

VALUATION REPORT

Radley House Limited

**Radley House, Richardshaw Road, Pudsey
LS28 6QW**

Prepared for: Proplend Security Limited

15 June 2022

15 JUNE 2022
PREPARED FOR PROPLEND SECURITY LIMITED

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EXECUTIVE SUMMARY



ADDRESS

Radley House, Richardshaw Road, Pudsey LS28 6QW

VALUATION DATE

15 June 2022

DESCRIPTION

Radley House comprises a two storey detached office building built in the 1970's which has been comprehensively refurbished by the Applicant to create a multi occupied serviced office investment.

Internally, Radley House provides 56 fully refurbished, serviced offices, some combined to provide slightly larger suites, and communal facilities situated either side of a central corridor along each floor. The communal facilities include a visitor reception, break out areas, meeting rooms, kitchens and WC's.

On a net internal basis, the buildings total approximately 964.8 sq m (10,385 sq ft). Net of the communal facilities the total aggregate net lettable area is approximately 659.62 sq m (7,104 sq ft).

The buildings are set within a broadly rectangular site of approximately 0.51 hectares, (1.25 acres).

LOCATION

The Property is located within an established industrial area to the north of Pudsey town centre.

Pudsey is a market town and busy suburb, within the City of Leeds in the Metropolitan County of West Yorkshire. It is located midway between Bradford city centre approximately 5 miles to the west, and Leeds city centre, approximately 7 miles to the east, and forms part of the much larger West Yorkshire urban

conurbation formed by the cities of Leeds, Bradford and Wakefield.

TENURE

Long leasehold title (Title No WYK671802), for a term of 125 years commencing 01 September 1964, at a fixed ground rent of £2,922 per annum.

This title is subject to three long underleases, shown edged and numbered blue on the Title Plan enclosed at Para 3.2 within the main body of the report.

We understand that each long underlease contributes a proportion of the head ground rent based on site area.

We understand that the net ground rent payable by the Applicant is £1,000 per annum.

This should be verified by your solicitors.

TENANCIES

Radley House operates as a serviced office and is multi-let to 46 tenants paying all-inclusive rents. Additional income is generated through the letting of steel storage containers situated within the rear car park, and a small plot of land at the entrance to the offices described as "Land to right of Radley House".

The tenant is responsible for cleaning and maintaining the interior of the units in good repair and condition, for IT and telecommunications, for waste disposal, and for business rates.

The Applicant, as landlord is responsible for all other expenditure on facilities management, including electricity, gas, water, Wi Fi, common utilities, a receptionist, building insurance and maintaining the exterior and common areas of the Property.

There are currently two vacant office suites, with an occupancy rate of 97.5% by floor area.

GROSS/NET INCOME

Gross	£253,271 per annum
*Net	£180,944 per annum

* Net of 35% deduction for irrecoverable FM costs, (offices only), and the ground rent (as advised) on the head lease.

RENTAL VALUE,

*£228,950 per annum	£28.25 per sq ft
**£157,698 per annum	£18.36 per sq ft

*Gross inclusive

**Net of 35% deduction for irrecoverable FM costs (offices only), and the ground rent (as advised) on the head lease.

TENANT STATUS

The majority of tenants comprise either individuals or local occupiers of minimal covenant strength, though this is typical for a Property asset of this nature.

VALUATIONS

Market Value **£1,400,000**

**Market Value subject to:
Special Assumption 1** **£1,000,000**

**Market Value subject to:
Special Assumption 2** **£900,000**

YIELD PROFILE FOR MARKET VALUE

Net Initial Yield	12.19%
Reversionary Yield	10.63%
Equivalent Yield (nominal)	10.47%
Equivalent Yield (true)	11.24%

SPECIAL ASSUMPTIONS

1. A restricted marketing period of 90 days.
2. Vacant Possession

SUITABILITY AS SECURITY

Subject to our valuation, our comments and advice in this report, but without knowing the terms of the loan proposed, and subject to your solicitors confirmation that the title is indeed good and marketable, and that the underleases do not convey any onerous obligations to the Applicant, we confirm that we consider the Property represents a suitable security for mortgage purposes at an appropriate loan to value ratio.

We reserve the right to review this recommendation when we have had sight of a Report on Title and when we have been advised of the terms of the loan.

Valuation

Private & Confidential

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

For the attention of Stewart Bruce

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Your Ref:
Our Ref: 241446/MAT

15 June 2022

RADLEY HOUSE LIMITED: (THE "APPLICANT")
RADLEY HOUSE, RICHARDSHAW ROAD, PUDSEY, LEEDS LS28 6QW : (THE "PROPERTY")

1. TERMS OF REFERENCE

1.1 INSTRUCTIONS

In accordance with your instructions of 18 May 2022, our Terms of Engagement dated 08 June 2022, and the Terms and Conditions of Business and the Valuation Procedures and Assumptions enclosed within that letter, we have undertaken the valuation of **Radley House (the "Property")** for loan security purposes.

Please note, in accordance with instructions, this valuation is based on our recent valuation of the Property dated 11 May 2022, addressed to A Shade Greener Finance Limited, the "Previous Report".

Accordingly, we have not re-inspected the Property for the purposes of this valuation, and have relied entirely on the physical and legal due diligence carried out in connection with that valuation.

This valuation is therefore based on the assumption that there have been no physical changes to the Property or its environs since our last inspection on 18 February 2022, and no changes to the tenure or tenancies, since the date of our Previous Report.

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

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

The Applicant owns the long leasehold interest in the Property as an income producing investment.

1.2 BASES OF VALUE

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

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.”

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

- Market Value with the benefit of any existing leases or rental agreements.
- As above, but with completion of a sale within 90 days.
- Market Value with vacant possession
- Market Value with vacant possession, and to include the benefit of any current planning permission.

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 the valuer 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 **15 June 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 not been advised of the loan terms.

1.6 ESTIMATE OF VALUE

We have not been advised on an estimate of value.

1.7 STANDARDS

This valuation report and the opinions contained herein are intended to be fully compliant with the RICS Valuation – Global Standards 2021, effective 31 January 2022, the International Valuation Standards and the UK National Supplement 2018, effective 14 January 2019.

1.8 INDEPENDENCE AND OBJECTIVITY

Other than the valuation report provided to Shade Greener Finance Limited, we confirm that we have had no material involvement with the Property or the Applicant, that we are acting objectively and that this report represents our independent opinion.

We confirm that, in undertaking this valuation, we are acting as an independent valuer.

1.9 VALUER DETAILS

This report and valuation has been prepared by Mark Thompson BA (Hons) MRICS, Registered Valuer and reviewed by Thomas Elliott MSc MRICS, RICS Registered Valuer.

We confirm that they have the knowledge, skills and understanding to undertake this valuation competently.

1.10 INDEMNITY

We confirm that 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 18 February 2022 by Mark Thompson. The weather at the time of the inspection was overcast, with occasional heavy showers.

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.

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

2.2 FLOOR AREAS

As instructed we have not carried out a fully measured survey of the site, but have instead relied entirely on floor areas provided by the Applicant, cross referenced to layout plans, the floor areas recorded on the Valuation Office Agency's web site for business rates purposes, and check measurements carried out by us on the occasion of our inspection.

These floor areas have been calculated on a Net Internal Area basis in accordance with the RICS Code of Measuring Practice (6th Edition, May 2015) (COMP).

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 which came into effect in May 2018 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 relied on measurements carried out 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.

The site area has been derived from Land Insight software and has not been a fully measured site survey.

We estimate the site area of Radley House, excluding those parts of the long leasehold title under let under similar long leasehold title, to third parties to be **0.51 hectares, (1.25 acres)**.

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 been provided with the Official Copy of Register of Title which confirms that the Applicant holds a long leasehold title in the Property (Title No WYK671802), for a term of 125 years commencing 01 September 1964, and expiring 31 August 2089, at a fixed ground rent of £2,922 per annum.

However we have not had sight of a Report on Title.

We have been provided with an occupancy schedule by the Applicant and an example of a standard license agreement.

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 Leeds City Council planning department.

3. PROPERTY INFORMATION

3.1 LOCATION

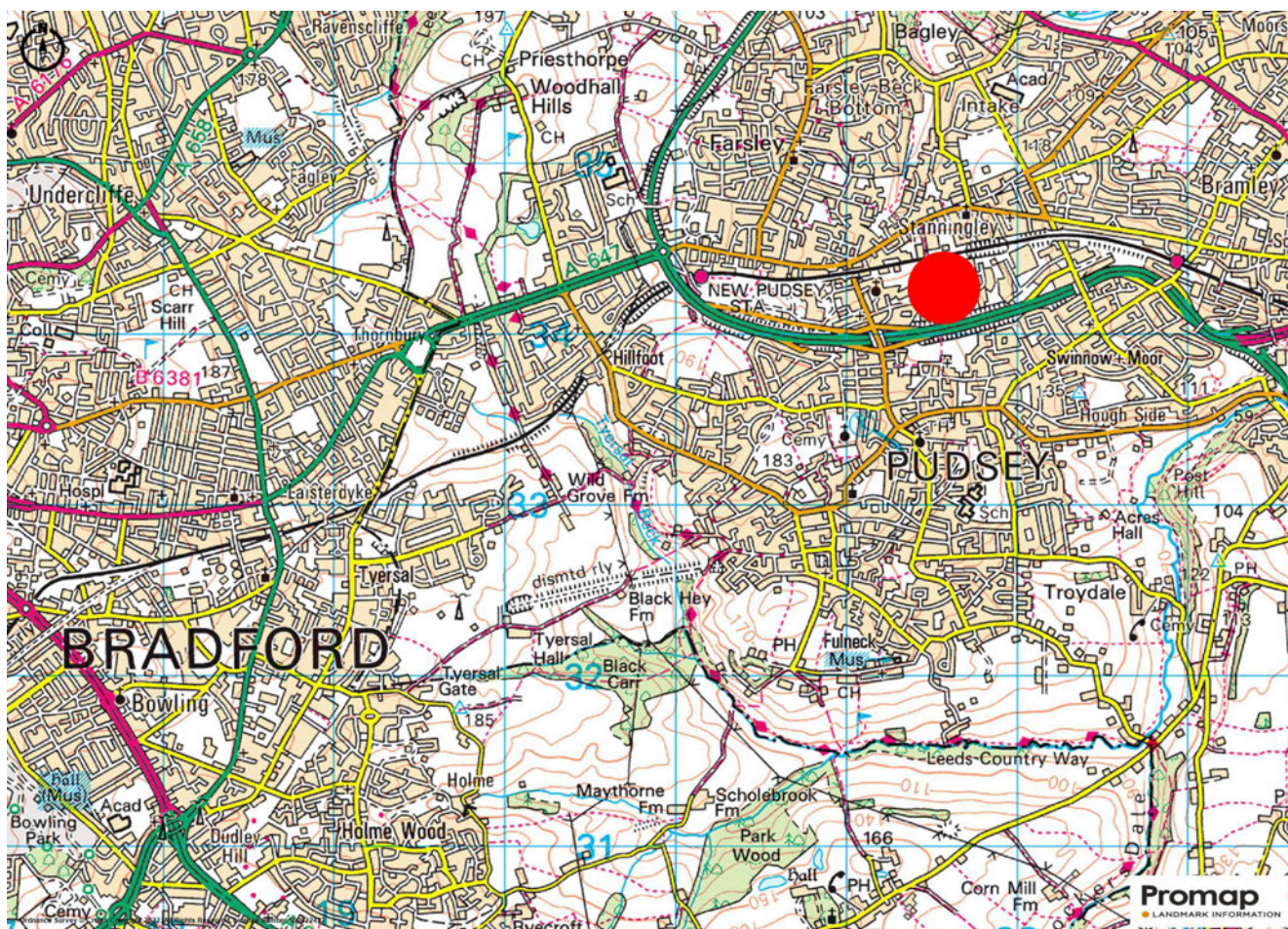
The Property is located within the well-established Grangefield Industrial Estate to the north of Pudsey town centre, and just to the north of the A647 Stanningley bypass.

Pudsey is a market town and busy suburb, within the City of Leeds in the Metropolitan County of West Yorkshire. It is located midway between Bradford city centre approximately 5 miles to the west, and Leeds city centre, approximately 7 miles to the east, and forms part of the much larger West Yorkshire urban conurbation formed by the cities of Leeds, Bradford and Wakefield.

Historically in the West Riding of Yorkshire, it has a population of 22,408, (UK Census 2011).

Road connections to both city centres and the wider metropolitan conurbation are good, with the town bisected by the Stanningley bypass which forms part of the Leeds outer ring road, (the partially dualled A647/A6110), which connects directly with the A621 motorway to the south east, and the town benefits from a railway station, the New Pudsey Station, on the Leeds to Bradford line.

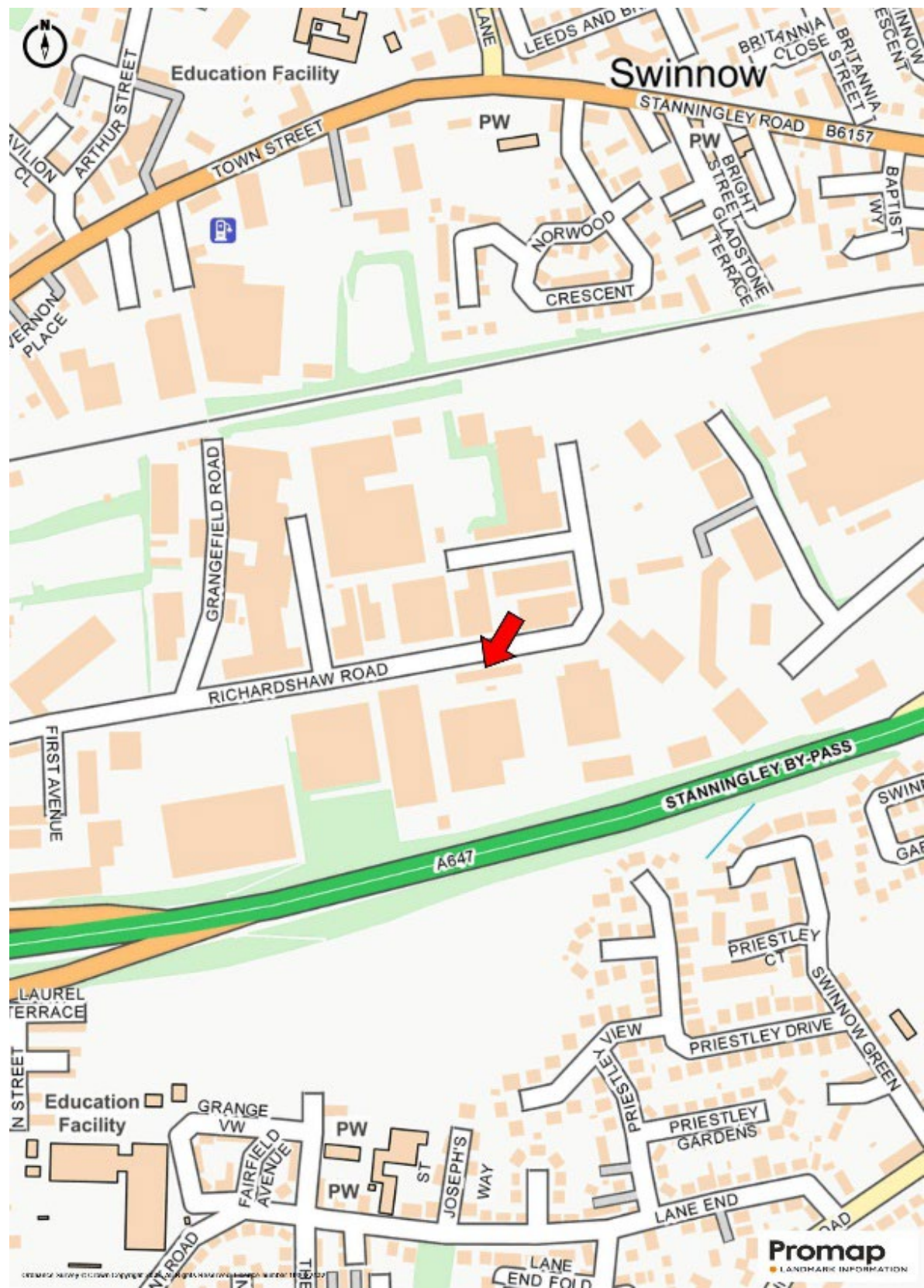
The location of the Property is identified below:



The Property fronts Richardshaw Road, the principal estate road serving the Grangefield Industrial Estate

Richardshaw Road connects conveniently with the B6155 to the west, which in turn connects immediately with the A647 Stanningley Bypass, providing good local road connectivity.

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



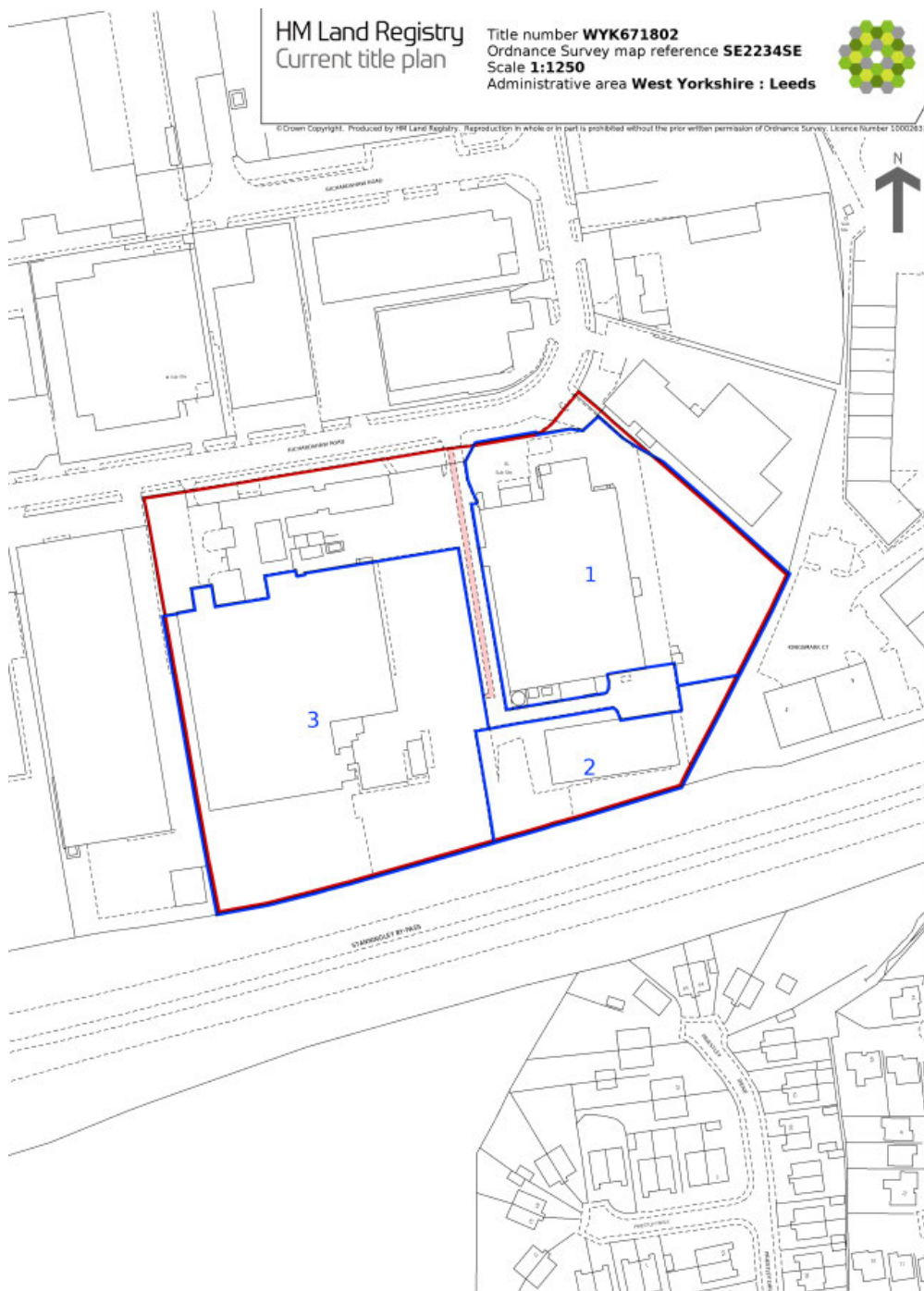
3.2 DESCRIPTION

We include below a copy of the current Title Plan showing the boundary of the long leasehold title held by the Applicant (Title No WYK671802) edged red.

The total site area is approximately 2.58 hectares (6.38 acres).

However, the Applicant's long leasehold title is subject to three long underleases, shown edged and numbered blue on the Title Plan.

The site area of Radley House net of the three underleases is **0.51 hectares, (1.25 acres)**.



Radley House comprises of a two storey detached office building, built in the 1970s which has been comprehensively refurbished by the Applicant to create a multi occupied serviced office investment.

The building is of concrete frame construction with brick elevations beneath a flat felt covered concrete roof, with replacement uPVC doubled glazed windows.

There is tarmacadam surfaced car park to the rear of the office building, providing approximately 50 car parking bays, now partially covered with a number of steel storage containers.

The office accommodation provides a total net internal floor area of 964.8 sq m (10,385 sq ft).

Internally, Radley House provides 56 fully refurbished, serviced offices, some combined to provide slightly larger suites, and communal facilities situated either side of a central corridor along each floor. The communal facilities include a visitor reception, break out areas, meeting rooms, kitchens and WCs.

Net of the communal facilities the total aggregate net lettable area is approximately 659.6 sq m (7,104 sq ft), as set out in the table below at Para. 3.3.

The offices benefit from carpeted floors, plastered and painted walls, suspended ceilings incorporating recessed and surface mounted LED lighting, and wall mounted electric radiators.

Photographs taken during our inspection are included below.



Front elevation



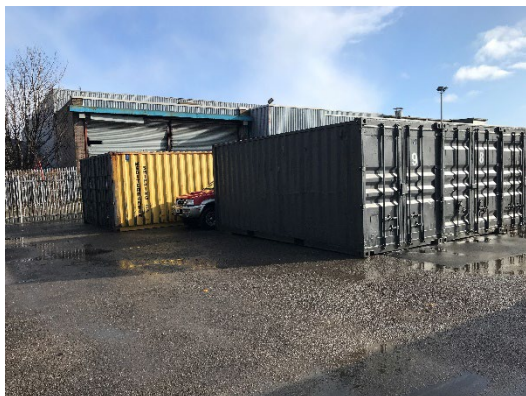
Rear elevation and car park



Rear elevation and car park



Entrance from Richardshaw Road



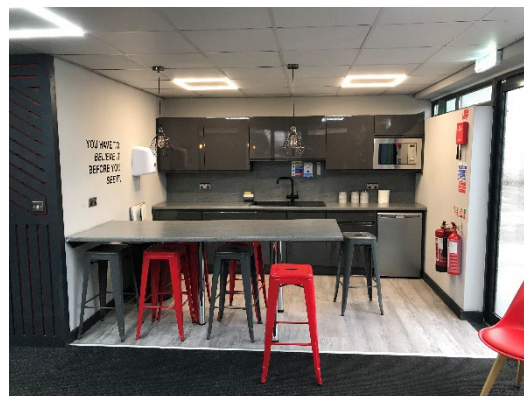
Storage Containers



Rear car park



Visitor Reception – ground floor



Visitor Reception – ground floor



Typical refurbished serviced office



Typical refurbished serviced office



Kitchen



Typical refurbished serviced office



Central Corridor



Typical refurbished serviced office



Typical refurbished serviced office



Typical refurbished serviced office



Break out area



Break out area

3.3 ACCOMMODATION

As instructed we have not carried out a fully measured survey of the site, but have instead relied entirely on floor areas provided by the Applicant, cross referenced to layout plans, the floor areas recorded on the Valuation Office Agency's web site for business rates purposes, and check measurements carried out by us on the occasion of our inspection.

Our floor areas are summarised below. These floor areas have been calculated on a Net Internal Area basis in accordance with the RICS Code of Measuring Practice (6th Edition, May 2015) (COMP).

Floor	Description	Net Internal area	
		Sq m	Sq ft
Ground	Offices	484.4	5,214
First	Offices	480.4	5,171
Total		964.8	10,385

As set out above, the offices have been sub-divided to create 56 serviced office suites, and communal facilities situated around central corridors. The communal facilities include a visitor reception, kitchenettes, break out areas and WC's.

The floor areas on a net lettable basis are summarised below.

Floor	Description	Net Lettable area	
		Sq m	Sq ft
Ground	Office 1	7.25	78
Ground	Office 2	7.25	78
Ground	Office 3	13.69	147
Ground	Office 4	13.78	148

Ground	Office 5	13.69	147
Ground	Office 6	14.12	152
Ground	Office 7	13.66	147
Ground	Office 8	11.89	128
Ground	Office 9	11.89	128
Ground	Office 10	11.89	128
Ground	Office 11	11.89	128
Ground	Office 12	11.89	128
Ground	Office 13	5.57	60
Ground	Office 14	7.57	82
Ground	Office 15	7.57	82
Ground	Office 16	7.57	82
Ground	Office 17	7.57	82
Ground	Office 18	7.57	82
Ground	Office 19	7.57	82
Ground	Office 20	7.57	82
Ground	Office 21	7.57	82
Ground	Office 22	7.57	82
Ground	Office 23	7.57	82
Ground	Office 24	5.30	57
Ground	Office 25	5.30	57
Ground	Office 26	5.30	57
Ground	Office 27	9.23	99
Ground	Office 28	9.23	99
Ground	Office 29	9.23	99
Ground	Office 30	9.23	99
Ground	Office 31	9.23	99

Ground	Office 32	9.23	99
Ground	Office 33	9.23	99
Ground	Office 34	6.04	65
Ground	Office 35	37.44	403
First	Office 36	13.42	145
First	Office 37	13.42	145
First	Office 38	13.42	145
First	Office 39	13.42	145
First	Office 40	13.42	145
First	Office 41	11.89	128
First	Office 42	14.03	151
First	Office 43	14.03	151
First	Offices 44-45	28.06	302
First	Offices 46-47	28.06	302
First	Office 48	13.94	150
First	Offices 49-50	28.06	302
First	Offices 51-52	34.75	374
First	Office 53	18.77	202
First	Office 54	18.77	202
First	Office 55	18.77	202
First	Office 56	15.24	164
Total		659.62	7,104

The total net lettable area excluding the kitchens, visitor reception and break out areas is 659.62 sq m (7,104 sq ft).

3.4 CONSTRUCTION

Element	Description
Frame	■ Concrete frame construction.

External elevations	<ul style="list-style-type: none"> ▪ Cavity brick, plastered and decorated internally.
Windows	<ul style="list-style-type: none"> ▪ Replacement uPVC framed double glazed windows
Roof	<ul style="list-style-type: none"> ▪ Flat concrete roof with a mineral felt cover.
Floors	<ul style="list-style-type: none"> ▪ Concrete throughout, with a mixture of carpet and vinyl floor coverings within the office accommodation.

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 AND AMENITIES

Element	Description
Heating	<ul style="list-style-type: none"> ▪ Wall mounted electric radiators.
Hot Water	<ul style="list-style-type: none"> ▪ Not clarified - we have assumed that hot water is provided by wall mounted gas or electric heaters serving the kitchens and WC's.
Air Conditioning	<ul style="list-style-type: none"> ▪ None
External Works	<ul style="list-style-type: none"> ▪ Externally, the building sits to the front of the site, with a tarmac surfaced car park at the rear (approx. 50 parking bays), taking access from a single driveway off Richardshaw Road on the right hand side of the office building.
Lighting	<ul style="list-style-type: none"> ▪ A mix of recessed and ceiling mounted LED fitments.
Lifts	<ul style="list-style-type: none"> ▪ None.
WC's	<ul style="list-style-type: none"> ▪ Refurbished communal WC's and kitchens on both floors.

We understand that mains gas, electricity, water 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

In accordance with your instructions, we have not carried out a building survey, nor have we inspected other parts of the Property that are covered, unexposed or inaccessible and such parts will be assumed to be in good repair and condition.

Our report does not purport to express an opinion about, nor advise upon the condition of uninspected parts and should not be taken as making any implied representation or statement about such parts. We are unable to state that any part of the premises is free from rot, beetle, corrosion or other defects.

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

No specialist tests or inspections have been carried out on the electrical, mechanical, drainage or other service installations and no warranty is given as to the condition of these items. A prospective purchaser may wish to commission a separate building condition and mechanical and electrical installation survey, and would need to rely upon the contents of that report and the various recommendations contained within it. We therefore make only general comments.

This report excludes any investigation into structural engineering design or compliance with legislation relating to buildings, building regulations or by-laws.

Our inspection has been limited to the Property and the visible internal and external parts only, and we make the following general comments.

- The building fabric dates back to the 1970's albeit the original windows have been replaced with new uPVC double glazed casements. In general the exterior appears to be in a good condition commensurate with its age, design and use.
- Internally, the common areas, meeting rooms, kitchen, WC's and all the individual offices have been refurbished to a high standard to include new stud partitioning, new ceiling tiles to the fully refurbished office suites, re-decoration, re lighting with LED fittings, and new floor coverings, to present high quality serviced offices.

This refurbishment has significantly improved the marketability and appeal of the offices.

3.7 USEFUL ECONOMIC LIFE

Providing adequate routine maintenance is undertaken, we consider that the building has a remaining economic life in excess of 20 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 Richardshaw Road is a publically adopted highway, maintained by the Local Authority.

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.

The long leasehold title owned by the Applicant includes the access road that serves the industrial premises to the east and south of Radley House. This access road does not presently serve Radley House, although it could if required.

As set out below at Para 3.2 (Tenure), we strongly advise that a full report on title is commissioned, to clarify rights granted over this access road, and the extent of shared maintenance obligations.

For the avoidance of doubt we have assumed that the owners of the long underleases are responsible for the upkeep and repair of this access road, and that no onerous maintenance or other obligations rest with the Applicant.

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

We have established from the Environment Agency website that the Property is not included in an area identified as at risk from flooding. The Environment Agency flood risk maps are not property specific and only address risk from river or coastal flooding and do not assess risk from surface or ground water flooding.

We have not been provided with a specialist report which assesses the risk of flooding at the Property

High Voltage Electrical Supply Equipment

Our inspection identified the existence of electrical generation and supply equipment within and adjacent to the Property. The possible effects of electric and magnetic fields have been the subject of occasional media coverage, with the result that where there is high voltage electricity supply equipment close to a property, there is a risk that public perception may affect marketability.

Radon

We have established from the Health Protection Agency website that the Property not in a radon affected area.

Asbestos

We have not undertaken an asbestos survey, but as the building predates 1999 there is a possibility of asbestos having been used in its construction or subsequent alterations.

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

A valid Energy Performance Certificate (EPC) is a requirement for the construction, marketing and disposal of all non-domestic property, subject to some exceptions.

NON-DOMESTIC

In terms of tenanted Property, where non-domestic property is to be let on a tenancy of more than six months and less than 99 years, it is a legal requirement to have an EPC. Legislative changes under the Energy Act 2011

have made it unlawful for landlords to grant or renew commercial leases on this basis, in respect of properties with an Energy Efficiency Rating below a minimum level of E. From 1st April 2023, these changes will apply to all privately rented, non-domestic properties; i.e. even where there has been no change in tenancy. These legislative changes are known as the Minimum Energy Efficiency Standards (MEES).

In October 2019, the Government consulted on proposals that would tighten the non-domestic MEES to set a long-term regulatory target of EPC B by 2030, where cost-effective, for non-domestic, rental building stock; this target was confirmed in the Energy White Paper, published in December 2020.

In March 2021, the Government issued a follow-up consultation in relation to the issues surrounding the implementation, enforcement and delivery of revised proposals to the Minimum Energy Efficiency Standards entitled 'The Non-Domestic Private Rented Sector Minimum Energy Efficiency Standards: Implementation of the EPC B Future Target'. The consultation closed in June 2021 and whilst, at the date of writing, the findings of the consultation are yet to be published, the Government has proposed the following:

- A phased implementation of the EPC B by 2030 requirement, with EPC C by 2027 set as an interim milestone.
- The introduction of two-year 'compliance windows'. The compliance window will begin with the requirement for landlords to present a valid EPC. For EPC C, Government proposes the compliance window should be 2025-2027, and for EPC B 2028-2030.
- A move away from enforcement at the point of let.

EPC CERTIFICATE

The existing Energy Performance Certificate is dated 15 April 2021 and is valid until 14 April 2031 and indicates that the Property is rated within **Band C** for energy efficiency purposes and falls within the current acceptable energy performance range for the purposes of the Act.

We have included a copy of the Energy Performance Certificate at **Appendix 2**.

At present, it is unknown if the Regulations will change to reflect the detail in the Government proposals set out above. We therefore recommend that you continue to have close regard to the potential changes to the Minimum Energy Efficiency Standards, as these could have an impact on the value of the Property and the security of the loan.

If, on a re-assessment, the property fails to meet the Minimum Energy Efficiency Standards prevailing at the time of certification, capital expenditure may be required in order to upgrade the property to the required standard. Unless stated, our valuation does not currently reflect the costs of any necessary remedial works or any associated impact on value that this may have.

3.12 TENURE

We have been provided with the Official Copy of Register of Title which confirms that the Applicant holds a long leasehold title in the Property (Title No WYK671802), for a term of 125 years commencing 01 September 1964, and expiring 31 August 2089, at a fixed ground rent of £2,922 per annum.

This title is subject to three long underleases, shown edged and numbered blue on the Title Plan enclosed at Para 3.2 within the main body of the report. Each long leasehold under lease is for a term of years expiring on 20 August 2089.

We understand that each long underlease contributes a proportion of the head ground rent, and that the net ground rent payable by the Applicant is £1,000 per annum. This should be verified by your solicitors.

For the avoidance of doubt we have not been provided with a copy of the Applicant's head lease nor the three long underleases.

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

We **strongly recommend** your solicitor verifies our understanding of the Property tenure, and confirms that the title is indeed good and marketable, and that the underleases do not convey any onerous obligations to the Applicant,

We reserve the right to reconsider our opinion of Market Value, when we have had sight of a report on title.

3.13 TENANCY

Occupational Leases

Appended to this report at **Appendix 3** is a tenancy schedule provided to us by the Applicant, which we have been instructed to rely upon.

Radley House operates as a serviced office and is multi-let to 46 tenants paying all-inclusive rents under individual licence agreements. Additional income is generated through the letting of 20 steel storage containers situated within the rear car park, described as “industrial units” within the tenancy schedule, and a small plot of land at the entrance to the offices described as “Land to right of Radley House”. The containers are let under 14 separate agreements, and are reflected in our valuation albeit at a discounted value.

There are currently only two vacant office suites, (Units 22 & 29), with an occupancy rate of 97.5% by floor area.

We have had sight of a standard licence agreement; the landlord being stated as Radley House Limited, (copy enclosed at **Appendix 4**), confirming that the agreements are on a fixed term basis, subject to a monthly rent inclusive of VAT.

The tenant is responsible for cleaning and maintaining the interior of the units in good repair and condition, for IT and telecommunications, for waste disposal, and for business rates. The Applicant, as landlord is responsible for all other expenditure on facilities management, including electricity, gas, water, Wi Fi, common utilities, a receptionist, building insurance and maintaining the exterior and common areas of the Property.

The tenancy schedule provided to us confirms that the investment currently yields a gross inclusive income of **£253,271 per annum excluding VAT**.

This is broken down as follows;

Serviced Offices	£203,791	per annum
Land to right of Radley House	£25,000	per annum (see below).
Storage Containers	£24,480	per annum

In terms of understanding the gross to net adjustments required to arrive at a net income, the Applicant has provided us with a summary of annual expenses, showing total expenditure on maintenance, staff, electricity, water, cleaning, internet, and insurance of **£47,426**, excluding loan repayment charges.

This irrecoverable sum reflects 23.27% of the gross income from the serviced offices, which in our opinion is low and possibly not sustainable as the offices age.

Typically we would expect the irrecoverable costs to run at c 35% for serviced offices of this nature, (assuming the tenants are responsible for business rates).

In arriving at our valuation we have therefore adopted a gross to deduction against the serviced office income of 35% both against current income and our opinion of the gross inclusive rental value on reversion.

We have made no deduction against the income from the land and the storage containers.

We have also been provided with a copy of a lease in respect of the “Land to right of Radley House” between Madison Offices Limited and Sale Moor Auto Parts Limited. This lease, which is dated 28 October 2021, grants Sale Moor Auto Parts Limited a 5 year term ending 27 October 2026 at a rent of £2,083.33 per annum.

The lease covers an area of approximately 506 sq m currently forming a landscaped strip at the entrance to the offices, which will be levelled and surfaced by the tenant, for the storage of vehicles.

The Applicant has subsequently confirmed that the lease contains an error, and that the agreed rent is actually £25,000 per annum, (the figure of £2,083.33 being the monthly rent), as set out in the tenancy schedule.

This error should be corrected as a Condition Precedent of any loan facility.

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

Income

Gross income	£253,271	per annum
Estimated irrecoverable FM costs (@35% of the serviced office income)	£71,327	per annum
Estimated net income	£181,944	per annum

Tenant Status

The majority of tenants comprise either individuals or local occupiers of minimal covenant strength, though this is typical for this type of Property asset.

3.14 LOCAL TAXATION

Prior to the conversion of Radley House into serviced offices, the building was included in the Rating List with four separate assessments providing a total Rateable Value of £71,250.

These assessments have now been deleted from the Rating List, with separate rating assessments being arranged for the individual serviced offices.

To date, we have only been able to identify nine separate assessments as follows;

Address	Description	Rateable Value
Gnd – Suite 13	Offices and Premises	£730
Gnd – Suite 19	Offices and Premises	£890
Gnd – Suite 30	Offices and Premises	£1,200
Gnd – Suite 34	Offices and Premises	£690
1 st – Suite 36	Offices and Premises	£1,800
1 st – Suite 39	Offices and Premises	£1,850
1 st – Suite 40	Offices and Premises	£1,850
1 st – Suite 44	Offices and Premises	£1,550
1 st – Suite 45	Offices and Premises	£1,600

The National Non-Domestic Rate for the financial year 2022/2023 is £0.512. The small business multiplier (for business with rateable values of below £51,000) is £0.499. The actual business rates payable may be affected by Regulations.

Each tenant is responsible for business rates under the terms of the license agreements, although the Applicant will be liable for unoccupied rates on any vacant offices/suites after an initial 3 month rate free holiday after vacation.

3.15 PLANNING AND OTHER REGULATORY APPROVALS

The development plan for Leeds is made up of the adopted Core Strategy (2019), saved policies in the Leeds Unitary Development Plan (Review 2006), the Natural Resources and Waste Development Plan Document (DPD), adopted January 2013 and any made Neighbourhood Plan.

The site is not allocated for a specific use within the adopted Policies Map or in the emerging Leeds Site Allocations Plan, but is recognised as an established employment area.

As a consequence proposals for employment redevelopment will generally be permitted, and 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.

The building is not listed as of special architectural or historical interest, and is not in a Conservation Area.

We summarise below the recent recorded planning history of the Property:

Planning Reference	Application Details	Status
18/05319/FU	Use of land for the provision of a data centre (use class B8) together with the installation of six air conditioning units; one generator contained within an outdoor compound and fencing This relates to the "Land to the right side of Radley House".	Approved 12 Nov 2018

However, we have not been able to obtain a planning consent authorising the current use of the Property, and have assumed that the current use of the Property as serviced offices is lawful.

We **recommend** your solicitor verifies the planning status of the Property and confirms that the conversion of the building into serviced offices complies with all planning, building, and fire safety regulations.

This confirmation should again be a Condition Precedent of any loan advanced against 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.

4. MARKET CONDITIONS AND TRENDS

4.1 ECONOMIC OVERVIEW

The World Bank¹ expects global growth to decelerate in 2022-23. Whilst advanced economies are expected to return to pre-pandemic trends, emerging markets and developing economies are expected to remain markedly below pre-pandemic trends. However, changes to the pandemic could easily alter this outlook. Further risks to global economies include additional supply chain disruptions and a need to resolve high debt after the pandemic. Even when the health concerns of the 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, England 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. The booster vaccination rollout in the UK has been deemed a success so far and Boris Johnson is keen to avoid further restrictions.

The economy has remained consistently open since July 2021, albeit with constantly changing travel restrictions for several countries.³ The housing market has stayed open throughout this recovery, with safety measures in place to reduce any potential spread of COVID-19. The furlough scheme has now ended and the anticipated spike in unemployment has not yet materialised. There is, however, still uncertainty around the lasting impact of the pandemic on the labour market.

Concerning Brexit, Politico reported in January 2022 that there have been trade deals and agreements in principle with 70 countries and one with the EU.⁴ In December 2021, a deal was struck with Australia. 2022 will include negotiations with India, Mexico and Canada. The Foreign Secretary has been appointed as the new Brexit minister and Northern Ireland is one of the focal points of current negotiations.

Supply chain issues may yet continue in 2022, exacerbated by the pandemic. Fuel prices have risen sharply and are expected to experience further increases in 2022, squeezing disposable incomes and creating inflationary pressure. The Autumn Budget 2021 included a fuel duty freeze in response to recent rises. The government is yet to confirm any further interventions they may undertake to alleviate this.

Global markets have fallen since the outbreak of COVID-19. During 2021, the majority of losses experienced during 2020 across the FTSE 100 markets were recovered by the end of December 2021, ending 12% higher than the start of the year, and only 2% below levels at the start of 2020. Economic uncertainty remains a significant factor globally.

Over 2020, the economy was estimated to have contracted by 10%; the largest yearly fall on record. The latest HM Treasury forecasts (January 2022) report GDP growth of 7.1% over 2021, on par with their December 2021 forecast of 7.0%. In the OBR's latest forecast (October 2021), GDP growth for 2021 is projected at 6.5%, which is less optimistic than the January 2022 HM Treasury forecasts. For 2022, HM Treasury predicts growth of 4.4%, slightly lower than the OBR which projects growth at 6.0%. The recovery predicted for 2022 demonstrates that most forecasters expect the fundamentals of the economy to remain strong.

The latest estimates from the HM Treasury consensus forecasts (January 2022) predict an average unemployment rate of 4.4% for 2021, decreasing to 4.1% over 2022. This is slightly lower than the OBR's forecasts for unemployment (October 2021), which are 4.9% in 2021 and 4.8% in 2022.

The latest figures from the ONS show that inflation (CPI) as of December 2021 is 5.4%. This is 3.4 percentage points above the 2.0% target. The December 2021 inflation rate was significantly above the year before (0.6% in December 2020). According to the ONS, the rise is at least partly driven by the increased cost of wholesale energy prices, along with higher prices in restaurants and hotels after a partial removal of a VAT cut for the hospitality

¹ The World Bank, 2022. Global Economic Prospects January 2022.

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

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

⁴ Politico, 2022. <https://www.politico.eu/article/how-brexit-and-the-pandemic-changed-uk-trade/>. Accessed January 2022.

sector, and soaring prices for second-hand cars. This will put temporary pressure on households' disposable incomes, although it is not envisaged that this will be sufficient to feed through into housing prices in the short term. The OBR forecast (October 2021) predicted an inflation rate of 2.3% for 2021 and 4.0% for 2022. The 2021 outturn was much higher than this forecast.

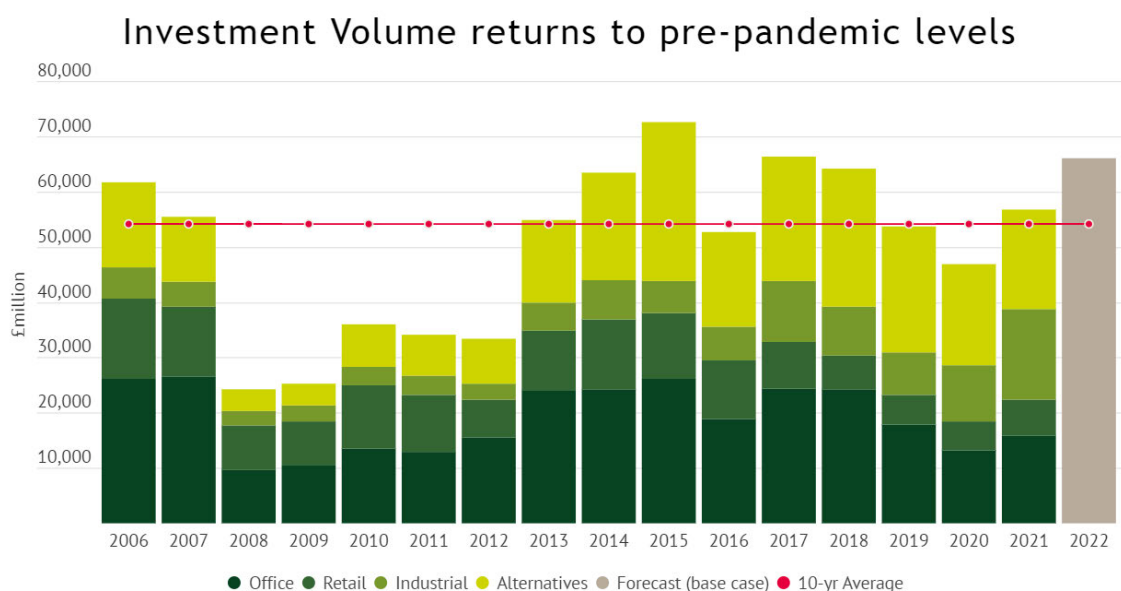
In December 2021, the interest rate rose from 0.1% to 0.25%. Forecasts expect further rises in rates over the next four or five years, but only to approximately 1%.

At the end of Q3 2021, the value of the Pound to the Euro was c.1.17, 15.2% lower than the 2015 average, and a slight decrease from the previous quarter (1.16). However, the value has rallied over 2021, from 1.11 at the end of December 2020 to 1.19 in December 2021.

Overall, the economic outlook appears to be cautiously optimistic. The economy is expected to recover over 2022, but there are real risks in the form of rising costs of living and the unpredictability of Covid-19. As a result, uncertainty still remains.

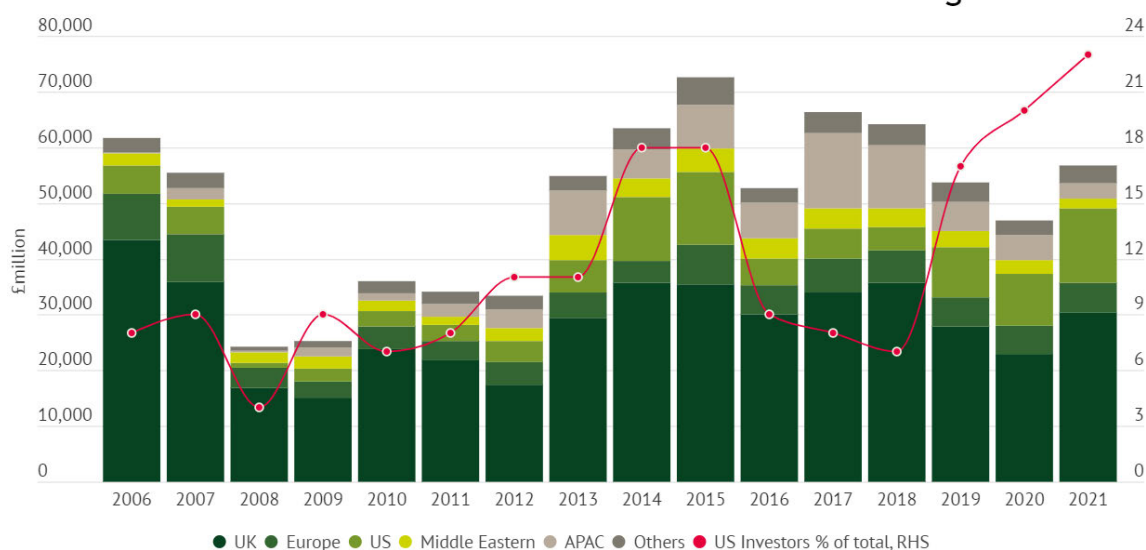
4.2 REAL ESTATE OVERVIEW

The UK investment market demonstrated extraordinary resilience in 2021. MSCI's UK index shows an all-property total return of 19.9% in 2021, outperforming UK equities and bonds and that direct property remains the best performing asset class over five years with a 7.7% annualised total return. In contrast, the FTSE's 5-15-year Index-Linked Gilt index has returned 3.9%. Investment volume rebounded strongly to surpass pre-pandemic levels. The c. £60bn invested in 2021 represents a 28% y/y increase, a 12% rise on 2019 and a 10% premium on the ten-year average. Central London offices, after a slow start average. Central London offices, after a slow start to the year, finished at £12.5bn – 31% up on 2020. Although still below the ten-year average, early data suggests a busy 2022, with c. £3.0bn currently under offer in the City market alone and some eye-catching deals already transacting. Logistics was the clear stand-out sector, with c. £16.5bn invested - a record annual total and almost 30% of overall UK volume (in 2011 it was just 10%).



Much of the sector's meteoric rise is down to persistently fierce competition from US based investors. Capital flows from the US reached £13.3bn last year, the highest annual total on record and almost double the ten-year average (+90%). Approximately 50% of this was invested in logistics assets.

Investment from US investors at a record high



Source: Property Data & BNPPRE, data as at 17.01.2022

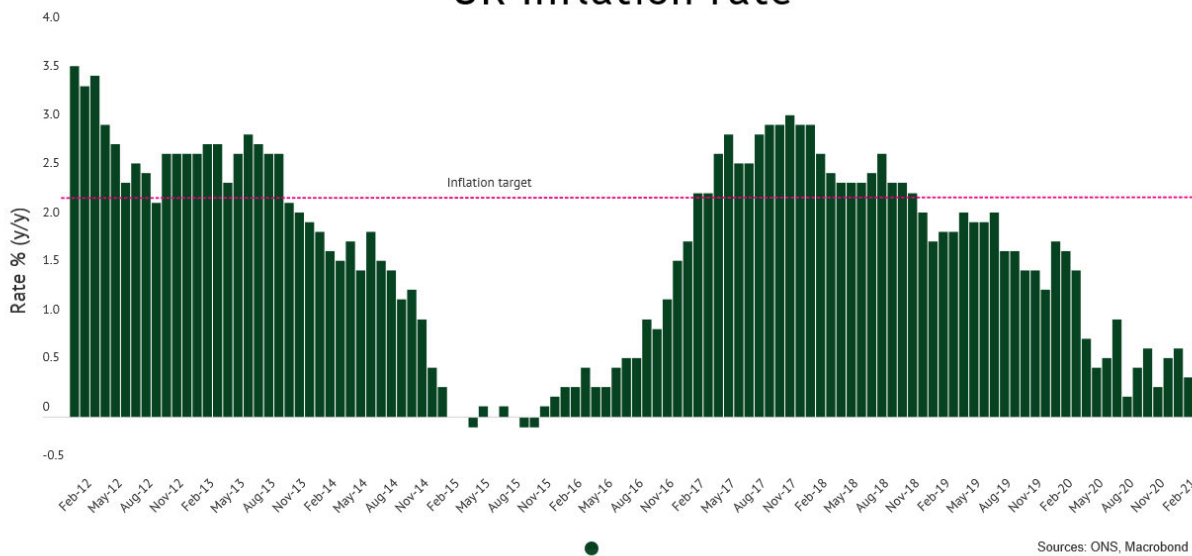


Also encouraging was retail investment volume's 26% y/y increase, the first uptick after seven consecutive years of decline. Most of this was driven by retail warehousing, which enjoyed its strongest year since 2015 with c. 3.3bn invested. Significant challenges remain, but with Shopping Centre capital values now 50% below where they were at the end of 2016, the sector is starting to attract opportunistic capital.

These trends will continue to sustain real estate investment this year. Reduced travel restrictions will fuel cross-border capital flows, particularly from Middle Eastern and Asia-Pacific investors, who were relatively quiet last year. Moreover, with inflation elevated and monetary policy tightening, there will be a material shift away from growth-focused equities and bonds towards alternative sources of high-quality, stable income that are resilient to inflationary pressures.

UK investment volume is likely to reach c. £66bn this year, the highest annual total since 2017. Geopolitical and inflationary pressures are causing considerable volatility, and rising interest rates will push up investors' financing costs, but markets have already priced in multiple rate rises this year. Gilts, with central banks poised to begin tapering, are unlikely to perform well this year, and index-linked products remain expensive. That said, yields are not forecast to rise to levels that will adversely affect Property's attractive risk premium.

UK Inflation rate



4.3 LOCAL MARKET REVIEW

Leeds is the largest metropolitan area in Yorkshire, located approximately 40 miles north east of Manchester and 170 miles north of London. The city is situated on the M62 motorway, providing access to the North West, and the M1, linking the area to the Midlands and London. Following a sustained period of economic growth witnessed over recent decades, Leeds is regarded as the commercial capital of Yorkshire, having developed into one of the most prominent national centres outside of London for finance, insurance and legal firms. This growing reputation as an attractive location for office occupiers is further facilitated by the city's robust retail and leisure provision.

Leeds is the third largest office centre in the UK with around 501,100 people employed in the office sector. The work force is split fairly evenly between the city centre at 225,700 and out of town at 275,400. As at June 2019, unemployment stood at 3.0%, an 80 basis point increase over the previous 12 months. Of particular note for the office market are those employment sectors focused on finance, business services, ICT and administration. In Leeds, these employment sectors account for 34.7% of jobs, in line with the Big 6 Market Area average of 32.6%. The largest subsector in Leeds is Professional & Business Services, accounting for 13.8% of total employment or 68,900 jobs. The share of employment in all four sectors in Leeds is around the Big 6 average. Of the other major sectors of employment, Other Services makes up the second largest share of total employment at 29.1%.

Prime asking rents in Leeds City Core are currently £34 per sq ft, and with the increasing occupier demand on the horizon likely to outstrip supply rents are expected to continue to grow in the near future.

Leeds's out of town market has also recovered from the Global Financial Crisis. Due to lack of development in recent years, the availability of good quality out of town office accommodation is reducing significantly. With demand starting to outstrip supply this is having a positive effect on headline rents, as well as significantly reducing void periods.

This said the out of town Leeds market has a very limited supply of good quality office buildings and the market is demonstrating that there is strong demand for good quality stock in well located buildings. Additionally, with the City Centre development pipeline looking scarce, City Centre occupiers looking to increase their floor space are having to look out of town for suitable options.

As a consequence, although prime "out of town" rents have always been at a significant discount to town centre rents, through 2021, prime rents have risen through to c £24.75 per sq ft at the Kirkstall Forge scheme, and £24.00 at Thorpe Park.

Clearly, secondary and tertiary stock in mixed use suburban settings, particularly older buildings, lag well behind these prime values, with a typical spread of £7.50 per sq ft to £15.00 per sq ft with exceptions.

The nearby central Bradford submarket is the nucleus of the city's financial and business services sector. It is home to a number of major occupiers such as Yorkshire Building Society, Provident Financial Group, and Santander, but weak occupier demand in recent years has led to a number of redundant office buildings being converted in residential use.

Although this has helped the vacancy rate to fall sharply, the market remains weak in relation to the much stronger Leeds market. On account of viability, there is no major office development in the pipeline with the market continuing to be supplied largely with refurbishments of existing stock.

While falling vacancies have helped average rents to recover in recent years, they remain below their pre-crisis peak, and investment volumes in central Bradford are also low in comparison to other major northern markets.

Whilst falling vacancies have helped average rents to recover in recent years, they remain below their pre-crisis peak at around £9.50 psf.

Grade A asking rents in Central Bradford are in the region of £12.50 psf at the likes of Shire House and Ambler Mill, which compares poorly to Leeds where Grade A stock now commands £30 psf plus.

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 the Market Value, we have considered the following characteristics of the Property:

- Refurbished, multi let serviced office investment, almost fully occupied at the date of valuation.
- Healthy gross income of from the serviced offices of £203,791 per annum, with an estimated net income of c. £132,464 per annum, after the deduction of irrecoverable FM costs.
- Additional short term income of £54,480 per annum from the letting of storage containers and land within the curtilage of the offices.
- The Property presents well, and benefits from a large car park, which should ensure enduring demand from tenants seeking flexible short to medium term serviced space solutions.
- Occupied under short term leases offering poor income security.
- Requires relatively intensive asset management, with cash flow risk as a consequence of tenant quality
- Situated in a secondary office location within the relatively weak Pudsey office sub market.
- Leasehold title with only 67.25 years unexpired at the date of valuation.
- Complicated title stack, with three under tenants all contributing to the head rent payable under the overarching leasehold title held by the Applicant, but creating an untidy tenure which might reduce the appeal of the Property.

5.2 RENTAL VALUE COMPARABLES

The Property has been comprehensively refurbished by the Applicant since acquisition, and is now operated as a serviced office. The Property generates its own rental tone with a number of recent lettings providing the most reliable evidence of the inclusive Market Rental Value.

The annual rents expressed as a price per sq ft range from £18.21 per sq ft to £48.44 per sq ft, with an average gross rent of £27.11 per sq ft inclusive

The most recent letting achieved £28.22 per sq ft, with the Applicant marketing the suites from £30 per week inclusive which breaks back to c £27.37 per sq ft on the smallest rooms.

Although comparable evidence of a serviced office nature is difficult to source, and ultimately highly location sensitive, we are aware of the following similar serviced office buildings on the market, which demonstrate an inclusive range, (asking), of £25.00 /sq. ft. to £55.00 /sq. ft.

This demonstrates in our opinion that the gross rents being achieved within Radley House are sustainable.

Springfield Mill, Bagley Lane, Farsley LS28 5LY

Transaction date

On the market

Headline Rent

From £29.65 /sq ft inclusive



Transaction Summary

Located 0.5 miles from Farsley town centre, 2 miles to the north of Radley House.

Offering serviced office suites from 200 to 2,000 sq ft, from £5,930 pa,

Fully serviced save for electricity which is separately metered.

On site parking.

Leigh House, Varley Street, Pudsey LS28 6AN

Transaction date

On the market

Headline Rent

From £54.96 /sq ft inclusive



Transaction Summary

Fully refurbished, serviced offices, within a Grade II listed period building, located close to Radley House on Varley Street.

17 serviced rooms, ranging from 77 sq ft to 485 sq ft.

Suites from available from form £54.96 /sq ft.

The asking rent is inclusive of furniture, business rates, utilities and services, electricity, gas, internet connection and buildings insurance.

**Enterprise House, Education Road, Meanwood, Leeds
LS7 2AH**
Transaction date

On the market

Headline Rent

From £25.06 /sq ft inclusive


Transaction Summary

Newly refurbished serviced office centre, located half a mile from Leeds city centre to the north just off Meanwood Road.

Rooms available ranging from 500 sq ft to 1,000 sq ft from £1,044 pcm (£25.06 /sq ft)

The asking rent is inclusive of furniture, business rates, utilities and services, electricity, gas, internet connection and buildings insurance.

5.3 MARKET RENT

Having had regard to the availability and cost of competing service offices and the general market trends/evidence as set out above, we are of the opinion that the rents currently being achieved for the serviced offices in Radley House are sustainable.

Accordingly, we have based our opinion of Market Rent on this self-proving evidence, moving our opinion of the inclusive Market Rent of the ground and first floor suites on an average of £28.25 per sq. ft. to reflect the most recent lettings.

We are of the opinion that the gross Market Rental value of the serviced offices, assuming full occupancy, and inclusive of utilities and services, is as follows;

Accommodation	Net Lettable Floor Areas		Rental Value £		Gross inclusive Rental Value £
	Sq m	Sq ft	Sq m	Sq ft	
Ground					
Office 1	7.25	78	322.92	30.00	£2,340
Office 2	7.25	78	322.92	30.00	£2,340
Office 3	13.69	147	304.61	28.30	£4,160
Office 4	13.78	148	302.56	28.11	£4,160
Office 5	13.69	147	304.61	28.30	£4,160
Office 6	14.12	152	294.59	27.37	£4,160
Office 7	13.66	147	304.61	28.30	£4,160

Accommodation	Net Lettable Floor Areas		Rental Value £		Gross inclusive Rental Value £
	Sq m	Sq ft	Sq m	Sq ft	
Office 8	11.89	128	306.10	28.44	£3,640
Office 9	11.89	128	306.10	28.44	£3,640
Office 10	11.89	128	306.10	28.44	£3,640
Office 11	11.89	128	306.10	28.44	£3,640
Office 12	11.89	128	306.10	28.44	£3,640
Office 13	5.57	60	279.86	26.00	£1,560
Office 14	7.57	82	307.17	28.54	£2,340
Office 15	7.57	82	307.17	28.54	£2,340
Office 16	7.57	82	307.17	28.54	£2,340
Office 17	7.57	82	307.17	28.54	£2,340
Office 18	7.57	82	307.17	28.54	£2,340
Office 19	7.57	82	307.17	28.54	£2,340
Office 20	7.57	82	307.17	28.54	£2,340
Office 21	7.57	82	307.17	28.54	£2,340
Office 22	7.57	82	307.17	28.54	2,340
Office 23	7.57	82	307.17	28.54	2,340
Office 24	5.30	57	294.59	27.37	1,560
Office 25	5.30	57	294.59	27.37	1,560
Office 26	5.30	57	294.59	27.37	1,560
Office 27	9.23	99	310.96	28.89	2,860
Office 28	9.23	99	310.96	28.89	2,860
Office 29	9.23	99	310.96	28.89	2,860
Office 30	9.23	99	310.96	28.89	2,860
Office 31	9.23	99	310.96	28.89	2,860
Office 32	9.23	99	310.96	28.89	2,860

Accommodation	Net Lettable Floor Areas		Rental Value £		Gross inclusive Rental Value £
	Sq m	Sq ft	Sq m	Sq ft	
Office 33	9.23	99	310.96	28.89	2,860
Office 34	6.04	65	301.39	28.00	1,820
Office 35	37.44	403	305.56	28.39	11,440
First	0	0			
Office 36	13.42	145	308.82	28.69	4,160
Office 37	13.42	145	308.82	28.69	4,160
Office 38	13.42	145	308.82	28.69	4,160
Office 39	13.42	145	308.82	28.69	4,160
Office 40	13.42	145	308.82	28.69	4,160
Office 41	11.89	128	306.10	28.44	3,640
Office 42	14.03	151	296.54	27.55	4,160
Office 43	14.03	151	296.54	27.55	4,160
Offices 44-45	28.06	302	296.54	27.55	8,320
Offices 46-47	28.06	302	296.54	27.55	8,320
Office 48	13.94	150	298.52	27.73	4,160
Offices 49-50	28.06	302	296.54	27.55	8,320
Offices 51-52	34.75	374	299.32	27.81	10,400
Office 53	18.77	202	304.80	28.32	5,720
Office 54	18.77	202	304.80	28.32	5,720
Office 55	18.77	202	304.80	28.32	5,720
Office 56	15.24	164	307.17	28.54	4,680
TOTAL	659.62	7,104	304.13	28.25	200,720

Clearly the net effective aggregate rental value will lower than these inclusive rents; we believe on the basis of accounts provided by the seller, that a deduction of 35% is appropriate. Our opinion of net Market Rent is therefore would be **£130,468 per annum**.

Our opinion of the Market Rent of the Storage Containers is based on the actual rents achieved by the Applicant, totalling £24,480 per annum, an average of £102 per container per month which is reasonable.

However we are of the view that the plot of land known as “Land to right of Radley House” is grossly over rented at the passing rent of £25,000 per annum, and have based our opinion of Market Rent on the basis of £30,000 per acre per annum, which applied to the approximate site area of 506 sq m (0.125 acres), produces a Market Rent of £3,750 per annum.

Our opinion of the total gross and net rental value is therefore as follows;

	Gross Market Rent	Net Market Rent
Radley House	£200,720	£130,468
Storage Containers (20 No)	£24,480	£24,480
Land to right of Radley House	£3,750	£3,750
Net income	£228,950	£158,698

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 license term would for 6 to 12 months on inclusive terms per the actual agreements.

5.4 INVESTMENT/CAPITAL VALUE COMPARABLES

We have considered the following comparable freehold transactions.

The Antler Complex, Bruntcliffe Way, Morley, Leeds LS27 0JG

Transaction date

March 2022

Sale price

£570,000

Price Analysis

£102.85 per sq ft / 8.75% NIY



Transaction Summary

The Antler Complex is a modern development of one detached and eight semi-detached office buildings. Seven of the offices have been sold off on long leasehold terms yielding a nominal fixed ground rent, leaving two units, Unit 1a and 2, as short leasehold office investments.

Units 1a & 2, are both arranged over ground and first floors.

Unit 1a totals 3,436 sq ft and is let under a 20 year lease expiring 15 April 2027 at a current rent of £34,190 pa reflecting £9.95 /sq ft.

Unit 2 totals 2,106 sq ft and is let under a 13 year lease expiring 30 November 2026 at a current rent of £18,400 pa reflecting £8.74 /sq ft.4,

Total income including three £100 pa ground rents is £52,590 pa, with a WAULT to expiry of 4.80 years.

Well located out of town offices 5 miles south-west of Leeds city centre, and 9 miles to the south of Pudsey, strategically located adjacent to both the M62 and M621 motorways, within the established Morley Business Park, a well located commercial centre

Sold at Auction in March 2022 at a price of £570,000, reflecting a net initial yield of 8.75%, and a capital value of £102.85 /sq ft.

Excellent, contemporary short income comparable.

Link Up House, Lower Wortley, Leeds LS12 6AB

Transaction date

Q1 2022

Sale price

£2,000,000

Price Analysis

£92.47 sq ft



Transaction Summary

Link Up House is a modern, 3 storey, former HQ office building, totalling 21,629 sq ft, with a large secure car park with 84 spaces.

Prominent location fronting the A6110 Leeds outer ring road, on the south western fringe of the city centre, approximately 5 miles to the south east of Pudsey.

Sold with vacant possession in Q1 2022 at a price of £2,000,000, reflecting a capital value of £92.47 /sq ft.

We understand that the office will be refurbished back to Grade A standard and offered to the market for lease

Good vacant comparable; superior location and specification to Radley House, albeit Radley House has been refurbished and even with vacant possession, would be capable of immediate letting as serviced offices.

Woodland Park, Bradford Road, Cleckheaton, BD19 6BW

Transaction date

December 2021

Sale price

£4,330,000

Price Analysis

£136.28 per sq ft / 12.0% NIY



Transaction Summary

Woodland Park is a modern development of three, two-storey office buildings within an attractive landscaped setting • The investment comprises 31,772 sq ft of office accommodation together with 164 car parking spaces, and is fully let by way of four leases to ISG Construction Ltd producing £556,388 per annum, with a weighted unexpired lease term to break of 5.8 yrs.

The passing rent reflects an average £17.50 /sq ft inc of car parking

Well located out of town offices to the south of Bradford, and 8 miles to the south- west of Pudsey adjacent to the M62 (Junction 26) and M606 motorways

Sold in December 2021 at a price of £4,330,000, 5.6% above asking price.

Good out of town, office investment comparable.

Summit House, Woodland Park, Bradford Road, Cleckheaton, BD19 6BW

Transaction date

December 2021

Sale price

£1,000,000

Price Analysis

£126.41 per sq ft



Transaction Summary

Woodland Park is a modern development of 2-storey office building, totalling 7,911 sq ft, set in an attractive landscaped setting, that forms part of the Woodland Park development and provides high quality office accommodation in a prestigious headquarters-style building and environment.

Sold separately from the rest of the campus (see above), with vacant possession, at a price of £1 million reflecting £126.41 /sq ft.

Good, contemporary vacant possession comparable.

Now on the market to let at an asking rent of £12.95 /sq ft.

Beech House, Manor Road, Horsforth, Leeds LS18 4DX

Transaction date

July 2021

Sale price

£796,000

Price Analysis

£149.82 per sq ft



Transaction Summary

Beech House is an attractive detached brick built two storey Grade A office building, totalling 5,313 sq ft, constructed in the late 1990s and provides predominantly open plan accommodation, with full access raised floors, and 20 car spaces.

Located at Horsforth fronting the Leeds Ring Road (A6120)

Sold with vacant possession, at a price of £796,000 reflecting £149.82 /sq ft.

Contemporary vacant possession comparable for Grade A out of town, north west Leeds sub market, located 4 miles to the north of Pudsey.

**Job Centre Plus, Century House, Church Lane,
Pudsey, Leeds LS28 7RQ**
Transaction date

December 2018

Sale price

£1,700,000

Price Analysis

£81.03 per sq ft / 6.75% NIY


Transaction Summary

Century House, is a substantial 4 storey office building totalling 20,979 sq ft, probably dating from the 1970's, located in Pudsey town centre to the west of Leeds and is occupied by the Secretary of State for Communities and Local Government under a lease expiring in 31 March 2027, (no breaks), at a rent of £121,800 per annum reflecting £5.80 per sq ft. The Property sold at auction in December 2018 at a price of £1,700,000, which reflects a net initial yield of 6.75% and an overall capital value of £81.03 per sq ft.

This comparable offered 8.25 years guaranteed term certain at the date of sale. If the income is stripped out of the price, the balance, c £700,000 reflects a cap val for the vacant building on reversion of £33.36 /sq ft..

Building 3100 Thorpe Park, Century Way, Leeds LS15 8ZB
Transaction date

January 2021

Sale price

£5,720,000

Price Analysis

£239.53 per sq ft

7.26% NIY


Transaction Summary

This comparable comprises a prime out of town office investment located within Thorpe Park, Leeds, one of the region's premier business parks on the outskirts of Leeds.

Modern, detached 2 storey offices; Grade A specification, totalling 23,880 sq ft.

Let to two strong tenants Atkins Ltd & Birds Eye Ltd off rents of c £18.50 per sq ft, producing £442,500 per annum, (fully topped up), with a weighted unexpired lease term to break of 5 years.

Acquired by Starmex Leeds Ltd for £5,720,000 reflecting a capital value of £242.88 per sq ft and a net initial yield of 7.26%.

Illustrative of prime capital values and yields in the Leeds out of town market.

5.5 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.

5.6 VALUATION CALCULATIONS

5.6.1 MARKET VALUE SUBJECT TO EXISTING LICENSES/TENANCIES

In arriving at our valuation, we have considered the sustainable net income that an investor could drive from the Property.

The short-term nature of the “easy in, easy out” Licence Agreements results in a relatively high turnover of tenants. This is typical for this category of asset class.

The tenancy schedule provided to us confirms that the investment currently yields a gross inclusive income of **£253,271 per annum excluding VAT**.

This is broken down as follows;

Serviced Offices	£203,791	per annum
Land adj Radley House	£25,000	per annum
Storage Containers	£24,480	per annum

In respect of the serviced offices, we have adopted a gross passing rent of £203,791 per annum and a gross Market Rent of £200,720 per annum, (£28.25 per sq ft inclusive), deducting irrecoverable FM costs of 35%, and the ground rent payable under the head lease of £1,000 per annum, to arrive at a net income of £131,464.

We have utilised the investment method of valuation and have targeted an equivalent yield of 10%.

In respect of the storage containers, we have valued the gross rent of £24,480 per annum, without deduction, but at a higher risk adjusted yield of 12%.

As set out above at Para 3.13, we consider the plot of land known as “Land to right of Radley House” to be grossly over rented at £25,000 per annum. We have therefore valued the “froth” – the amount that the passing rent exceeds our opinion of Market Rent – of £21,250 over the remaining length of the lease at a risk adjusted yield of 20% before reverting to our opinion of the market ground rent, on reversion, of £3,750 per annum, capitalised to the end of the long lease at 10%.

On this basis our valuation of the offices is **£1,400,000**, which equates to a capital value of £134.80 per sq ft over the net internal area of 10,385 sq ft, to enable direct comparison with the comparables above.

A copy of our valuation calculation is included at **Appendix 5**.

The resulting yield profile is as follows:

Net initial yield	12.19%
Reversionary yield	10.63%
Equivalent yield (nominal)	10.47%
Equivalent yield (true)	11.24%

5.6.2 MARKET VALUE SUBJECT TO EXISTING TENANCIES WITH THE SPECIAL ASSUMPTION OF A RESTRICTED MARKETING PERIOD OF 90 DAY MONTHS.

In arriving at our opinion of value on the basis of a restricted 90 day marketing period we have discounted the Market Value by 30% in order to reflect the significant discount a purchaser would seek to achieve for completing a transaction of such an asset within such a timescale. This results in a rounded valuation of **£1,000,000**.

5.6.3 MARKET VALUE – VACANT POSSESSION

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 set out above.

In respect of the serviced offices, we have adopted our opinion of the gross market rent of £200,720 per annum, deducting irrecoverable FM costs of 35%, and the ground rent payable under the head lease of £1,000 per annum, to arrive at a net income of £129,468 per annum.

On a vacant possession basis we have applied no value to the storage containers nor the landscaped verge at the entrance known as “Land to right of Radley House”.

Again we have utilised the investment method of valuation and have targeted an equivalent yield of 11% reflecting the greater risk of holding vacant accommodation.

On this basis our valuation of the offices is **£900,000**, which equates to a capital value of £86.66 per sq ft over the net internal area of 10,385 sq ft, to enable direct comparison with the comparables above.

6. VALUATION

6.1 MARKET VALUE

We are of the opinion that the Market Value of the long leasehold interest in the Property as at the valuation date subject to the existing tenancies, is in the region of:

£1,400,000
(ONE MILLION, FOUR HUNDRED THOUSAND POUNDS)

6.2 MARKET VALUE - RESTRICTED MARKETING PERIOD

We are of the further opinion that the Market Value of the long leasehold interest in the Property as at the valuation date, subject to the existing tenancies, but on the Special Assumption of a restricted marketing period of 90 days, is in the region of:

£1,000,000
(ONE MILLION POUNDS)

6.3 MARKET VALUE - VACANT POSSESSION

We are of the opinion that the Market Value of the long leasehold interest in the Property as at the valuation date subject to the existing tenancies, is in the region of:

£900,000
(NINE HUNDRED 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(s) 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 Applicant. 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 buildings described in this report is in the region of **£2,600,000**.

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 buildings.

7. LENDING CONSIDERATIONS

7.1 PROPOSED LOAN

We have not been advised of the loan terms.

7.2 CASH FLOW ANALYSIS AND INCOME SECURITY

The Property is multi-let to 46 separate tenants under short term licences, offering little income security, although this investment profile is typical for a Property asset of this nature

Given the size of the units, and the demand for flexible, affordable space, we would expect that the Applicant will readily re let space if and when it falls vacant, such that significant income voids are unlikely, although with an asset of this nature some form of permanent income void on account of natural tenant churn is inevitable.

In summary we would expect a consistently healthy level of occupancy should the Applicant continue to apply the current management programme, which creates income security in itself; albeit that cashflow on a monthly or quarterly basis has the potential to vary, simply by nature of the relatively easy in - easy out short term leases.

Given that the Property is multi-let, it seems unlikely that the Property will ever fall vacant in its entirety, although maintaining occupancy and value will require hands on asset management,

7.3 SUITABILITY AS SECURITY

7.3.1 MARKETABILITY

The Property will be of interest to private investors (such as the Applicant) seeking high yielding but management intensive investment assets.

We would anticipate a marketing period of 6-9 months to realise the value now reported.

7.3.2 FUTURE PERFORMANCE

The future value performance of the Property will depend not only on macro- economic factors such as the general performance of the economy and interest rates, but will be strongly influenced by local factors such as the balance of supply and demand.

The performance is also largely dependent on the ability to retain tenants; therefore we advise that the Applicant maintains a programme of active management and renewal, so that this remains attractive to both existing and future tenants.

The Property should perform in line with its peers.

7.3.3 ACTIVE MANAGEMENT

The buildings and infrastructure are in good condition following refurbishment, but it remains important that the Applicant continues to ensure a programme of both reactive and planned maintenance to prevent escalating costs/liabilities.

It is also essential to manage the various tenants/tenancies continually in order to maintain occupancy levels and value by renewing tenancies prior to expiry where possible.

7.3.4 DUE DILIGENCE RECOMMENDATIONS

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

- We **strongly recommend** your solicitor verifies our understanding of the Property tenure, and confirms that the title is indeed good and marketable, and that the underleases do not convey any onerous obligations to the Applicant,
- We also recommend that your solicitor verifies our understanding of the planning status and the tenancies/licenses.

7.3.5 SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none"> ■ Refurbished, multi let serviced office investment, c 97.5% occupied at the date of valuation. ■ Healthy gross income from the serviced offices of £203,791 per annum, with an estimated net income of c. £132,464 per annum, after the deduction of irrecoverable FM costs. ■ Additional short term income of £51,480 per annum from the letting of storage containers and land within the curtilage of the offices. ■ The Property presents well, and benefits from a large car park, which should ensure enduring tenant demand from tenants seeking flexible short to medium term serviced space solutions. 	<ul style="list-style-type: none"> ■ Occupied under short term leases offering poor income security. ■ Requires relatively intensive asset management, with cash flow risk as a consequence of tenant quality ■ Situated in a secondary office location within the relatively weak Pudsey office sub market.

Opportunities	Threats
<ul style="list-style-type: none"> ■ Opportunity to improve yield by the control and reduction of current FM costs. 	<ul style="list-style-type: none"> ■ Cash flow risk as a consequence of tenant quality ■ Unpredictable expenditure requirements on reactive maintenance.

7.3.6 RECOMMENDATION

Subject to our valuation, our comments and advice in this report, but without knowing the terms of the loan proposed, and subject to your solicitors confirmation that the title is indeed good and marketable, and that the underleases do not convey any onerous obligations to the Applicant, 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 had sight of a Report on Title and when we have been advised of the terms of the loan

8. LIABILITY & PUBLICATION

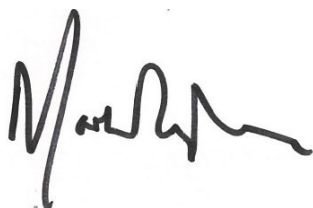
This report and valuation has been prepared on the basis that there has been full disclosure of all relevant information and facts which may affect the valuation.

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



Mark Thompson, BA (Hons) MRICS
RICS Registered Valuer
Senior Director, Valuation

This report has been reviewed by



Thomas Elliott MSc MRICS
RICS Registered Valuer
Associate Director, Valuation

For and on behalf of BNP Paribas Real Estate

Appendix 1

Terms of Engagement

Attn: Mark Thompson,
BNP Paribas Real Estate UK,
8th Floor,
Fountain Precinct,
Balm Green,
Sheffield,
S1 2JA

Ref: SB/
Radley House Limited

Dear Sirs,

You are instructed to provide a report and valuation of the Property for secured loan purposes in accordance with the RICS Valuation - Global Standards 2020 'the Red Book'.

The report is to be addressed to **Proplend Security Limited** (the "Security Trustee") in accordance with the terms set out in this instruction letter who will rely on the Valuation as Security Trustee.

The Professional Indemnity Insurance Policy must be in your own name effected and maintained with an insurer approved by the Royal Institution of Chartered Surveyors providing you with full cover against your potential liabilities under your report and valuation including without limitation claims for breach of instructions and claims for professional negligence.

You will not do anything which might invalidate any Professional Indemnity Insurance Policy or to prejudice our entitlement thereunder. You will on request provide us with evidence of the existence and renewal of the Professional Indemnity Insurance Policy, the name of the insurer and proof of payment of the premium.

We never lend on security of property where we are aware that the borrower or any related or connected person uses or intends to use the property as a dwelling. Please report to us who is in occupation of the property and let us know immediately if you believe or suspect that that the borrower or any related or connected person uses or intends to use the property as a dwelling

Timing – The Valuation Report should be completed within 5 business days of the inspection. Please notify us if there will be any delay.

Access – To arrange access to the Property please contact the Borrower directly (details below). Please provide details of any parts of the Property that were not inspected within your report.

By accepting this instruction, you are agreeing that the Valuation may be read by Proplend Members whom have no reliance on the valuation. Only the Security Trustee has reliance.

Borrower:	Radley House Limited
Contact Name:	██████████
Phone Number:	██████████
Email:	██████████
Properties:	Radley House, Richardshaw Road, Pudsey, LS28 6LE
Tenure:	Leasehold (67 years unexpired)
Use:	Offices

Tenancies:	Please see the attached tenancy schedule and lease copies
Access:	To arrange access to the Property please contact the client directly - [REDACTED]

Instruction

The report containing your valuation (Valuation Report) should be addressed to Proplend Security Limited which must clearly state that it can be relied upon for the purposes described in this instruction letter by the parties named herein. Please ensure that the Valuation Report accords with the current RICS Appraisal and Valuation Manual.

Please indicate in your Valuation Report if the valuer or your firm have had any previous involvement with the Property forming the subject of the valuation. If so, please indicate the nature and extent of that involvement and confirm specifically that you consider there is no conflict of interest on the part of the valuer or your firm.

The report and valuation must be undertaken and signed by a qualified valuer with a minimum 2 years PQE. A qualified valuer must be both a member of the Royal Institution of Chartered Surveyors, MRICS/FRICS and an RICS registered valuer. The Lender requires all residential and commercial valuation reports (excluding short form residential templates) are to be countersigned by a Chartered Surveyor, MRICS/FRICS and an RICS registered valuer with a minimum of 5 years PQE

Content of Valuation and Report

The Market Valuation referred to below should be based on current values and should reflect market conditions prevailing at the date of the Valuation Report, and changes in market conditions that you are able to predict, and should include:

- Market Value in its current condition subject to, and with the benefit of, any existing leases or tenancies;
- Market Value in its current condition subject to, and with the benefit of, any existing leases or tenancies assuming a sale to be completed within 90 days;
- Market Value of the Property assuming Vacant Possession;
- Estimated rental value for the subject Property(s).
- Estimated Reinstatement Cost for fire insurance purposes, including site clearance costs and professional fees;
- Executive Summary;
- Provide commentary on whether the Property is suitable for loan security purposes;
- Details of tenant(s), including passing rent, lease start/expiry/break dates and any non-recoverable costs etc. For commercial tenancies provide strength of covenant, service charge issues etc.;
- Tenure and principle terms of lease for leasehold properties;
- Provide comparable sales and rental evidence to support your assumptions on values;
- Provide commentary on continued likely market demand for properties of this size and nature, in this location, for sale and to let;
- Provide a full description of the Property to include its accommodation, its size, its construction, location and general state of repair. These details should be supported with photos of the Properties. Whilst you are not instructed to carry out a structural survey on each Property, please comment of any noticeable defects that might warrant further investigation and which might affect the marketability of the Property
- Valuation methodology including justification of value, calculations and residual appraisals on land with planning valuations;
- If the property is a development, we require information on build costs, comparison to BCIS indices and full commentary to support the build costs adopted within your valuation.
- Provide copies of relevant planning consents and documentation including approved drawings, Section 106 agreements etc and commentary thereon.
- Copy of the most recent Energy Performance Certificate
- Specific commentary concerning access right to the different areas of the Property.
- Purchase history of the Property during the last 10 years. If the Property is on the market, please confirm the selling agent and include a copy of the sales particulars in the report.
- Lending risks both short and medium term
- Residential element as a percentage of the land area.
- For new builds / conversions (last 10 years), please comment on the completion date, whether NHBC or similar certification would be required, the number of properties in the development and any recent sales
- Commentary on any invasive vegetation, contamination, and/or hazardous substances identified upon inspection
- Any additional reports required on the Property i.e. Ground Investigation Structural Survey, Asbestos Report etc
- Council tax band / Rateable Value
- Disability Discrimination Act issues.

Please provide as appendices:

- Sufficient colour photographs of the street scene, exterior (front and rear) and interior of the Property.
- A general location map and a more detailed plan showing boundaries you have assumed for the Property.
- Land registry extract.

Report on Title

The Security Trustee requires that its acting Solicitors arrange to send you a copy of their Report on Title in respect of the Property and obtain your written confirmation that nothing in the report on title has any effect on the valuation report you have provided to the Security Trustee. Please respond to any such request by the acting Solicitors in a timely manner and without delaying Completion.

Fees


You have quoted and the Borrower has agreed to pay a fee of £tba + VAT for this undertaking. Whilst a receipted invoice for this service should be supplied with your report, we ask that you seek settlement of your fee from the proposed Borrower whose contact details are supplied above. Proplend Security Limited cannot accept any responsibility for non-payment of your fees in this regard.

Contact Details

Please contact Proplend on 0203 637 8418 if you have any queries regarding this instruction.

Please send the Valuation Report to **borrower@proplend.com**, with hard copy to 15 Little Green, Richmond TW9 1QH. Following provision of the Valuation Report, you should be prepared to discuss its contents with the Proplend and Proplend Security Limited (Security Trustee). By sending the Valuation Report you signify your acceptance of the terms of this letter of instruction, which shall be governed by and construed in accordance with English law.

Yours Faithfully,



Brian Bartaby
Director

Proplend Security Limited

Private & Confidential

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

For the attention of: Stewart Bruce

Valuation
Valuer

Mark Thompson
Senior Director – Valuation
BNP Paribas Real Estate,
8th floor, Fountain Precinct,
Balm Green,
Sheffield S1 2JA

Tel: +44 (0) 114 263 9209

Mobile: +44 (0) 7785 380721

E-mail: mark.thompson@realestate.bnpparibas

Our Ref: MAT
Your Ref:

08 June 2022

Dear Sir

BORROWER: RADLEY HOUSE LIMITED

PROPERTY: RADLEY HOUSE, RICHARDSHAW ROAD, PUDSEY LS28 6LE

INSTRUCTIONS

Thank you for your letter of 18 May 2022 in respect of the valuation of the above Property.

We understand that the Borrower owns 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 and must not be relied upon for any other purpose.

Interest to be Valued

- Leasehold with 67 years’ unexpired.

Bases of Valuation
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

BNP Paribas Real Estate Advisory & Property Management UK Limited

Registered office: 5 Aldermanbury Square, London EC2V 7BP

Registered in England No. 4176965

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marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Assumptions & Special Assumptions

- Market Value on the Special Assumption of vacant possession.
- Market Value subject to all existing tenancies.
- Market Value on the Special Assumption of a restricted marketing period of 90 days.
- Estimated Rental Value

Valuation Date

- Date of report.

Identification of Valuer

- The valuation will be carried out by Mark Thompson 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

- Our fee for undertaking this work will be £1,000 plus VAT and is payable by the Borrower upon provision of 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

- Other than the valuation report provided to Shade Greener Finance Limited, we can confirm that we have had no material involvement with either the Property or any other party connected with this Property and that we are not aware of anything that could create a conflict with our duty to provide you with an objective and independent valuation.
- We will therefore be acting as an independent and external valuer.

Professional Indemnity Insurance

- We can confirm that we hold professional indemnity insurance in respect of the service to be provided.

Nature of Work

- As agreed, this valuation will be based on our recent valuation of the Property dated 11 May 2022, addressed to A Shade Greener Finance Limited.
- Accordingly, we will not re-inspect the Property for the purposes of this valuation, and will rely entirely on the physical and legal due diligence carried out in connection with that valuation. We shall be under no duty to undertake further due diligence
- 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.

Reliance & Publication

- Our valuation is provided for the stated purpose(s) 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 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 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 will be calculated on a Net Internal Area basis.

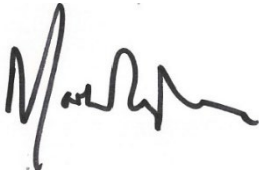
**Complaints Handling
Procedures**

- 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,



Mark Thompson BA (Hons) MRICS
Senior Director
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:.....

Position:.....

Date:.....



VALUATION PROCEDURES & ASSUMPTIONS

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 made 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.

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;

"Connected Person" means any of Your employees, officers, directors, subcontractors or consultants whether permanent, fixed term or part-time;

"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 all applicable data protection laws and regulations of the European Union or its member states.; **"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;

"Financial Crime Laws" means any bribery (including facilitation payments or kickbacks), fraud, corruption, money-laundering, tax evasion, facilitation of tax evasion, terrorism, or economic sanctions law or regulation, or a law or regulation designed to counter the same. This definition includes, but is not limited to, the UK Bribery Act 2010 and Criminal Finances Act 2017, French Sapin II and the US Foreign Corrupt Practices Act 1977 ("FCPA"). **"Financial Crime"** means a breach of a Financial Crime Law.

"Government Entity" means:

- (a) any national, federal state, province, local and/or municipal government department, agency, office and/or instrumentality;
- (b) any company or organisation where a government has 50 percent or more ownership interest;
- (c) any company or organisation where a government controls a majority of votes attaching to the shares;
- (d) companies and organisations that are controlled by a government. For example, the term 'Government Entity' will generally include companies and organisations that:
 - i. have constituting statutes that establish that they are instrumentalities, agents or mandataries of a government;
 - ii. perform functions or services that are public-in-nature (i.e., for the benefit of the general public or a large sector of the population);
 - iii. are financially dependent on the government (i.e., the government is responsible for losses or funding of operations);
 - iv. do not operate on a normal commercial basis (e.g., because they are given special powers by legislation);
 - v. have boards of directors or management committees where the government nominates a majority of directors or management committees where the government nominates a majority of directors or officers.

"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, 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 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;

"Public Official" means:

- (a) any officer, employee or representative of a government, whether national, federal or local;
- (b) any individual exercising a legislative, administrative or judicial function, whether appointed or elected;
- (c) any officer, employee or representative of any Government Entity, including but not limited to central banks, sovereign wealth funds, state-run hospitals and any business venture that is owned or controlled by a Government Entity;
- (d) any candidate for or holder of public office;
- (e) any political party or official of a political party;
- (f) any officer, employee or representative of a public international organisation; and
- (g) any member of a royal family.

"Specific Terms of Engagement" means the service specific terms of engagement, if any, referred to in the Engagement Letter;

"Terms of Engagement" means these Conditions, the Engagement Letter and the 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);

"UK Data Protection Law" means the Data Protection Act 2018, the UK GDPR as well as all related UK laws and regulations;

"UK 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);

"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 counter-signing the Engagement Letter and/or agreeing the Terms of Engagement and/or accepting the Services, 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) 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

Terms and conditions of business

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:
 - (a) perform the Services in accordance with Our obligations under the Terms of Engagement; and/or
 - (b) 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 "**Hourly Rate Basis**").
- 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% above the Bank of England's base rate (unless such rate is below 0% in which case 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 judgment. 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:

- (a) in connection with the performance of the Services or as reasonably necessary for the purposes of the Transaction; or
- (b) as expressly stated in the Engagement Letter; or
- (c) as subsequently agreed to in writing by both parties; or
- (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
55 Colmore Row
Birmingham
B3 2AA
www.rics.org/drs

12 Client Money, Anti-Money Laundering Procedures and Conduct

- 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 Professional Statement on Client Money Handling 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 Public 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 the prior written approval of the other.
- 12.4 You understand that BNPPRE is committed to complying with all Financial Crime Laws. You represent and warrant that neither You nor any Connected Persons have taken or will take any action that might cause BNPPRE to violate Financial Crime Laws.

- 12.5 Without prejudice to the generality of the above, You represent and warrant that neither You nor any Connected Person will authorise, offer, give or agree to offer or give, directly or indirectly, any payment, gift or other advantage with respect to any activities undertaken relating to the Services or these Terms of Engagement which:
- (a) is intended to, or does, influence any person to act or reward any person for acting in breach of an expectation of good faith, impartiality or trust, or which it would otherwise be improper for the recipient to accept; or
 - (b) is made to or for the benefit of a Public Official directly or indirectly, with the intention of influencing any act or decision of the Public Official in his/its official capacity, including such Public Official to use his/its influence to affect any act or decision of a government entity, or securing an improper advantage; or
 - (c) Would otherwise violate Financial Crime Laws.
- 12.5 Without prejudice to the generality of the above, You represent and warrant that:
- (a) neither You nor any Connected Person are procuring or shall utilise the Services, whether wholly or in part, directly or indirectly, to facilitate tax evasion by any party;
 - (b) any equity, proceeds or rental income used in relation to or deriving from any transaction to which the Services relate have been and/or will be (as appropriate) disclosed in full to any relevant tax agency or authority in Your country of residence and any other relevant jurisdiction.
- 12.6 Any breach by You of this clause 12 shall constitute a material breach for the purposes of clause 13.2(b)(ii) of these Conditions.
- 12.7 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 Terms of Engagement 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 clauses 9, 12 or any breach of clause 22 of these Conditions);
 - (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 and the Money Laundering and Terrorist Financing (Amendment) (EU Exit) Regulations 2020 as updated and amended from time to time; or
 - (v) We have reason to believe that the source of funds to be utilised pursuant to any Transaction originates 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 Specific Terms of Engagement). We may submit an invoice, which shall be payable immediately upon receipt. If You instruct another 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, 12.1, 12.2, 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:
- (a) any breach of the Terms of Engagement;
 - (b) any use made by You of the Services or the Materials, information and advice provided by Us in performing the Services; and
 - (c) 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:
- (a) death or personal injury resulting from negligence; or
 - (b) any damage or liability incurred by You as a result of any fraud or fraudulent misrepresentation made by Us; or
 - (c) such other matters for which liability cannot lawfully be limited or excluded.
- 14.4 Subject to clause 14.2 and clause 14.3:
- (a) We shall not be liable for:
 - (i) loss of profits; or
 - (ii) loss of business; or



- (iii) depletion of goodwill or similar loss; or
 - (iv) loss of anticipated savings; or
 - (v) loss of goods; or
 - (vi) loss of contract; or
 - (vii) loss of savings; or
 - (viii) loss of use; or
 - (ix) loss of opportunity; or
 - (x) any special, indirect, consequential or pure economic loss, costs, damages, charges or expenses; or
 - (xi) loss of, or corruption of, data or information; or
 - (xii) any loss arising in connection with Our inability to provide the Services as a result of Your failure to comply with clause 12.2;
 - (xiii) any loss (including but not limited to those losses identified in sub-paragraphs (i) to (x) of this sub-paragraph 14.4(a)) 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.
- (b) 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).
- 14.5 Without prejudice to the other provisions of this clause 14, We will not be liable in respect of any of the following:
- (a) any failure or delay in providing the Services where You have not complied with the Terms of Engagement;
 - (b) any failure by Us to remind You of relevant deadlines;
 - (c) 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);
 - (d) any findings or recommendations not expressly set out in Our final report (if applicable);
 - (e) checking the accuracy of the Information, including without limitation boundary lines;
 - (f) 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;
 - (g) any failure by You to hold any necessary consents, permissions or authorisations required for the Transaction;
 - (h) any other matters set out in the 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 unless otherwise agreed by Us in writing.

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, nuclear 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 UK Data Protection Law and in particular article 28 (Processor) UK 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 UK 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 Terms of Engagement.

23.3 The parties shall comply with applicable data protection laws and regulations including UK Data Protection Law and EU Data Protection Law.

23.4 Information on the following elements required by the UK GDPR are as follows:

- (a) Subject-matter of the processing: For the provision of Services in accordance with these Terms of Engagement;
- (b) Nature and purpose of the processing: Collection, storage, duplication, electronic viewing, deletion and destruction;
- (c) Duration of the processing: Until the earliest of termination of the Terms of Engagement 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);
- (d) 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
- (e) 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 UK Data Protection Law and/or EU Data Protection Law. 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 UK Data Protection Law and/or EU Data Protection Law 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 23.16.

23.9 We shall immediately inform You, if, in Our reasonable opinion, an instruction from You infringes UK 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 UK 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 (Rights of the Data Subject) under the UK 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 "Rights of the Data Subject" under the UK 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 UK 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 (to the extent reasonably and technically feasible) or (ii) return all Your Personal Data to You after the end of the provision of Services relating to processing, and delete (to the extent reasonably and technically feasible) existing copies, unless UK Data Protection Law and/or EU Data Protection Law 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 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, UK Data Protection Law 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) We shall take all corrective actions including any temporary work-arounds necessary to comply with the provisions of this clause, UK Data Protection Law and/or EU Data Protection Laws. We may charge You for any corrective actions if the corrective actions were required due to changes to UK Data Protection Laws and/or EU Data Protection Laws.
- 23.14 We shall be entitled to transfer Your Personal Data to a country, territory or sector within a country, or an international organisation that has been recognised by the Secretary of State as ensuring an adequate level of protection in accordance with clause 17A of the Data Protection Act 2018.
- 23.15 We shall also be entitled to transfer Your Personal Data to a country located outside the EEA that has not been recognised by the Secretary of State as ensuring an adequate level of protection, if You (i) have provided appropriate safeguards in accordance with the UK Data Protection Law (e.g. the Information Commissioner's Office's standard contractual clauses) 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.
- 23.16 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, We shall refrain from making that addition or replacement and

shall be entitled to terminate the Terms of Engagement. Where We engage another processor under this clause 23.16, We shall ensure that the obligations set out in this clause are imposed on that processor by way of a written contract.

Appendix 2

EPC CERTIFICATE

Energy performance certificate (EPC)

Radley House
Richardshaw Road
Pudsey
Leeds
LS28 6LE

Energy rating

C

Valid until 14 April 2031

Certificate number

7285-0519-8592-5007-0896

Property type

A1/A2 Retail and Financial/Professional services

Total floor area

1048 square metres

Rules on letting this property

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

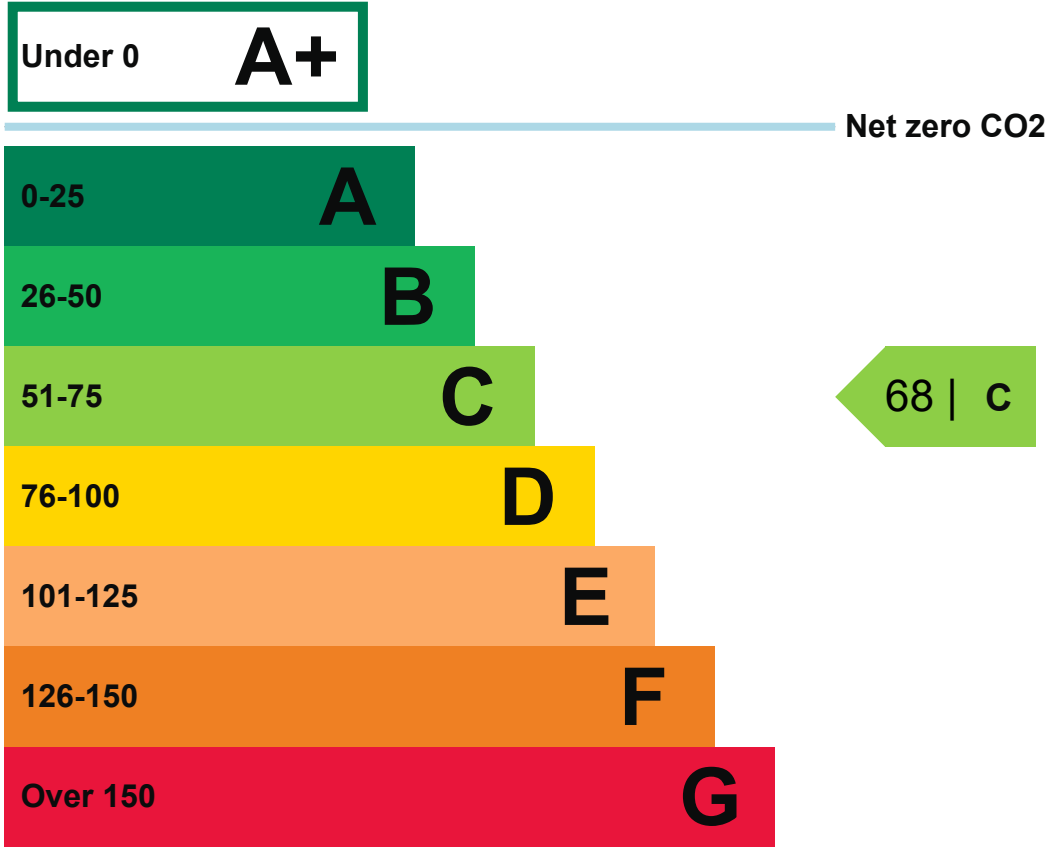
If a property has an energy rating of F or G, the landlord cannot grant a tenancy to new or existing tenants, unless an exemption has been registered.

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

Heating and Natural Ventilation

Assessment level

3

Building emission rate (kgCO₂/m² per year)

70.49

Primary energy use (kWh/m² per year)

417

► [What is primary energy use?](#)

Recommendation report

Guidance on improving the energy performance of this property can be found in the [recommendation report \(/energy-certificate/4149-4704-9076-6034-9479\)](/energy-certificate/4149-4704-9076-6034-9479).

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

Elyas Patel

Telephone

07710444409

Email

e-p-c@hotmail.co.uk

Accreditation scheme contact details

Accreditation scheme

Stroma Certification Ltd

Assessor ID

STRO001444

Telephone

0330 124 9660

Email

certification@stroma.com

Assessment details**Date of assessment**

13 April 2021

Date of certificate

15 April 2021

Employer

www.asset-asbestos-surveys.co.uk

Employer address

info@asset-asbestos-surveys.co.uk

Assessor's declaration

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

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 3

Tenancy Schedule

Radley House, LS28 6LE									
Suite	Business Name	pcm ex vat	pcm inc vat	Lease Length	Deposit	Restoration Fee	Area		Inclusive Rent Analysis
							Sq Ft	Sq m	
1	Aosaf Basra	£166.67	£200.00	6 months	£98	£102	78.04	7.25	£25.63
2	Pudsey Numerics Limited	£166.67	£200.00	12 months	£200		78.04	7.25	£25.63
3	LMC Digital Marketing	£333.33	£400.00	12 months	£196	£204	147.36	13.69	£27.14
4	Maggie Press	£333.33	£400.00	12 months	£196	£204	148.33	13.78	£26.97
5	Cera Care Ltd	£1,000.00	£1,200.00	12 Months	£612	£588	147.36	13.69	£29.75
6	Think Electrical Solutions Ltd	£333.33	£400.00	12 months	£196.00	£204.00	152.00	14.12	£26.32
7	Philip Nicholas	£500.00	£600.00	12 Months			147.00	13.66	£40.82
8	Kilvingtons of Leeds	£350.00	£420.00	12 Months	£174	£96	128.00	11.89	£32.81
9	Dermaject Aesthetics	£416.67	£500.00	12 months			128.00	11.89	£39.06
10	Cera Care Ltd	£0.00	£0.00	See Suite 5			128.00	11.89	£0.00
11	Cera Care Ltd	£0.00	£0.00	See Suite 5			128.00	11.89	£0.00
12	Cleen-Bees Ltd	£312.50	£375.00	12 months	£336	£39	128.00	11.89	£29.30
13	AME Accounting & Co Limited	£200.00	£240.00	12 months	£144	£96	60.00	5.57	£40.00
14	Creating Utopia Tattoo Studio	£166.67	£200.00	3 months			81.50	7.57	£24.54
15	My components	£166.67	£200.00	12 months	£116	£84	81.50	7.57	£24.54
16	Tesra Tech	£166.67	£200.00	12 months	£123.50	£76.80	81.50	7.57	£24.54
17	West Leeds Roofing	£191.67	£230.00	12 months			81.50	7.57	£28.22
18	Allied Hands Limited	£130.00	£156.00	12 months	£156		81.50	7.57	£19.14
19	Lister Autos Limited	£166.67	£200.00	6 months	£116	£84	81.50	7.57	£24.54
20	Memorable Decorations	£166.67	£200.00	12 months	£104.00	£96.00	81.50	7.57	£24.54
21	Kabaddie LTD	£166.67	£200.00	12 months	£123.20	£76.80	81.50	7.57	£24.54
22							81.50	7.57	£0.00
23	DIT HEALTH AND SOCIAL CARE WELLBEING SOLUTIONS L	£166.67	£200.00	12 months	£123.20	£76.80	81.50	7.57	£24.54
24	This is Anyo	£130.00	£156.00	6 months	£146	£84.00	57.00	5.30	£27.37
25	Blink Blinds Limited	£130.00	£156.00	12 Months	£72.00	£84.00	57.00	5.30	£27.37
26	Active Tech	£166.67	£200.00	12 months	£128	£72	57.00	5.30	£35.09
27	Sova Health Care Limited	£229.17	£275.00	6 months	£167	£108	99.40	9.23	£27.67
28	ORYXXX LIMITED	£216.67	£260.00	12 months	£142	£108	99.40	9.23	£26.16
29							99.40	9.23	£0.00
30	Michelle Rhodes	£250.00	£300.00	6 months	£170.00	£130.00	99.40	9.23	£30.18
31	Oakwell Clinic	£300.00	£360.00	12 months	£242	£108	99.40	9.23	£36.22
32	Yorkshire Ear Care Limited	£291.67	£350.00	6 months	£242	£108	99.40	9.23	£35.21
33	Cara Rose	£250.00	£300.00	12 Months	£170.00	£130.00	99.40	9.23	£30.18
34	Coact Technologies	£175.00	£210.00	6 months	£132.00	£78	65.00	6.04	£32.31
35	Jan Capital Ltd	£1,000.00	£1,200.00	12 Months			403.00	37.44	£29.78
36	Alfay Limited	£354.17	£425.00	12 months	£269	£156	144.50	13.42	£29.41
37	Luxury Raw Hair London	£405.00	£486.00	6 months	£301.5	£184.5	144.50	13.42	£33.63
38	Mae and Mitchell Bespoke Management CIC	£250.00	£300.00	12 months			144.50	13.42	£20.76
39	Belsons Homes Limited	£266.67	£320.00	12 months	£164	£156	144.50	13.42	£22.15
40	Northern Travel Services Ltd	£583.33	£700.00	12 Months	£700		144.50	13.42	£48.44
41	Aquashield Plumbing LTD	£450.00	£540.00	12 Months	£0	£184.50	128.00	11.89	£42.19
42	Kepak Group Limited	£416.67	£500.00	12 Months	£374.17	£125.83	151.00	14.03	£33.11
43	Suda Solutions Ltd	£416.67	£500.00	6 months	£273.50	£226.50	151.00	14.03	£33.11
44-45	We are Social Enterprise Recruitment Limited	£500.00	£600.00	12 months	£180	£360	302.00	28.06	£19.87
46 - 47	Sharma Williamson Limited	£500.00	£600.00	5 years			302.00	28.06	£19.87
48	Insured Health Limited	£466.67	£560.00	6 months	£353	£207	150.00	13.94	£37.33
49-50	M&C Marketing Limited	£458.33	£550.00	12 months	£386.40	£456	302.00	28.06	£18.21
51-52	The Safety Maintenance Company Ltd	£1,050.00	£1,260.00	12 months	£655.20	£448.80	374.00	34.75	£33.69
53	NHS - West Leeds PCN Limited	£1,725.00	£2,070.00	12 months	£1,228.50	£841.50	202.00	18.77	£34.16
54	NHS - West Leeds PCN Limited	See suite 54					202.00	18.77	
55	NHS - West Leeds PCN Limited	See suite 55					202.00	18.77	
56	Beauty to be seen	£400.00	£480.00	12 months	£480		164	15.24	£29.27
Land right of Radley House	Sale Moor Autoparts Ltd	£2,083.33	£2,500.00	5 Years	£2,500.00	£0.00			
	MONTHLY	£19,065.88	£22,879.05						
INDUSTRIAL UNITS									
	Business Name	PCM Ex VAT	PCM Inc VAT	Lease Length					
1	RW Suppression Services Limited	£100.00	£120.00	12 months			160		
2	JPS lofts & construction ltd	£108.33	£130.00	12 months			160	Increase from £87.50 + VAT	
3	Samuil Mujahid	£100.00	£120.00	12 months			160		
4	Samuil Mujahid	£100.00	£120.00	12 months			160		
5	Sale Moor AutoParts	£0.00	£0.00	12 months			160	See land on offices tab	
6	Coffee Shop	£375.00	£450.00	10 Years			160		
7	Coffee Shop	£0.00	£0.00	10 Years			160		
8	Northern Travel Services LTD	£0.00	£0.00	12 months			160	See Suite 40 on Offices Tab	
9	Mobi Fuel Ltd	£100.00	£120.00	12 months			160		
10	Memorable Decorations Ltd	£100.00	£120.00	12 months			160		
11	StayStuck	£183.33	£220.00	12 months			320		
13	Choppscaff Ltd	£170.00	£204.00	12 months			320		
15	JRW Garden Services	£170.00	£204.00	12 months			320		
16	Perfection Carpets Limited	£200.00	£240.00	12 months			320		
18	Memorable Decorations Limited	£200	£240.00	12 months			320		
19	Roman Global Limited	£150.00	£180.00	12 months			320		
20	Colorfast	£183.33	£220.00	monthly			320		
	MONTHLY	£2,039.99	£2,687.99						
	GROSS ANNUAL RENT	£253,270.40	£306,804.48						

Appendix 4

Copy of Standard Licence

1. Licence Summary Sheet

Date of this Licence																						
Estate	Known as:- Radley House, Madison Offices, Richardshaw Road, Pudsey, LS28 6LE																					
Unit	The unit at (and forming part of the estate) known as Suite or such other space as may be allocated from time to time by written notice to the occupier																					
Approx internal area	The unit measures approximately sqft																					
Parking	Car parking is provided on the estate on a first come first served basis with no guarantee of availability																					
Landlord	Radley House Limited (Company Registration Number 12283580) Any notice to be given under this Licence is to be addressed to; Radley House, Richardshaw Road, Leeds, LS28 6LE and marked for the attention of Radley House Limited.																					
Occupier	Occupier name/entity: C/O Address: Contact Name: Email Address:																					
Licence Period	A fixed period of months from Licence Fee Commencement date																					
Licence Fee	<p>£ PCM Inclusive of VAT The Licence Fee is inclusive of</p> <table border="1"> <tr> <td>Business Rates</td> <td>Excluded</td> </tr> <tr> <td>Electricity</td> <td>Included</td> </tr> <tr> <td>Gas</td> <td>Included</td> </tr> <tr> <td>Water</td> <td>Included</td> </tr> <tr> <td>IT</td> <td>Excluded</td> </tr> <tr> <td>Telecommunications</td> <td>Excluded</td> </tr> <tr> <td>Standing Charges</td> <td>Included</td> </tr> <tr> <td>Wi-fi</td> <td>Included</td> </tr> <tr> <td>Waste Disposal</td> <td>Excluded</td> </tr> <tr> <td>(any other costs)</td> <td>N/A</td> </tr> </table> <p>Any of the above items not ticked as being expressly included in the Licence Fee are payable in addition to the Licence Fee pursuant to clause 4.6, or may be charged as additional payment specified under payments below.</p>		Business Rates	Excluded	Electricity	Included	Gas	Included	Water	Included	IT	Excluded	Telecommunications	Excluded	Standing Charges	Included	Wi-fi	Included	Waste Disposal	Excluded	(any other costs)	N/A
Business Rates	Excluded																					
Electricity	Included																					
Gas	Included																					
Water	Included																					
IT	Excluded																					
Telecommunications	Excluded																					
Standing Charges	Included																					
Wi-fi	Included																					
Waste Disposal	Excluded																					
(any other costs)	N/A																					

Licence Fee Commencement Date	
Payment Days	28th day of each calendar month
Security Deposit	£ (This amount is refundable subject to any damages)
Permitted Use	Offices
Restoration Service Fee	£ (Being an amount calculate at the rate of £1.50 per square foot for office space) inclusive of VAT

This agreement incorporates the terms and conditions which you confirm you have read and understood. We both agree to comply with those terms and our obligations as set out in them. This agreement is binding from the agreement date and may not be terminated once is it made, except in accordance with its terms.

**Signed for and on behalf of
Radley House Limited:**

Print Name :

Signed for and on behalf of:

Print Name:

Terms and Conditions

1. Definitions and Interpretations

- 1.1 The definitions and rules of interpretation in this clause apply in this agreement.

‘The Estate’ All that land and buildings known as Radley House, Richardshaw Road, Leeds, LS28 6LE or such reduced or extended area as the Licensor may from time to time designate as comprising the Building.

‘The Common Parts’ Such roads, paths, entrance halls, corridors, lifts, staircases, landing and other means of access in or upon the Building the use of which is necessary for obtaining access to and egress from the Property as designated from time to time by the Licensor.

‘Competent Authority’ Any statutory undertaker or any statutory public local or other authority or regulatory body or any court of law or government department or any of them or any of their duly authorised officers.

‘Service Media’ All media for the supply or removal of heat, electricity, gas, water, sewage, energy, telecommunications, data and all other services and utilities and all structures, machinery and equipment ancillary to those media.

‘VAT’ Value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

‘Site Regulations’ The rules and regulations relating to the estate as issued from time to time by Radley House Limited.

2. Licence Period

- 2.1 Radley House Limited grants the occupier licence to occupy in the unit, in consideration of the payments, for the licence period specified in the licence summary sheet, in accordance with the provisions of this licence during the usual business for the estate. The whole of the Estate remains in Radley House Ltd possession and control. **The occupier accepts that this creates no tenancy, leasehold estate or other property interest in relation to the unit.**

3. Licence Fee and Other Sums

- 3.1 The Occupier shall pay the Licence Fee specified in the Licence Summary Sheet by direct Debit (or such other means as Radley House Ltd reasonably requires) from the Licence Commencement Date as provided in the Licence Summary Sheet.
- 3.2 The Occupier shall also pay by way of additional fee by direct debit (or such other means as Radley House Ltd so requires) the additional payments (if any) specified in the Licence Summary Sheet from the Licence Commencement Date.
- 3.3 The Occupier shall also pay by way of additional payments by direct debit (or such other means as Radley House Ltd shall reasonably require) the following charges:
- (a) £30.00 late payment charge per week from the due date until payment if the Occupier shall fail to pay the Licence Fee or any other payments due under this licence within 7 days of the due date (whether formally demanded or not).
 - (b) A management charge of £175.00 (in addition to costs payable to bailiffs or others instructed by Radley House Ltd) on each occasion Radley House Ltd recovers or attempts to recover the payments or other properly invoiced money.
 - (c) such VAT as may be payable on the Licence Fee
 - (d) The costs of replacement keys/access cards, these are charged at £25 each.

- (e) To pay all taxes charges and any business rates liability directly to the Competent Authority upon demand.
- (f) The Occupier shall pay to the Licensor on a full indemnity basis all costs, fees, charges and expenses (together with VAT and disbursements) of Radley House Limited (including such costs and expenses of their professional advisors) in relation to the negotiation and completion of this licence.

4. Insurance

- 4.1 It is the Occupiers express responsibility to insure its own third party, employers, public Liability, business interruption, contents and any other risks as it sees fit. Whilst Radley House Ltd may employ out of hours security, their remit is to secure, protect and insure their own belongings

5. Rights and Radley House Ltd Access to the unit

- 5.1 Provided that the Occupier pays the payments and complies with the Occupiers agreements and other obligations under this Licence, the Occupier is granted with others the shared use of the Common Parts giving access to the Unit and the non-exclusive benefit of Service Media which serve the Unit and which may serve other lettable parts of the Estate but must use them in a reasonable and proper manner in accordance with any regulations imposed by Radley House Ltd.
- 5.2 Radley House Ltd reserves the right to alter or close any Common Parts subject to providing reasonably suitable alternative access or amenities (except in the case of emergency) and reserves the right to use (and repair, alter, replace, renew) and Service Media which serve or are located within the Unit.
- 5.3 Radley House Ltd also reserves the right to enter the Unit for the purpose and on terms set out elsewhere in this Licence. Radley House Ltd will endeavour to give responsible notice of its intention to enter upon the Unit but no notice will be given in an emergency. Radley House Ltd retains the right to serve upon the Occupier a notice of repair or other works.

6. The Occupiers Obligations

The Occupier agrees with Radley House Limited:

- 6.1 **Licence Fee and other Payments** - To pay the Payments and the either sums specified in the Licence Summary Sheet in accordance with Clause 4.
- 6.2 **Repair** - To keep at all times the whole of the Unit (including glass and lighting) in good and substantial repair and condition, suitably cleaned and to maintain and regularly service by suitability qualified personnel the Service Media within or serving the Unit.
 - (a) To repair and replace as necessary at the end of the Licence to return to Radley House Ltd, serviced and in repair or all Radley House Ltd fixtures and fittings including plant and equipment and any telephone and IT equipment.
 - (b) To make good any damage caused to the decoration of the interior or exterior of the Unit (including all doors and windows) or the floor coverings to the satisfaction of Radley House Ltd.
 - (c) At the end of the Licence to return the Unit to Radley House Ltd in the state or repair on condition as required by this Licence, clean tidy, and to pay Radley House Ltd the Restoration Service Fee (being the sum stated in the Licence Summary Sheet) together with any

additional reasonable fee to cover the costs of repairs and/or replacement of the Unit or any fixtures and fittings.

- 6.3 **Compliance** - To comply with all requests made by Radley House Ltd in order to fulfil its own compliance and record keeping requirements. This may include but is not limited to, the provision of (i) ID documents such as a passport or driving licence and (ii) a utility bill, bank statement or council tax bill. To respond to any such request promptly.
- 6.4 **Assignment and sharing** - Not to assign, sub-licence, charge or part with of or share the occupation or use of, the whole or any part of the Unit nor hold the Licence on trust for any person for all or any part of the Licence Period.
- 6.5 **Alterations** - Not to alter the Unit or any part of it. Not to damage the Unit or the Estate, any fixtures fitting and equipment and furnishings and to take good care of them. To pay for all damage caused by the Occupier and those on the Estate with its permission (whether express or implied) and including, but not limited to its employees, contractors, agents or other persons present on the Unit. Not to affix any signs to the Unit and not to install any cabling, IT or telecommunication connections.
- 6.6 **Permitted Use** - Not to use the Unit or any part of the Unit otherwise than for the permitted use (as may be allowed by Law) and for the sake of clarity in no even is the Occupier to allow anyone to reside in or bring animals (except guide dogs) into the Unit or use the Unit for a public auction or meeting place. The Occupier acknowledges that in this Licence nor any approval or consent given by Radley House Ltd now or at anytime during the Licence Period implies, represents or warrants that the unit may be lawfully used for any particular use under the Planning Acts or any other statute. Not to apply for planning permission in respect of the Unit.
- 6.7 **Telecommunications** - To use Radley House Ltd nominated provider for Telecommunications and IT at the Estate.
- 6.8 **Nuisance** - Neither to carry out any acts at the Unit which are noisy, noxious, dangerous or offensive, nor to cause any nuisance, damage, inconvenience or annoyance to Radley House Ltd or to any owners or occupiers of the Estate or of any adjoining or neighbouring property or the neighbourhood.
- 6.9 **Insurance** - Not to do anything which may cause an increase in premium or invalidate any insurance policy relating to the Unit or the Estate. In the event that the nature of the Occupier's business incurs the payment of additional premium(s), the Occupier agrees to fully reimburse Radley House Ltd for such additional premium(s).
- 6.10 **Hazardous Materials** - Not to permit any toxic, contaminative, hazardous, combustible, explosive or dangerous substances or materials to be on or to escape or discharged from the Unit and the Occupier shall be liable for and indemnify Radley House Ltd against any costs or liabilities arising from any breach of this obligation.
- 6.11 **Contents and third party liability** - To arrange contents insurance for its own fittings trade goods stock or possessions and business interruption cover and to arrange insurance in respect of third party liability.
- 6.12 **Security** - To ensure the windows and doors within the Unit remain fully locked whilst the Occupier is not in occupation.

- 6.13 **Waste** - Neither to deposit or dump hazardous materials trade refuse or goods nor to store goods external to the Unit, and to remove all its waste from the Estate, failing which Radley House Ltd reserves the right to arrange its removal and charge the Occupier accordingly. To place only general waste in communal waste bins, if such facilities are provided.
- 6.14 **Floors/Services** - Not to overload floors or service or Service Media, nor allow anything to pass into the Service Media which is deleterious or which causes a blockage or damage.
- 6.15 **Damage** - To notify Radley House Ltd of any damage, destruction to the Unit (or the Estate) as soon as possible but at the latest within 48 hours of the event.
- 6.16 **Indemnify Radley House Ltd** - To indemnify Radley House Ltd and keep Radley House Ltd indemnified against all actions proceedings claims demands losses costs expenses damages and liability incurred by Radley House Ltd or any of its servants agents or other users in the Estate in the respect of any injury to any person or damage to any property by reason of or arising directly or indirectly out of the non-compliance by the Occupier with the Occupier's obligations contained to this Licence or the use of the Unit or the Estate.
- 6.17 **Entry by Radley House Ltd** - To allow Radley House Ltd and all persons authorised by Radley House Ltd to enter the Unit at any time upon reasonable prior notice for the purpose of ascertain whether the terms of this Licence have been complied with, carrying out of providing services for the Estate, carrying out any repairs remove and make good any unauthorised alterations or execute any works which the Occupier has failed to carry out pursuant to its obligations under this Licence or for any other purpose properly required by Radley House Ltd.
- 6.18 **Hand back the Unit** - At the expiry of the Licence Period or earlier termination by Radley House Limited.
- (a) To vacate the Unit and return the Unit to Radley House Ltd free of third party rights in such state or repair and condition as shall be in accordance with the terms of this Licence.
 - (b) To give up all keys and/or security passes to the Unit to Radley House Ltd or to pay Radley House Ltd the costs or replacement for any lost keys.
 - (c) To remove from the Unit and Estate its goods, fixtures and fittings including signs and make good all damage caused to the Unit by their removal. In the event that the Occupier fails to remove all such items prior to vacating the Unit Radley House Ltd further reserves the right to remove, store or dispose of those items in whatsoever way as Radley House Ltd shall see fit, at the Occupiers expense and the Occupier shall indemnify Radley House Ltd in respect of any costs expense or claims arising from such removal, storage and/or disposal. Radley House Ltd may retain the proceeds of disposal to cover such costs, expenses or claims.
- 6.19 **Loading/Unloading** - Not to load or unload or block the Common Parts access ways or areas and to ensure that all deliveries to and from the Unit are carried out during the hours specified in the Site Regulations.
- 6.20 **Site Usage** - To comply with site security out of normal business hours and otherwise comply with such reasonable rules as Radley House Ltd may make from time to time governing the management use and occupation of the Estate.
- 6.21 **Car Parking Spaces** - To use only the car parking spaces, if any, allocated from time to time for use by the Occupier, if no such spaces are allocated then the parking is on a first come first

served basis and subject to availability. To ensure that the car parking spaces are used only for the parking of private motor cars or bikes owned by the Occupier or its employees for parking during the usual office hours.

7. Termination

7.1 If

- (a) The Licence Fee, or any of the payments or any other sums payable under this Licence is outstanding for seven (7) day after becoming due whether formally demanded or not; or
- (b) If any of the obligations on the part of the Occupier shall not be observed and performed; or
- (c) Where the Occupier becomes insolvent, is unable to pay its debts, enters into liquidation or bankruptcy or has a receiver, administrator or receiver appointed, or is struck-off from the Register of Companies or ceases to exist or carry on its business at the Unit

Then and in such case Radley House Ltd may:

- (a) Immediately deny access and/or suspend services to the Unit until all outstanding sums have been paid; and/or
- (b) Utilise the services of the certificated bailiffs to take possession of such goods and chattels situate or container within the Unit and belonging to the Occupier as Radley House Ltd considers necessary to discharge all of any part of sums due to Radley House Ltd under this Licence and dispose of the same at such time in such manner for such consideration as Radley House Ltd considers fit and for such purposes Radley House Ltd is hereby irreobaly appointed sole agent; of Radley House Ltd and the provisions of clause 7.18 shall apply; and or
- (c) Give seven (7) days notice to end this Licence at any time and then upon service of such notice this License will absolutely cease but without prejudice to any rights or remedies which may have accrued to Radley House Ltd against Occupier in respect of any breach of obligation or other provision of this Licence (including the breach in respect of which the right of termination is exercised)

8. Security Deposit

- 8.1 In this clause 9: **‘Default’** means any failure by the Occupier to pay the whole or any part of the Payments, interest, outgoings and any other sums due to, or recoverable by Radley House Limited under this Licence, whether formally demanded or not; or to observe and perform any Occupier obligations and conditions contained or referred to in this Licence or to pay any sums due due to a third party in respect of services provided to the Occupier at the Unit (including but not limited to telephone and internet and other information technology services);
- 8.2 Subject to clearance of funds the Occupier has paid the Security Deposit set out in the Licence Summary Sheet to Radley House Limited. Radley House Limited will repay the Security Deposit to the Occupier once the Occupier has vacated the Unit at the end of the Licence Period (howsoever it may end) but less the Restoration Fee, any other sums and deductions properly made by Radley House Limited to cover any unpaid payments or other Default, other sms due under this Licence and the actual or anticipated cost of Remedying any Default.
- 8.3 Following any Default, Radley House Limited shall be entitled to withdraw from the Security

Deposit such proportion of the Security Deposit as may be reasonably necessary to make good any such Default. Within ten working days after the date of every occasion upon which Radley House Limited serves notice upon writing on the Occupier Radley House Limited has Made a withdrawal from the Security Deposit the Occupier shall pay to Radley House Limited such sum or sums as shall be necessary to ensure that the Security Deposit is equal to the amount specified in the Licence Summary Sheet, Radley House Limited shall be entitled to use any monies that it recovers for the purposes of topping up the Security Deposit.

9. End of the Licence Period and Renewal

This Licence will expire on the last day of this Licence Period, and from the avoidance of doubt the Occupier will be required to vacate the Unit on the date unless Radley House Limited and the Occupier has entered into a renewal licence. Neither party shall be obliged to enter into a renewal licence. If no such renewal licence has been completed by the date one month before the last day of the Licence Period then Radley House Limited shall assume That the licence is to expire at the end of the Licence Period and will re-market the Unit with a view to finding a new occupier to move into the Unit immediately after the end of the Licence Period. For the avoidance of doubt, in such circumstances, if the Occupier does not Vacate the Unit on or before the end of the Licence Period then any losses costs and expenses incurred by Radley House Limited as a result of the Occupiers failure to vacate at the expiry date of the Licence Period will be recovered from the Occupier and a further administration Charge of £250 + VAT will be due from the Occupier.

10. General Provisions

- 10.1 If the Occupier continues to use the Unit when this Licence Period has expired or ended, then the Occupier is liable to Radley House Ltd for any loss, claim or liability that Radley House Ltd incurs as a result of the Occupiers failure to cease the use of the Unit
- 10.2 To the extent permitted by law, Radley House Ltd is not liable for the Occupier in respect of any loss or damage (including consequential or economic) the Occupier suffers in connection with this Licence, with any service that Radley House Ltd may provide or with the Unit whether or not the loss or damage is due to any act or omission negligence or default by Radley House Ltd or by any of its servants or agents by other occupiers. Radley House Ltd Will not be liable in any circumstances for any loss of business, loss of profits, loss of anticipated savings, loss of (or damage to) data or third party claims.
- 10.3 Radley House Limited shall not be liable for an loss or damage which the Occupier suffers as a direct or indirect result of the performance of this Licence being hindered, prevented or delayed by reason of any act of God, riot, strike or lockout trade dispute of accident breakdown of plant or machinery or difficulty in obtaining workmen materials or transport electrical power failures or other circumstances out of the control of Radley House Limited.
- 10.4 Words importing one gender shall be construed as importing with any other gender. Words importing the singular shall be construed as importing the plural and vice versa. Where Radley House Limited or the Occupier comprised more than one person the obligations and liabilities of that party under this Licence shall be joint and several obligations and liabilities of those persons. The clause headings do not form part of this Licence and shall not be taken into account in its construction or interpretation. Radley House Limited shall have no liability under this Licence in the event of a sale or disposal of interest in the Estate. This Licence is governed by English Law. Any notice given by the Occupier under this

Licence must be in writing. **‘Planning Acts’** means as defined in section 336 of the Town and Country Planning Act 1990 all statutes containing provisions relating to town and country planning from time to time in force and all other statutes statutes instruments regulations rules orders and directions.

Appendix 5

Valuation Calculations

Summary Valuation

(Amounts in GBP, Measures in SF)

Valuation Date: 15/06/2022

Property

Address

Radley House, Richardshaw Road

External ID

Proplend Security Limited (MV)

Gross Valuation

1,495,810

Capital Costs

0

Net Value Before Fees

1,495,810

Less

Stamp Duty

@4.25% Stamp Duty

59,500

Agents Fee

@1.00% Net Sale Price

16,800

Legal Fee

@0.50% Net Sale Price

8,400

Fees include non recoverable VAT @ 20.00%

Net Valuation

1,411,110

Say

1,400,000

Equivalent Yield

10.4567%

True Equivalent Yield

11.2239%

Initial Yield (Valuation Rent)

12.1873%

Initial Yield (Contracted Rent)

12.1873%

Reversion Yield

10.6266%

Total Valuation Rent

253,271

Total Contracted Rent

253,271

Total Rental Value

228,950

Number of Tenants

3

Capital Value Per Area

197

Running Yields

Date	Gross Rent	Revenue Cost	Ground Lease Expenses	Net Rent	Annual	Quarterly
15/06/2022	253,271	-71,327	-1,000	180,944	12.1873%	13.1753%
15/06/2023	250,200	-70,252	-1,000	178,948	12.0528%	13.0185%
28/10/2026	228,950	-70,252	-926	157,772	10.6266%	11.3716%
01/11/2089	0	0	0	0	0.0000%	0.0000%

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

Tenants

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
Serviced Offices	Radley			14/06/2023	Serviced Offices	Hardcore(10%)	203,791	203,791	200,720	1,211,287	10.8694%	10.8694%	10.0000%	10.7048%
Storage Containers				14/06/2023	Storage Containers	Hardcore(12%)	24,480	24,480	24,480	191,623	12.7246%	12.7246%	12.0000%	12.7193%
Land				27/10/2026	Land	Hardcore(10%)	25,000	25,000	3,750	92,900	26.8045%	26.8045%	13.4969%	4.0190%

Summary Valuation

(Amounts in GBP, Measures in SF)

Valuation Date: 15/06/2022

Property

Address

Radley House (VP), Richardshaw Road

External ID

Proplend Security Limited

Gross Valuation	941,975
Capital Costs	0
Net Value Before Fees	941,975

Less	Stamp Duty	@3.83%	Stamp Duty	34,500
	Agents Fee	@1.00%	Net Sale Price	10,800
	Legal Fee	@0.50%	Net Sale Price	5,400

Fees include non recoverable VAT @ 20.00%

Net Valuation	891,275
Say	900,000

Equivalent Yield	10.9067%	True Equivalent Yield	11.5858%
Initial Yield (Valuation Rent)	-0.1052%	Initial Yield (Contracted Rent)	-0.1052%
Reversion Yield	13.6182%		

Total Valuation Rent	0	Total Contracted Rent	0
Total Rental Value	200,720	Number of Tenants	1
Capital Value Per Area	127		

Running Yields

Date	Gross Rent	Revenue Cost	Ground Lease Expenses	Net Rent	Annual	Quarterly
15/06/2022	0	0	-1,000	-1,000	-0.1052%	-0.1051%
15/06/2023	100,360	-35,126	-1,000	64,234	6.7565%	7.0517%
15/06/2024	200,720	-70,252	-1,000	129,468	13.6182%	14.8612%
01/11/2089	0	0	0	0	0.0000%	0.0000%

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

Tenants

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
Serviced Offices	Radley			14/06/2038	Serviced Offices	Hardcore(11%)	0	0	200,720	941,975	0.0000%	-0.1062%	11.0000%	13.7443%