

Valuation of

24.78 hectares (61.23 acres) or thereabouts of agricultural land

at

**Mill Lane
Bathampton
Bath**

For

Bath & North East Somerset Council

March 2020

Contents	Page No
1. Instructions	1
2. Inspection	1
3. Location and Situation	2
4. Description	2
5. Interest to be Valued	2
6. Services	3
7. Timber	3
8. Minerals	3
9. Sporting Rights	3
10. Wayleaves, Easements & Rights of Way	3
11. Town Planning and Highways	4
12. Basic Payment & Agri-environment Schemes	5
13. Environmental Considerations	5
14. Valuation Commentary	5
15. Basis of Valuation	7
16. Valuation Assumptions	7
17. Valuations	7
18. Disclosure	7
Appendix 1 Correspondence Relating to Instructions	
Appendix 2 Plan of the Property	
Appendix 3 Photographs	

16 March 2020

Property & Project Delivery
Bath & North East Somerset Council
3-4 Manvers St
Bath
BA1 1JQ

FAO: Glenn Chinnock
(by email)

Dear Sirs

Valuation of 24.78 ha (61.23 acres) of agricultural land east of Mill Lane, Bathampton, Bath

1. Instructions

1.1 In accordance with your instructions, confirmed in our letter of 11 February 2020, we have inspected the above property in order to advise you as to our opinion of the market value of a whole share in the freehold interest subject to tenancy which we understand is required by Bath & North East Somerset Council ('B&NES') in connection with a proposed sale of the property to National Trust by way of Community Asset Transfer (CAT).

1.2 Since we issued our instructions letter we have been asked to value the property on the special assumption that the land will be transferred subject to a covenant restricting its use to agricultural and equestrian uses only in perpetuity.

1.3 The date of valuation is the date of this report.

1.4 The General Terms of Business and Standard Valuation Assumptions and Bases of Valuation, which were sent to you under cover of our letter of 11 February 2020, apply to this valuation report. A copy of our confirmation of instructions letter is attached in Appendix 1.

1.5 We confirm that this report has been prepared in accordance with the with the RICS Valuation – Global Standards 2020 which incorporate the International Valuation Standards and the RICS UK 2014 national supplement 2019 (the 'red book').

1.6 In our letter of 11 February 2019, we confirmed that we are not aware of any relationship with either the property or the parties that might give rise to a potential conflict of interest and therefore Rupert Bendell MRICS FAAY able to undertake this instruction in the capacity of external valuer.

1.7 We confirm that he is an RICS Registered Valuer, he is in a position to provide an objective and unbiased valuation and is competent to undertake the valuation assignment.

1.8 We confirm that we hold the Professional Indemnity Insurance in respect of the service to be provided, trading as Colston & Colston Chartered Surveyors. The limit of our liability in respect of this valuation is £2,000,000.

2. Inspection

2.1 We inspected the property on the 11th February 2020 between 3pm and 4pm. The weather during our inspection was cold, dry and sunny.

B&NES
Valuation of land at Mill Ln, Bathampton

1

March 2020

3. **Location and Situation**
 - 3.1 The subject land is located between Bathampton and Batheaston, both suburbs on the eastern side of the city of Bath. The land is located approximately 2.3 miles from the city centre.
 - 3.2 Bathampton lies to the south, beyond the A4 and Batheaston lies to the north beyond the River Avon. Larkhall, another suburb of the city lies to the west.
4. **Description**
 - 4.1 The property comprises 24.78 ha (61.23 acres) or thereabouts of agricultural land currently down to permanent pasture and divided into five enclosures. The land is broadly flat and bounded on the western side by a mature hedgerow, beyond which is a wetland area and former oxbow lake.
 - 4.2 The A4 forms the southern boundary beyond which is the mainline railway, whilst the River Avon runs along the northern boundary and Mill Lane forms the western boundary.
 - 4.3 The land is fenced with a combination of stock proof and post and rail fencing within which substantial foot/cycle path runs parallel with the northern and eastern boundaries.
 - 4.4 The entrance to the land is from Mill Lane. This gateway provides access to a hardcore, gated track which bifurcates the subject property.
 - 4.5 Mill Lane also provides access to the cycle path which runs parallel with the road and then the river. On the north eastern boundary a large footbridge spans the river and provides pedestrian access from the cycle path to Batheaston, effectively connecting it with Bathampton.
 - 4.6 Large electricity pylons run along the southern boundary parallel with the A4. The riverside boundary is home to a variety of benches and seats for use by the general public when walking / cycling along the cycle path.
 - 4.7 According to the Regional Agricultural Land Classification Maps provided by Natural England, the land is classified as Grades 3 & 4 and the LandIS Soil Classification Maps note that the soil type is principally freely draining, slightly acidic and base-rich. Several of the five enclosures were being grazed by sheep at the time of inspection and are all currently down to grass.
 - 4.8 A long, narrow undulation runs across part of the land which is assumed to be a historic drainage ditch.
 - 4.9 A location plan of the land can be found in Appendix 2 and photographs can be found in Appendix 3.
5. **Interest to be Valued**
 - 5.1 According to information provided by your report on title (understood to have been prepared by B&NES' in-house legal team), the freehold interest in the property is owned by B&NES under registered title number AV253991.
 - 5.2 We note from this report that there are several references to covenants and rights affecting the land.
 - 5.3 The land is subject to a right permitting Nos. 1, 2 and 3 Doghead Cottages to take water to a spring however these properties appear to no longer exist.
 - 5.4 The report also makes reference to a deed between B&NES and the SoS for Transport, however no further details are provided. We have therefore assumed this has no material impact on the value or saleability of the property.
 - 5.5 It is also noted that the vendor reserved a right of way along the riverbank to facilitate fishing.
 - 5.6 An area of the land in the south western corner is subject to a covenant which prohibits building other than for a house with a rental value of more than £100. Given that this covenant dates back to 1921 its enforceability may be questionable, however the report on title offers no opinion on this.
 - 5.7 As noted above, we have been asked to value the property on the assumption that a restrictive covenant will be applied upon its sale which will prevents its use for anything other than agricultural or equestrian purposes in perpetuity.

- 5.8 It is understood that the riverside land is informally maintained by a group of Volunteers known as the Friends of the Bathampton Meadows Riverside.
- 5.9 A common right of pasturage is referred to in the registered title but the report on title confirms that the land is not registered as Common Land.
- 5.10 The report also confirms that the land was formerly subject to an overage provision which expired in 2005.
- 5.11 The land to the south and east of the cycle path is subject to a 12 month farm business tenancy to George Candy dated 13th August 2019.
- 5.12 The tenancy encompasses 56.7 acres of the land at a rent of £3,500 pa (£61.40/acre) payable half yearly in advance. The agreement provides for a right of way from Mill Lane over the cycle path to the land.
- 5.13 The agreement is drawn on modern commercial terms and includes provisions which preclude the tenant from subletting or selling grass without the landlord's prior written consent, and allowing the landlord to terminate the agreement at any time on one month's notice.
- 5.14 The agreement excludes the rights to use the hardcore track which bisects the land from east to west.
- 6. Services**
- 6.1 We note that water is available and I understand from the report on title that a sewer crosses the subject land. We are not aware of the presence or absence of any land drains on the property.
- 7. Timber**
- 7.1 The report on title notes that 'marked timber' was reserved in a conveyance of the land in 1921 which is now assumed to be redundant.
- 7.2 We noted during our inspection that there is no commercial or amenity woodland of any significance on the property.
- 8. Minerals**
- 8.1 We are not aware that the rights to mines and minerals have been reserved so we have assumed them to be in hand.
- 9. Sporting Rights**
- 9.1 We note from the report on title that the fishing rights along the bank of the River Avon were reserved by a previous owner. We assume all other sporting rights are in hand.
- 10. Wayleaves, Easements & Rights of Way**
- 10.1 Upon inspection we noted several large electricity pylons were present on the land. We have not had sight of any wayleaves or easements relating to the same nor is there reference to these in the report on title provided.
- 10.2 The cycle path which runs along the eastern and northern boundaries is a defined bridleway and National Trail. The path connects to the Kennet and Avon Canal National Cycle Network Route No.4 which runs east-west to the south of the subject property.

11. Town Planning and Highways

11.1

We have made web based enquiries of B&NES Council, the Local Planning Authority, and we can confirm that the land has the following planning history:

Application reference	Application description	Outcome
96/02598/FUL	Renewal of part A of planning permission WB 15021 dated 10th October 1991-development of 5 rugby pitches (2 with training lights), an all weather training pitch with lights a new vehicular access, overflow car park and associated landscaping.	Application withdrawn
97/02789/FUL	4 grass rugby pitches(2 with floodlights), all weather pitch with floodlights, vehicular access, car & coach parking, pavilion changing, bar & ancillary support facilities; equipment shed; landscaping & eng. operations (revised scheme).	Application withdrawn
03/01304/FUL	3 grass rugby pitches (2 with floodlights), all-weather pitch with floodlights, vehicular access, car & coach parking, pavilion with bar, changing & ancillary support facilities and equipment store, associated landscaping & engineering operations on land East of Mill Lane (revised application)	Application withdrawn
03/00043/ERE03	Flood compensation works due to Lambridge Park and Ride proposal	Application refused
05/02891/REG03	Flood compensation works for Lambridge Park and Ride. Reprofiting of the site and landscaping (Resubmission)	Application refused
09/00308/ERE03	Creation of a new park and ride facility for 1400 spaces, construction of a central amenity building, new access off A4 Bathaston bypass, ecological and management measures and associated landscaping and engineering works	Application permitted

11.2 Information regarding the 1996 – 2003 applications is not available and we are therefore not aware why these applications were withdrawn.

11.3 B&NES have confirmed that the 2009 planning permission was never implemented and therefore the consent has lapsed.

11.4 This permission was a Reg03 application with an EIA attached. It had 26 conditions attached to it, none of which appear to have been discharged. These included pre-commencement conditions relating to a surface water drainage strategy, a landscape and ecological management plan and a road drainage alterations plan.

11.5 The entire property is situated within the Green Belt and the majority of the land is within Flood Zone 3, with the exception of the south western corner.

11.6 We note that the land also borders the Bath UNESCO World Heritage Site boundary and the boundary for the Conservation Area.

11.7 The land is falls within the area affected by local planning Policy NE2A which seeks to protect the landscape setting of the settlement and most of the land falls within the catchment of Policy NE5 – Ecological Networks.

11.8 Land to west is safeguarded for sport and recreation under local planning policy LCR5 and land to the east is covered by Policy NE3 - Sites of Nature Conservation Interest.

12. Basic Payment & Agri-environment Schemes

12.1 We are not aware whether the land is eligible for payments under the Basic Payment Scheme or whether the entitlements are in hand, but for the purposes of my valuation we have assumed that they are claimed by the incumbent tenant.

12.2 We are not aware whether the land is subject to any environmental scheme.

13. Environmental Considerations

13.1 We have not been provided with a Contamination Report or Land Quality Statement. In accordance with my instructions, we have not arranged for any specialist investigation to establish whether the property or neighbouring property has the potential to be contaminated or polluted or affected by other environmental matters such as mining.

13.2 We therefore consider the risk of contamination to be low, however we reserve the right to amend our valuation and report should further information become available in this regard.

14. Valuation Commentary

14.1 In assessing the value of the subject property, we have given consideration to the following factors:

Location & Situation

14.2 The property is located in an attractive, suburban area of Bath, with river frontage and long range views over the surrounding countryside, all of which are beneficial from an amenity value perspective.

14.3 However, the land is bounded by a byway and a river, as well as being close to two public houses and a toll bridge. All of these are heavily used by the public and overlook the subject property, meaning it lacks privacy.

Access

14.4 Access from Mill Lane is adequate for agricultural machinery. The hardcore, gated track which bisects the land is also useful and is presumably in place to give the Highways Agency the ability to access their land to the east.

Topography & Landuse

14.5 The land is flat and well fenced but is mostly situated in Flood Zone 3 therefore is considered only to be suitable for grazing.

14.6 The land is therefore likely to be of interest to agricultural and amenity/lifestyle purchasers alike, since it is capable of being farmed on a commercial basis (albeit not for arable purposes) as well as being used for leisure/recreational/equine purposes.

Planning & Development Considerations

14.7 The land is heavily constrained as a result of its location in the Green Belt and partial inclusion within Flood Zone 3, as well as the various local policies which seek to protect it.

14.8 The land has been subject to a number of historic planning applications in the past and secured planning for a park and ride facility in 2009.

14.9 The land can be said to be located in quite a sustainable location with good pedestrian connectivity to Bathampton and Bathaston, albeit with poor vehicular connectivity as a result of the toll bridge that lies immediately to the west.

14.10 Irrespective of these considerations, we have been asked to value the land subject to a covenant restricting its use to agricultural and equestrian uses only and consequently we have not attributed any element of 'hope value' to the property as this restriction will prevent any development potential being realised.

Market Conditions

- 14.11 The full impact of the Corona Virus is, as yet, unknown but it is clearly having demand and supply side impacts across all sectors and demographics on an international scale so it remains to be seen what, if any impact this will have on the land market.
- 14.12 There is little doubt that the ongoing saga surrounding Brexit, the subsequent change in Prime Minister and the implications of a General Election have created a challenge in some sectors of the UK property market.
- 14.13 Stamp duty land tax (SDLT) changes have had a big effect on the residential property market and we have seen price adjustments as a result. This coupled with uncertainty as to what will happen following our departure from Europe has had an impact, particularly on the London residential property market.
- 14.14 This has been further exacerbated by the introduction restrictions on overseas buyers and the knock on effect of this is now rippling out to a wider circle beyond the capital.
- 14.15 Rising interest rates, albeit by only 0.25%, have also created further uncertainty and we are currently experiencing a two-tier market which is weak at the top end and still relatively stable at the bottom end (circa £500,000 and below).
- 14.16 Although there is considerable amount of current political uncertainty, there are a number of strengths which underpin the UK farmland market.
- 14.17 In a global context, the UK economy is relatively stable. There is always a degree of overseas demand which is currently buoyed by the weaker pound.
- 14.18 In many parts of England, domestic demand for land is upheld by amenity and lifestyle buyers. Amenity farms remain in demand, often with competitive buyers from non-farming backgrounds with a preference for small, equipped holdings in close proximity to a reasonably-sized settlement.
- 14.19 In contrast, larger commercial holdings with little scope to diversify have seen a drop in demand, unless there is interest from immediate neighbours looking to expand.
- 14.20 There is also still considerable availability of 'rollover money' where landowners have sold land for development and are seeking to roll the receipts over into more agricultural land to benefit from Capital Gains Tax relief, combined with the nationwide increase of housing targets meaning purchasers are taking a long term view on land which has strategic development potential.
- 14.21 In terms of supply, 2019 saw an 80% drop in publicly marketed farmland. Indeed, transactional evidence is so limited that the RICS/RAU Rural Land Market Survey (published half yearly) has been unable to gather sufficient data to publish meaningful survey results.
- 14.22 It is expected that the overall trend of constrained activity will continue. Whilst changes such as increased interest rates, the phasing out of BPS and general agricultural policy pressures may result in more sales it is unlikely that there will be an oversupply in the next three to five years.
- 14.23 There is still a wide variation of prices being achieved and a growing polarisation of values between good quality and poor quality farmland. Location, quality and size of holding being key factors, as well as neighbouring interest being very important. Generally, there are still buyers for all but the smaller and more remote parcels of bare land.
- Comparable Evidence***
- 14.24 We are aware of 10.55 acres of sloping arable land in a single enclosure with frontage to the A367 at Knoll Farm (immediately to the east of Peasedown St John) that sold at auction in October 2019 for £90,000 (£8,530/acre). In the same sale, land comprising 33.9 acres of gently sloping land also in arable cultivation sold for £314,000 (£9,262/acre).
- 14.25 These parcels were both in arable cultivation, benefited from water connections and Basic Payment Scheme entitlement registration. They were not subject to the same level of public intrusion as the subject property but nor were they as well located.
- 14.26 We are aware of 14.95 acres of land at Claverton Down on the outskirts of Bath which sold in mid-2018 near to the guide price of £220,000 (£14,700 per acre). Planning consent had been granted for the erection of a stable block on the land and this, together with its close proximity to Bath, saw

14.26 We are aware of 14.95 acres of land at Claverton Down on the outskirts of Bath which sold in mid-2018 near to the guide price of £220,000 (£14,700 per acre). Planning consent had been granted for the erection of a stable block on the land and this, together with its close proximity to Bath, saw it command a premium. Whilst the land was in a better location than the subject property, it was of a similar lot size and benefitted from a similarly picturesque outlook.

14.27 We are aware of 30.87 acres of sloping pasture land which included 4.74 acres of woodland in Hinton Charterhouse which sold in December 2018 for £200,000 (£6,479/acre). The land is located some 6.2 miles from the subject property, included amenity woodland and lacked potential for alternative uses.

Market Value

14.28 In our calculation of market value we have taken into consideration the comparable evidence available to us and the variance in values attributable to site specific factors such as condition, location, topography and services available.

15. Basis of Valuation

15.1 The Basis of Valuation is market value, as defined in our Standard Valuation Assumptions and Bases of Valuation, which were sent to you under cover of our letter of 11 February 2020.

16. Valuation Assumptions

16.1 In order to provide our opinion of market value, we have made assumptions relating to various matters, which have been noted in the appropriate sections of this report.

17. Valuations

17.1 Subject to the foregoing, we consider that the valuation that you require of a whole share of the freehold interest in the above-named property as at the date of this report, subject to tenancy and assuming that the land will be sold with a covenant in place restricting its use to agricultural and equestrian uses only in perpetuity, is:-

Market value: £460,000 (Four hundred and sixty thousand pounds)
(£7,500/acre rounded)

18. Disclosure

18.1 This valuation report is prepared solely for the use of Bath & North East Somerset Council, and no responsibility is accepted to any other party for the whole or any part of its contents.

18.2 Neither the whole nor any part of this valuation report nor any reference thereto may be included in any published document, circular or statement, or published in any way without the valuer's written approval of the form and context in which it may appear.

Yours faithfully



Rupert Bendell MRICS FAAV
For and on behalf of Colston & Colston Chartered Surveyors

Peer reviewed by:



.....
(Alistair Colston BSc MRICS – Partner and RICS Registered Valuer)

Date:

.....
16 MARCH 2020
.....

Appendix 1

Correspondence Relating to Instructions

Property & Project Delivery

24 February 2020

Bath & North East Somerset Council
3-4 Manvers St
Bath
BA1 1JQ

FAO: Glenn Chinnock
(by email)

Dear Sirs

Valuation of 24.78 ha of agricultural land at Mill Lane, Bathampton, Bath

Further to our recent email exchange, I write to set out my understanding of your requirements and confirm my instructions, as I am required to do.

I confirm that I shall be pleased to undertake a valuation of the above property, that being 24.78 ha (61.23 acres) or thereabouts of land at Mill Lane, Bathampton, Bath.

I understand that you require my opinion of the market value of the freehold interest in the property subject to a Farm Business Tenancy in connection with a proposed sale via a Community Asset Transfer to the National Trust.

The date of valuation is to be the date of my report and I shall provide you with a single copy of my report. Both my report and my invoice are to be addressed to B&NES.

I confirm that the valuation will be undertaken in accordance with the RICS Valuation – Global Standards, 2020 which incorporate the International Valuation Standards and the RICS Valuation Professional Standards UK 2014 (revised 2018) supplement (the 'red book') by me, Rupert Bendell MRICS FAAY and peer reviewed by Alistair Colston BSC MRICS. We are both RICS Registered Valuers.

I confirm that I have sufficient knowledge of the market and the skills and understanding to undertake this instruction competently.

I also confirm that we hold professional indemnity insurance in respect of the service to be provided, trading as Colston & Colston Chartered Surveyors.

Colston & Colston is registered for regulation by the RICS and has a complaints handling procedure, a copy of which is available on request.

Compliance with the RICS Valuation – Professional Standards by Colston & Colston may be investigated by the RICS for the purposes of the administration of the Institution's Conduct and Disciplinary Regulations.

In accepting this instruction, I am not aware of any involvement with either the property or the parties that might give rise to a potential conflict of interest and, therefore, I am able to undertake this instruction in the capacity of external valuer.

I have been provided with a report on title, a copy of the registered title plan and a copy of the completed farm business tenancy by you. In all other respects I shall rely upon the results of my inspection and my own enquiries in connection with this instruction.

Attached to this letter are documents entitled 'General Terms of Business' and 'Standard Valuation Assumptions and Bases of Valuation'. Together they describe the work that I shall undertake, the sources of information upon which I shall rely and the limitations that apply to my investigations and valuation report.

My fees for the preparation and submission of my valuation report has been agreed to be £975 plus VAT, inclusive of out of pocket expenses.

Having inspected the property, I shall look forward to delivering my report and valuation as soon as I am able.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Rupert Bendell', with a horizontal line drawn underneath it.

Rupert Bendell MRICS FAAY
For and on behalf of Colston & Colston Chartered Surveyors
e rbb@colstonandcolston.com
t 01225 904 704

Encs

GENERAL TERMS OF BUSINESS

These General Terms of Business have been prepared in order to clarify the basis upon which we will act for you. They apply to all services provided by Colston & Colston LLP, trading as Colston & Colston Chartered Surveyors.

They are to be read in conjunction with correspondence from us confirming the basis upon which your particular instructions are accepted ("Appointment Correspondence").

The General Terms of Business, additional terms of business (if any) and Appointment Correspondence will govern the contract ("The Contract") between you and Colston & Colston LLP. The Contract will apply unless varied in writing.

1. Our Relationship with You

1.1 When we refer, in this document and elsewhere, to "we", "our" and "us", we are referring to Colston & Colston LLP. We use the word "partner" to refer to a member of Colston & Colston LLP. No reference to a "partner" is to imply that any person is carrying on business with others in partnership.

1.2 Your relationship is solely with Colston & Colston LLP. No member, employee, agent or consultant of Colston & Colston LLP will have any personal legal liability for the work that we undertake for you. Individuals signing letters, reports and other documents in their own names do so as representatives of Colston & Colston LLP, without assuming any personal legal liability.

1.3 Our work for you is confidential to you and may not be passed on to or shared with others without our prior written consent. We accept no responsibility to anyone other than you, our client, for the work that we undertake for you. In the absence of express agreement to the contrary, no term of "The Contract" is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not party to it.

1.4 If you provide information and documentation to us, then we must rely on you for its accuracy. We will not be liable for any errors or losses arising from false, incomplete or misleading information or documentation that you have supplied.

1.5 On completion of our work for you, we will usually store the papers relevant to your instruction, on the understanding that we have authority to destroy the file 12 years from the date on which our final fee invoice was issued.

2. Responsibility for Work

We will give your affairs reasonable professional skill, care and attention and a Client "Partner" will be identified who will have overall responsibility for the services provided to you. Where appropriate, your work will be delegated to another Partner, Surveyor or Consultant, depending upon the complexity of the matter, so that your instructions are dealt with efficiently, economically and with the appropriate expertise.

3. Fees

3.1 Fees will be as set out in the Appointment Correspondence.

3.2 Unless specified otherwise in the Appointment Correspondence, in addition to professional fees you will be responsible for repaying any disbursements, including advertising, photocopying charges and out of pocket expenses, incurred on your behalf. Where these sums are significant, we may ask for a sum on account before the costs are incurred, or for reimbursement immediately afterwards.

3.3 We do not pay interest on monies held on account of fees and disbursements.

3.4 Invoices are payable on receipt. In the event of non-payment within thirty days of issue, we retain the right to charge interest on the amount outstanding at a rate of 5% above the base rate from time to time of HSBC Bank plc. Additionally, there will be no obligation to carry out any further work for you on any matter until the outstanding amount has been paid.

3.5 If it is necessary to use solicitors or other parties to recover agreed fees, costs or charges, you agree to pay any reasonable costs incurred by us in that respect.

3.6 All fees, costs and charges are subject to Value Added Tax.

3.7 If any cheque you submit is dishonoured, a charge of £50 will be added to your account to cover our administrative time and charges made by our bankers.

3.8 If you instruct us that a third party will be responsible for paying our fees, we will accept such an instruction only on the basis that you will pay our fees if they are not paid promptly (within 30 days of issue) by the third party.

4. Data Protection

4.1 Colston & Colston LLP complies with Data Protection legislation and we observe the confidentiality of our clients' affairs.

4.2 Information about you that we learn in the course of acting for you may be shared within Colston & Colston LLP for the purposes of fulfilling your instructions, notifying you of matters that we consider might be of interest to you and for similar promotional reasons.

4.3 This does not affect your statutory rights under the Data Protection Acts 1984 and 1998.

5. Copyright

We retain copyright in and ownership of all documents, drawings, maps, reports, photographic and other records produced by us in connection with our work for you.

6. Complaints Procedure

In accordance with the Royal Institution of Chartered Surveyors' Rules of Conduct, we have a formal procedure to deal with complaints from clients and others. Details of this procedure are available from the Client Partner who is handling your affairs, although we would normally expect that any difficulties arising can be resolved satisfactorily with the Client Partner and that the formal complaints procedure can be avoided.

7. Applicable Law and Jurisdiction

Whether instructions are carried out within or without the UK, the Laws of England shall apply to The Contract and the English courts shall have jurisdiction.

8. Liability

8.1 The maximum amount of our liability in respect of the work that we do for you will be limited to the amount (if any) specified in the Appointment Correspondence.

8.2 If no amount is specified therein, our liability in contract, tort (including negligence) or otherwise will not exceed £1 million.

8.3 These liability limits are total figures, regardless of the number of people who comprise our client for any one instruction.

8.4 These limitations would not apply to loss or damage caused by our deliberate and wilful default, or to damages for death or personal injury.

8.5 Claims may be brought only against Colston & Colston LLP, and not (except for fraud) against Colston & Colston LLP's individual members, employees, consultants or agents.

8.6 We will not be liable for any indirect consequential loss, damage, cost or expense of any kind. We shall not be liable to you, or be deemed to be in breach of The Contract, by reason of any delay in performing any of our obligations therein if the delay or failure is due to any cause beyond our reasonable control.

8.7 Any alleged liability on our part is to take account of other parties' contributory negligence and legal responsibilities, regardless of those parties' ability to pay or liability limitations in their own terms of engagement.

9. Regulation

9.1 When we take instructions from a new client, we may be obliged, under money laundering regulations, to ask for evidence of identity.

9.2 We may also be required, in some cases, to disclose information to governmental or other regulatory authorities. For example, money laundering regulations require us to notify the Serious Organised Crime Agency if we suspect or have reasonable grounds for suspecting that our client or another person is using the proceeds of crime. In that event, we may be precluded from seeking our client's consent to notify and/or from informing our client that notification has been made.

10. Miscellaneous

10.1 No variation to these conditions shall be binding unless agreed in writing between the parties.

10.2 You acknowledge that in instructing Colston & Colston LLP you have not done so on the basis of, and do not rely on, any representation, warranty or other provision not expressly provided for in The Contract.

10.3 If any provision of The Contract is held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the remainder of The Contract shall not be affected.

Standard Valuation Assumptions & Bases of Valuation

All valuations have been carried out in accordance with the Professional Standards and Valuation Practice Statements and Guidance Notes set out in RICS Valuation - Global Standards 2020 incorporating the International Valuation Standards and the and the RICS Valuation Professional Standards UK 2014 (revised 2018) supplement.

Please note that our valuation report may not be relied upon for the purpose for which it has been prepared until such time as our fee account has been paid in full.

Unless agreed otherwise in writing, or stated otherwise in our valuation report, the following Standard Conditions of Engagement shall apply: -

1. Assumptions: In preparing the valuation and report, we have made the following general assumptions: -

- a) We rely upon information provided to us, by the sources listed, as to details of tenure and tenancies, planning consents and other relevant matters, as summarised in our report. We assume that this information is up-to-date, complete and correct and may be safely relied on.
- b) That all information provided as to ownership (e.g. tenure, lease terms, tenant's improvements, development expenditure, etc.) is up to date, complete and correct. Also, that there are no encumbrances or unduly onerous or unusual easements, restrictions, outgoing or conditions, likely to have an adverse effect upon the value of the property, attaching to the relevant interest in the property of which we have not been made aware and that a good and marketable title to the relevant interest is held.
- c) Where we have read leases, no reliance should be placed on our interpretation of these documents without reference to solicitors, particularly where purchase or lending against the security of a property is involved. We assume that all covenants in any head leases have been complied with and that there are no disputes with the lessors or notices received from the lessors or lessees which would adversely affect the valuation. Information regarding tenure and tenancies must be checked by your legal advisers.
- d) That, unless we have been informed otherwise, each property complies with all relevant Statutory Requirements (including, but not limited to, Fire Regulations, Bye-Laws, Disability Access, Asbestos, Radon Gas and Health and Safety at Work).
- e) That each property has been constructed, and is occupied, in accordance with valid Town Planning Consents and Building Regulations Approvals, and that it complies with any other relevant Statutory and Bye-Law requirements and that there are no outstanding Statutory or other notices in connection with the property or its current use.
- f) That, unless we have been notified otherwise, the presence of high alumina cement, calcium chloride additive, blue asbestos or any other deleterious, harmful or hazardous material has not been determined and our valuation assumes that these materials have not been used in the construction of any of the buildings or subsequently added.
- g) With regard to development properties, we have assumed, except where notified otherwise, that there are no leases, underleases, tenancies, licences or other agreements under which any person has or will have any right to possession, occupation or use of the property or any part thereof and that vacant possession for development is obtainable.
2. **Special Assumptions:** Where special assumptions are necessary in order to adequately provide the client with the valuation required, these will have been expressly agreed and confirmed in writing before the report is issued. Special assumptions may only be made if they can be regarded as realistic, relevant and valid for the particular circumstances of the valuation.
3. **Restricted Information:** Where we have undertaken a valuation on the basis of restricted information, the nature of the restriction and the impact upon the accuracy of the valuation has been referred to in our report.
4. **Revaluations:** Revaluations without re-inspections are made only on the assumption that the client has confirmed that no material changes to the physical attributes of the property and the area in which it is situated have occurred. (For residential properties only: unless otherwise agreed, we will not undertake revaluations without re-inspections if the property was inspected more than 12 months previously because the condition of such property can materially change significantly during this period of time, especially when let.)
5. **Structural Condition:** No structural surveys have been carried out, nor have we tested any services or inspected roof voids, woodwork or any parts of the structures which are covered, unexposed or inaccessible, and, therefore, such parts are assumed to be in good repair and condition and the services are assumed to be in full working order. Any obvious defects or items of disrepair have been taken into account, but we are not able to give any assurance that any property is free from defect.
6. **Plant and machinery:** Plant and machinery and trade fixtures and fittings have not been included in the valuation unless forming part of the structure or service installations and normally valued with the building.

7. **Site History Investigations and Surveys:** We recommend that a site history investigation and survey is undertaken although this is usually commissioned by lawyers. We have not carried out or commissioned a site investigation or geographical or geophysical survey unless requested to do so and, therefore, we are not able to give any opinion or assurance or guarantee that the ground has sufficient load bearing strength to support any of the existing constructions or any other constructions that may be erected in the future. We also cannot give any opinion or assurance or guarantee that there are no underground mineral, other workings, or archaeological remains beneath the site or in its vicinity nor that there is any fault or disability underground which could or might affect the property or any construction thereon or that there is no abnormal risk of flooding.
8. **Contamination:** We are not qualified to give specific advice on the nature or risk of contamination. If, during the course of our inspection and subsequent enquiries for valuation purposes, or through our knowledge of the locality, we became aware of any matters which may indicate the likelihood or potential for contamination of the subject property, these are stated in our report. If a Contamination Report is considered necessary, this should be commissioned by lawyers as part of their due diligence process. Should it be established subsequently that contamination 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 set out in our valuation report and we must be notified immediately.
9. **Measurements:** All measurements have been carried out in accordance with the latest Royal Institution of Chartered Surveyors Professional Statement – RICS Property Measurement incorporating the International Property Measurement Standards, unless stated otherwise in our report.
10. **Planning/Rating:** We have made informal enquiries of the relevant local planning and rating authorities together with publicly available electronic sources and we have taken into account the information received in the preparation of our valuation report. This information is given to us and accepted by us on the basis that it should be relied upon. Written enquiries can take several weeks for response and incur charges. No searches have been carried out and, therefore, unless we are specifically advised to the contrary, we have assumed that the property and its value are unaffected by any matters which would be revealed by a full Local Search. We recommend that formal written enquiries should be undertaken by your lawyers.
11. **Tenant Covenant:** We have undertaken limited research into the strength of covenant offered by commercial tenants in order to form a view of the likely perception of their financial status from the standpoint of potential purchasers. We have assumed that their financial standing is satisfactory, unless our research indicated otherwise. Unless informed to the contrary, we have assumed in all cases that there are no significant arrears of payment and that all commercial tenants are capable of meeting their obligations under the terms of leases and agreements. You should be aware we have made no such checks on residential tenants.
12. **Taxation/Costs of Realisation:** No account has been taken of any liability for taxation, which may arise upon the disposal of the property, nor have we deducted the likely costs of such disposal. However, normal purchaser's costs are reflected in our valuations where necessary.
13. **Development Properties:** For properties in course of development, we have reflected the stage reached in construction and the costs remaining to be spent at the date of valuation. We have had regard to the contractual liabilities of the parties involved in the development and any cost estimates that have been prepared by the professional advisors to the project. For recently completed developments, we have taken no account of any retentions, nor have we made allowance for any outstanding development costs, fees, or other expenditure for which there may be a liability.
14. **Valuation Date:** The date of our valuation report, unless specified otherwise.
15. **Comparables:** Information quoted in our reports is often based upon our verbal enquiries and electronically available information and its accuracy cannot be assured. However, such information is only referred to where we have reason to believe its general accuracy, or where it is in accordance with our expectation. We have not inspected comparable properties.
16. **Publication:** Prior consent in writing is required for any reproduction or public reference to the valuation or report.
17. **Reliance on the Report:** The valuation report has been provided only for the purpose agreed with the instructing Client and is for the sole use of that Client. As such, it is confidential to the Client and his professional advisors to whom we accept responsibility that the report has been prepared with the skill, care and diligence that can reasonably be expected of a competent valuer. We accept no responsibility whatsoever to other parties that subsequently rely on this report, for the whole or any part of its contents.
18. **Loan Security:** Where instructed to comment on the suitability of property as a loan security, we are only able to comment on any inherent property risk. Determination of the degree and adequacy of capital and income cover for loans is the responsibility of the lender having regard to the terms of the loan.
19. **Complaints Procedure:** In accordance with the requirements of the RICS, a copy of our complaints procedure is available on request.
20. **Definitions:** The definitions of the *market value* and *market rent* valuation bases set out in The RICS Valuation - Professional Standards – Global and UK Edition are reproduced below as follows: -

Market Value (MV)

Valuation Practice Statement 4 defines *market value* as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Market value is a basis of value that is internationally recognised and has a long-established definition. It describes an exchange between parties that are unconnected and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the valuation date, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximises its productivity and that is possible, legally permissible and financially feasible – fuller treatment of this particular premise of value can be found at section 140 of IVS 104.

It ignores any price distortions caused by special value (an amount that reflects particular attributes of an asset that are only of value to a special purchaser) or marriage value. It represents the price that would most likely be achievable for an asset across a wide range of circumstances. Market rent (see below) applies similar criteria for estimating a recurring payment rather than a capital sum.

In applying *market value*, regard must also be had to the requirement that the valuation amount reflects the actual market state and circumstances as of the effective valuation date. The full conceptual framework for *market value* can be found at paragraph 30.2 of IVS 104 – RICS Valuation Global Standards 2017.

Notwithstanding the disregard of special value, where the price offered by prospective buyers generally in the market would reflect an expectation of a change in the circumstances of the asset in the future, the impact of that expectation is reflected in *market value*.

Examples of where the expectation of additional value being created or obtained in the future may have an impact on the *market value* include:

- the prospect of development where there is no current permission for that development and
- the prospect of marriage value arising from merger with another property or asset, or interests within the same property or asset, at a future date.

The impact on value arising by use of an assumption or special assumption should not be confused with the additional value that might be attributed to an asset by a special purchaser. In some jurisdictions a basis of value described as "highest and best use" is adopted and this may either be defined by statute or established by common practice in individual countries or states.

Market Rent (MR)

Valuation Practice Statement 4 defines *market rent* as "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".

Market rent 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 affect the *market rent*. In certain countries or 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.

Market rent will normally be used to indicate the amount for which a vacant property may be let, or for which a let property may re-let when the existing lease terminates. *Market rent* is not a suitable basis for settling the amount of rent payable under a rent review provision in a lease, where the definitions and assumptions specified in the lease have to be used.

Valuers must therefore take care to set out clearly the principal lease terms that are assumed when providing an opinion of *market rent*. If it is the market norm for lettings to include a payment or concession by one party to the other as an incentive to enter into a lease, and this is reflected in the general level of rents agreed, the *market rent* should also be expressed on this basis. The nature of the incentive assumed must be stated by the valuer, along with the assumed lease terms.

Appendix 2
Location Plan



Appendix 3

Photographs

APPENDIX 3



View of land from north to south



View of land from west to east



View of cycle path bridge



View of electricity pylon and cycle path



View of track bisecting land west - east



View north towards Bathampton Mill and toll bridge