

# TAYLOR HARVEY

Chartered Surveyors

32-34 SWINTON STREET  
KINGS CROSS  
LONDON  
WC1X 9NX

FREEHOLD  
VALUATION REPORT

AUGUST 2006

<b>EXECUTIVE SUMMARY</b>
<b>MARKET VALUE</b>
<b>£2,700,000</b> <b>(TWO MILLION SEVEN HUNDRED THOUSAND POUNDS)</b>
<b>OPEN MARKET RENTAL VALUE</b>
<b>£200,000</b> <b>(TWO HUNDRED THOUSAND POUNDS) per annum</b>
This information should be read in conjunction with and subject to the contents of the Valuation Report dated 15 August 2006.





Chartered Surveyors

Nationwide Building Society  
Commercial Division  
Nationwide House  
Pipers Way  
Swindon  
SN3 R 2LN

**David Rees**  
**Assistant Lending Manager**

Our ref: WCP/EW/P06

15 August 2006

Dear Sirs

**32-34 Swinton Street, Kings Cross, London WC1X 9NX**  
**Bellview Charitable Trust**

I confirm your instructions dated 10 August 2006, requesting a report and valuation in respect of the above Freehold property. I inspected the property on 8 August 2006 and received the engineers report on the 17 August 2006 and I report as follows.

I understand this valuation is required for secured lending purposes.

The weather at the time of my inspection was clear and dry following a dry spell.

My inspection and this report and valuation have been prepared in accordance with the appropriate Practice Statements, Guidance Notes and Appendices of the Appraisal and Valuation Standards, Fifth Edition issued by the Royal Institution of Chartered Surveyors ("The Red Book").

This valuation report has been prepared by Warren C. Penfold, BSc, MRICS acting as an Independent Valuer as defined in "The Red Book".

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Mark Taylor FRICS IRRV  
Nicholas J. Gill BSc. (Hons.) MRICS  
Warren C. Penfold BSc. MRICS

Consultant  
Harvey Cohen FRICS

Neither Warren Penfold nor Taylor Harvey have any conflict of interest in relation to this particular property or the applicant.

Taylor Harvey have in place the appropriate Professional Indemnity Insurance to undertake the professional valuation required on this occasion. A copy of our Verification of Insurance Certificate is available upon request.

In accordance with your instructions the date of valuation is the date of this report.

Included within Appendix I is a copy of your Letter of Instruction.

## **1 Description**

- 1.1 The property comprises an end of terrace period constructed building together with additional mews building to the side and rear. The property would have originally comprised a substantial single dwelling house although have been subsequently converted into twenty self contained residential units.
- 1.2 A photograph of the front elevations is included within Appendix II.
- 1.3 The property was occupied by tenants throughout at the time of my inspection.

## **2 Location**

- 2.1 The property fronts the northern side of Swinton Street within an established residential area comprising period built houses the majority of which have been converted into flats.
- 2.2 Swinton Street forms part of a network of roads on a northern extremity of

the London Congestion Charge Zone to the immediate south of Kings Cross and St Pancras. The area is bounded by Pentonville in the north and Clerkenwell in the south. Kings Cross Centre is approximately two hundred metres north and provides comprehensive shopping facilities including national retailers.

- 2.3 Local road communications are provided the A5200 Gray's Inn Road which leads northwards into Kings Cross Centre providing access to the A501/A40 arterial route which leads eastwards into the Angel, Finsbury and Old Street and westwards towards Euston and Regents Park. The A40 leads westwards out of London and towards national motorway networks
- 2.4 Public transport facilities are provided by Kings Cross Station and the area is well served by local bus routes.
- 2.5 A location plan is included within Appendix III.

### **3 Accommodation**

- 3.1 The accommodation is arranged over four floors as follows.

3.2 32 Swinton Street  
Lower Ground Floor

Accessed via communal entrance at ground floor level and internal hallway and staircase.

Flat 1

Studio flat dimensions of 4.2m x 4.9m

Kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 1 has a private secondary entrance to the front elevation.

Flat 2

Reception room 4.5m x 3.3m

Bedroom area 3.8m x 2.2m

Kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 2 has access to a shared rear terrace.

Flat 3

Living area 2.4m x 4.6m with shower and separate w.c. compartment.

Sleeping/kitchen dining area 2.5 x 2.7m with access to a shared rear terrace.

3.3 Ground Floor

Accessed via entrance to front elevation and internal hallway.

Flat 4

Studio flat 2.8m x 4.7m with kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 5

Studio flat 4.5m x 3.3m with kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 6

Studio flat 4.2m x 4.4m with kitchenette and shower room (with shower, wash hand basin and w.c.).

3.4 First Floor

Accessed via communal entrance, staircase and landing and arranged to provide the following.

Flat 7

Studio flat 2.6m x 4.7m with kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 8

Studio flat 4.5m x 3.3m with kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 9

Studio room 5m x 4.4m with kitchen and shower room (with shower, wash hand basin and w.c.).

3.5

Second Floor

Accessed via communal entrance, staircase and landing and arranged to provide the following.

Flat 10

Studio flat 2.6m x 4.7m with kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 11

Studio flat 4.5m x 3.3m with kitchenette and shower room (with shower, wash hand basin and w.c.).

Flat 12

Studio room 5m x 4.4m with kitchen and shower room (with shower, wash hand basin and w.c.).

3.6 34 Swinton Street

Accessed via communal entrance lobby and internal yard arranged to provide to following.

3.7 Lower Ground Floor

Accessed via private entrance to front elevation and arranged to provide.

Flat 13

Studio room 4m x 5m with kitchen and shower room (with shower, wash hand basin and w.c.).

Flat 14

Accessed via communal entrance to ground floor and internal staircase and arranged to provide.

Living/bedroom 3.3m x 4.5m

Kitchen/diner 2.6m x 4.6m

Shower room with w.c. and wash hand basin.

Flat 14 has access to a shared rear terrace.

3.8 Ground Floor

Accessed to communal entrance to front elevation and arranged to provide.

Flat 15

Studio Room 3.8m x 3.7m with kitchenette and shower room (with shower, wash hand basin and. w.c.).

Flat 16

Studio Room 4.1m x 4.3m with kitchenette and shower room (with shower,

wash hand basin and. w.c.).

Flat 17

Private lobby leading to w.c. compartment, shower compartment, kitchen and living room/bedroom 2m x 4m.

3.9 First Floor

Flat 18

Studio Room 3.8m x 3.7m with kitchenette and shower room (with shower, wash hand basin and. w.c.).

Flat 19

Studio Room 4.5m x 4.3m with kitchenette and shower room (with shower, wash hand basin and. w.c.).

Flat 20

Bathroom 1.3m x 1.9m with w.c. compartment

Living/sleeping area 4.5m x 3m

3.10 The building has a total floor area of 558sq m (6,006sq ft).

3.11 The above areas are given on a gross external basis in accordance with the RICS Code of Measuring Practice Fifth Edition.

**4 Services**

4.1 The building is connected to main supplies of gas, electricity, water and drainage.

4.2 Each of the 20 flats is provided with a separate electricity meter and



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independent wall hung electric night storage heaters.

- 4.3 The property has recently been refurbished throughout with modern CCTV cameras, secondary lightning, smoke and fire detectors and self closing door mechanisms.

## **5 Construction and Condition**

- 5.1 My inspection was of a superficial nature, limited to that sufficient to enable me to assess the value of the premises. Reference has been made to any readily apparent significant defects insofar as they affect the valuation, but as the inspection was of a limited nature, no assurance can be given that the property is free of any other defect. In particular, I was unable to inspect any parts of the property that were covered, concealed or inaccessible and unless stated otherwise it is assumed in making this valuation that such parts are free of rot or other defect. Should you require a more detailed report upon the condition of the property then you must commission a Building Survey Report.
- 5.2 No. 32 is of traditional design and construction built in solid bonded brick work part stucco rendered under a main timber valley roof to which I had no vantage point. No. 34 Swinton Street has a timber pitched roof covered slate. Floor are suspended timber construction and natural lightning and ventilation are provided throughout with replacement UPVC double glazed windows and velux double glazed windows. Rainwater goods are PVC.
- 5.3 The property has been particularly well maintained throughout having recently been redecorated internally. Communal areas has been maintained to a high standard and the tenants have maintained each of the rooms to a good standard to enable immediate reletting.

5.4 During the course of my inspection I noted areas of historic movement with deflections to brick work and fractures around window openings. I also noticed a vertical fracture to the side elevation of No. 32 Swinton Street. At the time of my inspection I advised the applicant to obtain a Structural Engineers Report. I have now been provided with a copy of the report prepared by David A Berle Consulted Engineers dated 15 August 2006 and enclose a copy within Appendix IV. The Engineers states that the movement is not at a level to cause concern, it is generally historic however, he recommends the provision of an "expansion strip" to the side elevation and strapping at concrete angles. As long as these works are undertaken within six months I am satisfied the property offers adequate security for an advance.

## **6 Tenure and Tenancies**

6.1 From the information provided by the applicant I understand the interest to be valued is Freehold and free from any onerous encumbrances.

6.2 The applicant advises that the property is let on twenty Assured Shorthold Tenancy agreements at rents equating to a total of £200,000 per annum equalling approximately £192 per room per week. I have not seen a copy of any of the agreements and have assumed they are drafted in line with the Housing Act 1988, (as amended).

## **7 Report on Title**

7.1 No report on Title has been made available. Taylor Harvey will be willing to comment on any report when provided.

## **8 Local Authority and Town Planning Enquiries**

8.1 From telephone enquiries of the London Borough of Camden, I have been unable to ascertain the property's planning history. I have assumed that all necessary Local Authority Consents and Approvals have been obtained for the use of the property as twenty self contained flats. Solicitors to confirm.

## **9 Land Contamination**

9.1 We have not been advised of any contamination to the property. We are 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 and which may draw attention to contamination or the possibility of any such contamination.

9.2 Our enquiries and site observations have not revealed any obvious contamination affecting the property or neighbouring property which would affect our report and valuation. However, we have not been instructed to nor have we carried out an environmental audit or any formal investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any contamination or potential for contamination to the subject property from these uses or sites.

9.3 For the purposes of our report and valuation, we have assumed that the property is free from contamination and no allowance has been made for any remedial works that may be required. However, should it be established subsequently that contamination, seepage or pollution exists at the property or any neighbouring land, or that the premises have been or are being put to a contaminative use, this may reduce the values now reported and we would require the opportunity to reconsider our report and valuation.

## 10 Demand and Marketability

- 10.1 A strong level of demand exists for accommodation of this type on an owner occupied, investment and letting basis.
- 10.2 Should the property be exposed to the market I would expect a period of four months in which to achieve a sale by means of private treaty. This is believed to be the most appropriate method of sale.
- 10.3 There are no fixtures of a permanent nature which would materially inhibit re-sale and I am unaware of any restrictions, covenants or easements. Solicitors should advise in detail during the course of their usual searches.
- 10.4 The property should retain a useful lifespan in excess of 25 years subject to regular maintenance.
- 10.5 Should any of the flats become vacant I would expect a marketing period of four weeks in which to achieve lettings and I would expect demand from private working tenants.

## 11 Valuation

- 11.1 I am of the opinion that 32-34 Swinton Street, Kings Cross, London WC1X 9NX has a Freehold Market Value of **£2,700,000 (TWO MILLION SEVEN HUNDRED THOUSAND POUNDS)**.
- 11.2 I am of the opinion that the property has a Freehold Market Value assuming a restricted marketing period of six months in which to achieve a sale of is in accord with the valuation given above.
- 11.3 I am of the opinion that the property Market Value on a Freehold basis

assuming a full vacant possession is in accordance with the valuation given above.

- 11.4 The property has an Open Market Rental Value of **£200,000 (TWO HUNDRED THOUSAND POUNDS) per annum** which has been calculated at rents ranging from £180 to £210 per week per flat.

## **12 Valuation Commentary**

- 12.1 When preparing my valuation I have taken into consideration comparable evidence, our in house property records and experience of valuing a property of this type within this location.

## **13 Suitability of Security**

- 13.1 The property offers adequate security for mortgage advance subject to lending criteria and normal solicitors searches subject to the following.

## **14 Reinstatement Costs**

- 14.1 For insurance purposes, the building reinstatement cost assessment is £760,000 (SEVEN HUNDRED AND SIXTY THOUSANDS POUNDS).
- 14.2 This figure has been calculated in accordance with the Building Cost Information Services (BCIS) Guide to Rebuilding Costs. The figure includes the cost of demolishing and clearing away the existing structure and rebuilding it to its existing design in modern materials, using modern techniques to a standard equal to the existing property and in accordance with current Building Regulations and other statutory requirements. Allowance has been made for replacing foundations and for temporary making safe the damaged structure. In the case of attached property, allowance has been made for half the cost of replacing party walls and for the cost of protecting adjoining

structures. Allowance has been made for the following:-

- I. Professional fees payable in connection with the rebuilding of the property.
- II. Statutory and Local Authority fees.
- III. Value Added Tax has not been allowed for in the Building Reinstatement Cost Assessment, save for the v.a.t. element on professional fees. Advice should be sought from the Building Insurers in relation to v.a.t. for the reinstatement costs.

## **15 General**

15.1 Unless stated to the contrary within the report, the valuation has been made upon the following assumptions, but which will not have been verified :

- (a) vacant possession will be provided upon completion;
- (b) all statutory and other approvals have been obtained for the buildings and their present or where appropriate proposed use;
- (c) no high alumina cement concrete or calcium chloride additives or any deleterious or hazardous materials or techniques have been used in the construction of the property;
- (d) the property is not subject to any unusual or especially onerous restrictions, encumbrances, outgoings or Lease terms, and good Title can be shown;

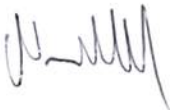
- (e) the valuation has been made upon the basis that the property and its value are unaffected by any matters that would be revealed by a local search and replies to the usual enquiries, nor by any statutory notices, and that neither the property, its condition, existing or intended use is or will be unlawful;
- (f) the valuation has been made on the basis of Market Value and Open Market Rental Value. The definitions of these are as described in the RICS Appraisal and Valuation Standards, Fifth Edition (The Red Book);
- (g) no account has been made in the valuation for any liability to taxation which might be incurred by the disposal or deemed disposal of the premises;
- (h) if upon subsequent investigation by your solicitor or other professional advisor any of the assumptions upon which the valuation has been based have been found to be incorrect, please advise me as soon as possible and I will be pleased to reconsider the valuation;
- (i) I have relied upon information provided by your customer, in preparing this report and assessing my opinion of value.

15.2 The valuation given is at the date of inspection and it should be accepted that changing market conditions may affect the future value of the subject property. Furthermore, the report is based upon the condition of the property as found at that date, and it must be accepted that defects may subsequently arise which would affect the valuation.



- 15.3 If the applicant is intending to rely on this report or any part thereof, I strongly recommend undertaking enquiries, investigations and obtaining estimates in relation to any matters referred to herein. No legal commitment should be made before these matters are complete.
- 15.4 The report is intended for your own use and whilst it may be disclosed to your solicitors and any other professional advisers, no liability or responsibility for the whole or any part of its contents will be accepted to any person other than yourself.
- 15.5 I would like to thank you for your kind instructions in this instance. Please feel free to contact me should you have any queries or require any further information in relation to this report.

Yours faithfully



**Warren C. Penfold, BSc, MRICS**

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