VALUATION CALCULATIONS

Photographs



Front Elevation



Rear Elevation

EXECUTIVE SUMMARY

VALUATION DATE

- 5 April 2022

DESCRIPTION

- The subject Property comprises a purpose built office building built in the 1960s of concrete framed construction with concrete and brick elevations surmounted by flat roofs. The office accommodation is arranged over three wings; the north wing provides five storeys, the south wing provides four storeys and the west wing provides sixth storeys including a residential flat, plus there is a basement car park. The Property provides a total Net Internal Area of 41,637 sq ft (3,868.18 sq m).

LOCATION

- The Property is situated on the corner of Waterloo Road and St Andrews Ring Road (A4150) and can also be accessed off Clarence Road to the rear. The Property is well located in the city centre, close to the Molineux Stadium, University of Wolverhampton and Mander Centre, whilst Wolverhampton train station is only a 13-minute walk. The surrounding area is predominantly commercial and nearby occupiers include SB Medics, Crombies Chartered Accountants, Community Care Services Ltd, Owen Payne Recruitment Services Ltd and Dallow & Dallow Solicitors.

TENURE

- Freehold.

TENANCIES

- The Property is multi-let to 9 tenants and provides a WAULT of 1.2 years.

GROSS/NET INCOME

Gross £289,780 per annum
Net £289,780 per annum

RENTAL VALUE

£384,863 per annum

TENANT STATUS

- The Property provides a mixture of tenants ranging from excellent to weak covenant strength providing limited income security. However, we are of the opinion that the investment market would perceive this tenant

line up not unusual for an asset of this type and in this location.

VALUATIONS

Market Value	£3,450,000
Market Value subject to:	
Special Assumption 1	£2,950,000
Special Assumption 2	£3,080,000

YIELD PROFILE FOR MARKET VALUE

Net Initial Yield	7.98%
Reversionary Yield	10.60%
Equivalent Yield (nominal)	9.51%
Equivalent Yield (true)	10.05%

SPECIAL ASSUMPTIONS

- 90-day sale.
- Vacant possession.

SWOT ANALYSIS

Strengths and Weaknesses

- Freehold;
- Situated in Wolverhampton city centre however Wolverhampton is not an established office location;
- Offices are capable of subdivision, available as individual suites or on a wing or floor-by-floor basis;
- The Property would benefit from modernisation / refurbishment in part however, the cost of extensive refurbishment is unlikely to be recuperated through rental income;
- Short WAULT of 1.2 years;
- Highly reversionary investment with circa 24% of the total building area vacant.

Opportunities and Threats

- Further economic uncertainty caused by Brexit and COVID-19;
- Long term redevelopment potential (subject to Planning).

SUITABILITY AS SECURITY

- Subject to our valuation, our comments and advice in this report, and having regard to the terms of the loan proposed, we confirm that we consider the Property represents a suitable security for mortgage purposes.

Private & Confidential

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

For the attention of: Stewart Bruce

Valuation

Sophie Borrowdale MRICS
Associate Director
BNP Paribas Real Estate
9 Colmore Row
Birmingham
B3 2BJ

Tel: +44 (0) 121 237 1245
Mobile: +44 (0) 7900 705 999
E-mail: Sophie.Borrowdale@bnpparibas.com

Our Ref: SLB/kn/241015

5 April 2022

Dear Sir,

CLIENT: PROPLEND SECURITY LIMITED

BORROWER: CHARLES JORDAN (WATERLOO) LTD

PROPERTY: WATERLOO COURT, 31 WATERLOO ROAD, WOLVERHAMPTON, WV1 4DJ

1. TERMS OF REFERENCE

1.1 INSTRUCTIONS

In accordance with your instructions of 24 March 2022, our Terms of Engagement dated 25 March 2022 and the Valuation Procedures and Assumptions enclosed within that letter, we have undertaken the valuation of Waterloo Court, 31 Waterloo Road, Wolverhampton, WV1 4DJ, ("The Property") for secured lending purposes.

Copies of your Instruction Letter, our Terms of Engagement and Valuation Procedures and Assumptions are enclosed within **Appendix 1**.

It is important that you have read and understood our Valuation Procedures and Assumptions and Terms of Engagement letter as they record the assumptions and special assumptions upon which our valuation has been based.

The Borrower is acquiring the freehold interest in the Property as an investment.

1.2 BASES OF VALUE

The Royal Institution of Chartered Surveyors Valuations Standards sets out the following definitions of Market Value and Market Rent:

Market Value

"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."

BNP Paribas Real Estate Advisory & Property Management UK Limited

Registered office: 5 Aldermanbury Square, London EC2V 7BP

Registered in England No. 4176965

www.realestate.bnpparibas.co.uk



Regulated by RICS



Market Rent

“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.”

In accordance with your instructions, the Property is to be valued on the following basis:

- Market Value of the freehold interest in the Property, in its existing condition, as at the valuation date and subject to the existing tenancies.
- Market Value of the freehold interest in the Property, in its existing condition, as at the valuation date, subject to the existing tenancies and on the Special Assumption of a 90-day sale.
- Market Value of the freehold interest in the Property, in its existing condition, as at the valuation date, and on the Special Assumption of vacant possession.

In the event that any of our Special Assumptions or Assumptions are found to be incorrect, no reliance should be placed upon the valuation until it has been reviewed by BNP Paribas Real Estate in the light of that additional information.

1.3 PURPOSE OF VALUATION

This valuation is required for loan security purposes.

1.4 DATE OF VALUATION

The valuation date is 5 April 2022.

The importance of the valuation date must be stressed as property values may change over a relatively short period.

1.5 LOAN TERMS

We have been advised that the proposed loan facility is for 70% gross of the stated Market Value.

1.6 ESTIMATE OF VALUE

We have not been advised of the agreed purchase price.

1.7 STANDARDS

This valuation report and the opinions contained herein are intended to be fully compliant with the RICS Valuation – Global Standards, 2020 (Red Book), to include the International Valuation Standards, and the RICS Valuation – Global Standards, 2017: UK National Supplement. Accordingly, we are providing our advice as External Valuers.

1.8 INDEPENDENCE AND OBJECTIVITY

As you are aware, we have previously provided valuation advice to the Borrower in relation to another property. However, we are satisfied that we are able to act objectively and that this report represents our independent opinion.

We are therefore acting in the capacity of External Valuer as defined by the Red Book.

1.9 VALUER DETAILS

This report and valuation has been prepared by Sophie Borrowdale MRICS, BSc (Hons) and reviewed by Richard Gill MRICS, BSc (Hons), MA, MSc.

We confirm that they are both members of the RICS Registered Valuer Scheme have the knowledge, skills and understanding to undertake this valuation competently.

1.10 INDEMNITY

We have sufficient professional indemnity cover for this instruction and our overall workload.

2. EXTENT OF DUE DILIGENCE & INFORMATION SOURCES

2.1 INSPECTION

The Property was inspected on 11 January 2022 by Sophie Borrowdale MRICS. The weather at the time of the inspection was overcast with light rain.

Our site inspection consisted of an internal and external inspection of the Property and its environs. Our inspection has been limited to the subject premises. We were not able to obtain clear views of all of the main roof coverings of the building and nor were we able to gain access to any roof void or the roofs themselves. Our inspection was limited by the presence of fixtures, fittings, furniture and floor coverings.

We assume such unseen areas are free from defects that would have a material impact on value.

Photographs of the Property were taken during the inspection and are contained in **Section 3.2**.

2.2 FLOOR AREAS

We have derived floor areas from measurements taken on site at the time of our inspection.

2.3 CONDITION

We have not been provided with a building survey.

2.4 ENVIRONMENTAL INVESTIGATION

We have not been provided with any environmental reports.

2.5 TENURE, TITLE AND TENANCIES

We have not been provided with a Report on Title.

The commentary provided in this report is based on our understanding of the title and tenancy situation and this should be verified by your solicitors.

2.6 TOWN PLANNING

We have made informal enquiries with City of Wolverhampton Council planning department.

3. PROPERTY INFORMATION

3.1 LOCATION

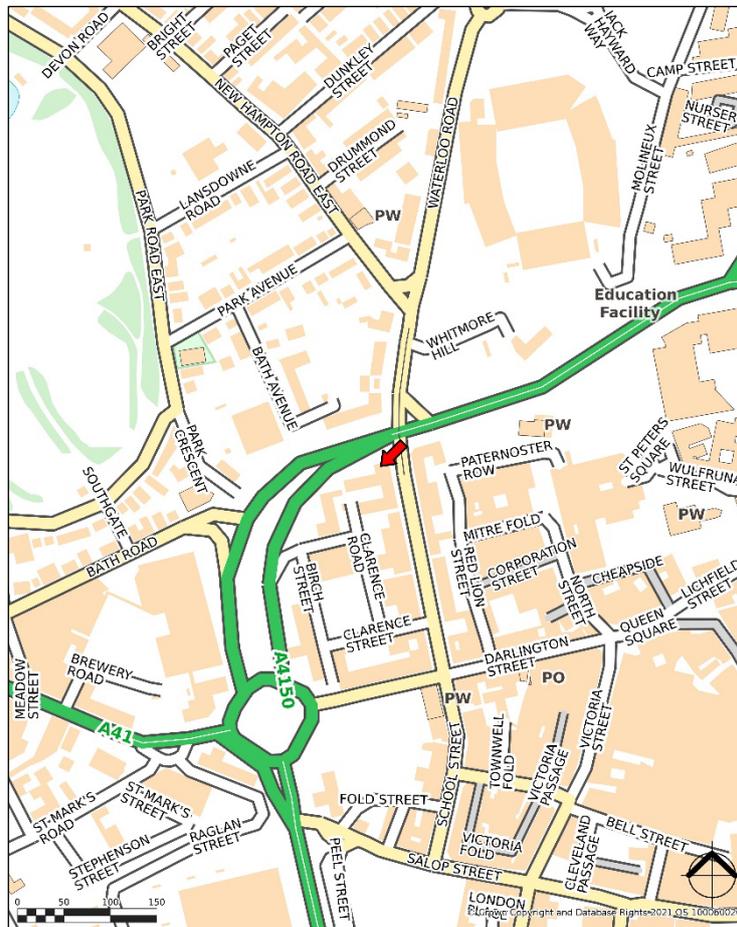
Wolverhampton is a city, administrative centre and borough in the West Midlands. It lies approximately 12 miles northwest of Birmingham, 29 miles south of Stoke-on-Trent and 62 miles south of Manchester. At the time of the 2011 Census, the population of Wolverhampton was 210,319 (ONS, 2011).

The city is well-connected to the national road and motorway network, with junction 2 of the M54 being situated approximately 3.5 miles north of the city centre and junction 10 of the M6 accessible circa 4.75 miles to the east. The former connects the city with Shropshire and North Wales to the west, whilst the latter allows for convenient access to Birmingham to the south and Manchester to the north.

Wolverhampton railway station is situated on the eastern edge of the city centre and provides regular direct services to Birmingham New Street, Manchester Piccadilly and London Euston. Approximate fastest travel times are 20 minutes, 1 hour and 20 minutes and 1 hour and 45 minutes respectively. Other direct services are offered to destinations including Shrewsbury, Liverpool Lime Street, Reading, Glasgow, Edinburgh and Bournemouth. A number of local bus services are offered from Wolverhampton Bus Station, which is situated adjacent to the train station and was developed in 2011. Meanwhile, the Midland Metro tram system links the city to Birmingham and West Bromwich.

The nearest airport to Wolverhampton is Birmingham Airport, which is situated approximately 19 miles to the southeast and provides flights to over 150 international destinations.

Below is a map showing the location of the Property in the context of Wolverhampton:



The Property is situated on the corner of Waterloo Road and St Andrews Ring Road (A4150) and can also be accessed off Clarence Road to the rear. The Property is well located in the city centre, close to the Molineux Stadium, University of Wolverhampton and Mander Centre, whilst Wolverhampton train station is only a 13-minute walk. The surrounding area is predominantly commercial and nearby occupiers include SB Medics, Crombies Chartered Accountants, Community Care Services Ltd, Owen Payne Recruitment Services Ltd and Dallow & Dallow Solicitors.

3.2 DESCRIPTION

Below is an extract from the Ordnance Survey on which we show our understanding of the boundary of the Property edged in red. The site area extends to approximately 0.462 acres (0.187 hectares).



The subject Property comprises a purpose built office building built in the 1960s of concrete framed construction with concrete and brick elevations surmounted by flat roofs. The office accommodation is arranged over three wings; the north wing provides five storeys, the south wing provides four storeys and the west wing provides sixth storeys including a residential flat, plus there is a basement car park. The Property provides a total Net Internal Area of 41,637 sq ft (3,868.18 sq m).

The office specification generally comprises open plan and cellular suites, suspended ceilings incorporating recessed box panel lighting, plastered and painted walls, carpet floor covering, wall-mounted perimeter heaters (in part), perimeter trunking (in part), ceiling mounted air conditioning (in part), single glazed metal framed windows with secondary glazing (in part) and two Deltron 8 person (630 kg) lifts serving each floor except the

sixth floor which is accessed via the stairwell. The ground floor provides a reception area and lift lobby with alternate male and female WC facilities on each floor.

During our inspection, the residential flat on the sixth floor was vacant and in a poor state of repair and condition. The flat provided an entrance hallway, bathroom, living room, kitchen and two bedrooms.

At basement level, there is a tarmac surfaced car park providing approximately 75 delineated parking spaces and is accessed through a security barrier from Clarence Road to the rear of the Property.

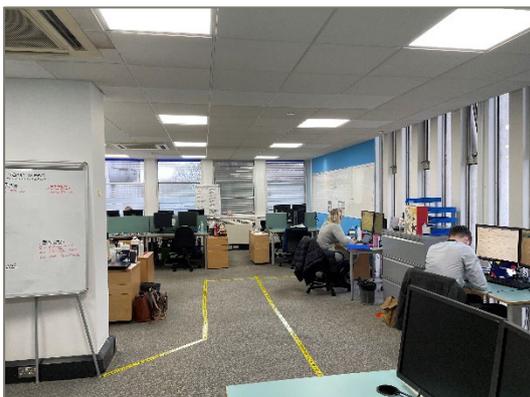
Below are a selection of photographs of the Property:



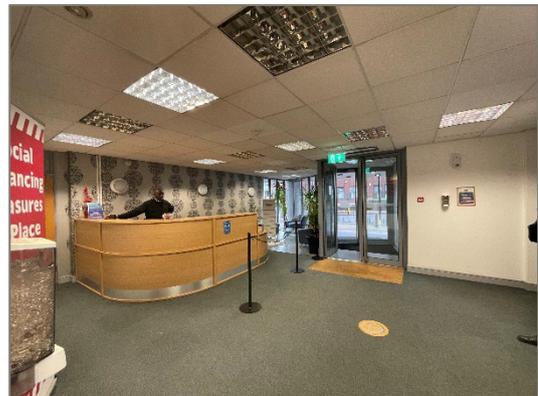
Front Elevation



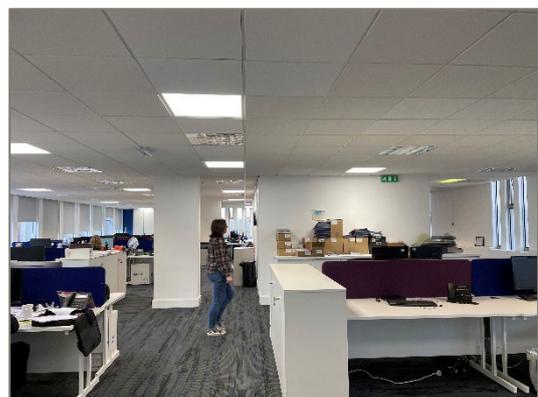
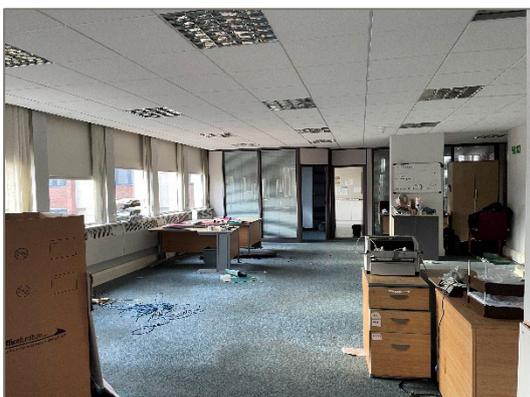
Front Elevation



Ground Floor North Wing



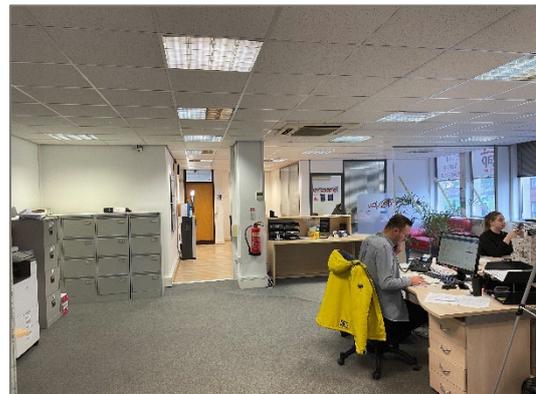
Reception



First Floor West Wing



Second Floor West Wing



Fourth Floor North Wing



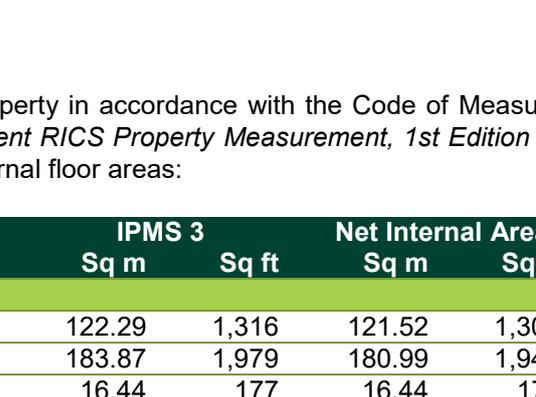
First Floor South Wing



Third Floor North Wing



Sixth Floor Flat



3.3 ACCOMMODATION

During the course of our inspection, we measured the Property in accordance with the Code of Measuring Practice incorporated within the *RICS Professional Statement RICS Property Measurement, 1st Edition* and calculated that the property comprises the following net internal floor areas:

Floor	Description	IPMS 3		Net Internal Area		
		Sq m	Sq ft	Sq m	Sq ft	
Ground	North Wing	122.29	1,316	121.52	1,308	
Ground	South Wing	183.87	1,979	180.99	1,948	
Ground	West Wing	Room 1	16.44	177	16.44	177
Ground	West Wing	Rooms 2 & 3	30.85	332	30.57	329
Ground	West Wing	Room 4	15.32	165	15.32	165
Ground	West Wing	Rooms 5 & 6	47.83	515	47.34	510
Ground	West Wing	Rooms 7, 8 & 9	46.44	500	46.00	495
Ground	West Wing	Room 10	97.88	1,054	97.68	1,051
Ground	West Wing	Suite B	97.53	1,050	97.43	1,049
First	North Wing	139.00	1,496	136.06	1,465	
First	South Wing	186.85	2,011	179.03	1,927	

Floor	Description	IPMS 3		Net Internal Area	
		Sq m	Sq ft	Sq m	Sq ft
First	West Wing	408.27	4,395	402.85	4,336
Second	North Wing	137.55	1,481	135.16	1,455
Second	South Wing	184.54	1,986	182.44	1,964
Second	West Wing	419.10	4,511	413.21	4,448
Third	North Wing	135.89	1,463	135.18	1,455
Third	South Wing	184.60	1,987	182.51	1,964
Third	West Wing	417.30	4,492	413.20	4,448
Fourth	North Wing	138.35	1,489	137.01	1,475
Fourth	West Wing	420.37	4,525	414.95	4,466
Fifth	West Wing	415.61	4,474	411.20	4,426
Sixth	Two Bedroom Flat	72.09	776	72.09	776
Total		3,917.97	42,174	3,868.18	41,637

The relevant standard of measurement for the Property is the RICS Property Measurement (2nd Edition, January 2018), incorporating the International Property Measurement Standards (IPMS) for office buildings and replaces the former standards of the Code of Measuring Practice (6th Edition, May 2015) (COMP). The aim and benefit of IPMS is to provide transparency through a consistent measurement of property, on a global scale. The adoption of IPMS is currently in transition within the industry and will eventually apply to all property assets in the future. However, the RICS recognises that the IPMS are not yet considered a suitable basis of measurement in all circumstances and we are bound to state our departure from these Standards, where it is deemed reasonable to do so.

As at the date of writing, the Standards are not yet considered to form an industry-wide basis of measurement, particularly for valuation and estate agency purposes, with the majority of comparable transactions continuing to be measured on a Net Internal Area basis, in accordance with the former bases of measurement stated within the COMP. For the specific purposes of valuing the subject Property, we have therefore assumed that our departure from the new Standards is suitably justified and have carried out our measurements on the basis of the recognised core definitions contained within COMP, which are considered to be fit for purpose. The floor areas have therefore been calculated on a Net Internal Area basis when arriving at our opinions of value.

3.4 CONSTRUCTION

We summarise the construction of the Property as follows:

Element	Description
Frame	▪ Concrete frame.
External elevations	▪ Brick and concrete.
Windows	▪ Single glazed metal framed with secondary glazing in part.
Roof	▪ Flat.
Floors	▪ Suspended and solid.

Our valuation excludes those items of process plant and machinery and equipment, together with special foundations and supports, fixtures and chattels specifically related to the business being conducted at the Property.

3.5 SERVICES & AMENITIES

Element	Description
Heating	<ul style="list-style-type: none"> Wall-mounted radiators and ceiling mounted cassette air-conditioning units (in part only).
Hot Water	<ul style="list-style-type: none"> We have assumed that hot water is provided by either conventional hot water storage tanks or electric combi-boiler.
Sprinkler System	<ul style="list-style-type: none"> None.
Air Conditioning	<ul style="list-style-type: none"> Ceiling mounted cassette air conditioning units (in part only).
External Works	<ul style="list-style-type: none"> Tarmacadam surfaced car park to the rear.
Lighting	<ul style="list-style-type: none"> A combination of recessed box panel and fluorescent strip lighting.
Lifts	<ul style="list-style-type: none"> Two Deltron 8 person (630 kg) lifts serving each floor except the 6th floor which is accessed via the stairwell.
WCs	<ul style="list-style-type: none"> Adequate WC facilities provided throughout.
Loadings	<ul style="list-style-type: none"> None.

We assume that mains gas, electricity, water and drainage services are connected to the Property but as written confirmation has not been obtained from the service providers we are unable to report on condition or offer any warranties.

We have not tested these services and assume that there are no material defects that would cause us to alter our valuation. We further assume that any necessary guarantees and warranties will be available to a purchaser in respect of services and appliances.

3.6 REPAIR & CONDITION

We have not undertaken a building condition survey and it should not be inferred that, in the absence of any commentary to the contrary, either the buildings or services are in good condition or free from defect.

However, during our inspection, we noted that the residential flat was in a poor state of repair and condition.

We have not investigated whether any deleterious or potentially harmful materials have been used in the construction. We have assumed that no such substances are present, or, if they are, their presence neither threatens structural integrity nor has a material effect on value.

3.7 USEFUL ECONOMIC LIFE

Providing adequate routine maintenance is undertaken, we consider that the building has a remaining economic life in excess of 25 years.

3.8 GROUND CONDITIONS

We have not carried out detailed investigations into ground conditions. Accordingly, we have made the assumptions that ground conditions are suitable for the current buildings and structures or for any redevelopment.

Since our normal enquiries and inspection did not suggest that there are likely to be archaeological remains present in or on the Property, we have assumed that no abnormal constraints or costs would be imposed on any future development at the Property by the need to investigate or preserve historic features.

3.9 RIGHTS OF ACCESS & PUBLIC RIGHTS OF WAY

We understand that Waterloo Road and Clarence Road are publically adopted highways, maintained by the Local Authority and that full rights of access are available to the Property from the public highway.

We are not aware of any onerous or unusual easements or rights of way affecting the Property and have valued on this basis. Should this be incorrect we reserve the right to review the value reported.

3.10 ENVIRONMENTAL ISSUES

CONTAMINATION

Part IIa of the Environmental Protection Act 1990 highlights requirements and obligations to consider potential contaminative uses on land and buildings. During our site inspection we did not note any particular issues of concern. As provided in our terms of engagement, we have not made detailed enquiries into the previous uses or to establish whether or not contamination is present.

Our normal inspection and other enquiries in connection with this valuation did not indicate that there was an abnormal risk of contamination. Accordingly, our valuation assumes that there is no latent contamination that could adversely affect the Property. If a detailed environmental investigation reveals actual or potential contamination, our valuation may be adversely affected.

FLOODING

From inspection of the Environment Agency's website, it appears that the Property is in an area that has a very low risk of flooding from rivers or the sea, which means that each year this area has a chance of flooding of less than 0.1%.

The Property is located in an area that has a medium risk of flooding from surface water. This means that each year, this area has a chance of flooding of between 1% and 3.3%.

This information is suitable for identifying which parts of streets or parcels of land are at risk, or have the most risk; the extent, depth and approximate velocity of flooding. It is very likely to be reliable for identifying the risk to local areas of land; individual properties - though not whether they will flood internally.

Surface water flooding, sometimes known as flash flooding happens when heavy rain cannot drain away and it is difficult to predict as it depends on rainfall volume and location. It can happen up hills and away from rivers and other bodies of water is more widespread in areas with harder surfaces like concrete.

Lead local flood authorities (LLFA) are responsible for managing the flood risk from surface water and may hold more detailed information.

We have assumed that appropriate building insurance cover can be obtained at a cost that would not materially affect the Market Value.

ENVIRONMENTAL REPORTS

We have not been provided with any environmental reports.

HIGH VOLTAGE ELECTRICAL SUPPLY EQUIPMENT

Our inspection did not identify the existence of any high voltage overhead cables or large electrical supply equipment at or close to the Property.

RADON

We have established from the Public Health England website that the Property is not located within a radon affected area.

ASBESTOS

We have not undertaken an asbestos survey. We are not qualified to give assurances on asbestos. Should more information be required, we recommend that an asbestos audit is carried out by suitably qualified personnel to identify the nature and location of asbestos carrying materials.

3.11 SUSTAINABILITY

Legislative changes under the Energy Act 2011 have made it unlawful to rent out and re-let premises with an EPC rating below a minimum level of E from 2018. This applies to any property let on a tenancy which is 6 months or more and less than 99 years in length, and which is legally required to have an EPC. In addition, this legislation now covers existing lettings for residential properties and will extend to cover commercial buildings in 2023.

Property	EPC Rating	Certificate Valid Until
Waterloo Court, 31 Waterloo Road, WOLVERHAMPTON, WV1 4DJ	D (92)	5 April 2027

The existing EPC certificates indicate that the Property falls within the acceptable energy performance range for the purposes of the Act. Although there is no market intelligence to suggest that legislation is due for further review in the short term, the method of assessment may have changed since the EPC certificate was issued. It is therefore advisable to obtain an expert's opinion on whether the building would still comply with the minimum standard if the building was re-certified under the current methodology.

If, on a re-assessment, the Property fails to meet the minimum EPC requirements, capital expenditure may be required in order to upgrade the Property to the required standard. Our valuation does not currently reflect the costs of any necessary remedial works and any impact on value that this may have and because of this you may then wish that we review the valuation.

It is important to keep EPC issues under review and to consider the potential impact on property value of any additional government initiatives pending the legislative changes to ensure that the security of any loan does not come under threat should the Property fail to meet the minimum EPC requirements

3.12 TENURE

The Property is held freehold under Title Number SF62615.

We are instructed to value the freehold interest in the Property subject to leases, the terms of which are summarised under Tenancy below.

We have not been provided with a report on title and have assumed that the interest is good and marketable.

We **recommend** your solicitor verifies our understanding of the Property tenure.

3.13 TENANCY

OCCUPATIONAL LEASES

We are instructed to value the freehold interest in the Property subject to leases. We have been provided with a tenancy schedule and summarise the principal terms below:

Demise	Tenant	Start	Expiry	Break	Rent	Rent £psf	Rent Review Provisions
Ground North Wing	Reed Specialist Recruitment Limited	28/04/2017	27/04/2022	-	£10,474	£8.01	None
Ground Part West Wing Suite B	The Secretary of State for Communities and Local Government	01/04/2020	31/03/2025	01/04/2022 6 months' notice (Not actioned)	£7,328	£6.99	None
Ground Part West Wing Rooms 1	Nobel Gill (Holding Over)	16/06/2017	15/06/2019	-	£1,400	£7.91	None
Ground Floor Rooms 2 & 3	Vacant						
Ground Part West Wing Rooms 4	Vacant						
Ground Part West Wing Rooms 5 & 6	Reed Specialist Recruitment Limited	28/04/2017	27/04/2022	-	£3,100	£6.08	None
Ground Part West Wing Rooms 7, 8, 9	I Need Staff Today	31/01/2022	30/01/2024	-	£3,500	£7.07	None
Ground Part West Wing Room 10	Vacant						
Ground South Wing	The Secretary of State for Communities and Local Government	01/04/2020	31/03/2025	01/04/2022 6 months' notice (Not actioned)	£16,772	£8.61	None
First Floor North Wing	Protocol Teachers (Holding Over)	01/07/2014	31/08/2020	-	£13,442	£9.18	None
First Floor West Wing	Vacant						
First Floor South Wing	GAP Personnel Holdings Limited (Holding Over)	25/12/2014	24/12/2019	-	£16,974	£8.81	None

Second Floor North Wing	Capital Professional Ltd T.A Ascot Lloyd (Holding Over)	06/02/2020	05/02/2021	-	£11,576	£7.96	None
Second Floor South Wing and 3 car parking spaces	City Fibre Ltd	18/09/2020	17/09/2025	18.09.2023 6 months' notice	£18,962	£9.65	None
Second & Third Floor West Wing & 23 Car Parking Spaces	Capital Professional Ltd T.A Ascot Lloyd	02/09/2019	01/09/2029	02/09/2024 6 months' notice	£81,000	£9.11	02/09/2024
Third Floor North Wing	Vacant						
Third Floor South Wing	Vacant						
Fourth Floor North Wing	Leonard Cheshire	09/10/2016	26/07/2022	09/10/2021 (Not actioned)	£13,000	£8.81	None
Fourth Floor West Wing	The Leonard Cheshire Foundation	27/07/2007	26/07/2022	-	£45,576	£10.21	None
Fifth Floor West Wing	The Leonard Cheshire Foundation	27/07/2007	26/07/2022	-	£45,576	£10.30	None
Executive Suite Sixth Floor	Vacant						
2 Car Park Spaces	Protocol Teachers (Holding Over)	01/07/2014	30/06/2020	-	£1,100	£550 per space	None
Total					£289,780	per annum	

We have not been advised of any Tenant Improvements that would fall to be disregarded in assessing the rent at either rent review or lease renewal.

We recommend your solicitor verifies our understanding of the tenancy at the Property.

INCOME

Gross Income	£289,780 per annum
Net Income	£289,780 per annum

We **recommend** your solicitor verifies our understanding of the tenancy at the Property.

TENANT STATUS

We have assessed the investment market's perception of the tenants' financial status with reference to Dun & Bradstreet Credit Reports. D&B are a credit reference agency, widely used in the market. D&B reports provide an insight in potential failure or late payment risk and hold a maximum credit recommendation. The D&B Rating provides an indication of credit-worthiness.

The rating is made up of two parts. The first part represents the financial strength of the company and is based on the tangible net worth derived from the latest set of financial accounts. It provides an indication of the strength of the organisation to cope with adverse trading periods or exploit investment opportunities. The strength is graded between 5A and H, with 5A representing the best indicator of financial strength and H the poorest. In some instances you may well see a grading of either N or O. It should be noted that a grading of N represents negative net worth and O represents an undetermined net worth i.e. where financial accounts are either unavailable or older than two years. The second part represents the risk indicator and is graded between 1 and 4, with 1 representing the minimum risk of failure and 4 the greatest risk of failure.

The information obtained from the Dun and Bradstreet database has been prepared by them and disclosed to you, by us, in good faith. However, neither we nor Dun and Bradstreet warrants or accepts any liability for the accuracy, or otherwise, of the information contained therein, nor for any opinion expressed as to credit worthiness.

Tenant	D&B Rating	Accounts	Turnover	Profit	Net Worth
Reed Specialist Recruitment Limited	4A 2	30/06/2020	£857,890,000	(-£1,779,000)	£26,253,000
The Secretary of State for Communities and Local Government	-	-	-	-	-
Gillz Care Ltd	H 3	31/07/2020	-	-	£7,613
I Need Staff Today Limited	H -	31/01/2021	-	-	£0
Protocol Teachers	O 2	-	-	-	-
GAP Personnel Holdings Limited	N 3	31/03/2020	£183,493,000	£1,625,000	(-£2,734,000)
Capital Professional Limited (T.A Ascot Lloyd)	4A 1	31/12/2020	£57,385,075	£4,385,604	£16,518,648
Cityfibre Limited	N 3	31/12/2020	£26,707,000	(-£55,465,000)	(-£63,983,000)
Leonard Cheshire Disability	5A 1	31/03/2021	£153,812,000	(-£7,437,000)	£97,345,000
The Leonard Cheshire Foundation	O 1	-	-	-	-

Having regard to the above, the Secretary of State for Communities and Local Government forms part of the UK Government and provides undoubted covenant strength, whilst Leonard Cheshire Disability provides excellent covenant strength and Capital Professional Limited are also a good covenant. The residual tenants provide weak covenant strength and limited income security and are therefore at risk of fulfilling the lease obligations for the remainder of their respective lease terms.

However, we are of the opinion that the investment market would perceive this tenant line up not unusual for an asset of this type and in this location.

3.14 LOCAL TAXATION

The Property is described in the 2017 Rating List as follows.

Address	Description	Rateable Value
Ground Part West Wing Rooms 5-6, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£4,400
Pt 1 st Floor North Wing, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£11,000
Pt 1 st Floor South Wing, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£16,000
Pt 2 nd Floor North Wing, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£11,250
Pt 2 nd Floor South Wing, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£14,000
Pt 2 nd Floor West Wing, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£33,000
Pt Gnd Floor South Wing, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£15,250
Pyra Harris Ltd Pt Gnd Floor, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£8,400
Reed Personnel Services Plc Pt Gnd Floor, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£10,000
Suite 5 1 st Floor West Wing, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£34,000
Suite 10, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£8,800
Suites 7-9, Waterloo Court 31, Waterloo Road, Wolverhampton, WV1 4DJ	Offices and premises	£4,400
Total		£170,500

The National Non-Domestic Rate for the financial year 2021/22 is £0.512. The actual business rates payable may be affected by Regulations.

3.15 PLANNING

We have made enquiries with City of Wolverhampton Council planning department and the information obtained is assumed to be correct.

The Black Country Core Strategy which was adopted in February 2011. It comprises four Black Country Local Authorities (Dudley, Sandwell, Walsall and Wolverhampton), which have agreed to work together to produce this strategy in partnership with the community and other key organisations. The role of the Core Strategy is to guide the transformation and regeneration of the Black Country by promoting economic growth through improving the quality of employment land and aiding the delivery of a broad mix of new home up to 2026, supported by new shops, offices, leisure, transport and environmental improvements. It should be noted that the Draft Black Country Plan was under review between 16 August to 11 October 2021, which will ultimately result in a new document being produced in the coming years, which will guide development in the region up to 2038.

Under the Black Country Core Strategy, Wolverhampton city centre is covered by the Wolverhampton City Centre Area Action Plan. This designates the subject Property as being both within the City Centre AAP Character Area.

We summarise below the relevant planning history of the Property.

Planning Reference	Date	Application Details	Status
97/0890/FP	16/12/1997	Removal of existing canopies and construction of new front and rear canopies	Granted
97/5130/AD	20/11/1997	2 No. halo illuminated individual cast aluminium signs and 1 No. halo illuminated number	Granted
95/5008/AD	28/03/1995	Display of 2 signs	Granted

The Property is not listed as a building of special architectural or historical interest.

The Property is not in a conservation area.

We have assumed that the current use of the Property, Class E and Class C3, is lawful.

We do not consider there to be an alternative use for which a planning consent would be forthcoming which would generate a value higher than that now reported.

We **recommend** your solicitor verifies the planning status of the Property.

3.16 VAT, TAXATION AND COSTS

We have not made any adjustments to reflect any liability for taxation that may arise on disposal, or for any costs associated with disposal incurred by the owner. No allowance has been made to collect any liability or repay any government or other grants, taxation allowance or lottery funding that may arise on disposal. If calculating the Market Value as an investment, we have made deductions to reflect purchaser's normal acquisition costs.

We are advised that the option to tax has been exercised and that VAT is accordingly payable on the capital and rental values now reported.

4. MARKET CONDITIONS AND TRENDS

4.1 UK ECONOMIC & PROPERTY MARKET COMMENTARY

SUMMARY

- Since the removal of restrictions on the 19th July 2021, the UK has managed to avoid any drastic lockdown measures. The economy has therefore remained consistently open, albeit with travel restrictions regularly changing. However, recent supply chain disruptions have raised concerns over a potential slowdown of the recovery.
- Despite the success of the furlough scheme (which ended in September 2021), significant challenges remain in the labour market. These include concerns around additional job losses, low re-employment rates for those made redundant, and high vacancies in vulnerable sectors. Importantly for the housing market, the Stamp Duty holiday, which was extended in England until the end of June 2021, has now ended after being tapered down over September 2021.
- The closure of many parts of the economy due to the pandemic led to a short sharp recession in the first half of 2020, followed by a bounce back. Over 2020, the economy contracted by around 10%. The OBR have revised GDP expectations in their latest forecast (October 2021), with growth forecast to be 6.5% over 2021 and 6.0% over 2022. This compares to HM Treasury (October 2021) forecasts of 7.0% for 2021 and 5.0% for 2022. The recovery predicted for 2022 demonstrates that most forecasters expect the fundamentals of the economy to remain strong.
- The FTSE ended 2020 approximately 15% down on the start of the year. In Q3 2021, markets were 9.7% higher than Q4 2020 finished, but are still 6% below levels at the start of 2020.
- At present, unemployment in London is reported to be 5.8%, which is above the corresponding UK average of 4.5%. The OBR's October 2021 forecasts expected unemployment to finish the year at 4.9% (4.8% in 2022). These are on par with latest estimates from the HM Treasury consensus forecasts (October 2021), with a predicted average unemployment rate of 5.0% for 2021, decreasing to 4.6% over the course of 2022.
- Announcements from the Autumn 2021 Budget were generally positive. Government interventions in the housing market were relatively limited, the most notable of which includes a 4% levy on property developers with profits over £25m to help create a fund to remove unsafe cladding.

ECONOMIC OUTLOOK

As reported by The World Bank, the latter half of 2021 continued to show promising signs that advanced economies (incl. the UK) would continue on a path of well-sustained recovery, particularly for the labour markets and sectors that bore the brunt of the pandemic induced losses over the course of 2020.¹ At the core, this positive outlook was largely based on avoidance of wide-scale national lockdowns, increased vaccine rollout, and sustained fiscal support for the vital areas of the economy, all three of which seem to have been generally maintained in the UK during the last quarter. Of course, the lasting impact of the pandemic remains a concern, especially for the labour market. Even when the health concerns of the coronavirus pandemic are curtailed, the pandemic has the potential to result in persistent social and behavioural impacts, changing attitudes to travel and human interaction.²

Since the removal of restrictions on the 19th July 2021, the UK has managed to avoid any drastic lockdown measures. Whilst there have been periods where concern has mounted over a potential spike in cases, they have been relatively brief and offset by the continued vaccine rollout. The economy has therefore remained

¹The World Bank, 2021. Global Economic Prospects June 2021.

²Mckinsey & Co, 2020. Reimagining Work Life After Covid-19

consistently open, albeit with constantly changing travel restrictions for several countries.³ In any event, the housing market has stayed open throughout this recovery, with safety measures in place to reduce any potential spread of COVID-19.

Amongst other equally important and relevant current affairs is the issue of Brexit. The start of 2021 saw the approval of a new partnership agreement between the EU and UK which set out the rules that apply between the EU and the UK as of 1st January 2021. Despite the success of finalising a deal, there were still concerns for the markets around the deficiencies of the deal.⁴ These concerns have been somewhat validated in recent months, as parts of the UK have experienced a shortage of HGV drivers which has materialised into widespread supply chain issues.⁵

Global markets have fallen since the outbreak of COVID-19 and its expected effect on economic growth. The FTSE 100 markets ended 2020 approximately 15% down compared to the start of the year and markets only rose by 4% in Q1 2021. Q2 2021 and Q3 2021 saw reasonable growth at 8.9% and 9.7% (respectively) compared to end of Q4 2020, but Q3 2021 levels (latest available data) are still approximately 6% lower than at the beginning of 2020. Economic uncertainty still remains a significant factor globally.

Over 2020, the economy was estimated to have contracted by 10%, the largest yearly fall on record. In the OBR's latest forecast (October 2021), GDP growth for 2021 is projected at 6.5%, higher than the 4.0% which was predicted in the March 2021 forecast. This is less optimistic than the October 2021 HM Treasury consensus forecasts which have an average estimate of 7.0% for 2021. For 2022, the OBR projects growth at 6.0%, which is more bullish than the HM Treasury consensus forecasts of 5.0%. The recovery predicted for 2021 and 2022 demonstrates that most forecasters expect the fundamentals of the economy to remain strong.

The latest estimates from the HM Treasury consensus forecasts (October 2021) predict an average unemployment rate of 5.0% for 2021, decreasing to 4.6% over 2022. This is on par with the OBR's forecasts for unemployment (October 2021), which are 4.9% in 2021 and 4.8% in 2022. The OBR expect unemployment to peak this year in Q4 2021, at 5.2%.

The latest figures from the ONS show that inflation (CPI) as of September 2021 is 2.9%. This is 0.9 percentage points above the 2.0% target, which was exceeded in May 2021 (2.1%) for the first time since July 2019. The September 2021 inflation rate was significantly above the year before (0.7% in September 2020). According to the ONS, recent inflationary pressure is mainly attributed to a rise in transport prices, restaurants and hotels, housing and household services, and recreation and culture. This will put temporary pressure on households' disposable incomes, although it is not envisaged that this will be sufficient to feed through into PCL prices.

At the end of September 2021, the value of the Pound to the Euro was c.1.16; 15.5% lower than the 2015 average, and a slight decrease from the previous quarter. However, this value rallied over 2021 (latest available data), from 1.11 at the end of December 2020.

The Autumn budget was delivered by the chancellor on October 27th 2021. A set of Government interventions were also announced, including the cancellation of a planned rise in fuel duty amid the highest fuel prices in years, thus providing some relief to consumers. Workers are also set to benefit from a 6.6% increase in the National Living Wage, to £9.50 per hour, from 1st April 2022. Specific to the housing market, the government has announced plans to place a 4% levy on property developers with profits over £25m to help create a fund to remove unsafe cladding. It remains to be seen whether this cost increase would significantly impact the future pipeline of housing development.

³ <https://www.gov.uk/government/news/travel-update-47-countries-and-territories-removed-from-red-list>

⁴ Bloomberg, 2020. U.K. Markets Rally in First Full Trading Day After Brexit Deal. Retrieved from <https://www.bloomberg.com/news/articles/2020-12-29/u-k-markets-rally-in-first-full-trading-day-post-brex-it-deal>. Accessed January 2021.

⁵ Institute for Government, 2021. Supply chain problems. Retrieved from <https://www.instituteforgovernment.org.uk/explainers/supply-chain-problems>

The budget also included an update on the state of the economy and Government finances which, generally speaking, reinforced the positive outlook that formed over 2021. Notable, however, are concerns from the Institute for Fiscal Studies (IFS), who state that despite the success of the furlough scheme, significant challenges remain in the labour market.⁶ These include concerns around additional job losses, low re-employment rates for those made redundant, and high vacancies in vulnerable sectors once the scheme fully came to an end. The issue of inflation continues to be emphasised; the recent OBR forecasts expect CPI to reach above 4.0% in 2022.

Overall, the economic outlook appears to be cautiously optimistic. The speed of the recovery will depend upon latent stressors in the economy, which will not be fully realised until all temporary measures (Job Support Scheme, Self Employment Income Support Scheme, trading restrictions) are withdrawn. As a result, considerable uncertainty remains.

4.2 WOLVERHAMPTON OFFICE SUBMARKET

OVERVIEW

Wolverhampton is a city in the conurbation of Birmingham and the Black Country. The area is a key manufacturing hub of the West Midlands, particularly for the aerospace and automotive industries, and the local economy is also driven by business and professional services, financial services, construction, and creative and digital industries. Major occupiers include Lloyds TSB, Express & Star, Tarmac, and Adas UK.

Wolverhampton has been performing relatively well amid the coronavirus crisis. Vacancies continued their downward path in 2020 and the submarket secured some new leases such as Regus on Salop Street. Although the speculative delivery of i9 in 2021 pushed vacancies upwards, it is understood that the property might house the government's second headquarters in Wolverhampton.

Annual rent growth is currently at 1.8%, marking a significant slowing from 2018, when growth exceeded 7%. However, the submarket is expected to escape rent losses likely to hit other Big Six office submarkets.

Investment in Wolverhampton tends to be small scale, with deals rarely exceeding £10 million. Recent activity has been focused on redevelopment sales. The most recent redevelopment sale was the Crown House in March 2021.

KEY INDICATORS

Current Quarter	NIA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	177,736	27.7%	£19.48	31.9%	0	0	0
3 Star	2,461,181	1.4%	£11.37	4.4%	0	0	0
1 & 2 Star	909,133	2.5%	£9	5.0%	0	0	0
Submarket	3,548,050	3.0%	£11.17	5.9%	0	0	0
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.2%	5.8%	2.1%	9.9%	2009 Q3	0.8%	2021 Q1
Net Absorption SF	(27.6K)	10,497	(270)	129,309	2009 Q1	(149,738)	2011 Q1
Deliveries SF	49.2K	18,024	15,331	72,060	2009 Q3	0	2021 Q2
Rent Growth	1.9%	1.0%	1.5%	6.9%	2017 Q3	-7.7%	2009 Q1
Sales Volume	£17.7M	£7.9M	N/A	£29.4M	2016 Q4	£0	2004 Q4

⁶ IFS, 2021. Employment and the end of the furlough scheme.

5. VALUATION APPROACH

5.1 VALUATION APPROACH

We have adopted the market approach by capitalising the present and future rental income streams adopting rents and yields derived by comparing the Property with similar assets for which rental and investment information is available. This is often referred to as the income or investment approach.

In arriving at our opinion of Market Value we have considered the following characteristics of the Property:

- The Property is held freehold;
- Situated in Wolverhampton city centre however Wolverhampton is not an established office location;
- Offices are capable of subdivision, available as individual suites or on a wing or floor-by-floor basis;
- The Property would benefit from modernisation / refurbishment in part however, the cost of extensive refurbishment is unlikely to be recuperated through rental income;
- WAULT of 1.2 years;
- The Property is highly reversionary with a vacancy rate of circa 24% of the total building area;
- Long term redevelopment potential (subject to Planning).

5.2 MARKET RENT COMPARABLES

We have considered the following comparable transactions.

22 Darlington Street, Wolverhampton, WV1 4HW

Transaction date

May 2021

Headline Rent

£13,990 per annum

Rent Analysis

£7.55 per sq ft



Transaction Summary

In May 2021, Smithridge Healthcare Ltd took 1,853 sq ft of first and second floor office accommodation on a new 6 year lease at a rent of £13,990 per annum, equating to £7.55 per sq ft. The lease is subject to a tenant option to break and a rent review on the third anniversary of the term.

The comparable comprises a first and second floor office suite built in 1899. The specification includes street signage, entrance hall, waiting room and staff facilities. There are also 4 car parking spaces included at the rear of the premises. The office accommodation is accessed via its own ground floor street entrance between two hair salons.

The comparable offers an inferior specification to that of the subject Property. The comparable is located on Darlington Street which adjoins Waterloo Road and is also in close proximity to Wolverhampton Railway Station (approximately 11 minute walk). The offices are within the main Ring Road system, this provides immediate access to main arterial routes in and out of the city with junction 10 of the M6 is approximately 7 miles to the east and junction 2 of the M54 is approximately 4 miles to the north. We would therefore expect the subject Property to achieve a higher rental value on a per sq ft basis when compared to this transaction.

104A Darlington Street, Wolverhampton, WV1 4EX

Transaction date

January 2021

Headline Rent

£10,203 per annum

Rent Analysis

£5.37 per sq ft



Transaction Summary

In January 2021, an undisclosed tenant took 1,900 sq ft of first, second and third floor office accommodation on a new 3 year lease at a rent of £10,203 per annum, equating to £5.37 per sq ft. The lease is subject to annual breaks.

The comparable comprises a first, second and third floor office suite built in 1930. The comparable benefits from exclusive W.C. facilities located on the third floor, a corner plot with large windows facing on to Darlington and North Street providing natural light. Public multi-storey and on street parking is available nearby.

The comparable offers an inferior specification to that of the subject Property. The comparable is located on Darlington Street which adjoins Waterloo Road and is also in close proximity to Wolverhampton Railway Station (approximately 11 minute walk). The offices are within the main Ring Road system, this provides immediate access to main arterial routes in and out of the city with junction 10 of the M6 is approximately 7 miles to the east and junction 2 of the M54 is approximately 4 miles to the north. We would therefore expect the subject Property to achieve a higher rental value on a per sq ft basis when compared to this transaction.

Suite 9, The Boot Factory, Cleveland Road, Wolverhampton, WV2 1BH

Transaction date

January 2021

Headline Rent

£27,128 per annum

Rent Analysis

£8.00 per sq ft



Transaction Summary

In January 2021, Shaw Trust Limited took 3,391 sq ft of second floor office accommodation on a new lease at a rent of £27,128 per annum, equating to £8.00 per sq ft.

The comparable comprises a second floor office suite in a former manufacturing premises built in 1922 and renovated in 2017. The specification includes electric heating, perimeter cable trunking, double-glazed windows, and suspended lighting.

The comparable offers a similar specification to that of the subject Property. The Boot Factory is located south east of the Wolverhampton St Georges Ring Road. The comparable is accessible by way of the A41 Bilston Road and Hospital Street. We would therefore expect the subject Property to achieve a slightly higher rental value on a per sq ft basis when compared to this transaction.

29 Waterloo Road, Wolverhampton, WV1 4DJ

Transaction date

January 2021

Headline Rent

£9,000 per annum

Rent Analysis

£5.39 per sq ft (average)



Transaction Summary

In January 2021, Integr8 took 1,815 sq ft of second floor office accommodation on a new 5 IRI lease at a rent of £9,000 per annum, equating to £4.96 per sq ft at an average of £5.39 per sq ft during its term. The rent is stepped rising to £9,300 per annum in year 2, £9,600 per annum in year 3, £10,200 per annum in year 4 and £10,800 per annum in year 5.

The comparable comprises a second floor office suite in a four storey purpose-built premises built in 1965 and has been recently renovated. The specification includes fitted window blinds, gas central heating radiators, perimeter trunking, suspended ceiling with new LED lighting and carpeted floors. Staff facilities are via shared male and female WC's and shared kitchen facilities.

The comparable offers an inferior specification to that of the subject Property. The comparable is also located on Waterloo Road and also benefits from being close to the main Ring Road system, providing immediate access to main arterial routes out of the City. The M6 Motorway being easily accessible via junction 10, approximately 7 miles to the east, and junction 2 of the M54 Motorway approximately 4 miles to the north. The City is well served by public transport links, with the train station being within a 15 minute walking distance. Public multi-storey and on-street car parking are available in the vicinity. We would therefore expect the subject Property to achieve a lower rental value on a per sq ft basis when compared to this transaction.

84 Salop Street, Wolverhampton, WV3 0SR

Transaction date

November 2020

Headline Rent

£70,757 per annum

Rent Analysis

£12.66 per sq ft



Transaction Summary

In November 2020, Secretary of State for Health and Social Care took 5,589 sq ft of first floor office accommodation on a new lease at a rent of £70,757 per annum, equating to £12.66 per sq ft.

The comparable comprises a first floor office suite in a six storey purpose-built premises built in 1977 and has been renovated in 2008. The specification includes ground floor reception area, 2 x automatic passenger lifts, VRV air handling system, suspended ceilings incorporating recessed LED lighting, kitchen/break-out areas on each floor, staff cafeteria, male & female WC's on each floor, private onsite & offsite parking. The private onsite car park provides capacity for 32 spaces. In addition there are also a further 58 spaces reserved for the exclusive use of the building's occupants. These additional spaces are located at a separate site within short walking distance of the building approximately 240m to the south west.

The comparable offers a superior specification to that of the subject Property. The comparable is also located and benefits from frontage onto the Ring Road St. Mark's (A4150) at its junction with Salop Street, on the fringe of both the city's professional quarter and main retail/leisure district. Junction 10 of the M6 is approximately 5 miles east of Wolverhampton, junctions 1 and 2 of the M54 are about 5 miles and 4 miles north respectively and junction 2 of the M5 motorway is 9 miles south of the City. Wolverhampton Railway Station is also within a 15 minute walk. We would therefore expect the subject Property to achieve a lower rental value on a per sq ft basis when compared to this transaction.

St George's House, Lever Street, Wolverhampton, WV2 1EZ

Transaction date

January 2020

Headline Rent

£ 67,212 per annum

Rent Analysis

£12.00 per sq ft



Transaction Summary

In January 2020, CareTech took 5,601 sq ft of first floor office accommodation on a new 10 year lease at a rent of £67,212 per annum, equating to £12.00 per sq ft. The lease is subject to tenant option to break in July of 2023 and 2027 and a rent review on the fifth anniversary of the term. A three month rent free period was agreed at the start of the lease.

The comparable comprises a first floor office suite in a two storey building built in 1996 and has recently refurbished. The specification includes VIR air conditioning system, underfloor electrical tracks and distribution boards, lift access, secure gated site with CCTV and alarms, double glazed windows, inset LED lighting and 84 car parking spaces in total on the site.

The comparable offers a superior specification to that of the subject Property. The comparable is located south east of the Wolverhampton St Georges Ring Road. The comparable is accessible by way of the A41 Bilston Road and Hospital Street and the A4123 Birmingham New Road. We would therefore expect the subject Property to achieve a lower rental value on a per sq ft basis when compared to this transaction.

5.3 MARKET RENT

Below is our assessment of the Market Rent.

Accommodation			Floor Areas		Rental Value £		Rental Value £
			Sq ft	Sq m	Sq ft	Sq m	
Ground	North Wing		1,308	121.52	£9.00	£96.87	£11,772
Ground	South Wing		1,948	180.99	£9.00	£96.87	£17,532
Ground	West Wing	Room 1	177	16.44	£9.50	£102.28	£1,682
Ground	West Wing	Rooms 2 & 3	329	30.57	£9.50	£102.24	£3,126
Ground	West Wing	Room 4	165	15.32	£9.50	£102.32	£1,568
Ground	West Wing	Rooms 5 & 6	510	47.34	£9.50	£102.34	£4,845

Accommodation			Floor Areas		Rental Value £		Rental Value £
			Sq ft	Sq m	Sq ft	Sq m	
Ground	West Wing	Rooms 7, 8 & 9	495	46.00	£9.50	£102.23	£4,703
Ground	West Wing	Room 10	1,051	97.68	£9.50	£102.22	£9,985
Ground	West Wing	Suite B	1,049	97.43	£9.00	£96.90	£9,441
First	North Wing		1,465	136.06	£9.00	£96.91	£13,185
	+ Car Parking	2 spaces			£250 per space		£500
First	South Wing		1,927	179.03	£9.00	£96.87	£17,343
First	West Wing		4,336	402.85	£9.00	£96.87	£39,024
Second	North Wing		1,455	135.16	£9.00	£96.89	£13,095
Second	South Wing		1,964	182.44	£9.00	£96.89	£17,676
	+ Car Parking	3 spaces			£250 per space		£750
Second	West Wing		4,448	413.21	£9.00	£96.88	£40,032
	+ Car Parking	23 spaces			£250 per space		£5,750
Third	North Wing		1,455	135.18	£9.00	£96.87	£13,095
Third	South Wing		1,964	182.51	£9.00	£96.85	£17,676
Third	West Wing		4,448	413.20	£9.00	£96.88	£40,032
Fourth	North Wing		1,475	137.01	£9.00	£96.89	£13,275
Fourth	West Wing		4,466	414.95	£9.00	£96.86	£40,194
Fifth	West Wing		4,426	411.20	£9.00	£96.87	£39,834
Sixth	Two Bedroom Flat		776	72.09	£0.00	£0.00	£0
Excess Car Parking		35 spaces			£250 per space		£8,750
TOTAL			41,637	3,868.18			£384,863 per annum

We have not attributed a rental value to the residential flat as it would not let in its current poor state of repair and condition.

We would expect a car parking ratio on 1:1,000 sq ft in Wolverhampton city centre and as such, this equates to approximately 35 excess spaces, which we have rentalised above.

Market Rent is an internationally recognised definition and is defined as:

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

We consider that the appropriate lease terms in this case would be a term of 5 years on tenant full repairing and insuring terms with 3 months' rent free.

5.4 INVESTMENT VALUE COMPARABLES

We have considered the following comparable office investment transactions.

1 Oakwood Drive, Nottingham, NG15 0DR

Transaction date

February 2022

Price

£1,835,000

Price Analysis

7.06% NIY and £51.06 per sq ft



Transaction Summary

In February 2022, the above 35,940 sq ft multi-let business park office building sold for £1,835,000, reflecting a net initial yield of 7.06% and £51.06 per sq ft. The comparable is let to two tenants with 18,974 sq ft of vacant space and a WAULT of 1.68 years remaining.

The comparable provides a purpose built office building with open plan accommodation over two storeys with suites arranged around a central service core. The suites are arranged over two floors, ground and first, predominantly open plan featuring raised access floors and part air-conditioning. Externally, there are 167 car parking spaces. The comparable is situated on Sherwood Park which is located immediately adjacent to J27 of the M1 motorway on the North side of Nottingham, which is approximately 6.5 miles away.

The comparable provides a superior specification and is situated in a superior location to that of the subject Property. The comparable is let with a similar WAULT. The comparable is reversionary and we would therefore expect the subject Property to achieve a weaker yield when compared to this transaction.

The Exchange, Haslucks Green Road, Shirley, Solihull, B90 2EL

Transaction date

November 2021

Price

£1,220,000

Price Analysis

6.90% NIY and £66.06 per sq ft



Transaction Summary

In November 2021, the long leasehold interest (term of 999 years expiring in 2998) in 18,468 sq ft of office accommodation sold at auction for £1,220,000, reflecting a net initial yield of 6.90% and £66.06 per sq ft. The comparable has two vacant suites, one vacant unit and is multi-let to nine tenants including British Telecommunications PLC (peppercorn rent) at a rent of £89,167.50 per annum and provided a WAULT of approximately 3 years at the time of transaction.

The comparable comprises two linked office buildings, the main building provides office accommodation at basement, ground, first and second floors and the second building provides two storeys of office accommodation. The main building has been recently refurbished with a new passenger lift, new roof and new windows, and the comparable benefits from on-site car parking.

The comparable provides an inferior specification and is situated in an inferior location to that of the subject Property. The comparable is let to weak covenants on licences, a telecoms mast situated on the roof and a substation, and offers a short WAULT. On balance, we would therefore expect the subject Property to achieve a keener yield and higher capital value on a per sq ft basis when compared to this transaction.

1 Trinity Park, Birmingham, B37 7BQ

Transaction date

December 2021

Price

£14,000,000

Price Analysis

6.51% NIY an £269.18 per sq ft



Transaction Summary

In December 2021, Mayfair Capital Investment Management purchased the long leasehold interest (990 years from 19 August 1998 at a peppercorn rent) in the 52,009 sq ft office building from the Presbyterian Mutual Society for £14,000,000, reflecting a Net Initial Yield of 6.51% and £269.18 per sq ft. The comparable is multi-let to Lloyds Register EMEA, Lloyds Register Quality Assurance Ltd, Alpro (UK) Ltd and RLC (UK) Ltd at a passing rent of £ 973,327 per annum with a WAULT of circa 2.7 years at the time of sale. The investment is considered to be reversionary offering immediate asset management potential and a reversionary yield in the region of 8.92%.

The comparable comprises a purpose built Grade A Headquarter office building originally constructed in 1997 and refurbished in 2013/2014. The comparable is of steel portal frame construction with a flat sheeted roof and masonry finish. The internal accommodation was refurbished to a good standard in 2013/14 with raised floors, suspended ceilings and LED lighting, air conditioning with VRV air conditioning, male and female WC's on each floor and two 8 person passenger lifts. The comparable is located on Trinity Park, one of Birmingham's primary business parks and part of the wider Birmingham Airport adjacent to Birmingham International Railway Station and the NEC. Trinity Park has direct access from the (Coventry Road) A45 which links to junction 6 of the M42 approximately 1 mile to the north and the M6 by junction 4 less than 3 miles away

The comparable provides a superior specification and is situated in a far superior location to that of the subject Property. The comparable is let to strong covenants with a longer unexpired lease term. We would therefore expect the subject Property to achieve a weaker yield when compared to this transaction.

Forster House, Hatherton Road, Walsall, WS1 1XZ

Transaction date

November 2021

Price

£850,000

Price Analysis

10.81% NIY and £87.55 per sq ft



Transaction Summary

In November 2021, the freehold interest in the 9,709 sq ft office building sold prior to auction at the guide price of £850,000, reflecting a NIY of 10.81% and £87.55 per sq ft. Let to Extra Personnel Limited and a private individual (trading as a tanning salon) producing a combined rent of £97,000 per annum with a WAULT of 3.8 years.

The comparable comprises a detached four storey office building built in the 1950s with part ground floor utilised as a small retail unit. The office accommodation benefits from perimeter trunking, air conditioning and 35 car parking spaces.

The comparable offers a similar specification but is situated in an inferior location to that of the subject Property. The comparable offers a smaller lot size and is fully let. On balance, we would therefore expect the subject Property to achieve a keener yield when compared to this transaction.

Bradfield House, Popes Lane, Oldbury, B69 4PA

Transaction date

June 2021

Price

£762,000

Price Analysis

10.23% NIY and £37.90 per sq ft



Transaction Summary

In June 2021, the freehold interest in 20,107 sq ft of office accommodation sold at auction for £762,000, reflecting a net initial yield of 10.23% and £37.90 per sq ft. The comparable has one vacant unit and is let to five local tenants on short term licences, Cornerstone Telecommunications Infrastructure Limited and Wester Power Distribution (West Midlands) plc at a rent of £82,166.24 per annum and provided a WAULT of approximately 2.17 years at the time of transaction.

The comparable comprises a five storey building with on-site car parking which benefitted from some internal refurbishment in 2018-2019. There are 11 parking spaces on the forecourt at front and a 24 space car park across the road.

The comparable provides an inferior specification and is situated in an inferior location to that of the subject Property. The comparable is let to weak covenants on licences, a telecoms mast situated on the roof and a substation, and offers a short WAULT. On balance, we would therefore expect the subject Property to achieve a keener yield and higher capital value on a per sq ft basis when compared to this transaction.

Christchurch House, High Street, West Bromwich, B70 8RD

Transaction date

November 2020

Capital Value

£2,545,000

Capital Value Analysis

8.50% NIY and £99.51 per sq ft



Transaction Summary

In November 2020, the above 25,576 sq ft office building sold for £2,545,000, reflecting a net initial yield of 8.50% and £99.51 per sq ft. The comparable is single let to the Secretary of State with a term certain of 10 years as at the transaction date.

The comparable comprises a detached three storey office building of masonry construction originally developed in the 1980's and provides largely open plan office space with raised and carpet tiled floors and approximately 70 car parking spaces. The comparable is situated on West Bromwich High Street in the centre of West Bromwich in a mixed use location of offices, retail and residential. The A41 is within 1 mile to the north of the comparable which provides direct access to Junction 1 of the M5 to the east.

The comparable provides a superior specification but is situated in a marginally inferior location to that of the subject Property. The comparable is let to an undoubted covenant and offers a far longer unexpired lease term. We would therefore expect the subject Property to achieve a weaker yield when compared to this transaction.

65 New Road, Lansdowne Gate, Solihull, B91 3DL

Transaction date

August 2020

Capital Value

£18,953,000

Capital Value Analysis

6.46% NIY and £310.71 per sq ft



Transaction Summary

In August 2020, the above 60,999 sq ft office building sold for £18,953,000, reflecting a net initial yield of 6.46 and £310.71 per sq ft. The comparable is 75% let to National Grid Gas, 19% let to Phoebus Software and 6% being vacant. The comparable has a WAULT of 6 years.

The comparable comprises a steel framed office building with a facing brick exterior. Lansdowne Gate offers a prime headquarters office building arranged over lower ground, ground and three upper floors. The comparable is situated in the centre of Solihull, in close proximity of junctions 4 & 5 of the M42. Birmingham International Airport, Birmingham International Train Station and the NEC are all within close proximity. The comparable is situated 9 miles south east of Birmingham and 13 miles west of Coventry.

The comparable provides a superior specification and is situated in a far superior location to that of the subject Property. The comparable is let to strong covenants with a longer unexpired lease term. We would therefore expect the subject Property to achieve a weaker yield when compared to this transaction.

5.5 CAPITAL VALUE COMPARABLES

We have considered the following comparable vacant residential flat transactions.

5.5.1 SECONDARY SALES COMPARABLES

We have considered sales transactional evidence in the surrounding area within the last 12 months.

Address	Photo	Description	Size (sq ft)	Sales Price (per sq ft)	Date of Sale
60a Compton Road, Wolverhampton, WV3 9PH		The comparable comprises a two-bedroom ground floor flat in a converted period building. Provides an open plan kitchen / living room, ensuite and a bathroom. The specification is reasonable and modern throughout. There is also secure allocated parking.	667	£118,000 (£176.91)	November 2021
Flat 5, Barclay Court, Compton Road, Wolverhampton, WV3 9RN		The comparable comprises a two-bedroom first floor flat in a dated purpose-built block. Provides a lounge, kitchen and bathroom. The specification is dated throughout and would benefit from refurbishment. There is also parking.	431	£82,500 (£191.42)	October 2021
53 Albion Street, Horseley Fields, Wolverhampton, WV1 3EB		The comparable comprises a two-bedroom ground floor flat within a modern purpose-built block constructed in 2005. Provides a kitchen, living room and bathroom. The specification is reasonable and modern throughout.	646	£90,000 (£139.32)	October 2021
8, Upton Green, Wolverhampton, WV10 6RN		The comparable comprises a two-bedroom first floor flat in a modern purpose-built block. Provides an open plan kitchen/living room, two double bedrooms and a bathroom. The specification is reasonable and modern throughout offering double glazing and central heating. There is also secure off road parking.	646	£110,000 (£170.28)	September 2021

82 Worcester Street, Wolverhampton, WV2 4LE		The comparable comprises a two bedroom mid-floor flat situated above a retail unit. Provides a kitchen / diner, living room and bathroom. The specification is reasonable but basic throughout.	861	£84,000 (£97.56)	August 2021
3, Park Dale Court, Wolverhampton, WV1 4SR		The comparable comprises a two-bedroom ground floor flat. Provides a living room, kitchen, two double bedrooms and a bathroom. The specification is reasonable and further offers double glazing and off road parking via a garage.	807	£120,000 (£148.70)	May 2021
28 Banstead Close, Wolverhampton, WV2 2QY		The comparable comprises a two-bedroom ground floor flat in a purpose-built block. Provides a kitchen, living room and a bathroom. The specification is relatively modern throughout. The flat further offers communal gardens and an allocated space.	463	£62,000 (£133.91)	April 2021
138, Merridale Court, Wolverhampton, WV3 9LF		The comparable comprises a two-bedroom first floor flat situated within a purpose-built secondary residential development. Provides a living room which includes a balcony, kitchen and bathroom. The specification is reasonable and is in need of slight modernisation, particularly in the living room.	689	£105,000 (£152.39)	February 2021
63 Market Square, Wolverhampton, WV3 0NL		The comparable comprises a two-bedroom mid-floor flat within a purpose-build block. Provides a living room, kitchen, two double bedrooms and a family bathroom. The specification is reasonable and modern throughout. The comparable is situated in Wolverhampton city centre, though this development is now	710	£90,000 (£126.76)	May 2021

		considered to be secondary in nature.			
1 Bantock Gardens, Wolverhampton, WV3 9LP		The comparable comprises a two-bedroom first floor flat providing a living room, kitchen, bathroom and two double bedrooms. The specification is modern throughout, offering vinyl wood-effect flooring and a contemporary fitted kitchen. Parking is provided to the rear.	689	£123,000 (£178.52)	April 2021

5.5.2 EXISTING HOUSING STOCK – CURRENTLY FOR SALE

Finally, we have analysed current asking prices of secondary properties being offered for sale within the local area, focussing specifically on properties which are similar to those being offered in the subject Property.

Address	Photo	Description	Size (sq ft)	Asking Price (per sq ft)
Apartment 4, 33 Princess Street, Wolverhampton, WV1 1HD		The comparable comprises a two-bedroom top floor split level flat in a converted period building. The layout provides an entrance hallway, open plan kitchen / living room and bathroom. The flat is finished to a modern specification.	1,023	£150,000 (£146.63)
West Park, Connaught Road, Wolverhampton, WV1 4SQ		The comparable comprises a two-bedroom first floor flat in a purpose-built block. The layout provides an entrance hallway, lounge/diner, re-fitted kitchen, re-fitted bathroom and two double bedrooms. Externally the flat offers communal gardens, off-road parking and a separate garage. The flat would benefit from modernisation.	682	£100,000 (£146.63)
20 West Park Court, Connaught Road, Wolverhampton		The comparable comprises a two-bedroom ground floor flat in a purpose-built block. The layout provides a reception room, kitchen and bathroom. The specification includes gas fired central heating and double glazed windows and would benefit from modernisation.	582	£85,000 (£146.05)
24, Graiseley Street, Wolverhampton, WV3 0PB		The comparable comprises a two-bedroom first floor flat in a purpose-built block. The layout provides an entrance hall, living room, kitchen, and bathroom. Externally the property benefits from communal gardens. The overall specification is reasonable, but would benefit from a touch of modernisation.	678	£70,000 (£103.24)

5.6 CURRENT SALE AGREEMENT

Our investigations have not revealed a recent sale or sale agreement relating to the Property. If a recent or impending sale comes to your attention before any loan is finalised, details should be referred back to us in case the terms affect our valuation.

5.7 VALUATION CALCULATIONS

5.7.1 MARKET VALUE

In arriving at our opinion of Market Value we have had regard to the recent comparable transactions and also taken into account the investment attributes of the Property as aforementioned in section 5.1 of this report. We have considered the Property's value on the basis of Market Value.

We have adopted a passing rent of £289,780 per annum, and a Market Rent of £384,863 per annum. We have utilised the investment method of valuation and have targeted an equivalent yield of 9.50%. Where tenants are holding over we have assumed 3 months' notice. Where tenancies have a term certain of less than 5 years, we have incorporated an expiry void of 15 months' comprising 12 months marketing period followed by 3 months' rent free period. We have also incorporated current income voids on the vacant accommodation comprising 15 months'. This reflects a value of £3,412,489, which we have rounded accordingly to **£3,410,000**.

A copy of our valuation calculation is included at Appendix 2.

The resulting yield profile is as follows:

Net initial yield	7.98%
Reversionary yield	10.60%
Equivalent yield (nominal)	9.51%
Equivalent yield (true)	10.05%
Capital Value (per sq ft)	£83.45

Furthermore, we have taken into consideration the residential comparable evidence aforementioned in Section 5.5 when determining our opinion of value for the two bedroom flat. During our inspection, we noted that the flat is in a poor state of repair and condition and as such, we have discounted away from the comparable evidence to reflect the disrepair and also that the flat is not self-contained. We are therefore of the opinion that the capital value is in the region of **£40,000**.

The total combined Market Value is therefore say **£3,450,000**.

5.7.1 MARKET VALUE – VACANT

For our opinion of Market Value on the Special Assumption of vacant possession, we have adopted a Market Rent of £384,863 per annum. We have utilised the investment method of valuation and have targeted an equivalent yield of 10.50%. We have incorporated current income voids on all office suites, comprising 15 months' including 12 months marketing period followed by 3 months' rent free period. This reflects a value of £3,039,131, which we have rounded accordingly to **£3,040,000**, reflecting a capital value rate of £74.40 per sq ft.

We have cross-checked with the comparable method, which supports a capital value rate in the region of £75 per sq ft.

Furthermore, we have taken into consideration the residential comparable evidence aforementioned in Section 5.5 when determining our opinion of value for the two bedroom flat. During our inspection, we noted that the flat is in a poor state of repair and condition and as such, we have discounted away from the comparable

evidence to reflect the disrepair and also that the flat is not self-contained. We are therefore of the opinion that the capital value on a vacant possession basis is in the region of **£40,000**.

The total combined vacant possession value is therefore say **£3,080,000**.

6. VALUATION

6.1 MARKET VALUE

We are of the opinion that the Market Value of the freehold interest in the Property as at 5 April 2022, subject to the existing tenancies, is in the region of:

£3,450,000
(THREE MILLION FOUR HUNDRED AND FIFTY THOUSAND POUNDS)

6.2 MARKET VALUE – 90-DAY SALE

We are of the further opinion that the Market Value of the freehold interest in the Property as at 5 April 2022, subject to the existing tenancies and on the Special Assumption of a 90-day sale, is in the region of:

£2,950,000
(TWO MILLION NINE HUNDRED AND FIFTY THOUSAND POUNDS)

6.3 MARKET VALUE – VACANT

We are of the further opinion that the Market Value of the freehold interest in the Property as at 5 April 2022, on the Special Assumption that the Property is vacant, is in the region of:

£3,080,000
(THREE MILLION AND EIGHTY THOUSAND POUNDS)

MARKET VALUE DEFINITION

Market Value is an internationally recognised basis and is defined as:

“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”.

The Market Value is our estimate of the price that would be agreed, with no adjustment made for the costs that would be incurred by the parties in any transaction, including any liability for VAT, stamp duty or other taxes. It is also gross of any mortgage or similar financial encumbrance.

6.4 INSURANCE REINSTATEMENT COST ESTIMATE

You have additionally asked for advice on the cost of reinstating the building for insurance purposes. We have not undertaken a detailed building survey and therefore have provided only an approximate estimate to enable you to judge whether your interest as prospective mortgagee is adequately covered in the policy arranged by the Borrower. An accurate cost assessment will require much more detailed consideration of the construction by a building or quantity surveyor.

We estimate that the approximate cost of reinstating the building described in this report is in the region of £9,875,000.

This figure is based on current cost information and includes an allowance for professional fees, demolition and debris removal, but excludes VAT. It does not include any allowance for inflation during the period of insurance nor during any further period required for reinstatement following a substantial loss. Neither does it include for loss of rent or consequential losses arising from a loss of the building.

7. LENDING CONSIDERATIONS

7.1 PROPOSED LOAN

We have been advised that the proposed loan facility is for 70% gross of the stated Market Value.

7.2 CASH FLOW ANALYSIS AND INCOME SECURITY

The Property is multi-let to 9 tenants including good covenants such as Secretary of State for Communities and Local Government, Leonard Cheshire Disability and Capital Professional Limited. However, the remaining tenants provide weak covenant strengths and therefore limited income security. The investment is highly reversionary with a vacancy rate of approximately 24% and provides a WAULT of approximately 1.2 years therefore offering short term income.

However, the investment market would not deem the tenant line up to be unusual for a secondary asset such as the subject Property, given its type and location, in Wolverhampton city centre.

7.3 SUITABILITY AS SECURITY

MARKETABILITY

The Property will be of interest to local and regional property investment companies and developers.

We would anticipate a marketing period of 6 months to realise the value now reported, most likely for sale by auction, where it would be fully marketed and exposed to a wide range of purchasers.

Occupationally, it is likely to take up to 12 months to attract incoming tenants and given the nature of flexible office space, it is likely that vacancy levels will fluctuate over the asset hold period. The Property is expected to appeal to local and regional occupiers.

FUTURE PERFORMANCE

The Property should perform in line with its peers, provided that the economic climate does not deteriorate over the coming months and years as a result of COVID-19 or Brexit.

ACTIVE MANAGEMENT

We recommend that the Borrower ensures that the Property is kept in good repair to protect the asset's value.

DUE DILIGENCE RECOMMENDATIONS

We **recommend** your solicitor confirm the following:

- Verify our understanding of the title, planning status and tenancies.

SWOT ANALYSIS

Strengths and Weaknesses

- The Property is held freehold;
- Situated in Wolverhampton city centre however Wolverhampton is not an established office location;
- Offices are capable of subdivision, available as individual suites or on a wing or floor-by-floor basis;
- The Property would benefit from modernisation / refurbishment in part however, the cost of extensive refurbishment is unlikely to be recuperated through rental income;
- Short WAULT of 1.2 years;

Strengths and Weaknesses

- The Property is highly reversionary with a vacancy rate of circa 24% of the total building area.

Opportunities and Threats

- Further economic uncertainty caused by Brexit and COVID-19;
- Long term redevelopment potential (subject to Planning).

RECOMMENDATION

Subject to our valuation, our comments and advice in this report, but without knowing the terms of the loan proposed, we confirm that we consider the Property represents a suitable security for mortgage purposes. We reserve the right to review this recommendation when we have been advised of the terms of the loan

8. LIABILITY & PUBLICATION

This report and valuation has been prepared on the basis that there has been full disclosure of all relevant information and facts which may affect the valuation.

This report is provided for the stated purpose and only for the use of the party to whom it is addressed. It is confidential to Proplend Security Limited and may not be disclosed to any other third party without our prior written consent. In breach of this condition, no responsibility can be accepted to third parties for the comments or advice contained in this report.

Should you wish to syndicate the loan you must inform us in order that we may make arrangements to supply members of the syndicate with a copy of this report which will then be directly addressed to them.

Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our prior approval of the form and context in which it will appear.

Yours faithfully



Sophie Borrowdale BSc (Hons), MRICS
RICS Registered Valuer
Associate Director

For and on behalf of BNP Paribas Real Estate

This report has been reviewed by



Richard Gill BSc (Hons), MA, MSc, MRICS
RICS Registered Valuer
Senior Director

APPENDIX 1: TERMS OF ENGAGEMENT



**BNP PARIBAS
REAL ESTATE**

Private & Confidential

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

Valuation

Sophie Borrowdale MRICS
Senior Surveyor
BNP Paribas Real Estate
9 Colmore Row
Birmingham
B3 2BJ

For the attention of: Stewart Bruce

Tel: +44 (0) 121 237 1245
Mobile: +44 (0) 7900 705 999
E-mail: Sophie.Borrowdale@realestate.bnpparibas

Our Ref: SLB/kn/Waterloo Court

25 March 2022

Dear Sir,

CLIENT: PROPLEND SECURITY LIMITED

BORROWER: CHARLES JORDAN (WATERLOO) LTD

PROPERTY: WATERLOO COURT, 31 WATERLOO ROAD, WOLVERHAMPTON, WV1 4DJ

INSTRUCTIONS

Thank you for your letter of 24 March 2022 in respect of the valuation of the above Property.

We understand that the Borrower is acquiring the freehold interest in the Property for investment purposes.

PURPOSE OF THIS LETTER

In accordance with the requirements of RICS Valuation – Global Standards 2021, effective 31st January 2022, incorporating the International Valuation Standards, we are writing to confirm our understanding of your instructions to us.

These Terms of Engagement, the Valuation Procedures and Assumptions and the Terms and Conditions of Business, copies of which are attached, together contain all the terms of the contract between you and us for these instructions (the "Agreement"). Please read this letter and the enclosures carefully to ensure they accord with your instructions.

SCOPE OF WORK

We acknowledge and confirm the following:

- Purpose of Valuation** ■ The valuation is for secured lending purposes and must not be relied upon for any other purpose.
- Interest to be Valued** ■ Freehold.

BNP Paribas Real Estate Advisory & Property Management UK Limited

Registered office: 5 Aldermanbury Square, London EC2V 7BP
Registered in England No. 4176965

www.realestate.bnpparibas.co.uk



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N° UK4518220/0 / UK4518220/0

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Bases of Valuation	<ul style="list-style-type: none">▪ Market Value 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 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.
Assumptions & Special Assumptions	<ul style="list-style-type: none">▪ Market Value on the Special Assumption of a 90-day sale.▪ Market Value on the Special Assumption of vacant possession.
Valuation Date	<ul style="list-style-type: none">▪ Date of report.
Identification of Valuer	<ul style="list-style-type: none">▪ The valuation will be carried out by Sophie Borrowdale MRICS who is a member of the RICS' Registered Valuer Scheme.▪ We confirm that the valuer has the relevant experience and knowledge in valuing properties of a comparable nature, complexity and value to the property.
Fee	<ul style="list-style-type: none">▪ Our fee for undertaking this work will be £1,000 plus VAT and is payable by the Borrower prior to issuing our report.▪ If you end this instruction at any stage, we will charge abortive fees on the basis of reasonable time and expenses incurred, (with a minimum charge of 50% following inspection of the property).
Conflicts of Interest	<ul style="list-style-type: none">▪ We can advise that we have previously valued the Property for Glenhawk Financial Services Limited in January 2022. However, following our discussion, we confirm that we do not believe that this creates a conflict with our duty to provide you with an objective and independent valuation.▪ We will therefore be acting as an independent valuer.
Professional Indemnity Insurance	<ul style="list-style-type: none">▪ We can confirm that we hold professional indemnity insurance in respect of the service to be provided.
Nature of Work	<ul style="list-style-type: none">▪ In accordance with your instruction, the Property will be valued on a 'desktop' basis without inspection. We will not undertake an inspection of the Property and have adopted the floor areas measured during our previous inspection of the Property on 11 January 2022 for Glenhawk.▪ Our valuation report will include a description of the Property, including factors that impact on its value together with an overview of the relevant market and a rationale for our valuation.▪ The enclosed Valuation Procedures and Assumptions document describes the work that we would normally undertake, the sources of information upon which we would normally rely and the assumptions and limitations that would normally apply to our investigations and report.

Sources of Information

- We may rely on information supplied by the client, owner, local authorities and other relevant sources and there may be limitations/restrictions placed on some of the information provided.
- However, we will provide details on what information we have been provided with and what we have relied upon within our report.
- The Property will be valued on a 'desktop' basis without inspection. We will not undertake an inspection of the Property and have adopted the floor areas measured during our previous inspection of the Property on 11 January 2022 for Glenhawk.

Reliance & Publication

- Our valuation is provided for the stated purpose and sole use of Proplend Security Limited. It is confidential to it, and we accept no responsibility whatsoever to any other party.
- Neither the whole nor any part of our valuation report or any reference thereto will be allowed to be included in any published document, circular or statement, or published in any way, without our prior written approval of the form and context in which it may appear

Company Compliance

- We are required to obtain evidence of the identity and proof of address of our clients. This requirement is absolute. You shall provide (or procure the provision), free of charge, and within any specified time limits, all information as may be necessary or reasonably requested by us at such time as shall enable us to comply with our internal anti-money laundering procedures, outlined in clause 12 of the Terms and Conditions of Business.
- Please note that if either the report is to be addressed to or the fee is to be paid by another party, that any such party/parties may also be subject to the same compliance checks and such party/parties should be identified as soon as possible.

RICS Compliance

- We confirm that the valuation will be undertaken in accordance with the current RICS Valuation – Global Standards 2021, effective 31st January 2022, the International Valuation Standards and the UK National Supplement 2018, effective 14th January 2019.
- It is intended that our valuation report will be fully compliant with VPS 3 of the RICS Valuation – Global Standards.
- The Property will be valued on a 'desktop' basis without inspection.
- The relevant standard of measurement for the Property is the RICS Property Measurement (2nd Edition, January 2018), incorporating the International Property Measurement Standards (IPMS) which replaces the former standards of the Code of Measuring Practice (6th Edition, May 2015) (COMP). The aim and benefit of IPMS is to provide transparency through a consistent measurement of property, on a global scale. The adoption of IPMS is currently in transition within the industry and will eventually apply to all property assets in the future. However, the RICS recognises that the IPMS are not yet considered a suitable basis of measurement in all circumstances and we are bound to state our departure from these Standards, where it is deemed reasonable to do so.

As at the date of writing, the Standards are not yet considered to form an industry-wide basis of measurement, particularly for valuation and estate agency purposes, with the majority of comparable transactions continuing

to be measured on a Gross or Net Internal Area basis, in accordance with the former bases of measurement stated within the COMP. For the specific purposes of valuing the subject Property, we have therefore assumed that our departure from the new Standards is suitably justified and have carried out our measurements on the basis of the recognised core definitions contained within COMP, which are considered to be fit for purpose. The floor areas stated have been calculated on a Net Internal Area basis.

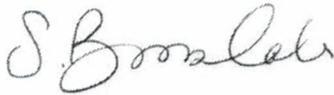
Complaints Handling Procedures

- A copy of the firm's complaints handling procedure is available on request. The valuation may be subject to monitoring under the conduct and disciplinary regulations of the RICS.

We do not believe that any of these conditions conflict with your requirements but if you believe they do, please do not hesitate to contact us.

Otherwise, we would be grateful if you could sign and return a copy of this letter as confirmation that you wish us to proceed on this basis. If we do not hear from you to the contrary, prior to the issue of our report, we shall assume that these conditions are agreed.

Yours faithfully,



Sophie Borrowdale BSc (Hons), MRICS
Senior Surveyor
RICS Registered Valuer

For and on behalf of BNP Paribas Real Estate

Enc. – Terms & Conditions of Business, Valuation Procedures & Assumptions

I / We* confirm my / our agreement that this letter and the accompanying documents it refers to are an accurate summary of the service required, and that I / we* accept for the provision of these services.

(* delete as appropriate)

Signed:.....


Printed name:.....
MATT CARSON

Position:.....
C.O.V.

Date:.....
6/4/22

Terms and Conditions of Business

DEFINITIONS

In these Conditions:

“**BNPPRE Person**” means any of Our or any Group Company’s employees, officers, directors, subcontractors or consultants whether permanent, fixed term or part-time;

“**Conditions**” means these terms and conditions of business;

“**Confidential Information**” means any technical, financial and commercial information obtained or received by You directly or indirectly from Us (and vice versa) in the course of or in anticipation of the Services;

“**EEA**” means European Economic Area, which consists of the EU member states plus Iceland, Liechtenstein and Norway;

“**Engagement Letter**” means the engagement letter from Us to You setting out the basis on which We shall carry out the particular Services for You;

“**EU Data Protection Law**” means the GDPR as well as all related EEA member states’ laws and regulations;

“**Fees**” means the fees payable by You to Us for the Services, as set out in the Terms of Engagement and/or as otherwise agreed by Us in writing;

“**GDPR**” means the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation);

“**Group Company**” means in relation to Us, any of our subsidiaries, affiliates or holding companies from time to time and any subsidiary from time to time of a holding company of Ours;

“**Information**” means any deeds, documents, advice, information, reports, plans, drawings, instructions and/or assistance that We may require from You or which We may require you to procure on Our behalf;

“**Intellectual Property Rights**” means patents, registered and unregistered trademarks and service marks, registered and unregistered design rights, copyright, database rights, rights in know-how and confidential information, applications for and rights to apply for any of the above, and any other similar rights recognised from time to time in any country, together with all rights of action in relation to the infringement of any of the above;

“**Major Sanctioned Countries**” means any countries that are subject to comprehensive embargoes or high-risk countries from time to time and for which We have decided to maintain the same restrictive control measures. The current MSCs are Cuba, Iran, Sudan, Syria, North Korea, Crimea/Sevastopol. “**MSC**” and “**MSCs**” shall be construed accordingly;

“**Materials**” includes, in addition to any document in writing, any drawing, map, plan, diagram, design, brochure, picture, photograph or other image, tape, disk or other device, file or record embodying information or data in any form;

“**Property**” means the property/ies, which is/are the subject of Your instructions to Us;

“**Services**” means the services and/or work performed or to be performed by Us as set out in the Engagement Letter and/or Service Specific Terms of Engagement, together with any other services and/or work which We provide or agree to provide to You from time to time;

“**Service Specific Terms of Engagement**” means the specific terms of engagement, if any, referred to in the Engagement Letter;

“**Terms of Engagement**” means these Conditions, the Engagement Letter and the Service Specific Terms of Engagement, in each case as may be varied in writing and agreed by Us and You from time to time;

“**Transaction**” means any transaction entered or intended to be entered into by You in relation to which the Services are to be performed (including but not limited to a transaction effecting a sale or letting of the Property);

“**We, Us and Our**” means BNP Paribas Real Estate Advisory & Property Management UK Limited, a private limited company registered in England and Wales with company number 04176965

and whose registered office is at 5 Aldermanbury Square, London EC2V 7BP; and

“**You, Your and Yourself**” means the person or persons, firm, company, authority or other organisation to whom We are to supply the Services, as set out in the Engagement Letter.

1 Terms of Engagement

1.1 The Services will be provided pursuant to the Terms of Engagement.

1.2 The Terms of Engagement comprise the whole agreement between Us and You in relation to the provision of Services and supersede all prior agreements in connection with the subject matter hereof except where expressly agreed in the Engagement Letter. Both parties acknowledge and agree that, in entering into the Terms of Engagement, they do not rely on, or have not relied on, any undertaking, promise, assurance, statement, representation, warranty or understanding (whether made orally or in writing) of any person (including Us and You) relating to the subject matter of the Terms of Engagement, other than as expressly set out in the Terms of Engagement.

1.3 If any provision (or part of a provision) of the Terms of Engagement is found by any court of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions (or remainder of the affected provision) will remain in force.

1.4 Subject to the rights of any BNPPRE Person granted under clause 14.7, the Terms of Engagement are made solely for the benefit of Us and You, and (where applicable) Our or Your successors and permitted assigns, and are not intended to benefit, or be enforceable by, anyone else. Except as stated in clause 14.7, and for the purpose of the Contracts (Rights of Third Parties) Act 1999, the Terms of Engagement do not and are not intended to give any rights, or right to enforce any of their provisions, to any person who is not a party to them.

1.5 The Engagement Letter constitutes an offer by Us to You to provide the Services specified in it on the Terms of Engagement. By counter-signing the Engagement Letter (or, in the alternative, accepting the Services referred to therein) You formally accept the Terms of Engagement. Notwithstanding the previous sentence, You agree that all and any Services provided prior to Your counter-signature of the Engagement Letter shall be governed by the Terms of Engagement.

1.6 By entering into the Agreement, You warrant that You have the authority to instruct us to perform the Services.

1.7 In the event of any conflict arising between the documents comprising the Terms of Engagement, the following order of precedence shall apply:

- (a) Engagement Letter;
- (b) Service Specific Terms of Engagement;
- (c) these Conditions.

1.8 The Terms of Engagement and any dispute arising out of or in connection with them or their subject matter, shall be governed by and construed in accordance with the laws of England. The parties both irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Terms of Engagement or their subject matter.

2 Changes in Scope

2.1 The scope of the Services will be limited to the matters set out in the Terms of Engagement. However, this does not preclude Us from considering and agreeing with You, in writing, changes to the scope of the Services from time to time.

3 Timetable

3.1 We will discuss with You the nature and timing of the delivery of Services and the most effective way of implementing them. The timetable for completion of the Services assumes that the Information will be made

- available in good order and in a timely manner and will be provided in accordance with the provisions of clause 5.
- 3.2 Dates for performance and/or completion of the Services are estimates only and shall not be construed as being of the essence to the Terms of Engagement. We will, however, use reasonable endeavours to perform the Services on or by the dates specified and agreed in writing.
- 4 Services**
- We undertake to perform the Services using reasonable care and skill and in accordance with the professional standards to which We are subject.
- 5 Information**
- 5.1 You shall provide (or procure the provision) to Us, free of charge and within any specified time limits, all Information as may be necessary or reasonably requested by Us at such time as shall enable Us to:
- perform the Services in accordance with Our obligations under the Terms of Engagement; and/or
 - comply with Our internal anti money laundering policies and procedures and any relevant legislation or regulations as may be in force from time to time (including but not limited to Information about You or any third party on whose behalf you act in respect of receipt of the Services).
- 5.2 You warrant that all and any Information is accurate, complete and consistent. Accordingly, You agree that We are not liable for (and shall indemnify Us against) the direct or indirect consequences of any inaccuracies, inadequacies or inconsistencies contained in the Information, whether prepared by You or by a third party, or any shortfalls in or absence of such Information and whether or not supplied directly to Us by You or by such a third party.
- 5.3 You will notify Us immediately if anything occurs to render any Information untrue, inaccurate or misleading and/or if any claim is made by a third party in respect of any Information.
- 6 Intellectual Property Rights and Use of Our Materials**
- 6.1 All Intellectual Property Rights in any Materials prepared by Us or otherwise generated in the course of carrying out the Services shall be owned exclusively by Us. Without limiting clause 6.3, no part of any such Materials may be reproduced or transmitted or disclosed in any form or by any means without Our prior written permission.
- 6.2 All information, advice and Materials provided by Us to You are provided for Your use only and solely for the purpose(s) to which they refer. Accordingly, We accept no responsibility for (and you shall indemnify Us in respect of) any reliance that any third party may place on such information, advice or Materials, and/or for any reliance that You may place on such information, advice or Materials for any other purpose.
- 6.3 Neither the whole nor any part of the Materials referred to under clause 6.1, nor any reference thereto, may be included in any published document, circular or statement or published in any way without Our prior written approval.
- 7 Recommendations**
- 7.1 The Services and any findings arising out of the Services will not in any way constitute recommendations on matters outside the scope of the Terms of Engagement.
- 7.2 You are responsible for determining whether the scope of the Services as specified in the Terms of Engagement are sufficient for Your purposes in the context of Your wider investigations and due diligence.
- 8 Fees and Disbursements**
- 8.1 The Fees will be as set out in the Terms of Engagement or as otherwise agreed by Us in writing.
- 8.2 You shall pay the Fees, and all other costs or charges agreed in the Terms of Engagement and/or as otherwise agreed by us in writing. If the Fees are not stated in the Terms of Engagement, Our Fees will be based on Our standard hourly rates in force from time to time multiplied by the number of hours spent by each person on the work in question (the "Time Charge Fee").
- 8.3 Unless agreed otherwise, Our Fees are exclusive of any reasonable disbursements and expenses that any of the personnel engaged in providing the Services may incur in connection with the provision of the Services and any applicable VAT, for all of which You will additionally be liable.
- 9 Payment Terms**
- 9.1 Where We quote a fixed fee for Our Services, this quotation will only be valid for a period of 30 days from issue or as otherwise agreed. No contract will arise from any such quotation until We give written confirmation to You. You accept that We reserve the right to increase such fixed fee by such amount as is reasonable, as a result of any matters beyond Our control, a change in instructions from You or a failure by You to provide Us with satisfactory Information pursuant to clause 5 and We will give You prior written notice of any such increase.
- 9.2 We reserve the right to render regular and/or interim invoices where appropriate. Specifically where We are working on an hourly rate basis We may bill monthly except where We agree otherwise in writing. We also reserve the right to invoice You immediately for the cost of any reasonable disbursements or expenses that We may incur in relation to the Services.
- 9.3 Save where otherwise agreed in writing, Our terms of payment are net cash 28 days from the date of invoice. Time for payment will be of the essence.
- 9.4 If any invoice is overdue for payment, We will be entitled to refrain from continuing to perform any Services for You until such invoice is paid in full (including interest). We will also be entitled to retain any Materials produced by Us in the course of the Services and/or any Information belonging to You until all outstanding sums have been paid. We retain the right to charge interest on such outstanding sums at the annual rate of 4% accruing on a daily basis from the due date until the date of actual payment of the overdue amount, compounded quarterly, whether before or after judgement. You must pay Us interest together with the overdue amount. Our rights under this clause 9.4 are without prejudice to any rights that may accrue pursuant to clause 9.3.
- 9.5 In certain circumstances (which We will discuss with You), We may require You to make payment on account of any anticipated fees and/or disbursements and/or expenses to be incurred prior to the Services being commenced or continued.
- 9.6 We may at any time, without notice to You, set off any obligation due from You to Us against any obligation owed by Us to You, whether either liability is present or future and whether or not either liability arises under the Terms of Engagement. Any exercise by Us of Our rights under this clause shall not limit or affect any other rights or remedies available to Us under the Terms of Engagement or otherwise.
- 9.7 We may submit Our invoice(s) electronically or in hard copy. All invoices will be deemed to have been received the working day immediately following the day they are sent.
- 10 Confidentiality**
- Both parties will (and will procure that their directors, officers, agents, contractors, consultants and employees will) at all times keep in strict confidence, and not use, any of the other party's Confidential Information, except:
- in connection with the performance of the Services or as reasonably necessary for the purposes of the Transaction; or
 - as expressly stated in the Engagement Letter; or
 - as subsequently agreed to in writing by both parties; or

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- (d) as otherwise required or permitted to be disclosed by law; or
- (e) where such Confidential Information is public knowledge (save where it becomes public knowledge through a breach of this clause 10).

You agree that, without reference to You, We may disclose to our professional liability insurers and their agents and advisers, on terms of confidence, such Confidential Information as we are required to disclose in order to comply with the terms of our insurance programmes.

11 Complaints

- 11.1 If You are for any reason dissatisfied with the Services We should be advised immediately so that We can investigate it further. You agree that You will not take any action or commence any proceedings against Us before You have first referred Your complaint to Us in accordance with Our complaints procedure, details of which are available from: The Chief Operating Officer, BNP Paribas Real Estate Advisory & Property Management UK Limited, 5 Aldermanbury Square, London, EC2V 7BP. The purpose of such referral is to enable Us to provide You with details of Our complaints handling procedure and for Your complaint to be reviewed and responded to by Us, with a view to resolving the dispute or difference in a manner satisfactory to both parties.

- 11.2 If following Our response in accordance with clause 11.1 You remain dissatisfied, You may refer Your complaint or dispute to;

For consumer clients: Property Redress Scheme
 Premiere House, 1st Floor
 Elstree Way
 WD6 1JH
www.theprs.co.uk

For commercial clients: RICS Dispute Resolution Service
 Surveyor Court
 Westwood Way
 Coventry
 CV4 8JE
www.rics.org/drs

12 Client Money and Anti-Money Laundering Procedures

- 12.1 All client money retained by us shall be held in separate client accounts in accordance with and subject to the requirements of the Members' Accounts Rules of the Royal Institution of Chartered Surveyors ("RICS"). To ensure compliance with the anti-money laundering legislation we reserve the right to decline cash receipts. We also reserve the right to refuse to pay to any third party money due to you.

- 12.2 You agree to comply with all anti-money laundering procedures We have in place from time to time, and understand and accept that We are unable to provide the Services unless such procedures have been successfully completed in advance.

- 12.3 The parties hereby represent and warrant that:

- (a) they each shall comply with all applicable anti-corruption laws;
- (b) they each shall not directly or indirectly pay, offer, give, promise to pay or authorise the payment of, any portion of the compensation received in connection with these Terms of Engagement or any other monies or other things of value in connection with its performance to a government official to obtain or retain business or secure any improper advantage nor shall it permit such actions by a third party;
- (c) Neither party nor any subsidiary or affiliate of either Party is or will become an official or employee of the government during the term of these Terms of

Engagement without prior written approval of the other.

- 12.4 Any breach by You of the representations and warranties in this clause shall constitute a material breach for the purposes of clause 13.2(b)(ii) of these Terms of Engagement.

- 12.5 In the event one party has reason to believe that a material breach has occurred or may occur, that party shall have the right to audit or to have a third party acceptable to each party at the joint expense of the Parties conduct the audit, in order to satisfy that no such breach has occurred. The Parties shall cooperate in any audit conducted by or on behalf of the other.

13 Termination

- 13.1 The Terms of Engagement shall terminate automatically on completion of the Services.

- 13.2 Without prejudice to any other rights or remedies which the parties may have:

- (a) either party has the right to terminate the Terms of Engagement on not less than 28 days' written notice to the other (except where our Instructions include ongoing management work, in which case either party may only terminate the Agreement by giving not less than six months' notice in writing to the other); and
- (b) We may terminate the Terms of Engagement immediately on giving written notice to You if:
- (i) a conflict of interest arises;
- (ii) You commit a material breach of any of the provisions of the Terms of Engagement (including, but not limited to, any breach of the payment terms specified at clause 9 or any breach of clause 22);
- (iii) a person or persons, firm, company, authority or other organisation acquires control of You who did not have control immediately before the acquisition;
- (iv) a counterparty to any Transaction in respect of which we are providing the Services fails within a reasonable period (as determined by Us) to provide or make available to us any information or documentation we may require to satisfy our obligations pursuant to The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017; or
- (v) We have reason to believe that the source of funds to be utilised pursuant to any Transaction originate either directly or indirectly from any MSCs or may derive either directly or indirectly from any illegitimate activities as determined by Us.

- 13.3 Either party may terminate the Terms of Engagement immediately on giving written notice to the other if the other party becomes bankrupt or insolvent, or if an order is made or a resolution is passed for its winding up (other than voluntarily for the purpose of solvent amalgamation or reconstruction), or if an administrator, administrative receiver or receiver is appointed in respect of the whole or any part of its assets or business, or if it makes any composition with its creditors or takes or suffers any similar or analogous action in any jurisdiction in consequence of debt.

- 13.4 On termination of the Terms of Engagement for any reason, You will immediately pay Us for all outstanding unpaid sums and interest, and in respect of Services supplied prior to termination but for which no invoice has been submitted (including: (i) any costs which we have incurred; and (ii) any abortive fees, as defined in either the Letter of Engagement or the Service Specific Terms of Engagement). We may submit an invoice, which shall be payable immediately upon receipt. If You instruct another

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- agent during or after the period of our instruction, this may result in a dual fee liability for You.
- 13.5 Termination of the Terms of Engagement for any reason will not affect the parties' accrued rights and the following clauses shall survive: 5.2, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 22 and 23 and all provisions necessary to interpret or enforce the Terms of Engagement.
- 14 Liability**
- YOUR ATTENTION IS PARTICULARLY DRAWN TO THE PROVISIONS OF THIS CONDITION 14**
- 14.1 This Condition 14 sets out Our entire financial liability (including any liability for the acts or omissions of Our employees, directors, officers, agents, contractors and consultants) in respect of:
- any breach of the Terms of Engagement;
 - any use made by You of the Services or the Materials, information and advice provided by Us in performing the Services; and
 - any representation, statement or tortious act or omission (including negligence) arising under or in connection with the provision of the Services, whether made by Us or any third party.
- 14.2 All warranties, conditions and other terms implied by law are, to the fullest extent permitted by law, excluded from the Terms of Engagement.
- 14.3 Nothing in these Conditions limits or excludes Our liability for:
- death or personal injury resulting from negligence; or
 - any damage or liability incurred by You as a result of any fraud or fraudulent misrepresentation made by Us; or
 - such other matters for which liability cannot lawfully be limited or excluded.
- 14.4 Subject to clause 14.2 and clause 14.3:
- We shall not be liable for:
 - loss of profits; or
 - loss of business; or
 - depletion of goodwill or similar loss; or
 - loss of anticipated savings; or
 - loss of goods; or
 - loss of contract; or
 - loss of savings; or
 - loss of use; or
 - loss of opportunity; or
 - any special, indirect, consequential or pure economic loss, costs, damages, charges or expenses; or
 - loss of, or corruption of, data or information; or
 - any loss arising in connection with Our inability to provide the Services as a result of Your failure to comply with clause 12.2;
 - any loss (including but not limited to those losses identified in sub-paragraphs (i) to (x) of this sub-paragraph 14.4a) arising in connection with the termination of these Terms of Engagement by Us pursuant to clause 13.2(b);

irrespective of whether or not We knew or ought to have known that such a loss might arise.
 - Subject to clause 14.3 Our aggregate liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise arising under or in connection with all matters under the Terms of Engagement will be limited to £5,000,000 (five million pounds sterling) per claim or series of related claims.
- 14.5 Without prejudice to the other provisions of this clause 14, We will not be liable in respect of any of the following:
- any failure or delay in providing the Services where You have not complied with the Terms of Engagement;
 - any failure by Us to remind You of relevant deadlines;
 - in respect of any third party providers whom We may engage on Your behalf with Your prior written consent in the course of the Services or to whom We may refer You (save as set out in clause 18.2);
 - any findings or recommendations not expressly set out in Our final report (if applicable);
 - checking the accuracy of the Information, including without limitation boundary lines;
 - advising You in relation to taxation matters save and to the extent that these are identified explicitly in the Letter of Engagement and form part of the Services We are providing;
 - any failure by You to hold any necessary consents, permissions or authorisations required for the Transaction;
 - any other matters set out in the Service Specific Terms of Engagement.
- 14.6 Where You are comprised of more than one entity, then Your liability under the Terms of Engagement will be joint and several with such other entity or entities.
- 14.7 You agree not to bring any claim for losses arising in connection with any matter under the Terms of Engagement against any BNPPRE Person. You accept that any such claim must be brought against Us. Both parties agree that any BNPPRE Person may enforce this clause under the Contracts (Rights of Third Parties) Act 1999, but that these Conditions (including this clause) may be varied at any time without the need for consent from any BNPPRE Person. Where a loss is suffered by You for which We and any other person are jointly responsible, any recoverable loss by You from Us will be proportionate to Our relative contribution to the loss suffered.
- 14.8 You agree to indemnify Us and keep Us indemnified against any liability which arises from a third party obtaining from You or using any Confidential Information and/or any Materials, information or advice provided by Us to You, unless We have agreed in writing to accept liability to such third party or the third party is a client of Ours and is permitted to obtain and use such Materials, Information or advice.
- 15. Force Majeure**
- We will not be liable to You for any delay or failure to fulfil Our obligations under the Terms of Engagement caused by circumstances outside Our reasonable control.
- 16 Correspondence, Papers and File Destruction**
- 16.1 All Materials in Our possession or control that have been generated for Our internal purposes or are addressed to Us relating to the Services (unless expressly notified otherwise upon their provision) shall be Our sole property. We will not be obliged to provide or make available to You such Materials unless We agree otherwise.
- 16.2 Subject to clause 9.4, all Confidential Information provided to Us by You will be returned or destroyed upon Your request, provided that We may retain copies of any Confidential Information which forms the basis of Our Materials and advice.
- 16.3 It is acknowledged that certain Materials may legally belong to You. Subject to clause 9.4, We shall return such Materials to you upon Your request. Where You do not request that such Materials are returned Our practice is to retain such Materials electronically or otherwise for six years from the date on which the Services or Transaction was

- effectively completed. After this time, Your Materials and all correspondence may be destroyed in accordance with our archiving policy.
- 16.4 Storage of Your Materials under clause 16.3 may be provided by third party contractors and You consent to this arrangement. You agree to meet our reasonable costs in accessing Your Materials at Your request, for reasons which do not relate to on-going work where such Materials have been archived following the completion of the relevant Services or Transaction. Such retention of Your Materials by Us shall be at Your risk and We shall have no liability to You for or caused by the destruction of or damage to such Materials.
- 17 Staff**
- If, without Our prior written approval, You directly and/or indirectly employ, engage and/or otherwise use the services of any member of Our or any of Our Affiliates' staff ("**Staff**") to work on an engagement for You during the term of the Terms of Engagement or during the twelve-month period following expiry or termination of the Terms of Engagement, You will be liable to pay to Us a recruitment fee equal to four months' total average fee income for the Staff member concerned. You acknowledge and agree that this sum is a genuine attempt to estimate the loss of income and costs that will be incurred by Us whilst we recruit (and as a consequence of recruiting) a replacement for such member of Staff.
- 18 Assignment**
- 18.1 Neither party may transfer or assign any rights or obligations under the Terms of Engagement without the prior written consent of the other party except as set out in this clause 18. We may assign all or any of the rights (and transfer all or any of the obligations) under the Terms of Engagement to any Group Company or any of Our successors in title in the relevant business, without any requirement to notify You or obtain Your further consent. You agree to execute a novation to give full effect to this.
- 18.2 We may sub-contract any incidental part or parts of any of the Services to be supplied to You, such as the preparation of plans, photography, advertising or courier services.
- 19 Notice**
- Notices given under these Conditions shall be in writing in the English language, and may be delivered in person or sent by courier or post to the address set out in the Terms of Engagement, or to such other address as may be notified by either party to the other from time to time. Notices will not be deemed validly served if sent by e-mail or any other form of electronic communication.
- 20 Publicity**
- We are keen to obtain publicity for work undertaken on behalf of Our clients. Unless details of the Services undertaken for You are publicly available, We will not externally publicise such details without Your prior written permission. However, You hereby agree to Us including such details in proposals or other similar submissions made to Our prospective clients, unless You subsequently expressly prohibit such disclosure in writing.
- 21 Health, Safety, Environment & Quality**
- 21.1 We maintain BS EN ISO 9001, BS EN ISO 14001 and Safecontractor accreditations. When visiting Our premises, You shall comply with Our Safety, Health, Environment and Quality Policies and Procedures, copies of which can be obtained by contacting Our Director of Facilities.
- 21.2 Where We agree to provide the Services at Your premises, or at a third party's premises, You shall be responsible for giving or obtaining any Information, safe access licences, consents or permissions which may be necessary to enable Us and Our personnel to provide the Services at the premises in question. You or the operator of the premises shall also ensure that all appropriate health & safety acts, regulations, codes of practice or information sheets have been followed so as to ensure the health and safety of Our personnel.
- 21.3 Our Safety, Health & Environmental risk assessments and control measures are given on the basis of, and in strict reliance upon, all material facts and Information having been accurately and fully disclosed to Us by You and You agree to confirm all such facts and Information in writing. Details of Our policies, procedures and completed risk assessments are available for Your inspection on reasonable notice and without additional charge.
- 22 Major Sanctioned Countries and Regions**
- 22.1 We are strongly committed to complying with the international financial sanctions enforced by the European Union, France and the United States to advance a range of foreign policy goals including but not limited to counterterrorism, non-proliferation, democracy and human rights promotion, conflict resolution and cybersecurity.
- 22.2 You represent, warrant and undertake that the Services to be provided and any Transaction contemplated hereunder has and will have no link with MSC-related proceeds or investments and that the source of funds to be used for payment of the Services and/or in the funding of any transaction contemplated pursuant to the Services do not originate (either directly or indirectly) from any MSCs.
- 22.3 We reserve the right to terminate the Terms of Engagement with immediate effect upon the provision of written notice in the event of a breach by You of Your obligations and undertakings pursuant to this clause 22.
- 23 Data Protection**
- 23.1 The provisions in this clause 23 are incorporated to comply with the EU Data Protection Law and in particular article 28 (Processor) GDPR. Capitalised terms used in this clause 23 but not otherwise defined in these Terms of Engagement, have the meanings assigned to them in the GDPR (in particular under its article 4 (Definitions) and/or in this clause.
- 23.2 You shall be the Data Controller and We shall be the Data Processor in respect of any Personal Data processed by Us on Your behalf ("**Your Personal Data**") under the Agreement.
- 23.3 The parties shall comply with applicable data protection laws and regulations including the EU Data Protection Law. Information on the following elements required by the GDPR are as follows:
- 23.4
- Subject-matter of the processing: For the provision of Services in accordance with these Terms of Engagement;
 - Nature and purpose of the processing: Collection, storage, duplication, electronic viewing, deletion and destruction;
 - Duration of the processing: Until the earliest of termination of this Agreement in accordance with its terms or the date upon which processing is no longer necessary for the purposes of either party performing its respective obligations under these Terms of Engagement (to the extent applicable);
 - Type of Personal Data: personal details (title, first name, last name), position, contact information, location data, employer, ID data, delivery information, nationality, goods and services provided, financial information (bank or credit/debit card details), internet protocol address; and
 - Categories of Data Subjects: your tenants/landlords (as applicable), officers, employees and Your temporary staff and partners, complainants, correspondents, enquirers, suppliers, advisers, consultants and professional experts.
- 23.5 We shall process and transfer Your Personal Data only as required to deliver the Services or as instructed in accordance with documented instructions from You, unless We are required to otherwise process or transfer Your Personal Data under the laws of the European Union or one of its member states. Where such a requirement is placed on Us, We shall provide reasonable prior notice to

- You, unless the law prohibits such notice on important grounds of public interest as determined by Us.
- 23.6 We shall ensure that all BNPPRE Persons authorised to process Your Personal Data have committed themselves to confidentiality (e.g. via the confidentiality provision in their work contract for employees) or are under another appropriate obligation of confidentiality and do not process Your Personal Data except on instructions from You (as may be communicated via Us) unless they are required to otherwise process or transfer Your Personal Data under the laws of the European Union or one of its member states subject to the same rules as set out in clause 23.5.
- 23.7 In respect of security of processing:
- (a) taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, We shall implement appropriate technical and organisational measures, with the aim of ensuring a level of security appropriate to the risk, it being understood that, if You require Us to take additional security measures beyond those foreseen in this clause, You shall pay the corresponding charges to Us on a time and materials basis (to be determined by Us); and
 - (b) We shall notify You without undue delay, after becoming aware of a Personal Data Breach.
- 23.8 We shall not engage another processor, except under the conditions set out in clause 23.15.
- 23.9 We shall immediately inform You, if, in Our reasonable opinion, an instruction from You infringes the EU Data Protection Law.
- 23.10 At Your request and at Your expense, We shall provide reasonable assistance to enable You, in accordance with Your obligations under the EU Data Protection Law:
- (a) to answer to requests from the supervisory authority in the performance of its tasks;
 - (b) to notify Personal Data Breaches to the supervisory authority and communicate the Personal Data Breach to the individuals to whom Your Personal Data relates;
 - (c) to conduct data protection impact assessments and consult the supervisory authority on that basis;
 - (d) to implement technical and organisational security measures to ensure the security of the processing;
 - (e) to respond to requests from individuals to whom Your Personal Data relates who are exercising the data subject's rights laid down in Chapter III (Right of the Data Subject) under the GDPR, it being understood that We shall notify You of any request made by a Data Subject to access Your Personal Data or exercise any other Data Subject right set out in Chapter III "Right of the Data Subject" under the GDPR in respect of such data and act only as per Your instructions regarding the handling of such request; and;
 - (f) more generally, to enable You to comply with the obligations pursuant to articles 32 to 36 GDPR taking into account the nature of processing and the Information available to Us.
- 23.11 In the event a court and/or a data protection authority initiates proceedings against a party and upon request of the other party, the latter shall cooperate in good faith and without undue delay to assist at no additional cost such party to the extent it requires during such proceedings.
- 23.12 At Your choice and Your expense, We shall either (i) delete or (ii) return all Your Personal Data to You after the end of the provision of Services relating to processing, and delete existing copies, unless the laws of the European Union or one of its member states requires storage of Your Personal Data.
- 23.13 At Your request and at Your expense, We shall make available to You all information necessary to demonstrate compliance with the obligations laid down in this clause 23.13 and allow for and contribute to audits, including inspections, conducted by You or another auditor mandated by You. If any audit reveals that We are not in compliance with the provisions of this clause and/or EU Data Protection Law, Your exclusive remedy, and Our exclusive obligation, shall be that: (i) the parties will discuss such findings and (ii) You shall take, at Your own cost, all corrective actions including any temporary work-arounds necessary to comply with the provisions of this clause and/or EU Data Protection Laws. We may charge You for any corrective actions if the corrective actions were required due to changes of EU Data Protection Laws.
- 23.14 We shall be entitled to transfer Your Personal Data to a country located outside the EEA which has not been recognised by the EU Commission as ensuring an adequate level of protection, if You (i) have provided appropriate safeguards in accordance with the EU Data Protection Law (e.g. the European Union standard clauses on the transfer of Personal Data from Controller to Processor) or (ii) can rely on a derogation foreseen by the data protection legislation enabling such transfer. You shall from time to time execute such documents and perform such acts as We may reasonably require to implement any such appropriate safeguards.
- 23.15 You hereby provide a general written authorisation to Us to engage sub-processors to process Your Personal Data. We shall inform you of any addition or replacement of sub-processors, giving You the opportunity to object to such changes. If You reasonably object to such change, You shall refrain from making that addition or replacement and shall be entitled to terminate the Agreement. Where We engage another processor under this clause 23.15, We shall ensure that the obligations set out in this clause are imposed on that processor by way of a written contract.



The investigations and enquiries on which our valuations are based are carried out by valuation surveyors, making appropriate investigations having regard to the purpose of the valuation. Our reports and valuations are prepared in accordance with the RICS Valuation – Global Standards 2021, effective 31st January 2022 (the “Red Book”).

Subject to any variation expressly agreed and recorded in the accompanying Terms of Engagement Letter, our work will be on the basis set out below:

1. Condition and Repair

Unless specifically instructed to carry out a separate building survey, or commission a test of service installations, our valuation will assume:

- (i) That except for any defects specifically noted in our report, the property is in good condition.
- (ii) That no construction materials have been used that are deleterious, or likely to give rise to structural defects.
- (iii) That no hazardous materials are present, including Asbestos.
- (iv) That all relevant statutory requirements relating to use or construction have been complied with.
- (v) That any services, together with any associated computer hardware and software, are fully operational and free from impending breakdown or malfunction

We will however, reflect the general condition noted during the course of our valuation inspection and any defects or hazards of which we become aware in the course of our investigations. Any matters that we consider material to the valuation will be referred to in our report.

In terms of multi-storey, multi-occupancy domestic residential buildings with cladding, we will follow the current RICS guidance. In the event that we are not provided with an EWS1 form when requested or when the appropriate technical information has not been provided to enable us to determine whether an EWS1 form should be requested, our valuation will assume that an EWS1 form is not required and we shall make no allowance in our valuation, unless otherwise stated, for potential remedial costs which might be identified by an EWS1 report.

It should be appreciated that our inspection is limited to those accessible and visible parts of the property, where safe to do so. Intrusive investigations are not undertaken as part of our standard inspection for valuation purposes.

2. Ground Conditions and Environmental Risks

We will not make any investigations regarding soil stability, mining, geographical conditions or contaminated land and, unless provided with information to the contrary, our valuation will assume:

- (i) That the site is physically capable of development or redevelopment, when appropriate, and that no special or unusual costs will be incurred in providing foundations and infrastructure.
- (ii) That there are no archaeological remains on or under the land which could adversely impact on value.

- (iii) That the property is not adversely affected by any form of pollution or contamination.
- (iv) That there is no abnormal risk of flooding.
- (v) That there are no high voltage overhead cables or large electrical supply equipment at or close to the property.
- (vi) That the Property is not located within a radon affected area.
- (vii) That no Japanese Knotweed, or any other invasive species, is present at the Property or within close proximity to the Property.
- (viii) That the Property is free of notifiable diseases and infestation by pests.

We will however, comment on any factors discovered during the course of our valuation enquiries that could affect the market perception of risks caused by these factors.

3. Minerals

For the purpose of this valuation report we will assume that there is good title to any mineral rights described.

4. Tenure and tenancies

We will rely upon information provided by you or your solicitor relating to tenure and related matters. We will not commission a formal legal search and will assume the information provided to be accurate, up-to-date and complete.

We will assume unless informed to the contrary that the Property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have a material effect on value. Where we have seen documentation we will recommend that reliance should not be placed on our interpretation without verification by your solicitors. Plans provided are for identification purposes only.

Where we are supplied with copies of the occupational leases this will be stated and our valuation is on the assumption that these interests are not subject to any easements, wayleaves, restrictive covenants, tenancies or encumbrances other than those notified to us.

We will not make any specific enquiries as to the financial standing of actual or prospective tenants other than those a competent valuer would make when appraising and valuing the Property

5. Planning and highway enquiries

We will make informal enquiries of the local planning and highway authorities and also rely on information that is available through local government websites. Any information obtained will be assumed to be correct. No local searches will be instigated.

Except where stated to the contrary, we will assume that the use to which the property is put is lawful and that there are no local authority planning or highway proposals that might involve the use of compulsory purchase powers or otherwise directly affect the property.

6. Floor areas

All measurements will be taken in accordance with the RICS Property Measurement Professional Statement.

Unless specifically stated that we have relied on another source, the floor areas in our report will be derived from measurements taken on site or that have been scaled from the drawings supplied and checked by sample measurements on site. The floor areas will be within a tolerance that is appropriate having regard to the circumstances and purpose of the valuation instruction. We have adopted a conversion factor of 10.7639 for converting from square metres to square feet rounding up or down to the nearest square foot.

7. Plant and machinery

We will include in our valuations those items of plant and machinery normally considered to be part of the service installations to a building and which would normally pass with the property on a sale or letting.

We will exclude all items of process plant and machinery and equipment, together with their special foundations and supports, fixtures and chattels, vehicles, stock and loose tools, and tenant's fixtures and fittings.

8. Mains services

We will assume that all mains services are connected to the Property, unless otherwise stated in our report. We will not obtain written confirmation from the service providers and will be unable to report on condition or offer any warranty.

9. Miscellaneous regulatory requirements

We will assume that the Property is compliant with all regulatory requirements relating to its occupation including the Equality Act 2010 and the Regulatory Reform (Fire Safety) Order 2005.

10. Tenant status

Although we will reflect our general understanding of a tenant's status in our valuation, we will make no detailed enquiries about the financial status of tenants.

We will assume that appropriate enquiries were made when leases were originally exchanged, or when consent was granted to any assignment or underletting.

11. Development properties

For properties in course of development, we will reflect the stage reached in construction and the costs remaining to be spent at the date of valuation.

We will have regard to the contractual liabilities of the parties involved in the development and any cost estimates that have been prepared by the professional advisers to the project.

For recently completed developments we will take no account of any retentions, nor will we make allowance for any outstanding development costs, fees, or other expenditure for which there may be a liability.

12. VAT, taxation and costs

We will not make any adjustments to reflect any liability for taxation that may arise on disposal, or for any costs associated with disposal incurred by the owner.

No allowance will be made to collect any liability or repay any government or other grants, taxation allowance or lottery funding that may arise on disposal

If calculating the market value as an investment, we will make deductions to reflect purchaser's normal acquisition costs.

Unless advised to the contrary we will assume that the option to tax has not been exercised and that accordingly VAT will not be payable on the capital and rental values reported.

13. Mortgage and Financial Encumbrance

No allowance will be made for the existence of any mortgage or other similar financial encumbrance on or over the Property.

14. Insurance and Re-instatement Cost Estimate

Capital values quoted are not appropriate for insurance purposes, which should be calculated on a re-instatement or indemnity basis.

Where required, an indication of re-instatement costs for insurance purposes will be provided based on current cost information and including an allowance for professional fees, demolition and debris removal, but excluding VAT.

It will not include any allowance for inflation during the period of insurance nor during any further period required for reinstatement following a substantial loss. Neither will it include for loss of rent or consequential losses arising from a loss of the buildings.

No reliance should be placed on this indicative estimate. An accurate cost assessment will require much more detailed consideration of the construction by a building or quantity surveyor.

Unless expressly advised to the contrary we assume that appropriate insurance cover is and will continue to be available on commercially acceptable terms.

APPENDIX 2: VALUATION CALCULATIONS

Summary Valuation

(Amounts in GBP, Measures in SF)

Valuation Date: 05/04/2022

Property

Address Waterloo Court - April 2022 (REVAL), Waterloo Court
External ID

Gross Valuation 3,634,873
Capital Costs 0
Net Value Before Fees 3,634,873

Less Stamp Duty @4.69% Stamp Duty 160,000
Agent's Fee @1.00% Net Sale Price 40,920
Legal Fee @0.50% Net Sale Price 20,460

Fees include non recoverable VAT @ 20.00%

Net Valuation 3,413,493
Say 3,410,000

Equivalent Yield 9.5083% True Equivalent Yield 10.0445%
Initial Yield (Valuation Rent) 7.9799% Initial Yield (Contracted Rent) 7.9799%
Reversion Yield 10.5982%

Total Valuation Rent 289,780 Total Contracted Rent 289,780
Total Rental Value 384,863 Number of Tenants 22
Capital Value Per Area 83

Running Yields

Date	Gross Rent	Revenue Cost	Ground Lease Expenses	Net Rent	Annual	Quarterly
05/04/2022	289,780	0	0	289,780	7.9799%	8.3943%
28/04/2022	276,206	0	0	276,206	7.6061%	7.9819%
05/07/2022	231,714	0	0	231,714	6.3809%	6.6437%
27/07/2022	127,562	0	0	127,562	3.5128%	3.5913%
05/07/2023	220,785	0	0	220,785	6.0799%	6.3182%
28/07/2023	237,402	0	0	237,402	6.5375%	6.8136%
18/09/2023	218,440	0	0	218,440	6.0153%	6.2485%
05/10/2023	264,244	0	0	264,244	7.2767%	7.6201%
27/10/2023	357,547	0	0	357,547	9.8460%	10.4831%
31/01/2024	354,047	0	0	354,047	9.7497%	10.3740%
02/09/2024	273,047	0	0	273,047	7.5191%	7.8862%
18/12/2024	291,473	0	0	291,473	8.0265%	8.4459%
01/04/2025	267,373	0	0	267,373	7.3628%	7.7146%
30/04/2025	272,076	0	0	272,076	7.4923%	7.8568%
02/12/2025	357,890	0	0	357,890	9.8555%	10.4938%
01/07/2026	384,863	0	0	384,863	10.5982%	11.3393%

Yields Based On Say Value + Acq.Costs + Cap.Ex

Tenants

Summary Valuation

(Amounts in GBP, Measures in SF)

Valuation Date: 05/04/2022

Tenant Name	Suite	Lease ID	Next Review	Earliest Termination	CAP Group	Method	Contracted Rent	Valuation Rent	Rental Value	Gross Value	Initial Yield	Initial Yield (Contracted)	Equivalent Yield	Reversionary Yield
Reed Specialist Recr	0.1. G			27/04/2022	Hardcore	Hardcore(9.5%)	10,474	10,474	11,772	110,624	9.4681%	9.4681%	9.5000%	10.6414%
The Secretary of Sta	0.2. G			31/03/2025	Hardcore	Hardcore(9.5%)	7,328	7,328	9,441	85,971	8.5238%	8.5238%	9.5000%	10.9816%
Nobel Gill	0.3. G	Holding Ov		04/07/2022	Hardcore	Hardcore(9.5%)	1,400	1,400	1,682	15,778	8.8732%	8.8732%	9.5000%	10.6573%
Vacant	0.4. G	Vacant		04/07/2028	Hardcore	Hardcore(9.5%)	0	0	3,126	29,372	0.0000%	0.0000%	9.5000%	10.6412%
Vacant	0.5. G	Vacant		04/07/2028	Hardcore	Hardcore(9.5%)	0	0	1,568	14,730	0.0000%	0.0000%	9.5000%	10.6412%
Reed Specialist Recr	0.6. G			27/04/2022	Hardcore	Hardcore(9.5%)	3,100	3,100	4,845	45,457	6.8196%	6.8196%	9.5000%	10.6584%
I Need Staff Today	0.7. G			30/01/2024	Hardcore	Hardcore(9.5%)	3,500	3,500	4,703	43,074	8.1255%	8.1255%	9.5000%	10.9172%
Vacant	0.8. G	Vacant		04/07/2028	Hardcore	Hardcore(9.5%)	0	0	9,985	93,829	0.0000%	0.0000%	9.5000%	10.6412%
The Secretary of Sta	0.9. G			31/03/2025	Hardcore	Hardcore(9.5%)	16,772	16,772	17,532	167,560	10.0096%	10.0096%	9.5000%	10.4631%
Protocol Teachers	1.1. F	Holding Ov		04/07/2022	Hardcore	Hardcore(9.5%)	13,442	13,442	13,185	124,300	10.8142%	10.8142%	9.5000%	10.6074%
Vacant	1.2. F	Vacant		04/07/2028	Hardcore	Hardcore(9.5%)	0	0	39,024	366,725	0.0000%	0.0000%	9.5000%	10.6412%
GAP Personnel Holdi	1.3. F	Holding Ov		04/07/2022	Hardcore	Hardcore(9.5%)	16,974	16,974	17,343	163,332	10.3924%	10.3924%	9.5000%	10.6183%
Capital Professional	2.1. S	Holding Ov		04/07/2022	Hardcore	Hardcore(9.5%)	11,576	11,576	13,095	123,032	9.4089%	9.4089%	9.5000%	10.6436%
City Fibre Ltd	2.2. S			17/09/2023	Hardcore	Hardcore(9.5%)	18,962	18,962	18,426	176,422	10.7481%	10.7481%	9.5000%	10.4443%
Capital Professional	2.3. S			01/09/2024	Hardcore	Hardcore(9.5%)	81,000	81,000	85,814	815,516	9.9324%	9.9324%	9.5000%	10.5227%
Vacant	3.0. T	Vacant		04/07/2028	Hardcore	Hardcore(9.5%)	0	0	13,095	123,059	0.0000%	0.0000%	9.5000%	10.6412%
Vacant	3.1. T	Vacant		04/07/2028	Hardcore	Hardcore(9.5%)	0	0	17,676	166,109	0.0000%	0.0000%	9.5000%	10.6412%
Leonard Cheshire	4.0. F			26/07/2022	Hardcore	Hardcore(9.5%)	13,000	13,000	13,275	125,087	10.3928%	10.3928%	9.5000%	10.6127%
The Leonard Cheshir	4.1. F			26/07/2022	Hardcore	Hardcore(9.5%)	45,576	45,576	40,194	380,553	11.9763%	11.9763%	9.5000%	10.5620%
The Leonard Cheshir	5.1. F			26/07/2022	Hardcore	Hardcore(9.5%)	45,576	45,576	39,834	377,264	12.0807%	12.0807%	9.5000%	10.5587%

Summary Valuation

(Amounts in GBP, Measures in SF)

Valuation Date: 05/04/2022

Protocol Teachers	6.0.2	Holding Ov	04/07/2022	Hardcore	Hardcore(9.5%)	1,100	1,100	500	4,853	22.6661%	22.6661%	9.5000%	10.3028%
Vacant	6.0.1	Vacant	04/07/2028	Hardcore	Hardcore(9.5%)	0	0	8,750	82,227	0.0000%	0.0000%	9.5000%	10.6412%