



RA/57/2007

LANDS TRIBUNAL ACT 1949

RATING – valuation – 2005 list – distribution warehouse – whether passing rent for appeal hereditament most reliable evidence or whether other rental and/or assessment evidence to be preferred – whether tone of the list established – valuation officer’s appeal allowed – RV increased from £410,000 to £470,000

**IN THE MATTER OF AN APPEAL AGAINST A DECISION OF THE
NORTHAMPTONSHIRE VALUATION TRIBUNAL**

by

**PETER JOHN REEDS (Valuation Officer)
(No Respondent)**

**Re: Hancock Tyre UK Ltd
Fawsley Drive
Heartlands
Daventry
NN11 5YT**

Before: N J Rose FRICS

**Sitting at Procession House, 110 New Bridge Street, London, EC4V 6JL
on 12 November 2008**

Philip Evans of the Chief Executive’s Office, Valuation Office Agency, for the appellant with permission of the Tribunal

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The following cases, whilst not referred to in this decision, were cited:

Lotus & Delta Ltd v Culverwell (VO) v Leicester City Council [1976] RA 141

Futures London Limited v Stratford (VO) [2006] RA 75

Poplar Assessment Committee v Roberts [1922] 2 AC 93 and RA 857 – 918 HL

Barratt v Gravesend [1941] 2 KB 107

Ladies Hosiery and Underwear Limited v West Middlesex Assessment Committee [1932] 2 KB 679 CA

Webb v Lane (VO) (1951) 22 DRA 178

Harrow BC v Betts (VO) (1960) 31 DRA 521

Dawkins (VO) v Ash Brothers and Heaton Limited [1969] AC 266 and RA 141 [1969]

K Shoe Shops Limited v Hardy (VO) [1980] RA 333; [1983] RA 26 CA; [1983] RA 245 HL

DECISION

Introduction

1. This is an appeal by the valuation officer, Mr Peter John Reeds MRICS, against the decision of the Northamptonshire Valuation Tribunal, reducing the assessment in the 2005 rating list of a distribution warehouse occupied by Hancock Tyre UK Ltd (the ratepayer) at Fawsley Drive, Heartlands, Daventry from £462,500 to £410,000.
2. The ratepayer, who was the appellant at the VT hearing, did not respond to the present appeal. At the hearing before me Mr Philip Evans of the Chief Executive's Office, Valuation Office Agency, appeared for the VO and called him as expert witness. The VO contended that the assessment should be increased to £470,000.
3. The material day is 1 April 2005. The effective date is 1 April 2005 or, should this Tribunal determine an assessment in excess of £462,500, the date ordered by the Tribunal by reference to The Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2005. The antecedent valuation date (AVD) is 1 April 2003.

Facts

4. From the evidence I find the following facts. The appeal hereditament is a distribution warehouse situated in a mixed industrial and warehousing area to the north west of the centre of Daventry, approximately 300m north of the A361 Drayton Way, which forms the northern section of the Daventry ring road. Junction 18 of the M1 lies some 7.5 miles to the north and Junction 16 lies some 10 miles to the south via the A45.
5. Daventry has a population of approximately 23,000 and is the administrative centre for Daventry District. The development on which the appeal hereditament is situated is known as Heartlands Business Park. This is one of four major industrial and warehousing estates in the town, the others being Drayton Fields, Royal Oak and Long March.
6. The appeal hereditament is one of a number of larger warehouses developed mainly for distribution purposes and built between 1999 and 2004. These properties lie to the north west of an estate of smaller industrial units and offices developed from the mid 1980s and together they form the Heartlands Business Park.
7. The accommodation within the appeal hereditament consists of warehouse, administrative offices, canteen, locker rooms and stores, works offices and, externally, a hard surfaced area for the parking of cars, lorries and associated trailers. Mains water, electricity, gas and drainage are connected

8. The warehouse is of steel framed construction, arranged in three bays and lined internally with blockwork to approximately three metres with insulated cladding above. Externally the walls are predominantly clad in profiled metal sheeting, but small areas are faced in brick. The height to eaves is 11.00 metres. The warehouse is unheated. There is a fire detection system. There is some natural light via Perspex roof lights. Suspended halogen units provide artificial lighting. The warehouse is divided internally into two sections, linked by an opening in the dividing wall to permit the passage of fork-lift trucks and personnel. The warehouse is partially racked out. There are nine raised loading docks and three level loading access doors to the south east facing elevation.

9. The administrative offices are located in an annexe and link building to the south east of the warehouse. They are on two storeys and constructed around a steel frame with brick and glazed elevations under an insulated profiled metal roof. Internally the offices have suspended acoustic tiled ceilings, plastered walls and either tiled or carpeted concrete or raised floors. The annexe also houses a reception atrium, toilets, communications and plant room and a meeting room. There is a lift between the floors. The offices are air-conditioned/comfort cooled, heated by hot water radiators and served by a smoke alarm system.

10. There is a part single, part two-storey block within the warehouse containing mess room, rest room lockers and stores. This accommodation has plastered walls and ceilings, but most of it lacks natural light and is of a generally lower specification than the annexe. There is a small two-storey block of offices located within the despatch bay with a similar specification. To the front of the annexe is car parking for 59 vehicles and to the front of the warehousing hard-standing for lorries, associated trailers and general storage.

11. The appeal hereditament was constructed in 2004 by MAG Estates Limited under a design and build contract to the ratepayer's specification. As part of the arrangement the ratepayer agreed to take a lease on completion of the building. It has remained in occupation under the terms of that lease. The ratepayer is a subsidiary of a Korean based company, specialising in the provision of tyres to the wholesale market. The warehouse is used as a point of delivery, storage and distribution of tyres to subsidiary warehouses and tyre retailers throughout the United Kingdom. The appeal hereditament also serves as the headquarters of the UK subsidiary.

12. The property is held under a 15 year lease from 26 November 2004. The terms of the lease were agreed on 1 March 2004. The rent is subject to review on a five yearly basis. The tenant is responsible for keeping the property in repair, for reimbursing the landlord in regard to building insurance and for the payment of rates, water and service charges. The commencing rent was £421,930 per annum. The tenant carried out some relatively minor additional fitting-out relating to works offices and toilets. There was no rent free period or premium paid to or by the landlord. On 20 November 2008, accompanied by Mr Reeds, I inspected the appeal hereditament internally and the properties which he had cited as comparables on an external basis.

Case for the valuation officer

13. Mr Reeds has been employed by the Inland Revenue Valuation Office (now the Valuation Office Agency of HMRC) since 1974 and qualified as a chartered surveyor in 1980. In 1996 he was appointed to lead a team of valuers within the Specialist Rating Unit. Since 1996 he has spent the majority of his time engaged in the valuation of large industrial properties, large distribution warehouses and other specialised industrial buildings, principally in the east Midlands and the east of England.

14. Mr Reeds said that distribution warehouses formed an essential part in the logistics chain of transporting goods from point of manufacture to point of sale. They were buildings where goods were received, normally but not exclusively via road freight vehicles, stored, sorted and despatched, again normally by road freight. The principal characteristics of an individual warehouse such as size, height, type and number of loading doors, the degree of automation, the presence of supported floors and the extent of ancillary accommodation would be dictated by the nature of the product being stored and handled, and the duration of time that the product remained in the warehouse. The principal determinant of value of a distribution warehouse was location and in particular proximity to major transport infrastructure. It followed that, in any given location, it was to be expected that variations in rental value would be determined by how the market weighed the advantages and disadvantages of the principal characteristics he had identified.

15. In arriving at his valuation Mr Reeds had regard to the rental evidence available in respect of the appeal hereditament and eleven comparable properties, including all those which had been put forward by both parties at the VT hearing. He first adjusted the rents to accord with the definition of rateable value and then analysed the adjusted rents in terms of main warehouse space. The factors he applied to the various types of accommodation and attributes of the property to arrive at a basic price per m² in warehouse terms were those applied nationally by the VOA in the analysis of rents of large distribution warehouses. This set of adjustments formed a valuation scheme which was published on the VOA website. Mr Reeds produced the following summary of the scheme:

Accommodation	Factor (%) applied to main space	Remarks
Warehouse	1.00 (100%)	
Main administrative offices	1.20 (120%)	
Works offices and gatehouses	1.10 (110%)	Generally of a lower specification than admin offices
Cold stores	1.25 (125%)	
Chill stores	1.15 (115%)	
Canopies	0.15 to 0.25 (15-25%)	Dependent upon nature of canopy may be more than 25% in appropriate circumstances
First floor storage	0.65 to 0.80 (65 to 80%)	Dependent upon presence or otherwise of goods lift

Second floor storage	0.45 to 0.60 (45 to 60%)	Dependent upon presence or otherwise of goods lift
External storage	0.75 (75%)	May vary according to specification

Attribute	Factor (%) applied to main space	Remarks
No heating	0.975 (-2.5%)	Scheme assumes heated accommodation
Air conditioning	1.10 (+10%)	
Eaves height over 10m	1% addition for every 1m increase in height over 10m	Scheme assumes a beacon or norm of 10m eaves height.
Eaves height below 10m	Maximum of 15% at 3.5m	

16. Mr Reeds explained that, at the VT hearing, both parties had expressed their valuations by reference to an agreed schedule of areas and relativities that had regard to the scheme. He agreed with the surveyor who had acted for the ratepayer at the VT that distribution warehouses were generally advertised to let on an overall basis. He had, however, observed that in the majority of instances involving lettings of new property the properties were let in shell form, leaving the tenant to fit out to its own specification. The rateable element of the fit out work fell to be reflected in the assessment. In his view these enhancements were more easily accounted for by the adoption of a factorised approach to valuation than by way of very small adjustments to an overall approach. Moreover, the overall approach did not lend itself well to comparison of one assessment with another, particularly when individual properties had significant areas of relatively low value accommodation such as canopies. Further, Mr Reeds considered that rating valuations needed to be transparent and easily understood by the ratepayer. The factorised approach allowed ratepayers to make judgments as to the fairness of value applied to the various attributes that may be present in the property under consideration. The factorised approach had been widely accepted for the purposes of valuing distribution warehouses for the 2005 rating list as it was for the 2000 and 1995 rating lists before that. For these reasons he adopted a factorised approach both for analysis and valuation purposes. He also carried out an analysis on an overall approach, however, to check that the alternative approaches did not lead to widely different conclusions.

17. Mr Reeds produced a summary of his rental analysis (Appendix A). The appeal hereditament is the first entry on the list. The remainder of the schedule is in ascending date order. It will be noted that this summary contains two analyses of the rents paid for the Volvo unit, the Cummins Engineering warehouse and the Netto warehouse and three of the rents for the JDW unit. The first analysis of the Volvo rent used the same approach and factorisation as had been adopted by Mr Reeds's colleague at the VT hearing. Having inspected the property, however, Mr Reeds had some reservations regarding the treatment of the land element. The original analysis had deducted £4,606 from the passing rent to reflect "additional value of land". In Mr Reeds's opinion, however, the total area of hardstanding/storage land was not at

all in excess of what he would have expected to see as ancillary to a warehouse of this size. The second analysis therefore omitted this deduction. Mr Reeds also disagreed with the original application of a factor of 0.75 to an open-fronted loading bay. In his opinion 40% of the main space price was more appropriate for this item.

18. The original analysis of the Cummins Engineering unit valued the loading bay at the full main space rate. It is open sided and has a substantially lower eaves height than the main warehouse. Mr Reeds considered that a factor of 30% should be applied to this loading bay.

19. The rent payable for the Netto unit was made up of two elements, a basic or shell rent and a supplementary rent relating to fitting out. Mr Reeds analysed both the fitted rent (CR3a) and the shell rent (CR3b). He considered that the former was less reliable as it involved making a deduction in respect of non-rateable freezing equipment. In fact, however, both analyses produced similar results.

20. Mr Reeds made three adjustments to the rent payable for JDW. The precise circumstances surrounding the lease, and in particular whether the capital contribution of over £1m had been paid by the landlord to the tenant, were unclear. Analysis RC9a assumed that the capital contribution would be paid and offset against expenditure by the tenant on rateable fixtures and fittings and that the balance of capital expenditure incurred by the tenant related to non-rateable items. Analysis RC9b converted the landlord's payment to an equivalent rent free period. The resultant figure related to the unit prior to any fit out by the tenant. Analysis RC9c was a straightforward breakdown of the headline rent, assuming no capital contribution was made by the landlord.

21. Mr Reeds said that he attached most weight to those rents determined in the open market (as opposed to on rent review) and relating to properties with characteristic most similar to the appeal hereditament. In order to consider the appropriate weight to be allotted to those rents with an effective date further from the AVD, it was necessary to consider rental movements in the market prior to and after the AVD. Similarly, where the property in question varied from the specification of the appeal hereditament, it was necessary to consider how those variations impacted upon rental value.

22. An examination of the rental evidence showed variations and inconsistencies. Mr Reeds considered that the apparent differences in value were more a product of the vagaries of the market place than any genuine upward or downward movement in underlying value. Moreover, reference had been made at the VT hearing to the 2002, 2003 and 2004 editions of the Estates Gazette UK Distribution Parks Directory, which indicated that the asking rents at Swan Valley Park, Northampton had remained constant throughout this period. Mr Reeds said that these asking rents were of limited evidential weight, but they reinforced the evidence of rents in the more immediate locality, pointing to an absence of rental growth in the year after the AVD. He concluded that, on the balance of probability, the market was generally static between November 2001 and April 2005.

23. In Mr Reeds's opinion, there was no evidence to indicate that the rental devaluation price per m² of the various comparables altered with size within the parameters they set. He considered, however, that the Michael Gerson and Cummins units were of a size which placed them in a different market from the other comparables. He therefore attached less weight to them.

24. Mr Reeds attached most weight to those lettings closest to the AVD. These were the Netto letting (RC3b) which devalued at £51.12 per m² and the 2 Apex Park (RC5) letting which devalued at £47.29 per m². In both cases it had been necessary for the tenant to carry out additional works to enable beneficial occupation to take place. Taking this factor into account he concluded that a reasonably expected rent in main space terms for a fully fitted unit in this location at the AVD would lie in the range £48 to £52 per m²

25. Of the wider pool of evidence Mr Reeds attached weight to the rents relating to RC1, RC2, RC7, RC10 and RC11. The devaluation prices of these rents ranged from £44.67 per m² to £56.93 per m² and the average was £50.22 per m² (adopting his preferred analysis of RC2b). He did not attach so much weight to RC9, the JDW letting, because of the uncertainties as to the terms of the lease. Were he to include his preferred analysis (RC9a) of £48.89 per m², however, the average of the six lettings would be reduced to £50 per m².

26. Looking at the rental evidence in its entirety and weighing each piece of that evidence Mr Reeds concluded that a reasonably expected rent, as envisaged by the rating hypothesis, of a unit in the size range 7,000 m² to 21,500 m² as at the AVD and expressed in terms of £ per m² of main space would be £50.

27. The rent payable for the appeal hereditament devalued at significantly below this figure at £44.70 per m². This could not be explained by reference to the size, the specification or the location of the unit, or by the letting date. Mr Reeds could only conclude that the ratepayer was able to achieve a "good deal" owing to the relative strength of the negotiating positions of the landlord and tenant at the date agreement was reached. This agreement, however, did not represent the reasonably expected rent at the AVD.

28. Mr Reeds also considered the rating assessments of nine comparable properties, details of which are set out in Appendix B. He said that he attached more weight to agreed assessments and those against which appeals had been withdrawn than to those which had not been the subject of an appeal or had an outstanding proposal against them. Four of the assessments had been agreed. They related to Blue Star, Nasmyth Road; 4 Nasmyth Road; Netto, Nasmyth Road and Wincanton. All four assessments had been agreed with experienced rating surveyors on the basis of a main space price of £50 per m² and in accordance with the relativities set out in paragraph ?? above. Mr Reeds had been advised that, although not the subject of a formal agreement, the assessment of 4 Nasmyth Road had been discussed and agreed with Messrs Proteus Property in relation to a proposal against an historic entry in the 2005 list. As a consequence of those discussions a VO notice was served at the pre-agreed figure. No proposals had been lodged against that assessment, so Mr Reeds concluded that it was correct.

29. The assessment of IDV UK Limited had been the subject of a proposal by Messrs Gerald Eve that was withdrawn following discussions. This warehouse was older than the other comparables and formed part of a larger building, the majority of which was occupied by Tesco. Mr Reeds considered it generally inferior to the appeal hereditament and the other comparables. The property was assessed on the basis of £45 per m² main space to reflect those factors.

30. The assessments of unit 2 Apex Park and Unit 15 Fawsley Drive were calculated by reference to a slightly different scheme from that of the other comparables and large distribution warehouses generally. This was because neither property had been initially recognised as being a large distribution warehouse and so both were assessed by reference to the scheme applied to smaller industrial properties in the locality. In order to compare like with like Mr Reeds analysed the assessment in accordance with the scheme he had used to analyse the rents and by reference to which the other comparables had been assessed. On this basis the assessment devalued at £47.08 per m² and £49.83 per m² respectively. Neither assessment had been appealed and so he attached less weight to them.

31. The assessment of Volvo was based on £45 per m² main space. It had not been agreed – a proposal against the assessment had been submitted by Messrs Edwin Hill but withdrawn on the grounds of invalidity. He had similar reservations about the assessment of this property to those to which he had referred when considering its rent. Were he to devalue the assessment using a relativity of 0.4 of main space on the bay rather than 0.75, and reflect the land and retain all other relativities as per the published valuation, the price applicable to the main space would be £46.61 per m². This property was more remote from the appeal hereditament than the other comparables (with the exception of IDV) being located on the Drayton Fields Industrial Estate. This estate consisted of a more mixed industrial development than the Heartlands Estate, which was largely dedicated to distribution. To that extent it might be less appealing to potential tenants than the appeal hereditament, particularly taking its age into account (1995). Nevertheless, Mr Reeds considered that these two factors would have had only a marginal valuation effect.

32. In summary, Mr Reeds felt that there were some inconsistencies between the assessments of the comparables. With the exceptions of Unit 2 Apex Park and Volvo, however, the settled assessments all pointed to a tone of £50 per m² in respect of modern purpose built distribution warehouses in the size range 7,342.42 m² to 21,438.62 m². In Mr Reeds's opinion the weight of the rental evidence and the assessments of the comparables was more persuasive than the rent payable for the appeal hereditament. He therefore adopted a starting price of £50 per m² in his valuation. He adjusted for the eaves height of 11 m by adding 1%, deducted 2.5% in respect of lack of heating and applied the resultant price of £49.24 per m² to the warehouse. He valued the offices at 120% of the main space rate and added 10% for air conditioning/comfort cooling to give £66 per m². He valued the works offices/lockers/store at 110% of main space – that is £55 per m². This produced a total of £471,908, which he rounded down to £470,000. As a check Mr Reeds compared this figure with the comparable evidence, analysed on an overall basis. The rents to which he attached most weight were those paid for the Netto unit and Unit 2, Apex Park. They devalued overall at £51.39 per m² and £48.12 per m² respectively. The average overall devaluation price of RC1, RC2b, RC7, RC10 and RC11

was £50.26 per m², the range being £44.23 to £58.64 per m². If RC2a were substituted for RC2b the average devaluation became £50.16 per m² and the range £43.74 to £58.64 per m².

33. Mr Reeds produced a summary of all the overall devaluations (see Appendix B). To prevent distortion he excluded those elements of the assessment attributable to canopies, supported floors and plant and machinery. The average devaluation price of comparables AC1 to AC8 was £51.07 per m², the range being £46.07 to £54.98 per m². AC9 was excluded, because it was older and formed part of a large building.

34. Mr Reeds's valuation of £470,000 (Appendix C) devalued overall at £50.82 per m². He considered that this was consistent with the rental evidence and the evidence of the comparable assessments.

Conclusion

35. There is a substantial difference between the rent which was agreed on the open market for the appeal hereditament one year after the AVD and the level of value suggested by Mr Reeds. In a careful and detailed report Mr Reeds has produced a formidable case to show that the agreed rent was indeed well below the then market value. In the absence of any evidence to the contrary I accept his valuation. I direct that the assessment of the Hankook Tyre UK Ltd unit in the 2005 list be amended to £462,500 with effect from 1 April 2000, increasing to £470,000 with effect from the date of the decision of the valuation tribunal, namely 11 July 2007.

Dated: 21 November 2008

N J Rose FRICS

**HANCOOK TYRE UK LTD, FAWSLEY DRIVE, HEARTLANDS, DAVENTRY, NN11 5YT
SUMMARY OF RENTAL ANALYSIS BY P J REEDS MRICS**

VO Ref	Address	Transaction type	Total GIA(m ²) Exc Tenants Improvements	GIA ITMS (m ²)	Rent Date	Rent (£)	Adjusted Rent (£)	Rent analysed ITMS adjusted to nominal 10m eaves (£/m ²)	Rent analysed overall adjusted to nominal 10m eaves (£/m ²)	Remarks
RC1	Hankook Tyre UK Ltd Fawsley Drive, Heartlands, Daventry, Northants, NN11 8YT	New Lease	9248.29	9439.83	26 Nov 04	421930	421930	44.70	45.62	APPEAL PROPERTY
RC2a	Volvo, Sopwith Way, Daventry NN11 8XU	Rent Review	9451.2	9115.22	01 Nov 01	418000	413394	45.35	43.74	Rent review to open market rental value
RC2b	Volvo, Sopwith Way, Daventry NN11 8XU	Rent Review	9451.2	8841.45	01 Nov 01	418000	418000	47.28	44.23	Alternative, preferred analysis
RC3a	Netto, Nasmyth Road, Daventry NN11 8RD	New Lease	14720.94	15695.2	11 Sep 02	832100	807100	51.42	54.83	Analysis of fitted out rent
RC3b	Netto, Nasmyth Road, Daventry NN11 8RD	New Lease	14682.07	14742.37	11 Sep 02	832100	753600	51.12	51.39	Analysis of shell rent
RC4	Unit 15 Fawsley Drive, Daventry NN11 8YT	New Lease	9747.73	8725.65	01 Oct 02	491000	491000	56.27	50.37	Lease between connected parties
RC5	Unit 2 Apex Park, Parsons Road, Daventry NN11 8NF	New Lease	8271.4	8416.09	19 Nov 02	431195	398034	47.29	48.12	7 month rent free period for fitting out
RC6	Michael Gerson limited, Stephenson Close, Daventry NN11 8RF	New Lease	2538.7	2246.44	30 May 03	110000	104500	46.52	41.16	Lease between connected parties. Rent stated to be at Open market Value
RC7	Wincanton, Nasmyth Road, Daventry NN11 8RD	Rent Review	21438.62	21860.62	14 May 04	1257240	1257240	57.51	58.64	Rent review to open market rental value

VO Ref	Address	Transaction type	Total GIA(m ²) Exc Tenants Improvements	GIA ITMS (m ²)	Rent Date	Rent (£)	Adjusted Rent (£)	Rent analysed ITMS adjusted to nominal 10m eaves (£/m ²)	Rent analysed overall adjusted to nominal 10m eaves (£/m ²)	Remarks
RC8a	Cummins Engineering Company, Newnham Drive, Daventry NN11 8YG	New Lease	4534.97	4466.23	16 Jul 04	221045	209993	47.02	46.31	
RC8b	Cummins Engineering Company, Newnham Drive, Daventry NN11 8YG	New Lease	4534.97	4168.6	16 Jul 04	221045	209993	50.37	46.31	Alternative, preferred analysis
RC9a	JDW National Distribution Centre NN11 8RD	New Lease	16639.6	17745.66	1 Aug 04	867666	867666	48.89	52.14	Open market letting but uncertainties over capital payments to be made by the Landlord
RC9b	JDW National Distribution Centre NN11 8RD	New Lease	16575.3	16500.55	01 Aug 04	867666	750614	45.49	45.29	Open market letting but uncertainties over capital payments to be made by the Landlord. Analysis on shell basis assuming capital payment received by tenant
RC9c	JDW National Distribution Centre NN11 8RD	New Lease	16575.3	16500.55	01 Aug 04	867666	867666	52.58	52.35	Open market letting but uncertainties over capital payments to be made by the Landlord. Analysis on shell basis assuming capital payment not received by tenant.
RC10	Blue Star, Nasmyth Road, Daventry NN11 5WF	New Lease	7342.4	7417.6	01 Nov 04	458000	422283	56.93	57.51	New Lease. Stepped rent and initial rent free period
RC11	4 Nasmyth Road, Daventry, NN11 8RD	New Lease	14122.56	14315.79	24 Mar 05	723144	639470	44.67	45.28	New lease. 6 month rent free period
RC12	IDV UK Ltd, Royal Oak Way North, Daventry, NN11 8QL	Rent Review	25808.6	26688.84	21 Apr 05	1204000	1143800	42.85	44.32	Property erected in 1979 Rent review to open market rental value.

**HANKOOK TYRE UK LTD, FAWSLEY DRIVE, HEARTLANDS, DAVENTRY, NN11 5YT
SUMMARY OF COMPARABLE ASSESSMENTS BY P J REEDS MRICS**

VO Ref	Address	Total Area	Year Built	Eaves Height	Basic Price per m ² applied to warehouse	Devaluation RV/Total area	Rateable value	Remarks
AC1	Blue Star, Nasmyth Road, Daventry NN11 5WF	7342.4	2000	11	£50.00	£50.39	£370,000	Assessment agreed with T. Curtis, David Store & Partners
AC2	Unit 2 Apex Park, Parsons Road, Daventry NN11 8NF	8271.4	2002	13	£48.17	£49.87	£412,500	No Proposal has been lodged against this assessment
AC3	Unit 15 Fawsley Drive, Daventry NN11 8YT	9743.73	2002	10	£49.83	£51.18	£442,500	No proposal has been lodged against this assessment. Basic price ascertained in accordance with valuation scheme.
AC4a	Volvo, Sopwith Way, Daventry NN11 8XU	10071.7	1997	11	£45.00	£46.07	£432,500	Proposal lodged by Edwin Hill withdrawn on grounds of invalidity
AC4b	Volvo, Sopwith Way, Daventry NN11 8XU	10071.7	1997	11	£46.61	£46.07	£432,500	Proposal lodged by Edwin Hill withdrawn on grounds of invalidity
AC5	4 Nasmyth Road, Daventry NN11 8RD	14122.56	2002	12.6	£50.00	£50.63	£715,000	Assessment agreed with P. Flindall of Proteus Property
AC6	Netto, Nasmyth Road, Daventry NN11 8RD	14720.94	2002	12.18	£50.00	£53.37	£785,000	Assessment agreed with Paul Davinson of Storeys: SSP
AC7	JDW National Distribution Centre NN11 8RD	16639.6	2004	11.63	£50.00	£54.98	£910,000	Proposal Outstanding against original list entry of £950,000 - submitted by Atis Real
AC8	Wincanton, Nasmyth Road, Daventry NN11 8RD	21438.62	1999	11.2	£50.00	£52.18	£1,090,000	Assessment agreed with B Penfold of G L Hearn
AC9	IDV UK Ltd, Royal Oak Way North, Daventry, NN11 8QL	25808.6	1979	9.78	£45.00	£46.30	£1,195,000	Proposal withdrawn by Simon Butler of Gerald Eve following discussions.

HANKOOK TYRE UK LTD, FAWSLEY DRIVE, HEARTLANDS, DAVENTRY, NN11 5YT

VALUATION BY P J REEDS MRICS

Floor	Description	Area (m ²)	£/m ²	Value (£)	Remarks
Ground	Warehouse	8136.21	49.24	400627	Base Price £50 + 1%-2.5% no heat
Ground	Offices	389.23	66.00	25689	Base Price £50 x 1.2 + 10% Air con
First	Offices	382.46	66.00	25242	Base Price £50 x 1.2 + 10% Air con
Ground	Link	74.05	66.00	4887	Base Price £50 x 1.2 + 10% Air con
First	Link	74.05	66.00	4887	Base Price £50 x 1.2 + 10% Air con
Ground	Lockers/wcs	58.08	55.00	3194	Base Price £50 x 1.1
First	Store	39.45	55.00	2170	Base Price £50 x 1.1
Ground	Works Offices	47.38	55.00	2606	Base Price £50 x 1.1
First	Works Offices	47.38	55.00	<u>2606</u>	Base Price £50 x 1.1
				471908	
			Rateable Value	Say	£470,000