

VALUATION REPORT

Sample address line 1, line 2, post code



REPORT REQUIRED FOR VALUATION OF LOFT SPACE



CLIENT NAME(S): EXAMPLE CLIENTS NAME(S)



WEBSTERS REFERENCE NUMBER **123456**



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020 8017 1943

USING THIS REPORT

Executive Summary 4

1.0	Background to the report	6
1.1	Identity of the Valuer	6
1.2	Identity of the client and any other intended user	6
1.3	Inspection	6
1.4	Weather	6

2.0 Construction type 6

3.0 Condition 7

4.0	Property details	7
4.1	Tenure	7
4.2	Location	7
4.3	Location plan	8
4.4	Council tax	9
4.5	Age	9
4.6	Private gardens and outbuildings (if any)	10
4.7	Parking	10
4.8	Loft Extension	11
4.9	Planning considerations	12
4.10	Conservation area and listed status	12
4.11	Disposal	12

5.0	Accommodation	13
5.1	Kitchen(s)	13
5.2	Bathroom(s)	14
5.3	Floor area	15
5.4	Photographic schedule(s)	15

6.0	Services	16
6.1	Electricity	16
6.2	Heating & hot water	17
6.3	Gas	17



7.0 Windows & Doors	18
7.1 Windows	18
7.2 Doors	18
8.0 Valuation	18
8.1 Valuation date	18
8.2 Local market conditions	18
8.3 Comparable sales	18
8.4 Market Value	20
9.0 Validity	21
10.0 Liability to third parties & non publication	22
Basis of Valuation & Definition of Market value	23
Issues considered in a Valuation	25
Assumptions	27
RICS Regulation	28

Executive Summary



Property description

The property is a two bedroom flat on the second floor of a house converted into flats.

The height of the building is four storeys high.



Tenure

From examination of the land registry, we have identified that the property is held on a leasehold basis. The term stated is 125 years from 24/03/1996, being approximately 97 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 1st November 2023 which is the date of this report.



Market Value

METHOD OF VALUATION

In order to establish the 'Special Value' we need to consider the value that the developed loft space would add to the current property. To do this we need to accurately analyse comparable data in order to provide us with a 'Market Value' of the property without the loft conversion and one with the conversion.

The RICS Valuation, Global Standards 2022 ("The Red book") defined 'Market Value' as follows:

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

Once we have correctly identified the two market values we will have established the potential uplift. From this figure we need to deduct the estimated costs of the project, such as construction and professional fees that may include landlord's costs, party wall, building control and other planning costs. This will give us an accurate possible profit which would be the basis of the special value.

In this case the leaseholders would like to purchase the space above the main building and outrigger.

Once potential profit is established it is possible to consider what would be reasonably agreed between two specific parties for the exchange of an asset. Although the parties may be unconnected and negotiating at arm's length, the asset



is not necessarily exposed to the wider market. In addition, the price agreed may be one that reflects the specific advantages (or disadvantages) of ownership to the parties involved rather than the market at large.

The RICS Valuation, Global Standards 2022 ("The Red book") defines 'Marriage Value' as follows:

"An additional element of value created by the combination of two or more assets or interest where the combined value is more than the sum of the separate values".

In principle 'Marriage Value' exists when two or more parties work together to increase value. In this situation the 'profit' is normally shared between the two parties. There is no Act that requires the Marriage Value in this scenario to be split equally between the parties but it is considered the fairest method.

Ultimately it would be for the parties to agree this based on the specific circumstances. This is because the landlord will receive a windfall with little risk involved, whereas the leaseholder will have to financially commit to seeing the project through to completion before making a return. Unless a fair split is agreed a project is unlikely to proceed.

Although in the current situation the leaseholder is potentially restricted and their plans could be frustrated, it should be borne in mind that the other party can only receive a 'windfall' because a leaseholder proposes an alteration. Therefore, the project can often benefit both parties.

In this case we cannot see any diminution in the value of the building or other flats within it.

VALUATIONS

In our professional opinion, we believe the Market Value on the date of valuation for the unaltered subject property to be £X (X Pounds)

In our professional opinion, we believe the Market Value on the date of valuation for the subject property after the possible loft conversion outlined in Sections 4.8 and 4.9 to be £675,000 (Six Hundred and Seventy Five Thousand Pounds)

We would estimate the total costs (including labour, materials and all professional fees) for carrying out the possible conversion outlined to be £X (X Pounds)

We are therefore of the opinion that the potential profit of the conversion would be £X (X Pounds)

Although ultimately a matter for the parties, the most appropriate profit share would be on a 50/50 basis and on that basis the premium which should be paid for the loft space and appropriate consent for the loft conversion is £X (X Pounds)

FINAL COMMENTS

As noted, the appropriate figure which should be paid for the loft space and appropriate consent for the loft conversion is £X (X Pounds).

Although this is a policy matter for the client, if you anticipate negotiations, we would recommend the following offer is made to the freeholder/leaseholder (depending):

£X (X Pounds)

This provides some room for negotiation.

1.0 Background to the report

Websters Surveyors has been instructed by the client to provide a Market Valuation report for an assessment of the appropriate price for the purchase or sale of Loft space.

It is recommended that the client still take appropriate other professional advice on the viability of any development along with the costs and timescales involved.

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 Richard Stacey BA (Hons) PGDipSurv MRICS, 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 name(s). 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 Richard Stacey BA (Hons) PGDipSurv MRICS, Director & RICS Registered Valuer.

Present during the inspection were the tenants.



1.4 Weather

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

2.0 Construction type

The construction of the building is considered conventional with walls being solid, with brick elevations.

The roof is pitched with artificial slate covering.

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 two bedroom flat on the second floor of a house converted into flats.

The height of the building is four 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 125 years from 24/03/1996, being approximately 97 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



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.

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

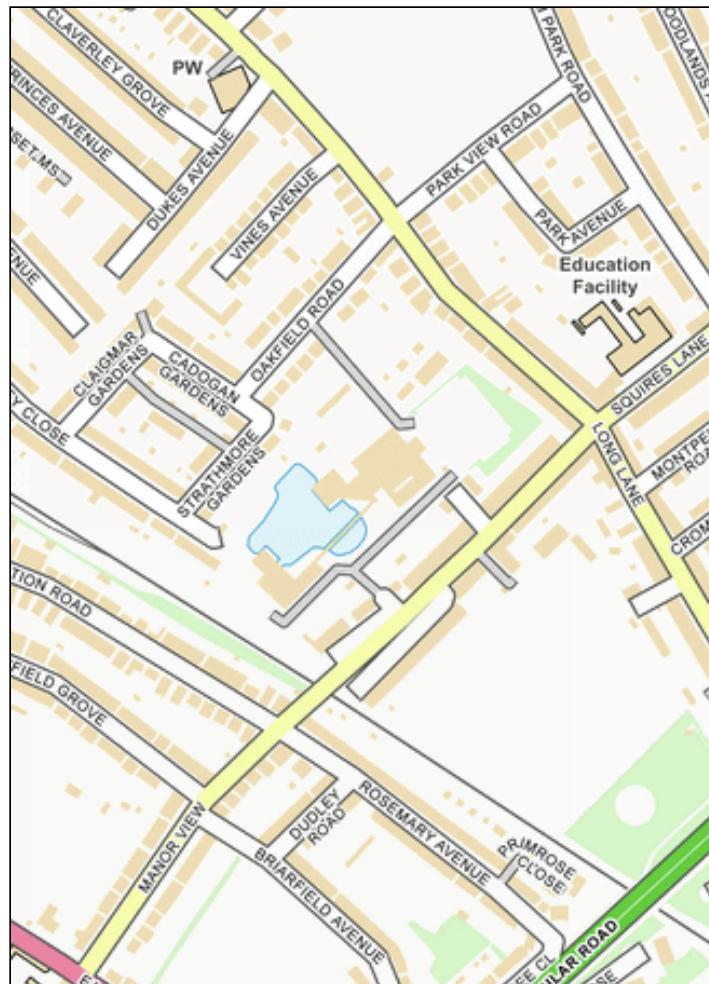


Image - 2



4.4 Council tax

The Council tax band for the property is D.

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 Age

We believe the property was built in approximately the 1900s, originally as a house and since converted.



4.6 Private gardens and outbuildings (if any)

There is a rear balcony within the demise of the subject property.



Image - 3



4.7 Parking

The nearest parking is roadside which is residents permit only with restrictions during specified times.



Image - 4 -



4.8 Loft Extension

No loft conversion has taken place and the roof space is in its original state, accessed via a hatch to the 2nd floor hallway ceiling.

Although we have not undertaken a full measured survey or feasibility study, we provide below a summary comment on the existing property and the roof void together with reference to potential issues which may need to be resolved. Also included are our further comments on the anticipated finished product.

As outlined the property is currently a two bedroom converted flat. There are no current proposals to convert the loft. It is anticipated that any conversion would change the property to a three/four bedroom split level flat.

The roof structure is quite typical with purlins supported on struts and supporting the rafters with collar beams connecting front to back. There appeared to be a sufficient amount of headroom from floor to ridge to make this a viable project. However as noted elsewhere in this report, the roof is of a hipped shape and so a worthwhile loft conversion will require at least one side to be altered to a gable end in addition to a rear dormer.

As we do not have any proposed plans for future works, a hypothetical loft conversion utilising a suggested hip to gable + dormer conversion could potentially have a Gross Internal Area (GIA) with at least 1.5 metres of head height of some approximately 25 sq. m. / 269 sq. ft. and we have primarily assessed our values on this basis. Most estate agents provide two area figures when advertising flats with restricted head height. Therefore, the flat overall could have circa 87 sq. m. / 936 sq. ft.

The applicant should also be aware of other possible implications in terms of the Party Wall Act and associated costs

together with the further costs for dealing with the leasehold issues and the presumed Deed of Variation for the existing document.



4.9 Planning considerations

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

The property sits within the London Borough of Example, which is the relevant local authority.

Example's planning policy is set out in the Local Plan as well as many supplementary planning documents. Planning is also subject to planning obligations and Community Infrastructure Levy (CIL), where appropriate.

Planning permission is always required when carrying out external alteration works to a flat as flats do not have permitted development rights. In addition, planning permission is always required where the property is in a conservation area and covered by an Article 4 direction. We note the subject property is outside a conservation area.

Planning permission is not normally required for a loft conversion that only involves internal works to create a space within the existing roof. However, most viable loft conversions require some external alteration in order to maximise space and light.

We have reviewed the planning portal and note that there have not been any applications.

Given that the property is detached with a hipped roof, a worthwhile loft conversion here will require at least one side to be extended to create a gable end so a hip to gable roof loft conversion can be undertaken in addition to a rear dormer.



4.10 Conservation area and listed status

We are aware that this property falls under a conservation area. Under current legislation in England and Wales, the Planning (Listed Buildings and Conservation Areas) Act 1990 (Section 69 and 70) defines a conservation area as "the character or appearance of [an area] which is desirable to preserve or enhance", often due to special architectural or historic interest. Conservation areas are designated by Local Authorities, Historic England (in London) or by Secretary of State, and as such should you intend to carry out development works, you will need planning permission from the relevant local planning authority. This was formerly known as conservation area consent. It remains a criminal offence to undertake work in a conservation area without planning permission, and the local planning authority can insist that the work is reversed.

The property is not listed.



4.11 Disposal

Where permission is required for alterations or changes which may result in an uplift of the value, a knowledgeable landlord or co-freeholder will expect to share in any anticipated 'profit' where this is applicable. In this instance, we understand you both have leases plus a share of the freehold.

There are different approaches to assessing this and ways of organising the method and timing of payment. Some approaches also have greater legal costs and risks than others. For example, any possible profit share arrangement will



delay the realisation of any payment and requires significant attention by solicitors to ensure that the contract is fit for purpose. There are a number of variables when calculating the value of loft space and sometimes a gain can only be measured by selling the subject property.

In our opinion the situation at the subject flat does not warrant a complex approach because the property interest is a flat rather than freehold site and the client does not plan to undertake any works in the near future.

Due to the current layout of the subject property, the loft could not be developed independently of the other flat in the building. This therefore creates a 'special purchaser' as the only possible buyer for the space would be the leaseholder of the 2nd floor flat.

The RICS – Valuation Global Standards 2022 defines a special purchaser as:

'A particular buyer for whom a particular asset has a special value because of advantages arising from its ownership that would not be available to other buyers in a market.'

The special purchaser will pay a premium towards a Deed of Variation being granted that would provide them with both demise and consent to develop the loft space.

5.0 Accommodation

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

2nd Floor - Entrance hall, Reception room 1, Kitchen, Small balcony, Double bedroom, Double bedroom 2, Family bathroom



5.1 Kitchen(s)

The kitchen is large and has space for a dining table. It comprises a range of matching, base and wall units, a fitted dishwasher, Richmond Deluxe 5 ring stove, splash back tiles and Butler sink. The quality of the fixtures and fittings is a very high specification. Quality wood flooring and one door to a balcony.



Image - 5



5.2 Bathroom(s)

The bathroom comprises a toilet, bath, with shower over it, wash hand basin and tiled walls. The quality of the fixtures and fittings is a very high specification.



Image - 6



5.3 Floor area

The Gross Internal Area (GIA) of the property was measured at approximately 78.06 sq. m. (673 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 - 7



Image - 8



Image - 9

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 - 10 - Consumer Unit



6.2 Heating & hot water

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



Image - 11 - 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 timber framed and single glazed. The windows appear to be very old and are likely to have poor thermal efficiency.



7.2 Doors

There is a composite front door.

Internally the doors appear in reasonable condition.

8.0 Valuation



8.1 Valuation date

The date of Valuation the property is assessed at is 1st November 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 began 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

Comparables Identified – Current Market Value

1 ACACIA AVENUE, LONDON, N1 1AA

This three bedroom first floor flat sold in May 2023 for £475,000. It measured approximately 75 sq. m / 807 sq. ft, being



slightly smaller than the subject property. The condition was inferior to the subject property. It did not benefit from outside space. The location is very close to the subject property.

2 ACACIA AVENUE, LONDON, N1 1AA

This two bedroom ground floor flat sold on 9th October 2023 for £546,000. It measured approximately 70.69 sq. m / 760 sq. ft, being smaller than the subject property. The condition was similar to the subject property. It also benefitted from direct access to a private garden and an ultra long lease of 900 + years. The location is very close to the subject property.

3 ACACIA AVENUE, LONDON, N1 1AA

This three bedroom first floor flat sold on 28th June 2023 for £525,000. It measured approximately 84.20 sq. m / 907 sq. ft, being slightly larger than the subject property. The condition was similar to the subject property. It also benefitted from a private garden and an ultra long lease of 900 + years. It did not benefit from an additional balcony. The location is very close to the subject property.

Comparables Identified – Proposed Market Value

8 ACACIA AVENUE, LONDON, N1 1AA

This three bedroom split level (first and second) floor flat sold on 12th August 2023 for £700,000. It measured approximately 146 sq. m / 1575 sq. ft, being larger than the subject property, albeit with more restricted head height. The condition was similar to the subject property. It also benefitted from a private garden. The location is very close to the subject property.

9 ACACIA AVENUE, LONDON, N1 1AA

This three bedroom split level (first and second) floor flat is currently under offer at £625,000. It measured approximately 113.1 sq. m / 1217 sq. ft, being smaller than the proposed property. The condition was similar to the subject property. It also benefitted from a private garden. It did not benefit from an outrigger extension. The location is very close to the subject property.

10 ACACIA AVENUE, LONDON, N1 1AA

This five bedroom split level (first and second) floor flat is currently on the market at £735,000. It measured approximately 121.4 sq. m / 1306 sq. ft, being slightly smaller than the proposed property. The condition was slightly inferior to the subject property. It also benefitted from a private garden and balcony, plus a summer house / office. It did not benefit from an outrigger extension but featured two bedrooms and a bathroom in the dormer extension. The location is very close to the subject property, being just two doors away. According to the selling agent, there has been no interest at the asking price and no offers received.

Comparables – Additional Commentary

As a rule, the largest uplift in value occurs when a one bed first floor flat is extended to make a split level two bedroom flat with ensuite. Flats which are already large or over multiple floors may not increase in value to the same extent and are less likely to increase significantly. For split level flats there is a risk that buyers will compare the flat to freehold houses. Having undertaken our research and analysis, we note that value of the extended property starts to plateau with additional space. The value is maximised with a one bedroom dormer only conversion, as the uplift is greater compared to the costs of undertaking these works. However, in the local area due to the cost of purchasing freehold homes, it is clear that many couples and families will consider purchasing split level flats with direct access to outside space. Our research reveals there is a market for such properties and therefore the loft conversion should return a profit.

That said, we must also consider the rising costs of construction (labour and materials). In the current climate, we must report that the Building Cost Information Service (BCIS) has reported an unprecedented increase in the cost of undertaking building projects.

"The annual review of the BCIS Guide to estimating for small works data set shows that the cost for small building works increased by 13% on average in the year to Q1 2023. Pressure on labour costs and increases in materials costs contributed to the rises.

Resource cost increases for contractors working on domestic extensions, loft conversions and the like have resulted in rates rising between 12% and 13.5% respectively, for those works over the past year.

The latest edition of the BCIS Guide to estimating for small works has been updated to account for all changes to resource costs and wage rates up to January 2023. The guide includes a range of additional rates in the external works section. "

2nd May 2023 Building Cost Information Service'

£££ 8.4 Market Value

METHOD OF VALUATION

In order to establish the 'Special Value' we need to consider the value that the developed loft space would add to the current property. To do this we need to accurately analyse comparable data in order to provide us with a 'Market Value' of the property without the loft conversion and one with the conversion.

The RICS Valuation, Global Standards 2022 ("The Red book") defined 'Market Value' as follows:

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

Once we have correctly identified the two market values we will have established the potential uplift. From this figure we need to deduct the estimated costs of the project, such as construction and professional fees that may include landlord's costs, party wall, building control and other planning costs. This will give us an accurate possible profit which would be the basis of the special value.

In this case the leaseholders would like to purchase the space above the main building and outrigger.

Once potential profit is established it is possible to consider what would be reasonably agreed between two specific parties for the exchange of an asset. Although the parties may be unconnected and negotiating at arm's length, the asset is not necessarily exposed to the wider market. In addition, the price agreed may be one that reflects the specific advantages (or disadvantages) of ownership to the parties involved rather than the market at large.

The RICS Valuation, Global Standards 2022 ("The Red book") defines 'Marriage Value' as follows:

"An additional element of value created by the combination of two or more assets or interest where the combined value is more than the sum of the separate values".

In principle 'Marriage Value' exists when two or more parties work together to increase value. In this situation the 'profit' is normally shared between the two parties. There is no Act that requires the Marriage Value in this scenario to be split

equally between the parties but it is considered the fairest method.

Ultimately it would be for the parties to agree this based on the specific circumstances. This is because the landlord will receive a windfall with little risk involved, whereas the leaseholder will have to financially commit to seeing the project through to completion before making a return. Unless a fair split is agreed a project is unlikely to proceed.

Although in the current situation the leaseholder is potentially restricted and their plans could be frustrated, it should be borne in mind that the other party can only receive a 'windfall' because a leaseholder proposes an alteration. Therefore, the project can often benefit both parties.

In this case we cannot see any diminution in the value of the building or other flats within it.

VALUATIONS

In our professional opinion, we believe the Market Value on the date of valuation for the unaltered subject property to be £X (X Pounds)

In our professional opinion, we believe the Market Value on the date of valuation for the subject property after the possible loft conversion outlined in Sections 4.8 and 4.9 to be £675,000 (Six Hundred and Seventy Five Thousand Pounds)

We would estimate the total costs (including labour, materials and all professional fees) for carrying out the possible conversion outlined to be £X (X Pounds)

We are therefore of the opinion that the potential profit of the conversion would be £X (X Pounds)

Although ultimately a matter for the parties, the most appropriate profit share would be on a 50/50 basis and on that basis the premium which should be paid for the loft space and appropriate consent for the loft conversion is £X (X Pounds)

FINAL COMMENTS

As noted, the appropriate figure which should be paid for the loft space and appropriate consent for the loft conversion is £X (X Pounds).

Although this is a policy matter for the client, if you anticipate negotiations, we would recommend the following offer is made to the freeholder/leaseholder (depending):

£X (X Pounds)

This provides some room for negotiation.

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.”

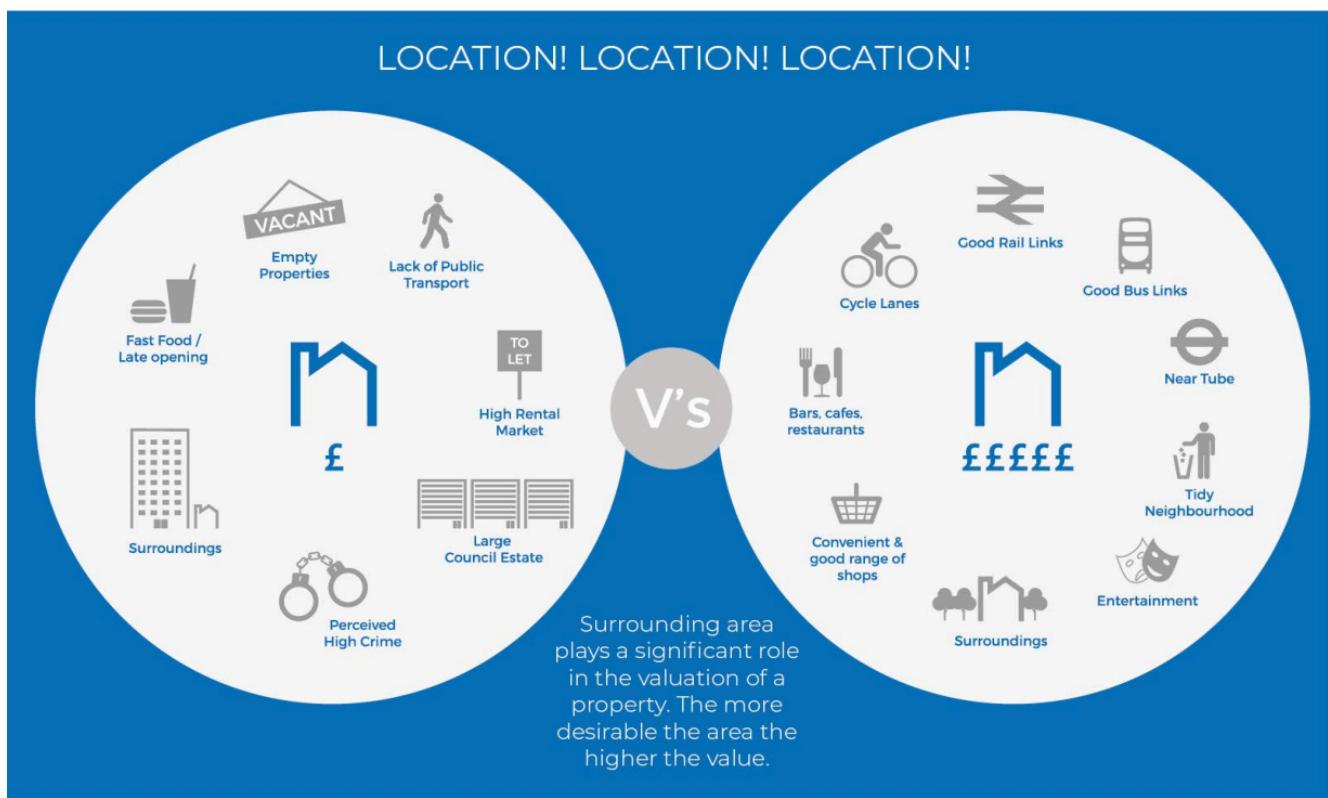
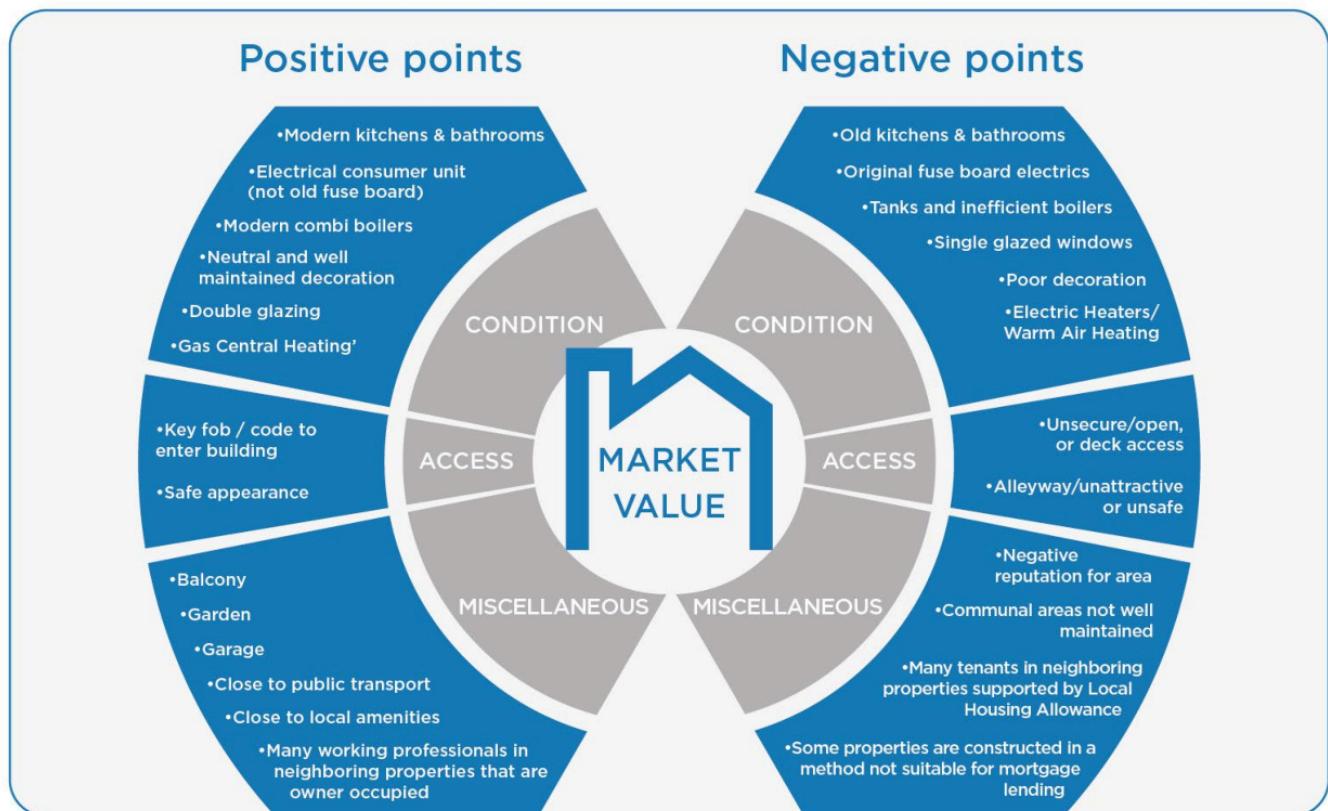
Establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it.

“...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





ISSUES CONSIDERED IN VALUATION

CONDITION AND QUALITY



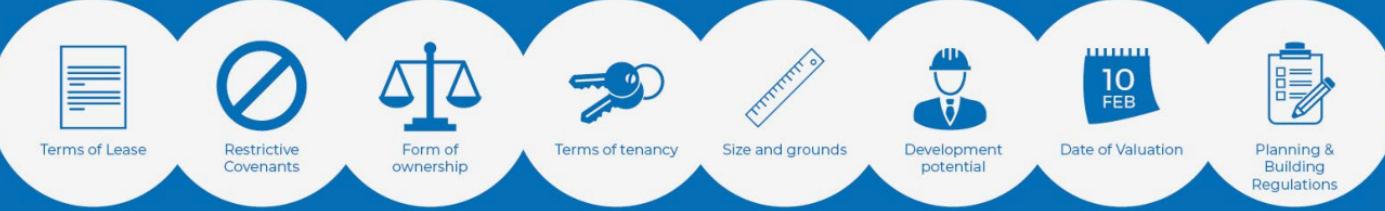
Condition and quality makes a difference. In different markets, sometimes improvements add more value than they cost. In others, they don't.

IS IT RESTRICTED TO CASH BUYERS?



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



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 outgoings 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 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.