

■ Valuation Report

In respect of:

Unit 1 Midbrook Court
Tanners Drive
Blakelands
Milton Keynes
Buckinghamshire
MK14 5FH

Prepared for:

Proplend Security Limited

Date of valuation:

6th January 2022

Date of report:

18th January 2022



**UNIT 1 MIDBROOK COURT
TANNERS DRIVE
BLAKELANDS
MILTON KEYNES
BUCKINGHAMSHIRE
MK14 5FH**

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Executive Summary

Property	Unit 1 Midbrook Court, Tanners Drive, Blakelands, Milton Keynes, Buckinghamshire MK14 5FH.
Client	Proplend Security Limited.
Other Intended Users	None.
Date of Valuation	6 th January 2022.
Purpose of Valuation	Loan finance.
Tenure	Freehold.
Tenancies	Vacant possession.
Location	An established industrial estate to the north of Milton Keynes.
Description	A modern, end of terrace, two storey building providing storage or production space on the ground floor and offices to the first floor. The building is currently inter-connecting with the adjoining premises which are also in the Applicant's ownership.
Basis of Valuation	MV1: Market Value – Vacant Possession Market Rent
Valuations	
Market Value (MV1)	£510,000
Market Rent (MR)	£39,000 per annum
Valuation Issues and Action Points	<ul style="list-style-type: none"> ▪ The premises are inter-connecting with the adjoining unit which is also in the Applicant's ownership. Our valuation assumes that the subject premises benefit from fully independent services and that the two units could be fully reinstated through the closure of the existing access points at both ground and first floor levels. ▪ Our valuation assumes that the above can be achieved at reasonable expense.

Our ref: SO/Idi/KL000102

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For the attention of: Brian Bartaby

Dear Sirs

Client: Proplend Security Limited
Property: Unit 1 Midbrook Court, Blakelands, Milton Keynes, Bucks, MK14 5FH
Reference: #19308 (Dean Barrett)

1. INSTRUCTIONS

- 1.1 We refer to your instruction letter dated 22nd December 2022 and confirm that the above property was inspected on 6th January 2022 following which we are pleased to provide our valuation report as follows.
- 1.2 This valuation has been carried out by Stephen Oakey BSc (Hons) MRICS, an RICS Registered Valuer (RICS Membership No: 0101237), who has the necessary knowledge, skills and understanding in respect of this valuation assignment.
- 1.3 Prior to undertaking this instruction Brasier Freeth LLP and the valuer have confirmed that they have had no other connection with either the property or the borrower within the previous 24 months and know of no conflict of interest in respect of carrying out this valuation assignment.
- 1.4 Brasier Freeth LLP carry professional indemnity insurance to the value of £5m which is sufficient for this assignment.
- 1.5 Brasier Freeth LLP will be acting in the capacity of External Valuer in relation to this assignment.
- 1.6 **Basis of Valuation**
In accordance with your instructions, we have provided our opinion of the **Market Value (MV1)** of the freehold interest in the above light industrial property with **Vacant Possession**, this being required for loan finance purposes.
- 1.7 The date of valuation is 6th January 2022.
- 1.8 We confirm that we have acted independently, with integrity and objectivity and that the report has been prepared in accordance with the RICS Valuation – Global Standards and the UK National Supplement.
- 1.9 This valuation may be investigated by the RICS for the purposes of the administration of the Institution's conduct and disciplinary regulations.

London. Hemel Hempstead. Watford. Welwyn Garden City.

1.10 Extent of Investigations

The property was inspected externally from ground level and internally from ground and first floor levels. The premises were occupied during our inspection with a variety of stored goods, trade fixtures and fittings and other furnishings in situ.

We have not undertaken a Building Survey and we have not inspected parts which were covered, unexposed or inaccessible. Such parts are assumed to be in good condition.

We have not undertaken soil surveys or other intrusive ground investigations and the site is assumed to be suitable for its present or proposed use.

1.11 Reliance on Information Provided

We have been provided with various information relating to the property by the applicant/occupier. We have also undertaken searches of a number of property data publishing companies and third-party agents upon which we have relied. We can take no responsibility for any omissions or misrepresentations made to us.

1.12 A copy of your instruction letter is attached at Appendix A.

2. LOCATION

2.1 General

Milton Keynes is a major commercial centre within North Buckinghamshire with an estimated urban area population of approximately 230,000 according to 2011 census figures.

The town is strategically located adjacent to the M1 motorway (junctions 13/14/15), approximately 45 miles to the north west of Central London. Other competing commercial centres include Bedford approximately 12 miles to the north east and Luton approximately 17 miles to the south east.

Milton Keynes is the focus of significant further expansion with a number of medium to large scale residential development projects already in progress, typically around the fringes of the existing urban area and encompassing a number of surrounding villages within the conurbation.

Milton Keynes station connects with the busy West Coast mainline connecting with London Euston to the south, Liverpool, Manchester and Glasgow to the north.

A location plan is attached at Appendix B.

2.2 Situation

The subject property forms part of a terrace to the north side of Midbrook Court, accessed from Tanners Drive, within the established Blakelands Industrial Estate. The estate supports a broad mix of light industrial and warehouse storage and distribution premises.

The Blakelands Estate is accessed off Brickhill Street (V10) approximately 3 miles to the north east of Milton Keynes town centre. The M1 motorway runs adjacent to the east although the closest point of access to the motorway is at junction 14, approximately 2.5 miles to the south east.

A site plan, with our understanding of the site boundaries edged in red, is attached at Appendix C.

3. DESCRIPTION & CONSTRUCTION

3.1 Description

The property comprises a modern, end of terrace, two storey hybrid or hi-tech unit forming part of a terrace of 5 similar. We understand that the Applicant is in occupation of all 5 units.

The accommodation is arranged as ground floor storage or production space with a floor to ceiling height of approximately 2.27m to the underside of the suspended ceiling. A lobby area provides stair access to the first floor together with shower and accessible WC facilities.

There is a full height loading area to the front right hand corner of the unit accessed via a roller shutter door. The loading door has a height of approximately 4.2m.

The first floor is fitted out as office accommodation of a good specification with some internal partitioning installed by the present occupier to form a series of shared and individual offices and meetings rooms. There is a small void area above the ground floor full height loading bay.

3.2 Construction

The unit is of steel frame construction beneath a shallow, mono-pitched roof. The roof and elevations are clad in profile steel sheeting with some composite panel cladding to the front elevation, above a low level brick plinth.

Windows are powder coated aluminium framed double glazed units within the front elevation.

The ground floor is sealed concrete and the first floor is assumed to be of suspended steel/concrete panel design, with a number of supporting steel pillars visible throughout the ground floor storage area. Suspended ceilings within the ground floor and raised floors within the first floor offices restrict closer inspection.

3.3 Grounds & Parking

The buildings have a high site coverage although we understand that the freehold interest includes 3 car parking spaces and the loading access to the front elevation together with 4 further car parking spaces to the opposite side of the service road. A further car parking space is usable in front of the loading door.

Photographs are attached at Appendix D.

4. ACCOMMODATION

4.1 Layout

Ground Floor: Loading bay, storage or production area, stair lobby with shower room and accessible WC.

First Floor: Offices.

4.2 Measurements

The gross internal areas measured in accordance with RICS Property Measurement, 2nd Edition – January 2018, are outlined in the table below.

Description	Sq.m.	Sq.ft.
Ground Floor	210.21	2,263
First Floor	173.02	1,862
Totals:	383.23	4,125

Measurements were undertaken on-site by the valuer. The above figures include a deduction from the first floor accommodation reflecting the void area above the ground floor loading bay.

5. CONDITION

We have not carried out a building survey (structural survey) on any part of the property and this report should not be interpreted as such.

Within the limits of our inspection, the main structure of the building appears sound with no significant defects identified which would impact upon our valuation. The premises generally appear to have been well maintained by the present occupier. The office accommodation has been fitted out to a good standard.

Subject to an appropriate programme of periodic repair and annual maintenance, we are of the opinion that the property should retain a useful economic life in excess of 30 years.

6. SERVICES

6.1 Utilities

Mains gas, electricity, water and drainage are all understood to be connected to the property although we would reiterate that existing services and installations have not been tested and this report does not therefore express an opinion as to their adequacy or condition.

The ground floor is fitted with suspended ceilings with recessed fluorescent lighting.

There is air-conditioning throughout the first floor office accommodation with ceiling mounted cassettes. There are raised floors throughout the first floor with sub-floor connection boxes. Lighting is by way of fluorescent strips, recessed within the suspended ceilings.

6.2 Air-Conditioning Refrigerant – R22

Fire and security alarms are fitted with smoke detectors and emergency lighting apparent throughout the

Since 1st January 2015 it has been illegal to use Hydrochlorofluorocarbons (HCFCs), including R22 refrigerant gas, in air-conditioning systems. R22 is commonly used in air-conditioning systems pre-dating 2004. Older style air-conditioning systems containing R22 should therefore have been replaced or converted to allow topping-up with an alternative legal refrigerant.

In undertaking our valuation we have assumed that there is no R22 present although we recommend this be confirmed. In the event that R22 is found to be present in existing air-conditioning plant, we recommend that further specialist advice be obtained in order to ascertain the likely costs associated with the renewal or conversion of the system and whether this liability rests with the property owner or the occupier.

6.3 General

For valuation purposes, all existing service installations are assumed to be in good working order unless otherwise stated.

7. STATUTORY ENQUIRIES

7.1 Business Rates

The property is described in the 2017 Rating List as:-

Address	Description	Rateable Value
Unit 1 Midbrook Court, Tanners Drive, Blakelands, Milton Keynes	Warehouse & Premises	£15,750

7.2 Planning

We have made enquiries to the Planning Department of Milton Keynes Council and we are not aware of any recent planning history affecting the subject property which would impact upon our valuation. The existing use and occupation of the premises is therefore assumed to be permitted.

To our knowledge, the subject property is not Listed and is not situated within a Conservation Area.

7.3 Highways

Tanners Drive is an adopted highway, maintained by the Local Authority.

We understand that the Estate roadway exclusively serving Midbrook Court is retained in private ownership. It should therefore be confirmed whether any contribution is required in relation to its upkeep by way of a service charge or similar.

7.4 Equality Act 2010 – Disability Discrimination Act

Since October 2004 “All Service Providers” have had legal duties under the Disability Discrimination Act (DDA) 1995 as Amended not to discriminate against disabled persons.

The duty requires businesses to make “reasonable adjustments” to their premises in order to make services available to the disabled. This may include physical alterations, for example, provision of a ramp for access, large and well defined signage, improving access to WCs and washing facilities etc.

We have not been provided with an audit report in respect of the property, however, there are no particular issues to which we have had regard.

7.5 Fire Risk Assessment

The Regulatory Reform (Fire Safety) Order 2005 places a responsibility on the “responsible person”, usually the owner or occupier of business premises, to undertake a Fire Risk Assessment and take steps to remove or reduce fire risk. The legislation may also affect some residential buildings where there are shared or common areas.

We have not had sight of a Fire Risk Assessment in relation to the subject property. However, there were no significant issues noted during our inspection and our valuation assumes the property to be unaffected by any issues relating to fire safety.

8. ENVIRONMENTAL

8.1 The Site

We understand that the freehold land incorporates the footprint of the building together with the forecourt parking and loading access area and the exclusive parking spaces provided to the opposite side of the roadway.

The site has an area of approximately 0.036 hectares (0.089 acres).

Measurements were scaled from the Ordnance Survey extract using the Edozo measuring tool.

8.2 Land Contamination

The present use of the building is not considered to constitute any particular environmental risk and we are not aware of any potentially hazardous land uses in close proximity to the site of a nature likely to give rise to ground contamination.

Our valuation therefore assumes that the site is free from any significant issues in relation to ground contamination or other adverse ground conditions.

8.3 Radon Gas

By reference to the Health Protection Agency website, on entering the postcode of the subject property no adverse results were reported. We would, however, confirm that in accordance with RICS Valuation Standard Procedures no subterranean tests have been implemented as part of this valuation exercise.

8.4 General

We would emphasise that we are not qualified to comment on environmental issues and this can only be done by way of an environmental audit. If an environmental audit were to be carried out and the land was subsequently found to be contaminated, this could adversely affect the valuations now reported.

9. SUSTAINABILITY

9.1 Flood Risk

We have searched flood map data held on the Environment Agency website which indicates that the subject property is situated in an area deemed to be at very low risk of flooding from rivers and/or sea and medium risk of surface water flooding.

9.2 The Energy Act 2011

Legislative changes under the Energy Act 2011 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 six months or more and less than 99 years in length, and which is legally required to have an EPC. This legislation was extended to cover existing lettings of residential properties from 1st April 2020, with existing lettings of commercial buildings to follow in 2023.

We have searched the GOV.UK database from which we are aware of the following current EPC assessments for the property:-

Address	EPC Rating	Expiry Date
Unit 1 Midbrook Court, Tanners Driveway, Blakelands, Milton Keynes,	C(57)	January 2032

The above indicates that the property will meet the minimum requirements laid down by the legislation and our valuation is therefore based on the assumption that there will be no adverse impact on value or marketability.

A copy of the EPC document is attached at Appendix E.

9.3 Asbestos

We have not seen an asbestos inspection report in respect of any part of the subject property. Under the control of Asbestos Regulations 2012 an inspection should have been undertaken on all commercial buildings from 1st May 2004. Following the discovery of asbestos there is a requirement for an Asbestos Management Plan to be drawn up and implemented.

The property's age and form of construction suggests that significant asbestos containing materials are unlikely to be present although this cannot be confirmed within the limits of our inspection.

Confirmation should nevertheless be sought that an asbestos inspection report has been obtained and an appropriate management plan put in place.

Unless otherwise stated, our valuation assumes the property to be free from asbestos containing materials to the extent that they would have an impact upon the property's value or marketability.

9.4 External Cladding

Composite panel cladding has become an increasingly popular construction material due to its thermal insulation properties, relatively low cost and ease of construction. Whilst most new construction project will use panels with non-combustible cores, some older style cladding panels are known to present a potential fire risk with the combustible cores leading to the rapid spread of fire and difficulty in fire-fighting due to the concealed nature of the combustible materials and their chemical nature which can produce toxic smoke.

As a consequence, some buildings containing composite panels can be difficult to insure.

Our valuation assumes that there are no such panels present at the subject property. However, we would nevertheless recommend that further specialist advice is obtained to ensure that the property is not perceived to be at risk and that buildings insurance can be obtained at normal commercial rates.

9.5 Japanese Knotweed

We confirm that no Japanese Knotweed or other invasive species was observed during the course of our inspection and our valuation assumes that there are no such problems present of a nature sufficient to impact upon the value or marketability of the property.

10. TENURE

We understand that the property is freehold.

Our valuation assumes that good Title is held, free from any onerous conditions or restrictive covenants of a nature sufficient to impact upon the use, value or marketability of the property.

11. OCCUPATIONAL LEASES AND TENANCY AGREEMENTS

We understand the premises are currently owner occupied. For valuation purposes therefore, full vacant possession is assumed.

12. VALUATION COMMENTARY

12.1 Economic Overview

The UK completed its formal separation from the European Union on 31st December 2020, with a new trade deal in place and replacement arrangements for travel, immigration and security coming into force.

Under the new arrangements, UK manufacturers have tariff-free access to the EU's internal market, meaning that there will be no import taxes on goods crossing between Britain and the continent. However, the changes will mean increased paperwork for both people and goods travelling to and from EU countries and there remains uncertainty about how banking and other services will be affected in the longer term.

It is likely that the full effect of these enforced changes to trade, travel, security and immigration is yet to be realised, leading to continued uncertainty to businesses with regard to the potential delays and additional costs involved.

The UK suffered its worst recession on record during 2020 as restrictions were imposed as a result of the Novel Coronavirus (Covid-19) global pandemic. The UK commenced 2021 in its third national 'lockdown' with record numbers of Covid-19 infections and hospitalisations. However, with lockdown restrictions now fully released, there is increasing optimism as a result of the highly successful Covid-19 vaccination programme which has helped prompt a rebound in commercial activity.

The UK Government recorded a record budget deficit in the order of £304bn for the year to March 2021; a reflection of its emergency spending in support of businesses during the Covid-19 pandemic and the corresponding reduction in tax receipts. As a result, the combined national debt is now estimated to be above £2tn, equivalent to more than 100% of GDP, and is expected to remain at that level over the next five years.

The most recent estimates indicate that UK Gross Domestic Product (GDP) grew by 0.1% in October. The ONS have reported that the economy is now only 0.5% smaller than it was before the onset of the Covid-19 pandemic. Recent increases have mainly been driven by the service sector with the wholesale and retail trade increasing by 8.1%. Activity within the construction sector fell by 1.8% in October and is now 2.8% below its pre-pandemic level.

Demand for goods and services continues to increase but growth is currently being inhibited by gaps in the supply chain caused by shortages of both goods and skilled workers, particularly haulage drivers. Economists had been predicting UK economic growth in the region of 5.0% to 7.0% for 2021, representing the strongest rate of growth since the late 1980s. These expectations are now likely to be somewhat moderated with rising inflation, soaring energy prices and the cut to Universal Credit all affecting consumer spending power. The economy is not now expected to return to pre-pandemic levels before late 2022 or beyond.

The Consumer Prices Index (CPI) continued to increase sharply to 5.1% in the 12 months to November, up from 4.2% the previous month, well above the Bank's target rate of 2.0%.

Rising transport and energy prices were a significant contributing factor to the increase but bottlenecks in supply of goods and materials have caused shortages which are also driving up prices to consumers.

The Bank of England increased the base rate of interest to 0.25% at its December meeting, having maintained the rate at 0.1% throughout the pandemic, the lowest level in history, in an attempt to stimulate the economy. The Bank also freed up billions of pounds of extra lending power to help banks support UK firms.

The Chancellor had expressed concern that any short term increase in interest rates would make public finances unsustainable. However, with the inflation rate continuing to exceed the Government's target level, it has become necessary to act. The investment markets appear to be factoring in two further increases during 2022. This would bring the base rate back to the pre-Covid level of 0.75% by the end of next year.

The latest Office for National Statistics (ONS) figures indicate that the UK's job vacancy rate hit a record high of 1.1m during July and August 2021. The employment rate stood at 75.5% in the three months to October, 1.1% below the pre-pandemic level. The UK unemployment rate fell marginally to 4.2% in the three months to November but remains marginally above the pre-pandemic level of 4.0%. The Government's furlough scheme ended in September although the anticipated level of redundancies has so far remained low. The ONS has reported that the number of employees on payrolls continues to rise, by 207,000 in September, to a record high of 29.2m.

The UK housing market continued to defy all the odds in the middle part of the year with the average price of a house in the UK increasing by a reported 11.8% in the year to September 2021. The latest ONS data indicates that the average house price in the UK reached an all-time high of £270,000 in September 2021, £28,000 higher than for the same period in the previous year.

The latest Land Registry data suggests that this rate has now moderated following the Government's withdrawal of the Stamp Duty holiday (0% payable on purchases below £500,000) in September, having been phased out over the summer months. Sales volumes in October were reported to be 52% lower than September and 28% lower than for the same period in the previous year.

The economic outlook, however, remains uncertain and there remain significant risks to the UK economy as a result of the emergence of the Omicron variant of Covid-19, with potential knock-on effects on the UK property markets over the course of the next 6 to 12 months. There remain fears that the path to full economic recovery will be far longer than originally anticipated with the retail, leisure and hospitality sectors expected to continue to be particularly badly affected.

12.2 Local Market Conditions & Marketability

The industrial market in Milton Keynes and wider Buckinghamshire area over the last 12 – 24 months has been characterised by a shortage of supply. This has been particularly acute for properties for sale with vacant possession.

The shortage of commercial property stock has caused upward pressure on both rental and capital pricing throughout the period and demand for small units suitable for owner occupation remains steady, despite the effects of the Covid-19 pandemic.

The subject property provides modern and relatively well specified accommodation for which we would expect a steady sale and rental demand to be maintained in the prevailing market conditions.

12.3 Valuation Methodology

In arriving at the opinions of value for the property stated below we have adopted a Market (comparable) approach.

In this respect we have had regard to a number of other similar properties either recently let or sold or available for sale/to let in the local market.

A Schedule of Comparable Evidence is attached at Appendix F.

The general tone of industrial rentals in Milton Keynes tends to range from around £7.50 to £8.50 per sq.ft for older style stock which makes up the majority of the market. Much of this accommodation is now being refurbished. New build accommodation tends to be marketing at around £10.50 per sq.ft. or above.

The subject property is more modern than many of the competitors locally; the estate is understood to be approximately 15 years old. In accordance with the available evidence, we are therefore of the opinion that the subject property should reasonably command a rental in the region of £9.50 per sq.ft, giving rise to an overall rental in the order of £39,000 per annum.

Capital rates per sq.ft can similarly vary in the local market. However, having regard to the relatively attractive size of the unit and the flexible accommodation offered, including the high quality office accommodation, we are of the opinion that a rate in the region of £120 - £125 per sq.ft should reasonably be achievable for the subject property, giving rise to an overall valuation in the order of £510,000.

A printout of our valuation calculation is attached at Appendix G.

12.4 Valuation Issues and Action Points

The premises are interconnecting with the adjoining unit which is also in the Applicant's ownership. Our valuation assumes that the subject premises benefit from fully independent services and that the two units could be fully reinstated through the closure of the existing access point between the two units at both ground and first floor levels.

Our valuation assumes that the above can be achieved at reasonable expense.

13. VALUATIONS

13.1 Market Rent (MR)

We assess the **Market Rent (MR)** of the freehold interest in **Unit 1 Midbrook Court, Tanners Drive, Blakelands, Milton Keynes MK14 5FH**, at the date of valuation and assuming a letting in the open market on conventional commercial lease terms, to be:-

**£39,000 per annum
(Thirty Nine Thousand Pounds)**

13.2 Definition of Market Rent (MR)

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

13.3 Market Value (MV1)

We assess the **Market Value** of the freehold interest in **Unit 1 Midbrook Court, Tanners Drive, Blakelands, Milton Keynes MK14 5FH**, at the date of valuation, with **Vacant Possession** as detailed herein, for loan finance purposes, to be:-

**£510,000
(Five Hundred & Ten Thousand Pounds)**

13.4 Definition of Market Value (MV)

“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.”

13.5 Mortgage Regulation

The building has no residential element.

13.6 Loan Security

Having regard to the various comments and assumptions made herein we are of the opinion that the subject property provides suitable security for Bank lending purposes over the term of the proposed loan and assuming an appropriate loan to value ratio is maintained.

13.7 Recent Transactions / Purchase Price

We are not aware of any recent transactional history in relation to the subject property and, to our knowledge, the property is not subject to a transaction at this time. The matter should be referred back to us for further comment following receipt of any such information.

14. BUILDING REINSTATEMENT COST ESTIMATE

To provide a formal reinstatement cost assessment for the property is outside the scope of our normal expertise. The figure stated below should be considered as an indication only for insurance purposes and is provided solely as a guide to assist in arranging temporary cover or for comparison with cover already taken out.

This assessment has not been prepared by a Building Surveyor or a qualified building cost estimator and is based on the Valuer's inspection and generic building cost tables. It envisages reinstatement using modern methods and materials, which may not necessarily be appropriate or permitted.

Brasier Freeth can produce a formal reinstatement cost estimate using our in-house Building Surveying Department if so required.

Based on the information supplied, we estimate the current cost of reinstatement to be **£580,000**. This figure includes demolition costs and professional fees but excludes VAT.

15. ASSUMPTIONS AND LIMITATIONS

In arriving at the opinions of value expressed herein we have relied upon documents of title and other details pertaining to tenure, tenancies, planning and other matters provided by the Client, related parties and other third party agencies. Whilst all reasonable efforts have been made to substantiate such information, we cannot take any responsibility for any omissions or misrepresentations made to us. The accuracy of this information should be verified by your legal advisors.

Our valuation is provided on the basis that there are no misrepresentations or undisclosed matters that would have a significant impact upon our assessment.

Due to the limits of our inspection, we are unable to express an opinion about or advise upon the condition of uninspected parts of the property and this report should not be taken as making any implied representation or statement about such parts.

We have not arranged for any investigation to be carried out to determine whether any deleterious or hazardous materials have been used in the construction of the property, or subsequently incorporated with the structure, and we are therefore unable to confirm that the property is free from risk in this respect. In undertaking our valuation, we have assumed that such investigations would not disclose the presence of such materials of a significant nature.

In undertaking our valuation we have not carried out any investigations with regard to past uses of the subject property or neighbouring property and the potential to give rise to ground contamination.

We have not undertaken any soil surveys or other environmental investigations in relation to the subject property and our valuation assumes that if such investigations were to be carried out they would not disclose the presence of ground contamination of a nature sufficient to impact upon the use, value or marketability of the property.

This report is for the sole use of the client for the purpose set out above and no responsibility is accepted to any third party for the whole or any part.

Neither the whole nor any part of this report may be included in any statement, circular or published document without the prior written consent of Brasier Freeth LLP of the form and context in which it may appear.

16. REPORT SIGN-OFF

We trust the above is sufficient for your purposes. However, should there be any matters arising from our report or should any further comment or clarification be required we will be pleased to hear from you further.

Yours faithfully:



Signed:

Stephen Oakey BSc (Hons) MRICS
For and on Behalf of BRASIER FREETH LLP

Counter Signatory:



Signed:

Martin Olley BSc MRICS
For and on Behalf of BRASIER FREETH LLP

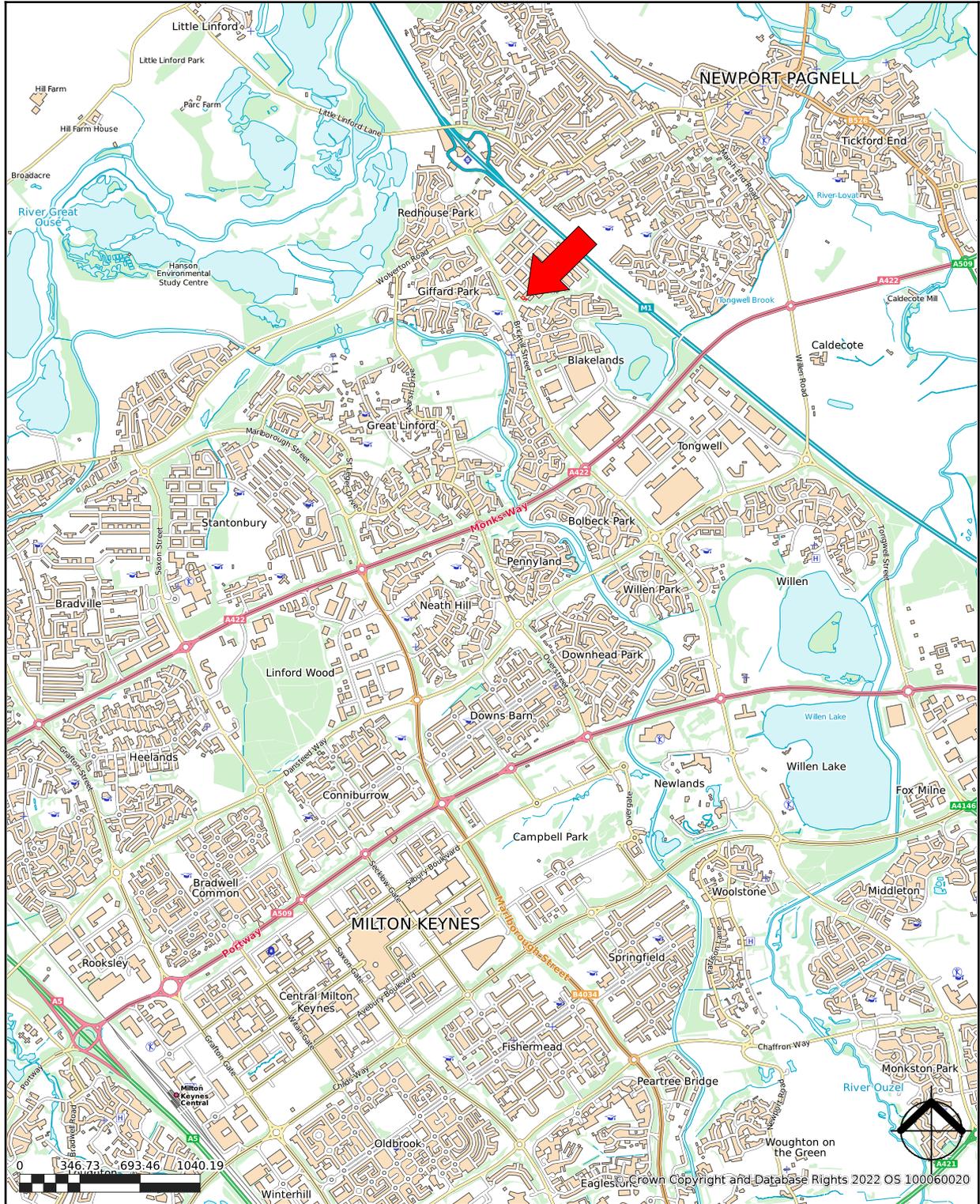
Date: 18th January 2022

Appendix A Instruction Letter

Appendix B

Location Plan

Unit 1 Midbrook Court
Blakelands, Milton Keynes, MK14 5FH



created on **edozo**

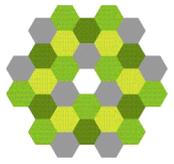
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Appendix C

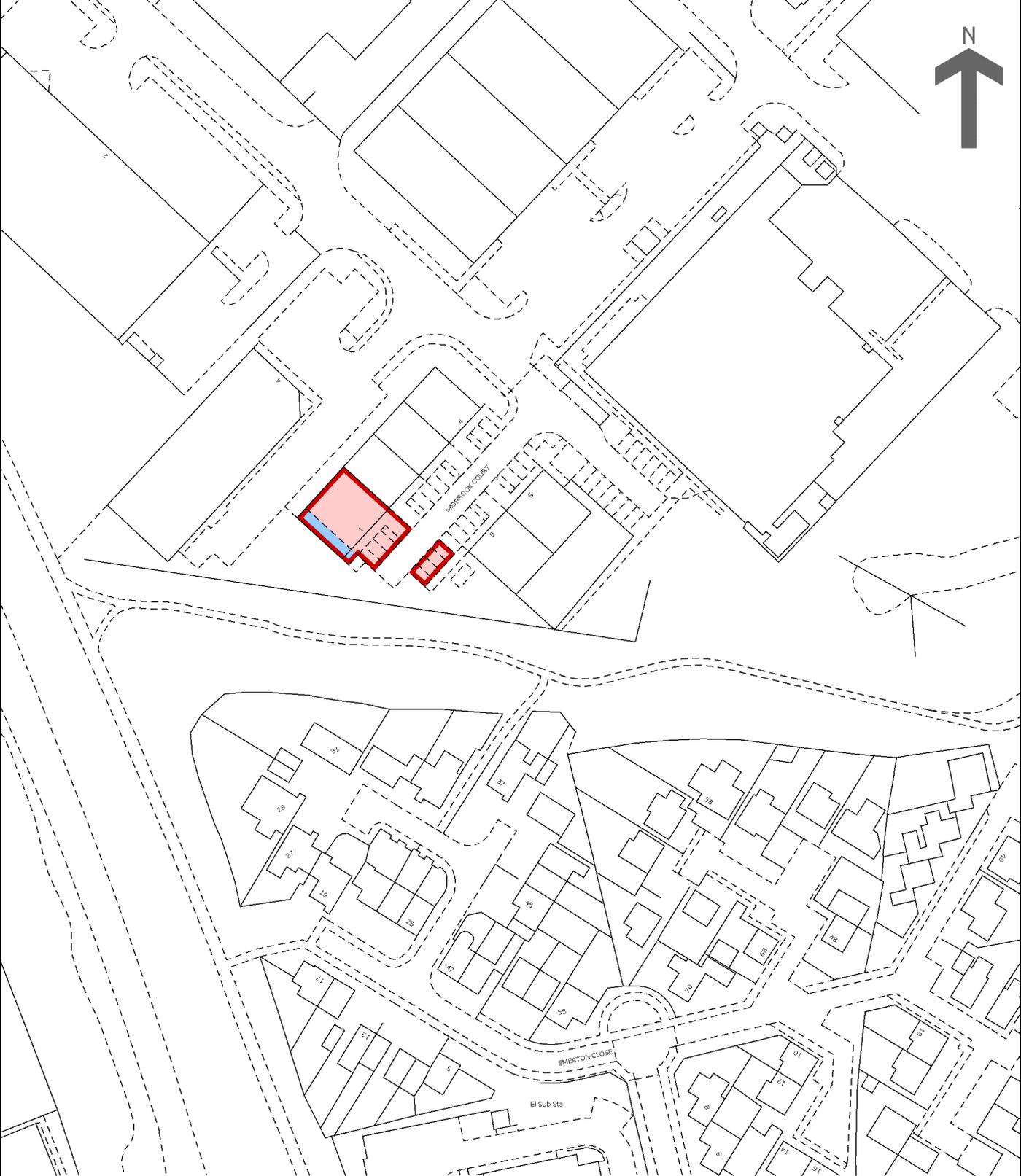
Site Plan

HM Land Registry Official copy of title plan

Title number **BM411136**
Ordnance Survey map reference **SP8642NW**
Scale **1:1250**
Administrative area **Milton Keynes**



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Appendix D Photographs

Unit 1 Midbrook Court, Blakelands
Milton Keynes, Buckinghamshire, MK14 5FH



Estate View



Front Elevation

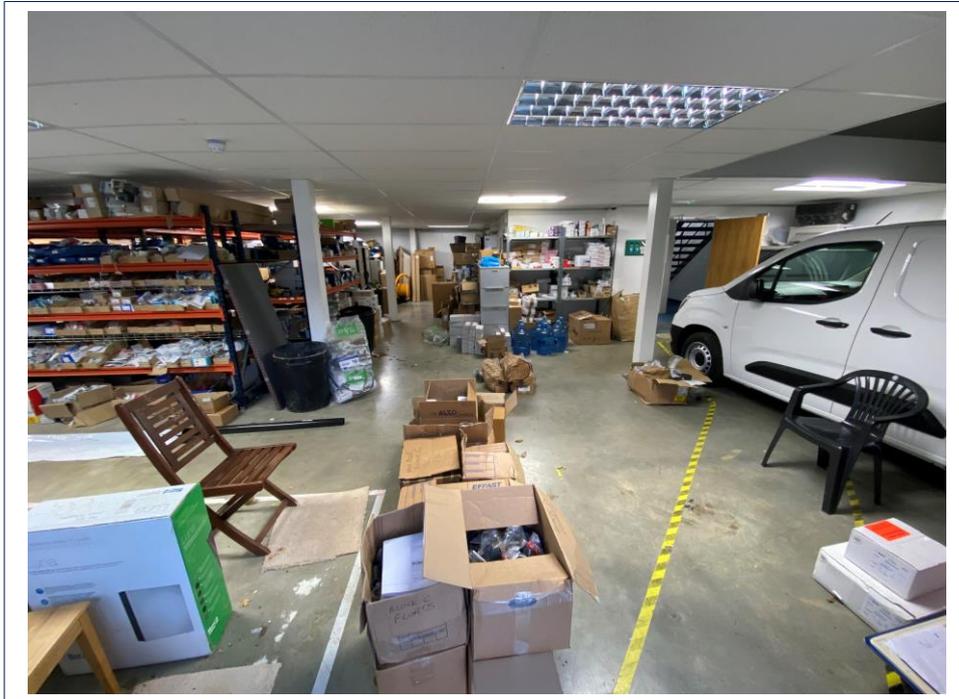
Unit 1 Midbrook Court, Blakelands
Milton Keynes, Buckinghamshire, MK14 5FH



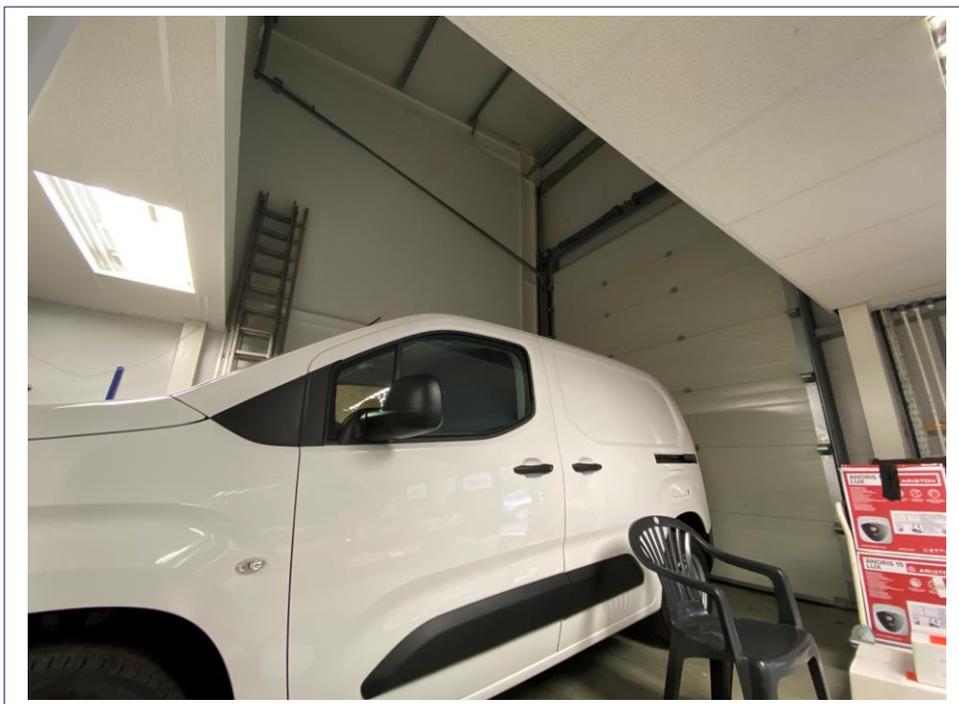
Flank Elevation



Rear Elevation



Ground Floor Stores



Ground Floor Loading Bay

Unit 1 Midbrook Court, Blakelands
Milton Keynes, Buckinghamshire, MK14 5FH



First Floor Offices



First Floor Offices

Appendix E EPC

Energy performance certificate (EPC)

Unit 1 Midbrook Court Blakelands MILTON KEYNES MK14 5FH	Energy rating C	Valid until: 6 January 2032
		Certificate number: 0188-8520-3836-3816-5537

Property type

B8 Storage or Distribution

Total floor area

376 square metres

Rules on letting this property

Properties can be let if they have an energy rating from A+ to E.

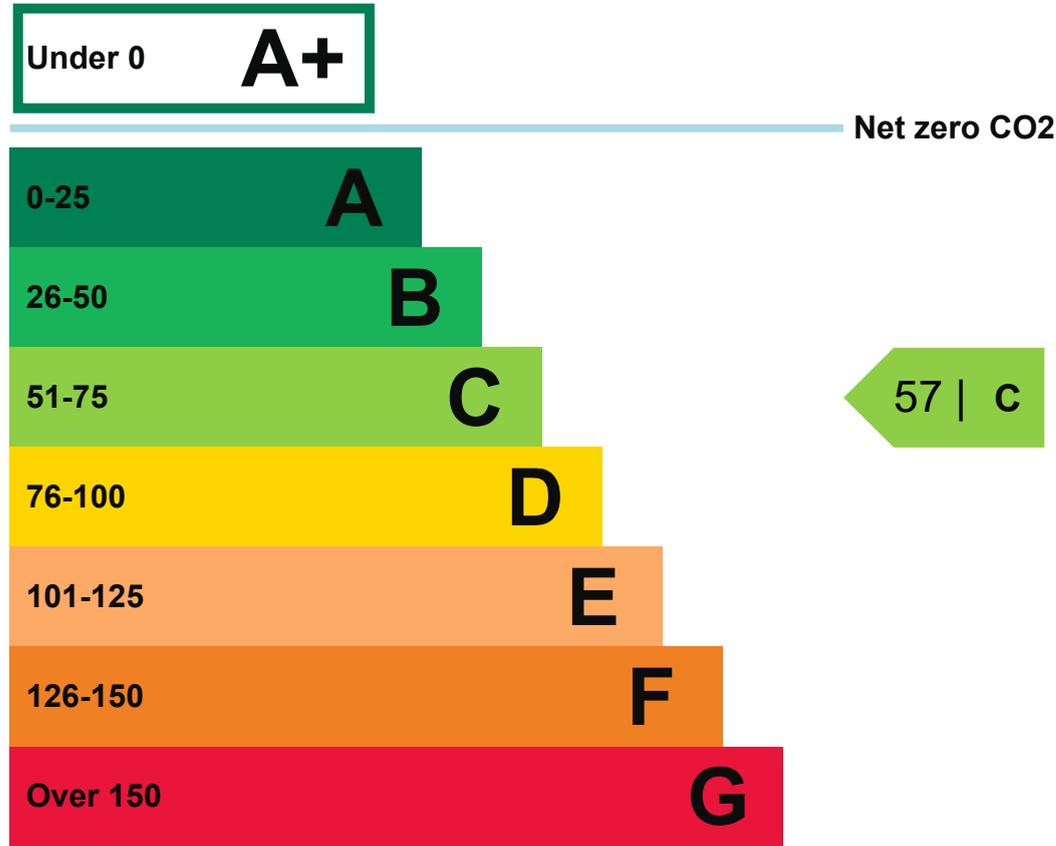
If a property has an energy rating of F or G, the landlord cannot grant a tenancy to new or existing tenants, unless an exemption has been registered.

From 1 April 2023, landlords will not be allowed to continue letting a non-domestic property on an existing lease if that property has an energy rating of F or G.

You can read [guidance for landlords on the regulations and exemptions](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/824018/Non-Dom_Private_Rented_Property_Minimum_Standard_-_Landlord_Guidance.pdf) (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/824018/Non-Dom_Private_Rented_Property_Minimum_Standard_-_Landlord_Guidance.pdf).

Energy efficiency rating for this property

This property's current energy rating is C.



Properties are given a rating from A+ (most efficient) to G (least efficient).

Properties are also given a score. The larger the number, the more carbon dioxide (CO2) your property is likely to emit.

How this property compares to others

Properties similar to this one could have ratings:

If newly built



If typical of the existing stock



Breakdown of this property's energy performance

Main heating fuel

Grid Supplied Electricity

Building environment

Air Conditioning

Assessment level

3

Building emission rate (kgCO₂/m² per year)

63.9

Primary energy use (kWh/m² per year)

378

▶ [What is primary energy use?](#)

Recommendation report

Guidance on improving the energy performance of this property can be found in the [recommendation report \(/energy-certificate/4295-5105-0005-5902-8313\)](/energy-certificate/4295-5105-0005-5902-8313).

Contacting the assessor and accreditation scheme

This EPC was created by a qualified energy assessor.

If you are unhappy about your property's energy assessment or certificate, you can complain to the assessor directly.

If you are still unhappy after contacting the assessor, you should contact the assessor's accreditation scheme.

Accreditation schemes are appointed by the government to ensure that assessors are qualified to carry out EPC assessments.

Assessor contact details

Assessor's name

Justin Clements

Telephone

0800 170 1201

Email

admin@easyepc.org

Accreditation scheme contact details

Accreditation scheme

Elmhurst Energy Systems Ltd

Assessor ID

EES/025698

Telephone

01455 883 250

Email

enquiries@elmhurstenergy.co.uk

Assessment details

Employer

EASY EPC

Employer address

12 Albion Street Brighton BN2 9NE

Assessor's declaration

The assessor is not related to the owner of the property.

Date of assessment

7 January 2022

Date of certificate

7 January 2022

Other certificates for this property

If you are aware of previous certificates for this property and they are not listed here, please contact us at mhclg.digital-services@communities.gov.uk or call our helpdesk on 020 3829 0748.

There are no related certificates for this property.

Appendix F

**Schedule of Comparable
Evidence**

SCHEDULE OF COMPARABLE EVIDENCE

Address	Type	Transaction	Date	Price	Comments
100 Tanners Drive Blakelands, Milton Keynes	Light Industrial	Let	December 2021	£36,176 pa	Modern light industrial unit on Blakelands estate. GIA 3,800 sq.ft. New 10 year lease agreed at rent equivalent to approx. £9.50 psf. Incentives unknown.
126 Tanners Drive Blakelands, Milton Keynes	Light Industrial	Let	October 2021	£19,500 pa	Small single storey light industrial unit on Blakelands estate. GIA 1,850 sq.ft. New 3 year lease agreed at rent equivalent to approx. £10.50 psf. Incentives unknown.
52 Tanners Drive Blakelands, Milton Keynes	Light Industrial	Let	September 2021	£44,675 pa	Modern light industrial unit on Blakelands estate. GIA 5,415 sq.ft. New 5 year lease agreed at rent equivalent to approx. £8.25 psf. Incentives unknown.
120 Tanners Drive Blakelands, Milton Keynes	Light Industrial	Let	March 2021	£21,983 pa	Smaller, single storey light industrial unit on Blakelands estate. GIA 2,314 sq.ft. New 50 year lease agreed at rent equivalent to approx. £9.50 psf. Incentives unknown.
Clarke Road Bletchley, Milton Keynes	Light Industrial	Sold	July 2021	£570,000	Modern single storey light industrial unit with small first floor office in south Milton Keynes. GIA 5,276 sq.ft. Sale price equivalent to approx. £108 psf.
Fitzhamon Court Wolverton, Milton Keynes	Light Industrial	Sold	April 2021	£1,600,000	Larger modern single storey light industrial unit with good sized yard on estate to the north west of Milton Keynes. GIA 13,626 sq.ft. Sale price equivalent to approx. £117 psf.
Clarke Road Bletchley, Milton Keynes	Light Industrial	Sold	February 2021	£550,000	Older style light industrial unit to the south of Milton Keynes. Good eaves height and yard. GIA 5,065 sq.ft, assuming 50% rate on mezzanine floor. Sale price equivalent to approx. £109 psf.
Minton Park Potters Lane, Milton Keynes	Light Industrial	Sold	July 2020	£315,000	Modern light industrial unit on estate to the west side of Milton Keynes. GIA 2,688 sq.ft In need of some refurbishment. Sale price equivalent to approx. £117 psf.

Appendix G

Valuation Printout



1 Midbrook Court, Tanners Drive, Blakelands, Milton Keynes

Portfolio: General

Scenario: SCENARIO1

Reference: KL000102

Valuation Date: 06/01/2022

Freehold

Rounded Value: 510,000

Net Rent: 39,000

Total ERV: 39,000

Total Area: 4,125 sqft

Net value / sqft 124

Net Initial Yield: 7.276%

Nominal Equivalent Yield: 7.276%

True Equivalent Yield: 7.619%

Reversionary Yield: 7.276%

Unit 1 Midbrook Court, Vacant Possession

Current	Gross income	39,000		
	Net Income		39,000	
	YP (7.250% in perpetuity)	13.7931		537,931

Unit Gross Value

537,931

Summary of Unit Values

Unit 1 Midbrook Court, Vacant Possession	537,931
Total of Unit Values	537,931

Buyers Costs

Agents Fees	1.0000%	-6,120	v	
Legal Fees	0.8000%	-4,896	v	
Stamp Duty	(=2.9412%)	-15,000		
Total (=5.1012% of Say Value):				-26,016

Net Value	511,876
Rounded Net Value	510,000

Total VAT Amount: 1,842

Running Yield Report

Date	Cumulative Capital Invested	Capital Adjustment	Gross Income	Net Income	Running Yield	Cap Adj Running Yield
06/01/2022	536,016	0	39,000	39,000	7.276%	7.276%

Assumptions

All dates for capitalisation calculations taken from the nearest month start/end.

Running Yields and Net Initial Yield are based on say value plus buyer's costs 536,016.

Formulae as in Parry's Tables: rent annually in arrears.

Stamp Duty is progressive and derived from the set "HMRC (UK excl Scotland)"

Cap Adj Running Yield is based on rounded cumulative capital invested.

Buyer's costs are based on Say Value.

VAT rate of 20.00% applied where applicable.

bf.
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London. Hemel Hempstead. Watford. Welwyn Garden City.

