



PROPERTY VALUATION REPORT: XXXXX

PREPARED FOR: XXXXX

Date of inspection: 5 September 2012

CONDITIONS OF ENGAGEMENT

We can confirm that neither the valuer nor the surveyors have any known conflict of interest in accepting your instructions, nor any previous knowledge of the business or the potential borrowers other than as specifically stated within the report.

Unless specified elsewhere, this report has been prepared in accordance with our Standard Conditions of Engagement, as appended to this report, and in accordance with The Royal Institution of Chartered Surveyors Appraisal & Valuation Standards, for the sole purpose of assisting the Client in consideration of the subject property.

Whilst the valuations contained within this report are expressed in a way which is suitable for lending purposes, any party, other than the Client shown above, wishing to rely upon the contents of the report for such purposes will need to instruct Hugh James Surveyors to prepare and provide a further report, which addresses the XXX.

We can confirm that we have in place appropriate Professional Indemnity Insurance in respect of this valuation. A copy certificate to this effect can be provided to the Client upon request.

EXCECUTIVE SUMMARY

No XXX is a purpose built 1 bedroom purpose built flat located on the second floor of a 3-storey building. Our instruction is to carryout RICS Valuation of the subject flat. The approximate gross internal floor area is approximately 42 sq/m.

ENVIRONMENTAL MATTERS

Your legal adviser should provide you with copies of an environmental report as part of their searches.

GENERAL CONDITION

External walls	The main external walls are formed of cavity brick wall construction. They serve their purpose adequately, there being no evidence of any major movement or distortion.
Internal walls	Internal walls and partitions on the upper floors are generally formed with a combination of solid and lightweight types. They all appear to serve their purpose adequately with no evidence of significant defects noted.
Floor	The upper floors are suspended concrete floor construction. They are noted to be generally ridged or with no significant deflection noted.

OPEN MARKET FREEHOLD VALUATION

The market value in our opinion is the best price at which the sale of the freehold interest is subject to full vacant possession. The market value is our opinion of the best price at which the sale of the freehold interest, subject to full vacant possession, in the property would have been exchanged unconditionally for cash consideration on the date of valuation, assuming a willing seller in an arm's length transaction; that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and that the state of the market, levels of values and other circumstances have remained constant; that no account is taken of any additional bid by a prospective purchaser with a special interest; and that both parties to the transaction had acted knowledgeably, prudently and without compulsion. The market value has been prepared in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual and excludes any incentives offered in the purchase price.

Having regard to the above and taking into account the premises repair and condition and the physical features, it is my opinion that the market value excluding fixture and fittings is of the order of £160,000 (One hundred and sixty thousand pounds)

INSURANCE AND REBUILDING COST ASSESSMENT

The estimated rebuilding cost of the property for insurance purposes is £65,000 (Sixty-five thousand pounds). This figure is calculated based on equivalent modern reinstatement using BCIS House Rebuilding Cost Index.

VALUATION COMMENTS

Basis of Valuation

The bases of valuation above are as defined within The Royal Institution of Chartered Surveyors' Appraisal and Valuation Standards and are subject to the qualifications and limitations referred to within this report. For further clarification of valuation terminology, please see the sections below. Full definitions of the valuations are also given within the Conditions of Engagement appended to this report.

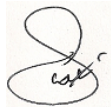
TENURE

I understand that the interest being appraised is for the leasehold interest which I have assumed to be free from onerous restrictions and encumbrances. It is assumed that there are no highway developments, environmental or planning proposals which would materially affect directly or indirectly the property and that there are no tree preservation orders. It has been assumed that there are no mining or subterranean activities known to have taken place and that the property is free from flooding and that there are no contributions in relation to the upkeep of any highway or access-way. It has also been assumed that the boundaries are clearly defined, and the ownership is known and that there are no boundary disputes. It has been assumed that all work to the property has been undertaken with full planning permission and building regulation consents and that the appropriate boiler maintenance contracts and heating guarantees are available.

CONCLUSION

The Report has been provided for your use and is confidential to you and your professional adviser and should not be reproduced in whole or in part without written authority.

Signed:



Author of Report:

XXXXX

Qualification:

MRICS MBEng

Date of Survey Report: **8th September 2012**