

17th February 2023

Ref. 20220704CC

Proplend Security Limited
(the "Security Trustee")
20-22 Wenlock Road
London
N1 7GU

For the attention of: Stewart Bruce

Initially by e-mail: sbruce@proplend.com
borrower@proplend.com

Dear Proplend Security Limited,

Address: **58 Blackstock Road, London, N4 2DW**
Applicant Name: **Mr L D Patel, Mrs S L Patel & Mr U L Pate**

Please find herewith a copy of the Valuation Report for loan security purposes. The contents of this report are strictly confidential and are intended for use of the addressee only.

This report and valuation is a re-address of an original report provided to a different lender. Should there be any points arising or if you would like to discuss any particular matter in further detail, please don't hesitate to get in touch.

It is acknowledged that your acceptance of, or reliance on, this Report will be deemed as an acceptance of the Terms of Engagement previously issued, a copy of which can be available upon request.

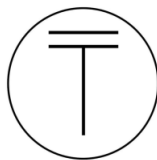
Yours sincerely

Counter Signature:

CHARLIE CROCKER, MRICS MSc

For and on behalf of
Terracotta Limited
Unit 9K, Vanguard Court
36-38 Peckham Road
London,
SE5 8QT

www.terraccottaproperty.com
charlie@terraccottaproperty.com



1.0 SUMMARY OF INSTRUCTIONS:

1.1	Client's Name and Address:	Proplend Security Limited (the "Security Trustee") 20-22 Wenlock Road London N1 7GU
1.2	Client's Reference:	None given
1.3	Property:	58 Blackstock Road London N4 2DW
1.4	Date of Instructions:	15 th February 2023
1.5	Date of Inspection:	4 th July 2022
1.6	Date of Valuation:	4 th July 2022

Important Notice:

The purpose of this report and RICS Red Book valuation for loan security purposes. This report has been prepared in accordance with the Royal Institution of Chartered Surveyors' ("RICS") Valuation – Global Standards incorporating the IVS International Valuation Standards (the "RICS Red Book") issued November 2021 and effective from 31 January 2022 and where applicable the Relevant RICS national and jurisdictional supplement.

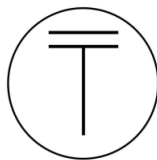
Our report and valuation in accordance with these requirements is set out below.

The valuation is subject to there being no unusual matters or factors not revealed to us and subject to the comments made in this report.

We confirm that we have no conflict of interest in carrying out the valuation of this property.

We confirm that our insurance policy enables us to undertake residential and commercial valuations and our current sum insured is £2,000,000 (two million pounds) in respect of each and every claim.

We confirm the valuer is experienced in valuing properties of this type and is qualified to carry out the instructions. We confirm our valuations are subject to internal audit.



The Client has not commissioned any form of building survey of the property. You must not assume, if defects are not mentioned in the report, that all parts of the structure are free from defects. Where your attention is drawn to some defects it does not mean that other defects may not exist. Moreover, services have not been tested.

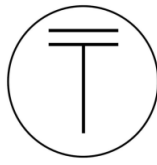
If you wish to be satisfied as to the condition, you should have a Surveyor's detailed inspection and report of your own. If the property is of architectural or historic interest, or Listed as such, or is in a Conservation Area or of unusual construction, appropriate specialist advice should be sought before carrying out works.

2.0 VALUATION

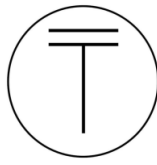
2.1	Market Value	£380,000	Three hundred and eighty thousand pounds
2.2	Market Value with the assumption of vacant possession	£355,000	Three hundred and fifty-five thousand pounds
2.3	Market Value with the assumption of vacant possession, 180 days	£355,000	Three hundred and fifty-five thousand pounds
2.4	Market Rent	£21,779	Twenty-one thousand seven hundred and seventy-nine pounds
2.5	Estimated reinstatement cost	£240,000	Two hundred and forty thousand pounds

3.0 TENURE:

3.1	Freehold or Share of Freehold:	Freehold
3.2	Leasehold - Unexpired term of years:	It is our understanding that the leasehold interest of the upper floor flats has been sold off. New 125 year leases were granted in 2021.
3.3	Amount of Ground Rent and any known reviews:	<p>We understand that the freeholder receives an annual ground rent of £250 per residential dwelling adding to £500 in total per annum.</p> <p>We have been instructed to value to ground floor retail unit only. We have therefore disregarded the ground rent income when arriving at our opinion of market value for the subject property.</p>
3.4	Maintenance Charge:	N/A.



- 3.5 Assumptions made where tenure is not confirmed: We have assumed that the title is in standard marketable form with no onerous restrictions or covenants.
- 3.6 Other Comments: None.
- 4.0 TENANCIES:**
- It is our understanding that the leasehold interests of the upper floor flats have been sold off.
- The ground floor retail unit is currently owner occupied, however we understand that a 16 year lease has recently been signed and a new operator is due to take over the running of the retail unit, as well as the laundrette business which currently exists. The business will continue to operate the ground floor only.
- We have chosen to value the property based on the information provided to us by the tenant, who was contacted by mobile phone following the inspection. We recommend that solicitors verify the exact details of the new lease.
- Lease date : 2022
Commencement : August 2022
Rent reviews : 4 yearly
Passing rent : £24,000
- The unit currently functions as a retail shop (Use Class E)
- 5.0 DESCRIPTION OF PROPERTY:**
- 58 Blackstock Road is a mid-terrace, Victorian building with a retail unit to the ground floor and self-contained residential flats to the first and second floors. The residential elements of the building were not inspected and cannot be described in any detail.
- The unit has a full width shop front which provides the principal access into the customer shop floor. The retail floor is presented as an open plan space and runs to the rear of the building where lightweight partition walls have been installed to provide a kiosk space for the business owner.
- To the left hand side of the shop floor another basic stud partition has been installed to enclose the space behind a row of laundry equipment. These various lightweight partitions could be removed to provide a larger usable floor area, if the space were to be used for alternative purposes.



Beyond the retail floor to the rear of the property there is ancillary space which is presented across three rooms which provide a staff WC, plant room and storage space. There does not appear to be any secondary access from the rear, or any external space at the back of the property.

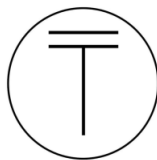
It is our understanding that this business has been owned and operated by the same family since the 1980s. While the premise was found to be in an acceptable condition, it is slightly tired and has benefitted from minimal improvements and investment. It is our understanding that the incoming tenant intends to invest in the business, upgrade the equipment and generally improve the unit.

6.0 LOCATION:

58 Blackstock Road is located mid-terrace within a row of mixed use converted Victorian buildings. Blackstock Road is a relatively busy A road running south-east from Seven Sisters Road and is characterised by parades of terraced retail with residential above. Blackstock Road is a well defined retail street and makes up part of the commercial centre of Finsbury Park. There is a large amount of similar high street retail provided in the area along Seven Sisters Road, Font Hill Road, Stroud Green Road and Wells Terrace. Neighbouring premises are predominantly ground floor commercial units with residential above and these properties appear to be mostly Use Class E with a variety of shops, offices, cafes and restaurants in operation.

Blackstock Road is in the area of Finsbury Park which is a busy multicultural neighbourhood in the London Borough of Islington. The commercial centre around Seven Sisters Road sits to the south end of Finsbury Park for which the area takes its name. This retail centre is surrounded by relatively affluent residential neighbourhoods. The local retail market appears to be busy and well used by its surrounding residents and as a result we view the subject unit to be appropriate for operating as a variety of different business types.

The property benefits from a consistent pedestrian footfall with a complimentary full width glazed shop front. The property is well located in terms of access to transport links. Finsbury Park underground, overground and National Rail station is just 0.2 miles north-west. The station is serviced by Piccadilly and Victoria Line trains. London overground, Great Northern and ThamesLink and



National Rail. Seven Sisters Road which is just 0.1 miles north-east links to the A10 and this is a main arterial road north out of London. There are various bus links which operate along this road providing secondary means of public transport.

**7.0 YEAR OF CONSTRUCTION
(Approximate):**

Circa 1900's.

8.0 APPARENT CONSTRUCTION

The building is a traditional Victorian terrace with solid brick elevations and is surmounted by a principle pitched and tiled roof. The ground floor has been extended forward and opened up to provide a shop front and additional shop floor and is surmounted by a flat unseen roof, likely provided with mineral felt. There are single glazed, timber framed full height windows and doors to the front of the retail unit.

The floors are assumed to be provided in solid concrete. The ceilings are provided in a combination of plasterboard and suspended polystyrene tiles. Within the retail floor the walls are mostly tiled and lighting is provided by intumescent strip lights.

9.0 ACCOMMODATION MEASUREMENT

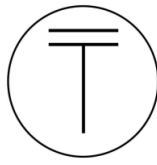
9.1 **Ground floor trade area/shop** : 69.75 sqm / 751 sq ft

9.2 **Ancillary space to the rear** : 22.05 sq m / 237 sq ft

9.4 **Gross Internal Floor Area** : 91.8 sq m / 988 sq ft

9.5 **Floor Area Valued** : 69.75 sq m / 751 sq ft

(Basis: IPMS 3b Retail; Source: Surveyor measured)

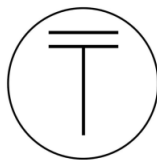


10.0 GARAGE, PARKING & OTHER BUILDINGS:

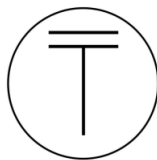
- 10.1 Garaging and Parking: We have assumed there is no parking or garage space included.
- 10.2 Other Permanent Buildings: None.

11.0 MAIN SERVICES:

- 11.1 Services connected: Mains services are connected which include water, drainage, electricity and gas.
- We have not carried out tests to any of the services or installations onsite and unless otherwise stated, our valuation assumes all to be in a good working condition.
- 11.2 Central Heating - Type and source: The heating was not on at the time of inspection due to us visiting during a warm summer month, however it is assumed that space heating is provided by wall mounted wet radiators, which are gas fired.
- The unit is operated as a laundrette which provides significant heating as a bi-product. It is assumed that the retail shop floor area relies on this as a source of heating.



12.0	NEW BUILD PROPERTY: YES/NO	No.
13.0	CONDITION:	
13.1	Essential works required or investigations to be carried out:	<p>We did not carry out a building survey at the time of inspection. We were able to make observations where access at ground level permitted.</p> <p>The property appeared in a sound structural condition and has been relatively well maintained.</p> <p>Internally the unit has a functional condition with basic internal fixtures and fittings of a relatively low specification. There was general wear and tear noted.</p> <p>We identified some localised areas of damp to the walls of the rear ancillary rooms.</p> <p>We would anticipate a full renovation if the unit were to change its function.</p>
14.0	ROADS AND FOOTPATHS & ACCESSIBILITY:	
14.1	Are roads and footpaths made and maintained by the Local Authority?	Yes
15.0	MATTERS THAT MIGHT AFFECT VALUE:	
15.1	Obvious evidence of serious disrepair or potential hazard to the property (not dealt with under Section 11.0)	None that we are aware of.
15.2	Environmental Matters – refer to Valuation Assumptions annexed here to:	No unusual matters to report.
15.3	EPC Rating	E
15.3	Flooding, Mining and Radon:	Our online searches have concluded;



The property has a very low risk of flooding from rivers and sea, and high risk from surface water.

The property is not within close proximity of a mining risk area.

The property is not located within an area of high radon levels.

15.4 Invasive Plants and hazardous materials

No invasive plants were apparent.

15.5 External Wall Systems & Fire Safety

N/A

15.6 Planning Enquiries

We have assumed that this retail premises has the appropriate planning consent in place to operate.

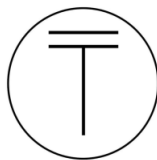
We have examined the recent planning applications made on Islington Planning Portal. A recent application has been made on 56-58 Blackstock Road and the proposal is as follows:

P2021/2716/FUL - Erection of first floor level rear extensions and rear dormer roof extensions to nos. 56-58 Blackstock Road.

We understand that this application has been approved with conditions with the decision date being 03/12/2021. As this scheme involves extensions to the first floor and roof levels, we can assume that the floor plan of the ground floor will remain the same, and the retail unit will be able to operate undisturbed. For the purpose of this valuation, we have disregarded this planning application.

We can see no other planning proposals in the immediate surrounding area that might impact our opinion of value on the subject property or effect its suitability for loan security.

The property is not known to be listed or within a conservation area.



16.0 MATTERS TO BE CHECKED BY CONVEYANCERS:

- | | | |
|------|---|---|
| 16.1 | Rights of Way/Easements/ Submerged or flying freeholds (where apparent on inspection): | None. |
| 16.2 | Road Agreements (It has been assumed that the developer's obligations to complete roads, pathways and other works specified in the Planning and Building Regulation procedures are safeguarded in the Contract.): | None. |
| 16.3 | Whether the building is Listed as being of architectural or historic interest or located in a Conservation Area: | The property is not believed to be Listed or within a Conservation Area. |
| 16.4 | Other (Any apparent recent significant alterations and extensions should be referred to at Section 16.0): | We have not seen the lease plans and have therefore assumed that the property has not had any unlawful alterations. |

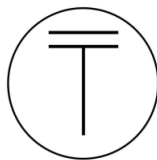
17.0 MARKET OVERVIEW:

With many market disruptions over the past 24 months from the outbreak of the COVID-19 Pandemic and the uncertainty surrounding Brexit, the commercial and retail sectors have faced significant disruptions with many areas of the market experiencing prolonged periods of forced closure throughout 2020 and into 2021.

There have been signals for a continued post COVID recovery, with growing confidence in consumers. The Bank of England believes that households have accrued savings throughout the pandemic at an estimated £150 billion which has contributed to spending injections following periods of retail closure.

Due to the nature of the governments COVID measures, particular areas of the sector have been hardest hit, while others have escaped unharmed or even experienced growth. Shopping centres and fashion stores particularly have faced decline due to a shift in consumer habits and public uncertainty surrounding the risk of catching the virus. Food retailers have been classed as an essential service throughout the pandemic and have subsequently been allowed remain open.

While early market forecasts have focussed on the positive developments following the easing of COVID-19 restrictions, there have since been more recent factors that may pose as a threat to the UK retail sector going forward. The cost-of-living crisis is now a primary concern for many UK households with inflation rising to 9% in April 2022, equating to a 40-year high. This is paired with the 54% increase in average energy bills. Inflation could accelerate further throughout the year to reflect additional increases in gas and oil prices following Russia's continued invasion of Ukraine. The impact these issues will have on household disposable incomes is likely to be felt by retailers and high street operators.



It is our understanding from speaking to local agents, that occupier demand for similar retail units in the area remains high, and small independent businesses and start-up companies in particular are seeking compact retail units on busy high street locations.

18.0 VALUATION COMMENTARY:

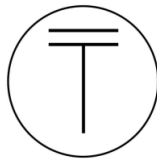
In arriving at our opinion of market value for the subject property, we have adopted the investment method of valuation and have capitalised the market rental value of the subject property which we have determined using the comparables approach. We have also used the comparables method to analyse investment sales of similar retail premises in the surrounding area to arrive at our opinion of expected investment yield for the subject property.

Ordinarily for a high street retail valuation we would look to adopt the ITZA approach in determining rental value. However due to the subprime nature of the subject property and the lack of recent direct comparables data from Blackstock Road, it has not been possible to obtain an accurate ITZA value. We have therefore drawn data from a range of comparable transactions that have taken place over the last year and arrived at our opinion of rate per sq ft for the retail floor component of the subject unit. The property benefits from a full width shop front and a deep generously sized open plan retail shop floor. There is a relatively limited amount of ancillary accommodation to the rear and it is therefore likely that a variety of different tenants may need to reconfigure the floor plate to provide a greater amount of storage or alternative use space within the unit. The generous open plan shop floor does provide a good level of flexibility to the various users and we have considered this in our comparable data search and when arriving at our opinion of rental value.

The comparable transactions have taken place on a range of similar retail parades in the surrounding area. Due to differences in these locations and their varied desirability we have made adjustments when arriving at our opinion of rental rate per sqft. We have compared various retail units that have recently been leased and have also had regard to two additional units that are currently available on the market. We have also included two slightly historic transactions which are useful in this instance due to their very close proximity to the subject unit. The let properties have achieved rental values of between £26.02 and £48.66. As mentioned, we have also considered two similar retail units in the immediate surrounding area that are currently on the market.

We have also considered the current passing rent of the subject property which we understand to be £24,000 per annum. This rent was recently agreed in 2022 and is subject to review every four years. From analysing the comparables, we view the agreed passing rent to be at the higher end of what we might expect the subject unit to achieve. This is considering the relatively basic and tired condition of the unit and limited ancillary accommodation. It is important to note however, that the incoming tenant is also taking on all of the equipment/plant which is currently in situ to support the existing laundrette business. We understand that this equipment is included in the rental price of £24,000 and will allow the tenant to continue running a laundrette business out of the unit. It is therefore important to note that we have disregarded the good will value as well as that of the equipment included within the recently agreed lease. These aspects have not been valued and we have arrived at our opinion of rental value, based on the assumption that the current operator would vacate leaving an empty unit in shell condition.

Having considered the characteristics of the rental/ lease comparables and those of the subject property we can attribute a rate per sqft of £29. We feel this sits more comfortably within the range of comparable data. While the subject property does not have a modern condition, it does benefit from a good location within a well-established retail centre, and also has a large floor area which could accommodate a variety of business/ retail operations. We can therefore attribute a rental value £29 per sqft equating to an annual rental value of £21,779.



We have also analysed investment sales of 6 retail premises within the surrounding area. These transactions indicate a strong investment demand in this typology. The comparable sales have achieved a range of sales values which reflect the size of the premises and the quality of the spaces. More interesting are the range of yields that these investment purchases equate to. The yields in the schedule of comparables range between 4.9-8.2 %. We have checked this market data with local agents who confirm that their expectation of an investment yield in this area would be within the range of 5.5 - 6%. While the property is located on an established retail parade, the unit is generally tired and in need of refurbishment. We therefore we would anticipate a higher yield and can therefore attribute a gross yield of 6% to the subject property and feel this sits comfortably within the comparable data and is in line with our wider market research. While this is higher than some of the comparables, it is important to note that a number of the investments below include residential elements which we would anticipate providing lower yields.

When capitalising the market rental value against an investment yield, we have had to consider the current lease that has recently been agreed and the time remaining until the next rent review, where we would assume the rent to return to full market value. We understand that the property is currently let on a 16 year lease for £24,000 per annum and is due to expire in 2038. As we have not been provided with exact dates, we have assumed for the purpose of this valuation that there are exactly 16 years remaining on the lease. While the incoming tenant may likely renew their lease, we have considered a worst case scenario which assumes the termination of the lease and a subsequent void period. We have therefore allowed for a vacancy / tenant search period of 3 months and an initial rent free period of 3 months following the expiry of the existing 16 year lease, which is standard industry practice.

We have carried out a term and reversion investment calculation to account for the existing lease and to arrive at our opinion of market value for the subject property. Assuming a return to full rental value in 16 years, we can attribute the following:

Term

Income	£24,000
YPSR @6%	16 years
=	£242,541

Reversion

Income	£21,779
YP into Perpetuity @6%	16.5 years
=	£138,784
=	£381,325

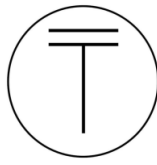
Market Value: £381,325

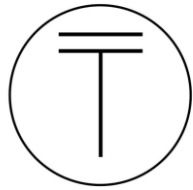
SAY: £380,000

In arriving at our opinion of vacant possession value for the subject property, we have disregarded the 16 year lease which has recently been agreed. As our opinion of current day full market rental value is £21,779 we can capitalise this income against our opinion of investment yield at 6%. In doing so we have allowed for a vacancy/ tenant search period of 3 months and an initial rent free period of 3 months which is standard industry practice. We can therefore attribute the following:

Market Value with the assumption of Vacant Possession: £352,561

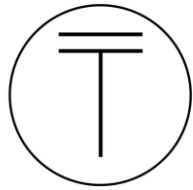
SAY: £355,000





SCHEDULE OF SALES COMPARABLES

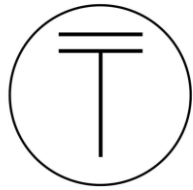
Date	Distance	Address	Type	Price/£	Floor area sqft	Price per sqft	Income (p.a)	Gross Yield	Comments
17/10/2021	3.3 miles	61 Banner Street, London EC1Y 8PX	Ground and lower ground floor retail unit	£410,000	645	£636	£25,000 (asking)	6.1%	A slightly smaller ground and lower ground floor retail unit in a more central location. Sold as vacant but also available to let with an asking price of £25,000 per annum.
Under offer	1.6 miles	52-54 Islington Park Street, London N1 1PX	Ground floor retail unit with residential ground rent investment	£910,000	1,844	£493.50	£60,000	6.6%	A larger ground floor retail unit currently operating as a restaurant. Located within a more affluent area, however down a side street rather than being located within an established retail parade
Exchanged	2 miles	106 High Road, London N15 6JR	Ground floor retail unit with residential ground rent investment	£450,000	1,475	£305	£22,000	4.89%	A larger ground floor retail unit operating as a dental practise. Inferior retail location on less established retail parade
06/05/2021	100m	116-116a Blackstock Road, London N4 2DR	Mixed use. Ground floor retail unit and 2 x upper floor flats	£675,000	1,205 (total including residential)	N/A	£38,200	5.66%	A mixed use property with retail on the ground floor and 2 residential flats to the upper floors. Close location to the subject property on the same road.
15/04/2022	1 mile	448-450 Holloway Road, London N7 6QA	Mixed use. Ground floor retail unit and 4 x upper floor flats	£1,550,000	8,538 (total including residential)	N/A	£127,000	8.2%	A mixed use property with retail on the ground floor and 4 residential flats to the upper floors. Close location to the subject property on slightly superior retail parade.
18/08/2021	0.7 miles	240 Hornsey Road, London N7 7LL	Mixed use. Ground floor retail unit and 1 x upper floor flat	£600,000	1,510 (total including residential)	N/A	£34,760	5.8%	A mixed use property with retail on the ground floor and 1 residential flat to the upper floors. Close location to the



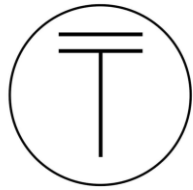
									subject property on slightly superior retail parade.
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SCHEDULE OF RENTAL COMPARABLES

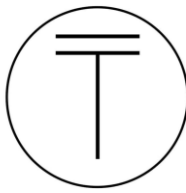
Date	Distance	Address	Type	Annual rental value	Floor area sqft	Price per sqft	Comments
Current	N/A	58 Blackstock Road, London N4 2DW	Ground floor retail unit	£24,000 (recently agreed)	750.5 sqft	£31.98	<i>The subject property is a reasonable sized ground floor retail unit within an established commercial parade running from the centre of Finsbury Park. The property is currently operated as a laundrette and has recently been leased to a new tenant who will take over the premise as well as the running of the business. The unit has a full width glazed shop front and a good sized open plan retail floor. There is basic ancillary space to the rear to include, storage, and staff WC/ Kitchenette.</i>
09/05/2022	0.7 miles	155-157 Hornsey Road, London N7 6DU	Ground floor retail unit	£16,500	580 sqft	£28.45	A slightly smaller ground floor retail unit on a similarly established retail parade, further south west towards Holloway. This property benefits from being a corner unit with double aspect however is within an inferior retail centre. Similarly tired condition.
09/05/2022	0.7 miles	228 Hornsey Road, London N7 7LL	Ground floor retail unit	£14,500	298 sqft	£48.66	A smaller mid terrace ground floor retail unit on a similarly established retail parade, further south-west towards Holloway. This property has a small floor area which explains its higher rate per sqft.
26/08/2021	0.9 miles	53 Seven Sisters Road, London N7 6BH	Ground floor retail unit	£27,500	1,040 sqft	£26.44	A larger ground floor mid terrace retail unit currently operating as a café. The unit is located on Seven



							Sisters Road which runs through the centre of Finsbury Park.
01/09/2021	0.7miles	100-102 Seven Sisters Road, London N7 6AE	Ground floor retail unit	£40,000	1,499 sqft	£26.68	This comparable is a larger unit occupying the ground floor. The frontage is double width. The property is located on a similarly busy and established retail parade no far from the subject.
Available	200m	130 Blackstock Road, London N4 2DX	Ground floor and basement retail unit	£30,000 (asking)	620 sqft	£48.4	This comparable is a ground floor and basement retail unit available on the same street as the subject. The property is currently comprised as a restaurant with kitchen in the basement. While the ground floor retail space is limited to 620 sqft, there is an additional 656 sqft at basement level
Available	200m	276 Seven Sisters Road, London, N4 2DE	Ground floor and basement retail unit	£24,000 (asking)	850 sqft	£28.24	This comparable is a similar sized retail unit on a neighbouring road within the same retail district as the subject. This property is currently operated as a fast food shop. There is the additional benefit of a basement level. This property is also in a slightly tired condition.
01/06/2021	100m	70 Blackstock Road, London N4 2DR	Ground floor retail unit	£35,000	1,345 sqft	£26.02 (Including ancillary space to the rear)	A larger ground floor retail unit in close proximity to the subject property. This comparable was let just over 12 months ago so is slightly historic, however is a useful reference due to its similar location on the same street as the subject. This unit has the benefit of being a corner plot with off street parking. Internally this property is in a tired condition and requires investment.
05/2021	200m	157 Blackstock Road, London N4 2JS	Ground floor retail unit	£18,000	583 sqft	£30.87	A smaller ground floor mid terrace retail unit in close proximity to the subject. This comparable was let in May last year so is slightly historic, however is a



							useful property to reference due to its close location on the same street as the subject.
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19.0 VALUER COMPETENCE AND RESTRICTIONS ON USE

I certify that the property in this report has been inspected by me as an independent external Valuer and that I have no conflict of interest to declare. I confirm that I have the necessary knowledge of the locality and appropriate skills to undertake the Valuation competently.

Please note that this report is for the addressee only and should not be relied upon by any other party. No assignment of client should be made without the express permission of Terracotta Limited.

Signature of Valuer:

CHARLIE CROCKER, MRICS MSc

Counter Signature:

TOM DOWMAN, MRICS BSc

**For and on behalf
of:**

Terracotta Limited

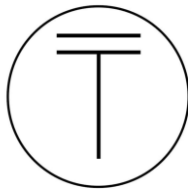
9K Vanguard Court
36-38 Peckham Road
London,
SE5 8QT

Telephone No.

020 7167 3352

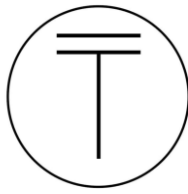
Date of Report

17th February 2023

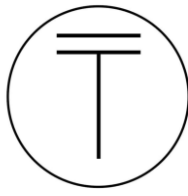


Unless otherwise agreed per instruction prior to valuation in writing and /or unless otherwise stated in the report our general assumptions will be as follows:

- 1 Valuation Basis : The following definitions of Basis of Value will be used. They are derived from the RICS Valuation - Global Standards, which incorporate the International Valuation Standards (IVS), effective 31st July 2022 and where applicable the Relevant RICS national and jurisdictional supplement.
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.
Statutory definition of Market Value (capital gains tax, inheritance tax and stamp duty land tax):
Summary definition derived from legislation: 'The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price shall not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time.' (Source: section 272 Taxation and Chargeable Gains Act 1992. Section 160 Inheritance Tax Act 1984, Section 118 Finance Act 2003).
Market Rent:
The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
- 2 Inspection : The visual inspection of the property includes as much of the exterior and interior as is readily accessible without undue difficulty or risk to personal safety. It includes all of the property that is visible when standing at ground level within the boundaries of the site and adjacent public or communal areas, and when standing at the various floor levels.
- 3 Measurement : We will report the areas appropriately for valuation purposes and this should not be relied upon for any other purposes.
If we are unable to access an area and cannot measure it, we will state this in the report.
All dimensions and areas given will be approximate and will be within 5% tolerance either way. The irregularity of the floor plate may increase this tolerance rate.
- 4 Title/Tenure : Unless agreed otherwise, we will not obtain a copy of the Title Deed/Plan from The Land Registry. If we are provided the Title Deeds by the client and/or their representative we will rely on the information supplied as being correct and complete and we will not take responsibility for the legal interpretation of it.
In the absence of the information to the contrary, we will assume that the documents are in a marketable form without any onerous restrictions, covenants or other encumbrances.
- 5 Leases and Ground Rent : We will give you the lease commencement date and/or unexpired lease term and ground rent for indicative purposes only. We will rely on the information provided to us as being correct and we will not take responsibility for the legal interpretation of it. We advise you to get a Solicitor's Report to confirm the exact commencement date and duration of the Lease.
- 6 Maintenance Charge: We will provide an estimated maintenance charge but would advise that the last three years' audited accounts are obtained to verify the total charge.
- 7 Roads : We will not check if the developer's obligations to complete roads, pathways and other works specified in the Planning and Building Regulation procedures are safeguarded in the Contract. In the absence of information to the contrary, we will assume that all statutory obligations are met.
We will assume that roads and sewers serving the property have been adopted and that the property has all necessary rights of access over common estate roads, paths, corridors and stairways and to use common parking areas, loading areas and other facilities.
- 8 Tenancies : We will assume vacant possession. We will assume that any occupational leases are on full repairing and insuring terms, with no unusually onerous provisions or covenants that would affect value.



- 9 Planning and Statutory Regulations : Unless specifically instructed in writing to make formal searches with local planning authorities, we shall rely in the provision of our Services on the information provided informally by the local planning authority or its officers. We recommend that your Solicitor be instructed to confirm the planning position relating to the property and review our comments on planning in the light of their findings.
- We will shall assume that the property and any existing buildings comply with all planning and building regulations existing uses have the benefit of appropriate planning consent or other statutory authorisation, and that no adverse planning conditions or restrictions apply for the current use.
- 10 Contamination and hazardous or deleterious materials : We will not arrange for any investigation to be carried out to determine whether or not any deleterious or hazardous material has been used in the construction of this property or has since been incorporated and we are therefore unable to report that the property is free from risk in this respect. For the purpose of this Report we will assumed that such investigation would not disclose the presence of any such material in any adverse conditions.
- However, should it be established subsequently that contamination, seepage or pollution exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the values now reported.
- 11 Environmental : We are not aware of the existence of or content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination. In undertaking our work, we have been instructed to assume that no contaminative or potentially contaminative uses have ever been carried out in the property. We will not carry out any investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the subject property from these uses or sites and have therefore assumed that none exists.
- Where there is high voltage electrical supply equipment close to the property the following should be noted:- The possible effects of electromagnetic fields have been the subject of media coverage, but the National Radiological Protection Board (NRPB), an independent body with responsibility for advising on electromagnetic fields, has concluded that, 'there is no clear evidence of adverse health effects at the levels of electromagnetic fields to which people are normally exposed'. Public perception may, however, affect marketability and future value of the property. If required, technical information can be obtained from the NRPB or the local electricity company.
- 12 Condition of the Building : We will not carry out a building survey nor will we inspect those parts of the property which are covered, unexposed or inaccessible and such parts have been assumed to be in a good repair and condition.
- We cannot express an opinion about nor advise upon the condition of uninspected parts and the Report should not be taken as making an implied representation or statement about such parts.
- In the absence of information to the contrary, the valuation will be on the basis that the property is free from defect. However, the value will reflect the apparent general state of repair of the property noted during inspection, but we do not give any warranty as to the condition of the structure, foundations, soil and services. Our report should not be taken or interpreted as giving any opinion or warranty as to the structural condition or state of repair of the property, nor should such an opinion be implied.
- We will assume that all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual effect on building costs, property values or viability of any development or existing buildings.
- If we give the age and/or construction year of a building in our report, this will be an estimate and for guidance only.
- 13 Services : We will assume that all the building services (such as lifts, electrical, gas, plumbing, heating, drainage and air conditioning installations and security systems) and property services (such as incoming mains, waste, drains, utility supplies, etc.) are in good working order without any defect.
- We will also assume that any building, the building services and the property services comply with all applicable current regulations (including fire and health and safety regulations).
- 14 Building Insurance : We will assume that appropriate insurance cover is, and will continue to be, available on commercially acceptable terms for any building incorporating types of construction or materials which may pose an increased fire or health and safety risk, or where there may be an increased risk of terrorism, flooding, earthquake or a rising water table.



- 15 Indication of Reinstatement Cost : If we are asked to provide an indication of reinstatement cost, we will provide this indication, which will be based on costs obtained from generic building cost tables without warranty. You should not rely on our informal assessment as the basis for insurance cover. This approach may not be suitable for Listed Buildings, for which you should obtain specialist advice.
- Formal estimates for insurance purposes can only be given by a building surveyor or other person with sufficient current experience of replacement costs. The property will not be inspected by a building surveyor or qualified building cost estimator.
- 16 New Build : We will assume that in the case of a newly constructed property, it has been built under the NHBC Buildmark Scheme or equivalent.
- 17 CGT Valuations : Assumptions set out in the RICS UKGN 3 Standards, describe a number of case law precedents which are relevant to the valuation;
- i. The vendor and purchaser are hypothetical, prudent and willing parties to the transaction.
 - ii. All preliminary arrangements necessary for the sale have been made prior to the valuation date.
 - iii. The property is to be offered for sale on the open market by whichever method will achieve the best price.
- The valuation should reflect the bid of any special purchaser in the market provided that purchaser is willing and able to purchase.

Schedule of Photos

58 Blackstock Road, London N4 2DW



Photo 1



Photo 2



Photo 3

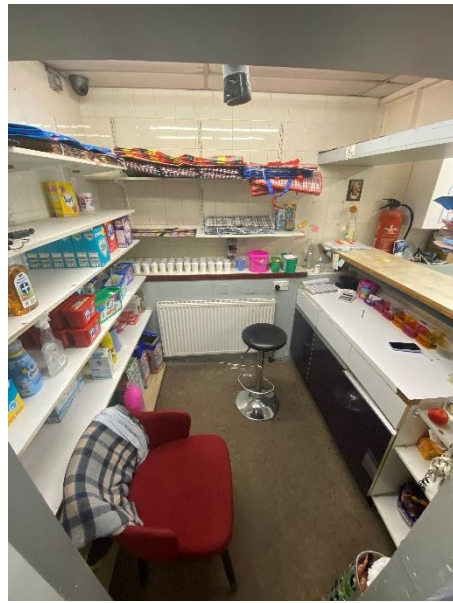


Photo 4

Schedule of Photos

58 Blackstock Road, London N4 2DW



Photo 5



Photo 6



Photo 7



Photo 8

Schedule of Photos

58 Blackstock Road, London N4 2DW



Photo 8

Location Map

