

Appendix One
Area Included in the Title for the Bungalow

Appendix Two
Extract from Woodland UK Website

Woodlands for sale in South East England

Show sold



SEARCH

LIST VIEW

MAP VIEW

36 Woodlands found in South East England (including East Hampshire, Kent, Surrey, East Sussex, West Sussex).



£129,000

Darwell Down Wood

NETHERFIELD, NEAR BATTLE, EAST SUSSEX

about 8 ¼ acres

A peaceful mixed ancient woodland set in the High Weald AONB Area of Outstanding Natural Beauty on the south side of Darwell Hill.



£95,000

Shepherd's Ward Wood

HOOK GREEN, NEAR LAMBERHURST, EAST

SUSSEX / KENT BORDER

4 ¾ acres

An attractive varied ancient woodland featuring mixed broadleaves and the occasional conifer. Field views to the west and stoned tracks leading to the wood providing great all year-round access.

Contact regional manager



THIS REGION IS MANAGED BY RUTH AND JAMES FELTHAM:

07812 165081

EMAIL MANAGER



£99,000

Tup Wood

HOOK GREEN, NEAR LAMBERHURST, EAST

SUSSEX / KENT BORDER

5 ½ acres

An ancient woodland - featuring chestnut coppice, mature oak and bluebells. With great access and a plentiful supply of firewood.



£145,000

Pen Wood

HOOK GREEN, NEAR LAMBERHURST, EAST

SUSSEX / KENT BORDER

8 ½ acres

Featuring a series of ponds, a stream, field views, bluebells, and magnificent mature oak this mixed ancient woodland has lots to offer a new owner.



£79,000

Hurdle Wood

BECKLEY, NEAR RYE, EAST SUSSEX

4 ¾ acres

Situated approximately 7 miles north from the coastal town of Rye, Hurdle Wood features a variety of deciduous and coniferous tree types.



£85,000



£115,000



£79,000



Bering Wood
LANGLEY HEATH, KENT

8 acres

An ancient woodland offering an owner the opportunity to manage a small chestnut coppice wood.



Wattle Wood
BECKLEY, RYE, EAST SUSSEX

about 7 acres

An attractive ancient mixed broadleaf woodland situated approx. 7 miles north from the coastal town of Rye.



Byrd Wood
LANGLEY HEATH, KENT

7 1/2 acres

The manageable size and great access make this wood an attractive opportunity for a new owner looking for a chestnut coppice woodland.



£95,000

Monkswood Wood
BROOMFIELD, MAIDSTONE, KENT

about 6 acres

A dramatic woodland with a deep central valley, surrounded by bluebells in spring.

Can't find your perfect wood for sale?



CONTACT RUTH AND JAMES FELTHAM
TO FIND OUT ABOUT FORTHCOMING WOODS

07812 165081

EMAIL MANAGER



£95,000

Arun Wood
TORTINGTON, ARUNDEL, WEST SUSSEX

about 3 1/4 acres

Bluebells are one of the great pleasures we can enjoy in woodlands, and here there is an abundance: almost all of this lovely wood is graced by the brightest of blues.



£55,000

Palamon Wood
CRANBROOK COMMON, KENT

about 3 acres

An ancient mixed woodland with sweet chestnut, oak, birch and Scots pine and featuring a species rarely found in the UK – a wild service tree.



SOLD

£109,000

Spur Wood
KILDOWN, NEAR LAMBERHURST, KENT

6 1/2 acres

A well-established mixed broadleaved woodland offering a plentiful supply of firewood.



SOLD

£65,000

Bronhurst Wood
NETHERFIELD, NEAR BATTLE, EAST SUSSEX

about 4 acres

An attractive varied ancient woodland featuring mixed broadleaves, the occasional conifer and stunning bluebells. Meadow views to the east and a private internal track within the wood itself.



SOLD

£85,000



SOLD

£85,000



SOLD

£139,000



Winbolt Wood

CASTLEHILL AT CAPEL, TUNBRIDGE WELLS, KENT

about 5½ acres

Winbolt Wood enjoys fine views over the surrounding woods and meadows.



Settle Wood

BECKLEY, NEAR RYE, EAST SUSSEX

about 5 acres

A unique opportunity to acquire a mix of established ancient woodland and a recently clear-felled area to plant your own woodland.



Fold Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

9 acres

Tucked away from roads and public footpaths this is an extremely private mixed ancient woodland with great access and a plentiful supply of firewood.



Kemp Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

about 7 ¼ acres

An ancient woodland surrounded by private woods on all sides with a variety of deciduous and coniferous tree types and featuring stunning bluebells in the Spring.



Ram Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

5 ½ acres

A mixed ancient woodland featuring a small pond, a seasonal stream, woodbanks, field views, bluebells and splendid mature oak.



Lug Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

5 ¼ acres

Extremely private and peaceful, this ancient mixed woodland features a stream and would provide a new owner with a plentiful supply of firewood.



Wyatt Wood

TORTINGTON, ARUNDEL, WEST SUSSEX

about 4 ½ acres

This is a wonderful woodland: Scots pine for those who delight in our native conifers, hazel for the dormice, bluebells for colour, and a stream for waterside plants - a prime wildlife woodland. There is plenty of scope for camping, projects and family forestry.

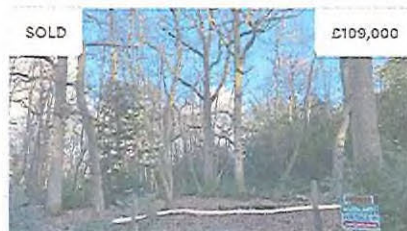


App's Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

about 5 ¼ acres

An ancient mixed broadleaf woodland with sweet chestnut, oak, birch, beech, alder and hazel. Situated away from roads and public footpaths, this also wood offers a plentiful supply of firewood.



Lamb Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

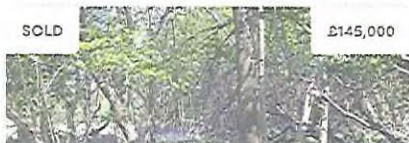
about 6 ¼ acres

An interesting and appealing mixed ancient woodland featuring mature oak, sweet chestnut and birch, a stream, field views and stunning bluebells in the Spring.



SOLD

£89,000



SOLD

£145,000



SOLD

£55,000



Slink Wood

HOOK GREEN, NEAR LAMBERHURST, KENT / EAST SUSSEX BORDER

5 acres

An ancient mixed broadleaf woodland with sweet chestnut, oak, birch, beech and Scots pine. Private and peaceful this attractive wood offers a plentiful supply of firewood.



Fleece Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

9 acres

A mixed ancient wood with an attractive stream and stunning bluebells in the Spring. Extremely private and peaceful.



Pluccan Wood

PLUCKLEY, ASHFORD, KENT

over 3½ acres

Semi-natural ancient woodland previously part of the Dering Estate and adjacent to the large area of Woodland Trust woodland.



SOLD

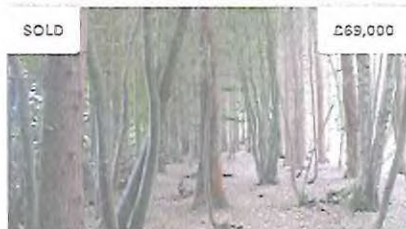
£89,000

Pevington Wood

SMARDEN, KENT

about 6 acres

Pevington Wood is set to one side and within the large forest known as Dering Wood.



SOLD

£69,000

Spindle Wood

BECKLEY, NEAR RYE, EAST SUSSEX

4 ¼ acres

A small manageable wood with a broad range of species and a good supply of firewood, situated approx. 7 miles north from the coastal town of Rye.



SOLD

£59,000

Rogers Wood

NETHERFIELD, NR BATTLE, EAST SUSSEX

about 3½ acres

Sandstone and bluebells, broadleaved woodland set on the upper parts of Darwell Hill.



SOLD

£99,000

Crimp Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

5 ½ acres

An ancient mixed broadleaf woodland offering a new owner the opportunity to manage a small chestnut coppice wood. Situated away from roads and public footpaths, this wood provides a plentiful supply of firewood.



SOLD

£125,000

Birchets Wood

HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

7 ½ acres

Private, flat and easily accessible this ancient mixed broadleaf woodland features an attractive seasonal stream and splendid field views to the west.



SOLD

£75,000

Range Wood

CASTLEHILL, TUNBRIDGE WELLS, KENT

about 4½ acres

A delightful mature bluebell woodland on a sloping site with a short stream at one edge.



SOLD

£95,000



SOLD

£55,000



SOLD

£69,000



Anvil Wood
PONTS GREEN, KENT

4 ½ acres

An extremely quiet and attractive ancient mixed woodland, hidden away off the beaten track.



Meades Wood
BROOMFIELD, MAIDSTONE, KENT

about 3 acres

A bluebell woodland with dramatic topography; a dry hill with green western red cedar for winter colour and fragrance.



Downs Wood
HOOK GREEN, NEAR LAMBERHURST, EAST SUSSEX / KENT BORDER

3 ¼ acres

A mixed ancient wood offering the most incredible bluebell display in the spring, manageably sized, private and surrounded by woodlands.



Clip Wood
HOOK GREEN, LAMBERHURST, KENT

5 ½ acres

A delightful ancient mixed broadleaf woodland with oak, birch, hazel and chestnut, a pretty seasonal stream and field views to the north.



Crackel Wood
SHADOXHURST, NEAR ASHFORD, KENT

7 ¼ acres

A peaceful ancient woodland; featuring oak, hornbeam and birch and two ponds. Surrounded by woods on three sides, with field views to the west.

Can't find what you're looking for?

We have other woods, some much larger, which will be available soon.
Contact the manager for this region for more details.



REGIONAL MANAGERS
Ruth and James Feltham
07812 165081
ruthandjames@woodlands.co.uk

Or visit forests.co.uk for other woods for sale

Subscribe to email updates

GET AN EMAIL WHEN NEW WOODS COME ON TO THE MARKET

Enter email address...

SELECT YOUR REGIONS .

Appendix Three
Sales Particulars - Orchardleigh

Giles Wheeler-Bennett

CHARTERED SURVEYORS, LAND & PROPERTY AGENTS

ORCHARDLEIGH

Botley Road, Bishop's Waltham SO32 1DR

**Approx. 2.98 acres (1.20 ha) in All
Upper reaches of the Hamble Valley**



Former Nursery. Well positioned within a mile of Bishop's Waltham along a quiet lane. A small holding historically used for horticulture. Detached 3 Bedroom House (1,279ft²) built in 1964. Agricultural Occupancy Condition affecting the house. Outbuildings 2,583ft² (partially dilapidated), 2 Stables and 7 Polytunnel frames. Pasture (1.82 acres). Suitable now for alternative uses, subject to Planning Consent where needed.

PRICE GUIDE £725,000

OFFERS INVITED

FREEHOLD FOR SALE - PRIVATE TREATY - VACANT AND NO CHAIN



West Court, Lower Basingwell Street, Bishop's Waltham, Southampton SO32 1AJ

T: 01489 896977 F: 01489 896985

E: office@gileswheeler-bennett.co.uk www.gileswheeler-bennett.co.uk

VIEWING INSTRUCTIONS: Strictly By Appointment Only. Please contact this office to arrange an appointment. 01489 896977. It is essential to view the drone video footage and read the Sales Particulars available at the website www.gileswheeler-bennett.co.uk prior to visiting the Property.

VIDEO DRONE FOOTAGE: See the website www.gileswheeler-bennett.co.uk and further details, photographs and drone video footage is available showing the whole Property.

LOCATION: See **Location Plan**. Within a mile of Bishop's Waltham along the Botley Road (B3035).

DIRECTIONS: From the roundabout at The Crown Hotel in Bishop's Waltham take the Botley Road (B3035) south towards Botley. After approx. ¾ mile turn right into a Tarmac lane (private). Proceed along the lane and after approx. 200m the entrance to Orchardleigh is on the left hand side. <https://what3words.com/blazing.develop.overlaid>

DESCRIPTION: Well positioned within a mile of Bishop's Waltham. Extending in all to approx. 2.98 acres as shaded red on **Site Plan 1**. Suitable now for alternative uses, subject to Planning Consent where needed. Detached 3 Bedroom House built in 1964. Agricultural Occupancy Condition on the house. Outbuildings (up to 2,583ft²) and 7 Polytunnel frames. 2 Stables and pasture (1.82 acres).

A family run small holding formerly known a 'Orchardleigh Nursery' established in the 1960s and used for the growing of vegetables and flowers and some egg production. Now a set of redundant (partially dilapidated), outbuildings, glasshouse and of aluminium framed Polytunnels with yard area.

ACCESS: See **Site Plan 2** on which the route of the access lane (private) is identified by the blue line linking to both position A and B along the Botley Road. There are 3 residential properties and a commercial yard that are accessed from this same private lane off the Botley Road. We are informed by the Vendor that each property is able to use the access lane in either direction along the blue route.

LAND REGISTRY: The Property is not currently registered. See **Site Plan 1** and note that the extent of the Property includes a section of the access lane immediately in front of the house. Neighbouring properties that use the access lane have reciprocal rights to pass over the short section of the lane at the frontage of the Property.

HOUSE: See **Floor Plan**. 3 Bedrooms (Bedroom 4 is a smaller room accessed via Bedroom 3). The accommodation extends to a gross internal floor area of 1,279ft² (118.8m²). The house has not been extended since its original construction in 1964. Cavity wall construction.

OUTBUILDINGS: See the Photographs and watch the Drone Video on our website www.gileswheeler-bennett.co.uk. The range of timber framed buildings (a number being dilapidated) extend to approx. 2,583ft² (240m²). Electricity (untested) is connected to one of the buildings.

PASTURE LAND: There is a block of pasture at the western end of the Property. Fenced and bounded by mature trees. Level and appears to be well drained. Small orchard. Approx. 1.82 acres in all including an area of pasture adjacent to the Polytunnels on the southern boundary.

STABLES: There are 2 timber framed Stables and a Store serving the pasture.

POLYTUNNELS: There are 7 Polytunnels in various states of condition. These historically used for the growing of vegetables and flowers. Paved paths and gravel throughout these Polytunnels.

DESIGNATIONS: There are no environmental designations affecting the Property.

HOUSE AND OCCUPANCY CONDITION: See Additional Documents on our website for Planning Consent Ref: DRD.2605.2 for the House dated 26th June 1964 with Condition 3 stating:

'The occupation of the dwelling shall be limited to persons employed or last employed locally in agriculture as defined in Section 221(1) of the Town and Country Planning Act, 1962, or in forestry, and the dependants of such persons'.

The house was occupied by the original Proprietor and owner until 2022. Interested parties must make their own enquiries. Then please discuss this matter with the Selling Agent.

There are no other Planning records for any of the Outbuildings/Polytunnels for all of which have been in place for approx. 50 years.

TREE PRESERVATION ORDERS (TPO): There are no TPOs affecting the Property.

EASEMENTS: There is a sewer pipe that passes through the Property at the eastern end of the pasture area, beside the Stables.

SERVICES: Mains electricity and water. Private drainage - Cess Pit. Telephone.

PUBLIC RIGHTS OF WAY: None cross the Property. There is pedestrian access via the blue route on **Site Plan 2** to connect to a Public Footpath approx. 200m away to the north of the Property.

COUNCIL TAX: Property Band = E for year 2023/2024 = £2,598.72

BUSINESS RATES: None are demanded at the Property.

LOCAL AUTHORITY: Winchester City Council (WCC), City Offices, Colebrook Street, Winchester SO23 9LJ. Tel: 01962 840222. www.winchester.gov.uk

OCCUPATION: The Property is vacant and is not forming any part of an onward chain for the Vendors.



Score	Energy rating	Current	Potential
92+	A		
81-91	B		
69-80	C		72 C
55-68	D		
39-54	E		
21-38	F	28 F	
1-20	G		

OFFER INSTRUCTIONS: Please see the Additional Document on our website for instructions as to how to make an offer by Private Treaty.

For Further Information Contact:

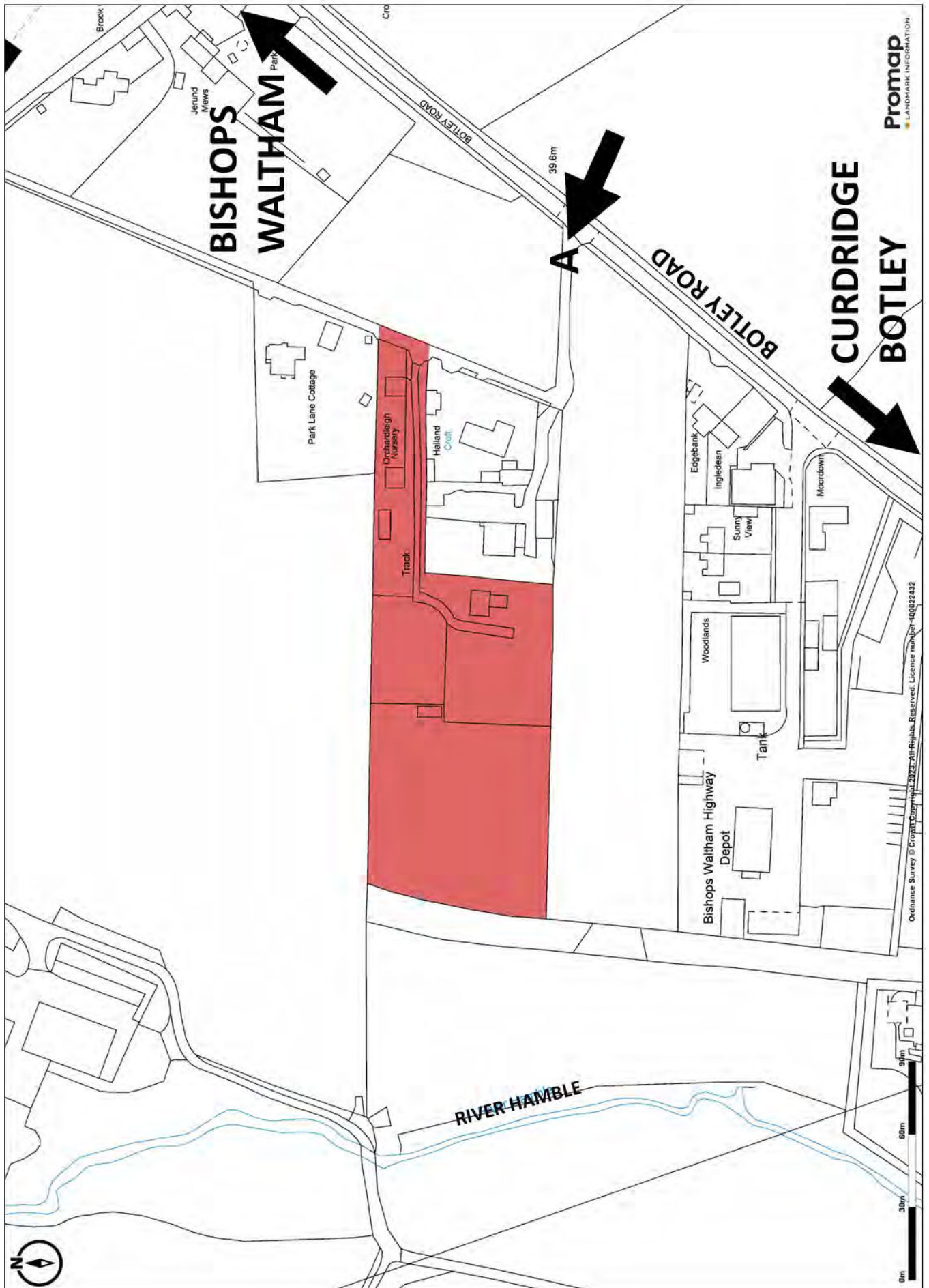
Dominic Plumpton

Tel: 01489 896977 **Mob:** 07780 000201

Email: dominic@gileswheeler-bennett.co.uk

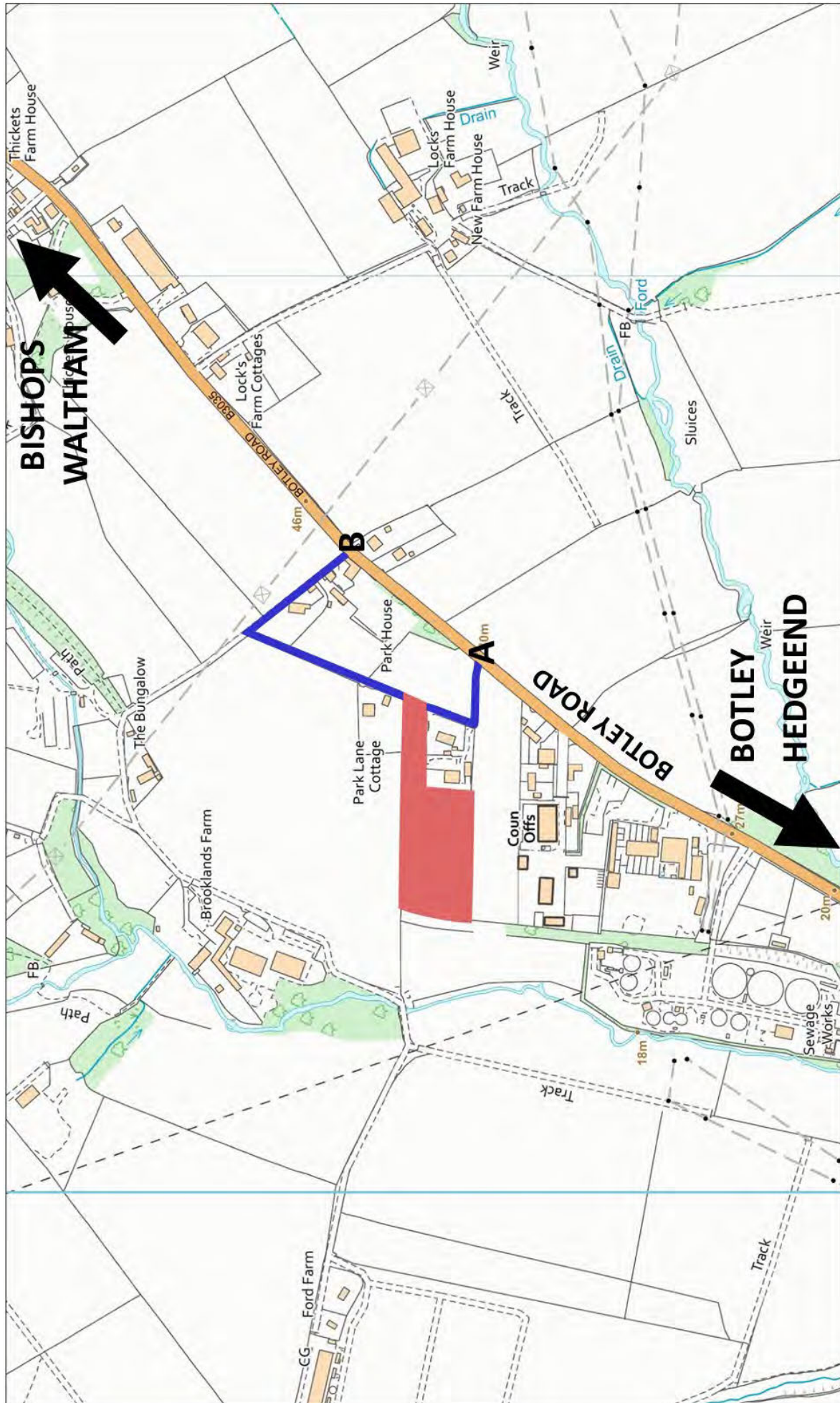


SITE PLAN 1



Subject to Survey

SITE PLAN 2













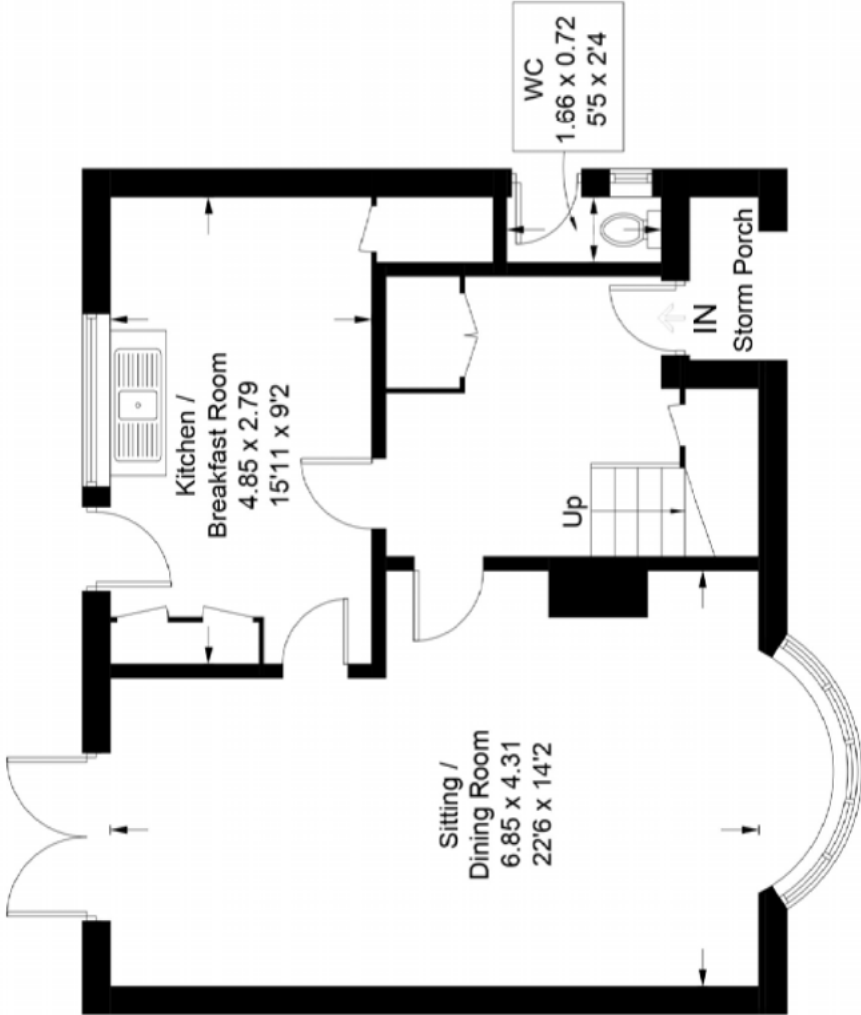




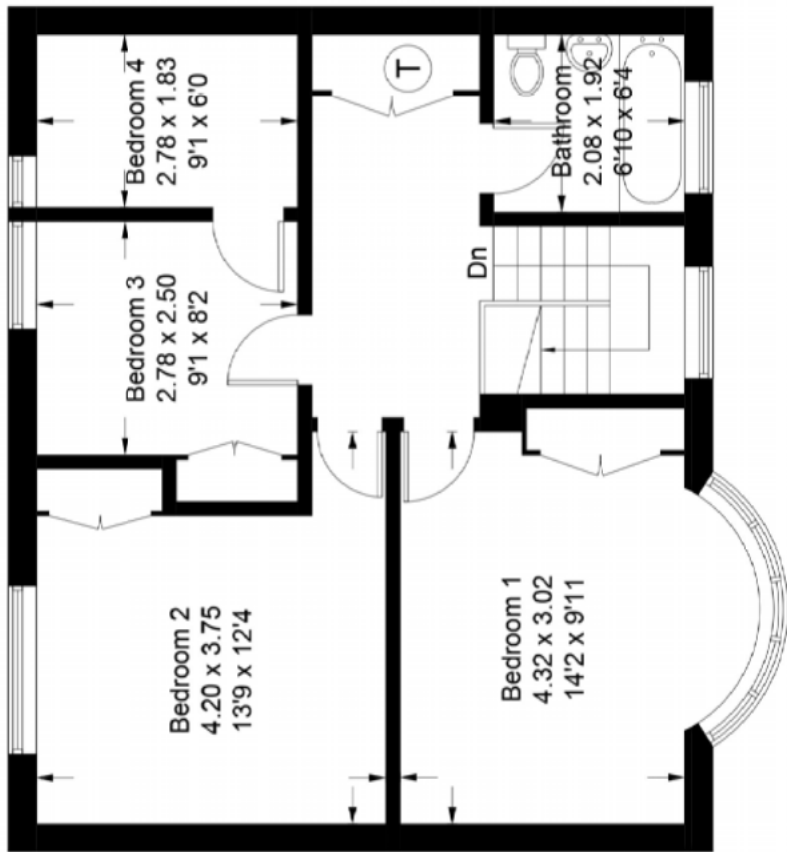
FLOOR PLAN

Orchardleigh

Approximate Gross Internal Area = 118.8 sq m / 1279 sq ft



Ground Floor



First Floor

Illustration for identification purposes only, measurements are approximate, not to scale. (ID982588)

LOCATION PLAN



FOR ILLUSTRATION PURPOSES ONLY—NOT TO SCALE

IMPORTANT NOTICE

1. No description or information given about the property or its value, whether written or verbal or whether or not in these Particulars may be relied upon as a statement of representation or fact. Giles Wheeler-Bennett Ltd has no authority to make any representation and accordingly any information given is entirely without responsibility on the part of the agents or the seller.
2. The photographs show only certain parts of the property at the time they were taken. Any areas, measurements or distances given are approximate only.
3. Any reference to alterations to, or use of any part of the property, is not a statement that any necessary planning, building regulations or other consent has been obtained. These matters must be verified by any intending buyer.
4. Any buyer must satisfy himself by inspection or otherwise as to the correctness of any information stated.
5. These particulars do not form part of any offer or contract.

July 2023

Appendix Four
Quinton Edwards Valuation

**REPORT AND
MARKET VALUATION**

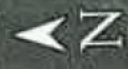
***LISS FOREST NURSERY
PETERSFIELD ROAD
GREATHAM
HAMPSHIRE GU33 6HA***

Prepared On Behalf Of

**THE DIRECTORS
SOUTH DOWNS NATIONAL PARK AUTHORITY
C/O BRUTON KNOWLES
(CHARTERED SURVEYORS)**

APRIL 2023

Liss Forest Nursery




100 m


Google Earth



REPORT AND MARKET VALUATION

<u>CLIENT/INTENDED USER:</u>	The Directors South Downs National Park Authority c/o Bruton Knowles (Chartered Surveyors) 2 Paris Parklands Railton Road Guildford GU2 9JX
<u>LIMITS OR EXCLUSIONS OF LIABILITY TO PARTIES OTHER THAN THE CLIENT:</u>	This report and valuation is prepared for the client/intended user.
<u>INTERESTS TO BE VALUED:</u>	Liss Forest Nursery Petersfield Road Greatham Hampshire GU33 6HA
<u>TYPE OF ASSET:</u>	Nursery
<u>EXPLANATION OF BASIS OR BASES OF VALUE:</u>	<p>1. Market Value The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.</p> <p>2. Market Rent The estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.</p> <p>3. Investment Value An investment property is one that is used solely for rentals or capital appreciation or both. Property that is used to facilitate service delivery as well as for rentals or capital appreciation is not an investment property and should be recognised and measured under IAS 16.</p> <p>4. Fair Value</p> <ol style="list-style-type: none"> Investment property is to be accounted for in accordance with IAS 40 at Fair Value and the option to measure at cost model is not permitted (other than in exceptional circumstances outlined in the Code). The Code requires the valuer to provide the Fair Value of the property reflecting any current leases, current cash flows and reasonable assumptions about future rental income or outgoings.

	<p>3. Property held by a lessee under an operating lease may be accounted for as an investment property only if the property would otherwise meet the definition of investment property. In such cases, the lease shall be accounted for as it were a finance lease.</p> <p>4. The Fair Value of investment property under a lease is in respect to the lease interest not its underlying market value.</p>
<u>BASIS/BASES OF VALUE:</u>	Market Value
<u>INSPECTION DATE:</u>	29 th March 2023
<u>IDENTITY OF THE VALUER:</u>	Simon Quinton Smith FRICS MI Hort for and on behalf of Quintons (Commercial) Ltd
<u>CURRENCY ADOPTED:</u>	GBP
<u>EXTENT OF VALUERS INVESTIGATIONS:</u>	Visual inspection only.
<u>NATURE AND SOURCE OF INFORMATION RELIED ON BY THE VALUER:</u>	Internet Information received from Mr Peter Catt, Mr Richard Ferguson and Mr Fraser Castle.
<u>CONFLICT OF INTEREST:</u>	The Valuer confirms that Quintons (Commercial) Limited has no conflict of interest.
<u>STATEMENT:</u>	<p>We confirm that the valuation accords with the International Valuation Standards where appropriate.</p> <p>The Valuer confirms that they have the knowledge, skills and understanding to undertake the valuation competently.</p>
<u>VALUATION:</u>	Freehold Market Value: £ 980,000
<u>SIGNATURE:</u>	
<u>DATE:</u>	4 April 2023

This valuation must be read in conjunction with our report and your attention is specifically drawn to the basis of valuation explained within our standard terms and conditions provided by The Royal Institution of Chartered Surveyors attached as Appendix 1 

SIMON E QUINTON SMITH *Bsc FRICS MI Hort*
Registered Valuer & Registered Business Valuer
QUINTONS COMMERCIAL LIMITED

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Our Ref: SEQS/ch/LissForestNursery

4 April 2023



Chartered Surveyors
Property and Management Consultants
to the Garden Centre and Horticultural Industries

Strictly Private and Confidential

The Directors

South Downs National Park Authority

c/o Bruton Knowles (Chartered Surveyors)

2 Paris Parklands

Railton Road

Guildford GU2 9JX

Bartholomew House

38 London Road

Newbury

Berkshire, RG14 1JX

Tel: 01635 551441

Fax: 01635 551440

www.quintonedwards.co.uk

Dear Sir/Madam

**Re: Liss Forest Nursery, Petersfield Road, Greatham, Hampshire GU33 6HA
Report and Market Valuation**

Further to your kind instructions, we have now had the opportunity to inspect Liss Forest Nursery to undertake a market valuation which we understand is for comparison and sale purposes.

We can confirm that we have carried out further investigations into the various issues arising therefrom and set out our report on value as at today's date to include the various issues requested.

This valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards 2022 - and to our standard Terms and Conditions relating to opinions of value and our sole agency/sole selling rights Terms and Conditions, which are attached as Appendix 1, all of which should be read in conjunction with this report and valuation.

We draw your attention to the fact that our files may be monitored by the Royal Institution of Chartered Surveyors in respect of the Valuer Registration Scheme and other purposes.

We have pleasure in reporting as follows:-

INSTRUCTIONS

The property was inspected by Simon E Quinton Smith Bsc FRICS MI Hort and Gordon Perry on 29th March 2023 and the weather was damp and cool.



INFORMATION SUPPLIED

Quinton Edwards was supplied with the following information:

- Site Plan
- Planning Permissions

BASIS OF VALUATION

In accordance with your instructions, we have provided an assessment of:-

- The current Market Value of the freehold interest in the property with full vacant possession subject to and with the benefit of any occupational leases as detailed later in this report if appropriate.

GENERAL ASSUMPTIONS

All our valuations have been carried out on the basis of the General Assumptions and Standard Conditions set out in the relevant section of the report.

SPECIAL ASSUMPTIONS

There are no special assumptions.

CONFLICT OF INTEREST

We are not aware of any conflict of interest, either with the Property or with the Borrower, preventing us from providing you with an independent valuation of the Property in accordance with the RICS Red Book. We will value as External Valuers.

EXTENT OF DUE DILIGENCE ENQUIRIES AND INFORMATION SOURCES

At the date of our inspection an interview was held with Mr Peter Catt which has provided much of the verbal information forming the basis of this report.

Please note that, where possible, in the time allowed, we have verified and supplemented the information given to us. However, if further information comes to light of which we are not presently aware, we reserve the right to amend our valuations accordingly in the light of such additional information.

The extent of the due diligence enquiries we have undertaken and the sources of the information we have relied upon for the purpose of our valuation are stated in the relevant sections of our report below.

Where reports and other information have been provided, we summarise the relevant details in this report. We do not accept responsibility for any errors or omissions in the information and documentation provided to us, nor for any consequences that may flow from such errors and omissions.

The way in which we have approached these matters is set out in the relevant sections of our report below.

LOCATION

The nursery is located to the north of the A3 in between Liss and Liphook, north of Petersfield, south of Farnham and south-east of Alton.

A location plan is attached as Appendix 2.

SITUATION

The site is situated on the south-east side of Petersfield Road within the centre of the village of Greatham, a short distance north of its junction with the B3006 which gives access to the A3.

The nursery benefits from a wealthy catchment population.

A street extract is attached as Appendix 3.

THE SITE

The site is generally flat and rectangular benefitting from a 162 metre frontage to the Petersfield Road.

A site plan is attached as Appendix 4 with the site boundaries edged red and we estimate the site extends to 2.324 hectares (5.743 acres).

The site of the bungalow benefits from a 48 metre frontage to the road and extends to 0.258 hectares (0.638 acres) which reduces the nursery site to 114 metre frontage and the land area to 2.066 hectares (5.105 acres).

DESCRIPTION

Access is off the road through a metal five bar gate on a single tarmac road with an attractive landscape border on the right. See photographs 1-3 attached within Appendix 5.

On the left is the bungalow and detached garage. See photograph 4.

The road moves past these properties through another gate, past the nursery office on the left into a yard/car park which can accommodate up to around 12 cars. See photographs 5-6.

The office is single storey constructed of brick under a pitch tiled roof comprising five rooms plus storage areas. See photograph 7.

On the right of the access and the car park is a two bay multi-span with concrete slab walkways and Mypex. See photographs 8-9.

There is then a warehouse with block walls to circa 2 metres with corrugated asbestos cladding to walls and pitched roof with translucent panels, concrete floor with full height sliding loading doors, 5 metres to eaves, with full height double sliding loading doors and a mezzanine over part. See photographs 10-11.

At the bottom of the yard is a three bay Robinsons glasshouse 2.6 metres to gutter with concrete slabbed walkways, Mypex, thermal screen and a Combat oil fired boiler. See photographs 12-13.

On the other side of the car park, starting adjacent to the garage, are a line of horticultural structures. See photograph 14.

First a three bay Wilko glasshouse, 3 metres to gutter, divided into two and one bays. The first two bays are used as a propagation house with rolling benching, mist irrigation, thermal screens and piped heating. The individual bay has a concrete walkway and Mypex. See photographs 15-16.

Adjacent is a small plant standing out area. See photograph 17.

There is then an elderly single bay wooden framed glasshouse with concrete work area, concrete slab walkway and boiler. See photograph 18.

There is then a three bay multi-span with concrete walkway, Mypex and boiler. See photographs 19-20.

At the end is a tarmac road which runs along the side of the multi-span moving deeper into the site and on the other side is a four bay glasshouse frame with cloches beneath, all uncovered, and to the rear of that is a Mypex plant standing out area. See photographs 21-24.

Moving back into the site, behind the house is a coniferous hedge. There is then a five bay multi-span with walkways and Mypex, then a second similar one of which the first two bays are used for plants with the remaining three bays having a concrete base and used for despatch. There is then a two bay multi-span. See photographs 25-29.

Across the roadway is a four bay elderly glasshouse with concrete slabbed walkways, Mypex and boilers. See photographs 30-31.

Past the two bay multi-span is a yard to the rear of which is a raised concrete dock loading area, to the rear of that are the three bays of the multi-span used for despatch. See photograph 32.

To the side is an above ground metal reservoir.

Next are two 4 bay elderly glasshouses with concrete slabbed walkways and Mypex with narrow plant standing out area to the front of the second. See photographs 33-34.

To the rear of the yard is a block and plastic-coated profile metal clad warehouse building with pitched corrugated asbestos roof with translucent panels, a roller shutter door, concrete floor and sodium lighting. See photographs 35-36.

On the other side of the roadway is a two bay multi-span, to the rear of the glasshouse used for potting. See photographs 37-38.

To the rear of the glasshouses running up to the residential area is a large irrigated Mypex plant standing out area. See photograph 39.

There is then an uncovered metal frame above a Mypex plant standing out area with overhead irrigation and on the other side of the access road are three polytunnels in a line, then a row of two polytunnels and two shade tunnels. See photographs 40-43.

The bungalow is constructed of brick under pitch tiled roof surrounded by a beautiful landscape garden within which is a greenhouse and a summer house. See photograph 44.

Access into the bungalow is through the front door, on the left is a living room with fireplace and double doors to a conservatory which in turn has doors to the garden.

Straight ahead is access to the kitchen, fully fitted, with breakfast bar and stainless steel sink and drainer.

Access off the kitchen is to a dining room which in turn also links back to the living room.

From the kitchen is a lobby off which is the back door and a boiler room.

The hall turns right and on the left is a family bathroom with Jacuzzi bath, walk-in shower and wash-hand basin, adjacent is a WC with wash-hand basin.

There is then a small double bedroom and two larger double bedrooms, all with built-in cupboards.

To the front of the bungalow is a turning circle and to the side is a double detached garage constructed of brick under pitch tiled roof, to the rear of which is a staff room and WC used by the nursery. See photograph 45.

ACCOMMODATION

We have measured the premises in accordance with the Code of Measuring Practice published by The Royal Institution of Chartered Surveyors and the floor areas are as follows measured gross internal:-

A plan which was provided with the buildings numbered is attached as Appendix 6 and our accommodation as set out below is using your numbering:

1.	Bungalow		
2.	Garage		
2a.	Garage	41.6 sq.m.	448 sq.ft.
2b.	Staff Accommodation	19.2 sq.m.	207 sq.ft.
3.	Office	70.1 sq.m.	755 sq.ft.
4.	Glasshouse	307.2 sq.m.	3,307 sq.ft.
5.	Glasshouse	136.8 sq.m.	1,473 sq.ft.
6.	Multi-Span	295.1 sq.m.	3,176 sq.ft.
7.	Multi-Span	783.9 sq.m.	8,438 sq.ft.
8.	Warehouse	121.5 sq.m.	1,308 sq.ft.
8a.	Mezzanine	37.8 sq.m.	407 sq.ft.
9.	Glasshouse	442.7 sq.m.	4,765 sq.ft.
10.	Glasshouse Frame	666.0 sq.m.	7,169 sq.ft.
11.	Glasshouse	753.8 sq.m.	8,114 sq.ft.
12.	Multi-Span x 3	2,177.9 sq.m.	23,443 sq.ft.
13.	Glasshouse	812.5 sq.m.	8,746 sq.ft.
14.	Glasshouse	812.5 sq.m.	8,746 sq.ft.
15.	Warehouse	120.0 sq.m.	1,292 sq.ft.
16.	Multi-Span	145.6 sq.m.	1,567 sq.ft.
16a.	Multi-Span Frame	110.9 sq.m.	1,194 sq.ft.
17.	Polytunnels x 3	376.2 sq.m.	4,050 sq.ft.
18.	Polytunnels x 2 and Shade Tunnels x 2	501.6 sq.m.	5,400 sq.ft.
	Total Glass	3,265.5 sq.m.	35,151 sq.ft.
	Total Multi-Spans	4,179.4 sq.m.	44,987 sq.ft.
	Total Polytunnels	871.8 sq.m.	9,450 sq.ft.
	Total Ancillary	330.8 sq.m.	3,562 sq.ft.
	<u>House / Residential Dwelling</u>		
	See Line Drawing attached as Appendix 6.		
1.	Hall	1.0 m x 3.9 m plus 1.0 m x 3.9 m	7.8 sq.m.
2.	Living Room	4.1 m x 5.4 m	22.1 sq.m.
3.	Conservatory	2.8 m x 3.4 m	9.5 sq.m.
4.	Kitchen	2.9 m x 4.2 m	12.2 sq.m.
5.	Dining Room	3.6 m x 2.9 m	10.4 sq.m.
6.	Lobby	1.9 m x 2.0 m	3.8 sq.m.
7.	Boiler Room	1.9 m x 1.4 m	2.7 sq.m.
8.	Family Bathroom	3.1 m x 2.8 m	8.7 sq.m.
9.	WC	0.9 m x 1.5 m	1.4 sq.m.

10.	Small Double Bedroom	3.1 m x 2.5 m	7.8 sq.m.
11.	Double Bedroom	3.7 m x 3.4 m	12.6 sq.m.
12.	Double Bedroom	3.5 m x 2.8 m	9.8 sq.m.

SERVICES

We are informed that the nursery and the house are connected to mains electricity single phase and to the mains water supplies.

The nursery where appropriate is heated via oil fired boilers with hot air blowers and the house also benefits from oil fired central heating.

The bungalow is connected to the mains drains and the nursery is connected to a septic tank.

MEMORANDUM

We have not been instructed nor indeed have we undertaken a full structural condition survey and therefore are unable to comment whether there are any defects or any other wants of repair. In this regard, we would refer you to our standard terms and conditions, which are attached as Appendix 1. We have not carried out any investigations to ascertain if the property is constructed using any currently known deleterious materials or techniques and unless we are advised to the contrary we would assume that none have been used.

At the time of our inspection, the infrastructure and buildings all appeared to be in good condition considering their age and use.

One or two of the glasshouses were particularly elderly and were needing to be replaced.

TENURE

We understand that the interest of the property offered as security is of unencumbered freehold tenure, free from rent, charge and all other outgoings and we assume that there are no unusual onerous or restricted covenants in the title, which are likely to affect the value.

RATING ASSESSMENT

The nursery premises are unassessed for rates as a horticultural holding.

We have been informed by the Rating Department of East Hampshire County Council that the bungalow is assessed for rates as follows:

Band:	E
Rates Payable:	£2,448.09

A copy of this charge is attached as Appendix 7.

TOWN PLANNING

We have had sight of town planning consents from East Hampshire District Council, copies of which are attached as Appendix 8.

The first is for the use of the land as a site for a caravan in connection with horticultural holding.

The second is dated 2nd May 1977 and grants permission for the erection of dwelling for use in connection with horticultural holding, erection of greenhouses and ancillary buildings.

There is no restriction on retail from the site.

The third is dated 2nd May 1977 and grants permission for the erection of a bungalow in connection with the nursery with Condition 7 of the earlier planning consent stating that the occupation of the dwelling shall be limited to a person who is solely or mainly employed or last employed in agriculture.

We have also had sight of an agreement dated 28th April 1977 between Peter Catt and Joyce Isabel Catt and East Hampshire District Council, a copy of which is attached as Appendix 8 which states that no sales of goods or produce of any nature whatsoever shall take place on or from the land other than sales by way of wholesale.

We understand that Carla Homes are attempting to obtain residential planning consent on the site and considering that to the north is a residential estate, to the south is the village school, opposite are various residential and village building to include the village hall and the fact that the South Downs National Park Authority designated the site for development, we are of the opinion that planning for some form of residential development should be obtained in due course.

HIGHWAYS

We have been informed by the Highways Department of East Hampshire County Council that Petersfield Road is a publicly adopted highway.

ENVIRONMENTAL PROTECTION ACT

Under the Environmental Protection Act 1995 Local Authorities must maintain registers of potential contaminated land.

Accordingly, we have made verbal enquiries within the Environmental Services Department of the Local Authority to establish whether the site has been contaminated in the past. We have not been able to receive any information from the Local Authority within the time allowed.

However, we have not undertaken any research into the history of the site nor organised or undertaken any ground or soil surveys and therefore cannot be held responsible if the land is found to be contaminated and values are accordingly affected.

We are able to undertake the necessary research and organise ground and soil surveys under your specific request and to raise an appropriate quotation for fees and expenses for undertaking this work, which would need to be paid in addition to the fee and expenses already incurred in the preparation of this report and valuation.

On the basis that the premises has been in nursery use for many years and prior to that agricultural use, we are of the opinion that it is unlikely there will be any contamination other than localised contamination around any fuel or chemical storage containers.

We have therefore valued the property on the basis that it has not suffered any land contamination in the past nor is it likely to become so contaminated in the foreseeable future.

However, should it subsequently be established that contamination exists at the property or in any neighbouring land then we may wish to review our valuation.

FLOODING

A plan is attached as Appendix 9 and we are not aware of any flood risk.

This information has been obtained from the Environmental Agency website on 28th March 2023.

RADON GAS

A plan is attached as Appendix 10 which seems to show that the site is in an area with 0-1% risk of radon.

This information has been obtained from the UK Radon Website on 28th March 2023.

ASBESTOS

We have not had sight of an asbestos report but believe considering the age of the structures, there may be some asbestos in one or more of the older buildings.

However, we do not believe that even if asbestos is found that it would have an overtly detrimental effect on the value of the land.

INVASIVE SPECIES

During our inspection we did not see any invasive species such as Japanese Knotweed.

DISABILITY DISCRIMINATION

The Equality Act 2010 which came into effect on the 1st October 2010 largely replaced the Disability Discrimination Act 2005. The Act imposes a duty on employers and businesses offering a service to the public to make reasonable changes to practices and procedures to enable disabled people to do their jobs.

We are of the opinion that the nursery complies with disability access regulations.

FIRE SAFETY LAW

The Regulatory Reform (Fire Safety) Order 2005 requires a responsible person to make a suitable and sufficient assessment of the risks, to identify the fire precautions required to comply with the Order. The Order applies to all non-domestic property.

Such fire precautions may include adaption of the building and installation of fire safety equipment but, in all cases they must include signage, fire safety action plans, staff training, identifying duty holders and routine maintenance/monitoring via a signed and dated checklist.

We have not had sight of a Fire Certificate or fire safety action plans but see no reason why the site would not comply with normal fire regulations.

ENERGY PERFORMANCE CERTIFICATES

For commercial properties the duty was introduced progressively from 6th April 2008 according to the floor area of the buildings. From 1st October 2008 an EPC must be made available by the relevant person whenever a non-domestic building is constructed, sold or rented out subject to certain exemptions. EPC's are valid for 10 years.

We have not had sight of an EPC and on the basis that we are valuing the site only, an EPC is not relevant.

ENERGY ACT 2011

We have been asked to comment on the BREEAM ratings but on the basis we understand that they generally apply to residential new buildings, we do not believe they are relevant.

THE BUSINESS

We have not been instructed to value the trading potential of the business but we understand that it was set up in 1976 from a green field and now supplies garden plants and shrubs to garden centres from Yorkshire southwards, being a successful and profitable business, run by Mr Peter Catt and his two sons.

GENERAL REMARKS/COMMENTS APPERTAINING TO VALUE

Liss Forest Nursery is well located close to the A3 giving good lines of road communication and appears to be a successful profitable wholesale business established for nearly 50 years.

The layout of the infrastructure and buildings would now be considered old fashioned with there being too many individual buildings rather than fewer larger horticultural structures.

However, we are of the opinion that the nursery is still very functional and would be saleable as a wholesale nursery without any form of development potential.

If planning consent allowed for plants grown on site to be sold retail via the farm gate, then in our opinion there would be a premium over and above the wholesale value.

VALUATION METHODOLOGY / COMPARABLE EVIDENCE

Our valuation methodology is based on our considerable experience in buying, selling and letting comparable properties over a period of 35 years.

Accordingly, our valuations are based on the considerable amount of evidence that is available to us.

We also undertake numerous valuations, many of which are for acquisition purposes when they are under offer and within our financial year ended 30th September 2019, we undertook circa 170 valuations totalling approximately £390 million.

VALUATION COMMENTARY

Our valuation is based on all the nurseries and plant centres that we have bought, sold and let over nearly 35 years.

Due to our comments under Town Planning, in addition to our valuation of the nursery, there would be an additional value due to the hope value for future development.

However, our instructions are not to include this within our valuation and we have not done so.

If the sale of plants to the public via the farm gate had not been precluded, then in our opinion, there would have been an increase in value of circa 25.0%.

The undersigned has been buying, selling and letting properties similar to Liss Forest Nursery since 1986 and over that period of time our experience has indicated a number of things.

Firstly, a wholesale nursery such as Liss Forest, located fronting a good road in an affluent area which does not have any restrictions on selling plants grown via the farm gate will normally have a premium over and above its wholesale value.

The reason is that the business can continue growing plants for sale/wholesale but also open to the public and sell those plants via the farm gate without any form of retail planning consent at a much higher margin.

In addition, they are allowed to sell up to 10% non-green goods, being those goods that a purchaser of a plant needs to look after that plant – compost, pots, tools, etc. which normally leads on to selling rather more – bird food, seeds, bulbs, etc.

Secondly, when there is an appropriately sized house that is only tied to occupancy can fact a reduction of only 25.0% to its unrestricted market value rather than a higher figure which many less experienced valuers would apply.

VALUATION

Freehold Market Value

We have valued the asset of the nursery to include the land, infrastructure and buildings plus the tied dwelling in the sum of £980,000 (nine hundred and eighty thousand pounds).

Within the above figure, we have valued the nursery land at £255,000 and the house at £450,000 with the residual value of the infrastructure and buildings of the nursery at £275,000.

PROFESSIONAL INDEMNITY

Our Professional Indemnity is £5,000,000 (Five Million Pounds) for each and every claim and a copy of our Professional Indemnity Insurance Certificate is attached as Appendix 11.

CONFIDENTIALITY

Finally, and in accordance with the recommendations of the RICS, we would state that this report is provided solely for the purpose stated. It is confidential to and for the use only of the party to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents. Any such parties rely upon this report at their own risk. Neither the whole nor any part of this report or any reference to it maybe included now or at any time in the future in any published document, circular or statement or published referred to or used in any way without our written approval of the form and context in which it may appear.

Yours faithfully



SIMON E QUINTON SMITH *Bsc FRICS MI Hort*
Registered Valuer & Registered Business Valuer
QUINTONS COMMERCIAL LIMITED

Appendix Five

E-mail from Martin Cole 12th September 2023

Fraser Castle

From: James Gilfillan <James.Gilfillan@NFDC.GOV.UK>
Sent: 12 September 2023 15:54
To: Fraser Castle
Cc: Robert Thain; John Hunter
Subject: FW: New Homes Council Tax Query

Categories: Red Category

CAUTION: This is an external email, take special care when clicking on links and opening attachments.

The answer to the Council Tax query.

Regards
James

From: Martin Cole <Martin.Cole@NFDC.gov.uk>
Sent: Tuesday, September 12, 2023 3:39 PM
To: James Gilfillan <James.Gilfillan@NFDC.GOV.UK>
Subject: New Homes Council Tax Query

Hi James

Council Tax is payable from the date a new build property first becomes unoccupied and/or furnished.

In the case of a new build property which remains unoccupied, council tax becomes payable one month after the property is treated as complete and ready for occupation.

Cheers

Martin

Martin Cole
Revenues Manager
New Forest District Council
Tel: 01590 646111
DDI: 02380 28 5042

martin.cole@nfdc.gov.uk
www.newforest.gov.uk

To access our online services, please visit-
<https://newforest.gov.uk/counciltax>
<https://newforest.gov.uk/businessrates>



Appendix Six
Bepton Road FVA

Appendix A

Summary

HE Compatible Model

Midhurst Brickworks - Economic Viability Assessment

Private Development Assumptions - 50% Affordable

24-Jun-21

Standard Construction Costs

Rev A

Unit Type		Number of Units	Gross Int Floor Area m2	Total GIA m2
Affordable				
1 Bed Flat		6	50.66	303.96
2 Bed Flat		6	64.31	385.86
2 Bad FOG		1	74.53	74.53
2 Bed House T/SD		5	79.39	396.95
2 Bed House T		3	80.62	241.86
2 Bed House T		6	79.39	476.34
3 Bed House T		1	99.59	99.59
3 Bed House T		1	101.42	101.42
3 Bed House T		1	100.19	100.19
3 Bed House T		5	100.19	500.95
Private				
2 Bed House T	Single Garage	4	79.39	317.56
3 Bed House T	Single Garage	2	101.42	202.84
3 Bed House T	Single Garage	2	100.19	200.38
3 Bed House SD		1	101.36	101.36
3 Bed House SD	Single Garage	1	101.36	101.36
3 Bed House SD		1	111.76	111.76
3 Bed House SD	Single Garage	1	111.76	111.76
3 Bed House SD	Double Garage	1	111.76	111.76
3 Bed House SD	Double Garage	2	98.35	196.7
3 Bed House SD	Single Garage	2	98.35	196.7
2/3 Bed House SD		4	98.87	395.48
3 Bed House SD	Single Garage	1	98.87	98.87
3 Bed House Det	Single Garage	2	111.76	223.52
3 Bed House Det	SG in FOG	1	99.59	99.59

3 Bed House Det	Double Garage	1	98.35	98.35
3 Bed House Det	SG in FOG	1	98.35	98.35
3 Bed House Det	Single Garage	1	99.87	99.87
3 Bed House Det	Single Garage	1	101.6	101.6
4 Bed House Det	Single Garage	3	151.68	455.04
4 Bed House Det	Triple Garage	1	162.66	162.66
4 Bed House Det	Single Garage	1	162.66	162.66
4 Bed House Det	Single Garage	1	120.03	120.03

Circulation Area			259.2	259.2
Undercroft			63.66	63.66
Single Garage		22	18	396
Double Garage		4	36	144
Triple Garage		1	52	52

Totals

Works Budget £16,728,602

Contingency @ 0% £0

Effective Build Rate	
6,449.85	Sales Area
£16,728,602	Cont Sum
£2,594	£m2
£241	£sqft

Administration and Development Allowance

Pre Contract Fees	£669,144	4.00%
Interest (@6% inc)	£884,260	
S106 Payments	£0	
CIL	£539,783	
HA Sale Costs @ 0.5%	£34,865	
Legal Sale £800 p.u.	£28,000	
Sale & marketing costs @2%	£340,700	
Total	£2,496,751	

1,258	Existing
4,360	Proposed
3,102.20	Net Increase
£174	CIL Rate

Land Costs & Fees

Benchmark Land Value	£3,600,000	
SDLT	£169,500	4.71%
Acquisition Fees @1.75%	£63,000	
Valuation Fees	£30,000	
Land Costs	£3,862,500	

Overhead & Development Profit

Overhead Profit	£501,767	2.95%
HA Profit	£418,380	6.00%
Total Profit	£920,147	

Gross Costs **£24,008,000**

Total Gross Development Value

Total Gross Development Value		Sales					
Affordable		Average	GDV	Total GDV	£m2	£sqft	GIAm2
1 Bed Flat		6	£132,000	£792,000	£2,605.61	£242	50.66
2 Bed Flat		6	£167,500	£1,005,000	£2,604.57	£242	64.31
3 Bed House T		5	£261,000	£1,305,000	£2,605.05	£242	100.19
2 Bad FOG		1	£194,000	£194,000	£2,602.98	£242	74.53
2 Bed House T/SD		5	£206,000	£1,030,000	£2,594.79	£241	79.39
2 Bed House T		3	£209,000	£627,000	£2,592.41	£241	80.62
2 Bed House T		6	£206,000	£1,236,000	£2,594.79	£241	79.39
3 Bed House T		1	£260,000	£260,000	£2,610.70	£243	99.59
3 Bed House T		1	£264,000	£264,000	£2,603.04	£242	101.42
3 Bed House T		1	£260,000	£260,000	£2,595.07	£241	100.19
Private							
2 Bed House T	Single Garage	4	£359,000	£1,436,000	£4,521.98	£420	79.39
3 Bed House T	Single Garage	2	£458,000	£916,000	£4,515.87	£420	101.42
3 Bed House T	Single Garage	2	£453,000	£906,000	£4,521.41	£420	100.19
3 Bed House SD		1	£458,000	£458,000	£4,518.55	£420	101.36
3 Bed House SD	Single Garage	1	£458,000	£458,000	£4,518.55	£420	101.36
3 Bed House SD		1	£505,000	£505,000	£4,518.61	£420	111.76
3 Bed House SD	Single Garage	1	£505,000	£505,000	£4,518.61	£420	111.76
3 Bed House SD	Double Garage	1	£505,000	£505,000	£4,518.61	£420	111.76
3 Bed House SD	Double Garage	2	£445,000	£890,000	£4,524.66	£420	98.35
3 Bed House SD	Single Garage	2	£445,000	£890,000	£4,524.66	£420	98.35
2/3 Bed House SD		4	£447,000	£1,788,000	£4,521.09	£420	98.87
3 Bed House SD	Single Garage	1	£447,000	£447,000	£4,521.09	£420	98.87
3 Bed House Det	Single Garage	2	£505,000	£1,010,000	£4,518.61	£420	111.76
3 Bed House Det	SG in FOG	1	£450,000	£450,000	£4,518.53	£420	99.59
3 Bed House Det	Double Garage	1	£445,000	£445,000	£4,524.66	£420	98.35
3 Bed House Det	SG in FOG	1	£445,000	£445,000	£4,524.66	£420	98.35

3 Bed House Det	Single Garage	1	£451,000	£451,000	£4,515.87	£420	99.87
3 Bed House Det	Single Garage	1	£459,000	£459,000	£4,517.72	£420	101.6
4 Bed House Det	Single Garage	3	£686,000	£2,058,000	£4,522.68	£420	151.68
4 Bed House Det	Triple Garage	1	£735,000	£735,000	£4,518.63	£420	162.66
4 Bed House Det	Single Garage	1	£735,000	£735,000	£4,518.63	£420	162.66
4 Bed House Det	Single Garage	1	£543,000	£543,000	£4,523.87	£420	120.03
Totals Market GDV			0	£24,008,000			

<u>Development Residual</u> <u>Valuation</u>	-£0
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Interest payments

Land is at EUV plus cost	£3,862,500
Contract period expenditure	£17,937,529
Total Borrowings	£21,800,029
39 month cycle to last sale loan paid	
Intro Fee 0%	£0
Borrowing rate 6%	

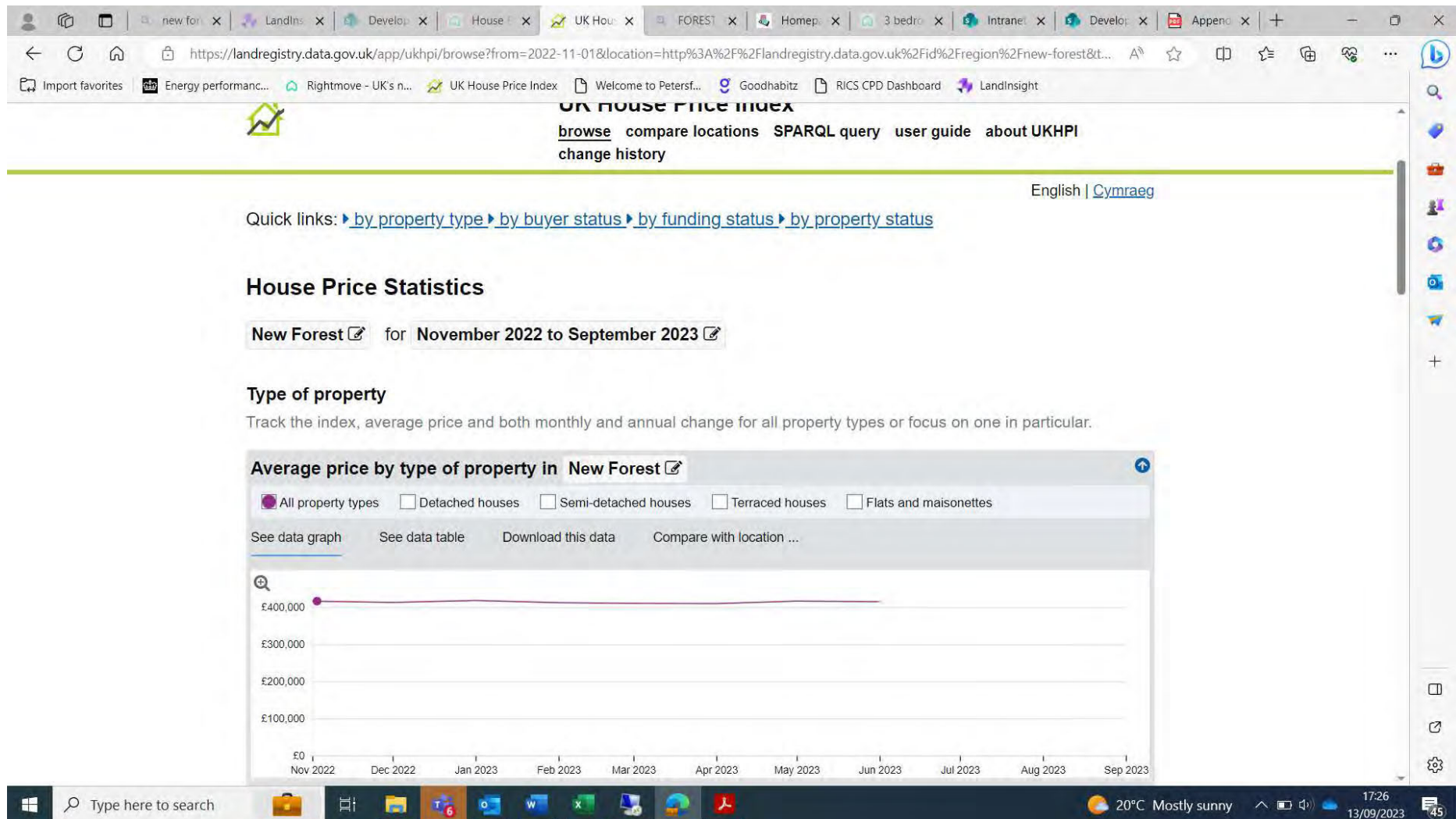
Month 0 - Acquisition	£3,862,500	£3,862,500	£19,313		
month 1 - Mobilisation	£450,000	£4,312,500	£21,563		
month 2	£450,000	£4,762,500	£23,813		
month 3 - Start on Site	£250,000	£4,721,958	£23,610	£290,542	HA Revenue
month 4	£300,000	£4,731,416	£23,657	£290,542	£6,973,000
month 5	£350,000	£4,790,874	£23,954	£290,542	24 months
month 6	£400,000	£4,900,332	£24,502	£290,542	£290,542
month 7	£450,000	£5,059,790	£25,299	£290,542	
month 8	£500,000	£5,269,248	£26,346	£290,542	
month 9	£550,000	£5,528,706	£27,644	£290,542	
month 10	£600,000	£5,838,164	£29,191	£290,542	
month 11	£650,000	£6,197,622	£30,988	£290,542	
month 12	£650,000	£6,557,080	£32,785	£290,542	
month 13	£650,000	£6,916,538	£34,583	£290,542	
month 14	£650,000	£7,275,996	£36,380	£290,542	
month 15	£650,000	£7,635,454	£38,177	£290,542	

month 16	£650,000	£7,994,912	£39,975	£290,542			Private Rev
month 17	£650,000	£8,354,370	£41,772	£290,542			£17,035,000
month 18	£650,000	£8,713,828	£43,569	£290,542			£486,714.29
month 19 - Sales Start	£650,000	£8,099,858	£40,499	£290,542	2	£486,714	£973,428
month 20	£650,000	£7,485,888	£37,429	£290,542	2	£486,714	£973,428
month 21	£650,000	£6,871,918	£34,360	£290,542	2	£486,714	£973,428
month 22	£650,000	£6,257,948	£31,290	£290,542	2	£486,714	£973,428
month 23	£650,000	£5,643,978	£28,220	£290,542	2	£486,714	£973,428
month 24	£650,000	£5,030,008	£25,150	£290,542	2	£486,714	£973,428
month 25	£650,000	£4,416,038	£22,080	£290,542	2	£486,714	£973,428
month 26	£600,000	£3,752,068	£18,760	£290,542	2	£486,714	£973,428
month 27	£550,000	£3,328,640	£16,643		2	£486,714	£973,428
month 28	£500,000	£2,855,212	£14,276		2	£486,714	£973,428
month 29	£450,000	£2,331,784	£11,659		2	£486,714	£973,428
month 30	£400,000	£1,758,356	£8,792		2	£486,714	£973,428
month 31	£350,000	£1,134,928	£5,675		2	£486,714	£973,428
month 32	£300,000	£461,500	£2,308		2	£486,714	£973,428
month 33	£250,000	£0	£0		2	£486,714	£973,428
month 34 - Debt Cover	£200,000	£0	£0		2	£486,714	£973,428
month 35 - PC	£150,000	£0	£0		2	£486,714	£973,428
month 36	£100,000	£0	£0		1	£486,714	£486,714
month 37	£38,000						£0
month 38			Sales Comp				£0
	£21,800,500		£864,260		35		£17,034,990
Bank Fees & QS		£20,000					
Total Finance Cost		£884,260					

Appendix Seven

UK House Price Index (New Forest) November 2022 to September 2023

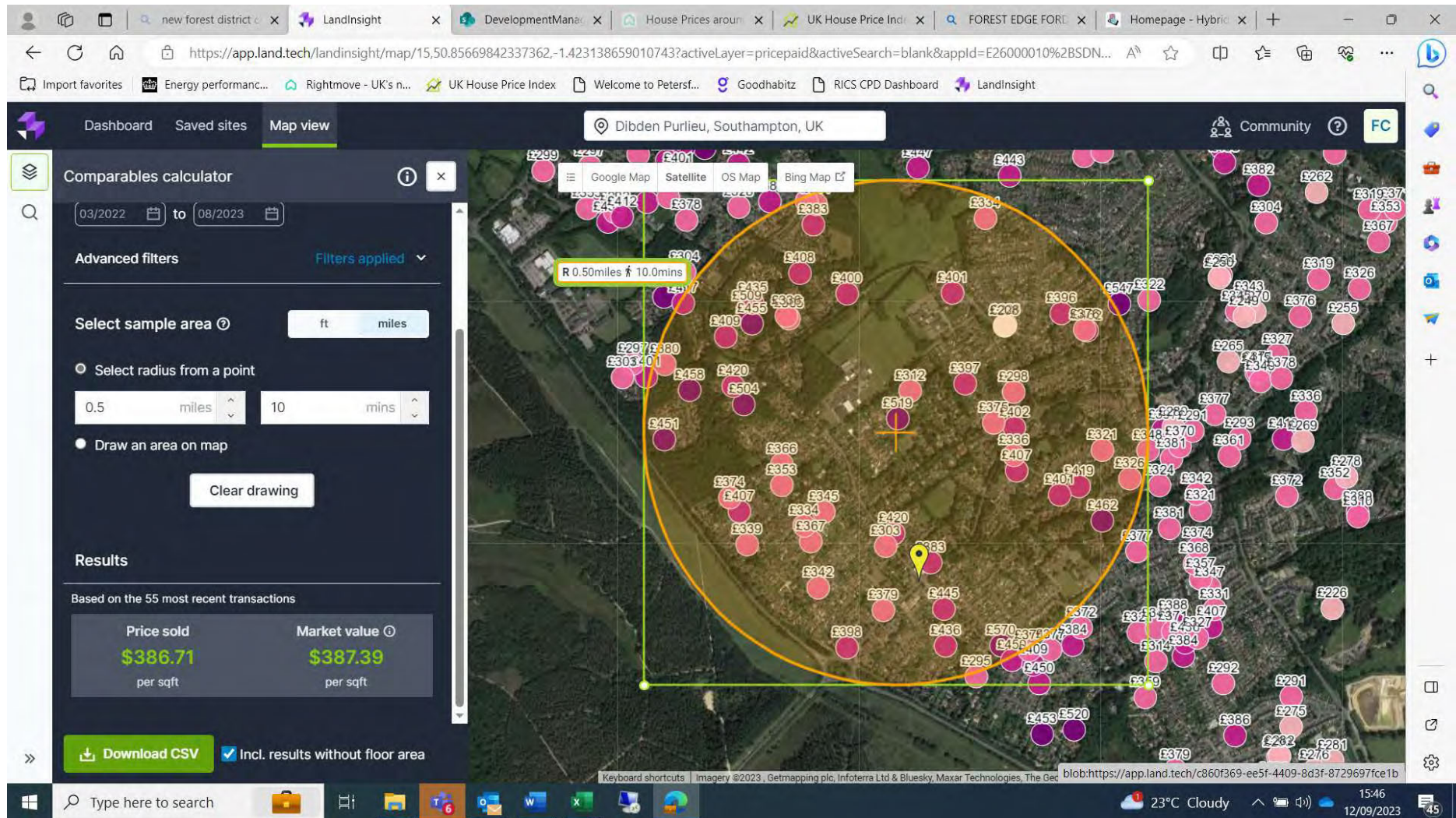
UK House Price Index (New Forest) November 2022 (£416,671) to September 2023 £415,2330 – Change 0.34% Not significant



Appendix Eight
Landinsight Extract Average Values in Dibden Purlieu

Land Insight Market Data 18 months from March 2022 to September 2023

One Mile from Appeal Property in Dibden Purlieu £387 Per Sq Ft

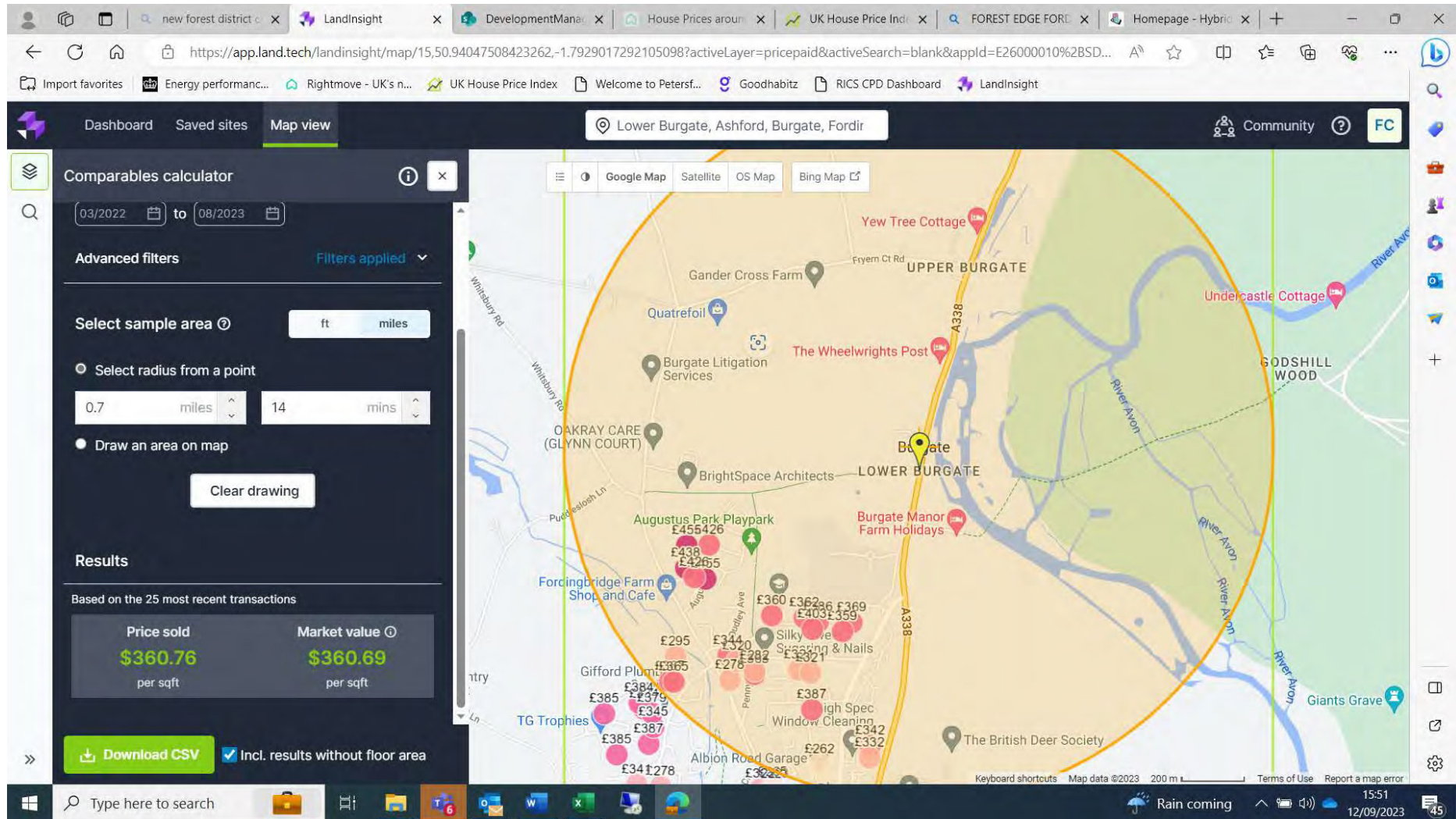


Appendix Nine

Landinsight Extract Average Values in Lower Burgate, Fordingbridge

Land Insight Market Data 18 months from March 2022 to September 2023

One Mile from Forest Edge, Lower Burgate, Fordingbridge £361 Per Sq Ft



Appendix Ten

RICS Guidance Note – Comparable Evidence in Property Valuation

RICS PROFESSIONAL STANDARD



Comparable evidence in real estate valuation

Global

1st edition, October 2019

Effective from 9 October 2019

Comparable evidence in real estate valuation

RICS professional standard, global

1st edition, October 2019

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RICS standards framework

RICS' standards setting is governed and overseen by the Standards and Regulation Board (SRB). The SRB's aims are to operate in the public interest, and to develop the technical and ethical competence of the profession and its ability to deliver ethical practice to high standards globally.

The [RICS Rules of Conduct](#) set high-level professional requirements for the global chartered surveying profession. These are supported by more detailed standards and information relating to professional conduct and technical competency.

The SRB focuses on the conduct and competence of RICS members, to set standards that are proportionate, in the public interest and based on risk. Its approach is to foster a supportive atmosphere that encourages a strong, diverse, inclusive, effective and sustainable surveying profession.

As well as developing its own standards, RICS works collaboratively with other bodies at a national and international level to develop documents relevant to professional practice, such as cross-sector guidance, codes and standards. The application of these collaborative documents by RICS members will be defined either within the document itself or in associated RICS-published documents.

Document definitions

Document type	Definition
RICS professional standards	<p>Set requirements or expectations for RICS members and regulated firms about how they provide services or the outcomes of their actions.</p> <p>RICS professional standards are principles-based and focused on outcomes and good practice. Any requirements included set a baseline expectation for competent delivery or ethical behaviour.</p> <p>They include practices and behaviours intended to protect clients and other stakeholders, as well as ensuring their reasonable expectations of ethics, integrity, technical competence and diligence are met. Members must comply with an RICS professional standard. They may include:</p> <ul style="list-style-type: none"> • mandatory requirements, which use the word 'must' and must be complied with and/or • recommended best practice, which uses the word 'should'. It is recognised that there may be acceptable alternatives to best practice that achieve the same or a better outcome. <p>In regulatory or disciplinary proceedings, RICS will take into account relevant professional standards when deciding whether an RICS member or regulated firm acted appropriately and with reasonable competence. It is also likely that during any legal proceedings a judge, adjudicator or equivalent will take RICS professional standards into account.</p>
RICS practice information	<p>Information to support the practice, knowledge and performance of RICS members and regulated firms, and the demand for professional services.</p> <p>Practice information includes definitions, processes, toolkits, checklists, insights, research and technical information or advice. It also includes documents that aim to provide common benchmarks or approaches across a sector to help build efficient and consistent practice.</p> <p>This information is not mandatory and does not set requirements for RICS members or make explicit recommendations.</p>

1 Introduction

1.1 Purpose

Comparable evidence is at the heart of virtually all real estate valuations. The process of identifying, analysing and applying comparable evidence to the real estate to be valued is, therefore, fundamental to producing a sound valuation that can stand scrutiny from the client, the market and, where necessary, the courts.

Although many valuers are experienced in handling and analysing comparable data, approaches vary. In developing markets, comparable evidence is often more difficult to obtain, and valuers may be less familiar with its use. The valuation process is also becoming increasingly regulated worldwide. RICS members are required to maintain suitable records of inspections, investigations and key valuation inputs, including the evidence used to support a reported valuation and are subject to monitoring to ensure standards are maintained. Many clients also request supporting evidence.

1.2 Scope

This professional standard discusses the use of comparable evidence in the valuation process. It has four main purposes:

- to outline the principles of the use of comparable evidence
- to encourage consistency in the use of comparable evidence globally
- to address issues of availability and use of comparable evidence, especially in challenging market conditions and
- to consider potential sources of comparable evidence and their relative importance.

The use of comparable evidence in the valuation of the principal types of real estate asset is examined. This professional standard does not discuss comparable evidence in the valuation of plant and equipment and other business assets, or personal property, but many of the principles described are also relevant to the valuation of these asset types.

It is important to emphasise that this document is not prescriptive – the content covers a broad area of practice and applies to a wide variety of market conditions and circumstances. Valuers should use the content to guide their approach to the use of comparable evidence, while making allowance for the particular circumstances of the real estate being valued and the market in which it is located. Reference should also be made to *RICS Valuation – Global Standards* (Red Book Global Standards), especially VPS 2 (Inspections, investigations and records) and VPS 3 (Valuation reports).

Real estate markets are imperfect and are generally characterised by a lack of comprehensive information. Therefore, while the theory of real estate valuation and the use of comparable evidence can be explained, there is no substitute for the valuer's detailed, in-depth market knowledge and valuation experience. The competence requirements for RICS members can be found in more detail in Red Book Global Standards PS 2 (Ethics, competency, objectivity and disclosures).

2 General principles of comparable evidence

A comparable can be defined as an item of information used during the valuation process as evidence to support the valuation of another, similar item. Comparable evidence comprises a range of relevant data used by the valuer to support a valuation.

Valuation of any asset relies on the well-established economic principle of substitution. This states that the buyer of an item would not pay more for it than the cost of acquiring a satisfactory substitute. Therefore, a person assessing the price to pay for a particular item will normally look to the price achieved for similar items in the market (the comparable evidence) and make a bid accordingly.

Ideally, comparable evidence should be:

- comprehensive – there should be several comparables rather than a single transaction or event
- very similar or, if possible, identical to the item being valued
- recent, i.e. representative of the market on the date of valuation
- the result of an arm's-length transaction in the market
- verifiable
- consistent with local market practice and
- the result of underlying demand, i.e. comparable transactions have taken place with enough potential bidders to create an active market.

Comparable evidence underpins the valuation of almost all traded assets. Provided the above criteria are met, it should provide an accurate indication of value.

Challenges arise, however, when considering assets that trade in less active markets and/or where there are significant differences between the assets providing the evidence and the asset being valued. In such circumstances the evidence available may not be directly comparable. It will therefore need to be analysed and reconciled in order for it to be used in the valuation. This is often the case for real estate. In such circumstances the skill and judgement of the valuer assumes a much greater importance.

3 Comparable evidence in real estate valuation

3.1 Principles

Comparable evidence is widely used in real estate valuation, even though comparables may not always meet the criteria set out in section 2. There are several reasons for this.

- **A limited number of available comparable transactions:** real estate transactions are relatively infrequent compared with those for many other assets such as, for example, listed shares.
- **A lack of up-to-date evidence:** relatively infrequent transactions may mean that evidence is sometimes out-of-date.
- **Special purchasers:** some purchasers may be willing to pay more than the market value for a real estate asset because they have an over-riding motivation, for example ownership of an adjoining plot of land. In these circumstances the price achieved may not provide evidence of the asset's current market value.
- **A lack of similar or identical evidence:** the complex nature of real estate means that its value is derived from numerous factors, ranging from location to use, size, construction and efficiency of buildings, tenure and tenancy. It is therefore very unlikely that a comparable will be identical to the real estate being valued.
- **Real estate markets are not fully transparent:** information on transactions is often not publicly available, and even when it is available it may be out-of-date, lacking in detail or inaccurate. This situation is encountered worldwide, but transactional evidence is particularly difficult to obtain in developing markets.

For all these reasons, comparable evidence will probably never perfectly match the real estate asset subject to valuation. The valuer will, therefore, need to analyse and interpret the available evidence and use it as guidance rather than as direct evidence of value. In some circumstances this can result in a significant degree of uncertainty in the reported valuation figure (see Section 7).

Red Book Global Standards requires material uncertainty to be reported in VPS 2 (Inspections, investigations and records). Guidance on how to report an uncertain figure is given in VPGA 10 (Matters that may give rise to material valuation uncertainty).

3.2 Approaches to real estate valuation

Three commonly used approaches to real estate valuation are recognised in Red Book Global Standards in VPS 5 (Valuation approaches and methods). Each approach includes the use of comparable evidence to a greater or lesser extent.

3.2.1 Market approach

This approach adopts the principle that the value of one property may be derived by comparing it directly with market transactions for similar properties. It is widely used in the valuation of residential, rural and commercial real estate and is sometimes used for the valuation of land and other real estate assets.

3.2.2 Income approach

The income approach is used to value real estate that produces an income for the investor. There are two methods that fall within the income approach: the investment (or income capitalisation) method and the profits method.

In the conventional investment method, the value is derived from the net rental income and a capitalisation factor based on the expected annual rate of return. These are both normally established using comparable evidence. An alternative investment method involves the use of a discounted cash flow (DCF) technique. The key inputs in a DCF valuation, including rent, rental growth rate, discount rate, costs and disposal price at the end of the investment period, will be derived from comparable evidence.

The profits method (sometimes described as a business enterprise or intangible analysis) is used for when value is derived from the trading potential of the business for which the property is designed; examples include golf courses, purpose-built student housing or cinemas. Comparison is used in assessing a fair and maintainable level of trade – see VPGA 4 (Valuation of individual trade related properties) in Red Book Global Standards.

3.2.3 Cost approach

The cost approach, also known as the depreciated replacement cost approach, is used to value real estate that does not usually sell on the open market (for example, public buildings), and for which comparable evidence does not exist. In some jurisdictions the cost approach is used for proposed or recently built properties. This approach is based on two components: the depreciated cost of the building element and the value of the land. Figures for both these components will be obtained from comparable evidence.

3.3 Comparable evidence in specific circumstances

3.3.1 Statutory valuation

Statutory valuations are usually required for the purposes of taxation or in cases of compulsory purchase (eminent domain acquisition), and therefore they must be undertaken in accordance with the relevant statutes. This means that the approach to the valuation, and

its result, can differ from a conventional market valuation. An example would be a valuation for a taxing jurisdiction that requires the valuer to follow a specific approach or defined methodology. Although the valuer will be required to abide by the constraints of the statute, the principles of comparable evidence will still apply and the valuer will need to search for and analyse evidence in the usual way.

3.3.2 Retrospective and projected valuations

Valuers may sometimes be asked to provide an opinion of value on a specified date in the past when market conditions will probably have been significantly different from those at the date of instruction. This situation can arise, for example, in valuations for taxation purposes or those used as evidence in a court case.

If the valuation is an audit of another valuer's work, the valuer will need to work with the evidence used in the valuation subject to the audit. In other cases, the valuer should consider the following.

- Comparable evidence should only be used if it would have been available to a valuer on the date of valuation.
- Viewed with the benefit of hindsight, comparable evidence can be much clearer than it would have appeared to a valuer at the date of valuation. The valuer valuing retrospectively needs to place themselves in the position of someone reviewing the available evidence on the valuation date, and then make a judgement on the extent and nature of the evidence that could reasonably be expected to have been available at the time.

A projected valuation for a future date may sometimes be required. Projected valuations are referred to in Red Book Global Standards VPS 4 (Bases of value, assumptions and special assumptions, section 11). Current comparable evidence will not be available, and the valuer should ensure all assumptions made are realistic, credible and clearly described in the report.

3.4 Comparable evidence in real estate sectors

Comparable evidence will vary dependent on the type of real estate being valued. The key comparative factors applicable to almost all real estate sectors are summarised in Appendix A. A summary of some of the principal factors that can specifically affect value in the main real estate sectors is set out below, with further detail provided in Appendix B.

- **Rural:** the value of agricultural land will be strongly influenced by its ability to produce income. Its quality in terms of soil fertility, accessibility and ease of cultivation will therefore be important. Development potential can also affect values.
- **Residential:** location is vital in terms of residential value: the property's position in the country and factors such as aspect, outlook and the immediate environment are important. Physical condition of the structure and services, facilities provided and energy efficiency will also affect value.

- **Retail:** retail locations are usually divided into prime, secondary and tertiary pitches so the precise location of a unit will be a key factor. In the case of shopping centres/malls, these are complex properties whose requirements vary from one country to another. Important factors usually include size, location, accessibility, parking ratio, tenant quality and mix and building quality.
- **Offices:** location, building quality, layout, facilities, service costs, building efficiency and sustainability credentials are among the significant factors. With advances in technology and the aging of costly building plant, obsolescence of older premises is an important consideration.
- **Industrial, warehouse and distribution:** accessibility to transport links has a major impact on value, as do aspects of the building design, size, age and condition.
- **Real estate with development potential:** the value of a development site is particularly sensitive to small changes in valuation inputs such as the amount and density of the permitted development, the assumed value of the completed development, ground conditions, development costs and allowance for risk. Straightforward comparison on a price per unit area of the site is therefore often not valid. Comparison on a price per buildable area basis may be possible but a more detailed analysis is often required, usually involving residual valuation or cash-flow techniques. These need a wide range of data inputs, including the estimated value on the special assumption that the development is completed as at the date of valuation (i.e. values are not projected forward to the date of completion), construction costs (again at the date of valuation), finance costs, fees and an allowance for profit.

If the real estate asset is let as an investment, lease terms such as length of the unexpired term, lease break options, the financial strength of the tenant and rent review provisions will all have an impact on value. Tenure is another important factor: for example, unusual restrictions to the freehold title will have an adverse impact while, in the case of leasehold interests, the terms of the lease and any extension provisions can significantly affect value.

The common theme across all real estate sectors is that comparable evidence will almost always require analysis and adjustment to allow for differences between the asset being valued and the comparable evidence.

4 Sources of comparable evidence

Sourcing good comparable evidence in real estate markets is often not easy. Where details of directly comparable transactions are not available, the valuer should refer to other sources of information. This requires both careful interpretation and professional judgement.

It is important to be aware of the strengths and limitations of the different types of evidence available. This section summarises the main sources of comparable evidence and examines the relative importance of each.

4.1 Market evidence

Information derived from comparable market transactions will normally provide the best evidence of value. Such evidence should be recent, relevant and comprehensive. It may come from a variety of sources.

4.1.1 Direct transactional evidence

Transactions in the open market close to the date of valuation will almost invariably provide the best and most reliable source of evidence. However, even in the most transparent markets, full details of sales and lettings are rarely publicly available. Real estate transactions are often complex, and the headline data alone rarely provide sufficient evidence, so it is vital to gain as much information as possible from each comparable transaction in order that it may be effectively applied to the asset being valued. The accuracy of published data should therefore be confirmed where possible and full details of reported transactions should be established.

Valuers should ensure that full details of any incentives (such as rent-free periods, capital payments by either party or lease breaks) forming part of a comparable transaction are incorporated into the analysis of the evidence. Incentives are commonly offered in the case, for example, of new house sales or in retail or office lettings.

A sale or letting in the property being valued can provide some of the best evidence available for a valuation provided it is a recent transaction that fits the Red Book Global Standards glossary definition of market value.

4.1.2 Publicly available information

Publicly available data comprises information on real estate transactions that has been published by a government or other recognised authoritative source, either in the press or via open online sources such as real estate agents' websites. Although this information can

be useful, further investigation and analysis will almost certainly be required before the data can be reliably used as comparable evidence.

For example, while published data on a sale may include details of the tenure, contract sum and the size of the unit, it may not refer to other factors of the transaction that have an impact on the reported figure. These factors may include the condition of the building, its specification, letting or sale incentives, the existence of a special purchaser or circumstances resulting in a forced sale.

Also, publicly available information is often published several months after the transaction was agreed, which, in a fast-moving market, can compromise its relevance as comparable evidence.

4.1.3 Published databases

Published databases are available either free of charge or subject to the payment of a fee or subscription. They are usually produced by the larger firms of real estate advisors or research organisations. They can provide a general background to values and market trends. They are not a primary source of information but they can provide guidance to support an opinion of value, which should preferably be based on direct comparable evidence, backed by the valuer's personal knowledge, expertise and experience.

It is important to note that the level of aggregation in databases may mask local variations and will not take into account the particular characteristics of the real estate being valued. Valuers should further be aware that the time taken to analyse raw data and produce databases can mean they are out of date by the time they are published.

4.1.4 Asking prices

Asking prices do not provide reliable evidence of value and should be treated with caution because they often differ substantially from the agreed final transaction price. In some markets, however, asking prices may be the only evidence available and if interpreted carefully by an experienced valuer, asking prices can provide some guidance on current market conditions and trends in value.

Asking prices can be useful when combined with information on the level of demand and offers received, though the valuer is required to verify that the properties are being effectively marketed. To obtain full information on asking prices the valuer will normally need to have reliable contacts with letting or selling agents.

4.1.5 Historic evidence

Comparable evidence will, naturally, arise from transactions that occur before the valuation date so all evidence will, to an extent, be 'historic'. The time it takes to become out-of-date will depend on market conditions but historic, out-of-date evidence can sometimes still be useful if combined with knowledge of market trends between the date of the comparable transaction and the valuation date.

A valuer specialising in a particular area may be asked to value the same property on more than one occasion, for example, when a house is sold several times over a number of years. While not producing direct evidence, knowledge of a previous sale and the market at that time can provide background information to support a judgement on a valuation at a later date, assuming the asset itself has not changed significantly.

4.2 Indices

Real estate market indices, derived from aggregated information about market values or transactions, exist in most mature real estate markets worldwide. They can be a source of useful information, provided the valuer takes due account of the sources and reliability of the data and the level of aggregation.

For commercial investment real estate, the longest-established and best-known indices are provided by MSCI (formerly the Investment Property Databank (IPD)) which produces indices covering capital and rental value movements, yields and investment returns. These may be disaggregated by, for example, region, town, sector and investor category. MSCI indices cover many of the principal commercial investment markets but coverage of secondary real estate markets can be less comprehensive.

Many of the larger firms of real estate advisers also produce indices for the main markets worldwide and across most sectors. These can show trends in market and sector performance, although such indices are often limited to prime real estate. The performance of secondary real estate, or that in provincial locations, may differ significantly.

Indices of building cost data are also available and can be useful in residual valuations or in the cost approach to valuation. However, the time taken to analyse raw data and produce these indices can mean they are often out of date by the time they are published.

Indices can be a guide to general trends in the market, usually at a national, regional or city level. They can be a useful reference point when forming a judgement, providing the valuer has a clear understanding of the sources and reliability of the data from which the index has been derived. It should be remembered, however, that indices represent aggregate trends in their subject area and the value of individual properties may differ significantly from the general trends.

4.3 Automated valuation models

The providers of automated valuation models (AVMs) may offer access to their data in certain circumstances. Some of this data may be detailed and more rapidly available than that from other databases though care in verifying it will still be required and the same caveats apply. Aggregated data may be used to show trends, but it cannot account for the characteristics of an individual property and the effects these may have on its value.

Data from an AVM may be used as part of the evidence in support of a valuation, and the valuer should decide on the weight to give AVM outputs when assessing the total body of comparable evidence available.

4.4 Verification of evidence

As has already been emphasised, real estate markets worldwide lack transparency and data on comparable transactions, from any source, should not be taken at face value. It is essential that comparable evidence, and especially those comparables that contribute most significantly to the opinion of value, are examined carefully for accuracy and to ensure that all relevant details behind the transaction concerned are fully taken into account. Comparables that appear to be inconsistent with other evidence will require particular scrutiny.

For example, it is unlikely to be sufficient simply to accept a headline rate per square foot or square metre when looking at a comparable to establish rental value. Important details of the transaction, such as the quality of the building, the lease terms, the rent-free period or other incentives offered to the tenant are likely to have had a significant effect on the reported headline figure. The valuer should therefore verify this information with the appropriate parties and make adjustments, if necessary, in applying the evidence to the property being valued.

In some world markets, where detailed information may not be known or may not be available, verification of evidence may be challenging. Nevertheless, it is important that every effort is made to do so in the interests of obtaining as accurate a valuation as possible and that a record is kept of the research undertaken.

4.5 Data protection and confidentiality

This section has emphasised the importance of obtaining as much data as possible on comparable real estate transactions so that it can be accurately applied to the subject of the valuation. In many cases this evidence will be provided by third parties such as the owners, tenants or occupiers of similar real estate, or their agents.

Questions of commercial confidentiality or statutory data protection may arise, which might mean that sources and figures cannot be confirmed, but this should not invalidate the use of the data in arriving at an opinion of value, provided confidentiality issues can be respected. Valuers need to be aware of any local data protection or confidentiality legislation that may apply in their jurisdiction and act accordingly. For example, it may be necessary to obtain permission to use data on comparable transactions, especially if this is going to be published in a report or used in judicial proceedings.

4.6 Hierarchy of evidence

There is a wide range of sources for comparable evidence available to the valuer, although some will be more relevant than others. Sale or leasing transactions that have taken place for similar real estate to that being valued will provide the best evidence, while databases and indices will offer more general guidance. Rent review and lease renewal agreements reached via negotiation or settled by an expert can also provide good comparable evidence for market rental levels if the data is fully validated and appropriately analysed.

In some countries, valuation cases that have been subject to litigation have resulted in the courts adopting a hierarchical approach to the evidence being presented. Where this has occurred, valuers need to be aware of relevant court decisions and precedents. In general, however, a precise hierarchy of evidence is difficult to define as different sources assume a greater or lesser importance depending on market conditions, the purpose of the valuation and the exact type and nature of the asset being valued.

Certain types of evidence usually take precedence over others and the list below provides an indication of relative importance. It is not prescriptive and will vary according to market conditions and local practice. The valuer should use professional judgement to assess the relative importance of evidence on a case-by-case basis.

4.6.1 Category A – direct comparables

This category relates to all types of relevant transactional comparable evidence including:

- contemporary, completed transactions of near-identical properties for which full and accurate information is available; this may include data from the subject property itself
- contemporary, completed transactions of other, similar real estate assets for which full and accurate information is available
- contemporary, completed transactions of similar real estate for which full data may not be available, but for which enough reliable data can be obtained to use as evidence
- similar real estate being marketed where offers may have been made but a binding contract has not been completed and
- asking prices (see 4.1.4).

4.6.2 Category B – general market data

This category relates to data that can provide guidance rather than a direct indication of value including:

- information from published sources or commercial databases; its relative importance will depend on relevance, authority and verifiability
- other indirect evidence (e.g. indices)
- historic evidence and
- demand/supply data for rent, owner-occupation or investment.

4.6.3 Category C – other sources

There is also a wide range of data that might provide broad indications of value including:

- transactional evidence from other real estate types and locations and
- other background data (e.g. interest rates, stock market movements and returns which can give an indication for real estate yields).

5 Recording comparable evidence

Evidence used to arrive at an opinion of value should be recorded clearly and kept on file. It needs to be presented in a form that can be used by both the valuer and others who may need to review the file and understand the approach adopted in the valuation at a later date.

Red Book Global Standards states that ‘a proper record must be kept of inspections and investigations, and of other key inputs, in an appropriate business format’ (VPS 2 Inspections, investigations and records, section 3). The exact form in which this information is held is a matter for the valuer and the valuer’s organisation. It is important that evidence of transactions, sales particulars, correspondence and discussions is recorded clearly and permanently. It may be appropriate to download or print web-based material if it is not likely to be permanently maintained online.

Information should be summarised in a format that is easily comprehensible and aids analysis. A tabular or spreadsheet layout is often appropriate for this type of process, but other formats are possible. Comparable evidence can, for example, be entered and ranked in terms of relevance and importance, allowing efficient and clear analysis of what is often a large and complex body of data.

The following list provides a summary of likely generic headings for comparable transactions of real estate, though these will vary depending on the context of the valuation and should be adapted to take account of the particular circumstances.

- 1 Address.
- 2 Real estate type, e.g. office, shop, industrial, residential, agricultural.
- 3 Exact nature of the asset being valued or compared, e.g. a freehold or leasehold interest.
- 4 Location details.
- 5 Legal, e.g. lease terms and conditions.
- 6 Brief description, specification, condition and any other relevant attributes (e.g. energy efficiency, which may be a material issue in some sectors or markets).
- 7 Accommodation/area – including method of measurement.
- 8 Type of transaction, e.g. sale, letting.
- 9 Date of transaction.
- 10 Financial information, e.g. rent or sale price and details of any incentives.

- 11 Analysis per unit area (where appropriate).
- 12 Parties involved, e.g. owner, tenant, agents.
- 13 Source of information, e.g. name, organisation, contact details.
- 14 Any comments on the reliability of data employed.
- 15 Date of confirmation of information.

In addition to recording the basic information relating to each comparable, a record should be kept of the valuer's reasons for applying the comparable evidence to the real estate asset being valued. This will require a ranking of evidence to demonstrate the relative contribution that each piece of evidence has made to the reported valuation figure.

6 Analysis of comparable evidence

The data assembled by the valuer to support an opinion of value will not necessarily be a perfect match with the property that is the subject of the valuation. It will therefore need to be carefully scrutinised, assessed and analysed before it can be used effectively. This process converts raw data into useable comparable evidence.

Typically, there are two stages of analysis: establishing a common measurement or other comparison standard; and analysis of the comparable data to provide meaningful comparable evidence.

6.1 Establishing a common measurement or other comparison standard

A common measurement standard is required to enable properties being used as evidence to be compared on a pro-rata basis.

It is essential that the valuer applies the same method of measurement to the real estate being valued and the comparable evidence. The International Valuation Standards Council (IVSC) and RICS are promoting the use of the International Property Measurement Standards (IPMS) worldwide and wherever appropriate, RICS members are required to use the appropriate standard for the type of real estate subject to valuation.

Not all countries have adopted IPMS so where relevant, the valuer should choose the most appropriate standard for the country the real estate is located. RICS members are required to justify the standard used if IPMS are not applied and to document the reason for departure.

6.2 Making adjustments

It is relatively rare to find comparable evidence that exactly matches the property being valued, so adjustments will be required to allow for differences in the various factors that may affect value. These include location, building specification, condition and size, tenure and lease terms, timing of the transaction, letting or sale incentives, energy efficiency and adaptability.

Some adjustments may be assessed quantitatively. For example, when assessing rental value, if the tenant is responsible for the costs of insurance under the terms of the lease while in a comparable property the landlord bears these costs, an adjustment should be incorporated into the analysis to take account of the cost difference.

Another frequently encountered situation is where two similar properties are in different states of repair. In this situation, an adjustment could be made to allow for the cost of renovating the property in the poorer condition up to the standard of the better building. However, care is needed in this approach because in practice, a purchaser might not just make an allowance for the estimated cost of works, but could, for example, make a further adjustment to reflect uncertainties over the costs and the time taken to renovate. The valuer should therefore consider how a purchaser in the market would respond to differences between the asset being valued and the comparable evidence – simple cost adjustment may not be sufficient.

Other adjustments may require the valuer to make a qualitative judgement based on experience and knowledge of the local market. For example, the effects of small but significant differences in location, aspect or outlook may have an influence on value but there is often no direct evidence to quantify the degree of adjustment required.

There are many other areas of comparable analysis that cannot be precisely assessed but which instead rely on the experience and professional judgement of the valuer. Examples include adjustment of rental evidence to take account of differences in lease lengths and, in the case of investment assets, yield adjustments to allow for differences in matters such as the quality of the building, lease terms, tenant covenant and location. Small changes in the yield can have a significant impact on value.

As well as analysing individual comparables, the valuer will need to take a broad view of the whole body of evidence in order to apply it effectively to the asset being valued. This may be a complex process, so presenting the evidence in a format that aids analysis will be essential not only to the valuer but also to anyone reviewing the valuation at a later date. Such reviews can occur as part of a quality assurance process, for due diligence or if the valuation is subject to legal proceedings, which can take place years after the valuation date.

A matrix format will often assist the valuer's judgement at this stage of the analysis, although the approach adopted will depend on the type of real estate and the available evidence. Any analysis should be effective and clear to all parties, both at the time of the valuation and in the future.

Whatever method of analysis employed, the valuer will ultimately have to stand back and weigh up a considerable range of evidence with differing degrees of quality and applicability, much of which cannot be precisely quantified. This will require not only technical ability but also, and more importantly, experience of the relevant market and judgement developed from that experience. The process should lead to a ranking of the comparable evidence and an assessment of where the asset being valued, fits into that ranking. The aim is to ensure confidence in the reported figure, which can then be fully justified to all relevant parties.

7 Dealing with a shortage of evidence

It is not uncommon for there to be a shortage of comparable evidence available to the valuer. A lack of evidence can arise for a variety of reasons.

- The market may be inactive, with few transactions occurring to provide evidence.
- By contrast, the market may be changing rapidly, leading to a situation where comparable evidence quickly becomes out of date.
- The property may be unusual in terms of its use, construction, location or other factors.
- The local market may lack transparency, with little available information on prices or transactions. This is more common in markets in the early stages of development.

It is important to emphasise that a lack of evidence should not prevent a valuation being undertaken but the skills, expertise and judgement of the valuer become more important in difficult market conditions.

The valuer has to look further afield and across a wider range of indicators when transactional evidence of directly comparable real estate is lacking. In such circumstances, it may be necessary to consider more indirect evidence: for example, local or national economic data that can indicate trends to give guidance towards, rather than direct evidence of, value.

Uncertainty generated by a lack of comparable evidence is a common feature of the real estate market. Most valuers recognise this, but many of their clients do not. Such uncertainty is inevitable, and the valuer should not be afraid to report it – indeed Red Book Global Standards states that ‘valuers should not treat ... a statement expressing less confidence in a valuation than usual as an admission of weakness ... it is ... a matter entirely proper for disclosure’. If a client understands that unusual market conditions result in an uncertain valuation it may enable them to make a better-informed business decision. It is for this reason that Red Book Global Standards requires the valuer to ‘comment on any material uncertainty in relation to the valuation where it is essential to ensure clarity on the part of the valuation user’ (VPS 3, Valuation reports, section 2.2(o)).

8 Relevant standards and guidance

RICS Valuation – Global Standards (Red Book Global Standards).

International Property Measurement Standards (IPMS), International Property Measurement Standards Coalition (IPMSC).

Valuation of rural property (3rd edition), RICS professional standard.

Valuation of development property (1st edition), RICS professional standard.

Appendix A: Key comparative elements applicable to most real estate types

Building age and condition	This will have a clear impact on value and will reflect the cost and time in bringing a building of poor condition up to an acceptable level.
Building specification and layout	Specification and layout will have an impact on the usability of a building and on the price that an occupier will be prepared to pay to rent or buy.
Efficiency and adaptability	Energy efficiency and the flexibility and adaptability of a building as technology and user requirements continue to evolve may, increasingly, have a material effect on value.
Legal	<p>A variety of different types of tenure is found in all countries. Unencumbered freehold tenure (or local equivalent) will normally have the highest value. Limitations on ownership or use, for example, in the form of restrictive covenants or leasehold tenure, will usually reduce value.</p> <p>For properties that are let, the terms of any lease will have a direct effect on the value of both the landlord's and tenant's interests. Important lease terms include rent payable, lease length, rent review clauses, repair obligations, insurance obligations, rights to assign or sub-let and permitted use.</p>
Limitations on use	These may occur in the form of restrictive covenants affecting the freehold title, user limitations in leases, restrictions on use and size imposed by local planning authorities. Restrictions on use are likely to have a negative impact on value.
Location	Location affects the value of almost all types of real estate. A new office building in New York City, for example, will have a higher value per unit size than a similar building in Albany, New York – despite the latter being the state capital. Location can also be crucial on a much smaller scale: in the retail market a difference in location of just a few metres can make a major difference to the value of a shop.

Size	Comparable properties should be of similar size. Different building sizes will appeal to different market sectors and small units are likely to command a higher rate per unit area than large buildings or blocks of land.
Transaction date	<p>Most markets are subject to price fluctuations, which can sometimes be extremely rapid.</p> <p>Comparable evidence should, therefore, be as up-to-date as possible.</p>

Appendix B: Factors affecting value and comparability by sector

Sector	Key factors affecting comparability (other factors may be relevant in specific cases)
Rural	<p>Agricultural land: land use mix, soil type, capability, aspect, layout, accessibility, drainage, irrigation, proximity to markets, size, suitability and layout of buildings, eligibility for support payments, environmental or other statutory designations/schemes, tenure, planning opportunities, use of machinery, size, water distribution and availability, sporting rights, riparian ownerships, minerals, public development/compulsory purchase proposals. For information on the categorisation of rural real estate see RICS' <i>Valuation of rural property</i>.</p> <p>Farm buildings: age, construction type, layout, adaptability, access, compliance with farm quality assurance requirements, pollution hazards, electricity supply and other mains/private services, redevelopment/conversion opportunities.</p> <p>Farmhouse: ability to sell separately, access, size, demand for specialist housing type, other factors as for residential real estate generally.</p>
Residential	<p>Houses and apartments (sale): age, construction type, layout, adaptability, access, compliance with quality assurance requirements, pollution hazards, electricity supply and other mains/private services, redevelopment/conversion opportunities.</p> <p>Houses and apartments (rent): as above, plus lease terms.</p>

Sector	Key factors affecting comparability (other factors may be relevant in specific cases)
Commercial (offices)	<p>Owner-occupied: layout, flexibility, floor area (quantum), building services, specification (including air conditioning), service charge level, transport facilities, car parking, energy efficiency and environmental sustainability.</p> <p>Rental: as above, plus key lease terms, unexpired term, provision for rent increase, responsibility for repairs, maintenance and insurance, any restrictive covenants.</p> <p>Investment: yield (rent factors as above, plus tenant covenant strength).</p>
Commercial (town centre retail)	<p>Rental: site and precise location, shop frontage and display windows, shop layout, number of floors, adjacent complimentary uses, rental zoning method, floor level (if in multi-storey shopping centre/mall), loading facilities, pedestrian flow, parking, access to public transport, lease terms.</p> <p>Investment: location and layout, tenant covenant strength, lease terms and length. In shopping centres/malls the quality of centre management may also be relevant.</p>
Commercial (out of town retail)	<p>Rental: building layout, size, height, loading, access, car parking and access to public transport, other retail units adjacent, visibility and key lease terms: unexpired term, provision for rent increase, responsibility for repairs, maintenance and insurance, restrictive covenants, planning restrictions (especially regarding use).</p> <p>Investment: yield (rent factors as above, plus tenant covenant strength and lease terms).</p>
Industrial/ warehousing and distribution	<p>Rental: accessibility to major transport links, site access and loading facilities, building layout and eaves height, floor loading, layout offering clear space, power supply, office content, site coverage, environmental issues, potential for alternative use.</p> <p>Investment: yield (rent factors as above plus tenant covenant strength and lease terms).</p>

Sector	Key factors affecting comparability (other factors may be relevant in specific cases)
Trade-related property (hotels, petrol filling stations, bars, etc.)	<p>All types: rent or capital value derives from trading potential in the hands of a hypothetical reasonably efficient operator, so use of actual trading accounts and strength of the occupying business is not always relevant. The valuer seeks to stand in the shoes of a prospective competent new bidder, assessing the efficient but not exceptional operating plan for a business using the real estate in accordance with planning, licensing and (if relevant) lease user constraints. Use of comparison in trade-related properties requires specialised knowledge. See Red Book Global Standards VPGA 4 (Valuation of individual trade-related properties).</p>
Property with development potential	<p>All types: Permitted use and density; developable area; access; adjoining developments; ground conditions; market demand for completed development; building and other costs.</p> <p>Direct comparison between sites on a rate per unit area basis will only be possible if all these key factors align. If not, individual comparable elements will need to be incorporated into a residual or cash-flow valuation. See RICS' <i>Valuation of development property</i>.</p>
Assets having value as resources	<p>Water and materials: volume and quality of resource, accessibility, regulatory environment.</p>

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Appendix Eleven

Proposed Development (Applicant's Costs)

APPRAISAL SUMMARY**LICENSED COPY**

Proposed Development
Orchard Gate
August 2023 - £401,359 Off-site Drainage Infrastructure

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Housing	1	20,936	452.33	9,470,000	9,470,000
Affordable Housing	<u>1</u>	<u>2,417</u>	221.35	535,000	<u>535,000</u>
Totals	2	23,353			10,005,000

NET REALISATION**10,005,000****OUTLAY****ACQUISITION COSTS**

Residualised Price		1,143,743	
			1,143,743
Stamp Duty		46,687	
Effective Stamp Duty Rate	4.08%		
Agent Fee	1.00%	11,437	
Legal Fee	0.75%	8,578	
			66,703

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Detached	1,453	166.48	241,895
Semi-Detached	13,482	139.35	1,878,717
Terrace	<u>8,417</u>	137.50	<u>1,157,337</u>
Totals	23,352 ft²		3,277,950
Contingency		5.00%	266,389
			3,544,339

Other Construction Costs

Externals	962,900
Abnormals	475,513
Off-site Drainage Infrastructure	401,359
Part L	210,068
	2,049,840

Section 106 Costs

Nitrate Mitigation	180,000
CIL	212,627
Air Quality	2,472
Solent Bird Aware	19,820
Biodiversity Net Gain	35,000
Open Space	48,932
Habitat Non-infrastructure	21,716
Off-site Highways	20,000
	540,567

PROFESSIONAL FEES

Architect	8.00%	426,223
		426,223

DISPOSAL FEES

Sales Agent Fee- Market Housing	2.50%	236,750
Sales Agent Fee - Affordable	1.00%	5,350
		242,100

TOTAL COSTS BEFORE FINANCE**8,013,515****FINANCE**

Timescale	Duration	Commences
Purchase	1	Sep 2021

APPRAISAL SUMMARY**LICENSED COPY****Proposed Development****Orchard Gate****August 2023 - £401,359 Off-site Drainage Infrastructure**

Pre-Construction	2	Oct 2021
Construction	17	Dec 2021
Sale	7	May 2023
Total Duration	27	

Debit Rate 8.250%, Credit Rate 0.000% (Nominal)

Land	151,850	
Construction	149,791	
Total Finance Cost		301,641

TOTAL COSTS**8,315,156****PROFIT****1,689,844****Performance Measures**

Profit on Cost%	20.32%
Profit on GDV%	16.89%
Profit on NDV%	16.89%

IRR% (without Interest)	43.87%
-------------------------	--------

Profit Erosion (finance rate 8.250)	2 yrs 3 mths
-------------------------------------	--------------

Cost per Gross ft²	178
Cost per Net ft²	178
Land Cost pAcre	0
Land Cost per Plot	571,871

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Appendix Twelve

Proposed Development (£0 Drainage Infrastructure)

APPRAISAL SUMMARY**LICENSED COPY**

Proposed Development
Orchard Gate
August 2023 - £Nil Off-site Drainage Infrastructure

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Housing	1	20,936	452.33	9,470,000	9,470,000
Affordable Housing	1	2,417	221.35	535,000	535,000
Totals	2	23,353			10,005,000

NET REALISATION **10,005,000**

OUTLAY**ACQUISITION COSTS**

Residualised Price		1,537,038	
			1,537,038
Stamp Duty		66,352	
Effective Stamp Duty Rate	4.32%		
Agent Fee	1.00%	15,370	
Legal Fee	0.75%	11,528	
			93,250

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Detached	1,453	166.48	241,895
Semi-Detached	13,482	139.35	1,878,717
Terrace	8,417	137.50	1,157,337
Totals	23,352 ft²		3,277,950
Contingency		5.00%	246,322
			3,524,271

Other Construction Costs

Externals	962,900
Abnormals	475,513
Part L	210,068
	1,648,481

Section 106 Costs

Nitrate Mitigation	180,000
CIL	212,627
Air Quality	2,472
Solent Bird Aware	19,820
Biodiversity Net Gain	35,000
Open Space	48,932
Habitat Non-infrastructure	21,716
Off-site Highways	20,000
	540,567

PROFESSIONAL FEES

Architect	8.00%	394,114
		394,114

DISPOSAL FEES

Sales Agent Fee- Market Housing	2.50%	236,750
Sales Agent Fee - Affordable	1.00%	5,350
		242,100

TOTAL COSTS BEFORE FINANCE **7,979,821**

FINANCE

Timescale	Duration	Commences
Purchase	1	Sep 2021
Pre-Construction	2	Oct 2021
Construction	17	Dec 2021

APPRAISAL SUMMARY**LICENSED COPY****Proposed Development****Orchard Gate****August 2023 - £Nil Off-site Drainage Infrastructure**

Sale	7	May 2023
Total Duration	27	

Debit Rate 8.250%, Credit Rate 0.000% (Nominal)

Land	201,534	
Construction	133,800	
Total Finance Cost		335,334

TOTAL COSTS	8,315,155
--------------------	------------------

PROFIT	1,689,845
---------------	------------------

Performance Measures

Profit on Cost%	20.32%
Profit on GDV%	16.89%
Profit on NDV%	16.89%

IRR% (without Interest)	40.65%
-------------------------	--------

Profit Erosion (finance rate 8.250)	2 yrs 3 mths
-------------------------------------	--------------

Cost per Gross ft²	178
Cost per Net ft²	178
Land Cost pAcre	0
Land Cost per Plot	768,519

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Appendix Thirteen

Policy Compliant Development (Applicant's Costs)

APPRAISAL SUMMARY**LICENSED COPY**

Policy Compliant Development
Orchard Gate
August 2023 - £401,539 Off-site Drainage Infrastructure

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Housing	1	15,791	447.41	7,065,000	7,065,000
Affordable	1	<u>7,562</u>	244.64	1,850,000	<u>1,850,000</u>
Totals	2	23,353			8,915,000

NET REALISATION **8,915,000**

OUTLAY**ACQUISITION COSTS**

Residualised Price		626,671	
			626,671
Stamp Duty		20,833	
Effective Stamp Duty Rate	3.32%		
Agent Fee	1.00%	6,267	
Legal Fee	0.75%	4,700	
			31,800

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Detached	1,453	166.48	241,895
Semi-Detached	13,482	139.35	1,878,717
Terrace	<u>8,417</u>	137.50	<u>1,157,337</u>
Totals	23,352 ft²		3,277,950
Contingency		5.00%	266,389
			3,544,339

Other Construction Costs

Externals	962,900
Abnormals	475,513
Off-site Drainage Infrastructure	401,359
Part L	210,068
	2,049,840

Section 106 Costs

Nitrate Mitigation	180,000
CIL	159,939
Air Quality	2,472
Solent Bird Aware	19,820
Biodiversity Net Gain	35,000
Open Space	48,932
Habitat Non-Infrastructure	21,716
Off-site Highways	20,000
	487,879

PROFESSIONAL FEES

Architect	8.00%	426,223
		426,223

DISPOSAL FEES

Sales Agent Fee- Market Housing	2.50%	176,625
Sales Agent Fee - Affordable	1.00%	18,500
		195,125

TOTAL COSTS BEFORE FINANCE **7,361,877**

FINANCE

Timescale	Duration	Commences
Purchase	1	Sep 2021
Pre-Construction	2	Oct 2021

APPRAISAL SUMMARY**LICENSED COPY****Policy Compliant Development****Orchard Gate****August 2023 - £401,539 Off-site Drainage Infrastructure**

Construction	17	Dec 2021
Sale	7	May 2023
Total Duration	27	

Debit Rate 8.250%, Credit Rate 0.000% (Nominal)

Land	82,591	
Construction	123,475	
Total Finance Cost		206,066

TOTAL COSTS **7,567,943****PROFIT** **1,347,057****Performance Measures**

Profit on Cost%	17.80%
Profit on GDV%	15.11%
Profit on NDV%	15.11%

IRR% (without Interest) 47.66%

Profit Erosion (finance rate 8.250) 2 yrs

Cost per Gross ft²	162
Cost per Net ft²	162
Land Cost pAcre	0
Land Cost per Plot	313,335

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Appendix Fourteen

Policy Compliant Development (£0 Drainage Infrastructure)

APPRAISAL SUMMARY**LICENSED COPY**

Policy Compliant Development
Orchard Gate
August 2023 - £Nil Off-site Drainage Infrastructure

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Housing	1	15,791	447.41	7,065,000	7,065,000
Affordable	1	<u>7,562</u>	244.64	1,850,000	<u>1,850,000</u>
Totals	2	23,353			8,915,000

NET REALISATION **8,915,000**

OUTLAY**ACQUISITION COSTS**

Residualised Price			1,019,965		1,019,965
Stamp Duty			40,498		
Effective Stamp Duty Rate		3.97%			
Agent Fee		1.00%	10,200		
Legal Fee		0.75%	7,650		
					58,348

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost		
Detached	1,453	166.48	241,895		
Semi-Detached	13,482	139.35	1,878,717		
Terrace	<u>8,417</u>	137.50	<u>1,157,337</u>		
Totals	23,352 ft²		3,277,950		
Contingency		5.00%	246,322		
					3,524,271

Other Construction Costs

Externals			962,900		
Abnormals			475,513		
Part L			210,068		
					1,648,481

Section 106 Costs

Nitrate Mitigation			180,000		
CIL			159,939		
Air Quality			2,472		
Solent Bird Aware			19,820		
Biodiversity Net Gain			35,000		
Open Space			48,932		
Habitat Non-Infrastructure			21,716		
Off-site Highways			20,000		
					487,879

PROFESSIONAL FEES

Architect		8.00%	394,114		
					394,114

DISPOSAL FEES

Sales Agent Fee- Market Housing		2.50%	176,625		
Sales Agent Fee - Affordable		1.00%	18,500		
					195,125

TOTAL COSTS BEFORE FINANCE **7,328,184**

FINANCE

Timescale	Duration	Commences
Purchase	1	Sep 2021
Pre-Construction	2	Oct 2021
Construction	17	Dec 2021

APPRAISAL SUMMARY**LICENSED COPY****Policy Compliant Development****Orchard Gate****August 2023 - £Nil Off-site Drainage Infrastructure**

Sale 7 May 2023
Total Duration 27

Debit Rate 8.250%, Credit Rate 0.000% (Nominal)

Land	133,356	
Construction	106,404	
Total Finance Cost		239,760

TOTAL COSTS **7,567,943**

PROFIT **1,347,057**

Performance Measures

Profit on Cost%	17.80%
Profit on GDV%	15.11%
Profit on NDV%	15.11%

IRR% (without Interest)	42.81%
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Profit Erosion (finance rate 8.250)	2 yrs
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Cost per Gross ft²	162
Cost per Net ft²	162
Land Cost pAcre	0
Land Cost per Plot	509,983

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Appendix Fifteen

Policy Compliant Development (Applicant's Costs and Sensitivity Testing)

SENSITIVITY ANALYSIS REPORT**LICENSED COPY**

Policy Compliant Development - Sensitivity Testing
Orchard Gate
August 2023 - £401,539 Off-site Drainage Infrastructure

Table of Profit on GDV% and Land Cost

Construction: Gross Cost					
Sales: Gross Sales	-7.000%	-5.250%	-3.500%	-1.750%	0.000%
0.000%	15.110%	15.110%	15.110%	15.110%	15.110%
	(£869,408)	(£812,805)	(£756,203)	(£699,601)	(£642,999)
+1.750%	15.110%	15.110%	15.110%	15.110%	15.110%
	(£979,941)	(£923,339)	(£866,737)	(£810,135)	(£753,533)
+3.500%	15.110%	15.110%	15.110%	15.110%	15.110%
	(£1,090,474)	(£1,033,872)	(£977,270)	(£920,668)	(£864,066)
+5.250%	15.110%	15.110%	15.110%	15.110%	15.110%
	(£1,201,008)	(£1,144,406)	(£1,087,804)	(£1,031,202)	(£974,599)
+7.000%	15.110%	15.110%	15.110%	15.110%	15.110%
	(£1,311,541)	(£1,254,939)	(£1,198,337)	(£1,141,735)	(£1,085,133)

Sensitivity Analysis : Assumptions for Calculation**Construction: Gross Cost**

Original Values are varied by Steps of 1.750%.

Heading	Phase	Amount	No. of Steps
Detached	1	£241,895	5 Down only
Semi-Detached	1	£1,878,717	5 Down only
Terrace	1	£1,157,338	5 Down only

Sales: Gross Sales

Original Values are varied by Steps of 1.750%.

Heading	Phase	Amount	No. of Steps
Market Housing	1	£7,065,000	5 Up only
Affordable	1	£1,850,000	5 Up only

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