

Client: East Loch Lomond Community Trust

Date of Valuation: 20 March 2022

Property: Balmaha Car Park
Balmaha, G63 0JQ

EXECUTIVE SUMMARY

Property Address	Balmaha Car Park Balmaha, G63 0JQ
Type of Property	Carparking.
Purpose of Valuation	Potential acquisition.
Date of Inspection	20 March 2022
Date of Valuation	20 March 2022
Basis of Value	Market Value with vacant possession.
Location	The subjects are located within the village of Balmaha on the east side of Loch Lomond and within the Trossachs National Park.
Description	<p>The subjects comprise a car park currently owned and managed by Stirling Council. The car park provided up to 190 spaces to include 5No. coach parking spaces, 2No electric vehicle bays and 2No. disable spaces.</p> <p>The car park is open air and fully surfaced.</p> <p>The subjects also extend to a small playpark area of the north eastern side of the car park.</p> <p>The total site area is measured to extend to approximately 2.43 acres or thereby.</p>
Tenure	Assumed Heritable (Scottish equivalent of English Freehold).
Interest Valued	Heritable.
Tenancies	We have not been advised as to any existing or proposed leases over the site.
Market Rent	Not Requested.
Market Value (Vacant Possession)	£250,000
Special Valuation Assumptions	<p>Our valuation assumes the subjects to have appropriate planning consent for their current use as a public car park.</p> <p>We assume the site to be free from any adverse ground, environmental or contaminative issues which may impact on our value reported.</p> <p>Our valuation assumes the site to have a clean and marketable title free from any restrictions which may impact on our value reported.</p>

Our valuation has relied upon and utilised financial projection information as provided by the Client with regards to the proposed parking charges and occupancy levels over a 5 year period.

We assume the projections to be an accurate assessment of the trading potential of the car park.

The Client has by separate instruction requested a condition survey to be undertaken for the car park. We have not had sight of this report and assume that there would be no issues to arise which may impact on our values reported. We reserve the right to revisit our valuation upon gaining sight of such report(s).

Our valuation assumes the subjects will be retained for continued use as a car park. Alternative use/redevelopment of the site has been disregarded.

This summary is intended for quick reference purposes only and must be considered within the context of this entire report.

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1. CONFIRMATION OF INSTRUCTIONS

1.1 Introduction

We refer to your instructions of 17 December 2021 and our Terms and Conditions of Engagement dated 17 December 2021 a copy of which is reproduced in Appendix 1.

In accordance with these instructions, an inspection of the property was undertaken by Alastair J Buchanan BSc (Hons) MRICS, Partner, acting as an external valuer, on 20 March 2022. The extent of the inspection carried out is as described in the attached Scope of Work and Valuation Assumptions and any specific limitations will be outlined within this report.

We can confirm Alastair J Buchanan BSc (Hons) MRICS, Partner (an RICS Registered Valuer) has the necessary knowledge and expertise to provide the advice required.

This report has been prepared in accordance with the RICS - Global Standards 2022 incorporating the IVSC International Valuation Standards.

1.2 Conflict of Interest

We are not aware of any conflict of interest that would preclude us from providing the valuation advice requested.

1.3 Professional Indemnity

J & E Shepherd maintain Professional Indemnity Insurance with various Lloyds Syndicates and London Company Markets with a limit of indemnity set at a level which is proportionate to the instruction as fully outlined within the Terms and conditions of Engagement previously provided and appended to this report.

1.4 Purpose of Valuation

This report is provided for acquisition purposes.

Whilst this report may be suitable for secured lending purposes, any lender wishing to rely upon its contents should instruct this Firm to prepare a further report which addresses the lenders specific reporting assumptions and requirements.

1.5 Basis of Value

Our Valuation has been prepared to determine Market Value with vacant possession.

1.6 Sources of Information

For the purpose of this valuation we have considered and relied upon a range of information provided to us which we have assumed to be true and correct.

1.7 Scope of Work and Valuation Assumptions

The scope of work and valuation assumptions adopted for the purposes of this report are set out in Appendix 5.

1.8 Verification

Before any financial transaction is entered into the validity of the assumptions that we have adopted should be verified. Any variation should be referred to us immediately, as this could impact the valuation(s) reported.

2. TYPE OF PROPERTY

Carparking.

3. DATE OF VALUATION

20 March 2022

4. LOCATION

4.1 Regional

Balmaha is a village on the eastern shore of Loch Lomond in the council area of Stirling, Scotland. The village is a popular tourist destination for picnickers and day trippers from Glasgow as well as walkers on the West Highland Way. The only road passing through the village is the B837.

The village has a Visitor Centre and car park and is also a base for climbing Conic Hill. Nearby Islands can be explored from Balmaha as the village benefits from a small jetty.

There is one Public House in the village, namely The Oak Tree and this is a popular tourist stop.

The village offers tourist accommodation in the form of holiday lets.

Balmaha has a resident population of approximately 60 persons.

Balmaha offers limited local amenities. The nearest city is Stirling which lies approximately 28 miles to the east.

4.2 Local

The site in question is situated on the northern side of the B837 and lies immediately adjacent to Montrose House and opposite the Oak Tree Inn. The site is the main tourist/visitor car park within the village.

The site is relatively level in nature and surfaced in tarmac. Parking bays are delineated. On the east side of the car park is a visitor centre however, we are advised that this building lies outwith the scope of the subjects to be valued. The car park provides access to the start of the public walkway leading to Conic Hill.

The location of the property is shown on the appended Location Plan within Appendix 2.

5. DESCRIPTION

5.1 The Property

The subjects comprise a local authority open air car park providing approximately 190 spaces to include coach parking, electric bays and disabled parking.

The car park is accessed directly off the main road through Balmaha and is fully surfaced and is relatively flat in nature. All parking bays are marked and there are 2 No. electric vehicle plug in bays.

The subjects to be valued include a small children's play area towards the north east corner and which is surfaced in grass.

The boundary of the site is shown on the attached plans and any discrepancies to the boundary should be made known to us. There are water courses close to the car park, however, it is assumed that these lie outwith the boundary.

5.2 External Construction and Finishes

The car park is fully surfaced in tarmac and parking bays are marked.

The pay area is situated on an area of grassy land and is irregular in shape and slightly raised.

5.3 Accommodation

Not applicable.

5.4 The Site

The total site forming the extent to the subjects to be valued is 2.43 acres or thereby. The majority comprises the car park.

Rights of access over the car park to neighbouring land should be verified. It would appear that there may be right of way for vehicles to the Visitor Centre as well as to the lodges on the west side of the site.

There is also a sub-station on the west part of the site which appears to sit outwith the boundary of the property.

Photographs of the property can be found within Appendix 3.

6. SITE AREAS

The site area is measured to extend to a total area of 2.43 acres or thereby.

7. SERVICES

It is assumed that all mains services are available to site or can be connected at no abnormal cost.

There are two electric vehicle plug in bays on site and we assume these to be connected to mains electricity.

None of the systems, circuits or services have been checked or tested for the purpose of this report.

8. STATE OF REPAIR

We have not been instructed to provide a detailed report upon the structure and fabric of the property however for the purposes of our valuation report a visual, non disruptive inspection of the property was undertaken in accordance with the limitations noted within the appendices of this report. A general comment on the condition of the property is noted below.

8.1 External

The car park we understand has been subject to recent improvement by Stirling Council which has included some resurfacing and painting of parking bays.

The car park was generally found to be in a condition consistent with age and use.

The Client has by separate instruction requested a condition survey to be undertaken for the car park. We have not had sight of this report and assume that there would be no issues to arise which may impact on our values reported. We reserve the right to revisit our valuation upon gaining sight of such report(s).

8.2 Internal

Not Applicable.

8.3 Items Requiring Further Investigation

Maintenance obligations for the upkeep of the car park should be verified by reference to the title deeds.

The above should not be considered as an exhaustive list. Unless otherwise stated, when arriving at our valuations we have assumed that there are no defects pertaining to the property that would impact on the values. Should detailed reports on the condition of the property be required or where specialist advice is recommended, our Building Consultancy Department would be pleased to deal with this on receipt of further written instructions.

9. STATUTORY ENQUIRIES

9.1 Structure and Local Plan

Whilst the subjects lie within the Stirling Council area, the subjects are covered by the Loch Lomond and the Trossachs National Park Local Plan.

The Plan states that Balmaha is located in a highly scenic landscape setting on the edge of Loch Lomond. It comprises a dispersed, low density collection of mostly houses with tourism related businesses including boatyard, pub, shop, hotel, cafe and visitor centre. It is identified in this Plan as a small rural community. No formal village boundary is identified in order to help retain its special rural characteristics and dispersed development pattern. Several sites within Balmaha remain undeveloped and are the focus for future development. Therefore, only one site has been identified on Forestry Commission owned land. Improved infrastructure to support water transport remains an important aspiration for this Plans and is identified as a Proposal.

9.2 Listed Building Status, Conservation Areas and Other Relevant Planning Matters

The subjects are not listed.

The subjects are not located within a conservation area albeit the subjects lie within the Loch Lomond and the Trossachs National Park.

9.3 Current Planning Use/Consent(s)

The subjects are currently used as a car park and accordingly we have assumed that the subjects will benefit from an unrestricted Sui-generis consent, all in terms of the Town and Country Planning (Use Classes) (Scotland) Order 1997. Should this prove not to be the case, then it is assumed that a Certificate of Established Use can be demonstrated or otherwise the values reported herein may be impacted.

9.4 Recent or Proposed Alterations

Not Applicable.

9.5 Licenses and Other Consents

It is assumed all necessary consents and permissions are in place for the current use of the site as a public car park.

9.6 Roads

We assume that the roads which serve the subjects have been fully made up and adopted by the Local Highways Authority and that the subjects benefit from an unimpeded access onto same.

9.7 Fire (Scotland) Act 2005

The Fire (Scotland) Act introduces a fire safety regime for non-domestic properties in Scotland.

It has been assumed appropriate safety measures have been implemented and that a Fire Risk Assessment exists or will be put into place to periodically review these measures to ensure it complies with legislation.

9.8 Equality Act 2010

The Equality Act 2010 requires service providers to address physical features which make it impossible or unreasonably difficult for disabled persons to use their services and to make reasonable changes where required to improve services and ensure disabled persons are not at substantial disadvantage.

Our valuation assumes that there are no issues in relation to the legislation that would impact on our figures. Our Building Consultancy Department would be happy to provide necessary advice or arrange an access audit should this be required on receipt of further written instructions.

9.9 Rateable Value

Rateable Value – £12,900

The poundage rate for the financial year 2021/2022 is 49.0 pence for properties with a Rateable Value up to £51,000. For properties with a Rateable Value between £51,001 and £95,000 the rate is 50.3 and 51.6 for properties with a Rateable Value in excess of £95,000.

Effective from 28th January 2021, there has been an expansion of Fresh Start Relief. It continues to include all property types which have been empty for six months and to provide relief of 100% for the first year of any new occupation albeit the upper limit has been raised from a NAV/RV of £65,000 to £95,000. To qualify, properties must have been receiving vacant rates relief for a minimum of 6 months.

The Small Business Bonus Scheme continues to provide relief for qualifying occupiers at 100% for properties with a Rateable Value up to £15,000 and 25% for those where the Rateable Value is between £15,001 and £18,000. The upper limit for 25% relief for multiple premises is a cumulative Rateable Value of £35,000 (the 25% relief is available for qualifying occupiers for each individual property with a Rateable Value of £18,000 and under). Small Business Bonus Scheme relief will be subject to the operation of other reliefs including Empty Property Relief, Rural Rate Relief, Charitable Rate Relief, Disabled Persons Rate Relief, discretionary relief for not-for-profit recreational clubs, Fresh Start relief and New Start relief, each of which may be available in certain circumstances.

Transitional Relief was introduced by the Scottish Government for certain property types (i.e. (i) B&B accommodation; camping sites; caravans and caravan sites; chalets and holiday huts; guest houses, hotels and hostels; public houses; restaurants; self catering holiday accommodation; timeshare accommodation and certain renewable energy generation subjects throughout Scotland) and (ii) Offices in the City of Aberdeen and in Aberdeenshire) following the 2017 Revaluation. This transitional relief limits the maximum increase in the amount of rates payable to +12.50% (+14.75% in real terms) over the amount payable in 2016/17 on qualifying properties. The Finance Secretary announced on 28th January 2021 that this transitional relief scheme is to be continued with an additional +12.50% cap. 100% Day Nursery Relief for all standalone nurseries in the public, private and charitable sector will be extended until at least 30th June 2023.

It should be noted that water, sewerage and drainage charges are payable by occupiers of non-domestic properties. Vacant non-domestic properties have been exempt from these charges, but from 1st April 2017 that exemption was removed and owners of vacant non-domestic are now liable for charges in the same way as those that are occupied.

10. TENURE

Assumed Heritable (Scottish equivalent of English Freehold). We have not had sight of a report on title and assume that the title deeds contain no onerous or restrictive conditions and that the existing use complies fully with current planning law.

The title should be checked for any rights of access etc which may exist.

We have assumed that there are no unduly onerous terms, conditions or restrictions which would adversely affect our undernoted valuations however we reserve the right to amend said valuations on sight of any relevant information/further reports in due course.

11. OCCUPATIONAL LEASES

None.

12. TRADE FIXTURES AND FITTINGS

It is assumed that current parking meters and signage will form part of any asset transfer. This should be verified as well as the ownership.

13. THE BUSINESS

13.1 Background

The subjects comprise an open air public car park, fully surfaced and with marked bays. The car park lies within the centre of the village of Balmaha. The car park is presently owned and run by Stirling Council.

Stirling Council has recently implemented a management strategy for the car park which has included the installation of parking meters which include pay and display but are also linked to RingGo parking.

The parking charges were brought in in September 2021. Prior to this there were no parking charges.

Parking Charges are now applicable all year round other than for certain public holidays. The charges are applied 7 days a week from Monday to Sunday and between the hours of 8.45am and 5.30pm. The charges are as follows;

Up to 1 hour	FREE
Up to 2 hours	£2.10
Up to 4 hours	£2.60
All Day	£3.25

We are advised that the total number of spaces is 190 of which there are 5 coach parking bays, 2 x electric vehicle charging bays and 5 x disabled bays. The remainder comprises standard parking bays. All bays are marked.

13.2 Trading Performance

We have not had sight of any trading history following the installation of the parking meters by Stirling Council in September 2021.

The Client has however, provided their own financial projections based on the future use as a car park and the projections are over a 5 years period. We have enclosed a copy of the projections as provided to us and summarised the salient figures below;

Period	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue (Excluding VAT)	£194,150	£187,150	£187,150	£187,150	£187,150
Gross Profit	N/A	N/A	N/A	N/A	N/A
Net Profit/Surplus	£59,150	£74,150	£74,150	£74,150	£74,150

The projections above are based on 190 parking spaces and assume a flat rate of £4 per day. The projections are therefore, based on a slight increase in the parking charge from the current All Day charge of £3.25.

The use of the car park will be seasonal and the projections are based on 25% occupancy between the months November to February, 50% for the months March -May and September and October and 100% for the summer months of June, July and August. These occupancy levels relate to week days.

The projections are split between weekdays and weekends and 100% occupancy at weekends has been adopted all year round.

The outgoing/expenses includes for Maintenance which is projected at £50,000 in year 1 and £30,000 in each of the years 2-5. Salaries amount to £30,000 and it is understood that this will relate to one full time person managing the car park.

A sum for Reinvestment in community is included at £50,000 in each of the 5 years. We understand that this is a sum specific to the Client and therefore, when considering the projections, we have added this back into the overall profit/surplus figure. The adjusted Net Profit/Surplus can also be calculated as £109,150 in year 1 and £124,150 in each of the years 2-5.

It is assumed that the projections are a fair and accurate assessment of the future trading potential of the car park based on the proposed charges and occupancy levels. We have therefore, utilised the projected figures in determining value.

Any changes to the projections may impact on our values reported and we therefore reserve the right to revisit our valuations upon gaining sight of any revised projections.

13.3 Competition

There is limited car parking in the immediate area. However, Loch Lomond and Trossachs National Park planners have recently granted a temporary 2 year permission for another area of ground on the north western outskirts of the village to be used for parking purposes. A temporary consent only has been approved to increase car parking capacity in the village and we understand that this site has been earmarked for potential redevelopment in future.

This car park is currently utilised as an overflow car park to that of the main car park.

13.4 Future Potential

Future potential is likely to be limited to increases in parking charges. The site is considered to be at or near to full capacity in terms of number of spaces to be provided.

Our valuation has been based upon the trading information disclosed to ourselves. Future changes to turnover and/or profitability may have a significant impact on the valuation(s) reported.

14. ENVIRONMENTAL CONSIDERATIONS

14.1 Observed Use of Property and Surrounding Properties/Land

The observed use of the property is as a car park. Surrounding land uses are mixed to include residential/holiday lets, Public House, development land and Conic Hill.

14.2 Energy Performance Certificate (EPC)

It is a legal requirement for most commercial properties to have an EPC when constructed, modified, sold or leased. We have not seen a copy of an EPC for this property however for the purposes of this report we assume the property has the necessary certification.

Section 63 of the Climate Change (Scotland) Act 2009 – The Assessment of Energy Performance of Non-domestic Buildings (Scotland) Regulations 2016 came into force on 1st September 2016. At this stage the regulations only apply to buildings over 1,000 sq.m.

Those buildings which meet the 2002 Building Regulation Standards or those already improved via 'Green Deal' are exempt, as are a number of building types with low energy demands. There are also a number of other exemptions including temporary buildings and transactions relating to the renewal of existing leases and 'short term' lettings.

Where the regulations apply, and the building falls below the minimum 2002 Building Regulation Standards, the owner of the building must have an 'Action Plan' assessment carried out to define the measures to be completed to improve the energy performance of the building. The owner thereafter has a choice to 1) implement the works to improve the building within 42 months or 2) defer the works and record/report operational energy ratings yearly via a Display Energy Certificate (DEC) to be independently assessed each year.

The legislation has only recently come into force and as such we cannot comment on the impact on the market or on value that it may have. Rather we have assumed that there are no issues with regard to the EPC for the property which would adversely affect our valuation. It should be noted however that those properties with Action Plans will likely have cost implications to bring the property to an acceptable level and these costs may impact on property values.

Our Building Consultancy Department have a team of commercial energy assessors providing full coverage throughout Scotland and would be pleased to advise further on receipt of further written instructions.

14.3 Asbestos

The Control of Asbestos Regulations 2012 imposes an obligation upon those responsible for commercial properties to hold an Asbestos Register.

We have not had sight of any such Register and therefore for the purposes of our report we have assumed that there are no issues in this regard which would affect our undernoted valuations however we reserve the right to amend our said valuations on sight of any relevant reports in this regard.

14.4 Flooding

We have referred to the Scottish Environmental Protection Agency (SEPA) "Flood Map" which provides a general overview of potential risks of flooding in Scotland.

We have not carried out formal checks or received reports concerning flood risk however from our enquiries of SEPA's website it would appear the property is not at risk of flooding.

When arriving at our valuations we have assumed that there is no history of flooding, no flood issues that would impact on the property and that the property can obtain insurance. Should this not prove to be correct it may impact on the values reported herein and we would recommend further checks are made.

The subjects do sit on the eastern shore of Loch Lomond.

14.5 Radon Gas

When arriving at our undernoted valuations we have made no investigations with regard to Radon gas and assume that there are no issues in this regard. We do however reserve the right to amend our valuations on sight of further information.

14.6 Invasive Species

Unless otherwise specified elsewhere within this report, we have specifically assumed that there are no invasive species contained within the property/site or within the surroundings of the property/site including, but not exclusively, Japanese Knotweed. We reserve the right to amend our valuations on sight of further reports in this regard.

14.7 Coal Mining

The property is not thought to be within an area where coal mining has taken place. It would, however be prudent to obtain a written report from the Coal Authority on previous mine

workings in the vicinity. The valuation is on the basis that this does not reveal that the property is at risk of movement from underground mine workings.

14.8 Summary and Recommendation

Based on the observed use of the property and surrounding properties we have assumed that there is no existence of contamination which would affect value.

Similarly we have assumed there are no EPC, asbestos, Radon gas, Japanese Knotweed, invasive species or flooding issues that would affect value. We reserve the right to amend our valuations on sight of any further information with regard to any of these items as noted herein and above.

15. ALTERNATIVE USAGE

Our opinion of value is based on the existing use as a car park. We have not placed any value on the property based on alternative use or redevelopment.

We have not been advised as to any redevelopment or alternative use proposal for the site.

16. MARKET COMMENTARY

16.1 National Market Commentary

According to the Office for National Statistics (ONS) the UK economy recorded strong growth in the second quarter of 2021 but slowed from 1% month on month in June to a 0.1% month on month decline in July, as labour shortages, a rise in Covid infections and disruptions caused by the 'pingdemic' acting as a drag on activity.

This is a significant slowing from the 2.1% and 2.3% month on month increases recorded in March and April.

Growth returned in August at 0.4% month on month however the economy remains 0.8% below its pre-pandemic level.

The labour market continues to recover and the number of payrolled employees has been increasing for many months and has reached record levels. ONS figures show that in the 3 months to August employment stands at 75.3% and unemployment at 4.5% and demonstrates the labour market is emerging from the crisis little damaged.

Although the economy is expected to expand through 2021 the recovery in entering an unstable phase as policy support is scaled back, the furlough scheme is ended and labour and goods shortages increase, giving rise to uncertainty and inflationary pressures.

Despite the weaknesses and uncertainties, the UK economy is expected to grow by some 7% over the year.

16.2 Local Market Commentary

The recently published Q3 2021 Economic Commentary by Fraser of Allander reports that the Scottish economy is set to recover to pre pandemic levels three months earlier than previously thought. The Institute predicts growth of 6.5% in 2021 and 4.8% in 2022 and now expects the economy to get back to pre-pandemic levels in April 2022.

Despite growth contracting slightly in July the expansion was significantly faster during Q2 than expected leading to forecasts for 2021 and 2022 to be revised upwards.

The commentary highlights risks that threaten recovery. The Job Retention Scheme, which has supported household incomes and businesses since March of last year, has ended and it is unclear how many of the furloughed workers will become unemployed.

This uncertainty coincides with the cancellation of the Universal Credit top up which is expected to affect around 500,000 Scottish families.

As well as joblessness risks, labour shortages are emerging in some sectors, threatening goods shortages and adding to inflationary pressures.

There is a strong possibility that consumer confidence could be dented as living standards are squeezed and a squeeze on living standards and price rises across the economy could mean a difficult winter to come.

16.3 Marketability

Balmaha is a village on the eastern shore of Loch Lomond in the council area of Stirling, Scotland. The village lies within the Loch Lomond and the Trossachs National Park and is a popular tourist destination for picnickers and day trippers from Glasgow and further afield, as well as walkers on the West Highland Way. The only road passing through the village is the B837.

As a result of significant tourism growth on east Loch Lomondside, much of which is by car or coach, existing parking is under pressure and the recently added restrictions on roadside parking in the village have led to an overall reduction in available parking.

Conic Hill is a popular tourist destination and the public car park has a tendency to “fill up” quickly. Conservation charity Friends of Loch Lomond and The Trossachs, have said more than 300 parking spaces had been lost on East Loch Lomondside in the last 15 years. The growing popularity of Balmaha and nearby Conic Hill has led to substantial growth in visitors arriving in the area by car and the area is simply not coping, leading to traffic congestion and dissatisfaction amongst residents and visitors”.

There is therefore, considered to be a car parking shortfall within the village.

Stirling Council have brought in recent steps to improve the management and running of the site, by installing pay machines and by increasing the number of spaces. However, the number of spaces has only increased by a small number. There is therefore, still considered a shortage of parking in the village.

Loch Lomond and Trossachs National Park planners recently granted a temporary 2 year permission for another area of ground in the village to be used for parking purposes and as an overflow to the main car park. A temporary consent only has been approved to increase car parking capacity in the village, thereby relieving pressure on illegal roadside verge parking.

It is assumed that the subjects are to be retained for continued use as a car park. No alternative use or redevelopment options have therefore, been considered for the site or commented on in terms of future marketability.

In the event that the site may be suitable for redevelopment, then this is expected to generate increased interest in the site.

17. VALUATION METHODOLOGY, ANALYSIS AND COMPARABLE EVIDENCE

17.1 Valuation Methodology

Our Valuation uses the Profits methodology when arriving at our valuations.

17.2 Comparable Evidence & Valuation Analysis

In line with RICS Red Book guidance, we remind the client that in undertaking any valuation exercise the degree of subjectivity involved varies significantly as will the degree of certainty (that is, the probability that the valuer’s opinion would be the same as the price achieved by an actual sale at the valuation date). These variations are generally very minor with an accurate figure being produced through the use of comparables however variations can arise due to inherent features of the property, the market place, economy or the quality of comparable information available.

In the case of the subject property(ies), as at the date of valuation, transaction volumes, relevant evidence or other information are at an insufficient level upon which to base our judgement. Accordingly our valuation is reported as being subject to 'Material Valuation Uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation - Global Standards. Consequently, less certainty - and a higher degree of caution - should be attached to our valuation(s) than would normally be the case.

For the avoidance of doubt, the inclusion of this explanatory note (and where applicable) the 'Material Valuation Uncertainty' declaration above does not mean that the valuation(s) cannot be relied upon. Rather, the declaration has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion(s) was prepared.

There is a lack of evidence for car park sales generally. Moreover, as individual car parks differ in terms of whether they are owner occupied or leases, how they are managed, location etc, assessing rental and capital values is difficult. Not all local authority apply charges to car parks and therefore, again comparable evidence varies.

In terms of the subject property, we have considered the location of the car park which is central to the village and is an important piece of infrastructure within the local tourism industry.

The Client has advised that should a successful purchase of the car park proceed, the parking charges would remain in place and broadly in line with that existing charges in place.

It is understood that as part of the ownership of the car park, there would be a requirement placed on the owner/management company to reinvestment in the community. The sum earmarked for this by the Client is £50,000 per year.

Our approach to value, has therefore, considered the trading projections as well as the quality of the car parking facilities.

Our opinion of value in the sum of £250,000 equates to a YP multiplier of 2 on the "Net Profit/Surplus" of say £125,000. This would also equate to a rate of approximately £1,315 per standard space and on a rate per acre, equate to £102,880.

We have not reflected any alternative use or redevelopment schemes for the site. We have based on opinions of value on the assumption that the subjects will continue to be used for car parking purposes.

Notwithstanding the above, other car parks that we are aware of that are being marketed for sale include the following;

Car Park to the North side of Heather Avenue, Alexandria, G83 0TJ

Property being offered for sale at auction. Extends to 1.9 acres or thereby and is an open un-metered car park located close to Loch Lomond Shopping Galleries. The guide price is £100,000. It appears that the car park previously sold in 2017 for a sum of £265,000 equating to £139,473/acre. The number of spaces is unknown.

Side Car Park of Loch Lomond Shopping Galleries Main Street, Alexandria

Property being offered for sale at auction. Extends to 60-80 spaces and is an open un-metered car park located close to Loch Lomond Shopping Galleries. The guide price is £100,000 equating to £1,666 - £1,250 per space.

Arrochar land and car park

4.3-acre site with an active car park at Arrochar, Argyll and Bute. The land is situated at the head of Loch Long and within walking distance of the footpath ascending The Cobbler, one of Scotland's most popular mountain walks. There is approximately 1.00 hectares (2.47 acres) of amenity grassland and loch frontage that provide views over Loch Long and beyond. The car park has a range of car parking spaces interspersed with areas of woodland. The land is for sale as a whole for offers over £150,000.

18. VALUATIONS

Our valuation(s) have been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) - Global Standards 2022 incorporating the IVSC International Valuation Standards. Any departures from this will be clearly stipulated within our report. All valuations will be carried out under the definitions of the various valuation bases set out by the RICS, which are appended.

18.1 Market Rent

Not Requested.

18.2 Market Value

We are of the opinion that the Market Value of the property with vacant possession as at 20 March 2022, may be fairly stated as being in the sum of **£250,000 (Two Hundred and Fifty Thousand Pounds)**

The above mentioned valuation figure makes no allowance for any effect on value of the imposition of Value Added Tax on some property transactions.

19. SPECIAL VALUATION ASSUMPTIONS

When arriving at our valuations we have assumed that there are no defects pertaining to the property which would impact on the values noted herein.

Our valuation assumes the subjects to have appropriate planning consent for their current use as a public car park.

We assume the site to be free from any adverse ground, environmental or contaminative issues which may impact on our value reported.

Our valuation assumes the site to have a clean and marketable title free from any restrictions which may impact on our value reported.

Our valuation has relied upon and utilised financial projection information as provided by the Client with regards to the proposed parking charges and occupancy levels over a 5 year period.

We assume the projections to be an accurate assessment of the trading potential of the car park.

The Client has by separate instruction requested a condition survey to be undertaken for the car park. We have not had sight of this report and assume that there would be no issues to arise which may impact on our values reported. We reserve the right to revisit our valuation upon gaining sight of such report(s).

Our valuation assumes the subjects will be retained for continued use as a car park. Alternative use/redevelopment of the site has been disregarded.

20. LIMITATION AND PUBLICATION

This valuation report is prepared solely for the use of the named client. No responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to other professional advisors assisting in respect of the purpose for which the valuation is prepared.

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

We trust that this report will be satisfactory for your present purposes.

Yours faithfully

.....
Inspected and Prepared By
Alastair J Buchanan BSc (Hons) MRICS, Partner
RICS Number: 1121863
For and on behalf of J & E Shepherd
Chartered Surveyors

20 March 2022

.....
Approved By
Kevin N Bell MRICS, Partner
RICS Number: 0070497
For and on behalf of J & E Shepherd
Chartered Surveyors

20 March 2022

APPENDIX 1 - TERMS AND CONDITIONS OF ENGAGEMENT

COMMERCIAL VALUATION REPORT TERMS AND CONDITIONS OF ENGAGEMENT	
<p>J & E Shepherd 31 Byres Rd, Glasgow G11 5RD</p>	
	
To:	Margaret McDonald, East Loch Lomond Community Trust (ELLCT), Conic View Cottage, Balmaha, G63 0JQ
Date:	17 January 2022
Dear	Sir/Madam
We write to confirm your instructions to inspect and provide a valuation report of the property at: -	
PROPERTY TO BE VALUED:	Conic Hill Car Park, Balmaha, Glasgow G63 0JQ
INTEREST TO BE VALUED:	Heritable (Scottish equivalent of English Freehold) interest.
PURPOSE OF VALUATION:	Internal Purposes
The instruction is based on the following information and is subject to the undemoted Terms and Conditions of Engagement.	
INSTRUCTING PARTY:	Margaret McDonald, East Loch Lomond Community Trust (ELLCT)
CLIENT:	East Loch Lomond Community Trust (ELLCT)
PRICE QUOTED/AGREED:	N/A
CLASSIFICATION OF PROPERTY:	Car Park
STATUS OF VALUER:	RICS Registered External Valuer
DATE OF VALUATION:	As at date of Valuation Report
SPECIAL ASSUMPTIONS:	As per Valuation Report
INFORMATION TO BE RELIED UPON:	As per Valuation Report and to include financial projections as provided by Client
REPORT TYPE:	Valuation Report
SURVEYOR:	Alastair J. Buchanan BSc (Hons) MRICS, Partner
ACCESS ARRANGEMENTS:	Open Car Park - anytime
FEE:	£950.00 exclusive of VAT plus any agreed additional costs/fees associated with separate specialist investigations.
Unless otherwise agreed, the fee invoice will be made out in the name of the instructing party who will be liable for payment. It is expected that payment will be received within 14 days of issue.	
In the event of our fee for the services provided in terms of this Contract, V.A.T thereon and/or outlays incurred on your behalf in connection therewith not being settled within our standard settlement terms of 14 days, we reserve the right:-	
1. To instruct Solicitors, Debt Collection Agents or other third parties to endeavour to collect said fees, V.A.T. and outlays for us. It is a specific condition of our accepting instructions from you that in the event of said Solicitors, Debt Collection Agents or third parties being instructed by us, you will be liable to reimburse us for the whole fees and other costs charged by them to us and thereby incurred in that connection; and	
2. To exercise our statutory right under the Late Payment of Commercial Debts (Interest) Act, 1998 as amended by the Late Payment of Commercial Debts Regulations, 2002 and any subsequent legislation to claim interest and compensation for debt recovery costs under such legislation.	
THE VALUER: J & E Shepherd, Chartered Surveyors at the address shown above.	
<h3>Terms and Conditions of Engagement</h3> <p>We are not aware of any conflict of interest that would preclude us from providing the valuation advice requested. The Valuer shall inspect the property to be valued and shall provide a written report and valuation. Unless the property is to be valued as part of an operational entity the valuation shall not include trade fixtures and fittings, tenant's improvements, plant and machinery unless specifically agreed in writing.</p> <p>Following discussion with the instructing party and/or client it is understood that the valuation is required for Internal Purposes. On this understanding the Valuer will assess the valuation on the basis of Market Value (Vacant Possession). The valuation report is not suited for secured lending purposes and cannot be relied on for same.</p> <p>The valuation will be undertaken in accordance with the RICS – Global Standards 2020 incorporating the IVSC International Valuation Standards and on the basis of our Scope of Work and Valuation Assumptions attached and appended to the report. Compliance with these standards and external inspection of the report may be required during investigation by the RICS for the purposes of administration of the Institutions conduct and disciplinary regulations.</p> <p>The valuation report is prepared solely for the use of The Client. No responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to another professional advisor assisting in respect of the purpose for which this valuation is prepared. Neither the whole nor any part of the Report, nor reference thereto may be included in any published document, without the Valuers written approval over the form and context in which it may appear.</p> <p><u>Energy Performance Certificate</u></p> <p>If you provide us with an EPC produced by anyone other than J & E Shepherd you agree we may treat it as having been prepared using best practice and accurate. Otherwise unless instructed to provide one, we will presume that there are no matters covered by an EPC which would affect the property's value.</p> <p>REF: GLA00475</p>	

**COMMERCIAL VALUATION REPORT
TERMS AND CONDITIONS OF ENGAGEMENT**



J & E Shepherd
31 Byres Rd, Glasgow G11 5RD

Consumer Contracts

If you are a consumer you have a right to cancel your contract with us under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 ("Regulations") if your contract with us is an off-premises or distance contract. Please read this information carefully.

You have the right to cancel an off-premises or distance contract with us without giving any reason. The cancellation period will expire at the end of 14 days after the day on which you receive these terms and conditions. To exercise the right to cancel, you must inform us of your decision to cancel this contract by a clear statement (e.g. a letter sent by post, fax or e-mail to us at the address on the letter enclosing these terms). To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired.

If you exercise your right to cancel, we will reimburse to you all payments received from you pursuant to this letter of engagement. We will make the reimbursement without undue delay, and not later than 14 days after the day on which we are informed about your decision to cancel the contract. We will make the reimbursement using the same means of payment as you used to make the payment to us, unless you have expressly agreed otherwise. In any event, you will not incur any fees as a result of the reimbursement.

If you requested us to begin the performance of services during the cancellation period (see below), you are liable to pay us an amount which is in proportion to what has been performed until you have communicated to us your cancellation of this contract, in comparison with the full coverage of the contract.

In terms of the Regulations, we cannot start to provide services to you under this letter of engagement during the cancellation period unless you expressly request us to do so. If you ask us to supply services during the cancellation period you will lose your right to cancel your contract with us if, having made the request, the services are fully performed during the cancellation period; and if you exercise your right to cancel during the cancellation period, and the services have been partly performed, you will be have to pay us an amount which is in proportion to what has been performed until you have communicated to us your cancellation of this contract, in comparison with the full coverage of the contract.

Privacy Policy

In the course of providing services to you, we may collect or receive personal data or sensitive personal data relating to you and (where the client is a company) your employees, officers, and shareholders or (where the client is an individual) members of your family. In line with the new UK General Data Protection Regulation (UK GDPR) we have updated our Privacy Policy to provide detailed information on how we use and protect personal information and your rights in relation to this. The updated Privacy Policy can be viewed in full at www.shepherd.co.uk/information/privacy-policy. If you have any questions, queries or requests, please contact us at dataprotection@shepherd.co.uk and we will endeavour to respond to you as quickly as possible.

Money Laundering Regulations

We are obliged in certain circumstances to identify our clients in accordance with the requirements of the Money Laundering Regulations 2007. We are likely to request from you, and retain some information and documentation for these purposes and/or make searches of appropriate databases electronically. For the avoidance of doubt, searches may also be conducted on directors and "beneficial owners" of the client as is required by the legislation. If satisfactory evidence of your identity is not provided within a reasonable time, there may be circumstances in which we are not able to proceed with the instructions.

The provision of certain of our services is business in the regulated sector under the Proceeds of Crime Act 2002 and, as such, we may be required to comply with this legislation which includes provisions that may require us to make a money laundering disclosure in relation to information we obtain as part of our normal work. It is not our practice to inform you when such a disclosure is made or the reasons for it because of the restrictions imposed by the 'tipping off' provisions of the legislation.

Limitation of Liability

Neither party will be liable for any loss of profit (other than in respect of our fees, costs or charges), loss of business or goodwill, or for any special, indirect or consequential loss or damage suffered by the other (including as a result of an action brought by a third party), save that nothing in these Terms of Engagement will exclude or restrict any liability which either party may have for death or personal injury arising out of negligence; fraudulent misrepresentation or any other liability which cannot be restricted or excluded by law. We will not be liable for any loss which may occur as a result of your reliance on a subsequent valuation in, among other things, any discharge of any loan or advance of further funds.

We will not be liable for any loss as a result of your receipt of any information, data or communications supplied or sent by us electronically, where through no fault of our own the relevant information, data or communication has been corrupted or otherwise modified as a result of it being supplied or sent electronically. You will be responsible for ensuring that any materials you provide or send us by any electronic medium and/or by computer disk are, and remain, virus free.

Subject to the above, our total liability in contract, including negligence or breach statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of this appointment or otherwise under the Terms of Engagement, unless otherwise agreed in writing, be on the basis of a liability cap set at a level which is proportionate to the instruction as follows:

Market Value of the Property as Existing	Liability Capped at:
£250,000 and below	£10,000
£250,001 to £500,000	£20,000
£500,001 to £1,000,000	£40,000
£1,000,000 or above	50% of any loss attributable to us after the application of the following provisions on just and equitable shares, up to a maximum of £500,000

Without prejudice to any other exclusion or limitation of liability, damages, loss, expense or costs our liability if any for any loss or damage ('the loss and damage') under this Appointment shall not exceed such sum as it would be just and equitable for us to pay having regard to the extent of our responsibility for the loss or damage and on the assumptions that:

REF: GLA00475

**COMMERCIAL VALUATION REPORT
TERMS AND CONDITIONS OF ENGAGEMENT**

J & E Shepherd
31 Byres Rd, Glasgow G11 5RD



- all other consultants, contractors, sub-contractors, project managers and advisers engaged in connection with the transaction have provided contractual undertakings on terms no less onerous than those set out here;
- there are no exclusions of or limitations of liability nor joint insurance or coinsurance provisions between you and any other party referred to in this clause and any such other party who is responsible to any extent for the loss and damage is contractually liable to you for the loss and damage; and
- all the parties referred to in this clause have paid you such proportion of the loss and damage which it would be just and equitable for them to pay having regard to the extent of their responsibility for the loss and damage.

Claims shall be brought only against the firm of J&E Shepherd and no liability shall rest with any individual partner (save through J&E Shepherd), employee or agent of J & E Shepherd.

Should any part of this section be held to be unenforceable for any reason, the remainder of the agreement and this section shall remain in full force and effect.

Complaints Procedure

In accordance with the Royal Institution of Chartered Surveyors Rules of Conduct, J&E Shepherd, Chartered Surveyors operate a formal procedure to deal with complaints from clients and others. Our Complaints Handling Procedure is intended to:-

Provide certainty for both the company and individuals; Ensure a fair and transparent process is adhered to; Enable a written policy to be provided on request, to satisfy the expectations of externally consumers and the RICS.

Full details of our Complaints Handling Procedure are available from Complaints@shepherd.co.uk.

If you remain dissatisfied with any aspect of our handling of your complaint, then we will attempt to resolve this promptly through negotiations and otherwise agree to enter into mediation via the Surveyors Ombudsman Services-Property (OS-P), an independent service set up to adjudicate on disputes between Chartered Surveyor firms and consumers.

Governing law

This agreement shall be governed by and construed in accordance with the law of Scotland and is subject to the exclusive jurisdiction of the Scottish Courts.

Confirmation of Instruction

Please check that the terms incorporate your instructions and sign below and return to us to confirm instructions. If we do not hear from you by return, we shall assume that all matters are in order and we will proceed with the instructions as detailed herein.

Signature:	Date:
-------------------	--------------

REF: GLA00475

DEFINITION OF VALUE

The agreed basis of valuation is as noted on page one of these terms, which is defined in the RICS Valuation Standards and is reproduced below.

Market Rent

The estimated amount for which a property would 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 Value

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.

Existing Use Value

The estimated amount for which an asset 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. The value is based on the use of the asset that is being valued, 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.

Worth and Investment Value

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

Fair Value

The estimated price for the transfer of an asset or a liability between identified knowledgeable and willing parties that reflects the respective interests of those parties.

SCOPE OF WORK AND VALUATION ASSUMPTIONS

The Valuer has inspected the property for the purpose of providing an opinion of Market Value and/or Market Rental as instructed. The Valuer has undertaken a visual inspection of so much of the exterior and interior of the property as was accessible safely and without undue difficulty. The inspection was carried out whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels.

REPAIR AND CONDITION

This report constitutes a valuation and not a building survey. The Valuer was under no duty to carry out a building survey or to inspect those parts of the property that are covered, unexposed or inaccessible or to raise boards, move any fixtures, fittings or contents or to arrange for the testing of heating or other services. It has been assumed that all services, and any associated controls or software, are in working order and free from defect. Roof voids and sub-floor areas were only inspected where readily available and safe access was available.

Comments, if any, on the physical condition of the foundations, walls, floors, ceilings, roof or roof voids, roof coverings, chimneys, gutters, drains, pipes, tanks and services etc., must be read in this context. If further information is required a separate survey with respect to these items or to other parts of the property related thereto must be specifically instructed in writing.

In undertaking the inspection, the general state of repair and condition of the property has been taken into account. The inspection was not a Building or Structural survey and this report is not intended to detail minor defects which do not materially affect value. If however, minor defects are mentioned in the report, they should be regarded as indicative and not an exhaustive list of defects. For the purposes of the Valuation, it is assumed that the property is in a reasonable repair, except for any defects specifically noted.

Woodwork or other parts of the property, which were covered, unexposed or inaccessible, have not been inspected and we are therefore unable to report that such parts of the property are free from rot, beetle or other defects.

STATUTORY ENQUIRIES

We have not secured a written planning history from the local authority nor have we made formal enquiries to other relevant bodies. The information contained within this report therefore represents our findings based on verbal enquiries with the relevant statutory bodies and investigations thought appropriate. Whilst the information provided is taken to be accurate, we have assumed that a full planning history and further formal enquiries will be conducted by your legal advisors. Any discrepancy should be immediately notified to ourselves in order that we may advise whether this may impact our valuation(s) reported.

Unless stated otherwise within this report and in the absence of any information to the contrary, we have assumed that:

all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

the property is not adversely affected by town planning or road proposals.

all alterations, additions or extension to the property have received all necessary Town Planning Consents, Building Authority Approvals (Building Warrants) and Completion Certificates.

the property complies with all relevant statutory and local authority requirements, including but not limited to Fire Regulations, The Equality Act, The Control of Asbestos Act, The Licensing Scotland Act, Health and Safety Regulations, Environmental Health Regulations and similar.

FIXTURES & FITTINGS

Unless otherwise specified the following items are excluded, except in the case of Trading Related valuations where they are specifically included, unless stated to the contrary:

All items of process plant and machinery, tooling and other equipment not primarily serving the building, cranes, hoists, conveyors, elevators, structures which were ancillary to, or form part of an item of process plant and machinery, sewerage plant primarily concerned with treating trade effluents, air conditioning forming part of a computer installation or primarily serving plant.

In the case of trading related valuations, all items of trade equipment and fittings currently present within the property that are necessary for the continued operation of the business are assumed to be owned outright (unless otherwise stated) and included with the sale of the business. No tests have been undertaken to establish the operation of the trade fixtures and fittings which are assumed to be in good working order.

INFORMATION SOURCES

All information provided to the valuer by the client and/or the client's professional advisors or any other party is assumed to be complete and correct.

TITLE, TENURE AND TENANCIES

It is assumed that there are no encumbrances or unduly onerous restrictions, easements, servitudes, outgoing, conditions or other burdens that would have an adverse effect upon the value of the property and that a good and marketable title is held.

We do not generally have access to all leases, title deeds, or other legal documents relating to the property.

REF: GLA00475

Any information recorded in this report represents our understanding of the relevant documents provided. We should emphasise that the interpretation of the documents of title (including relevant deeds, leases and planning consents), is the responsibility of your legal advisor.

Unless otherwise stated and in the absence of any information to the contrary, we have assumed that:

a. There are no tenant's improvements that will materially affect our opinion of the rent that would be obtained at rent review or lease renewal.

b. The tenants will meet their obligations under their leases and are responsible for insuring the property or reimbursing the cost of insurance to the landlords, payment of business rates, and all repairs, whether directly or by means of a service charge.

c. There are no user restrictions or other restrictive covenants in leases which would adversely affect value.

d. Where appropriate, permission to assign the interest being valued would not be withheld by the landlord.

e. Vacant possession can be secured for all accommodation let on a temporary basis, serviced occupancy etc.

Where we have not conducted credit enquiries on the financial status of any of the tenants, we have, reflected our general understanding of the likely perception of the tenants in the marketplace. Accordingly, purchasers should satisfy themselves of the financial strength of the tenants prior to purchase.

GROUND AND ENVIRONMENTAL INVESTIGATIONS

We will not carry out or commission a site investigation or geographical or geophysical survey. We will, therefore, not be able to give any opinion or assurance or guarantee that the ground has sufficient load bearing strength to support any of the existing constructions or any other constructions that may be erected in the future. We also cannot give any opinion or assurance or guarantee that there are no underground mineral or other workings beneath the site or in its vicinity nor that there is no fault or disability underground that might affect the property or any construction thereon. We have, unless otherwise stated, assumed that there are no abnormal site or ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the property.

We will not undertake or commission an environmental assessment to establish whether contamination exists or may exist. We will not carry out any detailed 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 of the subject property from these uses or properties.

Therefore, for the purposes of our Valuation Report, unless definitive information to the contrary is made available to us, we will normally assume that no contamination exists in relation to the property which would affect value.

Should it be established subsequently that contamination exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the value(s) set out in the report. You should therefore inform us of this immediately and we will reconsider our opinion of value accordingly.

Similarly we have assumed there are no EPC, asbestos, Radon gas, Japanese Knotweed, invasive species or flooding issues that would affect value. We reserve the right to amend our valuations on sight of any further information with regard to any of these items as noted herein and above.

No tests have been carried out to determine whether or not any deleterious or hazardous building materials including (but not limited to) asbestos, composite panelling and flammable insulation have been incorporated in the construction or subsequent alterations of the premises. We have, unless otherwise stated, assumed that there are no deleterious or hazardous materials within the property which might adversely affect the current or future occupation, development or value of the property. Specifically the Valuer has not carried out an Asbestos Inspection and has not acted as an Asbestos Inspector in completing the valuation inspection of the Property that may fall within the current control of Asbestos at Work Regulations. No enquiry has been made with the Duty Holder, as defined in the Control of Asbestos in the Workplace Regulations, of the existence of an Asbestos Register, or of any Plan for the Management of Asbestos.

REINSTATEMENT COST ASSESSMENT

Any reinstatement figure indicated within this report is provided for guidance purposes only, as a formal estimate for insurance purposes can only be given by a Quantity Surveyor or other person with sufficient current experience of replacement costs.

Unless otherwise stated, the calculation is based upon the building in its present form including the cost of demolition, site clearance and professional fees but excluding:

- a. VAT
- b. Loss of rent or turnover
- c. Cost of alternative accommodation for the reinstatement period.
- d. Any other consequential loss.

TAXATION

We have not been advised whether the property is elected for Value Added Tax (VAT). For the avoidance of doubt, all values stated in this report are exclusive of VAT and take no account of any liability for it or any other form of taxation that may arise upon the disposal or acquisition of the property.

SITE BOUNDARIES

Markings highlighted on any appended plans indicate the approximate extent of the site inspected as understood or as indicated to us during our visit to the property. No guarantee can be given as to whether this corresponds to that over which the title is held. It remains the responsibility of your legal advisor to confirm the legal boundaries and title applying to the property.

Should any of the assumptions or any additional stated assumptions prove to be incorrect (or inappropriate), we reserve the right to revise our opinion(s) of value accordingly.

The foregoing Instruction Acknowledgement and Conditions of Engagement sets out the basis upon which we are to prepare our report and valuation of the property at the Property To Be Valued noted herein.

Please check that these incorporate your instructions and if we do not hear from you by return, we shall assume that all matters are in order and we will proceed with the instructions as outlined herein.

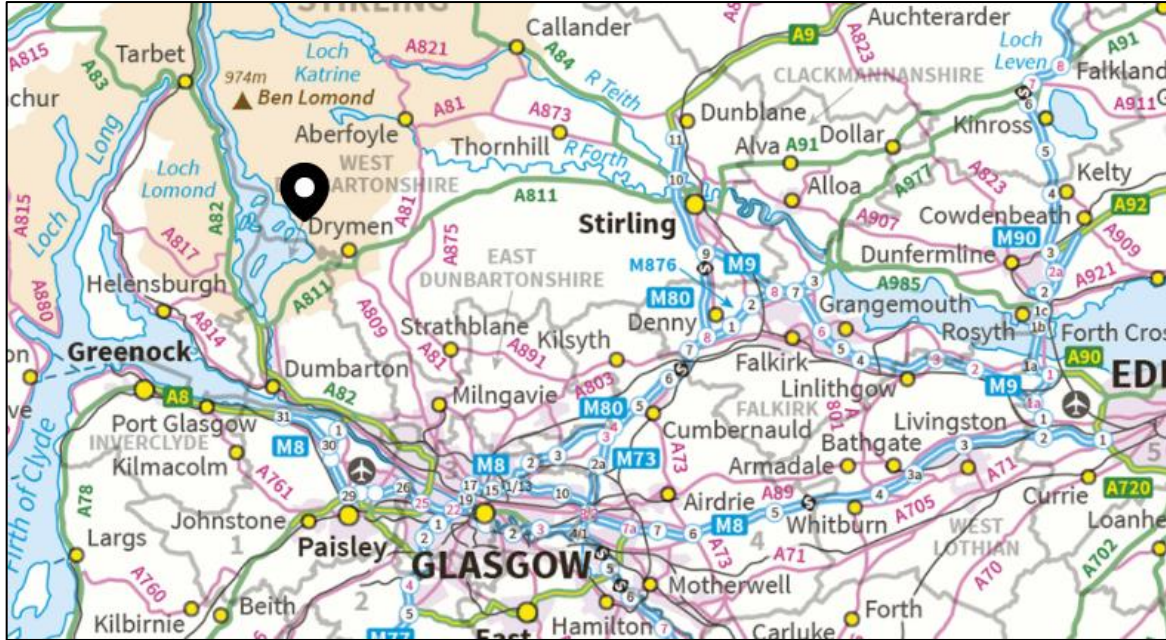
If appropriate, please pass a copy of this Instruction Acknowledgement and Conditions of Engagement to your client.

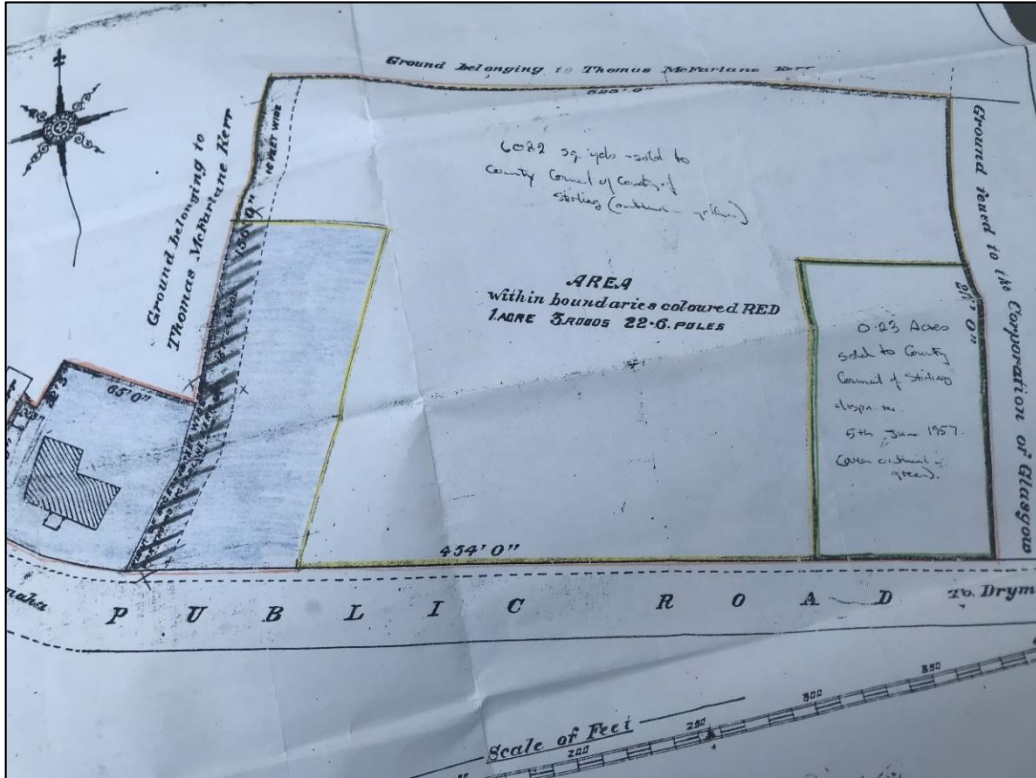
Yours faithfully

J & E Shepherd

J & E Shepherd

APPENDIX 2 - LOCATION PLAN





APPENDIX 3 – PHOTOGRAPHS

Pre-installation of Parking Meters





Post installation of Parking Meters







APPENDIX 4 - DEFINITIONS OF VALUE

Market Rent

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 Value

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.

Existing Use Value

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 - 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.

Worth and Investment Value

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

Fair Value

The estimated price for the transfer of an asset or a liability between identified knowledgeable and willing parties that reflect the respective interests of those parties.

APPENDIX 5 – SCOPE OF WORK AND VALUATION ASSUMPTIONS

General

The Valuer has inspected the property for the purpose of providing an opinion of Market Value and/or Market Rental as instructed. The Valuer has undertaken a visual inspection of so much of the exterior and interior of the property as was accessible safely and without undue difficulty. The inspection was carried out whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels.

Repair and Condition

This report constitutes a valuation and not a building survey. The Valuer was under no duty to carry out a building survey or to inspect those parts of the property that are covered, unexposed or inaccessible or to raise boards, move any fixtures, fittings or contents or to arrange for the testing of heating or other services. It has been assumed that all services, and any associated controls or software, are in working order and free from defect. Roof voids and sub-floor areas were only inspected where readily available and safe access was available.

Comments, if any, on the physical condition of the foundations, walls, floors, ceilings, roof or roof voids, roof coverings, chimneys, gutters, drains, pipes, tanks and services etc., must be read in this context. If further information is required a separate survey with respect to these items or to other parts of the property related thereto must be specifically instructed in writing.

In undertaking the inspection, the general state of repair and condition of the property has been taken into account. The inspection was not a Building or Structural survey and this report is not intended to detail minor defects which do not materially affect value. If however, minor defects are mentioned in the report, they should be regarded as indicative and not an exhaustive list of defects. For the purposes of the Valuation, it is assumed that the property is in good repair, except for any defects specially noted.

Woodwork or other parts of the property, which were covered, unexposed or inaccessible, have not been inspected and we are therefore unable to report that such parts of the property are free from rot, beetle or other defects.

Statutory Enquiries

We have not secured a written planning history from the local authority nor have we made formal enquiries to other relevant bodies. The information contained within this report therefore represents our findings based on verbal enquiries with the relevant statutory bodies and investigations thought appropriate. Whilst the information provided is taken to be accurate, we have assumed that a full planning history and further formal enquiries will be conducted by your legal advisors. Any discrepancy should be immediately notified to ourselves in order that we may advise whether this may impact our valuation(s) reported.

Unless stated otherwise within this report and in the absence of any information to the contrary, we have assumed that:

- (a) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;
- (b) the property is not adversely affected by town planning or road proposals.
- (c) all alterations, additions or extension to the property have received all necessary Town Planning Consents, Building Authority Approvals (Building Warrants) and Completion Certificates.
- (d) the property complies with all relevant statutory and local authority requirements, including but not limited to Fire Regulations, The Equality Act, The Control of Asbestos Act, The Licensing Scotland Act, Health and Safety Regulations, Environmental Health Regulations and similar.

Fixtures and Fittings

Unless otherwise specified the following items are excluded, except in the case of Trading Related valuations where they are specifically included, unless stated to the contrary:

All items of process plant and machinery, tooling and other equipment not primarily serving the building, cranes, hoists, conveyors, elevators, structures which were ancillary to, or form part of an item of process plant and machinery, sewerage plant primarily concerned with treating trade effluents, air conditioning forming part of a computer installation or primarily serving plant.

In the case of trading related valuations, all items of trade equipment and fittings currently present within the property that are necessary for the continued operation of the business are assumed to be owned outright (unless otherwise stated) and included with the sale of the business. No tests have been undertaken to establish the operation of the trade fixtures and fittings which are assumed to be in good working order.

Information Sources

All information provided to the valuer by the client and/or the client's professional advisors or any other party is assumed to be complete and correct.

Title, Tenure and Tenancies

It is assumed that there are no encumbrances or unduly onerous restrictions, easements, servitudes, outgoing, conditions or other burdens that would have an adverse effect upon the value of the property and that a good and marketable title is held.

We do not generally have access to all leases, title deeds, or other legal documents relating to the property.

Any information recorded in this report represents our understanding of the relevant documents provided. We should emphasise that the interpretation of the documents of title (including relevant deeds, leases and planning consents), is the responsibility of your legal advisor.

Unless otherwise stated and in the absence of any information to the contrary, we have assumed that:

- a) There are no tenant's improvements that will materially affect our opinion of the rent that would be obtained at rent review or lease renewal.
- b) The tenants will meet their obligations under their leases and are responsible for insuring the property or reimbursing the cost of insurance to the landlords, payment of business rates, and all repairs, whether directly or by means of a service charge.
- c) There are no user restrictions or other restrictive covenants in leases which would adversely affect value.
- d) Where appropriate, permission to assign the interest being valued would not be withheld by the landlord.
- e) Vacant possession can be secured for all accommodation let on a temporary basis, serviced occupancy etc.

Where we have not conducted credit enquiries on the financial status of any of the tenants, we have, reflected our general understanding of the likely perception of the tenants in the marketplace. Accordingly, purchasers should satisfy themselves of the financial strength of the tenants prior to purchase.

Ground and Environmental Investigations

We will not carry out or commission a site investigation or geographical or geophysical survey. We will, therefore, not be able to give any opinion or assurance or guarantee that the ground has sufficient load bearing strength to support any of the existing constructions or any other constructions that may be erected in the future. We also cannot give any opinion or assurance or guarantee that there are no underground mineral or other workings beneath the site or in its vicinity

nor that there is no fault or disability underground that might affect the property or any construction thereon. We have, unless otherwise stated, assumed that there are no abnormal site or ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the property.

We will not undertake or commission an environmental assessment to establish whether contamination exists or may exist. We will not carry out any detailed 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 of the subject property from these uses or properties.

Therefore, for the purposes of our Valuation Report, unless definitive information to the contrary is made available to us, we will normally assume that no contamination exists in relation to the property which would affect value.

Should it be established subsequently that contamination exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the value(s) set out in the report. You should therefore inform us of this immediately and we will reconsider our opinion of value accordingly.

Similarly we have assumed there are no EPC, asbestos, Radon gas, Japanese Knotweed, invasive species or flooding issues that would affect value. We reserve the right to amend our valuations on sight of any further information with regard to any of these items as noted herein and above.

No tests have been carried out to determine whether or not any deleterious or hazardous building materials including (but not limited to) asbestos, composite panelling and flammable insulation have been incorporated in the construction or subsequent alterations of the premises. We have, unless otherwise stated, assumed that there are no deleterious or hazardous materials within the property which might adversely affect the current or future occupation, development or value of the property. Specifically the Valuer has not carried out an Asbestos Inspection and has not acted as an Asbestos Inspector in completing the valuation inspection of the Property that may fall within the current control of Asbestos at Work Regulations. No enquiry has been made with the Duty Holder, as defined in the Control of Asbestos in the Workplace Regulations, of the existence of an Asbestos Register, or of any Plan for the Management of Asbestos.

Reinstatement Cost Assessment

Any reinstatement figure indicated within this report is provided for guidance purposes only, as a formal estimate for insurance purposes can only be given by a Quantity Surveyor or other person with sufficient current experience of replacement costs.

Unless otherwise stated, the calculation is based upon the building in its present form including the cost of demolition, site clearance and professional fees but excluding:

- a) VAT
- b) Loss of rent or turnover
- c) Cost of alternative accommodation for the reinstatement period.
- d) Any other consequential loss.

Taxation

We have not been advised whether the property is elected for Value Added Tax (VAT). For the avoidance of doubt, all values stated in this report are exclusive of VAT and take no account of any liability for it or any other form of taxation that may arise upon the disposal or acquisition of the property.

Site Boundaries

Markings highlighted on any appended plans indicate the approximate extent of the site inspected as understood or as indicated to us during our visit to the property. No guarantee can be given as to whether this corresponds to that over which the title is held. It remains the responsibility of your legal advisor to confirm the legal boundaries and title applying to the property.

Should any of the assumptions or any additional stated assumptions prove to be incorrect (or inappropriate); we reserve the right to revise our opinion(s) of value accordingly.