

VALUATION REPORT

Sample address line 1, line 2, post code



REPORT REQUIRED FOR HELP TO BUY VALUATION



CLIENT NAME(S): EXAMPLE CLIENTS NAMES



WEBSTERS REFERENCE NUMBER **12345**

USING THIS REPORT

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Executive Summary



Property description

The property is a one bedroom flat in a purpose built building on the fifth floor.

The height of the building is six storeys high.



Identity of the client and any other intended user

The client(s) here are Example clients names. Our report may also be used by any of the clients' professional advisors, but limited to the purpose stated within the background to the report.



Tenure

From examination of the land registry, we have identified that the property is held on a leasehold basis. The term stated is 250 years from 14th December 2014 , being approximately 241 years unexpired at the date of valuation.

The land registry title number is ABC123456.



Valuation date

The date of Valuation the property is assessed at is 16th October 2023 which is the date of this report.



Market Value

Our opinion of Market Valuation on the date of valuation is £540,000 (Five Hundred and Forty Thousand pounds).

1.0 Background to the report

Websters Surveyors has been instructed by the client to provide a Market Valuation report for a property which we are informed was purchased by using a Help to Buy Equity based loan. Furthermore that the client is now considering redeeming part or all of that loan and as such, requires a Red Book compliant Valuation report. The client should be aware that it is their responsibility to send a copy of this report to the scheme administrator, if they wish to proceed.

THIS IS A EXAMPLE OF A REPORT. AS SUCH, THE INFORMATION WITHIN IT DOES NOT RELATE TO A PARTICULAR PROPERTY.



1.1 Identity of the Valuer

The RICS Registered Valuer primarily responsible for this report is Dan Knowles LLB (Hons) PG Dip, FRICS, Director, who confirms that he has the necessary qualifications, experience and expertise to undertake the type of report commissioned.



1.2 Identity of the client and any other intended user

The client(s) here are Example clients names. Our report may also be used by any of the clients' professional advisors, but limited to the purpose stated within the background to the report.



1.3 Inspection

The date of our inspection was 12th October 2023.

Our inspection was carried out by Dan Knowles LLB (Hons) PG Dip FRICS, Director & RICS Registered Valuer.

Present during the inspection was the leaseholder.



1.4 Weather

The weather at the time of inspection was cloudy and dry preceded by settled conditions.

2.0 Construction type

The building was constructed using modern methods of construction.

Modern methods of flat construction usually entail the construction of a reinforced concrete frame core, which is externally clad in a wide variety of finishings, ranging from brick to fully glazed curtain walls. They are usually readily suitable for

mortgage finance, however following the Grenfell Tower tragedy in 2017 and legislative changes in 2019, exceptions can occur where the building is of a specific height, has features such as stacked balconies or where certain materials have been used.

The main roof is flat, with rainwater drainage.

We have reviewed the EWS1 certificate for the subject block, dated 20th September 2020, and note a B1 rating which states the fire risk is sufficiently low that no remedial works are required.

3.0 Condition

It is outside of the remit of this Report to undertake a Condition related Survey report, test the services or arrange for any investigations to be carried out to determine whether deleterious materials (save as for any specifically referred to) have been used in the construction of the subject property.

Where defects are mentioned, it is because they are particularly apparent and may be considered relevant. However, the omission of any other defects should not be considered material or suggest that they do not exist.

The internal finishes and decorations are generally of a reasonable standard. The kitchen and bathroom are described more particularly later in this report.

The external parts of the building were in a reasonable condition given the age and type of the building, save for any specific issues detailed in this report.

4.0 Property details

The property is a one bedroom flat in a purpose built building on the fifth floor.

The height of the building is six storeys high.



4.1 Tenure

From examination of the land registry, we have identified that the property is held on a leasehold basis. The term stated is 250 years from 14th December 2014, being approximately 241 years unexpired at the date of valuation.

The land registry title number is ABC123456.



4.2 Location

The property is located on a minor road within a well established residential area. Nearby there is a tertiary retail parade on example name road, with a Newsagents, Bakery, Butchers and a number of other businesses.

The nearest tube station is Example 1, which is approximately 0.3km away in a straight line. The next nearest station is

Example 2 tube station, which is approximately 0.5km away in a straight line.

According to the Environment Agency, the risk of flooding from surface water is low and from Rivers and the Sea is medium.



Image - 1



Image - 2



4.3 Location plan

The below plan identifies the approximate location of the property (attributed to the postcode). The plan is credited to [streetmap.co.uk](https://www.streetmap.co.uk).

PLEASE NOTE THAT THIS IS A SAMPLE REPORT. THE MAP DOES NOT RELATE TO ANY OF THE DESCRIPTION OR PHOTOGRAPHS PROVIDED.



Image - 3



4.4 Council tax

The Council tax band for the property is C.

Council tax bands are based on valuations carried out by the Valuation Office Agency, which publishes banding online. The higher the band, the higher the Council tax payable (before any discounts if applicable) would be.



4.5 Communal areas

The communal areas in the building appear generally to be well kept.

The Stairwell is concrete.

Access to the building is secure.

The individual flat is accessed via a communal hallway.

There is a lift to every floor



Image - 4

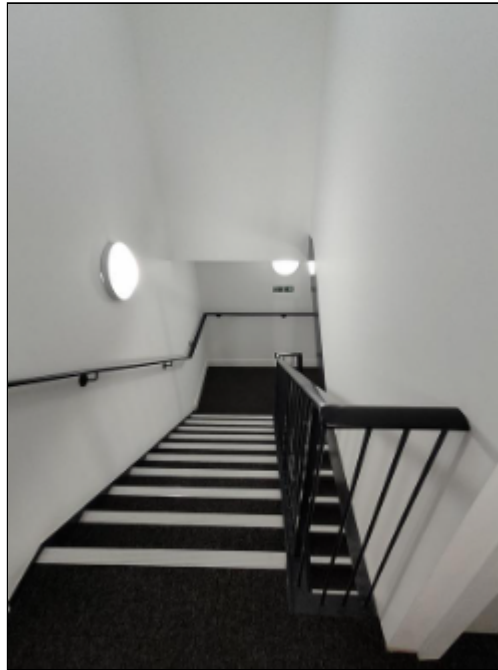


Image - 5



4.6 Age

We believe the property was built in 2018/2019.



4.7 Private gardens and outbuildings (if any)

There is a private wrap around balcony, accessible from the reception room.

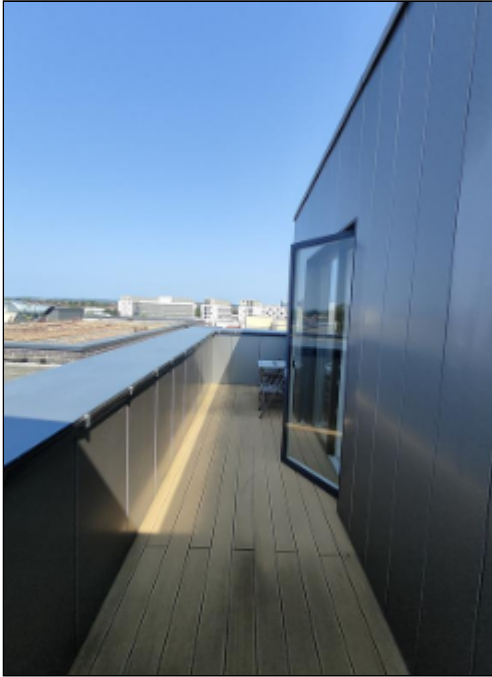


Image - 6



4.8 Parking

There are no parking spaces within the land registry title or demised area.



4.9 Planning considerations

We have assumed that planning permission exists for the current use of the property.



4.10 Conservation area and listed status

The property is not in a conservation area.

The property is not listed.

5.0 Accommodation

Below is a brief description of the rooms in the property.

5th Floor - Entrance hall, Open Plan reception room with kitchen, Double bedroom, Family bathroom, Wrap around balcony



5.1 Kitchen(s)

The kitchen is reasonable for the size of the accommodation. It comprises a range of matching, base and wall units, a fitted dishwasher, an integral oven, hob and extractor fan and a 1 bowl sink. The quality of the fixtures and fittings is a very high specification.



Image - 7



5.2 Bathroom(s)

The bathroom comprises a toilet, bath, with shower over it, wash hand basin, heated towel rail and spotlights. The quality of the fixtures and fittings is very good.



Image - 8



5.3 Floor area

The Gross Internal Area (GIA) of the property was measured at approximately 40 sq. m. (430 sq. ft.)



5.4 Photographic schedule(s)

The photographs provided here to supplement any others provided in this report. They are not meant as a photographic schedule of condition or a complete record of the property but instead, merely as an aid when reading this report.

PLEASE NOTE THAT AS THIS IS A SAMPLE REPORT, THE PHOTOGRAPHS DO NOT RELATE TO OTHERS.

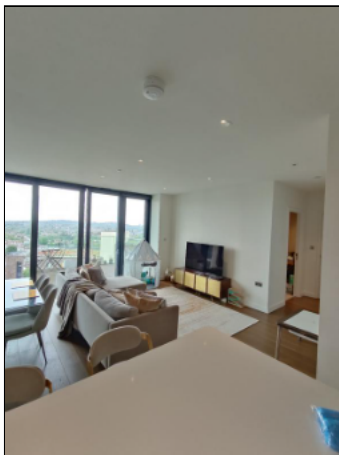


Image - 9



Image - 10

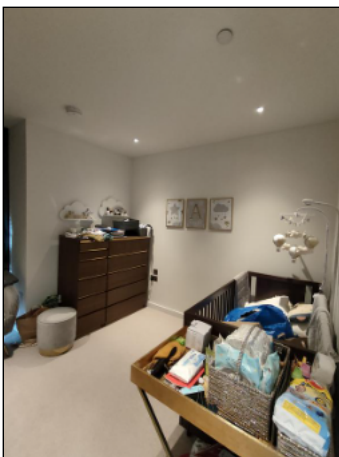


Image - 11



Image - 12

6.0 Services

The property is understood to be served by mains water and electricity and we have assumed for the purposes of this report, that the drainage is to the main sewer.



6.1 Electricity

The electricity is controlled by a Consumer Unit which appears to have been fitted in the last few years. The ability to separate all circuits independently makes high integrity modern consumer units a very popular choice, because while one electrical appliance may stop working, everything else will continue without interruption.



Image - 13 - Consumer Unit



6.2 Heating & hot water

The heating and hot water are controlled by a Valiant boiler located in the kitchen.



Image - 14 - Boiler



6.3 Gas

We have not checked the gas supply to the property as it is beyond the remit of this report.

7.0 Windows & Doors



7.1 Windows

The windows are all double glazed. The windows appear to be of a high standard and are likely to have good thermal efficiency.



7.2 Doors

There is a timber front door. There are metal framed sliding doors in the reception room from which the balcony is accessed. Internally the doors appear in reasonable condition.

8.0 Valuation



8.1 Valuation date

The date of Valuation the property is assessed at is 16th October 2023 which is the date of this report.



8.2 Local market conditions

Transaction levels within the housing market remain low, though have picked up recently. However, successive increases in the Bank of England base rate have created some vulnerabilities in the market with the outlook for medium term mortgage rates looking increasingly difficult, with recent increases to swap rates. The economy has narrowly avoided a recession and inflation has begun to fall but not as quickly as many economists predicted, providing some degree of continued uncertainty.

A combination of low transaction numbers and continued uncertainty has kept falls in prices to a minimum. The medium term outlook is not much better.



8.3 Comparable sales

1 ACACIA AVENUE, LONDON, N1 1AA

This two bedroom, two bathroom flat sold on 15th March 2023 for £555,000. The property was an identical, mirror image of the flat. The condition was similar to the subject property. It also benefitted from a balcony and an allocated parking space. The location is in the same building as the subject property.

2 ACACIA AVENUE, LONDON, N1 1AA

This two bedroom, two bathroom flat sold on 14th March 2023 for £555,000. It measured approximately 757 sq. ft., being of a similar size to the subject property. The condition was similar to the subject property. It also benefitted from a balcony and a 999 year lease. It did not benefit from a parking space. The location is very close to the subject property.

3 ACACIA AVENUE, LONDON, N1 1AA

This two bedroom, two bathroom flat sold on 14th December 2022 for £525,000. It measured approximately 822 sq. ft., being slightly smaller than the subject property. The condition was similar to the subject property. It also benefitted from a balcony and a 999 year lease. It did not benefit from a parking space. The location is very close to the subject property.

MARKET COMMENTARY

When analysing property transaction histories in this development and local new build development, we noted that resale values were typically less than their original purchase prices.

This could be attributed to the loss of the new build premium, i.e. after the initial purchase, we would typically expect that the market will pay less for the property once it is not new anymore and has been occupied.

For example, 4 Acacia Avenue, London, N1 1AA, a two bedroom flat situated in the same building as the subject flat was purchased in August 2018 for £785,000. We note that the property is currently marketed for £625,000.

Similarly, 5 Acacia Avenue, London, N1 1AA, a two bedroom flat situated in the same building as the subject flat was purchased in September 2018 for £590,000. We note that the property is currently marketed for £575,000.

8.4 Market Value

Our opinion of Market Valuation on the date of valuation is £540,000 (Five Hundred and Forty Thousand pounds).

9.0 Validity

This report is based on information available to us and may be susceptible to amendment on additional information becoming available. This figure should not be regarded as valid for more than three months from the date of the report or if the circumstances alter in any way.

10.0 Liability to third parties & non publication

This valuation report is provided for the stated purpose only and for the sole use of the above named client(s). It is otherwise confidential to the client(s) and their professional advisors. We do not accept any responsibility whatsoever to any third party who may seek to rely on it, save as for any listed 'other intended users'.

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

11.0 Reported by

This report was provided on example date by

Info .



BASIS OF VALUATION & DEFINITION OF MARKET VALUE

Definition of Market Value:

Subject to the assumptions and special assumptions detailed in this report, the assessment of market value is assessed in accordance with the definition of Market Value under the RICS Valuation, Global Standards 2022 ("The Red book") which states:

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

The constituent elements within the definition of Market Value are as follows-

"The estimated amount ..."

This refers to the price when expressed in terms of money (normally in the local currency) payable for the asset or liability in an arm's-length market transaction. Market Value is measured as the price most likely to be reasonably obtained in the market at the date of valuation in keeping with the Market Value definition. It is the best price which can be reasonably expect to be obtained by the seller and the best price which can be reasonably obtained by the seller. This estimate specifically excludes an estimated price which has been inflated or deflated by special terms or circumstances such as: atypical financing; sale and leaseback arrangements; special considerations or concessions granted by anyone associated with the sale, or any element of Special Value.

"... an asset or liability should exchange ..."

This refers to the fact that the value of an asset or liability is an estimated amount as opposed to a predetermined or actual sale price. It is the price at which the transaction is completed when it meets all other elements of the Market Value definition.

"... on the date of valuation"

Requires that the estimated Market Value is time-specific as of a given date. This is because markets and market conditions may change which means that the estimated value may be incorrect or inappropriate at another time. The valuation amount will reflect the actual market state and circumstances of the effective valuation date, not as at a date in either the past or future. The definition also assumes simultaneous exchange and completion of the contract for sale without any variation in price that might otherwise be made.

"... a willing seller ..."

A willing seller is not over-eager and has not been coerced into selling at any price or to hold out for a price considered reasonable in the current market. The willing seller is motivated to sell the asset or liability at market terms for the best price attainable in the (open) market after proper marketing, whatever that price may be. The factual circumstances of the actual property owner are not a part of this consideration because the "willing seller" is a hypothetical owner.

“... In an arm’s-length transaction ...”

Is one between parties who do not have any particular connection, such as parent and subsidiary companies or landlord and tenant, which may make the price level uncharacteristic of the market or inflated because of an element of Special Value (defined in IVSC Standard 2, para. 3.11). The Market Value transaction is presumed to be between unrelated parties each acting independently.

“... after proper marketing ...”

This means that the asset or liability would be exposed to the market in the most appropriate manner in order to sell the best price reasonably obtainable in accordance with the Market Value” definition. The length of exposure time may vary with market conditions, but must be sufficient to allow the property to be brought to the attention of an adequate number of potential buyers. The exposure period occurs prior to the valuation date.

“... wherein the parties had each acted knowledgeably, prudently ...”

This presumes that both the willing buyer and the willing seller are adequately informed about the nature and characteristics of the property, its actual and potential uses and the state of the market as of the date of valuation. Each is further presumed to act in their own interest, prudently seeking the best price for their respective positions in the transaction. Prudence is assessed by referring to the state of the market at the date of valuation, not with benefit of hindsight at some later date. It is not necessarily imprudent for a seller to sell property in a market with falling prices at a price which is lower than previous market levels. In such cases, as is true for other purchase and sale situations in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time.

“... and without compulsion.”

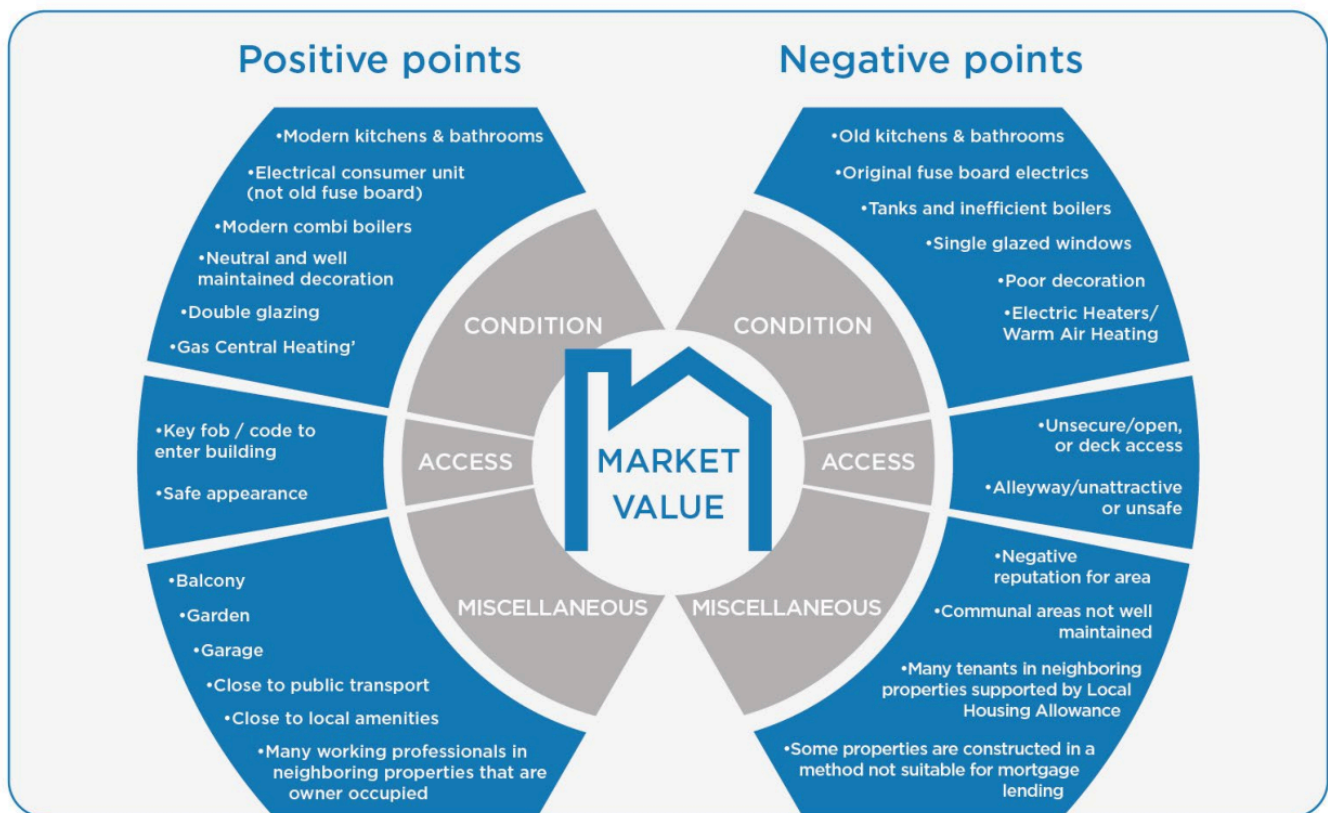
Establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it.

“...Market Value.”

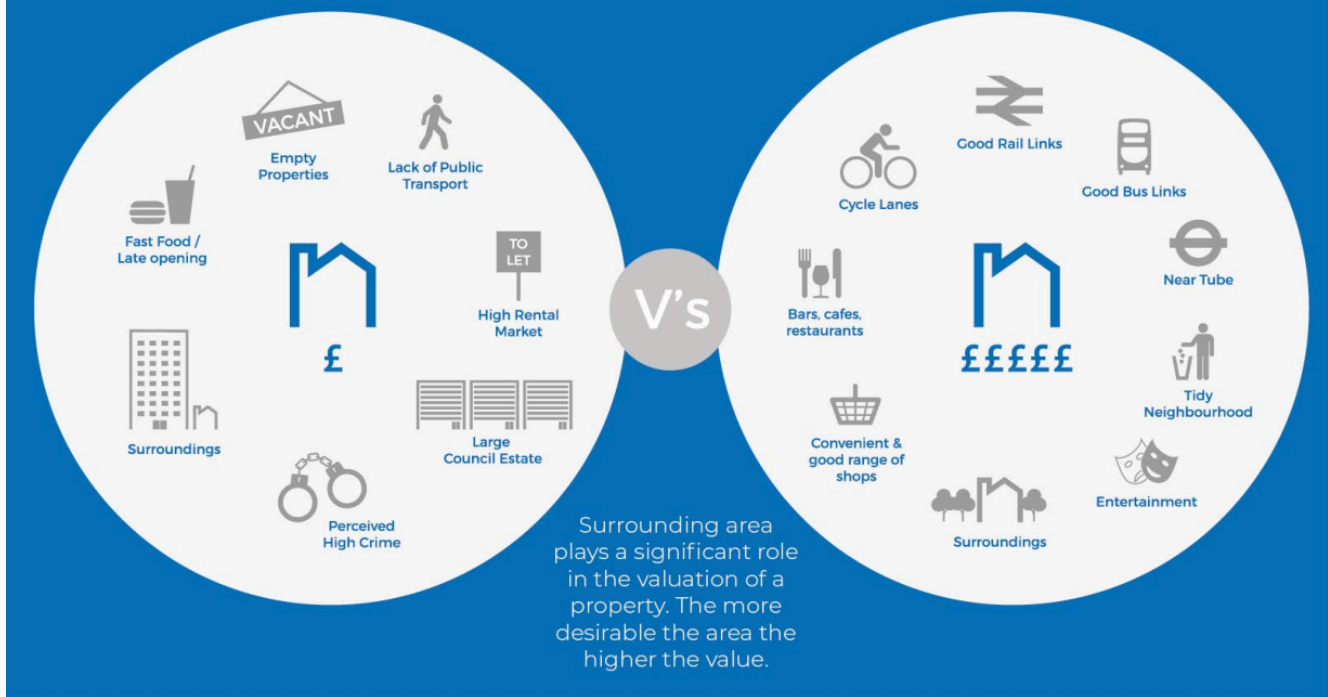
is understood as the value of a property estimated without regard to costs of sale or purchase, and without offset for any associated taxes.



ISSUES CONSIDERED IN VALUATION



LOCATION! LOCATION! LOCATION!





ISSUES CONSIDERED IN VALUATION

CONDITION AND QUALITY



Is there
Double Glazing?



Is there
Central Heating?



Old or modern
kitchen?



Old or modern
bathroom?



Neutral
decoration?



Boiler &
Electrics



Communal
Areas

Condition and quality makes a difference. In different markets, sometimes improvements add more value than they cost. In others, they don't.

IS IT RESTRICTED TO CASH BUYERS?



High Rise



Micro studio
under 30sqm



Concrete
Construction



No Kitchen/
Bathroom



Short
Leasehold



Deck
Access



Derelict



Structural
Defects

Often, properties with the above characteristics are not suitable for a mortgage. Restricting buyers to those who can afford to pay cash can significantly reduce the Market Value

MISCELLANEOUS



Terms of Lease



Restrictive
Covenants



Form of
ownership



Terms of tenancy



Size and grounds



Development
potential



Date of Valuation



Planning &
Building
Regulations

Different kinds of valuations can include or exclude specific issues, subject to regulatory guidance. 'Getting it right' is crucial if your Valuation report is going to be fit for purpose.

? ✓ ASSUMPTIONS

THE VALUATION IS TO BE MADE WITH THE FOLLOWING ASSUMPTIONS,
EXCEPT WHERE EXPRESSLY STATED OTHERWISE WITHIN THE REPORT:

Special Assumptions

We have not considered any special assumptions in the Valuation.

General Assumptions

Contamination - It is assumed that no deleterious or hazardous materials are present at the property. No soil survey or environmental assessment has been carried out by Websters Surveyors and as yet no instruction has been given to arrange for consultants to investigate any matters of contamination. As far as we are aware no search of contaminated land registers has been made. Therefore, it is assumed that the property and the neighbouring properties do not suffer from contamination from toxic or other harmful materials or substances.

Equality Act 2010 - No access audit has been undertaken to ascertain compliance with the Equality Act 2010, which covers for example, disability access. We have assumed that if the Act applies, that there are no issues which could present a claim under it.

Flooding - That the property is not in an area which has sufficiently high flood risk that buildings insurance would not be available on reasonable commercial terms.

Information - We have assumed that all information provided by the client and our own enquires with regard to details of tenure, tenancies, planning consents and all other relevant information is correct. Our advice will, therefore, be dependent upon the accuracy of this information and should it prove to be incorrect or inadequate, the accuracy of this valuation report will be affected.

Mining Subsidence - The property is not located in a mineralised area and so we have assumed that no such risk exists.

Onerous restrictions etc. - Unless otherwise stated, we have assumed that the property is not subject to any onerous restrictions, encumbrances or outgoing and that good clean title can be shown.

Roads and Services - The road is understood to be a public adopted highway. All main services are also understood to be available to this property.

Survey - External and internal inspection has been carried out of the property unless otherwise stated. No detailed building survey has taken place and therefore no responsibility can be accepted for the identification or notification of any defects of any services or uncovered, unexposed or inaccessible parts of the property.

Town Planning - No searches have been made regarding planning unless otherwise stated. We have assumed that planning permission for the current residential use is available.

Uninspected parts - We are assuming that any uninspected parts of the building would not reveal material defects nor cause justification for a different opinion of the value.

Unlawful matters - Unless otherwise stated, we have assumed that Local Searches or solicitors' enquiries would not discover that nothing in the property, its use or intended use would be unlawful.

Websters Surveyors are regulated by the Royal Institution of Chartered Surveyors (RICS). We comply with all requirements including RICS Professional & Practice Statements and follow RICS Guidance notes wherever possible and appropriate.

Our instructions are to provide this Valuation report in accordance with the RICS Global Valuation Standards (The Red Book), including the UK National Supplement.

The RICS Red Book contains mandatory rules, best practice guidance and related commentary for all members undertaking asset valuations. The Red Book is issued by the RICS as part of members commitment to promote and support high standards in valuation delivery worldwide (source, Royal Institution of Chartered Surveyors website)

This report is written in compliance with the RICS Valuation – Global Standards 2022 and the UK supplement where appropriate. The following Performance standards and compliance are noted-

Valuation Technical and Performance Standards 1 (VPS 1): The Terms of Engagement have been settled between the client and the valuer when the instruction was first received and accepted.

Valuation Technical and Performance Standards 2 (VPS 2): Inspections and investigations of the external and internal elements of the property are undertaken to the extent necessary to produce a valuation that is professionally adequate. Any limitations or restrictions for the purpose of the valuation report are identified in the Terms of Engagement and report.

Valuation Technical and Performance Standards 3 (VPS 3): The report clearly and accurately sets out the conclusions of the valuation in a manner that is neither ambiguous nor misleading and does not create a false impression. The valuer has commented on any issues affecting the degree of certainty or uncertainty of the valuation.

Bases of value, assumptions and special assumptions (VPS 4): The report sets out the basis of Market Value and quotes both assumptions and special assumptions where applicable.

Valuation Technical and Performance Standards 5 (VPS 5): The choice of valuation approaches and methods has taken into consideration:

- The nature of the asset (or liability)
- The purpose, intended use and context of the assignment and
- Any statutory or other mandatory requirements applicable in the jurisdiction concerned

The market approach (comparable method) is used in most cases to value the property. Alternatively, the income approach (investment method) may be used where the market approach is not suitable, for example if the property is arranged as a House of Multiple Occupation (HMO) as defined in the RICS Professional Standard 'Valuation of buy to let and HMO properties' 2nd edition 2022' and where there is no direct comparable evidence.

THANK YOU FOR USING WEBSTERS SURVEYORS

THANK YOU FOR USING WEBSTERS SURVEYORS TO PROVIDE YOUR REPORT. WHATEVER YOUR NEXT STEPS, WE WISH YOU THE BEST AND HOPE THAT YOU ARE HAPPY WITH SERVICE WE HAVE PROVIDED

OUR SERVICES INCLUDE VALUATIONS AND SURVEYS FOR

 INHERITANCE/PROBATE	 LEASE EXTENSIONS	 BUYING OR SELLING YOUR FREEHOLD	 CAPITAL GAINS TAX
 MATRIMONIAL	 SHARED OWNERSHIP	 HOME SURVEYS FOR BUYERS	 COURT COMPLIANT REPORTS
 CHARITIES ACT	 COMPULSORY PURCHASE ORDERS	 BUILDINGS INSURANCE REINSTATEMENT COST ESTIMATES	 LOFT & DEVELOPMENT VALUATIONS

With our expert team of Chartered Surveyors and RICS Registered Valuers, you will not just get a high quality report quickly. We will also explain our professional advice to you in plain English, cutting out as much of the 'Surveyor speak' as we can. More justification, less Jargon.

Our team have experience of undertaking thousands of valuation and survey reports, acting in the capacity of an expert witness or professional advocate. In a challenging property market, we are a safe pair of hands.

All of our valuation reports comply with professional standards set down by our regulatory body, the Royal Institution of Chartered Surveyors. Where appropriate reports will comply with the RICS Valuation – Global Standards (known as the Red Book) or the RICS Home Survey Standard.