

VALUATION AND ASSESSMENT OF COMPENSATION ARISING FROM COMPULSORY PURCHASE

In respect of
**115 Waterloo Road
Romford
Essex
RM7 0AA**

for
**London Borough of Havering
Town Hall
Main Road
Romford
RM1 3BD**

by
**Ardent
113 Print Rooms
164-180 Union Street
London
SE1 0LH**

date
13th June 2019

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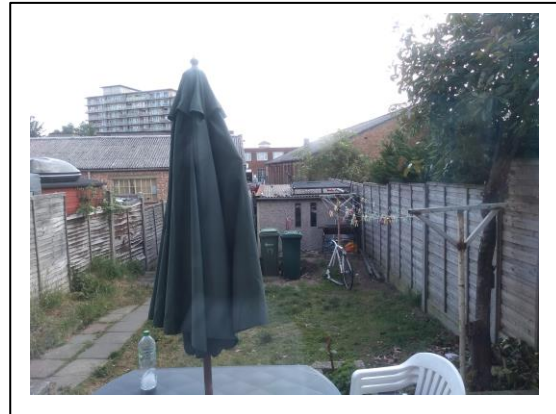
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EXECUTIVE SUMMARY



Property	115 Waterloo Road, Romford, Essex, RM7 0AA
Date of Valuation	3 rd June 2019
Location	The Property is situated within the London Borough of Havering, and lies 0.6 km (0.4 miles) south of Romford town centre and approximately 0.6 km (0.4 miles) north of Queens Hospital. The M25 is approximately 8km (5 miles) to the northeast.
Description	The Property forms part of a row of terraced houses, situated along Waterloo Road dating from the 1930's. On the ground floor, the Property provides a living room / lounge to the front, with a separate dining room and kitchen to the rear facing the garden. The first floor has two double bedrooms (one fronting Waterloo Road and the other facing the rear garden, with a single bedroom to the front of the Property.
Tenure	Freehold
Basis of Valuation	MV1: Market Value
Market Value MV1 Vacant Possession	£340,000 - £370,000 (Three Hundred and Forty Thousand Pounds to Three Hundred and Seventy Thousand Pounds)

Our ref: DT/Ardent/115 Waterloo Road/LBH

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13th June 2019

London Borough of Havering
Town Hall
Main Road
Romford
Essex
RM1 3BD

Dear Sirs

RE: Valuation and assessment of Compensation Arising from Compulsory Purchase

Property: 115 Waterloo Road, Romford Essex, RM7 0AA ('the Property')
Client: London Borough of Havering

In accordance with your instructions to provide a report and estimate of compensation, we inspected the Property on Monday 3rd June 2019 following which we have made the relevant enquiries and have the pleasure in reporting the following:

1.0 INSTRUCTIONS AND BACKGROUND

We understand that 115 Waterloo Road, together with the remaining properties along Waterloo Road form part of the Bridge Close development area.

We understand that on 15th June 2016, the London Borough of Havering agreed that the redevelopment of Bridge Close was to be taken forward as part of the Council's wider regeneration ambitions for Romford Town centre, consistent with its Housing Zone Status.

On 15th November 2017, the Cabinet of the London Borough of Havering approved a joint venture between the Council and First Base in order to ensure that the highest quality of development is delivered at Bridge Close.

To enable the redevelopment plans to come forward; the Council has resolved to negotiate the purchase of land and property within the proposed development area and, if necessary, use its Compulsory Purchase powers.

2.0 LOCATION

The Property is situated within the London Borough of Havering, and lies 0.6 km (0.4 miles) south of Romford town centre and approximately 0.6 km (0.4 miles) north of Queens Hospital. The M25 lies approximately 8 km (5 miles) to the northeast. A Location Plan is attached at Appendix A.

Although the Property forms part of a residential terrace, it immediately adjoins the Bridge Close industrial area. Waterloo Road (A125) is a dual carriageway that forms part of the Romford town centre ring road.

Usual amenities, including local shops, schools, and transport links are within easy access. In particular the Property benefits from the proximity of Romford town centre and Romford railway station. Romford Station lies on the Liverpool Street mainline which provides access to the Elizabeth Line (Crossrail) that opened between Shenfield and Liverpool Street in 2017.

3.0 DESCRIPTION AND CONSTRUCTION

The Property forms part of a row of terraced houses, situated along Waterloo Road dating from the 1930s.

The Property is an end-of-terraced brick built, pebbledash rendered house with a pitched roof benefiting from access to a front and rear garden. There is a single bay, cast concrete garage, under a slight pitched roof at the rear of the property with access to Bridge Close. On the ground floor, the house provides a living room to the front, a dining room and separate kitchen to the rear of the property facing the garden. The first floor includes three bedrooms (two double and one single) with a separate family bathroom and wc. The house has a Gross Internal Area (GIA) of approximately 76.57 sq m (824 sq ft).

The Property is carpeted throughout, with the exception of the kitchen, bathroom and wc where vinyl and laminate flooring is fitted. The Property is in generally average condition and decorative order. The kitchen and bathroom are in generally good order albeit relatively dated. All internal walls are painted with the exception of the bathroom and kitchen that are part tiled. Windows and external doors are uPVC double-glazed throughout.

All mains services are connected and the property benefits from gas fired central heating which serves radiators throughout the house.

For reference, photographs are attached at Appendix C.

4.0 CONDITION

We have not carried out a building survey nor have we inspected those parts of the Property which are covered, unexposed or inaccessible and such parts have been assumed to be in good repair and condition. However, during our inspection, the flank wall to the first floor landing area is cracking. As such, we would recommend for a building surveyor or structural engineer to undertake an inspection to advice on this matter accordingly.

We cannot express an opinion about, or advice upon, the condition of uninspected parts and this report should not be taken as making any implied representations or statement about such parts.

Internally, the property is in fair to average order, with some minor decorative defects noticeable in sections of the accommodation.

5.0 COUNCIL TAX ENQUIRIES

We have made online enquiries of the Valuation Office Agency which states that the Property entered in the Council Tax list as falling within band C, with an annual charge of £1,536.59.

6.0 TENURE

The absolute freehold of the Property is held by Shukri Khalid Shami (the 'Owner') and is registered under Title number EGL113191. A copy of the Land Registry extracts is attached at Appendix B.

7.0 OPEN MARKET VALUE

Method

Our primary method of valuation has been to have regard to comparable market evidence of similar build types that are in relative proximity to the subject property.

In reaching our opinion of the compensation to be paid for the Open Market Value of the property, we have had regard to the provisions of Rule 2, Section 5, of the 1961 Act, which states that:

'The value of the land shall, subject as hereinafter provided, be taken to be the amount which the land if sold in the open market by a willing seller might be expected to realise.'

Comparable Sales

Recent sales involving comparable three bed properties in the immediate and wider area shows that values for houses of a similar type to the Property have sold for between £325,000 and £395,000.

A schedule of comparable sales evidence is attached at Appendix D.

Opinion of Value

Having regard to the comparable evidence referred to, we are of the opinion that the Open Market Value of the freehold interest in the Property, assessed pursuant to Rule 2, Section 5 of the Land Compensation Act 1961, is in the range of £340,000 - £370,000 (**Three Hundred and Forty Thousand to Three Hundred and Seventy Thousand Pounds**).

Basic Loss Payment

Section 33 A (1) Land Compensation Act 1973 stipulates that a person with a qualifying interest in land that is compulsorily acquired, and who is not entitled to a Home Loss Payment is entitled to a Basic Loss Payment. The payment is the lower of 7.5% of the value of the interest up to a maximum of £75,000.

We understand that the Property is currently let and as such the Freeholder would, in the event of compulsory acquisition, be entitled to a Basic Loss Payment equating to 7.5% of the Market Value of his interest.

In line with our opinion of the Open Market Value of the Property, we believe that in the event of compulsory acquisition the Owners would be entitled to a Basic Loss Payment of between £25,500 to £27,750 (**Twenty Five Thousand, Five Hundred Pounds to Twenty Seven Thousand, Seven Hundred and Fifty Pounds**).

Reinvestment

In addition to compensation reflective the Open Market Value of the property interest, landowners who are not in occupation, subject to compulsory acquisition are entitled to compensation for costs incurred in purchasing an alternative UK property investment within 12 months of the compulsory acquisition.

The amount of compensation paid for re-investment costs will depend on the particular circumstances of the Property's owner, but would normally include SDLT, solicitor's fees and surveyor's fees. Having regard to our opinion of open market value, we would estimate re-investment cost compensation to be in the region of **£23,000 to £25,000**.

Professional Fees

Landowners and occupiers affected by compulsory acquisition are entitled to claim compensation for any fees reasonably incurred in negotiating their compensation claim. This might include the cost of valuations for existing dwellings and/or surveyors' fees incurred in negotiating the claim. It may also involve fees for legal advice.

We believe an initial cap of £2,500 + vat for professional fees to be reasonable in this case.

Summary

Having regard to the above, we would estimate your realistic entitlement to compensation in the event of compulsory acquisition would be in the order of:

<i>Open Market Value:</i>	£340,000 - £370,000
<i>Basic Loss Payment:</i>	£25,500 - £27,750
<i>Reinvestment Costs:</i>	£23,000- £25,000
<i>Professional Fees:</i>	Initial cap £2,500 +VAT
Total:	£391,000- £425,250

16.0 GENERALLY

We trust that this report is sufficient for your present purposes and we must state that our valuation has been based upon the limited information available to us and the limited investigations we have been able to undertake since receipt of the instructions.

We have not carried out a structural survey nor have we inspected woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are therefore unable to report that any such part of the property is free from defect.

We have not arranged for any investigation to be carried out to determine whether or not any deleterious or hazardous material has been used in the construction of this property, or has since been incorporated, and we are therefore unable to report that the property is free from risk in this respect. For the purpose of this valuation, we have assumed that such investigation would not disclose the presence of any such material to any significant extent.

We have excluded from our opinion of value any amount attributable to trade furnishings, fixtures and fittings unless stated otherwise.

We have assumed that the property is unaffected by any statutory notice and that neither the property nor its use or its intended use give rise to a contravention of any statutory requirement.

No allowance has been made in the above valuation for any tax, VAT or expenses which may be incurred as a result of the disposal of the property.

This report is confidential to the client for the specific purpose to which it refers. It may be disclosed to other professional advisers assisting the client in respect of that purpose but the client shall not disclose the report to any other person.

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

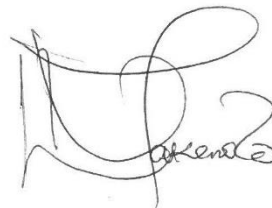
We trust that this report is sufficient for your purposes, but should you require any further advice then please do not hesitate to contact us using the details provided

Yours faithfully

Countersigned:

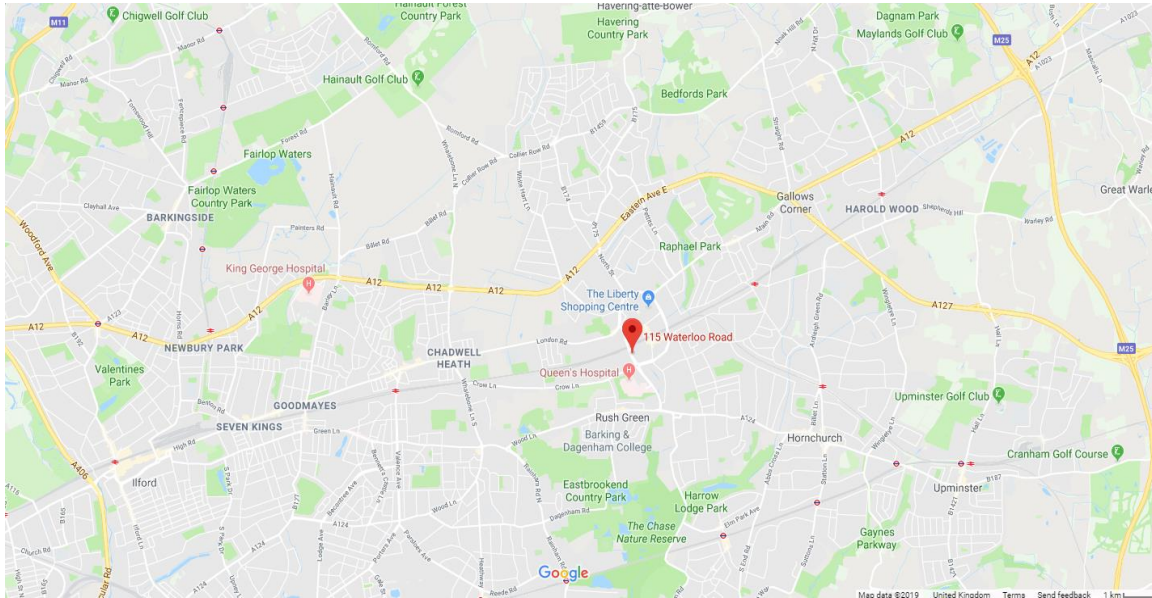


Dimitris Themistocli MRICS
Senior Surveyor
For and on behalf of Ardent

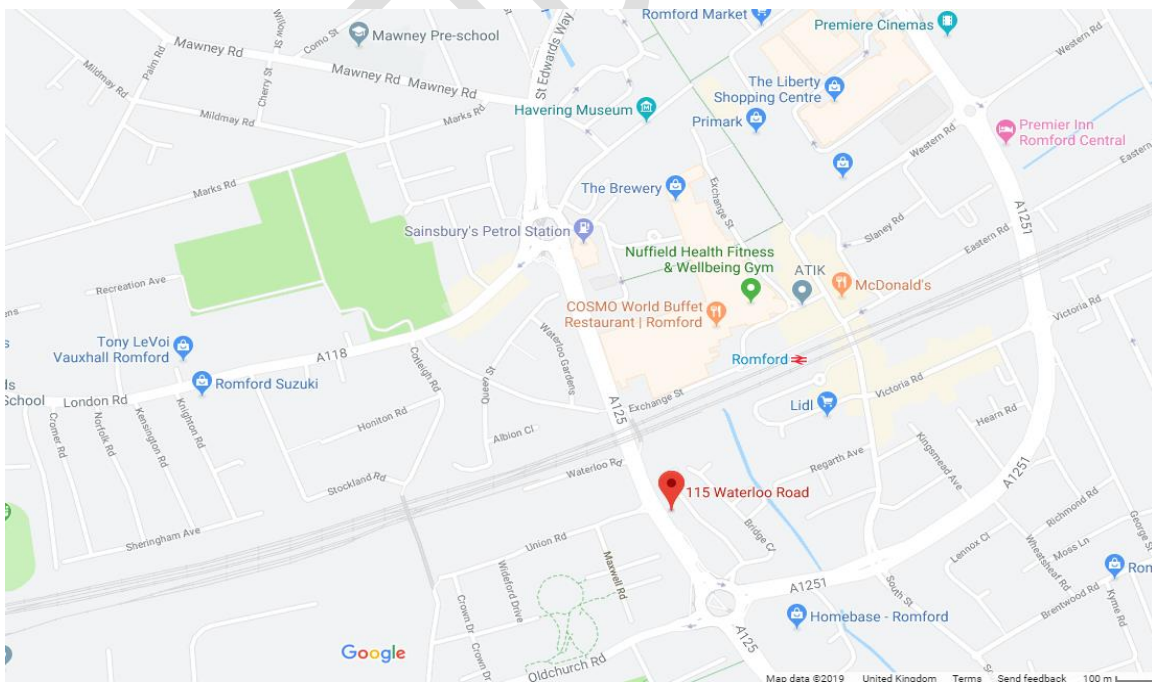


Fahad Nakendo MRICS
Associate Director
For and on behalf of Ardent

Appendix A – Location Plan



Not to scale, Source Google Maps



Not to scale, Source Google Maps

Appendix B

Land Registry Title Extract/ Plan

CONFIDENTIAL

Appendix C – Photographs

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Appendix D – Schedule of Comparable Transactions

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