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Report and Valuation

Land off Hayes End Road
Units 1 and 2
Hayes End Road
Hayes
Middlesex
UB4 8EH

Date of Valuation:
28 June 2021

Date of Report:
28 June 2021

Prepared For
Bugler Homes Ltd

Prepared By
Colliers International
Valuation UK LLP

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28 June 2021

Bugler Group Ltd
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For attention of: James Chell

Dear Sirs

The Subject Property:	LAND OFF HAYES END ROAD, UNITS 1 AND 2, HAYES END ROAD, HAYES, MIDDLESEX, UB4 8EH
The Client:	BUGLER HOMES LTD
Purpose Of Valuation:	FINANCIAL VIABLITY IN PLANNING
Date Of Valuation:	28 JUNE 2021

Introduction and Terms of Engagement

In accordance with your instructions dated 15 June 2021, a copy of which is attached to this report as an appendix, we present our Report and Valuation, providing our opinion of the Existing Use Value of the subject property for the purposes of assessing financial viability, as defined in 'RICS Professional Standards and Guidance, England – Financial Viability in Planning, 1st edition, May 2019'.

Status of Valuer and Conflicts of Interest

The subject property has been valued by P C Kuminek MRICS and C J Rodericks MRICS who are both valuers registered in accordance with the RICS Valuer Registration Scheme (VRS).

We confirm that the valuation has been prepared in accordance with PS 2 of the Red Book, concerning the requirements of competency and objectivity under PS 2, and have undertaken the valuations acting as external valuers.

We confirm that to the best of our knowledge we do not have a conflict of interest.

Colliers International is the licensed trading name of Colliers International Valuation UK LLP which is a limited liability partnership registered in England and Wales with registered number OC391629. Our registered office is at 50 George Street, London W1U 7GA

Business

Inspection

The subject property was inspected by P C Kuminek MRICS and J Dutton MSc on 15 June 2021.

Extent of Investigations

Our investigations and enquiries are summarised in the relevant sections of the report and appendices. Unless stated otherwise, we have assumed that the information provided is accurate and can be verified, and that we have been supplied with all the information that has a material effect upon value. We do not accept responsibility for any errors or omissions in that information or documentation provided to us, nor for any consequences arising. In the event that the information with which we have been provided is subsequently found to be incorrect then our opinions may be affected. In this case, we recommend that we be informed and given the opportunity to revise our opinions accordingly.

Date of Valuation

The date of valuation is 28 June 2021.

Basis of Value

The values stated in this report represent our objective opinion of **Existing Use Value (EUV)** and **Estimated Rental Value** as at the valuation date in accordance with the following definitions.

EUV is defined as follows:

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

No allowance has been made for either the costs of realisation or for taxation which might arise on a disposal. Our opinion of value on this basis is, however, net of standard purchaser's costs.

In arriving at our opinion of Estimated Rental Value, we have had regard to the context and RICS definition of Market Rent, which is defined as follows:

The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Market Conditions Explanatory Note: Novel Coronavirus (Covid-19)

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has and continues to impact many aspects of daily life and the global

economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied to varying degrees and to reflect further "waves" of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

For the avoidance of doubt this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

Location and Situation

The subject property is located within Hayes, a predominanlty residential district within the London Borough of Hillingdon. The town lies approximately 11 miles to the west of central London and about two and a half miles north of Heathrow International Airport.

It is situated on the western side of Hayes End Road, approximately 50 yards to the north of its junction with Uxbridge Road (A4020) which is a major local road running between Uxbridge to the west and Shepherds Bush Green to the east via Southall. The property lies approximately 1.5 miles to the south of the A40 (Western Avenue) and just under 2.5 miles to the north of the M4 motorway.

The subject property is located in a mixed commercial and residential area and is borderd by a garage and used car dealership to the south and light industrial warehouse buildings to the west. It is bordered to the north by a four strorey residential apartment building (Murray Grey House). Various three/four storey residential apartment buldings are located on the eastern side of Hayes End Road.

The situation of the subject property is shown on the attached location plans and Ordnance Survey extract within the Appendix to this report.



Note: The above plan is not to scale and is for illustration purposes only.

Location Map



Note: The above plan is not to scale and is for illustration purposes only.

Street Map

Description

The subject property comprises a detached light industrial warehouse building which, we estimate, was constructed around 40 years ago and subsequently extended. The building includes a two-storey office section to the front of the main warehouse building together with concrete surfaced yard areas to the sides and rear of the building. A concrete surfaced forecourt/parking area in front of the building provides space for approximately six cars.



View from Hayes End Road (looking north)



View from Hayes End Road (looking south)



Unit 2 (northern elevation)



Unit 2 (rear)



Rear of Units 1 and 2 (western elevation)



Southern elevation (Unit 1)



Unit 1 Warehouse (internal view)



Unit 2 Warehouse (internal view)

We understand that the subject property was previously used by a single occupier as a car dealership although it is currently arranged as two self-contained units: Unit 1, comprises the

majority of the southern section of the building; Part of Unit 2 comprises a smaller warehouse building which extends from the main building that interlinks with the main warehouse. Male and female lavatories are provided within each unit.

The warehouse accommodation is of concrete frame construction with a mixture of painted and unpainted concrete floors, brick elevations and a pitched, asbestos clad roof. Internally, the accommodation is broadly arranged in clear, rectangular shaped space with the exception of intermittent structural columns. The warehouse accommodation has a clear internal height of 12 ft (3.65 m). Finishes include part painted concrete floors with a mixture of suspended sodium, fluorescent and LED lighting. Heating in Unit 1 is by means of a gas fired space heater although there appears to be no heating within the warehouse of Unit 2. Access to the warehouse of Unit 1 is via a steel roller shutter door in the southern elevation whilst Unit 2 is approached via a steel roller shutter within the eastern (front) elevation. A further smaller roller shutter door within the northern elevation leads to the adjoining yard area. Unit 2 includes two lightweight mezzanines which we understand have been installed by the tenant.

The front office section is of framed construction with brick elevations, timber glazed and framed shopfronts at ground floor level and uPVC doubled glazed casements at first floor level. The offices, which have been sub-divided by means of demountable partitioning, are generally of a basic specification including plastered and painted walls, ceiling mounted lighting and perimeter trunking.

Site

The subject property occupies a broadly level site which is shown for identification purposes outlined in red, in the site plan below.



Ordnance Survey Extract

Note: The above plan is not to scale and is for illustration purposes only.

We calculate the area of the site to be approximately 0.48 acres (0.194 hectares). This area is measured from a plan, and we have not verified it on site. If the site area is to be relied upon, we recommend that you commission a site measurement survey.

We calculate the site coverage of approximately 50%.

Accommodation

We have also measured the property in accordance with current edition of RICS Property Measurement based upon the existing configuration of the building as two separate units. We set out the respective gross internal floor areas below:

Unit / Floor	Use	Area (sq ft)	Area (sq m)
Unit 1			
Ground Floor	Showroom/warehouse	5,712	530.7
First Floor	Offices / ancillary	953	88.5
	Sub-total GIA	**6,665**	**619.2**
Unit 2			
Ground Floor	Reception/warehouse	4,409	409.6
First Floor	Offices / ancillary	711	66.1
	Sub-total GIA	**5,120**	**475.7**
Total GIA		**11,785**	**1,094.9**

In addition, Unit 2 includes two tenant's freestanding lightweight mezzanines which extend to an aggregate GIA of circa 1,547 sq ft (143.7 sq m). Please note that no value has been attributed to these lightweight structures.

We have been provided with measured gross internal floor areas (GIA) of the building which have been prepared by Laser Land and Building Measurement and provided on an aggregate basis. The floor areas are summarised below:

Unit / Floor	Use	Area (sq ft)	Area (sq m)
Ground Floor	Office / Warehouse	10,203	947.9
First Floor	Offices	1,651	153.4
Total GIA		**11,854**	**1,101.3**

We consider the difference between the respective aggregate floor areas (of 69 sq ft) to be insignificant in valuation terms, with the higher aggregate floor area reflecting the inclusion of the division walls separating the two units, however, for the purposes of our assessment of EUV we have adopted our measured floor areas.

Condition

General Comments

We have not carried out a structural survey, nor have we tested any of the services. We have, however, formed the opinion that the subject property is in generally fair condition overall having regard to it age, nature.

However, at the time of our inspection, we observed a number of items of disrepair and routine maintenance, including:

- Two apertures within the rear elevation of the warehouse of Unit 1 (relating to the tenant's former extraction plant and ducting which has been removed from the premises).
- Water staining to external brickwork, particularly beneath areas of guttering and outlet pipes.
- Isolated evidence of internal patch repairs to the profiled concrete asbestos roof cladding.
- Damage to paintwork/timber sections of barge boards at roof level.
- Vegetation growth to the front elevation and forecourt as well as extensive areas of vegetation growth to the yard area at the rear of the building.

At the time of our inspection, the tenant of Unit 1 had ceased trading from the unit and was in the process of vacating. We are advised by Bugler Homes that the tenant has agreed to remove all its fixtures and fittings and to leave the premises wind and water tight and in a clean and tidy condition.

In arriving at our opinion of Existing Use Value, we have reflected any items of disrepair that we noted at the time of our inspection to the extent that they would be reflected by potential purchasers, assuming the tenant of Unit 1 returns the premises to the condition agreed with Bugler Homes. As Unit 2 is let on a full repairing and insuring basis, we have assumed that any wants of repair in relation to this element of the property are the liability of the tenant.

Environmental Matters

In accordance with RICS Guidance Note 13/2010, we advise that we are not chartered environmental surveyors and our investigations are limited to observations of fact, obtained from sources as outlined below in the relevant sections. We can provide no warranties to the accuracy of the information and recommend that appropriately qualified and experienced specialists are instructed to provide advice in this regard.

We have assumed that the information and opinions we have been given are complete and correct in respect of the subject property and that further investigations would not reveal more information sufficient to affect value. However, a purchaser may cause such further

investigations to be made and if these were unexpectedly to reveal material issues then this might reduce the value now being reported.

Land and Ground Conditions

We have not been made aware of any contamination arising out of previous and current uses of the site and its environs. We note that the property has been used for storage/trade counter uses as well as for car sales/showroom and servicing. Accordingly, there is potential for the property, or the surrounding area to have been contaminated in the past particularly given the existence of a nearby former petrol filling station (at the junction of Uxbridge Road and Hayes End Road). However, at the time of our inspection, there were no obvious signs of environmental issues at the property.

Nonetheless, our inspection was only of a limited visual nature and we cannot give any assurances that previous uses on the site or in the surrounding areas have not contaminated subsoils or groundwater. Nevertheless, in the absence of any investigations or reports, we have assumed that the property is unaffected by any material contamination which would adversely affect the value and that is would be regarded as being suitable for a continuation of its existing use(s) or other similar commercial uses.

However, should any environmental reports or audits be available then we recommend that copies are forwarded to us in order that we may comment on their findings.

Flooding

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

VERY LOW: "Very low means that each year, this area has a chance of flooding of less than 1 in 1000 (0.1%).

Flood defences reduce but do not completely stop the chance of flooding as they can be overtopped or fail.

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

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

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

Energy Performance Certificates

Energy Performance Certificates (EPCs) are compulsory for the sale or letting of commercial and residential properties. Under the MEES (Minimum Energy Efficiency Standards) Regulations, it is unlawful since 1 April 2018 to grant or renew a lease on buildings that do not achieve a minimum Energy Performance Certificate (EPC) rating of 'E'. This applies to both new lettings and lease renewals, although there are some limited exemptions. Some EPCs produced prior to 2011 may be less reliable than later assessments.

Responsibility for compliance with the Standards rests with the landlord. Some obligations may be transferred to occupiers under standard repairing provisions but there could be scope for dispute at lease events or dilapidations claims. Unless stated otherwise in this report, we have assumed that there are no exemptions that apply to the subject property, and that any costs and obligations under EPCs will fall on the landlord.

We have obtained information regarding the EPC assessment and the rating is set out below:

Unit	Issue Date	EPC Rating	Benchmark EPC (if newly built)	Benchmark EPC (if typical of the existing stock)	Comments (High and Medium impact
Unit 1	13 JAN 2015	F 147	B 32	D 94	• Consider replacing T8 lamps with retrofit T5 conversion kit (high impact). • Consider replacing heating boiler plant with a condensing type (medium impact). • Some glazing is poorly insulated. Replace/improve glazing and/or frames (medium impact). • Current EPC valid until 12 January 2025.
Unit 2	08 OCT 2019	E 114	B 34	D 100	• Consider solar control measures such as the application of reflective coating or shading devices to windows (medium impact). • Consider replacing T8 lamps with retrofit T5 conversion kit (medium impact).

Unit	Issue Date	EPC Rating	Benchmark EPC (if newly built)	Benchmark EPC (if typical of the existing stock)	Comments (High and Medium impact
					• Some walls have uninsulated cavities - introduce cavity wall insulation (medium impact). • Some windows have high U-values - consider installing secondary glazing (medium impact). • EPC is valid until 7 October 2029.

Whilst we note that the EPC rating for Unit 2 is at the threshold of acceptability, the EPC for Unit 1 indicates that the property falls below the minimum rating and therefore it will be necessary to for the landlord to undertake improvements to the building in order to improve the rating and let the property. Based on the recommendation report associated with this unit's EPC, which are largely confined to lighting and boiler improvements, we consider the cost of upgrading to improve the EPC rating upgrading of the building are likely to be minimal and have been implicitly reflected in our reported valuation.

Statutory Enquiries

Planning

We summarise the following planning matters relevant to the property based on the advice provided by your planning consultants, ROK Planning:

Local Authority	• London Borough of Hillingdon
Planning Policy Documents	• Local Plan
Relevant Policies	• There are no specific site designations within current planning policy in relation to the property.
Conservation Area	• No
Listed Building	• Not Listed
Green Belt	• No
Use Class	• Sui Generis (we are advised by ROK Planning that the current use of Unit 1 is for car sales and that the use of Unit 2 is currently for tool hire).

We also set out the following most recent aspects of the Property's planning history relating to its existing use:

Reference	Date	Address	Status	Description
74089/APP/2018/305	Aug-2018	Gigel Motors Ltd Hayes End Road Hayes UB4 8EH	Refused	Change of use from car sales (Sui Generis) to cars sales, vehicle service/repair and MOT (Sui Generis)
63225/ADV/2007/76	Jun-2007	Brandon Hire, Unit 2 Hayes End Road Hayes	Refused	Installation of Non-Illuminated Shopfront Signage (Retrospective Application).

We understand that Unit 1 has historically been occupied by a supplier of automobile aftermarket parts (Partco, which was subsequently acquired by Unipart Group) and thereafter by Gigel Motors (for car sales purposes). Accordingly, we note that the planning authority has historically permitted a mixture of trade counter/warehousing at the site under the Sui Generis use class.

Rating

According to the local authority website, the property is currently assessed for business rates purposes as follows:

Address	Description	Rateable Value (RV)	Multiplier	Rates Liability
Unit 1 Hayes End Road UB4 8EZ	Warehouse and premises	£35,500	49.9p	£17,715
Unit 2 Hayes End Road UB4 8EZ	Warehouse and premises	£38,000	49.9p	£18,962
Total				**£36,677**

Properties may be subject to various reliefs, transitional relief, business rates relief, empty rates and retail relief. Alternatively, e.g. supplements may apply depending upon the circumstances or the eligibility of the ratepayer.

The standard multiplier for occupied properties in England is 51.2p for large businesses, and is 49.9p for premises with a rateable value below £51,000. The large multiplier is also applicable to all empty properties with a rateable value above £2,900. Additionally, the Small Business Rates Relief offers up to 100% relief for properties with a rateable value below £12,000.

Empty Rates Relief

In England and Wales, 100% relief is granted to vacant properties with an RV below £2,900 (£2,600 Wales) and vacant listed buildings. For Offices and Retail there is 100% exception to the relief for 3 months and Industrial 6 months.

Tenure

We understand that the subject property is freehold and have assumed that the Title is free from rent charges or any other outgoings and that there are no unusual, onerous or restrictive covenants in the Title, which are likely to affect the value.

Occupational Status

We have been provided with copies of the existing leases at the property and understand that it is currently let to two tenants on effectively full repairing and insuring leases. The tenants contribute a fair and reasonable proportion of the landlord's total cost in insuring the property and repairing and maintaining the structure and common parts.

We summarise the tenancy position below:

Demise	Tenant	Lease Start	Lease Expiry	Rent Reviews	Break Options	Passing Rent £ pa
Unit 1	MVM Enterprises Ltd	23/02/2018	25/12/2021	None	Rolling break from 25/12/2020 (mutual, on 6 months' notice)	£40,000
Unit 2	Brandon Hire Ltd	12/12/2013	19/02/2022	20/02/2017 (see note)	20/02/2017 (Mutual on 6 months' notice)	£49,000
Contracted Rent (per annum)						**£89,000**
Note: We understand that the 2017 rent review in respect of the lease to Brandon Hire Ltd (Unit 2) was not implemented.						

In addition, the yard to the rear of Unit 1 is also let to Brandon Hire Ltd on a lease which is coterminous with its lease of Unit 2, at a peppercorn rent.

All of the leases have been contracted out of the security of tenure provisions (Sections 24-28) of the Landlord and Tenant Act 1954.

Whilst we have been advised that tenant of Unit 2 (Brandon Hire Ltd) is currently up to date with rental payments, we understand that the tenant of Unit 1 (MVM Enterprises Ltd) has not been paying rent following the onset of the COVID-19 pandemic. We understand that the tenant has confirmed to Bugler Homes that it has closed its business and is seeking to surrender it lease.

As stated earlier in this report, under the heading "Condition", at the time of our inspection the tenant of Unit 1 had ceased trading from the premises and was in the process of vacating the unit.

For the purposes of assessing the Existing Use Value, we have therefore assumed that Unit 1 is available with vacant possession, with the lease to MVM Enterprises Ltd having been surrendered on the above terms, and that the property produces a current rental income of £49,000 per annum.

Tenant Covenant Status

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

MVM Enterprises Ltd (Unit 1)

MVM Enterprises is a private limited company that was incorporated in January 2016 involved in the renting and leasing of cars and light motor vehicles. The registered address of the company is Unit 1 Hayes End Road (i.e. within the subject property). Whilst we have been able to obtain limited financial historic information in respect of the tenant, we understand that the company has effectively ceased trading. We consider most investors would consider the covenant status of the tenant to be uncertain.

Brandon Hire Ltd (Unit 2)

Brandon Hire is a leading tool and equipment hire company providing tools and specialist rental products to industry, construction and home owners throughout the United Kingdom, which operates over one hundred and fifty trading centres. The company, which is now a dormant company in its last financial year ending March 2020, was acquired by VP PLC in 2017 for £41.6m. Accordingly, we understand that Brandon Hire Ltd is now a wholly-owned subsidiary. VP PLC, a specialist rental group, which also operates its own tool hire business, Tool Station.

In its financial accounts to the year ending March 2020, VP PLC reported a pre-tax profit of £28.4m against turnover of £362.9m and shareholder funds of £169.9m. The company has a Creditsafe Rating of 71A (very low risk) and is listed on the FTSE All Share index with a current market capitalisation of £353m.

Summary

On balance, we are of the opinion that the majority of investors would consider the covenant status of Brandon Hire to be reasonable, however, given the remaining unexpired lease term

(circa eight months) together with the current status of the tenant of Unit 1, in assessing our opinion of the Existing Use Value, we have had primary regard to the underlying vacant possession value of the property.

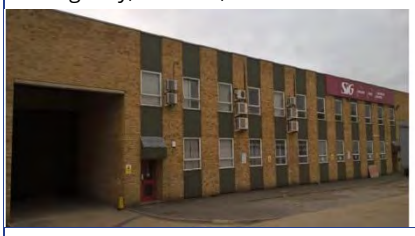
Aggregate Market Rent

Unit 2 (Brandon Hire) currently produces a rental income of £49,000 per annum which reflects a rent of £9.57 per sq ft on the overall gross internal area of the unit and was set when the property was let in 2013.

Whilst we have ignored the income secured against MVM Enterprises Ltd (Unit 1) for the purposes of our assessment of EUV given the tenant's current financial problems, we note that the lease to MVM was let in February 2018 at a rent equating to £6.00 per sq ft overall, which is considerably lower than the passing rent in respect of Unit 2. We note that the letting to MVM Enterprises Ltd was agreed on the basis of a flexible lease which could be determined by the landlord (which subsequently sold the site to Bugler Homes in January 2020) at short notice. We believe this was done so that vacant possession of Unit 1 could be secured in line with the expiry of the lease to Brandon Hire, if not earlier, and enable the property to be marketed in the future as a residential redevelopment opportunity, subject to planning.

We would note that there is very limited car sales evidence under which part of the subject property is permitted to be used in the Hayes and Uxbridge area. Therefore, given the nature, specification and location of the property, we have had regard to the following open market lettings of secondary warehouse /trade counter buildings which we consider appropriate in order to benchmark the subject property's rental value:

Property	Date	Size (sq ft)	Headline Rent (PSF)	Comments
Unit 3 Silverdale Industrial Estate, Hayes, UB3 3BL 	Sep-20	15,789	£10.00	• 5 year lease to Krasceva Ltd at £157,900 pa with a break after 3 years. • First 6 months at half rent • Specification includes Air Conditioning, CCTV, Central Heating, Demised WC facilities, Roller Shutters, Secure Storage, Security System • Secondary accommodation.
Unit 5 Alpha Estate, Clayton Road, Hayes, Hillingdon, UB3 1BB 	Jul-20	1,160	£13.79	• Let to Iconic Kitchen & Bedrooms Ltd at £16,000 pa. • 5 year term with a break in the 3rd year. • 3 months' rent free. • Second hand accommodation. • Specification includes roller shutter door access, 3 phase power, and a loading area.

Property	Date	Size (sq ft)	Headline Rent (PSF)	Comments
Unit 4, International Trading Estate. Boeing Way, Southall, UB2 5LB 	Mar-20	16,362	£9.00	• New 5 year lease to The Classic Prop Hire Company Ltd at £147,250 pa • 3 months' rent free at the start of the lease.
82 Sunleigh Road, Alpeton, London HA0 4LR 	Sept-19	6,503	£12.50	• 1960s detached (part two, part single storey), light industrial unit with ancillary offices at first floor, currently used as a Motorcycle learning, workshop and sales facility. • 8 year lease to Accident Management SOS Limited at a rent of £115,000 per annum. • Analysed rent reflects apportioned rent on the warehouse building and approximately £3.50 psf to the surplus yard space.
10 Boeing Way, International Trading Estate, Southall, UB2 5LB 	Aug-19	5,408	£10.68	• Let to Kazpac Packaging on a 5 year lease term at £57,750 pa with a mutual break in the second year. • 3 months' rent free • Second hand accommodation. • Specification includes 7.4m eaves height rising to 9.3m at the apex, 2 phase power, and parking.
8 Market Trading Estate, Hayes Road, Hayes UB2 5YG 	Feb-19	8,148	£12.50	• Let to Mlecko on a new 10 year lease at £20,370 pa with a rent review in the 5th year. • 12 months' rent free. • Trade counter with ground and first floor offices. • Specification include 5.5m clear heights, yard space and parking.

The above rental evidence shows a range of between £9.00 and £13.79 per sq ft depending on location, size, use and specification, with larger units (over 10,000 sq ft) achieving rents at the lower end of this range.

Whilst we accept that nearly the lettings presented are generally of superior quality stock and in more desirable or established locations, we are of the opinion that the likely rents that would be

agreed on letting the subject property would be assessed having regard to the rents achieved on similar light industrial warehouse buildings. Whilst we note that the existing use of the property enables sales use, which could potentially command a rental premium, particularly in respect of the car sales use, we consider this would be unlikely in this instance given the quality of the building, its lack of main road prominence/visibility and peripheral location.

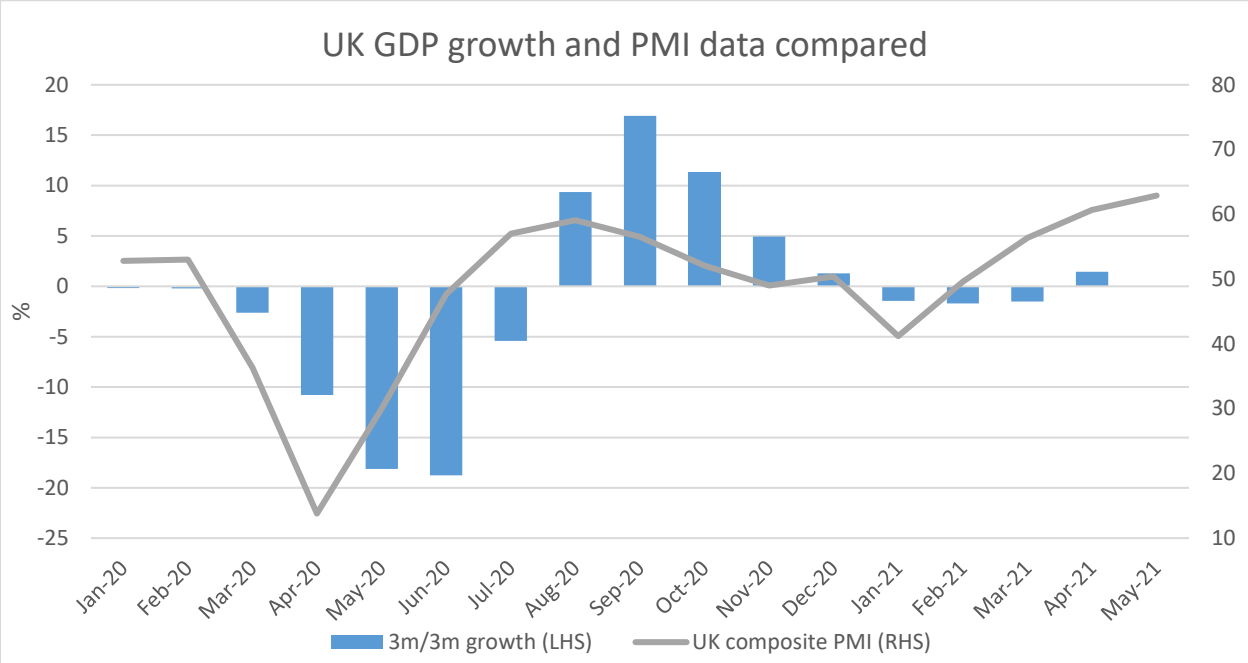
Based upon the above, we are of the opinion that the likely achievable range for the subject property ranges between £10 per sq ft to £12 per sq ft, having regard to the size of the accommodation. We have therefore adopted a rate in the middle of this range in respect of Unit 2, reflecting its existing condition and specification and the reinstatement provisions of the existing lease. With regard to Unit 1, we have adopted a lower rate of £8.00 per sq ft reflecting its current condition. We have not attributed any rental value to the existing mezzanine floors within the property (see Accommodation above).

Accordingly, we are of the opinion that the Estimated Market Rents applicable to the property are as follows:

Unit	GIA (overall)	Rental Rate (psf)	Estimated Market Rent (ERV) Per Annum
Unit 1	6,665	£8.00	£53,250
Unit 2	5,120	£10.00	£56,250
Total ERV	**11,785**		**£109,500**

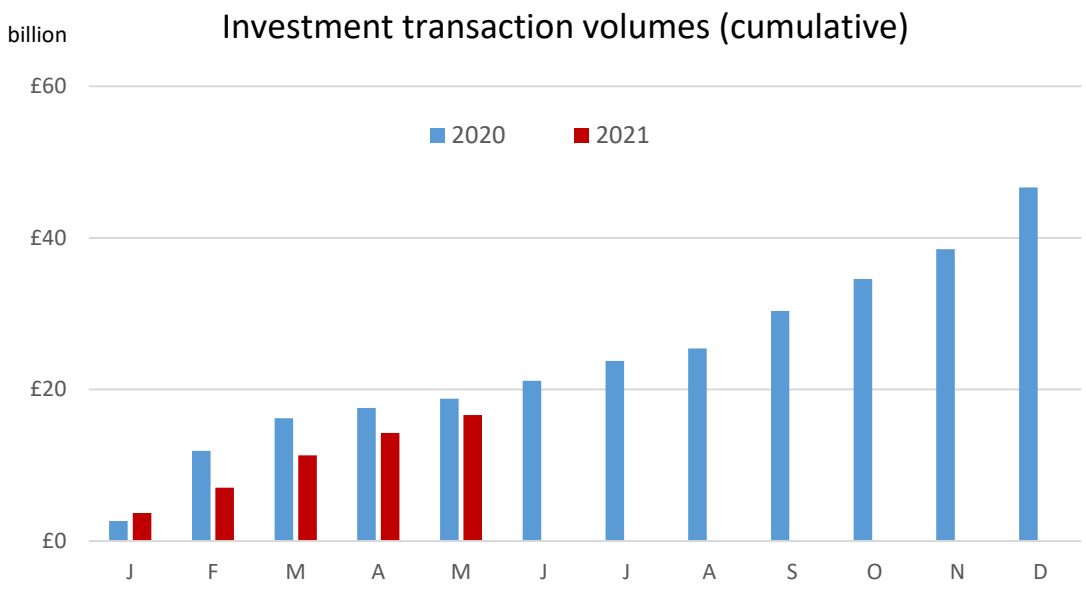
National Market Commentary

UK GDP declined in Q1 as lockdown restrictions limited economic activity. However, the 1.5% q/q decline was much smaller than the 19.5% q/q fall recorded during the first national lockdown in Q2 2020 and business survey indicators such as the PMI point to a strong rebound in Q2. Given the shallower than expected contraction in Q1, encouraging data for Q2 so far, ongoing government support and the rapid rollout of the vaccination program, the Bank of England revised its 2021 GDP growth forecast from 5.0% to 7.25%. However, some of this growth will be brought forward from 2022 Inflation is likely to temporarily rise above the 2% target, owing mainly to energy price developments. Housing market activity remains strong and consumer confidence reached its highest level since before the start of pandemic, adding to hopes that the consumer sector will help drive the economic recovery. Sterling trades at 1.41 against USD. The gold price has recovered and stands at around $1,800. This is down from stressed levels of over $2,000 last summer. Gilts are trading at 0.86%, up from 0.26% at the start of the year.



Sources: ONS, IHS Markit

Investment Markets: Investment volumes were relatively healthy in Q1 2021 given that lockdown restrictions have impeded the ability to transact. Although the quarterly figure of £11.1bn was below the five-year quarterly average of £14.2bn, it was considerably higher than the £5bn transacted during the first national lockdown in Q2 2020. April's figure of £2.6bn is slightly disappointing, but it coincided with Easter and the partial reopening of retail and leisure businesses, meaning that people may have taken more time off work than normal. Three of the four largest deals in April were portfolios, led by Brookfield's purchase of seven retail parks for £330m. The largest single deal of the month was the sale and leaseback of McLaren Group's global HQ in Woking for £170m. Yield compression is evident in the monthly MSCI index, highlighting ongoing strong demand for commercial property and limited supply.



Sources: Property Data Ltd., Colliers, June 2021.

The following extracts from the MSCI total rolling 12 month return index for the dates shown help to illustrate the current All Property total return (%) in the context of market highs and lows over the past 14 years.

07/2006	22.2	03/2018	11.3
05/2009	(26.5)	03/2020	0.1
10/2014	20.2	06/2020	(2.7)
05/2016	10.5	09/2020	(2.7)
07/2016	5.5	02/2021	(0.5)
12/2016	2.6	04/2021	4.9

The MSCI Results as at April 2021 below show how total returns continue to be impacted by the Covid-19 market conditions albeit with some signs of improvement overall.

Total Returns to Q4	All Property	Retail	Office	Industrial	Residential	Hotel	Other (Healthcare & Leisure)
1 Month	0.90%	0.50%	0.20%	1.90%	-0.10%	0.20%	0.40%
3 Month	2.60%	1.00%	0.20%	6.10%	0.30%	1.00%	1.10%
6 Month	4.80%	0.90%	0.20%	12.50%	1.800%	2.20%	1.00%
12 Month	4.90%	-2.80%	0.20%	16.80%	2.70%	-0.50%	-2.90%

Considering the yield shift impact on total returns, the following table showing highs and lows of the MSCI All-Property Equivalent Yields (%) index provides context to the recent market. The All-Property now stands at 6.10% from its recent high of 6.30% in June 2020.

12/2006	9.3	**12/2019**	6.0
04/2009	9.3	**03/2020**	6.1
03/2016	6.0	**06/2020**	6.3
07/2016	6.3	**09/2020**	6.3
10/2017	6.0	**02/2021**	6.2
06/2018	5.8	**04/2021**	6.1

Retail investment picked up from £410m in March to £700m in April. This is well above the 2020 monthly figure of £424m and one of the strongest monthly results in three years. The figure was boosted by the above mentioned sale of seven retail warehouses to Brookfield for £330m, which was one of the ten largest retail warehouse deals ever recorded. Supermarket Income REIT remains acquisitive, buying a 54,300 sq ft Tesco in Colchester for £63m at 4.5% IY in a further sign that demand for long secure income streams remains strong. Elsewhere, Melford Capital bought Northampton's Riverside Retail Park for £55m and a private investor purchased a 77,600 sq ft Sainsbury's in East Barnet for £50m.

Retail transactions	Value	Deals	April selected yields
Unit Shops	<£20m	10	5.46% Swindon / 5.48% Bicester
Retail Warehouses	£502m	19	6.26% Edinburgh / 10.46% Thanet
Shopping Centres	<£20m	2	7.68% Northampton
Supermarkets	£116m	4	4.5% Colchester

Offices: Office investment volumes were muted in April, with around £550m deployed in the sector. This is down from £870m transacted during March and below the 2020 monthly average of £1.1bn. The largest deal of the month was the sale and leaseback of McLaren Group's headquarters in Woking to Global Net Lease for a total of £170m. Elsewhere, a JV between Harrison Street and Trinity IM acquired the 12-asset BioCity Group portfolio for £120m, comprising science parks in Nottingham, Cardiff and Glasgow. Manchester saw one of its largest deals in recent months, as 8 First Street was sold to Ashtrom Properties UK for £82m.

Office transactions	Value	Deals	April selected yields
London	£331m	10	5.12% EC1
Regional	£233m	14	5.5% Bristol

Industrial: Investor demand for industrial assets remains strong, despite transactional volumes falling from a very strong £1.5bn in March to £600m in April. This reflects a lack of available investment product and is in line with the 2020 monthly average (excluding the £3.5bn transacted in December). Aberdeen Standard was acquisitive, buying four separate assets for a combined value of £235m. The largest such deal was the purchase of a 779,000 sq ft distribution warehouse on Field Lane in South Elmsall for £110m, followed by the acquisition of a 532,000 sq ft warehouse in Hinckley for £100m which is let to Amazon. Tritax and ProLogis also continued their expansions in the sector, with the former buying an 872,000 sq ft warehouse at Avonmouth's Accolade Park for £90m (5.1% IY) and the latter purchasing the former Arcadia distribution centre in Daventry for £82.5m. Pricing remains firm with monthly MSCI data showing further yield compression across all market segments.

Industrial transactions	Value	Deals	April selected yields
Distribution	£493m	15	5.1% Avonmouth
Multi-let parks	£52m	8	3.79% Hemel Hempstead

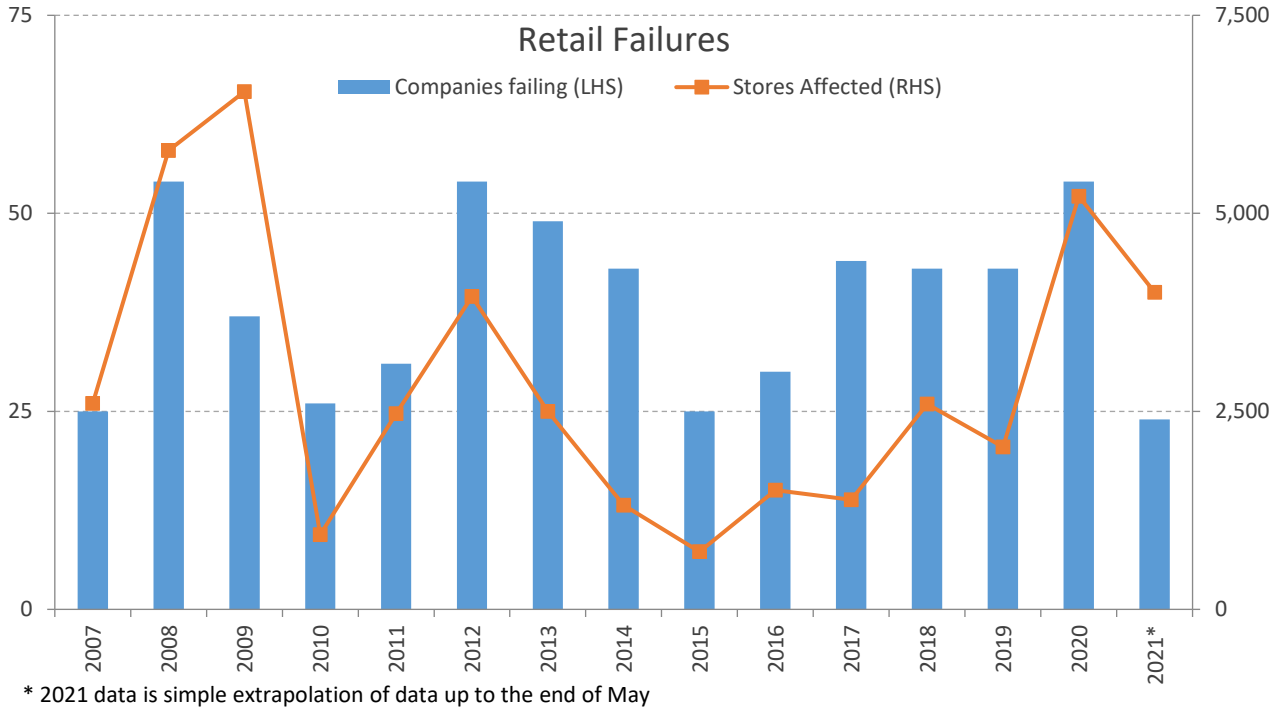
Alternatives/Other: The leisure and alternative/mixed-use segments attracted a combined £730m in April, down from just over £1bn in March. The student accommodation sector accounted for £350m, the second-highest monthly figure since the sale of the iQ portfolio a year ago. The figure was boosted significantly by the £315m sale of the Quintain portfolio to Lone Star, comprising 2,621 student beds across four assets in Cardiff, Hatfield, Sheffield and Swansea. April's largest residential deal was Edmond de Rothschild's purchase of 384 BTR units at Leicester's Merlin Wharf for £60m. Edmond de Rothschild were also acquisitive in Birmingham, agreeing to forward fund the development of 127 apartments at Kent Street Baths for £37m. In one of the largest leisure deals so far this year, Centrica Pension Fund bought a David Lloyd centre on Northwood's Ducks Hill Road for £51m at 4.28% IY.

Alternatives/Other	Value	Deals	April selected yields
Student	£351m	3	n/a
Residential	£170m	13	n/a
Medical	£52m	9	6.3% Lowestoft / 7.5% Norwich

Occupier Markets

Retail: Retail sales volumes have picked up again, following a January decline. Sales volumes increased by 2.2% m/m in February and 5.4% m/m in March. Figures for Q2 should be even more positive given the easing of lockdown restrictions and reopening of non-essential retailers. Consumer confidence reached its highest level since before the pandemic started. Thelatest Google Mobility data points to increased footfall across retail and recreational units. In the May Monetary Policy Report, the Bank of England states that consumer spending is supported by households running down around 10% of their additional accumulated savings over the next three years. Despite the positive data flow, retailers remain under pressure. In 2021 so far, nine

retail companies have entered into administration, affecting over 1,600 individual stores. More failures are likely as government support measures are withdrawn later this year



* 2021 data is simple extrapolation of data up to the end of May
Source: Centre for Retail Research

Offices: The London Offices market stuttered back to life in Q1 2021 with demand and transactional activity at a 12 month high. London will continue to benefit from the gradual easing of lockdown restrictions throughout Q2 2021. While office take-up over the next 12 months will be at least 25% below trend, there is every reason to expect a surge in demand as 2021 progresses. Availability is unlikely to see a sustained reduction until 2022 and may remain stubbornly above trend due to a proliferation of poorer quality, non-refurbished space, as well as the curtailment of the Government's furloughing scheme in the autumn. Occupiers continue to review 'stay-or-go' strategies with a number favouring lease renewals or extensions at their existing premises. Regardless, many will face challenges in attempting to 'make-do' with tired and/or out-of-date facilities.

Industrial: The Q1 take-up figure of 8.55m sq ft was largely in line with the five-year quarterly average of 8.79 million sq ft. There is significant pressure on the supply chain with less than 30 million sq ft of space available (including speculative units completing this quarter) resulting in a vacancy rate of just 5.3%. Strong occupier demand for grade A space continues, fuelled by lack of availability and growth of e-commerce. Increasingly, it is also being pushed by businesses renewing their focus on sustainability and energy efficiency as the impact of the pandemic and recent acceptance that a climate crisis has focused minds and impacted consumer expectations of sustainable logistics. Rental growth is still evident, based on the latest MSCI data.

Residential: Residential market activity shows no signs of slowing. The number of residential property transactions reached a record-high of 191,000 in March, more than twice the March 2020 figure. Although mortgage approvals slowed for the fourth month running, at 82,735, they

remain well above the five-year monthly average of 67,100. Meanwhile, the latest RICS UK Residential Market Survey found that buyer enquiries and agreed sales gained significant impetus following stamp duty holiday extension. Forward looking indicators suggest that momentum will be sustained over the near term. With activity remaining strong, house prices continued to increase sharply. Halifax reported an annual rise of 8.2% (five-year high), while the Nationwide measure points to a 7.1% increase (second-strongest in over six years). The two-year fixed (75% LTV) mortgage stands at 1.52% in April, up from 1.38% a year ago, but low by historical standards. Private housing rental growth was stable at 1.3% y/y.

Valuation Methodology

In assessing the Existing Use Value, we have assumed a 'no scheme world' in which a purchaser buys the property for the value of any existing and future income derived from the site having regard to its existing condition and use.

- In valuing the subject property, we have used the comparable and investment valuation method.
- In determining our opinion of value we have had primary regard to the capital value per sq ft.

Comparable Transactions (Investment Properties and Properties Sold with Vacant Possession)

In arriving at our opinion of value we have had regard to the following freehold sales evidence together with anecdotal evidence gained during the course of our recent market enquiries.

Property	Date	Size (sq ft)	Price (£psf)	Net Initial Yield	Comments
726 Field End Road, Ruislip, HA4 0QP 	U/O	6,422	Quoting £1,650,000 (Quoting £257) Currently under offer	N/a	• Vacant possession sale acquired by an owner-occupier. • 1950s warehouse building previously used for vehicle sales / workshop and ancillary offices (Ruislip Motors). • Poor condition. • Agent advises that the property is due to complete imminently "at just below asking price". • 0.25 acre site

Property	Date	Size (sq ft)	Price (£psf)	Net Initial Yield	Comments
87-93 Lockfield Ave, Enfield, EN3 7PY 	Jun-21	5,017	£770,000 (£153)	N/a	• Vacant possession sale. • Mid-terrace single storey Industrial/Warehouse with ancillary offices at first floor. • Minimum eaves height 3.63m, apex 7.26m. • Reasonable condition.
82 Sunleigh Road, Alperton, HA0 4LR 	Mar-21	6,503	£1,900,000 (£292)	5.70%	• 1960s detached light industrial warehouse unit with offices at first floor currently used as a motorcycle learning, workshop and sales facility. • Let to Accident Management SOS Limited with 3.5 years to break (6.5 years to expiry) at £115,000 pa • Lease outside 1954 Act. • 0.49-acre site with extensive yard area (30% site cover). • Short / medium term residential development potential.
137B Molesey Avenue, West Moseley, KT8 2RY 	Feb-21	4,800	£720,000 (£150)	N/a	• Vacant possession sale to owner occupier. • Semi-detached workshop/warehouse building with 12' 9" eaves height (3.30m) • Reasonable condition. • Established industrial estate. • Secure yard/parking area • Close to Heathrow. • 0.17-acre site.

Property	Date	Size (sq ft)	Price (£psf)	Net Initial Yield	Comments
58b Alexandra Rd, Enfield, EN3 7EH 	Sep-20	3,282	£500,000 (£152)	N/a	• Vacant possession sale for owner occupation. • End of terrace vehicle repair garage / workshop. • 11 ft (3.36m) eaves height. • Part of a wider industrial estate.
Vitesse House, Ashford, Spelthorne TW15 1XB 	Jul-20	9,272	£1,460,000 (£157)	N/a	• Vacant possession sale. • Showroom/workshop building of steel poral frame construction with offices at first floor. • Forecourt parking for 10 cars. • 5.1m (16' 9") warehouse eaves. • Better specification and condition. • 0.31-acre site
9-11 Standard Road, Park Royal NW10 6EX 	Mar - 20	8,852	£1,600,000 (£181)	N/a	• Vacant possession sale. • 1950s detached warehouse building with steel trussed roof. • Offices to front on ground and first floor. • Clear internal height of circa 12 ft (approx. 3.7m) to the underside of roof truss. • 3 parking spaces • Superior location that subject property. • 0.204-acre site
208 Durnsford Road, Wimbledon, London, SW19 8DR 	Feb-20	10,375	£1,900,000 (£183)	N/a	• Freehold with vacant possession • Warehouse with ground and first floor ancillary offices. • Yard space. • 0.285-acre site

Property	Date	Size (sq ft)	Price (£psf)	Net Initial Yield	Comments
Davis Cash Premises off Alexandra Road, Ponders End, Enfield EN3 7EN 	Jan-20	19,606	£1,900,000 (£97)	4.21%	• Three Interlinked inter-war industrial buildings on 0.72 acre site providing workshop and storage accommodation. • Let to Davis Cash & Company Ltd at a passing rent of £85,000 pa (£4.34 psf) with six years to expiry. • Tenant break and rent review in January 2021. • Inferior specification albeit with future redevelopment potential (although the property is within a designated "Locally Significant industrial Site").
315-317 Purley Way, Croydon, CR0 4NU 	Q3 2019	10,868	£2,680,000 (£247)	4.94%	• Freehold. • Property comprises two trade counter / light industrial units. • Multi let to two tenants including National Tyre Service Ltd and Wolseley UK Ltd generating £140,825 p.a. (average passing rent of £12.96 psf). • WAULT of 9.6 years to expiry and 6.6 years to break. • No immediate prospect of alternative use, however, longer term potential residential or commercial redevelopment of the site, subject to planning.

Property	Date	Size (sq ft)	Price (£psf)	Net Initial Yield	Comments
Unit 1, 31 Central Avenue, West Molesey, KT8 	Aug 2019	9,930	£1,700,000 (£171)	N/a	• Purchased by Epsom & Ewell Cars LTD (car servicing and MOT business) for owner occupation. • 1960s building in established industrial estate. • Low eaves height and basic specification. • 14 car parking spaces
Unit 1, 37 Colville Road, Acton W3 	July 2019	6,434	£1,200,000 (£187)	N/a	• Vacant possession sale. • Two-storey end-of-terrace warehouse premises with offices on ground and first floors. • 2 car parking spaces • 1950s construction with 12ft eaves. • Reasonable condition but basic specification.

While we recognise that none of the above transactions are directly comparable to the subject property, we confirm that we have had general regard to the tone of available market evidence.

The above evidence indicates a yield range of 4.21% to 5.70% and a freehold capital value range per sq ft of £97 - £292 depending primarily on lease terms, age, specification, location and development potential. In terms of the yield evidence, we would comment that the majority of the evidence (with the exception of Ponders End, Enfield which we refer to below) relates to fully-let investments which have in excess of three years terms certain. We note that the freehold range in respect of secondary buildings sold with vacant possession broadly lies between £150 to £187 per sq ft although we note the current sale of 726 Field End Road, Ruislip, which has yet to complete but is believed to be under offer at or around £250 per sq ft.

Whilst we have included the sale of the Davis Cash Premises (Ponders End, Enfield), which reflects a freehold capital rate of £97 per sq ft, we would comment that this relates to a compromised inter-war workshop building which would be considered to be significantly inferior to the subject property, with poor access and no prominence or visibility to a main road.

In assessing the Existing Use Value, we have assumed that Unit 1 is available with vacant possession in accordance with the terms that have been agreed with Bugler Homes. We have also assumed that the tenant of Unit 2 will vacate on expiry of their lease in February 2022. Whilst it is possible to market the building as a whole for single occupation, we consider that it would most likely be let as individual units. Accordingly, we have allowed for a an aggregate

marketing void and rent free period of up to 18 months per unit assuming the units are re-let individually at our opinion of Estimated Rental Value.

In arriving at our opinion of value on this basis, we have adopted a higher yield to reflect the condition of the property and the assumption that it would be used for its existing use only. We have capitalised the current and future anticipated income at an equivalent yield of 6.0% yield, which results in an Existing Use Value of £1,575,000 and the following yield profile:

Yield	Annually in Arrears
Initial	2.93%
Equivalent	6.00%
Reversionary (Aug 2023)	6.55%

Alternatively, our opinion of value on this basis reflects a freehold capital rate of circa £135 per sq ft.

It should be noted that the Existing Use value (EUV) reflects the current condition of the property and we are of the view that the EUV would rise if there was capital expenditure to improve the condition of the building with the resultant improvement in value likely to be more in line with the range of freehold capital rates set out above, depending on the improved specification the building is finished to.

Existing Use Value

We are of the opinion that the Exiting Use Value of the subject property, as at 28 June 2021, is:

£1,575,000 (One Million, Five Hundred and Seventy-Five Thousand Pounds).

We confirm that in arriving at the above opinion of value we have deducted standard purchaser's acquisition costs.

Our opinion of the Market Value reflects a capital value of circa **£135 per sq ft.**

Reliance, Confidentiality and Disclosure

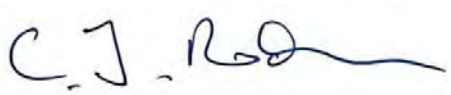
This Report and Valuation is issued solely for the use of the Addressee as agreed within the terms of engagement, for the specific purpose to which it refers. We do not accept any responsibility or liability in respect of any third parties for the whole or any part of its contents, even if a third party meets the whole or any part of the costs of this Instruction, or is permitted to see a copy of our Report and Valuation.

Neither the whole nor any part of this valuation, nor any reference thereto, may be included in any published document, circular or statement or disclosed in any way without our previous written consent to the form and context in which it may appear. Such consent is required whether or not Colliers International Valuation UK LLP is referred to by name and whether or not the contents of our Report and Valuation are combined with others. The granting of such consent will be at our sole and absolute discretion and, if given, will be on condition of the named recipient signing a non-reliance letter, and may be subject to an additional fee.

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

Yours faithfully,





P C Kuminek BSc (Hons) MRICS
RICS Registered Valuer
Colliers International Valuation UK LLP

C J Rodericks BSc (Hons) MRICS
RICS Registered Valuer
Colliers International Valuation UK LLP

Appendix 1

Appointment Correspondence

Our Ref Bugler Homes/PCK

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15 June 2021

Bugler Group Ltd
Bugler House
25 High Street
Rickmansworth
Herts WD3 1ET

FAO: James Chell

Dear Sirs,

Re: Units 1 and 2, Hayes End Road (Land off Hayes End Road), Hayes, Middlesex UB4 8EH

Further to our recent discussion I have pleasure in setting out below the terms of our agreement for the provision of a Report and Valuation in respect of the above property.

Client	Bugler Homes Limited (referred to hereafter as 'you')
Valuer	Colliers International Valuation UK LLP
Purpose of Valuation	The valuation is for planning viability purposes
Interest to be Valued	Freehold Interest
Type of Asset	Light Industrial/trade counter premises (currently let by way of three leases)
Valuation Standards	The valuation will be prepared in accordance with the RICS Professional Standards and Guidance note on Financial Viability in Planning: conduct and reporting, 1st edition, May 2019. In this regard, the valuation will be prepared having regard to the current edition of the RICS Valuation – Global Standards (Incorporating the IVSC International Valuation Standards)' prepared by the Royal Institution of Chartered Surveyors (the "Red Book"). The property will be valued by suitably qualified Registered Valuers who fall within the requirements as to competence and independence as set out in PS 2 of the Red Book.

Colliers International is the licensed trading name of Colliers International Valuation UK LLP which is a limited liability partnership registered in England and Wales with registered number OC391629. Our registered office is at 50 George Street, London W1U 7GA

Business

Basis of Valuation	Existing Use Value, as referenced within RICS Professional Standards and Guidance note on Financial Viability in Planning: conduct and reporting, 1st edition, May 2019. This is defined as: 'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion, disregarding potential alternative uses.' Estimated Rental Value (ERV) having regard to the concept of Market Rent as defined in IVS 104 paragraph 40.1: 'The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'
Valuation Date	The date of our Report and Valuation
Disclosure (any previous involvement)	We are not aware that we have had any previous involvement with either the Property. Accordingly, we can confirm that we do not have any conflict of interest in advising you in this instance.
Identity of Valuer	Paul Kuminek MRICS who is competent to undertake the valuation and who is in a position to provide an objective and unbiased valuation, having no material connection or involvement with the subject of the assignment or the party commissioning the assignment.
Reporting Currency	GB Pounds
General Assumptions	The general assumptions to which our valuation will be subject are appended to this letter.
Special Assumptions	We have agreed to provide a valuation on the Special Assumption that the property is capable of being occupied for its existing use only. In all other respects the property is in the condition we find it in on the date of our inspection, subject to the repairing obligations of the respective tenants/occupiers.
The extent of the Valuer's investigations	Any limitations or restrictions on the inspection, inquiry or analysis for the purposes of the valuation assignment shall be set out in our report, but otherwise, we will, where possible, undertake an internal and external inspection of the property.

	We refer you to our comments below under 'Inspections and Information under COVID-19 restrictions' and our associated protocols. Inspections will neither include areas which are locked or inaccessible for whatever reason, nor areas or features which are covered or unexposed. External inspections will be from ground level only and will again be limited to those areas which can be reasonably accessed without recourse to ladders or other aids. We will not be required to prepare the following: 1. A Building Survey 2. Any environmental audits or investigations 3. Any planning Searches (although we will undertake informal planning enquiries). 4. An EPC Assessment (although we will have regard to existing EPC ratings if available). 5. An Asbestos survey or register. 6. An assessment under the Equality Act 2010. 7. A formal Reinstatement Valuation We will rely on land and measured building surveys provided by Laser Survey Services on your behalf.
Inspections and Information under COVID-19 restrictions	In view of the Government's relaxation of enforced COVID-19 movement restrictions across the UK, we intend to conduct both an external and internal inspection of the property where possible. This will be subject to Colliers International UK & Ireland COVID-19 inspection protocols and our ability to undertake the inspection in accordance with the same. Our corporate protocols are based on advice and guidelines issued by the Government and the RICS, and this guidance may be subject to change at short notice. We shall therefore provide the service in accordance with these terms of engagement. This assumes that we can fully inspect the property both internally and externally. If this is not possible, either because we are not satisfied it is safe to do so in accordance with our COVID 19 inspection protocols and government guidance, or entry is refused, then we reserve the right not to carry out the full inspection. In this scenario we shall either defer the inspection until we deem it is safe to inspect or agree other practical means of confirming the internal specification, condition and size of the property in order to provide the valuation on a restricted information basis. If the inspection cannot be carried out, then we shall advise you as soon as possible and seek your further instructions. We may also agree to provide a valuation subject to a restricted information, as outlined below. **COVID 19 inspection measures**

	Whilst we intend to undertake an internal and external subject to the Colliers International UK and Ireland inspection protocols, UK government regulations and RICS guidance, we recognise that an internal inspection of the entire property may not be possible. In accordance with the RICS Valuation - Global Standards (31 January 2020), VPS1,3.2(i) and VPS2, our valuation may be provided on a restricted information basis. VPGA 10 states that 'where the information available to the valuer is limited or restricted, either by the client or the circumstances of the valuation, and the matter cannot be sufficiently addressed by one or more reasonable assumptions, less certainty can be attached to the valuation than would otherwise be the case'. We confirm that in assessing our opinion of Market Value in accordance with the definition stated herein, we shall have had regard to the external and internal condition observed at the date of inspection and the information provided by you. This may include the following; - Internal photographs and/or video taken by third parties - Condition surveys - Estate agent's details - Land Registry information - Information on sales portals - Google Maps Street View - Any previous valuation reports (for information only) Should any of the information supplied to us subsequently be proven to be inaccurate or erroneous then this may have a material impact upon the reported Market Value(s) as at the valuation date. Furthermore, as previously stated, as we are unable to carry out a full inspection, less certainty can be attached to the reported Market Value(s) than would otherwise be the case.
Nature and source of the information to be relied on by the Valuer and Information and Documentation to be supplied by the Client	You are obliged to assist us in carrying out the services set out in this agreement as required, especially by supplying the required information and documentation on time. This also applies to documentation and information, which only becomes available or into existence during the course of our instruction. Should you not adhere to any of these obligations to support us, we reserve the right to extend the contracted timeline. You have agreed that we are to rely upon the following information which will be supplied to us by you: Report on title (if available) Legal documentation Building survey Environmental survey

	Planning Report Floor areas by Laser Survey Services We will rely on the information supplied and, unless otherwise agreed, we will assume that such information provided to us will be accurate and can, if necessary, be verified. We have assumed that we will be provided with all information necessary for us to accurately complete the valuation.
EWS1 forms & specialist fire safety reports	Please note that in certain cases we may have relied on an EWS1 form and/or specialist fire safety reports, prepared by a professionally qualified third party. In so doing, we are not offering any advice as to the accuracy, completeness or fitness for purpose of the form/report or its content and neither the individual preparing the valuation nor this firm shall have any liability to you, or to any third party with whom you share the valuation, for any losses or potential losses arising directly and solely as a result of any inaccuracies or errors in, or otherwise in any way related to, the EWS1 Form and or specialist fire safety reports. We are not specialists in this area and recommend that you undertake appropriate due diligence as required.
Scope of Report	We confirm that the valuation will be undertaken in accordance with the IVS. The scope of the report will conform to VPS 3 of the Red Book.
Restricted Information	In accordance with the Red Book we are required to make clear when confirming instructions, the nature of any restrictions and resulting assumptions that might apply. None envisaged at this time.
Fees and Disbursements	£4,500, exclusive of VAT and inclusive of reasonable disbursements.
Changes to Contract	All changes and extensions to this contract must be concluded in writing. Should we perform additional services not specified in this agreement but required by the Client, and should both parties not be able to agree to an appropriate remuneration for these services, our fees will be increased according to our additional time-costs. The contract is not subject to any verbal side agreements.
Payment Conditions	The agreed remuneration will be payable immediately upon issue of invoice without any deductions.
Professional Indemnity Insurance	We confirm that Colliers hold sufficient Professional Indemnity Insurance in respect of this valuation (a copy of our PII Certificate is available on request).
Limitation of Liability	Our aggregate liability arising out of, or in connection with this agreement and/or our valuation report(s) produced under the

	terms of this agreement, whether arising from negligence, breach of contract, or any other cause whatsoever, shall in no event exceed 25% of Market Value. This clause shall not exclude or limit our liability for actual fraud, and shall not limit our liability for death or personal injury caused by our negligence. This clause shall replace clause 13.5 of our Standard Terms of Business.
No personal liability	For the avoidance of doubt, any report produced under this agreement is provided by us as a corporate entity and accordingly no partner, member or employee assumes any responsibility for it nor shall owe a duty of care in respect of it.
No liability to third parties	Any report that we provide to you under this agreement is issued for your own use for the specific purpose to which it refers. We do not accept responsibility to any third party for the whole or any part of its contents, even if a third party meets the whole or any part of the costs of this Instruction, or is permitted to see a copy of our Report and Valuation.
Extension of Reliance to Third Parties, on agreement	Should we be asked to extend the reliance on our valuation to another party or parties, we will give consideration to doing so to named parties (but shall have no obligation to do so), subject to the agreement of our additional fees and the named party or parties signing a letter of reliance:
The requirement of consent to publication	Our prior consent in writing will be required for any reproduction or public reference to the valuation or report.
Standard Terms of Business	Our enclosed Standard Terms of Business shall apply to our agreement, but the terms of this letter shall prevail where there is any inconsistency.
Complaints procedure	We are required to notify you that we have a firm's complaints procedure, with a copy available on request.
RICS Monitoring Regulations	We are required to draw to your attention to the fact that the Royal Institution of Chartered Surveyors may review all documentation relating to our valuation to ensure compliance with their standards.
Alternative Investment Funds	Please note that, in the event that our appointment is from an entity to which the European Parliament and Council Directive 2011/61/EU ('the AIFMD'), applies, our instructions are solely limited to providing recommendations on the value of particular property assets (subject to the assumptions set out in our valuation report) and we are therefore not determining the net asset value of either the Fund or the individual properties within the Fund. Accordingly, we are not acting as an 'external valuer' (as

	defined under the AIFMD) but are providing our service in the capacity of a 'valuation advisor' to the AIFM.
Estimated Time Line	In accordance with our requirements we will provide you with the final signed valuation no later than 30 June 2021. Any agreed deadline will be extended by an appropriate period in case of force majeure or any reason for which we are not responsible but which may temporarily impair us from carrying out his work. We will inform the Client of any such event without delay.

Naturally, we are happy to answer any questions that you may have regarding the aforementioned.

Yours faithfully



Paul Kuminek MRICS
RICS Registered Valuer
Colliers International Valuation UK LLP

Enc

If, after having read the aforementioned, you are in agreement with the terms stated herein please sign both copies of this letter, retaining a copy for your records and returning the other.

The Client confirms acceptance of the above and the attached Standard Terms of Business and hereby instructs Colliers International Valuation UK LLP to proceed with the assignment as proposed and to invoice for professional fees according to the terms of this agreement.

On behalf of
Bugler ~~Group~~ Homes Ltd

Name and position: JAMES CHELL, GROUP LAND DIRECTOR

Signature: James Chell

Date: 15.6.21

Company Registration No: 04185040

Invoicing Confirmation Details

Name and position ANDREW HAWKINS, FINANCIAL CONTROLLER

Address (where the final invoice should be sent)
BUGLER HOUSE
25 HIGH ST, RICKMANSWORTH, WD3 1ET

Telephone: 01923 777988

Email address: andrewhawkins@bugler.co.uk
(please cc. James Chell).

Appendix

Standard Terms of Business and General Assumptions and Definitions

Confidential

STANDARD TERMS OF BUSINESS

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

1.0 DEFINITIONS AND INTERPRETATIONS

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

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

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

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

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

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

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

1.8 Purchaser includes a tenant or licensee.

1.9 Seller includes a landlord or licensor.

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

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

(a) unconditional contracts for the sale and/or lease (as applicable) of the Property are exchanged in the period during which we have Sole Selling Rights even if the purchaser and/or seller (as applicable) was not found by us but by another agent or by any other person, including you; and

(b) if unconditional contracts for the sale and/or lease (as applicable) of the Property are exchanged after the expiry of the period during which we have Sole Selling Rights but to a purchaser and/or seller (as applicable) who was introduced to you during that period or with whom we had negotiations about the Property during that period.

2.0 FEES

2.1 Our fees are as stated in the Instruction Letter.

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

2.3 Abortive Fees

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

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

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

2.4 Additional Work

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

2.5 Estimates

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

2.6 Retention of commissions

In addition to any fees which are payable by you, unless otherwise agreed we may retain any commissions that we may receive from third parties in the course of providing the services. We will disclose any such commission to you.

3.0 DISBURSEMENTS AND EXPENSES

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

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

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

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

4.0 CHARGES DUE

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

(i) On the date(s) specified in the Instruction Letter

(ii) When you withdraw your instructions (in which case Clause 2.3 applies).

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

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

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

5.0 TAXES

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

5.2 You will comply with the Criminal Finances Act 2017 and ensure that you and your associated persons do not commit or facilitate a tax evasion offence.

6.0 INTEREST

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

7.0 SCOPE OF SERVICES

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

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

(a) Any estimates of the time for performance of the Services are not to be legally binding upon us; and

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

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

instructions to instruct such specialist consultants we do not warrant their competence. If we are instructed by you to supervise the work of such specialist consultants we will be entitled to charge an additional fee calculated by reference to the time incurred in doing so however we assume no liability for any advice given to you by such consultants.
7.4 Any market projections incorporated within our Services including but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and may prove to be inaccurate. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

8.0 INFORMATION PROVIDED
8.1 Unless you inform us in writing to the contrary we shall not be required to check or approve the accuracy of information provided to us by you or others including Energy Performance Certificates. In the event we are instructed to act for you on the assignment of a lease and/or a letting (including a sub-letting), you warrant that the Property has the minimum Energy Performance Certificate rating or a valid registered exemption to comply with the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 and/or any other applicable law or regulations.
8.2 Unless you inform us in writing to the contrary you hereby warrant the accuracy of all information provided to us by you or on your behalf on the basis that you expect us to rely upon it.
8.3 You will check all marketing materials that we produce in respect of any Property that we have been instructed to dispose on your behalf and you will notify us immediately if you become aware that any such marketing materials are inaccurate, misleading or incomplete.
8.4 You undertake to indemnify us against all costs, claims, charges and expenses of whatever nature which may arise as a result of any such information proving to be inaccurate (whether wholly or in part), misleading or incomplete.
8.5 Subject only to Clause 12 below any information which we acquire from you in the course of performing instructions may be used by us for any other purpose unless you instruct us in writing at any time prior to such use by us.

9.0 OUR REPORTS
9.1 In relation to any written report or advice prepared by us you agree that neither the whole nor any part of our report or advice or Confidential Information may be included in any published document, circular or statement or published in any way without our written approval prior to publication.
9.2 Copyright in any reports, documents or other material provided to you by us shall remain our property at all times.

10.0 PAPERS
10.1 After completing our work, we are entitled to keep all and any of your papers and documents until our fees and charges are paid in full.
10.2 Unless you instruct us to the contrary, you hereby agree that we may destroy papers or documents relating to the Services six years after the date of the final invoice that we send you for the particular matter.

11.0 EMAIL
11.1 We shall treat receipt of an email from you as a request to us to communicate with you by email.
11.2 If you intend to communicate with us by email, by accepting these Terms you confirm that you understand the risks of doing so and you authorise us to act upon electronic instructions which have been transmitted (or appear to have been transmitted) by you.

12.0 DATA PROTECTION
12.1 Both parties will comply with all applicable requirements of the General Data Protection Regulation 2016/679. To the extent you provide us with any personal data, you will ensure that you have all the necessary appropriate consents and notices in place to enable lawful transfer of such personal data. Our business activities privacy notice can be found in the Privacy Policy section of our website at www2.colliers.com/en-GB
12.2 You agree that we may receive and retain documentary proof required by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and can disclose it to any Government authority that is legally entitled to request it. You further agree and consent to identity checks being carried out electronically for anti-money laundering purposes. For the purposes of this clause only, you release us from our obligations under Clause 12.1 above.
12.3 We may occasionally use your contact details to inform you of property updates, client seminars, and the like. By accepting these terms you consent to our sending you such information. If you do not wish to receive such information, please advise us, by writing to the Data Protection Officer at our address.

13.0 LIMITATION OF LIABILITY
13.1 In relation to any Services provided by us to you the following limitations apply:
13.2 You agree not to bring any claim for any losses against any member, officer, director, employee or consultant of Colliers or any Colliers Entity (each a "Colliers Person"). You hereby agree that a Colliers Person does not have a personal duty of care to you and any claim for losses must be brought against Colliers. It is agreed that any Colliers Person may enforce this clause under the Contracts (Rights of Third Parties) Act 1999 but that these terms may be varied at any time without the need for them to consent.
13.3 We will not be liable in respect of any of the following:
(a) for any services outside the scope of the Services agreed to be performed by us;
(b) to any third party;
(c) in respect of any consequential losses or loss of profits.
(d) for any losses, costs, penalties or damages arising from the Energy Performance of Buildings Regulations 2011.
13.4 Where any loss is suffered by you for which we and any other person are jointly and severally liable to you the loss recoverable by you from us shall be limited so as to be in proportion to our relative contribution to the overall fault.
13.5. Our liability for loss and damage attributable to our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall not exceed £1 million per single originating cause (or if higher, such minimum level of insurance cover as the Royal Institution of Chartered Surveyors requires us to maintain from time to time). This limit applies to each and every transaction and retainer and any subsequent work we undertake for you unless expressly overridden in a subsequent Instruction Letter signed by a director of Colliers.
13.6 The exclusions and limitations in this paragraph will not exclude or limit any liability for fraud or dishonesty or for liabilities which cannot lawfully be limited or excluded.
13.7 Where the Instruction Letter is addressed to more than one client, the above limit of liability applies to the aggregate of all claims by all such clients and not separately to each client.
13.8 No claims, actions or proceedings arising from or relating to the Services and/or this agreement shall be commenced against us after six years after the date of the completion of the Services or such earlier date as may be prescribed by law.

14.0 INDEMNITIES
14.1 You agree to indemnify us against all costs, claims, charges and expenses which we shall incur by reason of (but not limited to):
(a) Use of any of our work for purposes other than those agreed by us.
(b) Misrepresentation by you or with your authority to third parties of advice given by us.
(c) Misrepresentation to third parties of the extent of our involvement in any particular project.
(d) Any claims or proceedings concerning Energy Performance Certificates prepared by you or on your behalf.
14.2 You also agree to indemnify us against any and all damages or liability suffered by us, arising from the use by us of material provided by you to us the copyright of which is vested in a third party.

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

16.0 TERMINATION OF INSTRUCTIONS
16.1 We may terminate any agreement governed by these Terms immediately by notice in writing:
(a) Where as a result of circumstances outside the control of both of us the Services become impossible of performance or;
(b) Where you have rendered the Services impossible of performance or;
(c) You have provided incorrect information to us contrary to Clause 8 above upon which we have relied or;
(d) If you have not made payment by the due date of any sum payable to us or;
(e) At any time in the event that you are in material breach of your obligations to us or;
(f) Without assigning any reason and on the basis that you are under no obligation to pay any fees in respect of the matter and that we are under no obligation to perform any further services.
16.2 You (and if clause 16.1 does not apply we) may terminate any agreement governed by these Terms by giving not less than 28 days' notice in writing. However, if the Instruction Letter states a minimum period for our instruction, notice to terminate may not be given so as to expire before the end of that period.
16.3 On termination of our instructions you will be liable to pay to us any outstanding disbursements and expenses and you will remain liable for any fees arising under Clauses 2, 3 and 5 of these Terms.
16.4 Notwithstanding termination of our agreement with you the provisions of Clauses 1 to 10, 12, 13, 14, 19, 20 and 21 shall remain in full force and effect.

17.0 MONEY LAUNDERING COMPLIANCE
We are required by law to operate procedures pursuant to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, which may include requesting that you provide us with documentary proof of identity, proof of address and/or proof of funding in relation to a particular transaction or instruction. You agree to comply with any such requests promptly. You also agree that we may, at our sole discretion and without obligation, give reliance on and/or provide the identity checks we have carried out on you to an agent acting for the counterparty involved in the transaction of the Property. Should you or your agents or advisers receive any information in respect of the counterparty involved in the transaction of the Property which we may require to comply with our legal obligations and which you are aware we have not otherwise received, you shall procure the provision of that information (and any changes in those details) to us upon our request or prior to exchange of unconditional contracts for the transaction of the Property whichever is the earlier.

18.0 COMPLAINTS AND INSURANCE

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

18.2 The details of our professional indemnity insurance as set out in the Provision of Services Regulations 2009 can be requested from a member of our staff who is dealing with the Services.

19.0 LAW AND JURISDICTION

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

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

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

20.0 RIGHTS OF THIRD PARTIES

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

21.0 NON-SOLICITATION

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

22.0 CONFLICTS OF INTEREST

You will inform us immediately if you are or become aware of any potential conflict which affects the Services. We may decline to act for you and/or terminate the Services if we consider that there is a conflict of interest.

23.0 REGULATED BY RICS

Colliers is regulated by RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for Firms and all other applicable mandatory professional practice requirements of RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Sara Duncan, Head of Valuation and Advisory Services, based at 50 George Street, London W1U 7GA.

Appendix 2

General Assumptions and Definitions

General Assumptions And Definitions

Unless otherwise instructed, our valuations are carried out in accordance with the following assumptions, conditions and definitions. These form an integral part of our appointment.

Our Report and Valuation is provided in accordance with the current edition of the RICS Valuation – Global Standards (Incorporating the IVSC International Valuation Standards) prepared by the Royal Institution of Chartered Surveyors (the "Red Book"), and with any agreed instructions. Any opinions of value are valid only at the valuation date and may not be achievable in the event of a future disposal or default, when both market conditions and the sale circumstances may be different.

Within the Report and Valuation, we make assumptions in relation to facts, conditions or situations that form part of the valuation We assume that all information provided by the addressee of the report, any borrower or third party (as appropriate) in respect of the property is complete and correct. We assume that details of all matters relevant to value, such as prospective lettings, rent reviews, legislation and planning decisions, have been made available to us, and that such information is up to date. In the event that any of these assumptions prove to be incorrect then we reserve the right to review our opinion(s) of value.

Valuation Definitions:

Market Value is defined in IVS 104 paragraph 30.1 as:

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

The interpretative commentary on Market Value, within the International Valuation Standards (IVS), has been applied.

Valuations produced for capital gains tax, inheritance tax and Stamp Duty Land Tax / Land and Buildings Transaction Tax purposes will be based on the statutory definitions, which are written in similar terms and broadly define Market Value as:

'The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price must not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time.'

Market Rent is defined in IVS 104 paragraph 40.1 as:

'The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

The appropriate lease terms will normally reflect current practice in the market in which the property is situated, although for certain purposes unusual terms may need to be stipulated. Unless stated otherwise within the report, our valuations have been based upon the assumption that the rent is to be assessed upon the premises as existing at the date of our inspection.

Investment Value or 'Worth', is defined in IVS 104 paragraph 60.1 as:

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

This is an entity-specific basis of value and reflects the circumstances and financial objectives of the entity for which the valuation is being produced. Investment value reflects the benefits received by an entity from holding the asset and does not necessarily involve a hypothetical exchange.

Fair Value is defined according to one of the definitions below, as applicable to the instructions.

Fair Value - International Accounting Standards Board (IASB) in IFRS 13.

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

Fair Value - UK Generally Accepted Accounting Principles (UK GAAP) adopts the FRS 102 definition:

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

Existing Use Value is defined in UKVS 1.3 of the Red Book:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business and disregarding potential alternative uses and any other characteristics of the asset that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.'

Special Assumptions

Where we are instructed to undertake valuations subject to a Special Assumption, these usually require certain assumptions to be made about a potential alternative use or status of the property. This is a hypothetical scenario that we consider realistic, relevant and valid as at the valuation date, but which may not necessarily be deliverable at a future date.

Reinstatement / Replacement Cost Assessment And Insurance

If we provide a reinstatement cost assessment, we do not undertake a detailed cost appraisal and the figure is provided for guidance purposes only. It is not a valuation in accordance with the Red Book and is provided without liability. It must not be relied upon as the basis from which to obtain building insurance.

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

Purchase And Sale Costs, Sdlt, Lbtt And Taxation

No allowance is made for legal fees or any other costs or expenses which would be incurred on the sale of the property. However, where appropriate, and in accordance with market practice for the asset type, we make deductions to reflect purchasers' acquisition costs. Trade-related properties are usually valued without deducting the costs of purchase. Where appropriate, purchasers' costs are calculated based on professional fees inclusive of VAT, together with the appropriate level of Stamp Duty Land Tax (SDLT) / Land and Buildings Transaction Tax (LBTT) / Land Transaction Tax (LTT).

Whilst we have regard to the general effects of taxation on market value, we do not take into account any liability for tax that may arise on a disposal, whether actual or notional, neither do we make any deduction for Capital Gains Tax, VAT or any other tax. We make no allowance for receipt or repayment of any grants or other funding.

Plans, Floor Areas And Measurements

Where a site plan is provided, this is for indicative purposes only and should not be relied upon. Site areas are obtained from third party sources, including electronic databases, and we are unable to warrant their accuracy. Our assumptions as to site boundaries / demise should be verified by your legal advisers. If any questions of doubt arise the matter should be raised with us so that we may review our valuation.

We obtain floor areas in accordance with our instructions. This may comprise one or more of the following approaches (i) we measure the floor areas during the property inspection (ii) we calculate floor areas from plans provided to us, supported by check measurements on site where possible, (iii) we rely upon floor areas provided. Under approaches (ii) and (iii), we wholly rely upon the information provided, and assume that the areas have been calculated in accordance with market standards. We are unable to provide any warranties as to accuracy.

Measurement is in accordance with the current edition of RICS Property Measurement. If we are instructed not to adopt International Property Measurement Standards (IPMS), measurements are provided in accordance with the latest version of the Code of Measuring Practice. We adopt the appropriate floor area basis for our valuation analysis to reflect the analysis of floor areas in the comparable transactions. Where the basis of analysis of a comparable is uncertain, we adopt a default assumption for that asset type.

Although every reasonable care is taken to ensure the accuracy of the surveys there may be occasions when due to tenant's fittings, or due to restricted access, professional estimations are required. We recommend that where possible, we are provided with scaled floor plans in order to cross-reference the measurements. In the event that a specialist measuring exercise is undertaken for the property, we recommend that a copy is forwarded to us in order that we may comment on whether there may be an impact on the reported value.

Floor areas set out in our report are provided for the purpose described in the Report and Valuation and are not to be used or relied upon for any other purpose.

Condition, Structure And Services, Harmful / Deleterious Materials, Health & Safety Legislation And Epcs

Our Report and Valuation takes account of the general condition of the property as observed from the valuation inspection, and is subject to access. Where we have noticed items of disrepair during the course of our inspections, they are reflected in our valuations, unless otherwise stated.

We do not undertake any form of technical, building or deleterious material survey and it is a condition of our appointment that we will in no way review, or give warranties as to, the condition of the structure, foundations, soil and services. Unless we are supplied with evidence to the contrary, we assume that the property is fully in compliance with building regulations and is fully insurable. We assume it is free from any rot, infestation, adverse toxic chemical treatments, and structural or design defects. We assume that none of the materials commonly considered deleterious or harmful are included within the property, such as,

inter alia, asbestos, high alumina cement concrete, calcium chloride as a drying agent, wood wool slabs as permanent shuttering, aluminium composite cladding material, polystyrene and polyurethane cladding insulation.

In the event that asbestos is identified in a property, we do not carry out an asbestos inspection, nor are we able to pass comment on the adequacy of any asbestos registers or management plans. Where relevant, we assume that the property is being managed in full compliance with the Control of Asbestos Regulations 2012 and relevant HSE regulations, and that there is no requirement for immediate expenditure, nor any risk to health.

We do not test any services, drainage or service installations. We assume that all services, including gas, water, electricity and sewerage, are provided and are functioning satisfactorily.

We assume that the property has an economic life span similar to comparable properties in the market, subject to regular maintenance and repairs in accordance with appropriate asset management strategies.

We comment on the findings of Energy Performance Certificates (EPCs) and Display Energy Certificates (DECs) if they are made available to us, but may be unable to quantify any impact on value. If we are not provided with an EPC, we assume that if one was available, its rating would not have had a detrimental impact upon our opinion value or marketability.

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

We do not test any alarms or installations and assume that the property complies with, and will continue to comply with, fire regulations and the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 legislation.

Where a specialist condition or structural survey is provided to us, we reflect the contents of the report in our valuation to the extent that we are able to as valuation surveyors, and our assumptions should be verified by the originating consultant. Should any issues subsequently be identified, we reserve the right to review our opinion of value.

Ground Conditions, Environmental Matters, Constraints And Flooding

We are not chartered environmental surveyors and we will not provide a formal environmental assessment. Our investigations are therefore limited to observations of fact, obtained from third party sources, such as local authorities, the Environment Agency and professional reports that may be commissioned for the valuation.

We do not carry out any soil, geological or other tests or surveys in order to ascertain the site conditions or other environmental conditions of the property. Unless stated to the contrary within the report, our valuation assumes that there are no unusual features that may be harmful to people or property, or that would inhibit the actual or assumed use or development of the property. This includes, inter alia: ground conditions and load bearing qualities, subterranean structures or services, contamination, pollutants, mining activity, sink holes, archaeological remains, radon gas, electromagnetic fields and power lines, invasive plants and protected species.

We do not undertake any investigations into flooding, other than is available from public sources or professional reports provided to us. Our findings are outlined in the report for information only, without reliance or warranty. We assume in our valuation that appropriate insurance is in place and may be renewed to any owner of the property by reputable insurers at reasonable market rates. If, for any reason, insurance would be difficult to obtain or would be subject to an abnormally high premium, it may have an effect on value.

Should our enquiries or any reports indicate the existence of environmental issues or other matters as described above, we expect them to contain appropriate actions and costings to address the issue. We rely on this information and use it as an assumption in our valuation. If such information is not available, we may not be able to provide an opinion of value.

We assume that the information and opinions we are given in order to prepare our valuation are complete and correct and that further investigations would not reveal more information sufficient to affect value. However, a purchaser in the market may undertake further investigations, and if these were unexpectedly to reveal issues, then this might reduce the values reported. We recommend that appropriately qualified and experienced specialists are instructed to review our report and revert to us if our assumptions are incorrect.

Plant And Machinery, Fixtures And Fittings

We disregard the value of all process related plant, machinery, fixtures and fittings, and those items which are in the nature of occupiers' trade fittings and equipment. We have regard to landlords' fixtures such as lifts, escalators, central heating and air conditioning forming an integral part of the buildings.

Where properties are valued as an operational entity and includes the fixtures and fittings, it is assumed that these are not subject to any hire purchase or lease agreements or any other claim on title.

No equipment or fixtures and fittings are tested in respect of Electrical Equipment Regulations and Gas Safety Regulations and we assume that where appropriate all such equipment meets the necessary legislation. Unless otherwise specifically mentioned the valuation excludes any value attributable to plant and machinery.

Operational Entities

Where the properties are valued as an operational entity and reference is made to the trading history or trading potential of the property, we place reliance on information supplied to us. Should this information subsequently prove to be inaccurate or unreliable, the valuations reported could be adversely affected. Our valuations do not make any allowance for goodwill.

Title, Tenure, Occupational Agreements And Covenants

Unless otherwise stated, we do not inspect the Land Registry records, title deeds, leases or related legal documents and, unless otherwise disclosed to us, we assume good and marketable title that is free from onerous or restrictive covenants, rights of way and easements, and any other encumbrances or outgoings that may affect value. We disregard any mortgages (including regulated mortgages), debentures or other charges to which the property may be subject.

We assume that any ground rents, service charges other contributions are fair and proportionate, and are not subject to onerous increases or reviews.

Where we have not been supplied with leases, unless we have been advised to the contrary, we assume that all the leases are on a full repairing and insuring basis and that all rents are reviewed in an upwards direction only, at the intervals notified to us, to market rent. We assume that no questions of doubt arise as to the interpretation of the provisions within the leases giving effect to the rent reviews. We assume that wherever rent reviews or lease renewals are pending, all notices have been served validly within the appropriate time limits, and they will be settled according to the assumptions we set out within the reports.

Unless informed otherwise, we assume that all rents and other payments payable by virtue of the leases have been paid to date and there are no arrears of rent, service charge or other breaches in the obligations of occupation.

In the case of property that is let, our opinion of value is based on our assessment of the investment market's perception of the covenant strength of the occupier(s). This is arrived at in our capacity as valuation surveyors on the basis of information that is publicly available. We are not accountants or credit experts and we do not undertake a detailed investigation into the financial status of the tenants. Our valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation, and the market's general perception of their creditworthiness. We provide no warranties as to covenant strength and recommend that you make your own detailed enquiries if your conclusions differ from our own.

Where we are provided with a report on title and/or occupational agreement, we form our opinion of value reflecting our interpretation of that title. Your legal advisers should review our understanding of the title and confirm that this is correct.

Planning, Licensing, Rating And Statutory Enquiries

We undertake online planning enquiries to the extent that we consider reasonable and appropriate to the valuation. We do not make formal verbal or written enquiries to local authorities. If a professional planning report is provided to us, we will take the findings into account in our valuation but will not be accountable for the advice provided within it, nor any errors of interpretation or fact within the third party report.

We assume that the property is constructed, used and occupied in full compliance with the relevant planning and building regulation approvals and that there are no outstanding notices, conditions, breaches, contraventions, non-compliance, appeals, challenges or judicial review. We assume that all consents, licenses and permissions are in place, that there are no outstanding works or conditions required by lessors or statutory, local or other competent authorities, and that no adverse planning conditions or restrictions apply. If we are instructed to value property on the Special Assumption of having the benefit of a defined planning permission or license, we assume that it will not be appealed or challenged at any point prior to, or following, implementation.

Our investigations are limited to identifying material planning applications on the property and observable constraints. We seek to identify any proposals in the immediate vicinity that may have an impact on the property, such as highway proposals, comprehensive development schemes and other planning matters.

We seek to obtain rateable values and council tax banding from the statutory databases, where available. The 2017 rating revaluation has resulted in some significant increases in rateable values. This may have an impact on the marketability and value of a property, and on vacancy rates or landlord non

recoverable costs. However, unless there is evidence to the contrary, we will make the express assumption that any changes are affordable to occupiers, or will be subject to appropriate transitional relief. We do not reflect the impact of any rating appeals in our valuations unless they are formally concluded.

Given that statutory information is obtained from third party sources, we are unable to provide any warranty or reliance as to its accuracy. Your legal advisers should verify our assumptions and revert to us if required.

Valuations Assuming Development, Refurbishment Or Repositioning

Unless specifically instructed to the contrary, where we are provided with development costs and construction schedules by the addressee, a borrower or an independent quantity surveyor, we rely on this information as an assumption in arriving at our opinion of value. It forms an assumption within our valuation and we accept no liability if the actual costs or programme differ from those assumed at the valuation date.

We are not quantity surveyors and provide no reliance as to construction costs or timescale. Irrespective of the source of this information, a professional quantity surveyor should review our assumptions and revert to us if there are any issues of doubt, so that we may review our opinion of value.

We additionally assume that a hypothetical market purchaser will have the necessary resources, skills and experience to deliver the proposed development. It is not within our scope to assess the credentials of any actual purchaser, owner or developer of the property that is subject to our valuation. We accept no liability for any circumstances where a development or refurbishment does not achieve our concluded values.

If a property is in the course of development, our valuation assumes that the interest will be readily assignable to a market purchaser with all contractor and professional team warranties in place. Where an opinion of the completed development value is required, we assume that all works are completed in accordance with appropriate statutory and industry standards, and are institutionally acceptable.

Alternative Investment Funds

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

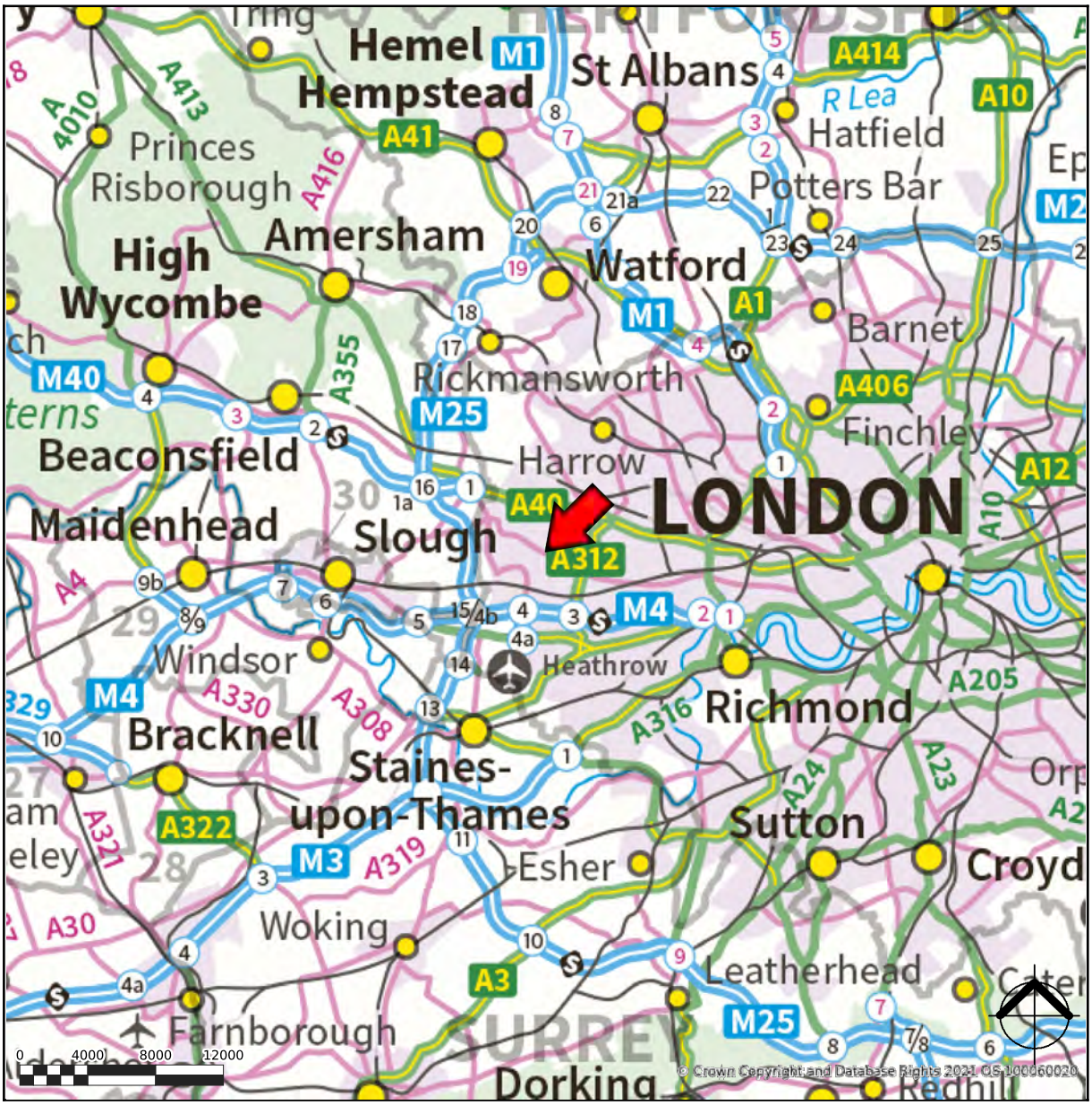
Interpretation And Comprehension Of The Report And Valuation

Real estate is a complex asset class that carries risk. Any addressee to whom we have permitted reliance on our Report and Valuation should have sufficient understanding to fully review and comprehend its contents and conclusions. We strongly recommend that any queries are raised with us within a reasonable period of receiving our Report and Valuation, so that we may satisfactorily address them.

Appendix 3

Location and Site Plans

Units 1 and 2,Hayes End Road, Hayes, UB4 8EH



created on edozo

Plotted Scale - 1:400,000

This map is published for convenience of identification only and although believed to be correct, is not guaranteed and it does not form any part of any contract

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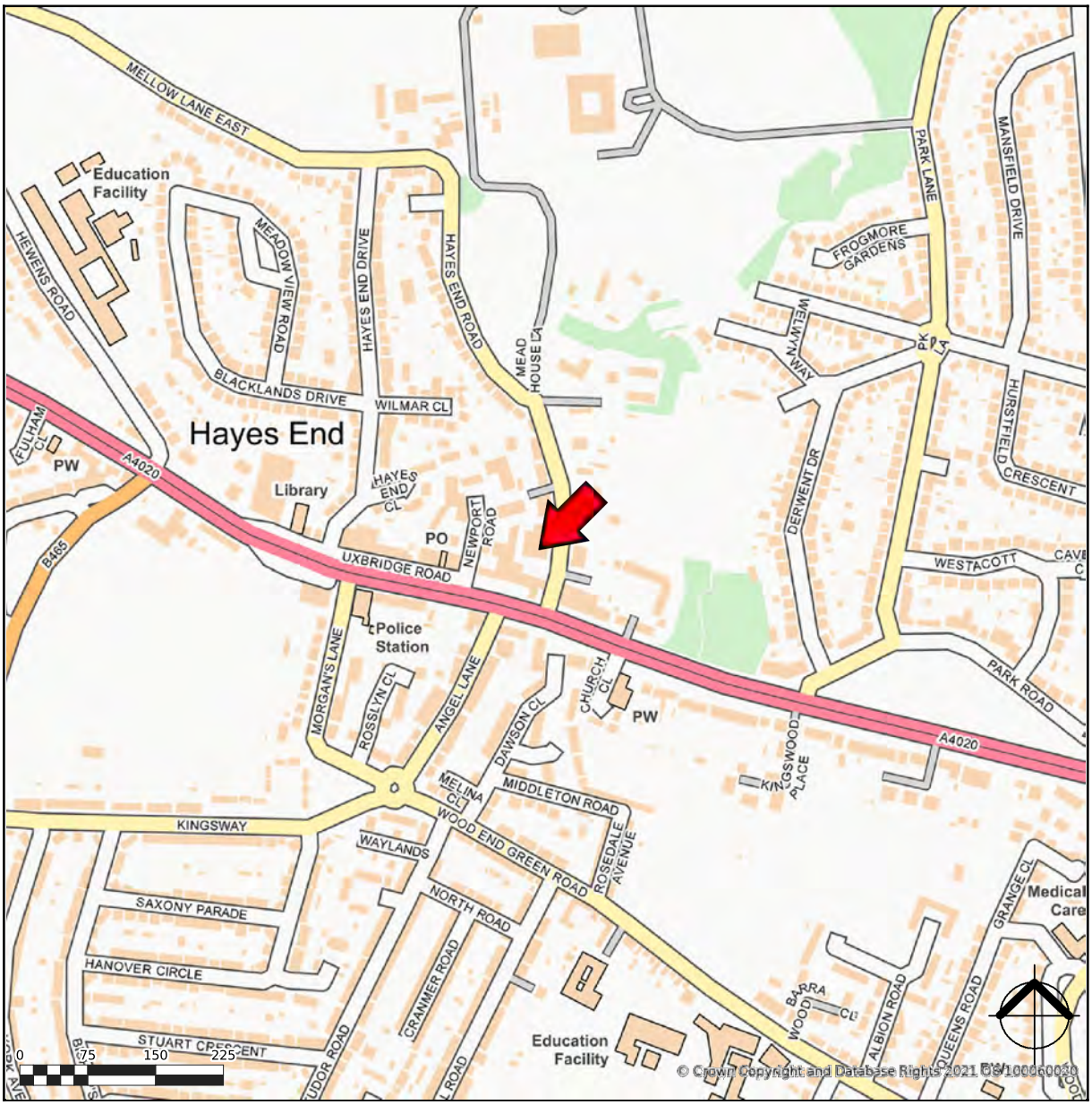
Units 1 and 2, Hayes End Road, Hayes, UB4 8EH



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Plotted Scale - 1:7,500

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Units 1 and 2, Hayes End Road, Hayes, UB4 8EH



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Plotted Scale - 1:1,250

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Appendix 4

Valuation Printout

Summary Valuation (Amounts in GBP, Measures in SF)

Valuation Date: 28/06/2021

Property

Address	Unit 1 and 2, Hayes End Road, Hayes, UB4 8EH
External ID	

Gross Valuation			1,671,600
Capital Costs			0
Net Value Before Fees			1,671,600
Less English Stamp	@4.33%	Stamp Duty	68,250
Agents fees	@1.00%	Net Sale Price	18,900
Legal fees	@0.50%	Net Sale Price	9,450
Fees include non recoverable VAT @ 20.00%			
Net Valuation			1,575,000
Say			1,575,000

Equivalent Yield	5.997%	True Equivalent Yield	6.2095%
Initial Yield (Valuation Rent)	2.9313%	Initial Yield (Contracted Rent)	2.9313%
Reversion Yield	6.5506%		
Total Valuation Rent	49,000	Total Contracted Rent	49,000
Total Rental Value	109,500	Number of Tenants	2
Capital Value Per Area	134		

Running Yields

Date	Gross Rent	Revenue Cost	Ground Lease Expenses	Net Rent	Annual	Quarterly
28/06/2021	49,000	0	0	49,000	2.9313%	2.9858%
20/02/2022	0	0	0	0	0.0000%	0.0000%
28/12/2022	53,250	0	0	53,250	3.1856%	3.2500%
20/08/2023	109,500	0	0	109,500	6.5506%	6.8278%

Yields Based On Say Value + Acq.Costs + Cap.Ex

Tenants

Tenant Name	Suite	Lease ID	Next Review	Earliest Termination	CAP Group	Method	Contracted Rent	Valuation Rent	Rental Value	Gross Value	Initial Yield	Initial Yield (Contracted)	Equivalent Yield	Reversionary Yield
Vacant		1		27/12/2027	Override	Hardcore (5.997%)	0	0	53,250	813,664	0.0000%	0.0000%	5.9970%	6.5445%
Brandon Hire Ltd		2		19/02/2022	Override	Hardcore (5.997%)	49,000	49000	56,250	857,936	5.7114%	5.7114%	5.9970%	6.5564%

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