



Valuation Report

LAND AT STAUNTON LANE, WHITCHURCH, BRISTOL, BS14 0QF

31 MARCH 2016

Prepared For

Bath & North East Somerset Council
and the Whitchurch British Legion Club

Prepared By

Colliers International Specialist and Consulting UK LLP



31 March 2016

Bath & North East Somerset Council ('the Council') and the Whitchurch British Legion Club ('the Club')
c/o Property & Property Delivery
Bath & North East Somerset Council
Lewis House
Manvers Street
Bath
BA1 1JG

FAO : Ms C Smallwood BSc MRICS

Dear Sirs

LAND AT STAUNTON LANE, WHITCHURCH, BRISTOL, BS14 0QF (‘the Property’)

INTRODUCTION

In accordance with our scoping email of 13 January 2016 and your instructions, copies of which are attached to this report as **Appendix 1**, we have pleasure in presenting our report containing our opinion of the Market Value of the Property on the basis of freehold vacant possession and in accordance with the Compensation Code as at the date of this report, together with salient comments and opinions.

The background is that the Council wish to acquire the Property from the Club in order to extend the grounds of, and construct new buildings within, their adjoining school to the west. This valuation, on which both addressees may potentially rely, is in support of the possible sale and purchase. It follows that our role is akin to that of Independent Expert and our opinion provided is intended to be an independent and objective view of the Market Value and other compensation entitlements as requested by the parties and on the basis of the best practice contained in the RICS Valuation – Professional Standards (Incorporating the International Valuation Standards) January 2014 (the Red Book).

We are pleased to report as follows.

STATUS OF VALUER AND CONFLICTS OF INTEREST

The Property has been valued by Christopher L Dawson MA FRICS who falls within the requirements as to competence as set out in PS 2.3 of the RICS Valuation – Professional Standards (Incorporating the International Valuation Standards) January 2014 prepared by the Royal Institution of Chartered Surveyors and who is a valuer registered in accordance with the RICS Valuer Registration Scheme (VRS).

We confirm that Colliers International complies with the requirements of independence and objectivity under PS 2.4 and that we have no conflict of interest in acting on your behalf in this matter. We confirm that we have undertaken the valuation acting as “external” valuers, qualified for the purposes of this valuation.

In accordance with VPGA 2.3.4 and as set out in our email of 13 January 2016 we are currently acting both for and against the Council on unrelated matters. We also have an unrelated and dormant instruction on behalf of the owner in relation to the site to the east of the Property.

The Property was inspected by Christopher L Dawson MA FRICS on 2 February 2016.

We are pleased to report as follows.

VALUATION

Market Value on the basis of freehold vacant possession and in accordance with the Compensation Code and on the Special Assumption stated below

We are of the opinion that the Market Value of the freehold interest in the Property with vacant possession and in accordance with the Compensation Code as at the date of this report and on the Special Assumption of adequate access and services rights across the Club's land to the south is **£20,000 (Twenty Thousand pounds)**.

Our opinion of value is subject to the General Assumptions and Definitions set out in **Appendix 2**.

BASIS OF VALUE

The value stated in this report represents our objective opinion of **Market Value** in accordance with the definition set out below as at the date of valuation and in accordance with the Compensation Code. The valuation assumes that the Property has been properly marketed and that exchange of contracts took place on this date.

Market Value is defined as follows:

‘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’

No allowance has been made for the costs of realisation, taxation or standard purchaser's cost reflecting the Compensation Code. See under SPECIAL REMARKS.

SPECIAL REMARKS

The Compensation Code is generally taken to mean the law as set out in the Land Compensation Acts 1961 and 1973 and the Compulsory Purchase Act 1965, as amended by subsequent legislation and supplemented by case law. The fundamental principle underlying the 'Compensation Code' is that of 'equivalence', i.e. the owner shall be paid neither less nor more than his loss.

At the heart of the code is section 5 of the Land Compensation Act 1961, in which the 6 rules of compensation are set out. In summary, these are:

- Rule 1: No allowance is to be made on account of the acquisition being compulsory.
- Rule 2: open market value is the amount that a willing seller might achieve.
- Rule 3: it is necessary to ignore special suitability or adaptability for a purpose which only an authority possessing compulsory powers could realise.
- Rule 4: no increase in value is to be taken into account if it is contrary to law.
- Rule 5: premises that are devoted to a purpose for which there is no general market or demand, such as churches, are compensated on the basis of equivalent reinstatement in respect of the purpose.
- Rule 6: the provisions in Rule 2 shall not affect the assessment of compensation for disturbance or any other matter not directly based on the value of the land.

SOURCES OF INFORMATION

We have relied upon the information provided to us, which is identified, together with the source, in the relevant sections of this report.

Unless stated otherwise, we have assumed that the information provided is accurate and that we have been supplied with all the information that has a material effect upon the value of the Property.

Furthermore, we have assumed that any information supplied can, if necessary, be verified. Should any of the information provided be found to be inaccurate or incomplete there could be a variation in value.

We recommend that should any further reports or audits relating, inter alia, to condition, legal or environmental issues become available, then copies should be forwarded to us in order that we may comment upon their impact on value.

LOCATION

The location of the Property is shown on the attached location plan and Ordnance Survey extract forming **Appendix 3** to this report.

It is located in a southern suburb of Bristol in a mainly residential area but adjoining open land to the east.

SITUATION

The situation of the Property is shown on the attached location plans and Ordnance Survey extract forming **Appendix 3** to this report. It is situated at the north end of the long narrow site (being a former railway line) owned by the Club. The only formal access is therefore through the Club curtilage which extends to the south, first through the Club car park accessed from Staunton Lane and then through what is now the grassed over former railway track bed. To the north is the garden of a private house, to the west the Council owned Whitchurch Primary School and to the east an open, part overgrown field.

This context is illustrated by the satellite view attached at **Appendix 3**.

SITE

The Property comprises a broadly level and grassed site which is shown for identification purposes only outlined in red on the attached Ordnance Survey extract (**Appendix 3**). Measured off plan we calculate the area of the site to be 0.36 acres (0.14 hectares).

ACCOMMODATION

There is no accommodation on the Property.

CONDITION

GENERAL COMMENTS

While we did not carry out a building survey or test the services, as this was beyond the scope of our instructions, we formed the opinion that the Property is in generally fair condition although the boundary to the east was effectively open and overgrown. The southern boundary is not marked or fenced on site.

ENVIRONMENTAL MATTERS

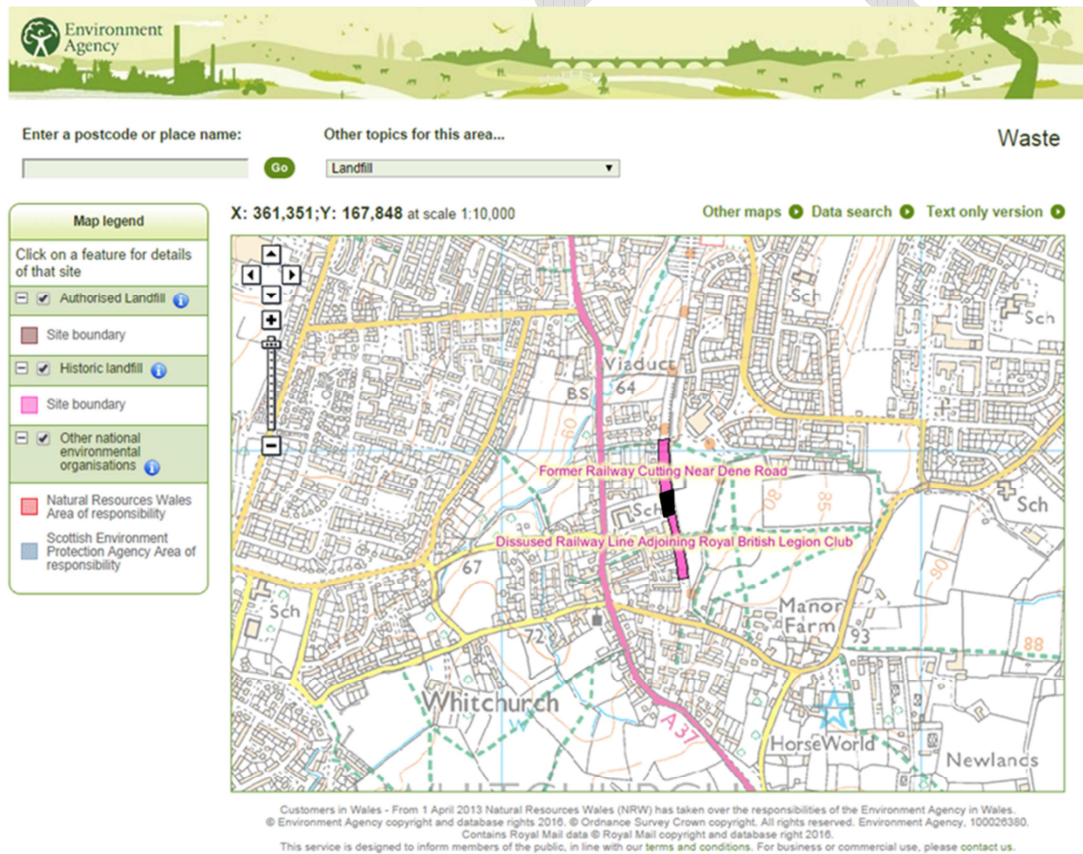
LAND

The Environment Act 1995 contains provisions requiring local authorities to identify contaminated land, together with the power to serve 'remediation notices' specifying remedial action to be carried out. Such notices are to be served on the party that caused or knowingly permitted the contamination, but if this party cannot be traced, they may otherwise be served on the current owner or occupier of the land. Whilst the proposals took effect from 1st April 2000, it would appear that, at the current time, local authorities primarily concentrate on sites where contamination is on-going.

The Environment Agency 'What's in your Backyard' interactive map indicates that the Property comprises landfill and falls within the area identified as 'Disused Railway Line Adjoining Royal British Legion Club' and as such is recorded as containing inert, industrial, household and special waste. The former railway line cutting immediately to the north of the Property is indicated as 'Former Railway Cutting Near Dene Road' and recorded as containing inert waste.

The Environment Agency map is reproduced below with the Property marked in solid black. The associated historic land fill records are attached at **Appendix 4**.

Railway land is included in the Environment Agency profiles of industrial sectors deemed to be of high environmental sensitivity. Likewise landfill sites (past and present) are listed among other uses that should be taken into consideration within 'Contamination, the Environment and Sustainability: Implications for Chartered Surveyors and Their Clients, Third Edition' published by the RICS.



We understand that the Council will be undertaking intrusive contamination investigations and, given the Property's potentially contaminative historic use, it is not possible to comment on how this might affect value. Our valuation is therefore on the assumption of no material contamination and/or any that may exist is of no consequence for the low grade uses from which the purchaser market is likely to be drawn. Should new and better information be obtained regarding this matter we should be provided with such information in order to review our valuation.

FLOODING

We have checked the Environment Agency's website regarding the risk of flooding from rivers or seas in this area and understand that it is classified as follows:

"Flood Zone 1 - land assessed as having a less than 1 in 1,000 annual probability of river or sea flooding (<0.1%)"

While this is the lowest risk category within the flood map, it is important to note that flooding can occur at any time and in any place from sources such as surface water run-off, rising ground water levels, burst mains, drainage and sewer overflows.

There is an established property market in this location and, on balance we have formed the view that prospective purchasers and occupiers would regard the potential threat of flooding as a commercial risk; one with which other occupiers in the area appear comfortable.

However, we are unable to warrant to this effect and in the unlikely event of a major flood, we consider that this would be likely to affect the Property's lettable and saleability in the short/medium term.

Furthermore, in arriving at our valuation we have assumed that the Property is capable of being insured by reputable insurers at reasonable market rates. If, for any reason, insurance would be difficult to obtain or would be subject to an abnormally high premium, it may have an effect on value.

INVASIVE PLANTS

We have not been made aware of the presence of any invasive plants that might pose a threat to the subject Property or to human health (such as Japanese knotweed or Giant Hogweed) and based upon our inspection of the Property we did not note any such plants to be present on the subject site or nearby. Nevertheless we should stress that we are not experts in such matters and can provide no warranties to this effect. In the event that such plants are subsequently identified as having an adverse impact upon the Property's value, then we reserve the right to amend our valuation(s) accordingly.

ASBESTOS

Whilst we are not aware of the existence of either asbestos at the Property or an Asbestos Management Plan (in accordance with the Control of Asbestos Regulations (CAR) 2006), we have assumed that steps have been taken to comply with the regulations.

Confirmation should be sought from the conveyancer or acting solicitors that an asbestos inspection report has been obtained and that any required management plan has been implemented.

STATUTORY ENQUIRIES

PLANNING

We have made online enquiries to the Planning Department of Bath and North East Somerset Council the Property does not lie within a Conservation Area. It is within Green Belt.

Whitchurch falls within the area covered by the Bath & North East Somerset Core Strategy which was adopted on 10th July 2014 and the Saved policies from Bath & North East Somerset Local Plan 2007. The saved policies from the Local Plan will eventually be replaced by the Bath & North East Somerset Placemaking Plan which is currently under consultation.

We understand that there have not been any planning applications or decisions relating to the Property over the last 20 years.

A planning application for housing development on fields a short distance to the east was refused planning permission on appeal. We also note that the emerging Bath & North East Somerset Placemaking Plan proposes to maintain the Property's existing Green Belt designation and additionally identifies the Property as part of the area's 'green infrastructure' and 'important to ecological networks'. As a result we consider that, on planning policy grounds alone, the Property has negligible potential for development in the short to medium term.

In a public planning context the Property is not physically affected by any public authority proposals for compulsory purchase, redevelopment or road improvements. However, it will be clear from the background within the INTRODUCTION section to this report that an acquisition by the Council, with or without Compulsory Purchase powers, is a possibility.

HIGHWAYS

The Property has no direct access from Staunton Lane and access is only realistically available through the Club's adjoining land to the south.

TAXATION

Whilst we have had regard to the general effects of taxation on market value, we have not taken into account any liability for tax (other than Stamp Duty Land Tax in respect of investment properties) which may arise on a disposal, whether actual or notional, and neither have we made any deduction for Capital Gains Tax (CGT), Valued Added Tax (VAT) or any other tax.

We are unaware if an election to charge VAT on the subject Property has been made, although we consider that this is unlikely to have a material impact upon the Property's marketability or value in this instance.

TENURE

While we have not been provided with any Report on Title, we understand that the Property is held freehold, free from rent charges or any other outgoing and that there are no unusual, onerous or restrictive covenants in the title, which are likely to affect the value.

We would recommend that if a Report on Title is available a copy of this is provided to us so that we may comment upon its content from a valuation perspective.

MARKET COMMENTARY

There is a local market in small pieces of suburban land “with potential” for generally domestic related uses from neighbours, as extensions to nearby property curtilages or merely as an “asset of whim”, i.e. an “affordable” piece of real estate which might be of beneficial use one day. There is also a strong market for small infill and back garden house building plots. Typically, these are sold through auction.

In this case, because of the Property’s location and nature, any such demand is likely to be minimal. See also under MARKET VALUE.

‘SWOT’ ANALYSIS

We set out below our analysis of the most important characteristics of the Property:

Principal Valuation Factors	
Strengths	<ul style="list-style-type: none"> • Of premium value to the adjoining BANES’ site (discounted for valuation purposes). • Demand from the Council where otherwise none/little might exist. • Potentially of interest to speculators looking to sale on at a premium in excess of Compensation Code Market Value to the Council.
Weaknesses	<ul style="list-style-type: none"> • Potential contamination. • Long and inconvenient potential access to Staunton Lane. • Limited/negligible market demand. • Sale on the open market would likely mean granting access rights across the Club’s retained site, save in the event of a sale to one of the three adjoining owners.
Opportunities	<ul style="list-style-type: none"> • Special purchaser sale to BANES for whom the acquisition through CPO might be disproportionately costly and time consuming i.e. reflecting the fact that the Council might be prepared to pay in excess of Compensation Code value in order to avoid the risk, delay and cost of acquisition through CPO.
Threats	<ul style="list-style-type: none"> • Open boundary and public liability issues. • No ready market in absence of Council interest.

MARKET VALUE

It is difficult to see the Property being readily saleable in the open market, albeit it might be of interest to adjoining owners by private treaty. Whilst there is a market for small pieces of land in suburban locations as allotment, garden or for small scale animal husbandry, some of which may have the additional advantage of some development potential, it is our opinion that the Property does not fall easily into any of these categories. It is also too small to be considered a worthwhile pony paddock in isolation and access is awkward, some 230 metres from Staunton Lane, approximately half of which is at present unmade, across what would be third party land. On the basis of the evidence contained within PLANNING the Property does not at present have realistic development potential.

To underpin value one is therefore most likely to be reliant upon the possibility of competing interest from the three other adjoining owners and/or from somebody else prepared to “take a view” that “they might do something with it one day” but who would price their bid accordingly.

In terms of the six basic rules of the Compensation Code we comment as follows:

- Rules 1 and 3 – rule out any premium or marriage value which BANES, as owners of the adjoining school site and for which this is the only possible extension site, might otherwise be reasonably expected to pay.
- Rule 2 – implicit in Market Value definition.
- Rules 4 and 5 – prima facie not applicable in this case but see comments re Rule 5 below.
- Rule 6 – it is addressed under Market Value.

For the Property to be sold by the Club to anybody other than one of the three adjoining neighbours it would need to be offered with a suitable access across Club land and possibly, and if required, the ability to provide services, as a minimum water.

Our opinion of Market Value on the basis of Rule 2 assumes this, notwithstanding that grant of third party rights across the Club's retained land would, at the least, be an inconvenience and, at the most, an impediment on what is otherwise assumed to be an unfettered freehold.

On this basis the Market Value adopted is £20,000 reflecting a “base rate” of about £50,000 per acre.

Additional Basic Loss Payment (7.5% Market Value i.e. £1,500) will increase this to circa £21,500.

Under the Compensation Code the vendor would receive their professional costs, including mortgage fee costs as appropriate (Disturbance Items).

We have considered whether Rule 5 might apply but have concluded that, although the general market might be limited, there is not “no general market”. Rule 5 has not therefore been applied.

Finally, and in the interest of fairness given that both parties may rely on this report, the Club in selling the Property may wish to take into account the cost, risk delay and likely inconvenience to the Council of an acquisition through CPO powers. By acquiring the Property the Council will be able to reconfigure the existing school on site and achieve enhanced educational provision without, for example, having to acquire an alternative site. The reality is also that the Property's cost to the Council is likely to be relatively small compared with other costs they are likely to incur in improving/extending the primary school. Further, the Market Value is a relatively small absolute sum.

The Council might therefore be expected to pay more than Compensation Code Market Value in order to acquire the property now by negotiation with minimum "fuss".

MARKET VALUE ASSUMING FULL VACANT POSSESSION

In arriving at our opinion of value we have had regard to the following market information together with anecdotal evidence gained during the course of our recent market enquiries of various local agents. Directly comparable evidence is in fact limited with the result that the "comparables" are of limited assistance but do provide a value tone for better configured, located or sized sites, all generally having greater potential for beneficial use. They also show an unhelpfully large spread of values on a rate per acre basis.

Date	Site	Area (acres)	Price	Rate Per Acre	Comments
24/02/2016	1. 97 North St, Oldland Common, Bristol, BS30 8TP	0.09	£205,000	£ 2,277,778	Sold without planning, railway embankment with potential for circa 2 dwellings. Direct road frontage
24/09/2015	2. Land to the Side of 18 Rodfords Mead, Whitchurch, BS14 9UD	0.01	£8,000	£800,000	Small former garage parcel. Tarmac parking area / 3 bays in residential area with direct road access
15/04/2015	3. Land R/o Cornhill Drive, Bristol, BS14 9SA	0.35	£60,000	£171,429	10 Vacant Lock ups in poor condition with access off rear private drive between houses in residential area. Sold unconditionally without planning consent.
24/02/2016	4. Land at Tickmorend Horsley, Stroud, Gloucestershire, GL6 0PB	0.31	£41,500	£133,871	Rural Site in Gloucestershire some distance from Bristol. Suitable for 'amenity, smallholder or recreational buyer'. Road frontage. No development potential
19/05/2015	5. Land at the rear of 67 Old Fosse Road, Bath BA2 2SP	0.36	£42,000	£116,667	Located on south west edge of Bath close residential area. Effectively backland amenity

					land. Subject to overage (35% uplift over 20 years), Greenbelt
24/11/2015	6. Woodland at Hursley Hill, Whitchurch, nr. Bristol BS14 OQY	0.91	£20,500	£22,527	Thin strip of woodland next to A37 c. 1 ½ miles south of Whitchurch. Green Belt
28/07/2015	7. Investment land at Hutton Hill, Hutton, North Som.	2.54	£35,000	£13,779	Useful paddocks / equestrian use in a large village near Weston-super-Mare. Road frontage. Adjoins settlement boundary so some development potential. Subject to overage (50% uplift over 21 years)

The price paid at Oldland Common (Site 1) is likely based on a per plot approach for a site with strong short term development potential. In our opinion the value of the very small Site 2 (Whitchurch) reflects its immediate potential for parking, as a garage site or garden extension, possibly to facilitate the extension of one of the adjoining houses.

Neither Site is therefore a helpful comparable.

Site 7 (Hutton) and Site 4 (Tickmorend) are too rural to be of assistance.

Site 3, given that it is the site of existing garages in a residential area with access and with greater general potential, is likely to be worth significantly more per acre than the Property. Conversely, Site 6, effectively a small strip of rural woodland, could be expected to achieve less per acre than the Property. Site 5 is helpful but, given its location, is likely to have been of appeal to a wider purchaser market.

In the light of these comments we have applied the following adjustments:

Site	Transacted Rate Per Acre	Adjustment	Adjusted Rate Per Acre
Site 3	£171,000	X 25%	£43,000
Site 5	£117,000	X 50%	£50,000
Site 6	£22,500	X 150%	£34,000
			Average say £42,000

At a lot size of 0.36 acres a rate of £42,000 per acre equates to a price of £15,000 for the Property.

In terms of the general market, and without interest from any of the three adjoining owners, we feel that this might be an ambitious Market Value.

However, as we identify in the previous section, there is, in our opinion, likely to be a value to the Council in excess of Market Value and whilst the Compensation Code requires this to be disregarded it is feasible, in these circumstances, that Market Value might be enhanced by a speculator purchaser; i.e. a buyer effectively looking to “make a turn” on a speculative purchase by “doing a deal” with the Council which exploits their likely disinclination to go through the CPO acquisition process. Alternatively, the Club, professionally advised, could be expected to exploit the unique opportunity which the Property represents to the Council.

In the light of that we have adopted a base rate of £50,000 per acre, at the top of the adjusted comparable value spread per acre. This equates to a Market Value of £18,000 for the Property, rounded to £20,000.

Potential for Alternative Use

We have disregarded development related alternative use potential because we do not believe the Property to have any meaningful, save that as a school extension which is a specific disregard under the Compensation Code (Rule 3, Special Suitability). See our comments in the previous section about this.

LIABILITY AND PUBLICATION

This report is issued for your own use, and that of your professional advisers, for the specific purpose to which it refers. We do not accept responsibility to any third party for the whole or any part of its contents.

Neither the whole nor any part of this valuation, or any reference thereto, may be included in any published document, circular or statement or disclosed in any way without our previous written consent to the form and context in which it may appear.

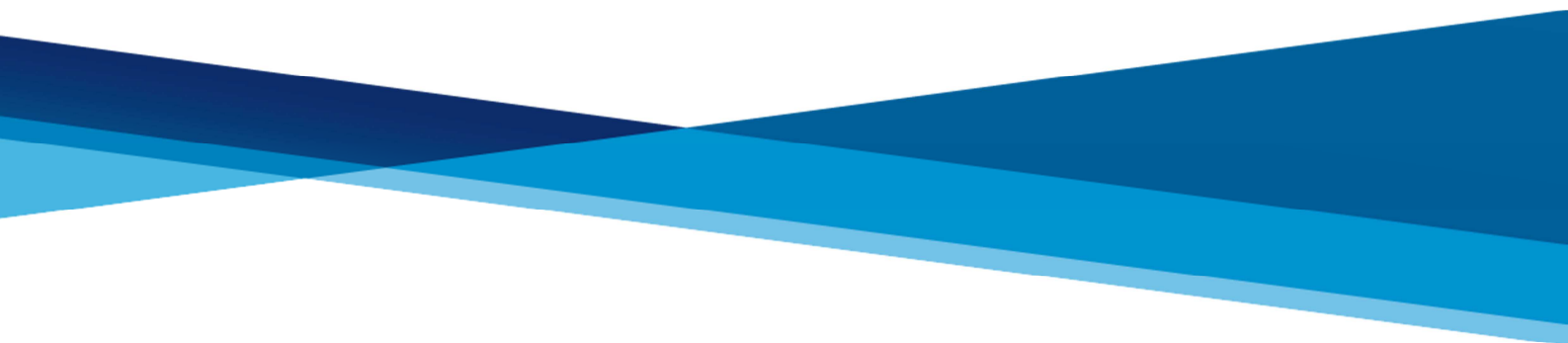
For the avoidance of doubt, this report is provided by Colliers International Specialist and Consulting UK LLP and no partner, member or employee assumes any personal responsibility for it nor shall owe a duty of care in respect of it.

Yours faithfully,

Christopher L Dawson MA FRICS
Director
RICS Registered Valuer
For Colliers International Specialist and Consulting UK LLP

J Jones BSc (Hons) FRICS
Director
RICS Registered Valuer
For Colliers International Valuation UK LLP

APPENDIX 1:
APPOINTMENT
CORRESPONDENCE



7th January 2016

Mr Chris Dawson
Broad Quay House
Broad Quay
Bristol
BS1 4DJ

Our ref:

Your

ref:

Phone:

01225 477248

E-mail:

carolyn_smallwood@bathnes.gov.uk

christopher.dawson@colliers.com

Dear Mr Dawson,

VALUATION OF LAND IN STAUNTON LANE, WHITCHURCH, BRISTOL, BS14 0QF

Bath & North East Somerset Council and the Whitchurch British Legion Club wish to invite you to submit a fee bid for the valuation advice described in the attached brief. If interested, could you please submit the fee bid in writing via email. The time limit for the receipt of fee bids (taking into account factors such as the complexity of the subject matter of the contract and the time needed to submit the fee bid) is 5.00pm on Friday 15th January 2015;

The fee bids will be assessed in accordance with:

1. speed of available response, (including, without limitation, capacity to meet required deadlines and, where relevant, geographical location);
2. quality (including expertise, and proposed methods of undertaking the work);
3. Cost.

The attached brief sets out the requirements of the Council, together with some background information. Should you have any queries, please do not hesitate to contact me.

Yours sincerely

Carolyn Smallwood BSc MRICS
Estates Surveyor

Service Requirement Brief

Due to an expected increase in pupil numbers in the area of Whitchurch, there is a requirement for Whitchurch Primary School to expand. This will involve building a new classroom block on part of the existing playground and extending the playground onto land owned and occupied by the Whitchurch Royal British Legion Club.

Bath and North East Somerset Council and the Whitchurch Royal British Legion Club would jointly like to instruct you to produce an independent valuation for the land required for the school extension. We require an open market freehold valuation with vacant possession and in accordance with the compensation code. In other words, it should be equivalent to the compensation which would be payable had the land been compulsorily acquired, reflecting any development value.

To assist a copy of the following documents are attached.

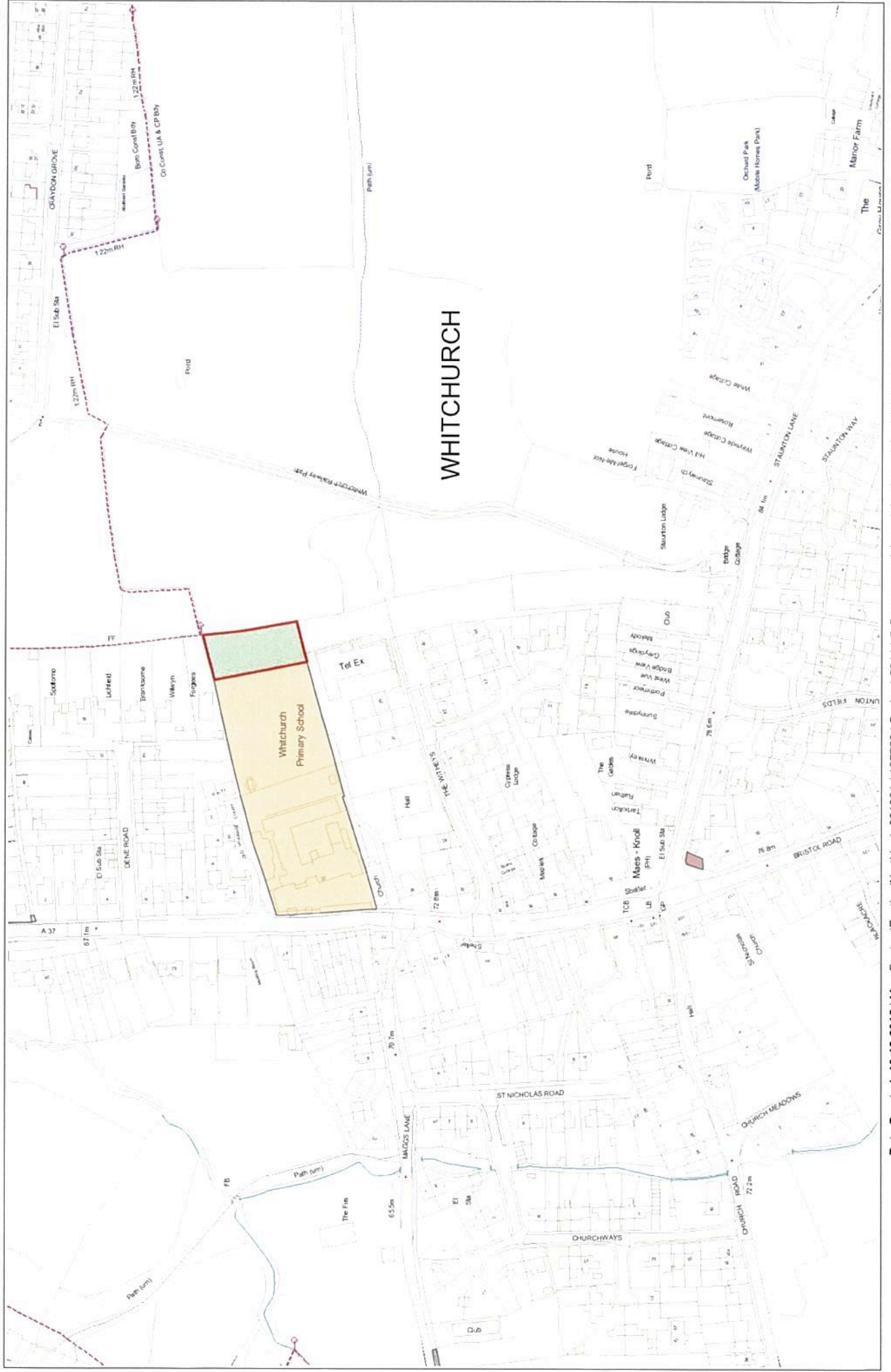
1. A plan showing Whitchurch Primary School and the land required highlighted green. This measures approximately 0.135 hectares.
2. A plan showing the proposed extension for Whitchurch Primary School
3. Two land registry plans for identification purposes only dated March and September 2015, showing the registered title numbers for each parcel of land.

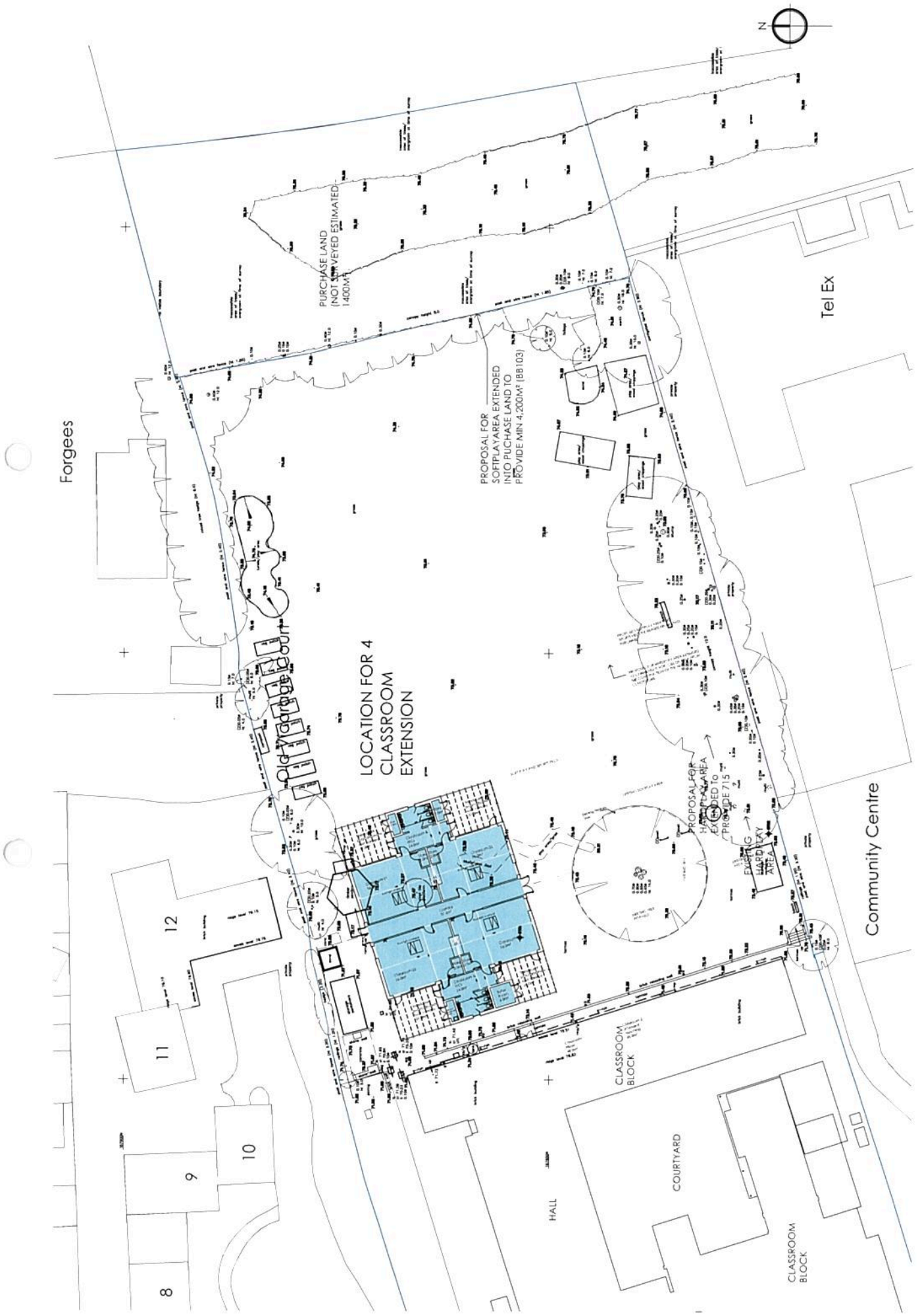
Background information

The land with the provisional title number ST322581, was a former railway line. Following the closure of the line it was offered for sale to the Whitchurch Royal British Legion Club and bought by the club in March 1981. The land has only recently been registered with the land registry hence the provisional title number. It is currently used as a car park and for club events. It is part of this title the Council wishes to purchase.

For information, the land with the title number ST285819 is owned by the Royal British Legion Charity as opposed to the Whitchurch Royal British Legion Club which is a separate legal entity. The club leases part of the clubhouse from the charity. The current access to the car park runs partly over this land.

END OF BRIEF





Forgees

PURCHASE LAND
(NOT SURVEYED ESTIMATED -
1400M²)

PROPOSAL FOR
SOFTPLAY AREA EXTENDED
INTO PURCHASE LAND TO
PROVIDE MIN 4,200M² (BB103)

LOCATION FOR 4
CLASSROOM
EXTENSION

PROPOSAL FOR
HARDPLAY AREA
EXTENDED TO
PROVIDE 715 M²

EXISTING
HARDPLAY
AREA

Tel Ex

Community Centre

12

11

9

10

8

HALL

CLASSROOM
BLOCK

COURTYARD

CLASSROOM
BLOCK





Map scale 1:2500

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Data last updated 10:00pm 20 MARCH, 2015



13 January 2016

Ms C Smallwood
Bath & North East Somerset Council
Lewis House
Manvers Street
Bath
BA1 1JG

Dear Ms Smallwood

VALUATION OF LAND IN STAUNTON LANE, WHITCHURCH, BRISTOL, BS14 0QF

Thank you for your letter of 7 January 2016 and background documents. I am pleased to respond as follows.

1. Scope of Work / Proposed Methods of Undertaking the Work

1.1 As set out in your Service Requirement Brief. In the light of this our proposal allows for:

- Inception telephone conversation
- Confirmation of instructions through standard terms of valuation engagement
- Site visit
- Consideration of development potential in so far as relevant to value
- Preparation of draft valuation
- One follow up / discussion meeting with you
- Issue of final valuation report on completion of any negotiations (not allowed for)

1.2 The reason for suggesting a two stage valuation approach is because the freeholder, as a charity, will likely need their own Charity Act compliant disposition report and, clearly, if there is to be a voluntary deal the buyer's and seller's opinions as to value need to align within reasonable valuation parameters.

1.3 The draft report would therefore be the baseline for any negotiation with the final report being issued on agreement of the terms. This seems a practical way of proceeding.

2. Timescale

- 2.1 Draft report to be issued within two weeks of receipt of instructions (assumes adequate access, availability of any supplementary material etc.). Final report to be issued within one week of confirmation of terms.

3. Geographical Location

- 3.1 N/A. We are Bristol based and the site is therefore convenient to our office for the purposes of this instruction.

4. Quality

- 4.1 A list of our certifications and accreditations are attached at Appendix 1.
- 4.2 All valuations are counter signed within this office and subject to a national valuation risk assessment process which means that they are quality controlled by a qualified surveyor outside of this office.
- 4.3 I would handle the instruction with input from Bristol based Valuation and Planning teams as necessary. I will be assisted by Andrew Frost, second year graduate surveyor.
- 4.4 I am an experienced chartered surveyor, a Registered Valuer and involved, as Head of Development Consulting and Agency in Bristol, in 'development' site values. You will also be aware that I have many years' experience on school site matters including acquisitions and disposals. I run the Bristol based Colliers International team which acted for BANES on many of the Bath Transport Package CPO matters.
- 4.5 My CV is attached at Appendix 2.

5. Cost

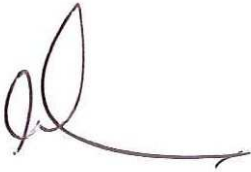
- 5.1 Our fee for undertaking the work scoped in Section 1 is £2,700 including 'normal' expenses. VAT is chargeable in addition. The instruction will be subject to our Standard Terms of Business attached at Appendix 3.

6. Other

- 6.1 You will be aware that Colliers International are acting for BANES on two site disposals and 'against' you on a number of outstanding Church of England school site transfers. At the date of writing it is likely that we will be instructed to act on behalf of Addington Capital in respect of their interest in Riverside, Keynsham where we understand the Council are repented by BNP Paribas.

- 6.2 I have explained that we have a dormant instruction on behalf of the owner in relation to the site to the east of the plot you hope to acquire.
- 6.3 We do not consider that any of these involvements constitute a conflict of interest.
- 6.4 I trust we have provided the information required but if you require any clarification please let me know.

Regards

A handwritten signature in black ink, appearing to be "C. Dawson", with a long horizontal flourish extending to the right.

Christopher L Dawson MA FRICS
Director
RICS Registered Valuer

APPENDIX 1

CERTIFICATIONS & ACCREDITATIONS



CERTIFICATIONS AND ACCREDITATIONS

We have strong ethics and robust governance – certifications and accreditations include:



ISO 9001:2008: This internationally recognised business management standard demonstrates a commitment to robust business management principles and continuous improvement through the application of best practice. Det Norske Veritas: BS-EN-ISO9001:2008 Certificate No: 54069-2009-AQ-GBR-UKAS. Valid to 30 May 2018.



ISO 14001: Environmental management standard. First certified in 2004. BS-EN-14001:2004 Certificate No: 39153-2008-AE-GBR-UKAS. Valid 16 December 2017.

OHSAS 18001: Occupational Health and Safety Management System. First certified in 2007. Certificate No: 42592-2008-AHSO-GBR-UKAS – valid to 20 November 2016.



Royal Institution of Chartered Surveyors: A global body engaged in qualifying and setting standards for members working in construction, land, property and on related environmental issues. We are a RICS Regulated Firm: Certificate No: 722886.



CHAS: The Contractors Health & Safety Assessment Scheme. CHAS is established as the market leader for health and safety pre-qualification in the UK.



UK Green Building Council: As part of our commitment to sustainability, Colliers International is a founding member of UK-GBC. Colliers International is proud to be a founding sponsor of the World Green Building Council which is the largest international organisation influencing the green building marketplace.



10:10 Campaign: Colliers International is a founding partner of 10:10, an organisation with the objective to reduce carbon emissions by 10%.



Investors In People: A framework to help companies improve performance and realise their objectives by effectively managing and developing their people. First accredited in 2008.



IAOP Global Outsourcing 100: World's Best Outsourcing Advisors 2006-2014. Colliers International Ranks Number 5 Among IAOP's 2014 Top 100 Global Outsourcing Companies.



APPENDIX 2

CV



Christopher Dawson

DIRECTOR



christopher.dawson@colliers.com

EDUCATION AND QUALIFICATIONS

FRICS
MA

AFFILIATIONS AND MEMBERSHIPS

Cambridge University Land Society

CONTACT DETAILS

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Bristol
BS1 6FL

www.colliers.com

AREA OF EXPERTISE

Chris has a wide range of commercial and development experience drawing on over 25 years working in the south west with a multidisciplinary national practice and then Colliers International. His advice is therefore grounded in practical market experience over a broad range of property types and consultancy. He can therefore draw on an extensive knowledge base to the benefit of clients and their instructions.

PROFESSIONAL ACCOMPLISHMENTS

- Led the Colliers International team which acted on behalf of Bath & North East Somerset Council to provide compulsory purchase support and property acquisition services for the Bath Transport Package. Included Public Inquiry proof and Lands Tribunal Expert Witness Report writing and operating in a delicate public relations environment.
- Site and building sales – these range geographically, by size and by means of disposal. For example, the sale of a 15 acre brownfield site near Bristol and, subject to detailed planning, of a consented 13 acre residential development site in Swindon. Currently advising Bristol City Council on the sale of an allocated 7 acre exemplar green residential site. Sales invariably involve transactional refinements such as overage, JV and correctly defining subject to planning conditionality.

Successfully secured a development partner to work alongside a landowning community body in Whitchurch, Bristol to facilitate delivery of a new community facility and affordable housing. This involved a complex set of interrelated legal, Section 106 and construction agreements. Prior to his involvement the project had stalled

- Viability – both as part of site sales and to support specific client aims e.g. maximum affordable provision on application site for Local Authorities, informing conversion scheme design and to help appraise the options for securing beneficial reuse of derelict historic buildings.
- Market advice for developers, local authorities and planning applicants – for example in support of non-policy compliant planning applications and advising on potential developments.

BUSINESS AND EDUCATIONAL BACKGROUND

Chris has a Masters Degree from Cambridge University. Having worked for British Rail as an Operations Manager and then for a multidisciplinary national practice he joined Colliers International in 2008. Chris leads the Bristol Development Consulting & Agency team providing property 'problem solving' advice, development consultancy agency and similar work across the south west. His client base includes the Public Sector, institutions, developers, community groups and private individuals.

COMMUNITY INVOLVEMENT

Chris was a member of the RICS General Practice Regional Committee for the Bristol area. He is a member of the Parochial Church Council of St Mary's Charlcombe, Bath and a former Membership Secretary of Bath Youth Rugby. He is a member of the Cycle Touring Club, Bath Cycling Club and supporter of SUSTRANS.





APPENDIX 3

STANDARD TERMS OF BUSINESS

STANDARD TERMS OF BUSINESS



These are the terms upon which Colliers International Property Advisers UK LLP (registered no OC385143) and/or Colliers International Building Consultancy UK LLP (registered no OC392372) and/or Colliers International Business Space UK LLP (registered no OC391631) and/or Colliers International Capital Markets UK LLP (registered no OC392075) and/or Colliers International Central London UK LLP (registered no OC391630) and/or Colliers International Healthcare UK LLP (registered no OC392375) and/or Colliers International Rating UK LLP (registered no OC391634) and/or Colliers International Retail UK LLP (registered no OC334835) and/or Colliers International Specialist and Consulting UK LLP (registered no OC392407) and/or Colliers International Valuation UK LLP (registered no OC391629) and/or Colliers International Property Consultants Ltd (registered no 7996509), in each case trading as Colliers International, agree to act for you. The entity with which you have engaged will be noted on our letterheads, email footers and invoices that are sent to you. If you are at all unsure as to with which entity you have engaged, please contact us and we will confirm the same. Our agreement takes effect from the date we agree to accept your instructions but these terms will apply from the date we provide you with a copy of them.

1.0 DEFINITIONS AND INTERPRETATIONS

1.1 Terms means the terms of business set out in this document and include any other terms and conditions set out or referred to in our Instruction Letter. These Terms apply to all services that you instruct us to provide and cannot be varied or amended except in writing and signed by you and us.

1.2 Client (referred to throughout as 'you') means the person, company, firm or other legal entity named in our Instruction Letter. We will not accept instructions to act for any other legal entity nor will these Terms apply unless we have agreed in writing to act for that alternative entity. We reserve the right to refuse to act for such an alternative entity until (if at all) we have undertaken due diligence to fulfil our internal credit, money laundering and risk obligations. In the event that we are instructed to act for a single purpose corporate vehicle we reserve the right to require and be provided with a parent company or other guarantee for our fees before accepting instructions to act. In the case of the sale of a Property by a corporate client in which the shares in such client are the assets transferring we will require the shareholders of such corporate client to guarantee its obligations to us.

1.3 Colliers Entity means any entity owned or controlled by Colliers International Property Advisers UK LLP or by any of its members, or owned or controlled by any other Colliers Entity.

1.4 Colliers International (referred to throughout as "Colliers" "we" or "us") is the trading name of Colliers International Property Advisers UK LLP, Colliers International Building Consultancy UK LLP, Colliers International Business Space UK LLP, Colliers International Capital Markets UK LLP, Colliers International Central London UK LLP, Colliers International Healthcare UK LLP, Colliers International Rating UK LLP, Colliers International Retail UK LLP, Colliers International Specialist and Consulting UK LLP, Colliers International Valuation UK LLP and Colliers International Property Consultants Ltd.

1.5 Confidential Information means information that is by its nature confidential and/or is designated by us to be confidential.

1.6 Instruction Letter means the letter of instruction, proposal or tender which is sent to you with these Terms. In the event that there is any conflict between the terms set out in this document and the terms set out in the Instruction Letter the terms in the Instruction Letter shall take precedence.

1.7 The Property means the assets (including shares in a company) which are the subject of our instructions and all other assets in which an interest is acquired by a purchaser including contents fixtures and fittings and any business carried on at the Property.

1.8 Purchaser includes a tenant or licensee.

1.9 Seller includes a landlord or licensor.

1.9 Services means the specific services set out in the Instruction Letter and any other services which we agree in writing to provide.

1.10 Sole Selling Rights – Unless specified to the contrary in the Instruction Letter by instructing us to dispose of and/or acquire (as applicable) the Property you grant us Sole Selling Rights which means that you will be liable to pay remuneration to us, in addition to any other costs or charges agreed, if:

- (a) unconditional contracts for the sale and/or lease (as applicable) of the Property are exchanged in the period during which we have Sole Selling Rights even if the purchaser and/or seller (as applicable) was not found by us but by another agent or by any other person, including you; and
- (b) if unconditional contracts for the sale and/or lease (as applicable) of the Property are exchanged after the expiry of the period during which we have Sole Selling Rights but to a purchaser and/or seller (as applicable) who was introduced to you during that period or with whom we had negotiations about the Property during that period.

2.0 FEES

2.1 Our fees are as stated in the Instruction Letter.

2.2 Where we agree to act jointly with another professional then the fee payable to us will be an agreed proportion of the total fee due. In the absence of such an agreement we shall be paid in equal proportion to the other professional(s).

2.3 Abortive Fees

(a) Unless otherwise agreed in writing if you instruct us to act for you and thereafter the transaction or instruction becomes abortive because you withdraw or you terminate our instructions we shall be entitled to 50% of the fee we would otherwise have received had the matter proceeded to completion.

(b) Whether the transaction or instruction concludes or not the disbursements and expenses referred to in Clause 3.0 below will be payable by you in any event.

(c) In the case of consultancy services an abortive fee will be calculated and payable by you according to our hourly rate at the time for all work done.

2.4 Additional Work

Where we are required to undertake additional work outside the agreed scope of the Services additional charges will be agreed.

2.5 Estimates

Any estimates of fees and disbursements are provided on the basis of the information you provide to us. Such estimates are not therefore binding upon us if the information provided is in any way incomplete, misleading or wrong.

3.0 DISBURSEMENTS AND EXPENSES

3.1 We will provide you with an estimate of disbursements and expenses prior to incurring them. Such items include but are not limited to travel, advertising and marketing (including 'for sale' and 'to let' boards), in-house mailing, printing, maps, photography, photocopying, library and data services, research, bank references, planning applications and RICS and other regulatory fees.

3.2 Disbursements and expenses may be charged to you as soon as they are ascertained or incurred, whether or not our instruction proceeds to a conclusion.

3.3 You agree to indemnify us against any liability on our part in respect of such disbursements and expenses.

3.4 In all circumstances in which your instructions involve an amount of administration on our part, such as photocopying, faxing etc, we shall be entitled to add an administration charge to our bills to cover such expense.

4.0 CHARGES DUE

4.1 We will be entitled to issue an invoice and our fees will become due for payment free from any discount, deduction set-off or counter claim:

- (i) On the date(s) specified in the Instruction Letter
- (ii) When you withdraw your instructions (in which case Clause 2.3 applies).

4.2 In all other cases charges become due on the date that we issue an invoice for the services provided and/or the disbursements and expenses incurred.

4.3 All invoices are payable by you upon delivery to you.

4.4 In the event that we are required to issue proceedings to recover any fees or disbursements and we are successful in such proceedings you agree that you will pay our legal costs of such proceedings even if the amount claimed is less than the limit for small claims cases.

5.0 TAXES

5.1 The fees disbursements and expenses referred to in these Terms and in the Instruction Letter are all subject to the addition of VAT where applicable (and any other taxes whether UK or overseas which may arise).

6.0 INTEREST

6.1 Unless otherwise agreed in writing, in default of payment by you within 21 days of delivery of an invoice, interest will be chargeable upon outstanding invoices at the rate of 6% above the Bank of England minimum lending rate from time to time from the date of our invoice until payment.

7.0 SCOPE OF SERVICES

7.1 We accept no liability for the content or interpretation of title, regulatory documents (such as Energy Performance Certificates) or tenancy documents and unless specifically instructed to report on them we do not warrant that properties on which we advise are in satisfactory structural order; that any land is free from contamination; or that any land or property is compliant with regulations, or that any land or premises has planning permission or is capable of being developed for the purposes for which it may be required.

7.2 We will perform the Services within a reasonable period of time after acceptance of your instructions on the basis that:

- (a) Any estimates of the time for performance of the Services are not to be legally binding upon us; and
- (b) We shall be entitled (but not obliged) to delegate performance of the Services (or any part of them) by instructing one or more other persons, firms or companies (whether as sub-agent or in any other capacity) upon such terms as we consider appropriate in our absolute discretion.

7.3 It may be necessary as part of our work to instruct specialist consultants on your behalf. We will not do so before obtaining your authority. Once you have authorised us to instruct such specialist consultants you will be responsible for payment of their fees and matters relating to their performance. In accepting your

instructions to instruct such specialist consultants we do not warrant their competence. If we are instructed by you to supervise the work of such specialist consultants we will be entitled to charge an additional fee calculated by reference to the time incurred in doing so however we assume no liability for any advice given to you by such consultants.

7.4 Any market projections incorporated within our Services including but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

8.0 INFORMATION PROVIDED

8.1 Unless you inform us in writing to the contrary we shall not be required to check or approve the accuracy of information provided to us by you or others including Energy Performance Certificates.

8.2 Unless you inform us in writing to the contrary you hereby warrant the accuracy of all information provided to us by you or on your behalf on the basis that you expect us to rely upon it.

8.3 You undertake to indemnify us against all costs, claims, charges and expenses of whatever nature which may arise as a result of any such information proving to be inaccurate (whether wholly or in part) or incomplete.

8.4 Subject only to Clause 12 below any information which we acquire from you in the course of performing instructions may be used by us for any other purpose unless you instruct us in writing at any time prior to such use by us.

9.0 OUR REPORTS

9.1 In relation to any written report or advice prepared by us you agree that neither the whole nor any part of our report or advice or Confidential Information may be included in any published document, circular or statement or published in any way without our written approval prior to publication.

9.2 Copyright in any reports, documents or other material provided to you by us shall remain our property at all times.

10.0 PAPERS

10.1 After completing our work, we are entitled to keep all and any of your papers and documents until our fees and charges are paid in full.

10.2 Unless you instruct us to the contrary, you hereby agree that we may destroy papers or documents relating to the Services six years after the date of the final invoice that we send you for the particular matter.

11.0 EMAIL

11.1 We shall treat receipt of an email from you as a request to us to communicate with you by email.

11.2 If you intend to communicate with us by email, by accepting these Terms you confirm that you understand the risks of doing so and you authorise us to act upon electronic instructions which have been transmitted (or appear to have been transmitted) by you.

12.0 DATA PROTECTION

12.1 We will not disclose to any third party any personal data without your express authority to do so.

12.2 You agree that we may receive and retain documentary proof required by the Money Laundering Regulations 2007 and can disclose it to any Government authority that is legally entitled to request it. You further agree and consent to identity checks being carried out electronically for anti-money laundering purposes. For the purposes of this clause only, you release us from our obligations under Clause 12.1 above.

12.3 We may occasionally use your contact details to inform you of property updates, client seminars, and the like. By accepting these terms you consent to our sending you such information. If you do not wish to receive such information, please advise us, by writing to the Data Protection Officer at our address.

13.0 LIMITATION OF LIABILITY

13.1 In relation to any Services provided by us to you the following limitations apply:

13.2 You agree not to bring any claim for any losses against any member, officer, director, employee or consultant of Colliers or any Colliers Entity (each a "Colliers Person"). You hereby agree that a Colliers Person does not have a personal duty of care to you and any claim for losses must be brought against Colliers. It is agreed that any Colliers Person may enforce this clause under the Contracts (Rights of Third Parties) Act 1999 but that these terms may be varied at any time without the need for them to consent.

13.3 We will not be liable in respect of any of the following:

(a) for any services outside the scope of the Services agreed to be performed by us;

(b) to any third party;

(c) in respect of any consequential losses or loss of profits.

(d) for any losses, costs, penalties or damages arising from the Energy Performance of Buildings Regulations 2011.

13.4 Where any loss is suffered by you for which we and any other person are jointly and severally liable to you the loss recoverable by you from us shall be limited so as to be in proportion to our relative contribution to the overall fault.

13.5 Our liability for loss and damage attributable to our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall not exceed £1 million per single originating cause (or if higher,

such minimum level of insurance cover as the Royal Institution of Chartered Surveyors requires us to maintain from time to time). This limit applies to each and every transaction and retainer and any subsequent work we undertake for you unless expressly overridden in a subsequent Instruction Letter signed by a director of Colliers.

13.6 The exclusions and limitations in this paragraph will not exclude or limit any liability for fraud or dishonesty or for liabilities which cannot lawfully be limited or excluded.

13.7 Where the Instruction Letter is addressed to more than one client, the above limit of liability applies to the aggregate of all claims by all such clients and not separately to each client.

14.0 INDEMNITIES

14.1 You agree to indemnify us against all costs, claims, charges and expenses which we shall incur by reason of (but not limited to):

(a) Use of any of our work for purposes other than those agreed by us.

(b) Misrepresentation by you or with your authority to third parties of advice given by us.

(c) Misrepresentation to third parties of the extent of our involvement in any particular project.

(d) Any claims or proceedings concerning Energy Performance Certificates prepared by you or on your behalf.

14.2 You also agree to indemnify us against any and all damages or liability suffered by us, arising from the use by us of material provided by you to us the copyright of which is vested in a third party.

15.0 ASSIGNMENT

15.1 Neither this agreement nor any of its terms may be assigned by you to any third party unless agreed in writing.

16.0 TERMINATION OF INSTRUCTIONS

16.1 We may terminate any agreement governed by these Terms immediately by notice in writing:

(a) Where as a result of circumstances outside the control of both of us the Services become impossible of performance or;

(b) Where you have rendered the Services impossible of performance or;

(c) You have provided incorrect information to us contrary to Clause 8 above upon which we have relied or;

(d) If you have not made payment by the due date of any sum payable to us or;

(e) At any time in the event that you are in material breach of your obligations to us or;

(f) Without assigning any reason and on the basis that you are under no obligation to pay any fees in respect of the matter and that we are under no obligation to perform any further services.

16.2 You (and if clause 16.1 does not apply we) may terminate any agreement governed by these Terms by giving not less than 28 days' notice in writing. However, if the Instruction Letter states a minimum period for our instruction, notice to terminate may not be given so as to expire before the end of that period.

16.3 On termination of our instructions you will be liable to pay to us any outstanding disbursements and expenses and you will remain liable for any fees arising under Clauses 2, 3 and 5 of these Terms.

16.4 Notwithstanding termination of our agreement with you the provisions of Clauses 1 to 10, 12, 13, 14, 19, 20 and 21 shall remain in full force and effect.

17.0 MONEY LAUNDERING COMPLIANCE

We are required by law to operate procedures pursuant to the Money Laundering Regulations 2007, which may include requesting that you provide us with documentary proof of identity, proof of address and/or proof of funding in relation to a particular transaction or instruction. You agree to comply with any such requests promptly.

18.0 COMPLAINTS

18.1 We operate a procedure for complaints handling as required by the Royal Institution of Chartered Surveyors. A copy is available on request.

19.0 LAW AND JURISDICTION

19.1 These terms of business are subject to the laws of England and Wales.

19.2 Any dispute shall be subject to the exclusive jurisdiction of the English Courts.

19.3 If a court rules that any provision of these Terms is invalid or unenforceable this will not affect the validity of the rest of the Terms which will remain in force.

20.0 RIGHTS OF THIRD PARTIES

Except as set out in clause 13 none of the Terms shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party. No third party will be entitled to rely on any Report or advice except as agreed in writing by us.

21.0 NON-SOLICITATION

You will not on your own account or in partnership or association with any person, firm, company or organisation, or otherwise and whether directly or indirectly during, or for a period of 12 months from, the end of the term of this agreement, solicit or entice away or attempt to entice away or authorise the taking of such action by any other person, any of our and/or any Colliers Entity employees, directors, members or consultants who have worked on the Services. In the event of any breach of this clause, you shall be liable to pay damages of one year's gross remuneration of such employee, director, member or consultant and you agree that this is a reasonable pre-estimate of our loss arising from the breach of this clause.

APPENDIX 2:
GENERAL ASSUMPTIONS AND
DEFINITIONS



GENERAL ASSUMPTIONS & DEFINITIONS

The valuations have been prepared in accordance with the RICS Valuation – Professional Standards (Incorporating the International Valuation Standards) January 2014 prepared by the Royal Institution of Chartered Surveyors.

The valuations have been prepared by a suitably qualified valuer, as defined by PS 2.3 of the Professional Standards, on the basis set out below unless any variations have been specifically referred to under the heading “Special Remarks”:

MARKET VALUE (MV)

Valuations based on Market Value, have been prepared in accordance with VPS 4.1.2 of the Professional Standards issued by The Royal Institution of Chartered Surveyors, which is defined as follows:

‘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 interpretative commentary on Market Value, as published by the International Valuation Standards Council (IVSC), has been applied.

FAIR VALUE

Valuations based on Fair Value shall adopt one of the two definitions in accordance with VPS 4.1.5 of the Professional Standards.

1. The definition adopted by International Valuation Standards (IVS) in IVS Framework paragraph 38.

‘The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties’.

2. The definition adopted by the International Accounting Standards Board (IASB) in IFRS 13.

‘The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date’.

It is important to recognise that the two definitions of Fair Value are not the same. Valuations prepared for financial reporting purposes under IFRS require the adoption of the IASB definition and IFRS 13 will apply.

The guidance in IFRS 13 includes:

‘The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. A fair value measurement requires an entity to determine all the following:

- (a) the particular asset or liability that is the subject of the measurement (consistently with its unit of account)*

- (b) for a non-financial asset, the valuation premise that is appropriate for the measurement (consistently with its highest and best use)
- (c) the principal (or most advantageous) market for the asset or liability
- (d) the valuation technique(s) appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the asset or liability and the level of the fair value hierarchy within which the inputs are categorised.

The references in IFRS 13 to market participants and a sale make it clear that for most practical purposes, Fair Value is consistent with the concept of Market Value.

FAIR VALUE IN ACCORDANCE WITH FRS 102

For valuations prepared for the purposes of UK Generally Accepted Accounting Principles (UK GAAP) we have provided an opinion of Fair Value as defined within FRS 102. This is defined as follows:

“The amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm’s length transaction.”

For most practical purposes, the concept of knowledgeable, willing parties and an “arm’s length transaction” mean that this definition of Fair Value is accepted to be reasonably consistent with the concept of Market Value and Fair Value adopted by the IASB in accordance with IFRS 13.

EXISTING USE VALUE (EUV)

If we have provided an opinion of Existing Use Value this has been arrived at in accordance with UKVS 1.3 of the Professional Standards, which is defined as follows:

‘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 wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business and disregarding potential alternative uses and any other characteristics of the asset that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.’

This basis ignores any element of hope value for an alternative use, any value attributable to goodwill and any possible increase in value due to special investment or financial transactions (such as sale and leaseback) which would leave the owner with a different interest from the one which is valued. However, it includes any value attributable to any possibilities of extensions or further buildings on undeveloped land or redevelopment of existing buildings (all for the existing planning use) providing such construction can be undertaken without major interruption to the continuing business.

DEPRECIATED REPLACEMENT COST (DRC)

If we have provided a valuation based on Depreciated Replacement Cost, as set out in UKGN 2.2.3 of the Professional Standards, this has been arrived at in accordance with the definition settled by the International Valuation Standards Committee as follows:

'The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation'.

International Accounting Standards stipulate that DRC may be used as a basis for reporting the value of Specialised Property in Financial Statements. DRC is recognised as a basis only for this purpose. For other purposes DRC may be used as a method to support a valuation reported on another basis.

INVESTMENT VALUE (OR WORTH)

Where we have been instructed provide valuations based on Investment Value or Worth, we have done so in accordance with VPS 4.1.4 of the Professional Standards issued by the Royal Institution of Chartered Surveyors, which is the definition settled by IVSC:

'Investment value is the value of an asset to the owner or a prospective owner for individual investment or operational objectives'.

This is an entity-specific basis of value. Although the value of an asset to the owner may be the same as the amount that could be realised from its sale to another party, this basis of value reflects the benefits received by an entity from holding the asset and, therefore, does not necessarily involve a hypothetical exchange. Investment value reflects the circumstances and financial objectives of the entity for which the valuation is being produced. It is often used for measuring investment performance. Differences between the investment value of an asset and its market value provide the motivation for buyers or sellers to enter the marketplace.

MARKET RENT (MR)

Valuations based on Market Rent (MR), as set out in VPS 4.1.3 of the Professional Standards, adopt the definition as settled by the International Valuation Standards Committee which is as follows:

'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.'

MR will vary significantly according to the terms of the assumed lease contract. The appropriate lease terms will normally reflect current practice in the market in which the property is situated, although for certain purposes unusual terms may need to be stipulated. Matters such as the duration of the lease, the frequency of rent reviews, and the responsibilities of the parties for maintenance and outgoings, will all impact on MR. In certain States, statutory factors may either restrict the terms that may be agreed, or influence the impact of terms in the contract. These need to be taken into account where appropriate. The principal lease terms that are assumed when providing MR will be clearly stated in the report.

Rental values are provided for the purpose described in this report and are not to be relied upon by any third party for any other purpose.

RENTAL ASSESSMENT

Unless stated otherwise within the report, our valuations have been based upon the assumption that the rent is to be assessed upon the premises as existing at the date of our inspection.

BUILDING REINSTATEMENT COST (BRC)

If we have prepared a BRC we will not have carried out a detailed cost appraisal and the figures should therefore be considered for guidance purposes only and thus should not be relied upon as the basis from which premiums are calculated for obtaining building insurance.

PURCHASE AND SALE COSTS

No allowance has been made for legal fees or any other costs or expenses which would be incurred on the sale of the property.

We have however, where appropriate and in accordance with market practice for the asset type, made deductions to reflect purchasers' acquisition costs. Trading related properties, however, are usually valued without deducting the costs of purchase.

Where appropriate, purchasers' costs in England and Wales are based on 2.80% for properties with a value between £150,001 and £250,000; 4.80% for properties with a value between £250,001 and £500,000 and 5.80% for properties with a value in excess of £500,000.

In respect of residential property, Stamp Duty Land Tax is charged at increasing rates for each portion of the price. There will be no payment for the first £125,000 of the property value; 2% will be charged on the next £125,000; 5% on the next £675,000; 10% on the next £575,000; 12% on the remaining value (above £1,500,000). In addition a purchaser would expect to pay the standard 1.80% agents and solicitors costs.

Stamp duty on residential properties over £500,000 which are bought via a company is payable at 15% giving purchasers' acquisition costs of 16.8%.

For commercial properties in Scotland purchaser's acquisition costs are calculated at 1.8% for professional fees together with Land and Buildings Transaction Tax (LBTT - Equivalent of Stamp Duty Land Tax in England and Wales). This is a progressive tax which is applied to commercial land and buildings and is determined by reference to percentage of the Market Value. Up to and including £150,000, the LBTT rate is 0%, between £150,001 and £350,000 the rate applicable to this proportion is 3%, and any amount above £350,000 is charged at 4.5%.

In respect of residential property in Scotland, LBTT is charged at increasing rates for each portion of the price. There will be no payment for the first £145,000 of the property value; 2% will be charged on the next portion up to £250,000; 5% on the portion between £250,000 and £325,000; 10% on the next portion between £325,000 and £750,000; and 12% on the remaining value (above £750,000). In addition a purchaser would expect to pay the standard 1.80% agents and solicitors costs.

It should be noted, however, that for properties of an unusually large lot size it is common market practice that a purchaser would not expect to pay the standard 1.80% agents and solicitors costs. Accordingly, we may consider in these instances that it is appropriate to adopt a reduced rate.

MEASUREMENTS

Where we have measured the property, measurements and floor areas have been arrived at in accordance with the current edition of RICS Property Measurement issued by the Royal Institution of Chartered Surveyors.

Accordingly, where appropriate, measurements have been taken, and floor areas calculated in accordance with either the Code of Measuring Practice or in the case of office properties, the International Property Measurement Standards (IPMS) both of which currently form part of RICS Property Measurement.

In arriving at our opinions of Market Rent and Market Value for office properties we have adopted the appropriate floor area basis for our valuation depending upon the basis used in the analysis of the comparable transactions. However, in cases where the basis of analysis of a comparable is uncertain we have adopted a default assumption that the areas and the analysis are on a Net Internal Area basis.

Although every reasonable care has been taken to ensure the accuracy of the surveys there may be occasions when due to tenant's fittings, or due to restricted access professional estimations may have been made.

We draw attention to the fact that under the IPMS (in the case of office properties), subjective assessments need to be made as part of the floor area calculations. These assessments include assessment of the position of the Internal Dominant Face of the wall, identification of Limited Use Areas and measurements taken to the centreline of a dividing wall within a multi-let building. The subjective nature of these measurements may result in greater uncertainty over the accuracy of the adopted floor areas.

Floor area and measurement tolerances can vary, but the subjective elements of the IPMS can be expected to lead to variations in accuracy much greater than the currently accepted "Industry Standard" tolerance of 1% - 2% which might normally be anticipated. Accordingly, this could lead to a greater uncertainty affecting the Market Rent and Market Value that would normally be expected.

We recommend that where possible, the client should provide us with detailed floor plans against which we can check our measuring inputs.

Floor areas set out in our report are provided for the purpose described herein and are not to be relied upon by any third party for any other purpose.

In the event that a specialist measuring exercise is undertaken for the property then we recommend that a copy should be forwarded to us in order that we may be able to comment upon whether there may be an impact on the reported value.

SITE PLAN AND AREA

Where a site area and or site plan has been provided this is for indicative purposes only and should not be relied upon. We recommend that a solicitors Report on Title be obtained and that the site boundaries we have assumed are verified and if any questions of doubt arise the matter to be raised with us so that we may review our valuation.

CONDITION

Unless otherwise stated within the report, we have not carried out a building survey, nor have we inspected the woodwork or other parts of the structures which are covered, unexposed or inaccessible and we are, therefore, unable to report that such parts of the property are free from rot, beetle or other defects.

Where we have noticed items of disrepair during the course of our inspections, they have been reflected in our valuations, unless otherwise stated.

We have assumed that none of the materials commonly considered deleterious as set out in the British Property Federation and British Council of Offices' sponsored report "Good Practice in the Selection of Construction Materials", are included within the property. These include, inter alia, the following:

- High alumina cement concrete
- Asbestos
- Calcium chloride as a drying agent
- Wood wool slabs as permanent shuttering
- Polystyrene and polyurethane used as insulation in cladding

None of the services, drainage or service installations was tested and we are, therefore, unable to report upon their condition.

ENVIRONMENTAL MATTERS

Unless otherwise stated within the report, we have not carried out soil, geological or other tests or surveys in order to ascertain the site conditions or other environmental conditions of the property. Unless stated to the contrary within the report, our valuation assumes that there are no unusual ground conditions, contamination, pollutants or any other substances that may be environmentally harmful.

FIXTURES AND FITTINGS

In arriving at our opinions of value we have disregarded the value of all process related plant, machinery, fixtures and fittings and those items which are in the nature of tenants' trade fittings and equipment. We have had regard to landlords' fixtures such as lifts, escalators, central heating and air conditioning forming an integral part of the buildings.

Where properties are valued as an operational entity and includes the fixtures and fittings, it is assumed that these are not subject to any hire purchase or lease agreements or any other claim on title. No equipment or fixtures and fittings have been tested in respect of Electrical Equipment Regulations and Gas Safety Regulations and we assume that where appropriate all such equipment meets the necessary legislation. Unless otherwise specifically mentioned the valuation excludes any value attributable to plant and machinery.

TENURE, LETTINGS AND REPORTS ON TITLE AND/OR TENANCIES

Unless otherwise stated, we have not inspected the title deeds, leases and related legal documents and, unless otherwise disclosed to us, we have assumed that there are no onerous or restrictive covenants in the titles or leases which would affect the value.

Where we have not been supplied with leases, unless we have been advised to the contrary, we have assumed that all the leases are on a full repairing and insuring basis and that all rents are reviewed in an upwards direction only, at the intervals notified to us, to the full open market value.

We have assumed that no questions of doubt arise as to the interpretation of the provisions within the leases giving effect to the rent reviews.

We have disregarded any inter-company lettings and have arrived at our valuations of such accommodation on the basis of vacant possession.

If a solicitors' Report on Title and/or Tenancies has been provided to us, our valuation will have regard to the matters therein. In the event that a Report on Title and/or Tenancies is to be prepared, we recommend that a copy is provided to us in order that we may consider whether any of the matters therein have an effect upon our opinion of value.

COVENANT STATUS OF THE TENANT/TENANTS

In the case of property that is let, our opinion of value is based on our assessment of the investment market's perception of the covenant strength of the tenant(s). This has been arrived at in our capacity as valuation surveyors on the basis of information that is publically available. We are not accountants or financial experts and we have not undertaken a detailed investigation into the financial status of the tenants. We have, however, reviewed where possible third party commentary, on the principal tenants. Our valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation, and the market's general perception of their creditworthiness.

If the covenant status of the tenant(s) is critical to the valuation we recommend that you make your own detailed enquiries as to the financial viability of the tenant(s) and if your conclusions differ from our own, provide us with a copy of the report in order that we may consider whether our valuation should be revised.

ARREARS

We have assumed that all rents and other payments payable by virtue of the leases have been paid to date. If there are any rent or other arrears, we recommend that we should be informed in order that we may consider whether our valuation should be revised.

TAXATION

Whilst we have had regard to the general effects of taxation on market value, we have not taken into account any liability for tax which may arise on a disposal, whether actual or notional, and neither have we made any deduction for Capital Gains Tax, Valued Added Tax or any other tax.

MORTGAGES

We have disregarded the existence of any mortgages, debentures or other charges to which the properties may be subject.

OPERATIONAL ENTITIES

Where the properties are valued as an operational entity and reference has been made to the trading history or trading potential of the property, reliance has been placed on information supplied to us. Should this information subsequently prove to be inaccurate or unreliable, the valuations reported could be adversely affected.

LOCAL AUTHORITIES, STATUTORY UNDERTAKERS AND LEGAL SEARCHES

We have not made any formal searches or enquiries in respect of the property and are therefore unable to accept any responsibility in this connection. We have, however, made informal enquiries of the local planning authority in whose areas the property is situated as to whether or not they are affected by planning proposals. We have not received a written reply and, accordingly, have had to rely upon information obtained verbally.

We have assumed that all consents, licences and permissions including, inter alia, fire certificates, enabling the property to be put to the uses ascertained at the date of our inspection have been obtained and that there are not outstanding works or conditions required by lessors or statutory, local or other competent authorities.

ENERGY PERFORMANCE CERTIFICATES

The European Energy Performance Directive requires that whenever buildings are constructed, sold or let, they are to be certified in terms of their energy performance and given an energy efficiency rating. In the UK, Energy Performance Certificates (EPC's) are now compulsory for the sale or letting of all commercial and residential properties.

In arriving at our opinion of value, unless we have been provided with an EPC or EPC's with regard to the property or properties, we have assumed that if an EPC or EPC's were to have been available, its rating would not have had a detrimental impact upon our opinion of the property's market rent and or capital value.

THE SMOKE AND CARBON MONOXIDE ALARM (ENGLAND) REGULATIONS 2015

Part 2, Regulation 4 of The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 is intended to come into effect from 1 October 2015.

After 1 October any premises occupied under an Assured Shorthold Tenancy (within the meaning of Chapter 2 of Part 1 of the Housing Act 1988) must have working smoke and carbon dioxide alarms. It is the landlord's responsibility to ensure these are fitted and checked before every new tenancy.

Where we have inspected residential accommodation as part of our valuation, we have not tested any alarms or installations as this is beyond the scope of our instructions. Accordingly, unless advised to the contrary, we have assumed that the property complies with, and will continue to comply with, the legislation.

DEFECTIVE PREMISES ACT, HEALTH & SAFETY AT WORK ACT AND DISABILITY AT WORK ACT

Our valuations do not take account of any rights, obligations or liabilities, whether prospective or accrued, under the Defective Premises Act, 1972. Unless advised to the contrary, we have assumed that the properties comply with, and will continue to comply with, the current Health & Safety and Disability legislation.

INSURANCE

In arriving at our valuation we have assumed that the building is capable of being insured by reputable insurers at reasonable market rates. If, for any reason, insurance would be difficult to obtain or would be subject to an abnormally high premium, it may have an effect on value.

ALTERNATIVE INVESTMENT FUNDS

Please note that, in the event that our appointment is from an entity to which the European Parliament and Council Directive 2011/61/EU ('the AIFMD'), which relates to Alternative Investment Fund Managers ('AIFM'), applies, our instructions are solely limited to providing recommendations on the value of particular property assets (subject to the assumptions set out in our valuation report) and we are therefore not determining the net asset value of either the Fund or the individual properties within the Fund. Accordingly, we are not acting as an 'external valuer' (as defined under the AIFMD) but are providing our service in the capacity of a 'valuation advisor' to the AIFM.

LIABILITY CAP

We confirm that the liability of the Valuer (Colliers International) is limited to £5m (Five Million Pounds Sterling), or such lesser figure as agreed, for any single case of damages caused by simple negligence, irrespective of the legal reason. A single case of damages is defined as the total sum of all the damage claims of all persons entitled to claim, which arise from one and the same professional error (offence). In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, the Valuer can similarly only be held liable for an amount of £5m (or such lesser sum as agreed).

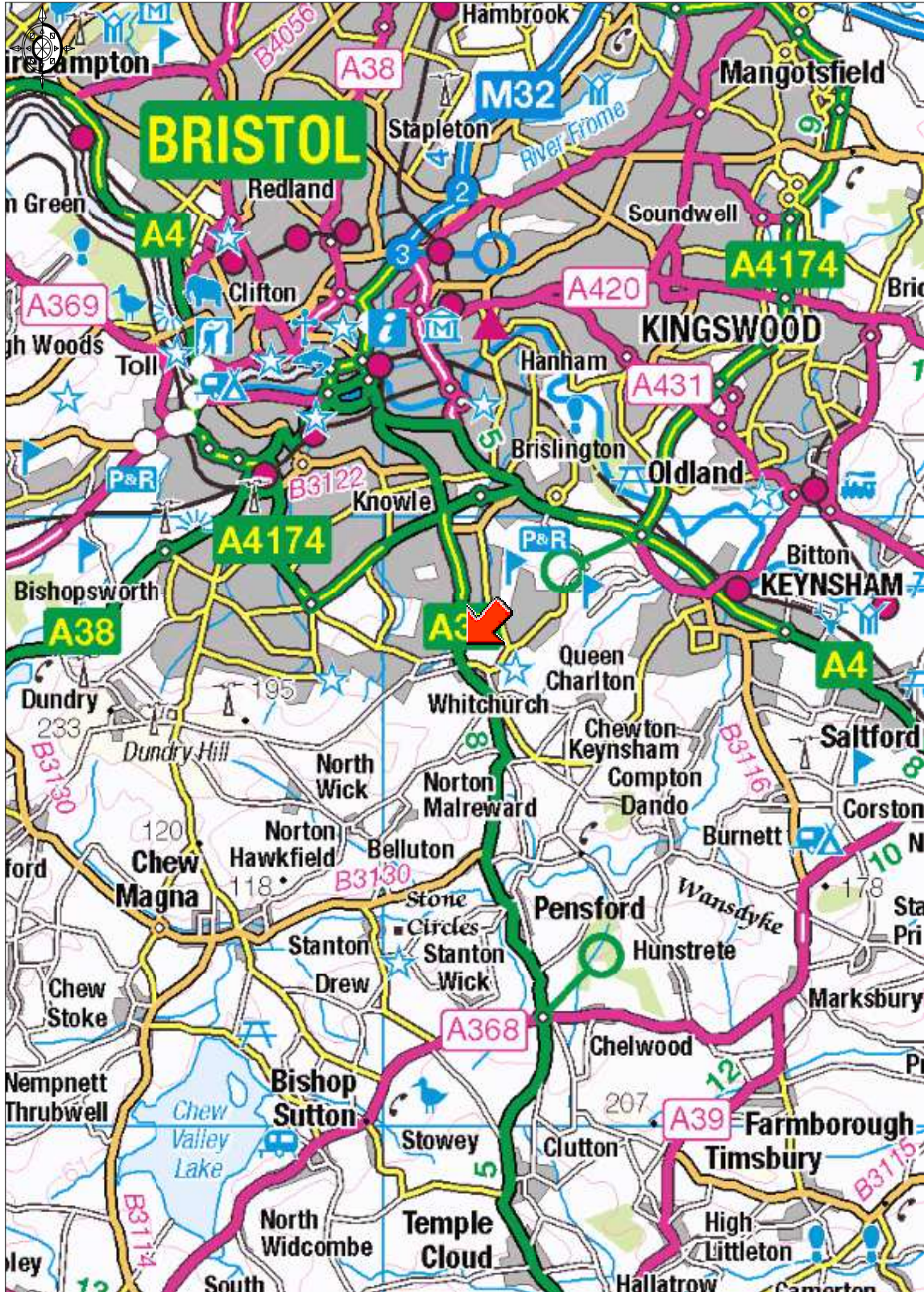
STANDARD TERMS OF BUSINESS

We confirm that this valuation report has been provided in accordance with our Standard Terms of Business.

APPENDIX 3:
LOCATION PLANS



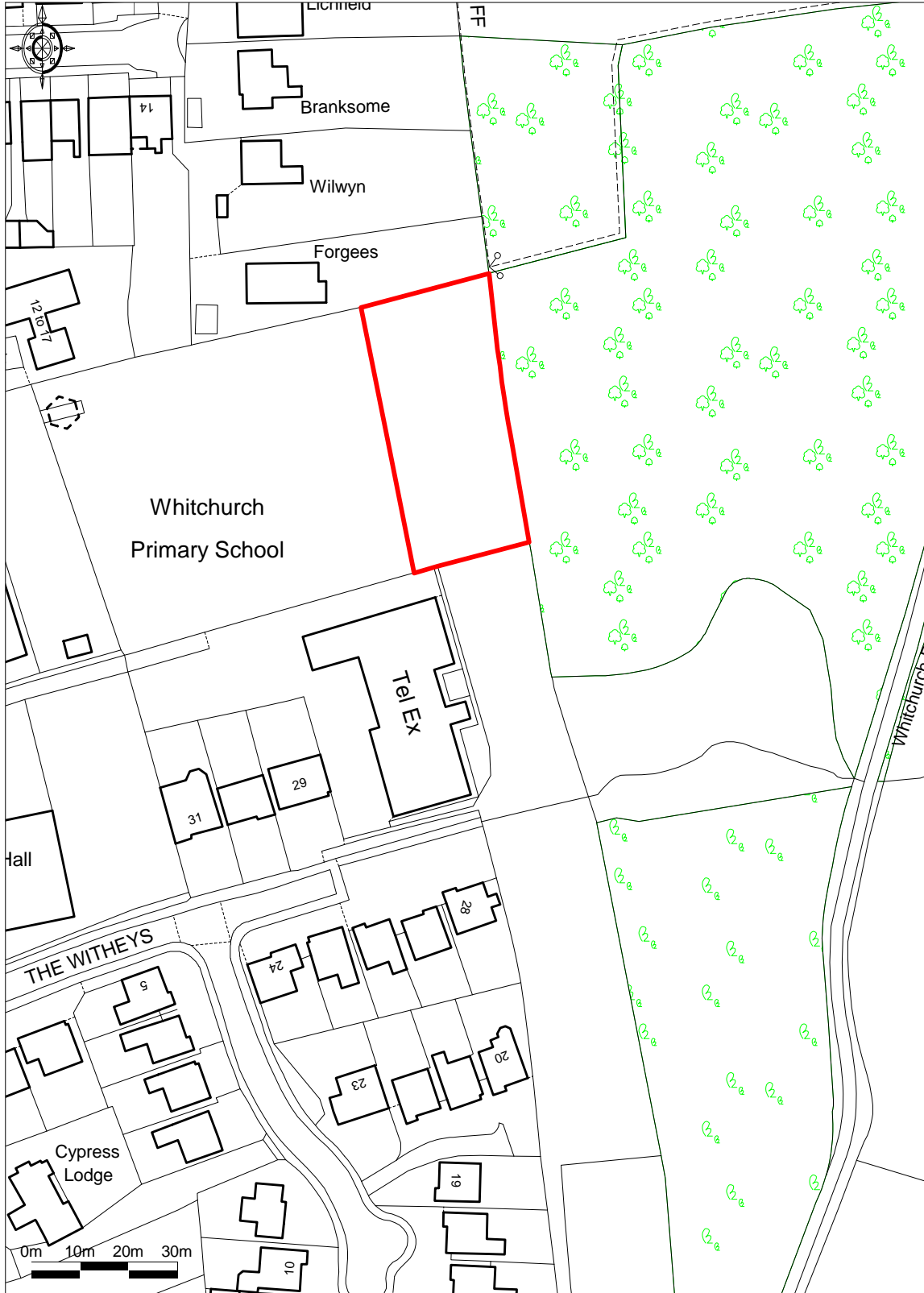
Land South of Brislington, Between Knowle and Whitchurch



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Land South of Brislington, Between Knowle and Whitchurch



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Land South of Brislington, Between Knowle and Whitchurch

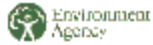


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APPENDIX 4:
E A LANDFILL RECORDS





Interactive Maps

Historic landfill

Site details	
Site name	Former Railway Cutting Near Dene Road
Site address	Dene Road, Whitchurch, Bristol, Avon
Site operator	null
Licence no.	0

Types of waste buried:	
A 'Yes' is shown in the right hand box where there is evidence that the type of waste may have been buried. If there is no evidence or no data currently available, then the box is left blank.	
Inert: Waste which remains largely unaltered once buried such as glass, concrete, bricks, tiles, soil and stones.	Yes

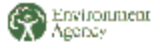
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Last updated: 19th March 2016

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Interactive Maps

Historic landfill

Site details	
Site name	Dissused Railway Line Adjoining Royal British Legion Club
Site address	Staunton Lane, Whitchurch
Site operator	null
Licence no.	0

Types of waste buried:	
A 'Yes' is shown in the right hand box where there is evidence that the type of waste may have been buried. If there is no evidence or no data currently available, then the box is left blank.	
Inert: Waste which remains largely unaltered once buried such as glass, concrete, bricks, tiles, soil and stones.	Yes
Industrial: Waste from a factory or industrial process. It excludes waste from mines, quarries and agricultural wastes.	Yes
Household: Waste from dwellings of various types including houses, caravans, houseboats, campsites, prisons and wastes from schools, colleges and universities.	Yes
Special: Waste that has hazardous properties and is defined in the Special Waste Regulations 1996. Such properties may be flammable, irritant, toxic, harmful, carcinogenic or corrosive.	Yes

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Last updated: 18th March 2016

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