

# Business Buyer & Market Appraisal Valuation Report

Woodstock Social Club  
44 Oxford Street, Woodstock, OX20 1TT



Date of Inspection - Wednesday 27th August 2025

Report prepared for Woodstock Community Benefit Society Ltd

Prepared by David Broschomb MRICS FAVLP

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# Executive Summary

# Executive Summary

This executive summary is to be read in conjunction with the full report and appendices.

Description	Summary
Property Address	<ul style="list-style-type: none"><li>Woodstock Social Club, 44 Oxford Street, Woodstock, OX20 1TT</li></ul>
Purpose of Valuation	<ul style="list-style-type: none"><li>Community Valuation.</li></ul>
Inspection Date	<ul style="list-style-type: none"><li>Wednesday 27th August 2025</li></ul>
Community Group	<ul style="list-style-type: none"><li>Woodstock Community Benefit Society Ltd</li></ul>
Location	<ul style="list-style-type: none"><li>The property is located on the edge of Woodstock town centre.</li><li>The property is situated on a busy roadside location.</li><li>Local amenities in the area are varied and include a shops, school, church, pubs and many independent businesses. Regular buses into Oxford.</li></ul>
Brief Property Description	<ul style="list-style-type: none"><li>The external property is terraced and constructed of brick with render underneath a multi-pitched slate roof.</li><li>The property has a small patio garden to the rear.</li><li>Car parking is on street or in the public car park off Union Street.</li></ul>
Tenure	<ul style="list-style-type: none"><li>The Club Property is Freehold.</li><li>We are to instructed to value the freehold interest as a fully equipped operational entity having regard to trading potential.</li></ul>
Business	<ul style="list-style-type: none"><li>The property was closed in August 2024 and is no longer occupied.</li><li>The current owner is Woodstock Community Benefit Society Ltd</li><li>The property has is not currently on the market.</li></ul>
Marketability & Demand	<ul style="list-style-type: none"><li>If brought to market, we would expect limited demand mainly from either private individuals or the developer owner of the surrounding building.</li><li>A reasonable marketing period is considered to be in the region of 9–12 months.</li></ul>
Volatility	<ul style="list-style-type: none"><li>The Property is currently closed for trade and very limited trading information is available. The trading potential is therefore unproven.</li></ul>
Required Capital Expenditure	<ul style="list-style-type: none"><li>The property can continue to operate as it currently stands but it will require investment to improve and update the property. The level of such investment should only be equitable with the commercial return that the business can achieve .</li></ul>



# Instructions & General Information

## 1. INSTRUCTIONS

### **1.1 Instructions - Details**

- My instructions I've received from Woodstock Community Benefit Society Ltd by email and confirmed by my terms of engagement. The instruction is confirmed by despatch of this valuation.
- A copy of Dabro & Associates Ltd Standard Conditions of Engagement is attached as Appendix C. These conditions apply unless amended by the instruction's correspondence - except for 2.2 - Measurement procedure, which applies in all circumstances.
- My instructions are to prepare a valuation of the public house based upon an appraisal of the property, and potential sustainable business, for a community group who would operate the property as a public house and community hub. This report is not a structural survey.

### **1.2 Purpose of Valuation**

The property is valued as directed in my terms of engagement.

### **1.3 Identification of the asset**

Woodstock Social Club, 44 Oxford Street, Woodstock, OX20 1TT

### **1.4 Bases of Valuation**

The basis of valuation - as specified in my terms of engagement are interpreted to accord with my Valuation definitions as stated in **Appendix B:-**

**Market Value as a Fully Equipped Operational Entity** having regard to Trading Potential ("Market Value - Trading")

**Market Value as a Fully Equipped Operational Entity** having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default")

**Market Value of the Empty Property** having regard to Trading Potential and subject to Special Assumptions ("Market Value - Closed - in Default")

### **1.5 Valuation Date**

The property is valued as at the date of this report.

## 2. BRIEF DESCRIPTION

The Woodstock Social Club is located in Woodstock. Woodstock is a town in the Cotswolds close to the City of Oxford. The village has a population of about 3500. Woodstock is made up of a mixture of styles of residential property. In addition, Woodstock has varied amenities including shops, school, church, pubs and many independent businesses.

The Woodstock Social Club is currently owned by Woodstock Community Benefit Society Ltd. The club is closed for business and no longer occupied. The property is not the open market.

The Woodstock Social Club is located within a terraced property. There is an outdoor tarmac trading area to the rear. Car parking is on street and in a public car park. The enclosing building is constructed of brick under a mixture of multi-pitched roof with slate covering. I am advised the external property is Grade II listed and is in a conservation area. The local community applied for an asset of community value on the property. This application has been granted.

3. GENERAL INFORMATION

3.1 Client

Woodstock Community Benefit Society Ltd

3.2 Sources of information

In arriving at my valuation appraisal I have relied upon information provided by the following (where relevant):-

- Email correspondence, and telephone conversations with members of Woodstock Community Benefit Society Ltd.
- Information on the West Oxfordshire District Council planning portal.
- The Valuation Office website for rating information.
- Government information websites with regards to highways, mining, flooding and radon gas.

3.3 Other Information

The property was inspected on Wednesday 27th August 2025.  
The weather was overcast, but dry.

4. VALUATION

**IMPORTANT NOTE:** Please find below a report with comments and recommendations for the above property. The information provided is for the sole use of the party to whom it is addressed. Dabro & Associates Ltd or the author of this report take no responsibility for any assumptions and decisions made from the use of this report or the information contained within it. RICS Valuation Standards - The Valuation and Report has been prepared in accordance with the RICS Valuation - Global Standards effective from 31st January 2025. The report and valuations are summarised here for convenience, but they should be read together with the full report to establish the observations and assumptions upon which they are based.

	VALUATION
<b>Market Value as a Fully Equipped Operational Entity</b> having regard to Trading Potential ("Market Value Trading,")	£120,000
<b>Market Value as a Fully Equipped Operational Entity</b> having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default")	£100,000
<b>Market Value of the Empty Property</b> having regard to Trading Potential and subject to Special Assumptions ("Market Value - Closed - in Default")	£90,000

**5. VALUER, QUALIFICATIONS & STATUS** (Also see Appendix A:8)

DAVID BROSCHOMB MRICS FAVLP



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RICS Registered Valuer.

Fellow of the Association of Valuers of Licensed Property.

RICS Assessor for Commercial Real Estate APC.

RICS Valuation of individual trade related properties - Expert Working Group.

Consultant to Chartered Surveyors and Property trainers.

Specialist lecturer at Leeds Beckett & Salford University.

I am David Broschomb, Director and founder of DABRO & ASSOCIATES LTD which specialises in Leisure & Licensed Property. I have 30 years' experience in Leisure & Licensed property. This includes extensive experience in Sales, Acquisition & Valuation in Leisure, Licensed and Commercial Property and seven years with a major Chartered Surveyors who specialised in Leisure & Licensed property. I formed Dabro & Associates in 2013 and we now undertakes property instructions ranging from, property valuation, viability reports, business rates, rent reviews and appraisal.

My depth of knowledge within the Leisure & Licensed property sector has enabled me to act on behalf of individuals, companies, publicans, hoteliers, local councils, solicitors and family courts.



# Property Description

## **6. THE PROPERTY**

Num 44 (Woodstock Social Club)  
44 Oxford Street  
Woodstock  
OX20 1TT

## **7. LOCATION & COMMUNICATIONS**

The Woodstock Social Club is located to the edge of Woodstock town centre. Woodstock is located on the A44. The A44 links onto the A34 and A40 close by from there into the national motorway network. Road communication can therefore be described as good. Public transport provides regular service to Oxford with the nearest train station around 4 miles away.

## **8. DESCRIPTION OF THE PROPERTY** (Also see Appendix A:1)

### **8.1 General**

The Woodstock Social Club is located in Woodstock. Woodstock is a town in the Cotswolds close to the City of Oxford. The village has a population of about 3500. Woodstock is made up of a mixture of styles of residential property. In addition, Woodstock has varied amenities including shops, school, church, pubs and many independent businesses.

The Woodstock Social Club is currently owned by Woodstock Community Benefit Society Ltd. The pub is closed for business and no longer occupied. The property is not the open market.

### **8.2 Construction**

The Woodstock Social Club is enclosed within a terraced property. There is an outdoor tarmac trading area to the rear. Car parking is on street and in a public car park. The surrounding building is constructed of brick under a mixture of multi-pitched roof with slate covering. I am advised the property is Grade II listed and is in a conservation area. The local community applied for an asset of community value on the property. This application has been granted.

### **8.3 Dimensions**

In my description, measurements and dimensions are approximate. No accurate measurements of the building, internally or externally or of the site were taken during the inspection. Approximate or estimated measurements are provided for guidance or identification purposes only. A reproduction of the plan supplied on the sales particulars by the selling agents, if available, can be found in Appendix 1.

### **8.4 Accommodation**

#### *Ground floor*

From the entrance to the front elevation, through into an internal lobby (3.01m x 2.96m) (which is not owned by the Club, but they have agreed access) there is access to LADIES toilets and via a staircase to the 1st floor or straight forward to the club. The single door leads into the initial area of the club, with wooden floors, with loose and fixed seating. (13.49m x 7.17m) and access to the GENTS toilet. This area leads through to the carpeted BAR SERVERY area (approx 17.74m x 6.02m) with fixed and loose seating (approx 60). To the right of the Bar Servery is both access to the external side passage and internally, a spiral staircase to the 1st floor. Access, via the Bar Servery is to the GAMES/CONCERT ROOM (13.83m x 9.75m) with seating for approx 200. This area includes a DANCE floor, a raised STAGE, LADIES & GENTS Toilets and access to the rear yard. A small kitchen is located behind the bar servery, as is access to the CELLAR, which we were unable to view or comment on.

*First floor*

Stairs lead from the ground floor to the first-floor which briefly comprises of a LANDING, SNOOKER ROOM (7.38m x 5.52m) and OFFICE (5.54m x 2.14m)

**8.5 Outside**

The outside area of the property comprises a small rear tarmacked area which includes a STORAGE GARAGE (with an asbestos roof) additional storage, OUTBUILDINGS, 4 bench seating and gate exit/entrance.

There is no CAR PARKING and access to the front is via a lobby and not direct from the street.

**9. SERVICES & SECURITY**

I have assumed the above services from my investigations. All service installations are also assumed to be in satisfactory working condition. No tests have been conducted or commissioned.

<b>Water</b>	Mains
<b>Electricity</b>	Mains
<b>Drainage</b>	Mains
<b>Gas</b>	Mains
<b>Central Heating</b>	Mains
<b>Burglar Alarm</b>	Confirmed
<b>Fire Alarm</b>	Confirmed

**10. OVERALL CONDITION** (Also see Appendices A:2, A:3)**10.1 Internal**

From the result of my inspection to the interior of the property. I would advise that the property that comprises the members club is in a reasonable state of repair with no immediate remedial maintenance or essential action required to halt further deterioration of the building and it's services. Existing decorative finishes throughout the property require cleaning and redecoration together with a full refurbishment of the trade areas, ancillary rooms, store-rooms, kitchen and 1st floor rooms. It is evident the building has been maintained to a reasonable level in recent years. Due to the age and condition of the property it can be reasonably expected that continued maintenance will be required to ensure the property remains at an acceptable level for sustainable commercial use throughout the rest of its useful life.

**10.2 External**

The rear exterior of the property requires immediate attention to ensure various features do not deteriorate further. The tiles to all sections of pitched roof appear in reasonable condition given the age of the property although a number have moved. An example of this can be seen in the roof detail photographs in Appendix 3 of this report. Plant growth and vegetation to the outbuilding roofs is evident and this will damage the property if permitted to continue.

**10.3 Overall**

Overall, the condition of the property is reasonable. The interior of the property is in reasonable condition with no obvious areas requiring immediate maintenance. The limited rear exterior does not appear to have been maintained in recent years so it will need removal of the asbestos roof, on the garage, and full preparation and painting to bring the property up to a standard that will be attractive to customers wishing to use the rear as a “beer garden”.

This report is not a building survey. However, we would advise the client, or any new purchaser, to read the joint position report compiled by the RICS in September 2022 that comments on moisture in traditional buildings. A link to this report can be found here: [investigation-of-moisture\\_jps\\_2022.pdf](#) ([rics.org](#))

I consider the building should have a useful economic life providing a routine maintenance schedule is introduced for the property. This schedule must maintain the property to a reasonable standard for commercial use on an ongoing basis.

**11. FIXTURES & FITTINGS** (Also see Appendix A:5)**11.1 Included Equipment**

The club has a reasonable level of fixtures and fittings but the inventory may not sufficient to allow the property to be able to begin trading again. Any carpets, curtains, loose furnishings, light fittings and other electrical equipment may need to be removed from the property, during redecoration/refurbishment. The cost of such a clearance should not be underestimated. Therefore the clearing of the property should be fully assessed prior to exchange of contracts on a purchase, by a new owner/operator.

When reopening the club, a full inventory of fixtures and fittings should purchased, by any new owner. The cost of this inventory will vary significantly depending on the amount and quality of the equipment purchased. Kitchen equipment alone may cost a minimum of £15,000.

**11.2 Excluded Equipment**

As we did not have access to the CELLAR, the condition of the brewery beer raising equipment to the cellar is unknown and excluded from this valuation. Acquiring this equipment or new, together with cellar cooling facilities should form part of any negotiations with the supplier of the draught products for re-sale. The condition of the cellar cooling equipment should also be checked prior to reopening, by the Community, or a new Operator.

**11.3 Trading Stock**

No saleable trade stock was in the club at the time of my inspection.

## **12. LOCAL AUTHORITY & RATEABLE VALUE**

The local authority for the property is West Oxfordshire District Council.

Business Rateable Value (2023 valuation) is £19,250.

The previous valuation for the property from August 2023 to March 2023 was £10,000.

Note that the above valuation figure for each period is not the amount payable.

Council Tax banding for the residential element of the property has been deleted.

The methodology used by the Valuation Office Agency (VOA) in preparation of rateable value for a public house is based upon historic trade levels to assess a fair maintainable trade for the property. The current rateable value together with historic values indicates a history of low trading income. This does not always reflect the potential of a business as long-term operators may reduce the level of income a business produces as they develop a 'lifestyle' business to reflect their own needs. Business Rates should also reflect the level of rent attainable on the site.

Fair maintainable trade (FMT) should always reflect what a reasonably efficient operator can achieve in a business. From my experience, observations and investigations relating to the rateable value for public houses, the Valuation Office Agency (VOA) have a robust methodology based upon the high number of similar properties they have in their records. That said they tend to look at the 'maximum' FMT a business can achieve rather than a true analysis of the turnover and costs of a business. The FMT discussed later in this report analyses this operational system and process.

Rateable value is useful when comparing different licensed property. As the RV reflects the fair maintainable trade then this groups public houses together that are achieving similar levels of turnover and profitability.

## **13. COMPLIANCE MATTERS**

I would advise that the following assessments and reports are completed to a level that satisfies current statutory requirements prior to exchange of contracts on the property. Should an interested party buy the property, it will be their responsibility for the following compliance reports. Commissioning such reports together with any remedial work required to be undertaken can cost many thousands of pounds.

**13.1 Fire Safety** (Also see Appendices A:3.5, A:9)

**13.2 Disability Discrimination** (Also see Appendices A:3.2, A:9)

**13.3 Environmental Health, Safety & Hygiene** (Also see Appendices A:2, A:3.6, A:9)

### **13.4 Asbestos Risk Assessment**

I would recommend downloading the RICS guidance note *Asbestos: Legal requirements and best practice for property professionals and clients* [asbestos 4th-edition.pdf \(rics.org\)](https://www.rics.org/4th-edition.pdf) (see Appendices A:3.3, A:9) I am advised that such a report has been completed by the current owners.

### **13.5 Contamination** (see Appendices A:3.1 and A9)

The property is in a town environment. During my visit to the property I did not notice, nor was it brought to my attention, any likely areas of contamination that would adversely affect the property. It would be the responsibility of any future purchaser to satisfy any doubts as to whether a further report is necessary.

### **13.6 Energy Performance Certificate**

There is no EPC on the national register. This can be checked by visiting the following website: <https://find-energy-certificate.digital.communities.gov.uk/>

### 13.7 Invasive Species

Information available online suggests that there have been some reported instances of invasive plant species identified immediately adjacent to the property. However, such information is quite limited in its availability and scope and should not be relied upon as proof that invasive plant species are present in, or around, the property. Invasive species include but are not limited to:

Japanese Knotweed (*Fallopia japonica*): 28 occurrences within 5 miles of the property.

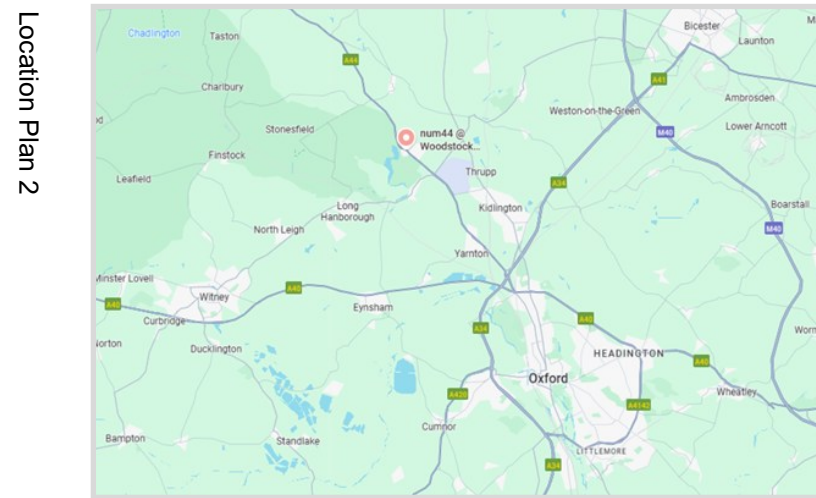
Giant Hogweed (*Heracleum mantegazzianum*). No occurrences within 5 miles of the property.

Although no evidence of the presence of invasive plant species, such as Japanese Knotweed, was seen during the course of the survey, it can often be difficult to identify, especially where the gardens have been recently cut back or are overgrown.

## 14. PLANS

### 14.1 Maps and Site Plans

- (i) Location Map – This is supplied for guidance purposes only and is not to scale.
- (ii) Plot – supplied for reference (See Appendix 1).



### 14.2 Boundaries

I cannot confirm that the boundaries to the property are adequately defined. I have not checked upon ownership and responsibilities for maintenance of boundaries, and such matters should be checked by a suitably qualified solicitor.

Clients may wish to read the following document [boundaries---procedures-for-boundary-identification -demarcation-and-dispute-resolution -e w-gn -4th-ed-jan-22.pdf.pdf \(rics.org\)](#). This provides information on the importance of correctly identifying the boundary of a property.

**15. PREMISES LICENCE** (Also see Appendix A:3.4)

I am advised that the property has a premises licence. Retaining or obtaining a premises licence should be a condition of sale. The licence should continue to include permission for the performance of live music, the playing of recorded music and dancing and the provision of entertainment facilities including making music.

**16. PLANNING** (Also see Appendix A:4)

As a result of my own investigations and from my discussions with members of Woodstock Community Benefit Society Ltd, I have been advised of the following:

**16.1 Village Zoning/Designation**

- The Num 44 (Woodstock Social Club) does lie within a conservation area.
- The Num 44 (Woodstock Social Club) is Grade II listed (source <https://historicengland.org.uk/listing/the-list/> and <https://britishlistedbuildings.co.uk/>).
- The Num 44 (Woodstock Social Club) is registered as an asset of community value (ACV).

**16.2 Permitted Use**

- The present use of the property does not contravene planning regulations.
- No enforcement action or proceedings currently affect the property.

**16.3 Highways**

Our investigations found the Highways Authority required no alterations to the property or planned changes to the roads adjacent to the property. Further information can be found at <https://highwaysengland.co.uk/>.

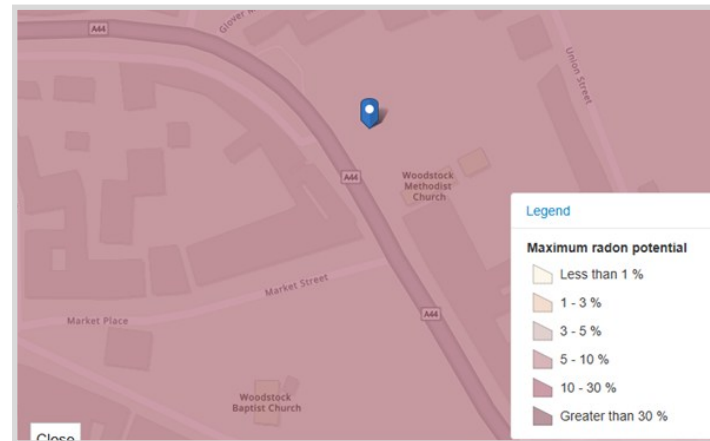
**16.4 Environmental matters** (see Appendix 1 for further information)

<b>A) Mining</b>	This property is located off the coalfield. Further information can be found at <a href="https://www.gov.uk/check-if-property-is-affected-by-coal-mining">https://www.gov.uk/check-if-property-is-affected-by-coal-mining</a> .
<b>B) Flooding</b>	The property is considered to be located in or near an area of very low risk of flooding from surface water and very low risk from rivers or the sea. There is no risk of reservoir flooding, there is no risk of groundwater flooding.
<b>C) Electromagnetic Fields</b>	We are not aware of any high voltage electrical supply equipment close to the property. Further advice on electromagnetic fields can be found at <a href="https://www.gov.uk/government/collections/electromagnetic-fields">https://www.gov.uk/government/collections/electromagnetic-fields</a> .
<b>D) Landfill</b>	There is no evidence that the property is located on or immediately adjacent to a former landfill site but this should be confirmed by your legal representative prior to exchange of contracts. The nearest landfill site is on Brackley Road, Ardley, Bicester OX27 7PH, approximately 11 miles away.
<b>E) Climate Change</b>	The British Geological Society (BGS) has reported on how changes in climate will affect the ability of the ground to provide a stable base for buildings. Your survey is reported on the condition of the property at the present time. BGS estimate that in the next 10 years over 1.5 million properties in England will be affected by the shrink-swell actions created by climate change that are not affected at the moment. It is therefore vital that insurance cover is in place on this property if such movement were to occur. Insurance premiums are expected to rise in the future to meet the growth of claims that will be made. More information on this can be found at GeoClimate: UKCP09 and UKCP18 - British Geological Survey ( <a href="https://bgs.ac.uk">bgs.ac.uk</a> )

**F) Sustainability** As defined by the Bruntland report (1992) '*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*'. The three-core triple bottom line principles of sustainability for this report are considered to be economic, social and environmental. In our opinion, this property has the potential to meet all three principles.

**G) Radon gas** The radon gas potential is 10-30%. More information can be obtained from Public Health England to determine the overall level of risk. (Full risk map can be studied at [www.ukradon.org/information/ukmaps](http://www.ukradon.org/information/ukmaps)).

Radon Gas Map



### 16.5 Potential for Development and/or Alternative Use

It is my opinion that the best commercial use of this property is as a public house but to use the property to its maximum potential with other commercial enterprises and as a benefit to the community.

Any development proposals and assumptions of suitability for continued public house use or alternate use would be subject to planning approval. The Planning Officer of the relevant local council should be contacted to approve or otherwise all these points prior to their implementation.

### 17. TENURE & POSSESSION (Also see Appendix A:6)

#### 17.1 Tenure

It is understood that the property is Freehold.

#### 17.2 Third Party Rights & Restrictions

During my meeting with members of Woodstock Community Benefit Society Ltd, I was advised that the area within the building (the club) is not subject to any restrictions or right of way.

I would advise that third party rights and restrictions, together with the legal boundary of the plot are confirmed by a legal representative before exchange of contracts on any purchase of the property.

#### 17.3 Occupancy & Possession

The property was not occupied at the time of my inspection. I value on the assumption that vacant possession would be given without delay in the event of a sale.



# Business Analysis

## **18. THE BUSINESS**

### **18.1 Period of Occupation**

The property is closed and not trading. From my investigations, I understand there had been an extended period of closure dating back to August 2024.

### **18.2 Style of Trade**

From my discussion with members of Woodstock Community Benefit Society Ltd, I understand the future style of trade will be based on a traditional members club with a food offer that will grow over a period of time depending on the skill set of the managers recruited. The club will also provide a variety of other uses to compliment and assist the local community.

### **18.3 Trading Hours**

The community group should consider future opening times that allow commercial viability to the operation and also fulfil the needs of the community.

### **18.4 Competition**

The community group should explore the strengths, weaknesses, opportunities and threats of competition in and around the area. The operational style of the Woodstock Social Club in the future may involve multiple use so all types of competition should be considered.

### **18.5 Management & Staffing**

I have been advised that the the current owners propose to initially operate the Woodstock Social Club with a manager and it is felt that any new operator will either be an owner-operator or appoint a managers.

## **19. POTENTIAL & PERSONAL GOODWILL**

### **19.1 Potential**

The Woodstock Social Club has the potential to achieve a sustainable level of trade, but the very best operator will have to be found who understands the needs and requirements of the community as a whole.

From information available in the public domain, my investigations and discussions with members of the Woodstock Community Benefit Society Ltd, together with my experience of over 30 years in the licensed trade, it is possible to see there is a sustainable business for the club.

However, for the business to be sustainable and to encourage an experienced operator/manager to take over the running of the operation before sustainable trade levels have been re-established, Woodstock Social Club must attract as many of the inhabitants of Woodstock to use the club as often as possible and also attract visitors from beyond the boundary of the village. The layout of the trade area coupled with the potential of the outside areas can provide confidence that the turnover can reach a sustainable level as soon as possible. How the community group, or a new operator and their potential manager will deal with the initial shortfall in income, profitability, and the period of time the turnover falls below a sustainable level, will need to be written into the central financial forecast and business plan. As discussed in **21. ACCOUNTS & TRADING INFORMATION** these forecasts should also concentrate on what is achievable in the short term. As trading information is confirmed through actual sales and cost figures, these projections can be expanded with some level of certainty.

The business at the Woodstock Social Club will need to grow from nil (currently closed) to minimum net sales of about £4,000 a week from all income streams (wet and food sales initially, complimented by ancillary sales from other activities as the business grows). The turnover from such income streams needs to achieve a gross profit no lower than 65%. Regular visits and use from locals is paramount but as mentioned above the Woodstock Social Club must be attractive to potential customers from outside the area having to use their car. Alcoholic sales may not be able to make up all the sales. Food, teas, coffees and sweet snacks (cakes and biscuits) will therefore be important to the business. This may well mean that the operation does not adhere to conventional club opening times. Morning coffee, a popular lunch menu and afternoon tea will not only be important to turnover but also as a form of advertisement for the club. Customers using the club as a café or meeting place need to be encouraged to come back in the evenings and weekends.

The value of properties and businesses of this type is closely related to trading results and potential. In view of the importance that the market for such properties places on actual trading figures, the reported value could vary in the event of a future change in the trading potential or actual level of business from that indicated by the information and assumptions made here. At present, however, the club is not trading and the value of the club as a trading entity can only vary in relation to the demand it generates through its potential to trade.

**19.2 Personal Goodwill**

Goodwill is defined in the RICS Valuation – Global Standards (Red Book Global) as 'Any future economic benefit arising from a business, an interest in a business or from the use of a group of assets that is not separable.'

For the purposes of this report, when assessing the goodwill this definition is used. The business is closed so there can be no personal goodwill associated with the business.

**20. FAIR MAINTAINABLE TRADE (FMT)**

This report relates to the property as an entity having regard to trading potential. My primary valuation is as a closed business so I am required to assess the fair maintainable level of trade and operating profit that can be achieved by a reasonably efficient operator, upon which a potential purchaser would, in the opinion of the valuer, be likely to base an offer. I include this information therefore to provide an example of what turnover can be expected, the gross profit that will need to be achieved, the costs associated with such an operation and the profitability that can be expected. Fair maintainable operating profit is stated prior to deductions for depreciation, amortisation, and loan interest.

The assessment is based on a manager working full time in the business. This would require community group liaison with the operator to ensure that total costs of operation are tightly controlled and to develop a sustainable business.

Estimated Maintainable Net Sales	£208,000
Gross profit percentage	65%
Estimated Achievable Gross Profit	£135,200
Less	
Minimum Managers Wage	26,000
Additional staff wages & National Insurance	45,760
Business Rates & Insurance	10,400
Services	17,000
Allowance for Sundry Costs	6,100
POTENTIAL OPERATING PROFIT	30,000

**NOTE:** Business rates and insurance are quoted above at £10,400. The business rates may currently fall below the value where there is a charge, however, increasing the turnover to a sustainable level will attract a revaluation. This may still mean that there is small business relief, but following the 2024 budget there is uncertainty. I am including a charge here for illustration purposes only at the rate incorporated in **21. ACCOUNTS & TRADING INFORMATION**.

**The foregoing is intended as a broad indication of achievable returns.** These could vary considerably dependent upon the economic climate, the input by the manager and other factors beyond the direct control of the community. Two examples of this would be property repairs and additional staffing costs as occur from time to time. To ensure that the operating profit was achieved the operator will have to be able to control costs very tightly and ensure that the maximum level of gross profit is achieved from sales.



It is important to qualify the above. The business will be starting from a nil base. That is to say, work will be required just to begin to achieve the above figures. The need to recruit a suitable operator cannot be over emphasised. The period where the business achieves break-even needs to be considered fully before recruitment.

I am including the following analysis of the above assessment should there be any protracted times of trading difficulty and also to illustrate the dangers of not reacting to the rise in supplier pricing by maintaining a gross profit of 65%. Throughout 2025 the average supplier increase for drinks products has been approx 5% - 7% (reducing an operators gross profit down to 60% - 58%). Suppliers increase for food prices is expected to be even higher at 8% (reducing an operators gross profit to 50% - 52%). Therefore, if the level of trade does not rise to the required income, then any operator could find they have a business failure. Below I have reduced the net turnover by £500 a week to £182,000 a year and the gross profit to 50%. This is a realistic interpretation of how income and gross profit can alter if controls are not maintained.

Estimated Maintainable Net Sales	£208,000
Gross profit percentage	50%
Estimated Achievable Gross Profit	£104,000
Less	
Minimum Managers Wage	26,000
Wages & National Insurance	45,700
Business Rates & Insurance	10,400
Services	17,000
Allowance for Sundry Costs	6,100
POTENTIAL OPERATING PROFIT	-1,200

From this illustration the business would no longer be a sustainable business. As mentioned in **21. ACCOUNTS & TRADING INFORMATION** many of the costs are fixed and it is only when the turnover hits a certain level that the costs as a percentage of turnover provide a sustainable business. Control of gross profit and costs are even more important at present as costs are forecast to rise higher than at anytime previously experienced.

In my FMT illustration I have presented a good starting gross profit and tight control of costs. These two factors are important and show the need to maintain a strong control of costs and gross profit. These two areas are where many licensed businesses fail.

If the community group were to decide on a tenancy, then they would look to charge a market rent. Market rent is derived from what the market will pay for a licensed premises based upon the fair maintainable trade of a site. When related to turnover this is currently between 8% and 10%. Operating at a level of fair maintainable trade the rent would therefore be somewhere between £16,640 and £20,800. Put simply, if you were recruiting for a tenant and you received only a small number of applicants you could expect a rent that would be at the lower end of these figures. With more applicants the desirability increases and a rent at the higher end can be achieved. Rent higher than this should be avoided as the sustainability of the business is compromised. For clarification, the quoted rent also includes the private accommodation element of the property.

Having discussed the matter of attracting an operator that will both fit in with the profile of the pub operation and also be prepared to work at developing the Woodstock Social Club with the community, it is important to stress the need for both professional and legal advice with the appointment of a tenant or manager who shares the group's vision and values. The group should seek the appropriate professional advice when undertaking this process.

During the initial period and later in the operation of the Woodstock Social Club, the following breakeven formula will be crucial when calculating the required income for a specific cost. It is important to maintain the gross profit of the business when analysing an additional cost to the business. Failure to do this will mean a reduction in gross profit and as outlined above, it is important to keep the gross profit at 65%. For example, if an event costs £1,000, the operator will need to increase gross bar takings by £3,428 to maintain profitability.

$$\frac{\text{Cost of building work (£1000)}}{(100 - \text{Gross Profit } 65\%) 35} \times 100 (\text{£2,857}) \times \text{VAT (20\%)} = \text{£3,428}$$

This formula is very useful when deciding to book entertainment or any other additional cost for the pub.

$$\frac{\text{Cost of band (£350)}}{35} \times 100 (1,000) \times \text{VAT (20\%)} = \text{£1,200}$$

Using the above calculation, it shows that if you normally take £500 on an evening and want to have a band on you will need to take £1,700 (£500 + £1,200) on that night to make it worth your while rather than £850 (£500 + £350) as may be thought. If you are employing more bar staff, kitchen staff, hire a P.A. etc these costs should also be added to the total cost before doing the calculation.

## 21. ACCOUNTS & TRADING INFORMATION

I have been provided with very limited accounts from any previous business that operated from the site, which were of limited use..

It would be advisable for Woodstock Community Benefit Society Ltd to produce some business projections based upon my comments in **20. FAIR MAINTAINABLE TRADE**. The sales mix should reflect the style of operation the Group wish to put in place but the levels of turnover, control of costs, and profitability should be carefully adhered to. Such a projection will allow the group to focus on getting the pub up and running to a sustainable level before developing the business further.

In my calculations at **20. FAIR MAINTAINABLE TRADE** I have grouped overall turnover and costs together. I provide a breakdown of costs here to help further calculations. It is only when the level of turnover equates to the fair maintainable trade (FMT) that these costs can equate to the percentage to turnover. Prior to that many of these costs are fixed and so are greater. It is therefore important to reach the FMT as soon as possible.

A manager's salary, or any other full time member of staff, based upon a 40 hour week at the National Living Wage of £12.21 per hour (from April 2025) would be £25,397. A manager's wage without any performance based bonus should be no more than 10% of turnover, so the example above in **20. FAIR MAINTAINABLE TRADE** is fixed at the minimum, as an example. The overall wage costs should be based upon a total cost of about 32% (10% Manager + 22% all other staff).

<u>Licensed trade property trading costs</u>	<u>Percentage to turnover range given potential increases</u>	
	<u>Current</u>	<u>Forecast</u>
Wages & Salaries	32.0%	33.0%
Rates*	4.0%	4.0%
Utilities	6.5%	7.0%
Repairs & Renewals	1.5%	2.0%
Insurance	1.0%	1.0%
Marketing/Promotion/Telephone/Wi-fi	1.0%	1.0%
Consumables	0.4%	0.4%
Waste Disposal/Cleaning/Hygiene	1.0%	1.0%
Professional fees	1.0%	1.5%
Bank charges	1.0%	1.0%
Entertainment	1.0%	1.0%
Other costs	0.6%	0.7%
<b>TOTAL COSTS</b>	<b>51.0%</b>	<b>53.6%</b>

Whilst projections of business income are useful the ability to gauge potential should be limited to the knowledge that is available. The first year of trading will provide a base on which future projections can be produced. When the pub is operating the business plan should be referred to at least every month to see how performance is reflected against the projection. Only after the first full year has been completed will future projections have any true meaning.

When planning for investment in a business the sustainable level of trade should be targeted as soon as possible. If projections look for growth too quickly or to a level that is not sustainable there may be too much investment in repairs, refurbishment, and development. This would mean an over-spend on the asset.

## 22. SPECIAL ASSUMPTIONS

Except for those referred to in my standard valuation definitions (see Appendix B), I have made no special assumptions in reaching the conclusions of this report.

# Valuation Analysis

### **23. FAIR MAINTAINABLE TURNOVER (FMT) AND REASONABLY EFFICIENT OPERATOR (REO)**

#### **Fair maintainable turnover (FMT)**

The level of trade that an REO would expect to achieve on the assumption that the property is properly equipped, repaired, maintained and decorated.

#### ***Reasonably efficient operator (REO)***

A concept where the valuer assumes that the market participants are competent operators, acting in an efficient manner, of a business conducted on the premises. It involves estimating the trading potential rather than adopting the actual level of trade under the existing ownership and it excludes personal goodwill.

### **24. RECENT TRANSACTIONS (within the last 5 years taken from the Land Registry) (Also see Appendix A:7)**

The Woodman, New Yatt Road, Witney, OX29 6TT	£344,560 May 2025
The White Horse Inn, The Ridings, Witney, OX29 8EA	£455,000 September 2023
The Red Lion, 127 Cassington Road, Kidlington, OX5 1QD	£410,000 November 2023
White House, 1 Grove Road, Bladon, OX20 1RQ	£507,400 July 2020

I have disregarded any suitable property that are being currently marketed, as they represent a “market appraisal asking price” and not a figure for which the property was/could eventually be sold for. Any purchaser/operator will have to seriously consider the value of the club, due to the virtual “land locked status and with no parking. Both these points will/do have a negative effect on what the market would pay for the Woodstock Social Club and very much limit potential interested parties.

### **25. COMMENT / RECOMMENDATION**

#### **25.1 Market Conditions**

My opinion of current market conditions and current and expected trends in respect of this type of property is as follows:-

To provide comment on the current property market for licensed property specifically and the hospitality industry in general, it is important to reflect on how the market has moved since the credit crisis in 2008. Although this is a considerable time ago the market is still feeling the effects.

#### **The market for licensed property since 2008**

For the seven years to September 2008 the market in hotels, licensed and leisure premises was exceptionally buoyant, with the peak of the cycle being reached in Spring 2007. Up to this point the major pub owning companies in the UK had seen a sharp increase in their share value based upon the progressive increase in rents that could be achieved, the high number of potential recruits for public houses, and the protection of high beer volumes the fully tied substantive agreements gave to these companies. The acquisition of more public houses to the estate of each Pub Company was therefore a method of sustaining this inflated share price. The cost of borrowing money was below the return that their income could provide and so the Pub Companies were able to out-bid each other and individual purchasers so increasing the market value of many public houses.



Following the banking collapse in 2008 and the nationalisation of the Royal Bank of Scotland and Lloyds, the commercial property market fell into virtual freefall, and this trend continued for at least six years to 2014 when values appeared to level out. The market in recent years would seem to have reached a sustainable level, although there are presently no signs of any significant uplift, with few if any pressures which in the foreseeable future are likely to cause an increase in value.

In the six years from 2008 to 2014, it is estimated that values of hotels and licensed premises fell by between 40% and 50%. At one time there were, on some sites, reasonable prospects of alternative use, including in certain circumstances redevelopment or change of use. From 2014 onwards, prices steadied but fully operational licensed properties were only achieving the values they had achieved back in 2008 by the end of 2019. Properties with little potential to operate or achieve planning permission for change of use were still slow to move and achieved only their residual value when sold.

Pub owning companies (Pub Co's) and most corporate purchasers withdrew from the market of individual acquisitions, and those funds which were supporting the investment sector are now concentrating on clusters of public houses. Pub Companies and some Brewers have sold a significant number of their "bottom end" units and many licensed premises have closed, and this trend continues, albeit at a slightly reduced level.

### **The market from 2020 to 2025**

2020 appeared to start promisingly for the commercial property market. However, the World Health Authority announcement of a global pandemic on 11<sup>th</sup> March soon led to social distancing measures and forced business closures. This severely restricted any market activity and the consequences of the subsequent lockdown has continued to weigh heavily on the sale and letting of all sectors of the commercial property market.

The RICS UK Commercial Property Survey results throughout 2021 pointed to the continued struggle of properties associated with the hospitality industry against the challenges posed by the ongoing Covid-19 pandemic. However, by the end of the year contributors remarked that the market was in an upwards phase.

2022 RICS UK Commercial Property Survey results pointed to the market gaining momentum over the previous quarter. However, despite the general improvement in the survey results, contributors still remained cautious on the outlook for the economy given pressures caused by rising living costs and higher interest rates.

In relation to demand, contributors to the survey noted that the leisure sector improved in 2023. This sector also saw an increase in the availability of leasable space, albeit the pace of this growth was slow and certainly not significant. As a result, headline rental expectations remained stagnant, with little chance of increased rents able to be sustainable for operators. Overall, the outlook for 2023 was positive for the leisure sector, albeit it somewhat modest. Contributors envisaged a more consistent recovery progressing over the following twelve months for pubs and hotels, after the sector having been hit hard by the pandemic since early 2020.

Capital values continued to plateau with the hospitality industry being no different to the rest of the commercial market. A decline in tenant and investor interest on the property acquisition side and a slow return of retail customers back into the hospitality industry following the pandemic continue to make the market sluggish.

The Q3 2023 RICS UK Commercial Property Monitor results remained relatively downbeat, with tighter financial conditions and a sluggish economic backdrop weighing on activity across both the investor and occupier markets. The outlook for rents and capital values was still slightly negative for small individual public house which is where the Num 44 (Woodstock Social Club) sat in the market, at the time.

In the first quarter of 2025, my own experiences are that prices of hospitality property have been maintained from pre-covid times, however, there is still a lack of quality operating businesses that are offered for sale, and stock numbers in general are low. There is limited evidence from investor interest that alternate use values for public houses and hotels may be increasing. This may, however, be driven by developers hoping to convert these properties to residential use.

**Agents, Surveyors and the industries comments that are continually being reiterated, included the following:**

- Costs inflation is a significant challenge.
- The rise in building costs and interest rates have significantly cooled all areas of the property market over the winter.
- The lack of supply is supporting property values despite negative macro-economic factors.
- The investment market has undoubtedly dropped.
- The effects of energy pricing will be far reaching due to the effect of MEES (*after 1 April 2023, landlords must not continue to let any buildings which have an EPC rating of less than E*) and this has led for increasing interest in more modern commercial property especially due to running costs.
- With such a volatile market there is a need to manage the rent expectations of landlords and the valuation of property.
- The leisure sector is under threat with severe challenges driven by energy costs and wage inflation.
- Rents are plateauing and incentives requested are rising.
- Public Houses statistics show an increase in pub closures, often blamed on high cost of overheads.
- Historically there has been a large decline in Social Clubs, of all affiliations, due to aging members, reduced membership uptake and costs of maintaining large unused areas.
- Pub Co's and Operators of all dimensions are disposing of pubs which are "unprofitable" within their levels of turnover and profit. The same applies to unprofitable social clubs.
- Working and leisure patterns have changed, since COVID, which leads to different markets in different areas - local restaurants and pubs more popular than City/Town locations, and partial openings - weekend rather than whole week are becoming more popular in the hospitality industry.
- Social Clubs, over the last 10 years have become targets for developers, due to the increase in value in that sector, rather than continued trading.
- Unrealistic borrower expectations of Market Value is leading to disappointment in many valuation cases.
- Hospitality has operational cost problems and likely falling discretionary spend is hitting profits.
- The October 2024 Budget with increases in Employers NI, a higher minimum wage and a decrease in the Business Rates Relief, will have a substantial effect on the hospitality industry and profit/loss of businesses.

**How agents see the 2025 market based upon sales in 2024**

Licensed properties in general have recovered from the enforced closed period of covid, but economic uncertainty created by cost inflation coupled with increasing interest rates, and the change in social trends has put a squeeze on discretionary spending in 2024. The licensed trade expects an increased number of pubs, clubs and restaurants closing and an increase in insolvency activity. If the increase in supply of such properties to the market is sufficient, there is potential for the nature of insolvency sales to impact the values negatively. However, if demand remains strong an influx of buyers may stabilise values. Given the current and on-going economic conditions and talk of business failures, the number of insolvencies and liquidations may not be as high as expected. Banks are still being very cautious when considering lending to hospitality projects and businesses, following the financial crisis of 2008/9. Also, introducing too many properties to the market will only result in lower values for distressed properties. Structured exit arrangements and agreed recovery plans are more likely. For businesses in tourist locations this may be a major strength for them.

Christie & Co

Christie & Co are the biggest licensed property agent in the UK and their 2024 Business Outlook Report they acknowledges that "*whilst the UK pub sector continues to demonstrate resilience, parts of the transactional market remain challenging due to the interest rate hikes and stubborn inflationary environment during 2024*".

Fleurets report Survey of Pub Prices January 2025

*"From the jaws of recovery, the Autumn Budget (Oct'25) is set to put more cost pressure on the Pub sector in 2025, which is likely to be unsustainable for many". "Looking ahead into 2025, it appears that both the economic and trading outlook will continue to be extremely challenging"*

Savills report Spotlight UK Leisure 2024

*"Strong performance of pubs compared to restaurants suggests the consumer has been opting for a more casual dining experience than a more formal restaurant meal" (Sam Arrowsmith, Director, Commercial Research)*

BII (British Institute of Innkeepers)

*The BII estimates that the number of Pubs in the UK by the end of 2024, was in the region of 44,950. This is a reduction of 400 over the year. This is half the number of post lost annually in the five years before Covid.*

**Are PubCos and Brewers buying pubs?**

PubCos have moved away from purchasing individual public houses and now concentrate on small/medium groups of pubs from which they believe they can produce a minimum of £12k—£15k per week. Any falling short of turnover levels are then disposed of.

**The importance of planning legislation and the financial lending market**

The events and behaviour of the population during the lockdown period opened up questions as to the future use of licensed property and that of better alternative commercial planning use. The lack of housing, and in the main affordable housing has prompted a response by the industry to ease up on planning class and use.

The ability to fund the purchase of a property is a key element when assessing the value of a property to the market. In the years leading up to 2008 lenders were often happy to provide funding for their clients as the perceived risk in many sectors of the commercial market was low. The leisure industry had a history of providing owner operated businesses that grew year on year and a long line of prospective tenants were available for investment property. Following the credit crisis both of these scenarios were not as readily available. A report on commercial lending from Cass Business School (April 2021) provided evidence of a dramatic reduction in the market.

Dr Nicole Lux, senior research fellow at the Business School and author of the report, observed, *"I predict that real estate lending will become more expensive and require further capital for borrowers across the next two to five years, due to increasing maintenance and improvement requirements to meet ESG standards, necessary conversions or repurposing and increased capital costs of banks."* This statement has proved to be insightful, as it certainly applies to the current situation in 2025.

**Asset of Community Value (ACV)**

Prior to March 2020, having a public house registered as an asset of community value would stop the change of use through planning permission, particularly if accompanied with a reasoned viability report. Public houses closed for business for an extended period of time allows owners and operators to argue that they are unviable. Social distancing reduces the effective turnover that can be achieved whilst costs cannot be reduced proportionately.

For a vendor, having their property listed as an ACV is costly. The delay in selling the property usually results in additional cost by way of business rates, insurance, security charges, and legal fees involved in dealing with the ACV listing.

It is unclear as to how effective the ACV listing of a public house is. I have seen many cases where having an ACV on a property has been effective in stopping a successful planning application for change of use. However, documentary evidence is not available on all ACV sites and so each property has to be judged on a case by case basis. My own experience of property carrying an ACV is that this registration, together with a well organised local community group, makes an application for change of use difficult to achieve, but not impossible.

**The effect the residential market may have on offers on commercial property, past and present**

Since the pandemic struck in March 2020 prices have increased very sharply in the residential market. The commercial market has been more difficult to analyse as there have been fewer and more sporadic sales.

Having seen residential house prices rise during the pandemic and then restraints introduced in an attempt to reduce indebtedness, potential purchasers may look to commercial property, and public houses with the potential for alternate use in particular. If this is the case, then offers for such property may reach a higher price than the value of the operating entity based on speculation as an investment when compared to the residential market.

With the resulting change in behaviour brought about by the Covid-19 pandemic this has brought about changes as to how the viability of a property to operate as a public house is assessed. Proof as to how a property is an asset to the community if only fewer of the community can use it may well be part of a submission against an ACV. If the ACV becomes less of a benefit to retaining the use of the property then the alternate use value may increase and become an unintended consequence forcing prices higher.

**The importance of the incumbent operator on market value**

Historically (pre-2008), location was the most important factor on the market value of a public house. This was because the number of potential operators for licensed properties was greater than the number available on the market. From my own experience and currently corroborated by many of my agency and surveyor colleagues in the industry, this has been turned on its head with the number of properties available now outnumbering potential operators. A further important factor is that many experienced operators, both tenants and managers, have left the industry, mainly due to retirement and the increase in the operating costs versus the decline in turnover.

Prior to 2008, many licensed and leisure businesses could guarantee a continuation of trade levels following a change of operators providing the operator was reasonably efficient. Many banks and other financial institutions have experienced a high level of business failure within the ranks of their mortgage customers, with repossessed properties failing to reach previous market values when sold. Such institutions are therefore reluctant to fund a public house purchase unless the proposed buyer has a proven track record in the industry.

Therefore, the incumbent operator has become an increasingly important factor in assessing the value of a business. If the operator has failed to capitalise on the full potential of a property, funders are reluctant to consider that any other operator will be more successful. If a property is achieving full potential or even over-achieving, funders are cautious of the high level of trade failing to be continued when the current operator leaves the public house.

**The significance of rising operating costs**

Payroll remains one of the single most significant cost for operators at 32% with overall increases driven by utility, premises and operational costs (total 51%). Utility costs have shown the sharpest hike of the operating costs, since the Ukraine War and the change of Government, but these increases do not reflect the full extent of the current increase in overall costs. Many businesses have reported certain price rising by more than 100%, over the last 3 years. The research found more than two thirds (67%) of operators increased prices to mitigate increasing energy costs. Like for like sales have contracted, while turnover has remained stable in many cases, due to the need by operators to increase their prices, to cover increases from the suppliers and overheads.

In assessing the underlying value of licensed and leisure premises, one must rely on their current viability and longer-term prospects when judged against the realistic potential of fair maintainable trade. In arriving at my valuations, I have endeavoured to reflect the present market condition, but clients should be aware that commercial property market activity is being impacted in many sectors.

### The tenanted model against the managed model

The method of operation for a public house will govern the level of income for an owner. The traditional method of owner operator means that the pub is owned and operated by the same person and all of the benefits are those of the owner, but also the risks. A halfway house in this style of operation is to use a manager to operate the pub. However, this means the manager has to be controlled, or managed, and so this can become as time consuming as an owner operating the business themselves. Over the last 10 years or so, many owners have had other employment and so require a manager to operate the pub. In the case of community groups owning pubs, the community do not have the time or individual skills to operate a pub and so either a managed or tenanted method of operation has been adopted. The benefit of having a tenant is that the income (the rent) is guaranteed, although it is usually lower than what could be achieved with a manager if all costs are controlled and required gross profit achieved. The trend within the licensed trade supporting managers or tenants is constantly changing as the market changes. Prior to 2008 the tenant model was preferred by many corporate groups as it guaranteed income. As the number of potential tenants available has declined in recent years the move has been towards a managed style of operation.

### 25.2 Summary/Comments/General Remarks

The Woodstock Social Club is currently presented to the market as a closed club. Any new or existing operator who buy the club there will be an initial period of uncertainty as to the trade performance. The operator recruited by the owners should be provided with assistance to constantly analyse trends in trade levels and deal with operational shortcomings, whilst at the same time the owner group need to fully understand how the club operates and if it is achieving at least the fair maintainable trade levels outlined in this report.

From my projection, as to the fair maintainable trade, my valuation reflects the property and trade level/potentials with a basic level of investment. Future investment into the property and business will need to be carefully analysed to ensure the community group receive a return on the investment. If this does not happen then the community must be prepared to receive no return for their investment. This is a straightforward statement but it is important for the community group to understand that all investment must provide a return to their community business.

The property in this report is valued as it currently stands, this is as a closed social club and a property with the potential to operate as a sustainable business. It is important to understand that any repairs and improvements to the property may not necessarily translate to an increase in value. The market values a property such as Woodstock Social Club by the level of trade and profitability, together with any additional investment potential rather than the bricks, mortar, fixtures, fittings and effects.

To further clarify my bases of valuation, I provide here the definitions with an explanation in plain English (*italicised*) as to why these valuations are of use to the community group:

**Market Value as a Fully Equipped Operational Entity** having regard to Trading Potential ("Market Value - Trading") *The highest value that can be expected if the property operates at full turnover and profitability.*

**Market Value as a Fully Equipped Operational Entity** having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default") *The value of the property if the business operates but does not reach the fair maintainable trade levels and does not provide an operating profit.*

**Market Value of the Empty Property** having regard to Trading Potential and subject to Special Assumptions ("Market Value - Closed - in Default") *This valuation is where the pub is at the moment, it does not trade or have any accounts to confirm the level of trade that the business can operate at.*

**Reinstatement Value** - Estimate for Insurance Purposes *An important valuation as it provides an indication as to what the property should be insured for. Underinsuring will mean reduced pay out on any claim made.*

The cost of repairs and decoration to the existing property is difficult to estimate as there is a substantial amount of work to be undertaken just to open the club. This work will need to be carefully assessed and the standard of fittings will need to be costed so as to provide a return for the investment made. A further programme of investment will be needed after the initial refurbishment is completed. This should be assessed as part of an ongoing schedule and may take many years to complete.

My valuations below look at the pub as an operating entity. The property can only be valued as a Social Club. The above summary outlines why the property is valued as it is in this report, how to deal with any added investment into the property, the initial process of recruiting an operator, and the future style of operation. When purchasing a social club, clients should consider that the commercial property market is unlike the housing market. Commercial property values can fluctuate based upon the commercial return an owner can receive from a property. Residential property values can rise annually based upon desirability and availability amongst other factors.

## **26. VALUATION METHODOLOGY & STATUS**

The Woodstock Social Club is a freehold social club. Although the property and business are closed and not trading any appraisal of the value must be closely related to trading results and potential. The method of analysis used to calculate the value of a licensed property is the profits method. I have based the fair maintainable turnover (FMT) calculation on a reasonably efficient operator using the current capacity of the public house. The market attaches great importance on the trading figures achieved for a property and business such as the Woodstock Social Club.. The change in the trading potential and actual decline in level of business since the property was closed over the recent period must be reflected in the value.

I have also provided evidence of comparable market transactions in support of general market analysis, with my additional comments. The valuation methodology outlined above together with the examples of general market sales provide an example of the market.

Over recent years, I have experienced a consistent clustering of multiples paid between 5 and 8 on profit for operational public houses and this has remained consistent throughout the country other than central London. However, multiples for Social clubs of all affiliations are between 2 and 4 YP (years Purchase) due to the fact that Social clubs are often not making any profit and they are often large properties with unused space and assets. Any increase in the multiple of operational profit is dictated by the purchaser depending on the desirability of the property for their purpose and its potential for alternate use. I have therefore applied a multiple of between 2 and 4 to my calculation of fair maintainable trade, taking in the potential for the costs of operating a public house to rise in the near future and remain at that level ongoing.

This valuation has been made after having regard to evidence of 4 market transactions in support of general market analysis. (See Appendix A:7 - 12)

## **27. OTHER MATTERS**

### **Legal Issues, Grants and Taxation, Liability, Disclosure, Complaints**

It would be advisable for any purchaser to ensure that all legal matters are understood and future statutory responsibilities are fully covered before completing the purchase of the property. My comments on this together with my disclosure and complaints procedure can be found in appendices A:10 to A:15.

**28. MARKET APPRAISAL VALUATION**

Based upon the information provided to us, and in accordance with the assumptions and conditions as detailed in this report, I am of the opinion that the market appraisal valuations as at today's date and as detailed at the commencement of this report are as follows:

	VALUATION
<b>Market Value as a Fully Equipped Operational Entity</b> having regard to Trading Potential ("Market Value Trading,")	£120,000
<b>Market Value as a Fully Equipped Operational Entity</b> having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default")	£100,000
<b>Market Value of the Empty Property</b> having regard to Trading Potential and subject to Special Assumptions ("Market Value - Closed - in Default")	£90,000

I trust the foregoing opinions and market appraisal valuations will satisfy your requirements, but should you require a more detailed report on any particular aspect, please let us know.



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Report Dated - 23rd September 2025  
 Counter read by Rebecca Warriner - Blencathra Administration Solutions



# APPENDIX 1

## Property Information





# APPENDIX 2

## Recent Market Transactions



The Woodman, New Yatt Road, Witney, OX29 6TT  
£344,560 May 2025



The White Horse Inn, The Ridings, Witney, OX29 8EA  
£455,000 September 2023



The Red Lion, 127 Cassington Road, Kidlington, OX5 1QD  
£410,000 November 2023



White House, 1 Grove Road, Bladon, OX20 1RQ  
£507,400 July 2020

# APPENDIX 3

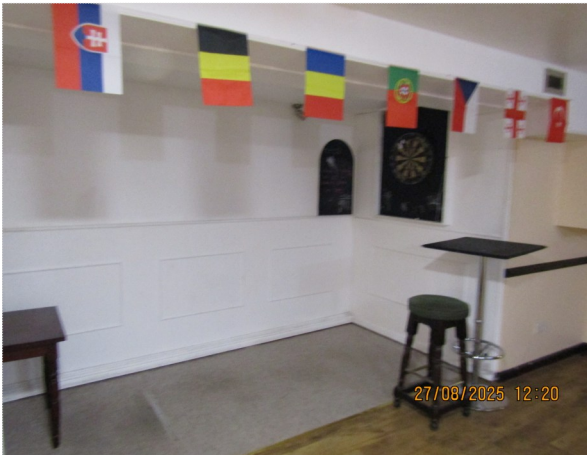
## Photographs





Lobby and ground floor entrance.





Ground Floor Trading areas





Ground Floor Trading areas.





Ground Floor areas.





Concert Room





External





1st Floor

# **GENERAL APPENDIX A, B & C**

# **GENERAL APPENDIX A**

## **Standard Assumptions, Recommendations, Limitations and Statements**

### **1: THE BUILDING/S - RECENT ADDITIONS - RECOMMENDATION**

It is recommended that legal advisers check on compliance with Planning and Building Control Regulations in respect of any recent additions/changes. I have made no such checks.

### **2: CONDITION OF PROPERTY - LIMITATIONS**

These observations are subject to the limitations detailed in my Conditions of Engagement.

I have not carried out a Building Survey, nor have I inspected those parts of the property which are covered, unexposed or inaccessible, and such parts have been assumed to be in good repair and condition. I cannot express an opinion about or advise upon the condition of uninspected parts and this report should not be taken as making any implied representation or statement about such parts.

### **3: COMPLIANCE MATTERS**

#### **3.1: CONTAMINATED LAND - LIMITATIONS**

I am not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination. In undertaking my work, I have been instructed to assume that no contaminative or potentially contaminative uses have ever been carried out in the property. I have not carried out any investigation into past or present uses, either of the property or of any neighbouring land, to establish whether there is any potential for contamination to the subject property from these uses or sites, and have therefore assumed that none exists.

However, 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 values now reported.

#### **3.2: DISABILITY DISCRIMINATION ACT**

I have not carried out or commissioned any investigations to determine whether or not the property complies with the requirements of the Disability Discrimination Act 1995 and have made no allowance for any potential cost or compliance works. I make informal comment but I am not qualified or registered Access Consultants. Operators are obliged to make reasonable adjustments to minimise impediments to provision of their services to disabled people.

#### **3.3: ASBESTOS & ANY OTHER HAZARDOUS OR DELETERIOUS MATERIALS**

Owners, occupiers or tenants of non-domestic premises have responsibilities to manage any risk concerning asbestos containing materials (ACMs) on the premises (Control of Asbestos at work Regulations 2002).

I have not arranged for any investigation to be carried out to determine whether or not any deleterious or hazardous material or technique, (eg high alumina cement, asbestos) has been used in the construction of the property or have since been incorporated, and I am therefore unable to report that the property is free from risk in this respect. For the purpose of this valuation I have assumed that such investigation would not disclose the presence of any such material to any significant extent.

#### **3.4: PREMISES LICENCE**

I have made enquiries concerning any Premises Licence as indicated in the report. It is the responsibility of the owner or operator to be and/or appoint Personal Licence holder/s for the business to be operated. I have made no enquiries concerning personal licence holders.

#### **3.5: FIRE RISK ASSESSMENT**

[Regulatory Reform (Fire Safety) Order 2005]

Owners, Occupiers or Tenants - "Responsible Persons" of business premises are required to make suitable and sufficient assessment of the risks and to identify and action the fire precautions required to comply with the order.

I have not carried out or commissioned any fire risk assessment.

#### **3.6: ENVIRONMENTAL HEALTH, SAFETY & HYGIENE**

Businesses must have assessed their operations and made adequate provision for compliance. I have not carried out or commissioned any Environmental Health, Food Safety or Hygiene assessments.

### **4: TOWN PLANNING - ASSUMPTIONS**

My report is issued strictly on the understanding that all work to the property and the use are fully authorised by valid planning consents in accordance with the Town & Country Planning Legislation. In the event that subsequently it appears that planning consent has not been obtained for any part or parts then this valuation should be referred back to us for reconsideration.

D&A

**5: FIXTURES & FITTINGS - ASSUMPTIONS**

I have assumed that the trade furniture, fixtures, fittings and effects (with the exception of the obvious personal and private items) would be included in any sale and that all these *are or will be* owned outright by the *Mortgagor or Applicant* and not subject to any Lease, Hire Purchase or Third Party Charge.

**Any Brewers Beer raising and dispense equipment is specifically excluded from the Valuation.**

**6: TENURE & TITLE - GENERAL ASSUMPTIONS**

This Appraisal is based on the assumption that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing, that the property and its value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the property nor its condition or its use or its intended use is or will be unlawful.

**7: VALUATION METHODOLOGY**

The property has been valued by the profits method relying on the trade information provided and using my knowledge of other comparable trading accounts of similar styles of business.

The resulting market appraisal valuations have been checked by reference to open market sales of comparable categories of property. Due to the confidential nature of my business, I may be unable to quote full transaction details.

**8: STATUS OF AUTHOR of the REPORT**

It is confirmed that neither the author of the report nor Dabro & Associates have any direct or indirect interest - financially or otherwise - in the property or any loan transaction secured upon it. The Business Buyer and Market Appraisal Valuation Report has been prepared by us as an independent Agent and is not conditional upon the production of any specific value or range of values.

**9: RE-APPRAISAL**

In the event that an assumption I have made proves to be wrong whereby the difference could have an effect on value, the valuation should be referred back to us for reappraisal.

**10: LEGAL ISSUES - LIMITATIONS**

(i) No responsibility or liability is accepted for the true interpretation of the legal position of the client or other parties. Any interpretation of legal documents and legal assumptions must be checked by the client with a suitably qualified lawyer if they are to be relied upon.

(ii) This report is carried out in accordance specifically with my instructions.

(iii) Any discrepancies revealed by the searches and verification should be referred back to us so that the valuation can be reviewed in the light thereof.

**11: GRANTS & TAXATION - ASSUMPTIONS**

(i) I have not taken account of any grants or other subsidies which may have been received or may be available in respect of the property nor any liability to repay such sums which may arise on disposal.

(ii) No allowance has been made in the valuation for Capital Gains Tax and VAT or any other taxation liability which may arise on the letting or disposal of the property - actual or notional, nor for any costs of acquisition or disposal.

(iii) Unless stated in the report, if VAT is being chargeable, the value reported could vary and should be referred back to us for comment.

**12: LIABILITY - LIMITATION**

This Report and Market Appraisal Valuation has been prepared for the stated purpose and for the sole use of the named client. The author accepts responsibility to the client alone that the Report has been prepared with the skill, care and diligence reasonably to be expected of a competent property professional and accepts no responsibility whatsoever to any parties other than the client. Any such parties rely on the Report at their own risk.

**13: DISCLOSURE - LIMITATION**

Neither the whole nor any part of the Report nor any reference to it may be included in any published document, circular or statement or published in any way, without the author's written approval of the form and context in which it may appear

**15: COMPLAINTS**

Dabro & Associates has in place a Complaints Handling Procedure in compliance with the regulations of The Royal Institution of Chartered Surveyors (RICS). If you have a complaint, please refer it to my Contact Office. If your complaint cannot be resolved immediately, I will ask you to follow the approved Complaints Procedure, and a copy of the Procedure which will be dispatched to you.



## **GENERAL APPENDIX B**

### **MARKET APPRAISAL VALUATION DEFINITIONS**

#### **a) Market Value**

The estimated amount for which a property 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. ("**Market Value**")

The valuation prepared on an open market basis which is defined as follows:-

#### **b) Market Value as a Fully Equipped Operational Entity having regard to Trading Potential ("Market Value - Trading")**

##### **Market Value, plus:**

- (i) Vacant possession is provided on completion of all parts of the property occupied by the business.
- (ii) The business is open for trade.
- (iii) The business includes an Inventory of trade furnishings and equipment.
- (iv) Accounts or records of trade are available and will be assessed and/or relied upon by a prospective purchaser.
- (v) (If specified in addition) with special assumptions made as to trading performance.

#### **C) Market Value as a Fully Equipped Operational Entity having regard to Trading Potential - but subject to Special Assumptions ("Market Value - Trading - in Default")**

As Market Value Trading, but of a property which is equipped and continuing to trade with mortgagee in possession. Assumptions (iv) and (v) change:

- (iv) Accounts or records of trade are not available and prospective purchasers are aware that the business has trading difficulties.
- (v) The mortgagee realises it would be beneficial to achieve a sale within months.

#### **d) Market Value of the Empty Property having regard to Trading Potential and subject to Special Assumptions ("Market Value - Closed - in Default")**

The market value of a property which is usually valued as a fully equipped operational entity, having regard to trade potential but subject to the following special assumptions.

- (i) Vacant possession is provided on completion of all parts of the property occupied by the business.
- (ii) The business has been closed.
- (iii) The trade Inventory has been depleted or removed.
- (iv) Accounts or trading records would not be available to a prospective purchaser.
- (v) Licences have been lost or breached
- (vi) The mortgagee desires a sale within three months.
- (vii) The property has not been vandalised.

#### **e) The Market Value of a property which is or will be a fully equipped or operational entity having regard to trading potential - subject to special assumptions regarding development as proposed or in progress. ("Market Value - Trading Development Projection")**

##### **Market Value plus:**

- (i) Vacant possession is provided on completion of all parts of the property occupied by the business.
- (ii) The proposed development of the business is assumed to have been completed.
- (iii) The business is assumed to have been equipped /re-equipped to a specified standard.
- (iv) The valuation is made on the assumption that trade projections as supplied and/or specified by the valuer are being achieved.

#### **f) The Market Value of a fully equipped operational entity having regard to trading potential, let as a trading investment ("Market Value - trading investment")**

##### **Market Value plus:**

- (i) The property is let subject to a tied supply agreement on known/specified terms and reflects the maintainable margin gained on goods and services.
- (ii) The business is open for trade.
- (iii) Tied supply (barrelage etc) records are available and will be relied upon by a prospective purchaser.
- (iv) The trade inventory is owned by the lessee and not included in the valuation.

**g) The Market Value of a fully equipped trading entity, let as a trading investment as part of a portfolio of properties ("Market Value - trading investment - Portfolio")**

**As "Market Value - trading investment" plus:**

(v) Enhanced assumptions of investment return because the freeholder / lessor obtains preferential discount terms from brewers/trade suppliers and overheads benefit from the economies of scale.

**h) Market Rent**

The estimated amount for which a property, or space within a property, should lease (let) on the date of valuation between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, assuming:

- (i) A stated length of term and principal conditions which are neither onerous nor beneficial apply.
- (ii) No premium passed.
- (iii) Any rent free period was in respect only of the time needed by the tenant to make the property fit for occupation.

**j) Reinstatement**

An indication for insurance purposes (which is given solely as a guide, as a formal estimate for insurance purposes can be given only by a quantity surveyor or other person with sufficient current experience of replacement costs) of the current reinstatement cost of:

The buildings in their present form (unless otherwise stated);

or

Buildings being constructed as proposed to be completed; each including the costs of clearance and professional fees, and assuming satisfactory ground conditions. Excluding:-

- (a) VAT (except on fees)
- (b) loss of rent; and/or
- (c) cost of alternative accommodation for the reinstatement period.

**Note:** In particular, where a building is listed as being of architectural or historic interest, or is located in a conservation area, or is of substantial stone half -timbered or other construction which is at variance with conventional modern techniques or methods the Client is advised to obtain specialist advice because reinstatement costs of such buildings can exceed substantially the reinstatement costs usually recommended for buildings of conventional construction. Where buildings are likely to be rebuilt or to have to be rebuilt in a different way from their original, the insurers approval of the proposed method of reinstatement must be obtained.



## **GENERAL APPENDIX C**

### **DABRO & ASSOCIATES LTD STANDARD CONDITIONS OF ENGAGEMENT FOR THE MARKET APPRAISAL VALUATION OF COMMERCIAL LAND AND BUILDINGS**

(Which apply unless agreed to the contrary in the Letter of Instruction)

#### **1. The Service**

**1.1** The Author will provide directly to the Client a Report based on an inspection as described below. In respect of the subject property(ies), the Author will be an independent Agent, who either:

(a) in respect of the particular type of property, has sufficient current local, and national (as appropriate) knowledge of the particular market and the skills and understanding necessary to undertake the market appraisal valuation competently;

or:

(b) where he satisfies (a) above, except that he has insufficient current knowledge, he will be or has been assisted by a person(s) who has/have such knowledge and the skills and understanding necessary to provide the assistance required;

and

where the nature of the instruction dictates, the above requirements in (a) and (b) may be met in aggregate by more than one Author for the report.

(c) meets any legal or regulatory requirements which apply in the circumstances in which the particular market appraisal valuation is required.

(d) has, no other current or presently foreseeable potential fee earning relationship concerning the subject property(ies), apart from the report fee, who has disclosed in writing to the Client any present relationship, or relationship within the past two years of receipt of the report instruction, with any of the interested parties and any previous involvement with the subject property(ies).

(e) has professional indemnity insurance.

**1.2** The Report will provide the following points:

**1.2.1** A full description of the property, its location, apparent state of repair and other relevant information such as the approximate site area.

**1.2.2** The Author's market appraisal valuation(s) of the property(ies) on the following bases:

(a) Market Value as a Fully Equipped Operational Entity having regard to Trading Potential.

When providing valuation (a) the Valuer may also report on the effect of closure of the business, making special assumptions, which are interpreted as:

(b) Market Value as a Fully Equipped Operational Entity having regard to Trading Potential - but subject to Special Assumptions.

(c) Market Value of the Empty Property having regard to Trading Potential and subject to Special Assumptions.

The valuations will exclude any additional value attributable to personal goodwill but will include the value of any fixtures and fittings which are of value in situ to the present or proposed occupier.

and: if the Author believes there is a special prospective purchaser, on the above basis(es) but reflecting the bid of that special prospective purchaser:

and: where the market appraisal valuation(s) reported pursuant to (a) above, has/have been affected by the existence of an unimplemented planning consent for change of use or other development or by the prospect of such consent(s) being available, the Author will so report and advise as to the amount(s) of the increase reported in consequence.

**1.2.3** In the case of property to be held as an investment:

(a) a projection, at rental levels current at the reporting date, of the rental income to which the owner will be entitled from the property on the bases of current and full occupancy, with comment on the time-scale to achieve the latter and any other related factors;

(b) an opinion upon the effects on value of the quality and terms of the lease(s) and relevant implications upon the valuation in respect of privity of contract (if any); and

(c) the Author's view of the market's opinion of tenant covenants for the class of the subject property in the subject locality

**1.2.4** In the case of a property which is, or which is intended to be, the subject of development or refurbishment, comment upon:

(a) the cost and viability of the project where cost information is provided.

(b) the implications on market value of any cost overruns or completion delays.

**1.2.5** Advice, if the Author considers it relevant, that there is a significant prospect of or potential for change of use or other development of the subject property, or those in the vicinity, which would materially affect the value of the subject property.

**1.2.6** Advice on any other factors which the Author considers are likely materially to affect the status of the property as security, e.g: privity of contract

**1.2.7** Comment upon the proposed purchase price if this has been notified to the Author.

**1.2.8** A statement as to any special assumptions which the Author has made.

**1.2.9** An opinion (without liability on the part of the Author) of current market conditions and current and expected trends in respect of the type of property in the area.

**1.2.10** A statement as to the valuation method adopted, and an indication as to the extent to which the Author has been able to have regard to comparable market transactions and: in the case of property valued for the existing use as an operational entity having regard to trading potential, the opinion which the Author has formed as to the future trading potential, including the gross income and profitability likely to be achieved with comment where possible on trading results, current trends, budget and management accounts and existing and expected competition.

**1.2.11** Any other aspects, other than the usual legal investigations, which the Author considers require further consideration or investigations by or on behalf of the Client.

**1.2.12** The date of valuation will be the date of the Report, and the date of inspection will be stated.

**1.3** Following provision of the Report, the Author will be prepared to discuss its contents with the Client.

**1.4** The Author will:

**1.4.1** unless otherwise expressly agreed, rely upon information provided by the Client's legal or other professional advisers relating to tenure, leases and all other relevant matters. However, the Author will advise in the Report if he becomes aware of information which appears to be at variance with that provided.

**1.4.2** Subject to Paragraph 2.1 below, carry out such inspections and investigations as are, in the Author's professional judgement, appropriate and possible in the particular circumstances. These will include oral Bath planning enquiries.

**1.4.3** Where appropriate, make informal comment with regard to the likely conformity of the property with local Environmental Health Officer requirements. The Author will not make any enquiries of the Environmental Health Officer and the opinion will be given without liability on the part of the Author

**1.4.4** If the Author's knowledge or inspection suggests that there may be contamination or hidden defects the Author will so advise and may exceptionally defer submitting a final Report until the results of further investigations and costings are available. The Author will not provide a formal environmental assessment.

**1.4.5** In preparing the Report, unless otherwise stated by the Author, make the following assumptions which the Author shall be under no duty to verify:

(a) that no deleterious or hazardous materials or techniques are used in the construction of the property or have since been incorporated;

(b) that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings;

(c) that the property and its value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the property, nor its condition, or its use, or its intended use, is or will be unlawful;

(d) that inspection of those parts that have not been inspected would neither reveal material defects nor cause the Valuer to alter the valuation(s) materially; and

(e) unless otherwise stated, that no contaminative or potentially contaminative uses have ever been carried out on the property and that there is no potential for contamination of the subject property from past or present uses of the property or from any neighbouring property.

(f) in the case of proposed or potential building or construction works, that ground conditions are satisfactory and no extraordinary expenses or delays will be incurred during the construction period.

**1.5** The Report will be provided for the stated purpose and for the sole use of the named Client. The Author accepts responsibility to the Client alone that the Report will be prepared with the skill, care and diligence reasonably to be expected of a competent property professional, and accepts no responsibility whatsoever to any parties other than the Client. Any such parties rely upon the Report at their own risk. Neither the whole nor any part of the Report nor any reference to it may be included in any published document, circular or statement or published in any way, without the Author's written approval of the form and context in which it may appear.

## **2. The inspection**

**2.1** The Author will undertake a visual inspection of so much of the exterior and interior of the property as is accessible with safety and without undue difficulty, as can be seen whilst standing at ground level within the boundaries of the site and adjacent public/communal areas and whilst standing at the various floor levels, which the Author considers reasonably necessary to provide the Service, having regard to its purpose.

The Author is under no duty to carry out a building survey or to inspect those parts of the property which are covered, unexposed or inaccessible, or to raise boards, move anything, use a moisture detecting meter, or to arrange for the testing of electrical, heating or other services.

**2.2** Measurements and Dimensions: The Author will not take accurate measurements of the building, internally or externally or of the site, but will take approximate or estimated measurements for guidance or identification purposes only.

## **3. The Report**

**3.1** If it is not reasonably possible to carry out a substantial part of the inspection (see paragraph 2 above) this will be stated

**3.2** Where the Author relies on information provided, this and its source will be indicated in the Report.

**3.3** The Report will state the existence of tenants improvements and any apparently recent significant alterations and extensions.

**3.4** The Author is not required to:-

**3.4.1.** take account of any grants or other subsidies which may have been received or may be available in respect of the property nor any liability to repay such sums which may arise on disposal.

**3.4.2.** make allowance in the valuation for Capital Gains Tax and VAT or any other taxation liability which may arise on the letting or disposal of the property - actual or nominal, nor for any cost of acquisition or disposal.

**3.5** The Author can assume that VAT will not be chargeable in addition on the interest valued. Following the provision of the report in the event of VAT being chargeable, the Author will provide a revised opinion of value/s.

**3.6** Where the Author is required to interpret the legal position of the Client or other parties, the Client confirms that no responsibility or liability will be accepted by the Author for any interpretation of legal documents, and in any interpretation of legal documents and legal assumptions must be checked by the Clients with a suitably qualified Lawyer if they are to be relied upon.

## **4. Instructions and Charges**

**4.1** All instructions of the Client Lender will be made directly by the Client and confirmed in writing.

**4.2** The Client will pay to the Author the fee initially agreed between them, or any amendment thereto to be agreed if the Author's instructions are subsequently modified. In addition, the Client will pay the amount of any Value Added Tax on the fee.