

**Wash Road Allotments
Wash Road
Hutton
Brentwood
CM13 1DL**

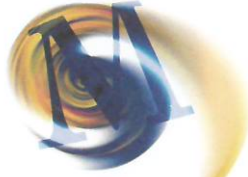
Report on Market Rental Value



Mark Burton BSc FRICS

**Mass & Co
25 High Street
Brentwood
Essex CM14 4RG**

20 January 2016



Mass & Co

Chartered Surveyors

Our Ref: MPB/cal

20 January 2016

Mrs G Murphy
Brentwood Borough Council
Town Hall
Ingrave Road
Brentwood
CM15 8AY

Dear Madam,

WASH ROAD ALLOTMENTS, HUTTON, BRENTWOOD, CM13 1DL

1.0. Introduction

- 1.01. We refer to our letter of 23 November 2015 wherein we set out the terms upon which Mass & Co could advise you in connection with the current market rental value of Wash Road, Allotments, Hutton, Brentwood, CM13 1DL (hereinafter referred to as "the Property").
- 1.02. We understand that as Landlord you are in negotiation with Wash Road Allotment Society to whom you intend granting a lease. The Property had previously been occupied by Hutton Horticultural Society which served notice to terminate its current arrangements. The intention is to grant a new five year lease and you require advice as to the appropriate rent payable.
- 1.03. In preparing this annual rental valuation report we have undertaken a brief inspection. We have not undertaken any on site measurements but have relied on information provided by you.
- 1.04. In accordance The RICS Valuation - Professional Standards 2014 this advice is excluded from the provisions and requirements of the Standards

2.0. Description

- 2.01. You are fully conversant with the Property and it is not therefore our intention to unnecessarily dwell upon a descriptive narrative.

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at the above address, where a list of Directors is held.



- 2.02. In broad terms the Property comprises an irregular shaped site laid out as allotment plots.
- 2.03. It is approached from Wash Road via a macadem and compacted single track access road.
- 2.04. The site is generally level. The boundaries are defined by a variety of fences including timber paling.
- 2.05. A brook runs to the north boundary.
- 2.06. Within the site there are a limited number of timber sheds and other low grade structures associated with the allotments.
- 2.07. There is a central access road with a compacted surface.
- 2.08. You advise that the site extends to 1.1458 hectares (2.83 acres).
- 2.09. The Property was found to be in a condition consistent with its use.

3.0. Location

- 3.01. The Property is located on the east side of Wash Road, Hutton approximately 4.75 kilometres to the north east of Brentwood town centre.
- 3.02. The land to the west side of Wash Road comprises an established industrial location. There is a further commercial property between the Property and Wash Road operated as Brentwood Coaches whilst the left hand side of the access road is abutted by 2476 (Hutton) Squadron Air Training Corp Facilities.
- 3.03. The land to the south on the east side of Wash Road is dominated by two storey family housing.
- 3.04. A copy of a plan prepared by your office showing the extent of the Property is appended.

4.0. Rateable Value

- 4.01. We have been unable to identify the Property on the VOA web site.

5.0. Town Planning Highways and Environmental

- 5.01. A simple internet search of Brentwood Borough Councils Planning Website does not reveal any form of planning history relating to the Property.
- 5.02. An online review of the Local Plan indicates that the Property lies within the Greenbelt. The land to the north and east forms part of a Local Nature Reserve

6.0. Tenure

- 6.01. You have provided with a copy of an Agreement dated 18 February 1983 between Brentwood District Council and Hutton Horticultural Society.
- 6.02. The Agreement does not appear to be a Business Tenancy but takes the form of a Management Agreement. It was granted for a period of seven years from 1 March 1983 thus expiring 28 February 1990. The Agreement allowed the Society to maintain a sum equal to one half of the total rents collected from the tenants of the site.
- 6.03. The use was restricted to the cultivation of allotments and was not capable of assignment and the Society was only able to underlet by way of annual tenancies for use as allotment gardens.
- 6.04. The charges were restricted to no more than £8.00 per ten rods (a rod being 16½ft) with allowances to males over the age of 65 and females over the age of 60 who would not be charged more than one half of the rate charged to males and females under these ages.
- 6.05. You advise that this Agreement has been terminated by the Society.
- 6.06. It is understood that you are intending to grant a lease for a terms of five years at a rent of £150 per annum for the entire site to Wash Road Allotment Society.
- 6.07. It would be your intention to incorporate annual adjustments to the rent in line with the Retail Prices Index subject to the rent not falling. Otherwise the lease will be upon similar terms to the expired Agreement having a restriction on use and with the tenant effectively having an obligation to maintain the property in a condition consistent with its use.
- 6.08. You advise that Wash Road Allotment Society will not benefit from the security of tenure provisions afforded to Business Tenants under the Landlord and Tenant Act 1954.
- 6.09. The Title of which the Property forms part is subject to covenants restricting the use to:

"...open space sports facilities or parkland for non-commercial use by the general public agricultural or forestry purposes (excluding use as a cemetery or golf course but including football or other sports pitches and the associated changing rooms)."
- 6.10. By further restrictive covenant, the owner is not to carry out any development on the Property save where ancillary to the permitted use.
- 6.11. An Agreement dated 30 June 1987 contains a right of pre-emption in favour of Tarmac Building Materials Limited.

7.0. General Market Conditions

- 7.01. There is a limited amount of evidence relating to properties of this nature within the Borough.
- 7.02. You have kindly provided information gleaned from Michael Maynard, Principal Estates Surveyor of Basildon Borough Council. This includes:

PROPERTY	TENANT	ACREAGE	CURRENT RENT	£/ACRE
Boreham	Churchfields Allotments Assoc	1.530	£365	£239
Bradfield	Bradfield Glebe Allotment Assoc	2.428	£500	£206
Danbury	Danbury Allotment Assoc	1.60	£310	£267
Galleywood	Galleywood Allotments	0.750	£195	£260
Great Oakley	Great Oakley Allotments Assoc	1.382	£328	£237
Little Oakley	Little Oakley Allotments Assoc	1.110	£382	£344
Peldon West Great & Little Wigborough	Mrs E Miller	0.240	£125	£521
Sible Hedingham	Sible Hedingham Allotment Assoc	2.25	£480	£213

- 7.03. We understand that Basildon District Council agreed a rent of £1,100 per annum for its Wickford allotments which extend to approximately 6 acres netting to approximate 4.2 acres available for allotments due to the access roads. The rent is subject to 3 yearly review under the terms of 21 year lease. The rent reflects circa £183 per acre (or £262 per acre per annum net).

8.0. Rental Valuation

- 8.01. The Property comprises a relatively large allotment site with centrally located access road.
- 8.02. Whilst situated in a mixed use area including industrial and other commercial uses together with residential properties and Greenbelt it is considered to be conveniently located without prominence to the highway.
- 8.03. The use for the Property is to be restricted to allotments. We understand that the evidence similarly reflects restricted uses and alienation provisions.

- 8.04. We are of the opinion that there will be limited demand for the Property although it appears that the majority of plots within it are occupied.
- 8.05. The limited rental evidence available suggests annual rents ranging from £206 to £521 per acre per annum. The highest figure relates to a site significantly smaller than the Property whilst the lowest is of similar size (2.428 acres).
- 8.06. Having regard to the general evidence we are of the opinion that a rent equivalent to £200 per acre per annum to be appropriate.
- 8.07. Having regard to the nature of the Property its location and proposed terms of the occupation we are of the opinion that the current market annual rental value is fairly represented by the sum of:

£570 (five hundred and seventy pounds) per annum exclusive.

- 8.02. We understand that a number of Local Authorities discount market rents by as much as 90% to arrive at 'equitable rents' when letting to local community groups. We are not instructed to make such an adjustment.
- 8.03. It is our understanding that it is Brentwood Borough Councils intention to grant a lease at a rent of £150 per annum which is significantly less than our assessment of the market rental value. You have requested that we provide a view as to the likely amount of under value.
- 8.04. The shortfall in rents between the market rent and the proposed contractual rent will be £420 per annum.
- 8.05. There is no direct comparable evidence of sales of properties of this nature but having regard to the general market we would apply a yield of 8%. When applied to the level of discount for the term of the lease (five years) this results in a capital value of consequential under value of £1,675 (one thousand six hundred and seventy five) (rounded).

10.0. Limitations and Confidentiality

- 9.01. The information contained herein has been offered on the understanding it is treated in the strictest confidence. It has been collated in connection with the request for Mass & Co to advise in respect of the market rental value. It may be disclosed to another advisor, however, neither the whole nor any part of this document or any reference thereto may be included in any published document, circular or statement or published in any way.
- 9.02. Further we request that the report should not be disclosed under the Freedom of Information Act 2000 (Sections 41 and 43 (2)) or under the Environmental Information Regulations.

10.0. **Summary**

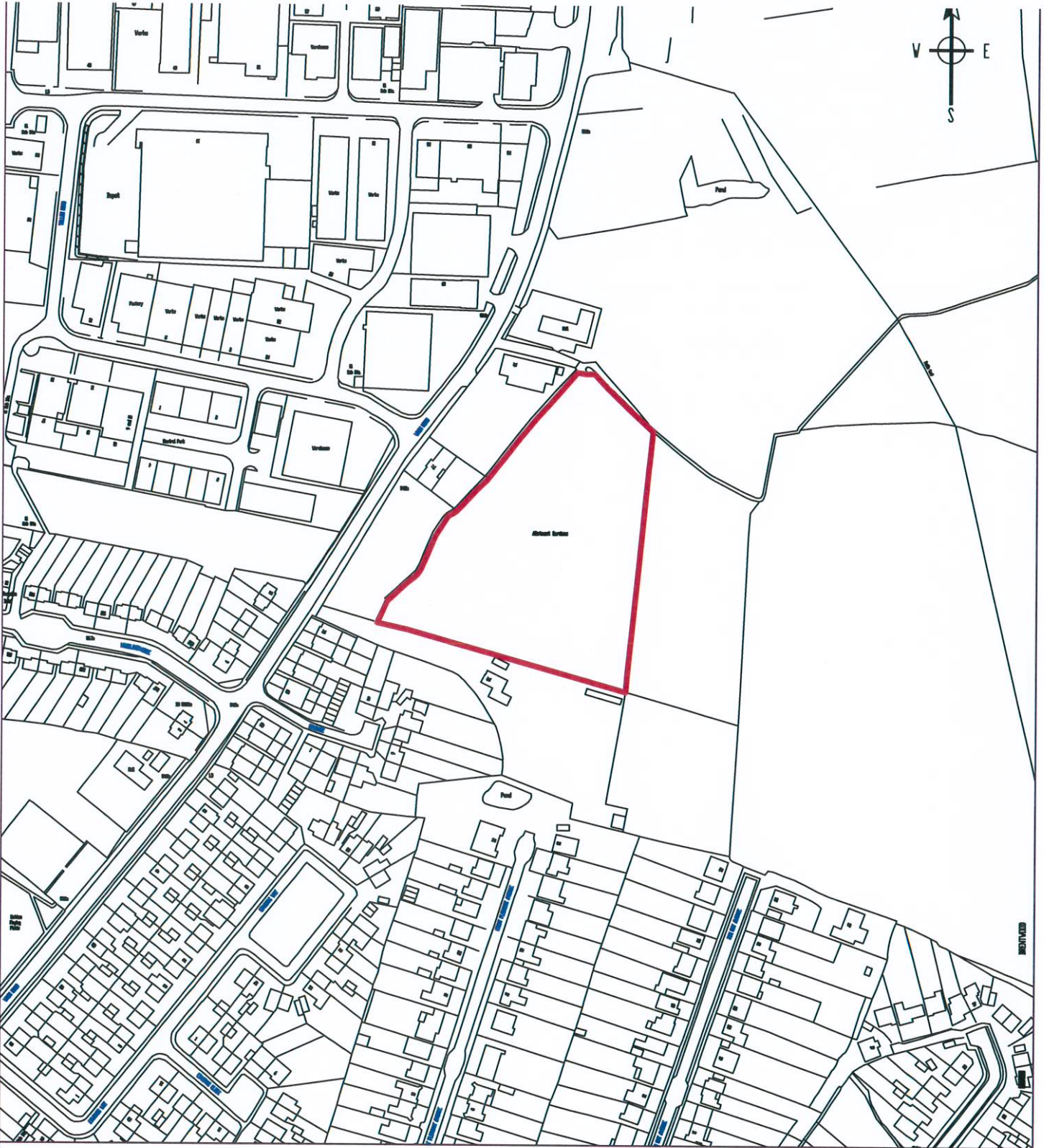
10.01. We trust our report covers all items of relevance to your decision making but if any matters require clarification please do not hesitate to let us know.

Yours faithfully



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RICS Registered Valuer
Mass & Co

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Mobile: 07557 763561



Asset Management

Adrian J Tidbury

Estates and Valuation Surveyor



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Brentham
Essex,
CM15 8AY
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Title

**Wash Road Allotment
Site
Plan 1**

Drawn By	AJT
Scale	1:2500 @ A4
Date	November 2015

Checked

Revisions

Drawing No.

T/AJT/4071

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