



**ANDREW
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CHARTERED SURVEYORS**

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4th July 2019

Mr Ian Nolan
Sales & Marketing Officer
London Borough of Havering
Main Road
Romford
Essex
RM1 3BB

Dear Mr Nolan

Re: 4 White Hart Lane, Romford RM7 8LJ - Valuation

Further to your recent instructions, I have pleasure in enclosing my findings in relation to the valuation carried out on the above property.

I confirm the following valuation has been carried out in accordance with the Practice Statements in the RICS Appraisal and Valuations Standards.

An inspection of the property was undertaken by Andrew Chater, FRICS on Tuesday, 25th June 2019. The weather at the time of the inspection was dry and sunny.

1. Terms And Conditions Of Engagement

Instructions were received by way of an email dated 21st June issued by Mr Ian Nolan on behalf of London Borough of Havering.

The report has been prepared for the purposes of providing valuation advice to assist the client in connection with their programme of acquiring residential stock, to be used for temporary accommodation.

The valuation has been prepared on the basis of a current market capital value, and also a market rental basis, both of which are defined later in the report.

The assumed date of valuation is as at the date of this report.

2. Disclosure And Conflicts Of Interest

There are no conflicts of interest to be disclosed.



3. Situation, Description And Type Of Property

The property comprises a ground floor maisonette in a 2 storey block of 4 identical (assumed) dwellings.

The property forms part of a local authority estate, at the intersection of White Hart Lane and Mawney Road. It fronts a main road with a bus stop directly outside, providing good connections to local amenities and Romford Town Centre which is approximately 2 miles away.

4. Construction

The building appears to be of traditional brick construction surmounted by a pitched and tiled roof, although a detailed building survey has not been undertaken.

There are replacement double glazed windows, but these are dated aluminium frame in timber surround.

5. Accommodation

The property has its own front door and pathway approach. Internally, the accommodation with dated electrical storage heating on one level is as follows:

Central entrance hall, living room, basic kitchen, two bedrooms, dated bathroom with WC.

Outside the flat benefits from a long private enclosed rear garden with brick shed. There are no apparent off street parking facilities.

6. General Repair and Condition

As agreed, a detailed structural and building survey has not been undertaken. With reference to the copy lease provided, the maintenance and repair of the external envelope of the building is the responsibility of the freeholder.

Internally, the flat is presented in a clean and tidy condition, but one should expect marked wall surfaces when furniture and personal effects are removed.

The kitchen units and bathroom suite are functional, but dated.

7. Services

All mains services are connected and the property. Heating is by way of electric storage radiators throughout the whole of the property.

Hot water is also supplied directly by the gas fired appliance in the kitchen. No tests have been carried out on any of the services.

8. Environmental Matters

I have not made any enquiries, and I am not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property, which may draw attention to any contamination or possibility of any contamination. In undertaking my work, I have assumed no contaminative or potential contaminative uses have ever been carried out on the property or land.

9. Tenure And Tenancies

Unless otherwise stated, I have relied upon the information which has been provided to me by the instructing party. The property is currently “owner occupied” and the valuation has been made on the assumption of vacant possession upon completion of the intended purchase.

The flat is subject to lease dated 2nd July 1984 for a term of 125 years from July 1984 at an annual ground rent of £10.00. Therefore the unexpired residue is approximately 90 years.

10. Valuation And Methodology

Market Value (Capital Value)

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

Market Value (Open market rental)

Open Market rental value is the estimated amount for which a property or space within a property should lease on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms, in an arm's length transaction, after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The valuations have been prepared in accordance with normal practice taking into account comparable evidence and current market conditions. In determining my opinion of market values, I have had regard to the comparison method of valuation.

I have carried out my usual research and enquiries and I have had discussions with local agents and analysed the existing market commentaries and data in determining my opinion as to the applicable market values and rent of the subject property. Information has also been sought from internal records.

Specific comparable information used in formulating my opinion of value have been included within the schedules contained within the appendices.

11. Valuation

There is limited documented evidence specifically within this immediate section of White Hart Lane and therefore it has been necessary to also look at other sales slightly further afield.

Evidence Schedule A refers to similar sized, former local authority flats. All the comparables have been modernised with new kitchen and bathrooms, and have gas fired radiator central heating. The average price for a modernised flat is in the order of £260,000.

As previously highlighted, the present condition of the subject property requires some attention. It is assumed a purchaser would wish to fit radiator gas central heating with a new combi boiler, and the kitchen needs to be refitted with extra power sockets suitable for modern family usage.

Taking into account all the relevant factors and the available evidence collated to date, I am therefore of the opinion that the Market Value with the benefit of vacant possession at today's date is in the order of **£250,000 (Two Hundred and Fifty Thousand Pounds)**.

Evidence Schedule B refers to two bedroom flats currently available to rent within a quarter mile radius of this post code. In the vast majority of these cases, the premises are presented with modern clean decorations, and are carpeted.

Having regard to the valuation assumptions as discussed in the email exchange with Ian Nolan on 8th May, I consider the subject property in its present condition would achieve an exclusive rental in the order of **£ 950.00 (Nine hundred and Fifty pounds) per calendar month**.

CAVEAT

It is essential to factor in the local housing market which is presently in a state of flux, making an accurate valuation very difficult. The RICS Red Book requires a valuer to identify situations where a reduced level of certainty should be attached to their valuation (Guidance Note 9).

Wide variations in property prices have been reported by fellow valuers and local estate agents, and together with the lack of documented sales of similar flats must be due to the caution and uncertainty in advance of influencing factors due to take place over the next few months (*Brexit and Government votes, second Referendum ?, General election ? potential further interest rate increases,.....*).

In summary, I must advise that under the present circumstances, I have less confidence than usual in the probability of the stated valuation figure coinciding with a price that might be achievable on an actual sale.

12. Provisos

I confirm that my valuation has been prepared in accordance with the appraisal and valuation manual issued by the RICS (The Redbook) and has taken into account the following:

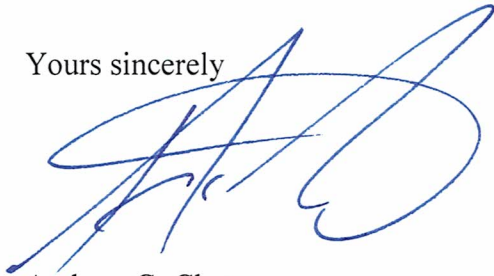
1. That good title can be shown and that the property is not subject to any encumbrances, unusual or owner's restrictions or covenants and is free from mortgages, debentures or other charges.
2. That the property is unaffected by any Statutory Notices nor that its use gives rise to a contravention of any statutory requirements.
3. I have not carried out structural survey or opened up the construction in order to make a detailed examination, and no tests have been made at the drains, electrical or gas installations, hot or cold water systems or any other services. No inspection has been made at the woodwork or other parts of the structure and I am, therefore, unable to report that such parts of the property are free from defects.
4. I have not arranged for any investigations to be carried out to determine whether or not high alumina cement, concrete or calcium chloride additive or any other potentially deleterious material (including asbestos) has been used in the construction of this property or has since been incorporated and, therefore, I am unable to report that the property is free from such risks in this respect. The purpose of this valuation, I have assumed that such investigation would not disclose the presence of any such material in any adverse condition.
5. Neither the whole nor any part of this valuation report nor any reference thereto maybe included in a published document, circular or statement nor published in any way without the prior written approval of Andrew Chater & Co. Ltd.

6. This report is for the use of the party to whom it is addressed and should only be used within the context of the instructions under which it is prepared. No responsibilities accepted to any third party for the whole or any part of its contents.
7. I have not made any enquiries and I am not aware of the content of any environmental audit or other investigation or soil survey which may have been carried out in the property which may draw attention to any contamination or possibility of any such contamination.

13. Summary

I trust that the above report is satisfactory for your requirements, but should you require clarification or further elaboration on any particular aspect, please do not hesitate to contact the undersigned.

Yours sincerely



Andrew G. Chater
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