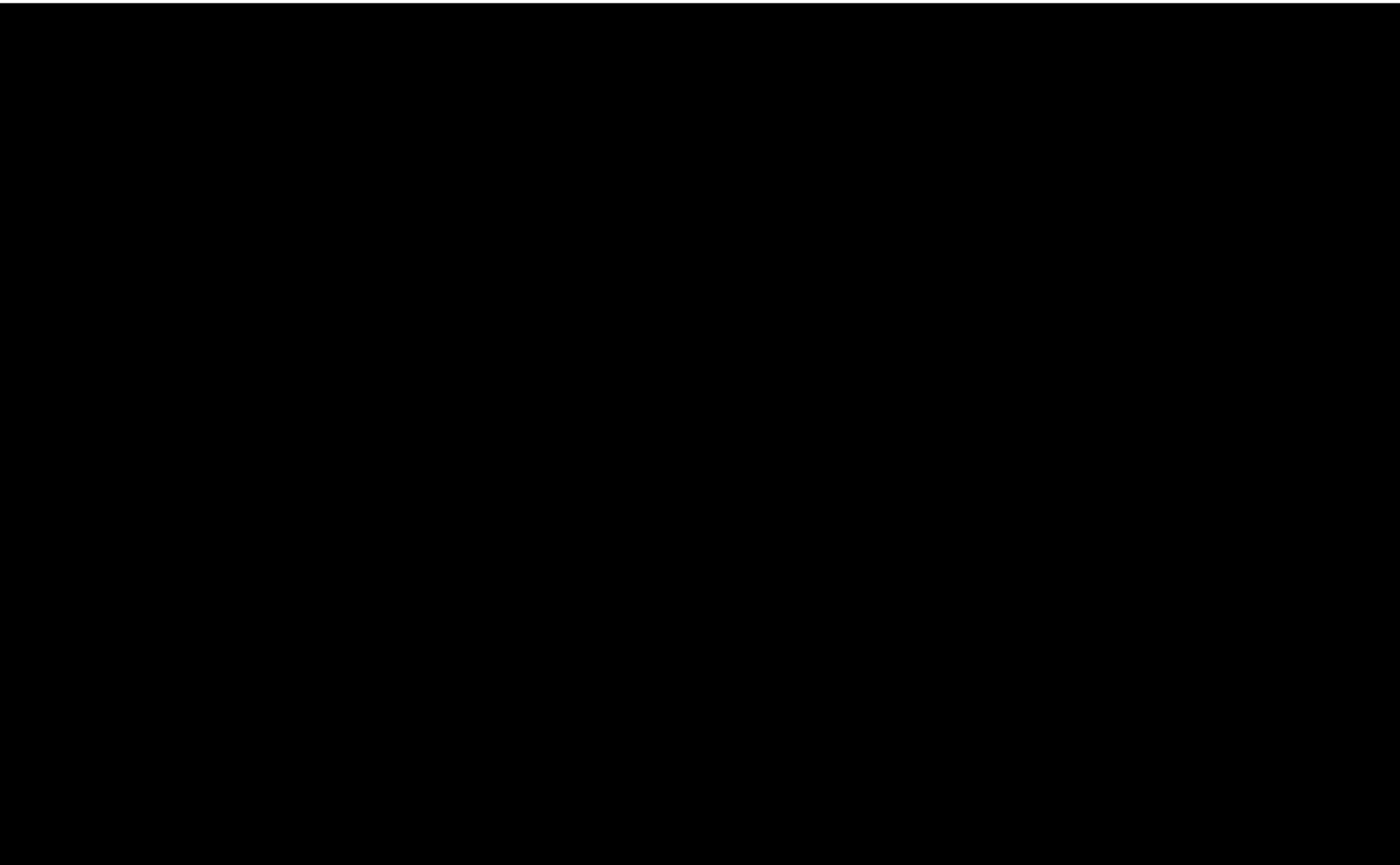




From: J M Roberts [REDACTED]
Sent: 12 February 2015 12:15
To: Anita Gardner
Subject: Fwd: EP/175/14/PL - 113 Sea Road, East Preston

Hi Anita,

Further to your email, please find attached response from client.

Regards

James

Begin forwarded message:

From: Peter Leach [REDACTED]
Subject: RE: EP/175/14/PL - 113 Sea Road, East Preston
Date: 10 February 2015 18:57:18 GMT
To: J M Roberts [REDACTED]

James,

Please find attached the professional survey that was carried out by Hurdley Atkins. They assessed the annual rent to be in the region of £7,500 but as we know any survey will be cautious so I believe the £8,000 annual rent was the market rate.

In terms of marketing I can only provide details of what I have been told by the seller and other parties i.e. neighbours to the site , including East Preston Parish council.

The site itself has now been empty for nearly 2 years. I have discussed the marketing of the unit with East Preston Parish council who occupy the property directly opposite and they can certainly validate the fact that the unit was actively marketed locally for a prolonged period. They have also not objected to the change of use on the basis that they know how hard it is to operate a retail premises in the area and would prefer the unit to be in use as opposed to an empty and untidy premises.

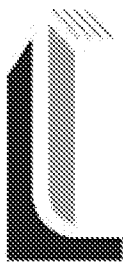
With regards to any on-line marketing I am not aware that this has been done but I do know it was valued by both Michael Jones and Glynn Jones and they were not optimistic about the opportunity of renting the property, which is why the owner elected to sell it. Even that has taken nearly two years.

I also spoke to my neighbour (Arun Business Services) regarding the planning application and he did make a comment that any retail in the area struggles to survive. He in fact and I quote said "I barely make enough to pay the rent but would hope that business traffic would have a positive impact on the area. I would be happy to ask him to put that in writing if it would help.

If I can be of further assistance please do not hesitate to contact me.

Kind Regards

Peter



Peter Leach
Director
Leach Investments

M 07768 473 245 T 01903 779789 E Peter.Leach@Leach-Investments.co.uk
A Martlet House Unit E1, Yeoman Gate, Yeoman Way, Worthing, West Sussex, BN13 3QZ

From: J M Roberts [REDACTED]
Sent: 10 February 2015 16:09
To: Peter Leach
Subject: Fwd: EP/175/14/PL - 113 Sea Road, East Preston

Begin forwarded message:

From: Anita Gardner <Anita.Gardner@arun.gov.uk>
Subject: EP/175/14/PL - 113 Sea Road, East Preston
Date: 10 February 2015 15:58:57 GMT
[REDACTED]

Dear Mr Roberts,
Following initial consideration of the marketing information I would appreciate evidence that the rental price asked for was reasonable for a unit with

this floor area in this location. Confirmation from a Valuer or Estate Agent would be helpful . I would also appreciate clarification as to whether the window advert was the only marketing undertaken. Were the premises marketed and advertised on line at any time? If so for how long? How long have the premises been empty? Without prejudice, I would appreciate receipt of this information by 25-02-2015.
Regards
Anita Gardner

Anita Gardner | Principal Planner, Planning Department, Arun District Council | Location: First Floor, Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF

Internal: 37529 | External: +44 (0) 1903 737529 | E-mail: anita.gardner@arun.gov.uk

Visit Arun's web site at www.arun.gov.uk  Save the environment - think before you print.

***** IMPORTANT NOTICE: This e-mail is intended exclusively for the addressee and may contain information that is confidential and/or privileged. If you are not the intended recipient (or authorised to receive it for the addressee), please notify the sender and delete the e-mail immediately; using, copying, or disclosing it to anyone else, is strictly prohibited and may be unlawful. Any views, opinions or options presented are solely those of the author and do not necessarily represent those of Arun District Council. The information in this e-mail may be subject to public disclosure under the Freedom of Information Act 2000, therefore we cannot guarantee that we will not provide the whole or part of this e-mail to a third party. The Council reserves the right to monitor e-mails in accordance with relevant legislation. Whilst outgoing e-mails are checked for viruses, we cannot guarantee this e-mail is virus-free or has not been intercepted or changed and we do not accept liability for any damage caused. Any reference to "e-mail" in this disclaimer includes any attachments.

***** <http://www.arun.gov.uk> : NLPG UPRN 100062237016 : DX 57406

Littlehampton <http://www.arun.gov.uk>

NLPG UPRN 100062237016

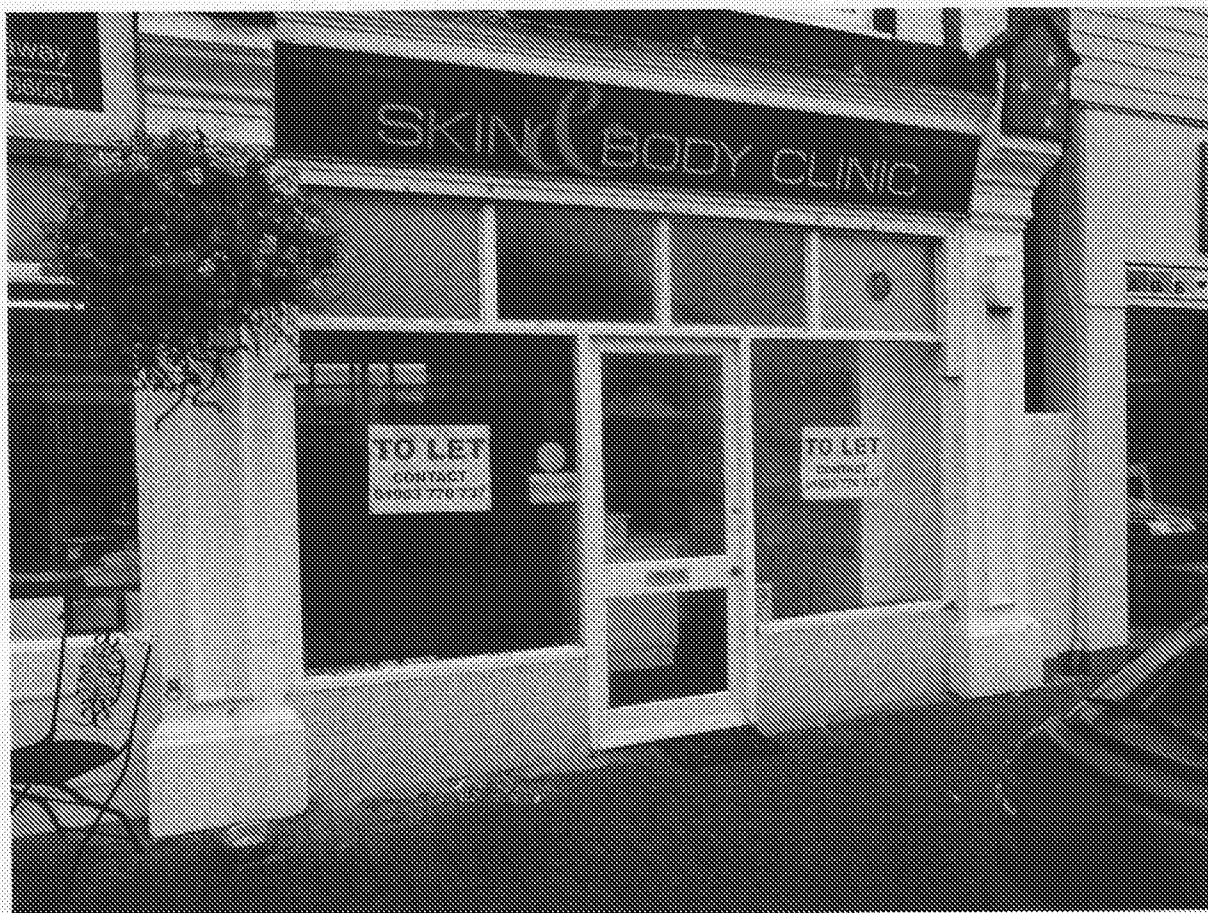
DX 57406 Littlehampton

Important Notice This e-mail is intended exclusively for the addressee and may contain information that is confidential and/or privileged. If you are not the intended recipient (or authorised to receive it for the addressee), please notify the sender and delete the e-mail immediately; using, copying, or disclosing it to anyone else, is strictly prohibited and may be unlawful. Any views, opinions or options presented are solely those of the author and do not necessarily represent those of Arun District Council. The information in this e-mail may be subject to public disclosure under the Freedom of Information Act 2000, therefore we cannot guarantee that we will not provide the whole or part of this e-mail to a third party. The Council reserves the right to monitor e-mails in accordance with relevant legislation. Whilst outgoing e-mails are checked for viruses, we cannot guarantee this e-mail is virus-free or has not been intercepted or changed and we do not accept liability for any damage caused. Any reference to "e-mail" in this disclaimer includes any attachments.

VALUATION REPORT

ON THE PREMISES KNOWN AS

**113 SEA ROAD, EAST PRESTON,
WEST SUSSEX BN16 1NX**



Prepared for

Dated this

**P Leach Esq
20 East Drive
Angmering
West Sussex BN16 4JH**

27th October 2014

Hurdley Atkins

Chartered Surveyors

35a Goring Road, Worthing, West Sussex BN12 4AR

Telephone: (01903) 700922 Fax: (01903) 502666

Our Ref: SLA/CMB

Email: hurdleyatkins@btinternet.com

Your Ref:

Keith S. Hurdley FRICS.

Stephen L. Atkins BSc (Est Man) MRICS.

27th October 2014

**P Leach Esq
20 East Drive
Angmering
West Sussex BN16 4JH**

Dear Mr Leach

re : **113 SEA ROAD, EAST PRESTON**

Further to your instructions confirmed within my letter to you dated 24th October 2014 and in accordance with my Firm's standard Terms of Business for Valuations (receipt of which has been acknowledged) I have had an opportunity to undertake an inspection of the above premises and to complete necessary research/enquiries.

Accordingly I am now in a position to be able to report my findings and opinions to you as follows.

SCOPE OF INSTRUCTIONS

Your instructions are confirmed as being to undertake an inspection of the above freehold premises (hereinafter referred to as "the premises") and to provide an assessment of market value as at the date of inspection, i.e. Friday 24th October 2014.

It is understood that you are seeking to purchase the premises on the open market via a SIPP fund and the purpose of this report is to assist you in making a reasoned decision in this regard.

This report is addressed to you although it is noted that a copy will be forwarded in due course to your SIPP provider. No other intended users have been identified to me.

My inspection was undertaken on Friday 24th October 2014 at which time the ground floor of the premises was vacant while the upper parts of the premises were sold off on a long lease at a nominal ground rent.

CONFLICT OF INTEREST

I have made appropriate enquiries and I am satisfied that no present or potential conflict of interest exists between either myself or my Firm and the premises or any of the parties involved.

VALUATION ASSUMPTIONS AND CONDITIONS

My inspection was undertaken and this report together with the assessment of market value contained herein have been prepared in accordance with the 2014 edition of the RICS Valuation – Professional Standards. For record purposes the latter define market value as

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

GENERAL DESCRIPTION AND LOCATION

The premises comprise an older style end of terrace three storey building, the ground floor of which is currently vacant but was previously occupied and trading as a beauty salon (use Class A1).

The upper floors are arranged as a self-contained residential unit (not inspected).

It is understood that subsequent to purchase and with regard to the ground floor you are intending to put in hand a programme of alteration/refurbishment works and let same as a suite of offices (use Class A2).

It is understood that you have been advised by your planning consultants that no formal planning application will be required for a temporary change of use but a formal planning application will need to be made if you wish to make this change of use permanent.

Colour photographs showing the exterior of the premises and immediate environs are enclosed within Appendix One.

The premises form part of a neighbourhood shopping parade (hereinafter referred to as “the parade”) with predominantly residential upper parts.

It would be fair to say that due to changes in shopping trends the number of retail units within the parade and a further parade on the opposite side of Sea Road are more than can reasonably be supported by their catchment area. As a result a number of these units have already switched from retail to office or restaurant/café use. This switching is likely to continue over the short to medium term.

Looking to the longer term it is entirely possible that a number of these units will switch to residential use, subject to necessary consents being obtained.

The parade stands on level ground in an otherwise affluent residential area.

The immediate surrounding area is effectively established and as such considered unlikely to materially alter or deteriorate within the foreseeable future.

A range of local amenities and the seafront are close at hand while the coastal towns of Worthing, Rustington and Littlehampton are within easy reach by car.

Unrestricted on-road parking is available outside the premises and in the general vicinity.

ACCOMMODATION

The accommodation offered by the premises is arranged as follows.

Ground Floor

Front shop/sales area.

Inner hallway.

Rear office 1.

Rear office 2.

Staff kitchen.

Shower room.

Cloakroom/w.c.

First and Second Floors

Self-contained residential unit (not inspected).

Externally

The premises front directly on to the public pavement while there is a small enclosed yard to the rear.

CONSTRUCTION

The premises have been constructed to traditional standards widely employed during the first quarter of the 20th Century.

More particularly the main external walls are of brick construction having painted render elevations relieved with mock timber beaming to the front under a pitched and tiled roof. The floors are of both solid concrete and suspended timber construction while there is a mix of single glazed and double glazed window/external door units.

SERVICES

The premises are connected to mains drainage, water, gas and electricity.

The ground floor has gas fired central heating (combination boiler and radiators).

CONDITION

I have not conducted a detailed building survey upon the premises and accordingly I am unable to comment in detail upon structural condition. However based upon my inspection for valuation purposes I am able to pass the following general observations.

Internally the ground floor is considered to be in a fair state of repair - however it is anticipated that any prospective purchaser/new occupier will wish to carry out a programme of alteration, refurbishment and redecoration works so as to better meet specific use/occupancy requirements.

None of the services were tested - based visual inspection alone it is anticipated that the electrical and gas/heating installations are in need of upgrading and servicing.

The residential upper parts were not inspected and accordingly no comments can be passed as to internal condition.

Externally the premises are considered to be in a reasonable state of repair save that fabric weathering etc is showing commensurate with a building of this age/construction sited close to the seafront.

By way of example there are localised areas of weathered/off-key render while existing external timber and metalwork would benefit from early overhauling and redecoration.

The above comments are for illustrative purposes only and must not be regarded as an exhaustive list of defects.

By way of clarification this report and the assessment of market value contained herein are supplied on the assumption that there are no major wants of repair, dilapidations or other defects/deficiencies material to market value (apart from those described above) which would be revealed by a detailed building survey.

CONTAMINATION AND OTHER RISKS

I have considered the question of whether the premises are likely to be affected by contamination.

I must point out that I am not an environmental auditor and I have not made any formal enquiries as to historic land use or potential contamination arising.

That said and based upon my inspection for valuation purposes I have no specific reasons to suspect the presence of contamination which would affect the assessment of market value contained herein.

However should it be established subsequently that contamination exists at the premises or on neighbouring land or that the premises have been put to some contaminative use in the past this could reduce the assessment of market value contained herein.

I am not aware of there being a history of flooding associated with the premises while no other specific environmental risks or perils were seen or are suspected.

CONTROL OF ASBESTOS REGULATIONS 2012

This legislation, which came into effect on 6th April 2012, confirms the duty of an individual who has "clear responsibility for the maintenance or repair of non-domestic premises" to manage asbestos.

For the purposes of this report and the assessment of market value herein it has been assumed that subsequent to commissioning of an asbestos survey an asbestos register is in place and is being maintained and that any actions recommended by the asbestos survey have been addressed.

FIRE REGULATIONS REFORM (FIRE SAFETY) ORDER 2005

This legislation came into effect on 1st October 2006 and replaces most fire safety legislation.

Fire Authorities no longer issue fire certificates and those previously in force now have no legal status.

Under this legislation a "responsible person" must carry out a "Fire Risk Assessment".

For the purposes of this report and the assessment of market value contained herein it is assumed that a Fire Risk Assessment will be commissioned once intended alteration/refurbishment works have been completed and that any potential shortcomings at that time will be addressed.

THE EQUALITY ACT 2010

This legislation imposes obligations on service providers and employers to make reasonable provision for disabled persons.

It is understood that it is intended to replace the existing shop front and this would represent an ideal opportunity to optimize disabled access to the premises.

ASSESSMENTS

The Valuation Office Agency website (the accuracy of which no responsibility can be accepted) indicates that the premises are currently assessed as follows.

Ground Floor	Rateable value £3,350
Hairdressing/Beauty Salon	with effect from 1 st April 2010

RIGHTS OF WAY ETC

It is assumed that there are usual rights of way/access to the rear of the premises.

I am not aware of any easements or the like which might have a negative impact upon the assessment of market value contained herein – this should be specifically verified or otherwise by Legal Advisers prior to exchange of contracts.

PLANNING

It is understood that the ground floor of the premises currently has planning consent for A1 (retail) use and that subsequent to purchase it is intended to use the ground floor of the premises for A2 (professional offices) use.

It is further understood that you have been advised by your planning consultants that no formal planning application will be required for a temporary (i.e. two year) change of use from A1 to A2.

A formal planning application will however be required in order to make the change of use permanent. By way of clarification the assessments of market value and market rent contained herein are on the basis of the currently permitted planning use.

TENURE

I have valued the freehold interest in respect of the premises.

TENANCIES

The ground floor of the premises is currently vacant and has been valued assuming full vacant possession.

It is understood that the residential upper parts have been sold off on a long lease at a low ground rent.

Legal Advisers should be requested to fully investigate and advise with regard to the aforementioned lease prior to exchange of contracts and in particular verify that adequate and enforceable management/maintenance arrangements are in place with the lessee(s) of the residential upper parts responsible for a reasonable contribution towards the cost of maintaining, repairing and redecorating the external fabric of the building as a whole.

MARKET RENT

I assess the market rent of the ground floor of the premises to be in the order of £7,500 (seven thousand five hundred pounds) per annum exclusive.

This assessment assumes say a ten year internal repairing and redecorating lease with both an upward only rent review and a tenant operated break clause at the end of the fifth year, same otherwise couched in standard terms typically found with modern commercial leases.

The commercial letting market is relatively depressed at the present time with the number of vacant units at a historically high level. Accordingly I form the view that in order to secure a suitable tenant on the lease terms set out above it is likely to prove necessary to offer a rent free period of between three and six months.

VALUATION

Taking the foregoing into account, having due regard to market conditions and allowing for the location, size, condition and overall presentation of the premises as seen and reported upon I assess the market value of the freehold interest assuming full vacant possession of the ground floor but subject to a long lease at a nominal ground rent in respect of the residential upper parts as at Friday 24th October 2014 otherwise free from any onerous restrictions, obligations, charges or liabilities and with good title to be in the sum of **£95,000 (ninety five thousand pounds)**.

I trust this report provides the information you require at this stage although naturally if I can be of any further assistance or if there are any points which require clarification please do not hesitate to contact me.



S L ATKINS BSc (Est Man) MRICS
RICS REGISTERED (EXTERNAL) VALUER

