

Valuation Report for Site at Kirkconnel Drive Rutherglen Glasgow G73 4QW



Report for:

XXXXXXXXXXXXXXXXXXXX
South Lanarkshire Council

Prepared by:

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CR/15/0063

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Executive Summary

1.1 Description

Planning application **CR/15/0063** is for the development of 94 no. houses at Kirkconnel Drive in Rutherglen.

The site application has been submitted by Dawn Homes Ltd as developer. The valuation is required to arrive at the commuted sum in lieu of the provision of affordable housing on site.

The site comprises former sport and recreation grounds to the south of the main railway line serving Glasgow Central and Newton and is to the north of Kirkconnel Drive. The site is relatively level, although there is some low lying ground to the north east.

The application site extends to 4.46 ha(11.00 acres) gross or thereby.

1.2 Location

Kirkconnel Drive is located around 0.5 miles south west of Rutherglen town centre in South Lanarkshire and is located within the within the Spittal area and immediately to the east of the Glasgow city/South Lanarkshire boundary. Glasgow city centre is around 4 miles to the north.

The location is to the north of Castlemilk, south of King's Park and south west of Mount Florida. The site is close to the 8762 and the A730 Glasgow Road. King's Park Golf Course is nearby to the east.

Kirkconnel Drive bounds the southern part of the site and the site also has partial frontage onto Alloway Crescent to the east. It backs onto existing housing at Croftend Avenue to the west. The main railway line serving Glasgow Central and Newton is due north.

Rutherglen has a population of around 25,000 and has good transport links to the motorway network via Junction 2 of the M74 at Cambuslang and gives fast route access to the M8 west to Glasgow Airport and city centre, M77, M8 east to Edinburgh and M74 south to Carlisle.

Rutherglen provides a range of public services, including shops and schools as well as practical services including health centres, dentists etc. Local shops are available at King's Park Avenue and Castlemilk Road.

The site is well connected to public transport. Croftfoot Station is adjacent and can be accessed via a footpath on the north western boundary. Bus routes are present on King's Park Avenue to the north, Castlemilk Road to the west and Kirkconnel Drive to the south.

This is a reasonable location and I believe there is a demand for housing in the area. My valuation has due regard to the relevant factors in terms of planning, locality and market evidence.

1.3 Tenure

Owner's heritable interest with vacant possession.

1.4 Valuation Date

The date of valuation is 15 August 2016.

1.5 Market Value

I am of the opinion that the market value of the owner's heritable interest in the site at Kirkconnel Drive Rutherglen (CR/15/0063) as at the date of this report, 15 August 2016 with vacant possession, is fairly stated at gross figures as follows:-

£300,000 (Three Hundred Thousand Pounds) per net developable Acre.

£741,000 (Seven Hundred and Forty One Thousand Pounds) per net developable Hectare.

£25,500 (Twenty Five Thousand, Five Hundred Pounds) per Plot.

This is based on an estimated net developable site area of 3.23 hectares and on the proposed 94 no. planning units at a density of circa 11.75 units per net developable acre.

This opinion of value is also subject to the following **Special Assumption**, in terms of the principle of valuation, that the land value should be provided on **gross terms**, not taking into account any abnormal cost, Section 75 contributions or any other such costs as it is assumed these costs will be identified separately and agreed between the parties in assessing the commuted sum payable.

1.6 Remarks

These figures are provided on a rate per net developable hectare/acre/plot basis only and are gross of any abnormal costs as we assume these will be assessed separately. The reported figures also ignore any issues regarding contributions to Section 75 or other planning contribution requirements which again we assume will be assessed when the Commuted Sum is being considered.

I have assumed the Special Assumption, in terms of the principle of valuation, that the land value should be provided on gross terms, not taking into account any abnormal costs, Section 75 Contributions or any other such costs as it is assumed these costs will be identified separately and agreed between the parties in assessing the commuted sum payable.

This opinion of value also assumes a fully serviced site which in this context would include all necessary ground works etc. to get on site and that no extraordinary costs associated with the development are to be deducted from the valuation figure unless expressly instructed to do so.

1. Introduction

I refer to your instructions dated 11 July 2016 and my terms of engagement dated 8 August 2016.

The site at Kirkconnel Drive, Rutherglen has been inspected and I have valued the property. I am pleased to report to you as follows.

2. Valuation Parameters

2.1 Identification of Client

South Lanarkshire Council.

2.2 Purpose of Valuation

Planning application **CR/15/0063** is for the development of 94 no. houses at Kirkconnel Drive, Rutherglen by Dawn Homes Ltd. The valuation is required to arrive at the commuted sum in lieu of the provision of affordable housing on the site.

The valuation should be prepared in accordance with the RICS Valuation Standards (current Edition), otherwise referred to as the "Red Book".

It is proposed that the valuation methodology for Affordable housing will be undertaken on a Discount to Market Value with the discount to be agreed as a percentage of the market value for private housing.

This valuation will then apply as the "Commuted Sum" payment in lieu of the transfer of serviced land for affordable housing purposes.

The requirement is therefore to undertake a valuation of the market value of the site for private housing. The valuation will be expressed in terms of a price per net developable hectare and per net developable acre and also as a unit basis.

In preparing the valuation, I should have regard to the under noted factors:

- (i) The valuation will be undertaken on a current cost basis and there is no need to make assumptions about the future value of land transfers during the project's development period;
- (ii) I will assume that the site is fully serviced and is available for use for the building of private housing at the date of this instruction.

You have asked me to make comment as to any qualifications which should be applied to my valuation.

2.3 Subject of the Valuation

Site at Kirkconnel Drive, Rutherglen G73 4QW.

2.4 Date of Valuation

The date of valuation is 15 August 2016.

Please note that values change over time and that a valuation given on a particular date may not be valid on an earlier or later date.

2.5 Confirmation of Standards

The valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation - Professional Standards 2014 UK Edition, commonly known as the Red Book.

Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).

2.6 Agreed Departures from the RICS Professional Standards

There are no departures beyond those restrictions on the extent of investigations and survey, and the assumptions, stated below.

2.7 Basis of Value

The basis of value adopted is Market Value which is defined at VPS 4, para 1.2 as:

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

2.8 Special Assumptions

I am further asked to make comment as to any qualifications which should be applied to my valuation.

I have assumed the Special Assumption, in terms of the principle of valuation, that the land value should be provided on gross terms, not taking into account any abnormal costs, Section 75 Contributions or any other such costs as it is assumed these costs will be identified separately and agreed between the parties in assessing the commuted sum payable.

I have also estimated that the adjusted Net Developable Area for the site is fairly stated at 3.23ha or thereby reflecting the various constraints specific to this site.

2.9 Nature and Source of Information Relied Upon

I have assumed that all information provided by, or on behalf of you, in connection with this instruction is correct without further verification -for example, details of tenure, tenancies, planning consents, including information contained on the planning website under planning application CR/15/0063 etc.

My advice is dependent upon the accuracy of this information and should it prove to be incorrect or inadequate, the accuracy of my valuation may be affected.

2.10 Date of Inspection

The inspection was carried out by [REDACTED] on 9 August 2016 in fine and dry conditions.

2.11 Extent of Investigations. Survey Restrictions and Assumptions

An assumption in this context is a limitation on the extent of the investigations or enquiries undertaken by the valuer. The following agreed assumptions have been applied in respect of your instruction, reflecting restrictions to the extent of my investigations.

- Such inspection of the property and investigations as the Valuer considered professionally adequate and possible in the particular circumstance was undertaken. This comprised undertaking an external inspection only of the property by [REDACTED].
- No detailed site survey, building survey or inspection of covered, unexposed or inaccessible parts of the property was undertaken. The Valuer has had regard to the apparent state of repair and condition, and assumed that inspection of those parts not inspected would neither reveal defects nor cause material alteration to the valuation, unless aware of indication to the contrary. The building services have not been tested and it is assumed that they are in working order and free from defect. No responsibility can therefore be accepted for identification or notification of property or services' defects that would only be apparent following such a detailed survey, testing or inspection.
- It has been assumed that good title can be shown and that the property is not subject to any unusual or onerous restrictions, encumbrances or outgoings.
- It has been assumed that the property and its value are unaffected by any statutory notice or proposal or by any matters that would be revealed by a local search and replies to the usual enquiries, and that neither the construction of the property nor its condition, use or intended use was, is or will be unlawful or in breach of any covenant.
- Valuations include that plant that is usually considered to be an integral part of the building or structure and essential for its effective use (for example building services installations), but exclude all machinery and business assets that comprise process plant, machinery and equipment unless otherwise stated and required.

- It has been assumed that no deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated. However where an inspection was made and obvious signs of such materials or techniques were observed, this will be drawn to your attention and captured in this report.
- No access audit has been undertaken to ascertain compliance with the Equality Act 2010 and it has been assumed that the premises are compliant unless stated otherwise in this report.
- No environmental assessment of the property (including its site) and neighbouring properties has been provided to or by the VOA, nor is the VOA instructed to arrange consultants to investigate any matters with regard to flooding, contamination or the presence of radon gas or other hazardous substances. No search of contaminated land registers has been made.

However, where an inspection was made and obvious signs of contamination or other adverse environmental impact were visible this will have been advised to you, further instructions requested and the observations captured in the report. Where such signs were not evident during any inspection made, it has been assumed that the property (including its site) and neighbouring properties are not contaminated and are free of radon gas, hazardous substances and other adverse environmental impacts. Where a risk of flooding is identified during any inspection made, or from knowledge of the locality, this will be reported to you. The absence of any such indication should not be taken as implying a guarantee that flooding can never occur.

3. Property Information

3.1 Location

Kirkconnel Drive is located around 0.5 miles south west of Rutherglen town centre in South Lanarkshire and is located within the Spittal area of Croftfoot and immediately to the east of the Glasgow city/South Lanarkshire boundary. Glasgow city centre is around 4 miles to the north.

The site comprises former sports and recreation grounds to the south of the main railway line serving Glasgow Central and Newton and to the north of Kirkconnel Drive.

The location is to the north of Castlemilk, south of King's Park and south west of Mount Florida. The site is close to the 8762 and the A730 Glasgow Road. King's Park Golf Course is nearby to the east.

Kirkconnel Drive bounds the southern part of the site and the site also has partial frontage onto Alloway Crescent to the east. It backs onto existing housing at Croftend Avenue to the west. The railway line and embankment are due north.

Rutherglen has a population of around 25,000 and has good transport links to the motorway network via Junction 2 of the M74 at Cambuslang and gives fast route

access to the M8 west to Glasgow's Airport and city centre, M77, M8 east to Edinburgh and M74 south to Carlisle.

Rutherglen provides a range of public services, including shops and schools as well as practical services including health centres, dentists etc. Local shops are available at King's Park Avenue and Castlemilk Road. Both Spittal Primary School and Croftfoot School are close to the subjects.

The surrounding area is primarily residential characterised by public sector housing at Kirkconnel Drive and Alloway Crescent. This is a mix of two-four storey 1970s style flatted blocks and terraced/semi detached two storey dwellings.

Housing at Croftend Avenue is largely Mactaggart and Mickel traditional 4 in block flats. There are some areas of private housing such as detached bungalows further along Croftend Avenue and Croftfoot Road.

The site is well connected to public transport. The site is adjacent to Croftfoot Station which is accessed via a footpath on the north western boundary. Bus routes are present on King's Park Avenue to the north, Castlemilk Road to the west and Kirkconnel Drive to the south.

This is a reasonable central location within the town on the periphery of existing public sector housing. It is close to the train station and has good connections to the M74. I believe there is a demand for housing in this area. My valuation has due regard to the relevant factors in terms of planning, locality and market evidence.

3.2 Description

The application site occupies an area of 4.46 ha (11 acres) or thereby. The Cityford burn runs along its eastern edge and the Spittal burn water course runs along its northern edge below the railway embankment.

The Glasgow Central-Newton railway line runs parallel with the northern boundary and is elevated above it, separating the site from the housing at King's Park Avenue. However the site is connected to the footpath leading to Croftfoot Station and the underpass pedestrian access to King's Park Avenue.

The southern part of the site comprises an area of maintained grass cover. The remainder of the site to the north comprises an area of disused and unmaintained land, formerly utilised as a football pitch and running track. These are surrounded by sporadic areas of amenity grass land and bare land. There is evidence of pending in places. There are bushes and small tree growth around the periphery of the site and around the banks of both the Spittal burn which runs the entire length of the northern boundary and the Cityford burn which also runs the entire length of the eastern boundary.

Although the unmaintained area is fenced off from the maintained grass area, there is evidence of regular pedestrian and vehicular access being taken with a network of well-worn paths visible. The fencing, which is metal palisade type is in poor condition.

The site slopes generally from south west to north east towards the convergence point of the two burns. The low point lies in the north east corner of the site and the

current proposals will see the SUDS basin located within this area together with a large area of land on the eastern side of the site dedicated to public open space.

The incorporation of the SUDS and flood strategy in relation to the two water courses on site has been accommodated within the site boundary, the location and form being dictated by the site topography. The SUDS basin is to be located at the low point of the site at the north west corner and the sewerage wayleave across the site frontage to Kirkconnel Drive results in areas of non-developable land which provide green space for the development.

3.3 Tenure

Owner's heritable interest with vacant possession.

3.4 Title Restrictions

I assume there are no onerous title restrictions which affect the site.

3.5 Site Area

This site extends to 11.00 acres (4.46 ha) or thereby (gross) as bounded red on the plan attached in the appendices.

I have not been advised of the Net Developable Area (NDA) for the site. However taking into account the various site constraints identified by the developer, including the SUDS areas, open space and structural landscaping areas etc. I have estimated that a fair assessment of the NDA is approximately 8.00 acres (3.23ha) or thereby in terms of the planning proposals.

3.6 Floor Area

Dawn Homes Ltd has provided information on the proposed house types as follows. The proposals are to provide a variety of house types incorporating two bed and three bed terraced houses and three bed semi-detached houses. There will be 94 units in total.

Application site				
House Type	Beds	Size (sqm)	Number of units	Total sqm
Isla(MT)	2	67	20	1340
Esk (ET)	3	79	20	1580
Esk (SD)	3	78	24	1872
Carrick	3	89	30	2670
Sub-Total	(Houses)		94	
TOTAL			94	7462

The floor areas are assumed to be given on the basis of GEA as defined in the 'RICS Property Measurement 1st Edition' which is effective from 1st January 2016.

3.7 Accommodation

House Type 1- Isla Mid terrace

The will comprise a starter type terraced house (67square metres/721sqft)
GF Lounge, kitchen, utility & WC
UF 2 Double bedrooms, bathroom

House Type 2- Esk (ET)

This will comprise a smaller type end terrace house (79square metres/851sqft)
GF lounge, dining kitchen, WC
UF 2 Double bedrooms, single bedroom and bathroom.

House Type 3- Esk (SO)

This will comprise a smaller type semi detached house (78square metres/844sqft)

GF Lounge, dining kitchen, WC
UF 2 Double bedrooms, single bedroom and bathroom

House Type 4- Carrick (SO)

This will comprise a larger type semi detached house (89 square metres/963sqft)
GF Lounge, dining kitchen, WC
UF 2 Double bedrooms (master en-suite), single bedroom and bathroom.

3.8 Defects and Repair

The site is to be substantially altered in preparation for re-development; therefore I have not carried out any investigations into any aspect of repair or defects associated with the site. For the purposes of this report I have assumed a cleared site.

However I am aware of a number of site constraints which impact on the net developable area. These include the Cityford Burn and other water courses and proximity to the main railway line etc. The site will require new or altered water supply or drainage arrangements and is proposing to connect to the public drainage network and public water supply. There is a proposal for a SUDS basin (sustainable drainage of surface water) etc. as well as required open spaces provision. A specialist survey carried out in October 2014 on site has identified the presence of Japanese Knotweed at or adjacent to the site and Himalayan Balsam along the boundary of the water courses.

These are invasive weeds and are controlled in Scotland under Schedule 9 of the Wildlife Countryside (Scotland) Act 1981 as amended by the Wildlife and Natural Environment (Scotland) Act 2011. This legislation makes it an offence to grow or cause the growth of these plants which includes any new growth by spread of plant material or contaminated soil.

3.9 Services

Although not checked with the relevant utilities it is understood that the property is connected or close to the usual mains services of gas, water and electricity at Kirkconnel Drive.

For the purposes of this report I have been specifically asked to assume that the site is fully serviced for residential development.

3.10 Access and Highways

It is understood that the maintenance of roads and footpaths ex adverso the property is the responsibility of the local authority.

The site will be accessed from Kirkconnel Drive which runs along the southern site boundary.

3.11 Energy Performance Certificate

No Energy Performance Certificate has been provided.

3.12 Planning

I understand that the Council is considering payment of a commuted sum in lieu of on-site provision for affordable housing as the site is subject to Policy 13 of the LOP-Affordable Housing and Housing Choice, Supplementary Guidance No.7.

Planning application **CR/15/0063** is for detailed planning consent for the development of 94 no. dwelling houses, plus associated roads, SUDS and landscaping at the site at Kirkconnel Drive. The application was registered on 16 April 2015. The site benefits from an outline planning consent for residential development (CR/04/0087) granted in January 2005; planning consent was minded to grant for 99 dwellings (CR/05/0175) subject to conditions and a Section 75 agreement for an application by Lynnet Homes Ltd.

3.13 Equality Act 2010

N/A

3.14 Mineral Stability

The property is situated in an underground mining area and in view of the possibility of mine workings and the increased risk of damage from underground mining subsidence it is recommended in my Standard Terms of Business (a copy of which has been supplied) that a report is obtained from the Agency's Mineral Valuer. However as you have not requested such a report you are deemed to have instructed the Agency to assume in arriving at its valuation:

- (1) that the property valued is not at the date of valuation affected by any mining subsidence and will not be so affected in the future, and

- (2) that the site is stable and will not occasion any extraordinary costs with regard to Mining Subsidence.

You hereby accept that the Board of HMRC for and on behalf of the Agency and its employees cannot, in these circumstances, provide any warranty, representation or assurance whatsoever to you or any third party as to the mineral stability or otherwise of the subject property valued. You hereby agree to waive any claim which you might otherwise have had against the Board, the Agency or any of their employees for negligence or breach of contract arising from any loss or damage suffered as a result of your specific instructions to take no account of any matters that might reasonably be expected to have been disclosed by an Underground Mining Subsidence Report.

3.15 Environmental Factors Observed or Identified

For the purposes of this report I have disregarded any issues with regard to contamination affecting the site and that may arise in the future, on the understanding that costs relating to such issues will be assessed separately together with the Section 75 Contribution as well as pertinent abnormal costs.

However there are a number of site constraints identified.

Subject to the statement regarding the limitations on the extent of my investigation, survey restrictions and assumptions, as expressed at 2.1.1 above, I observed that the site has overhead cables adjacent to the northern boundary and is close to overhead power lines in association with the railway line.

A specialist survey carried out in October 2014 on site has identified the presence of invasive vegetation. Japanese Knotweed was identified at or adjacent to the site and Himalayan Balsam is located along the boundary of the water courses.

These are invasive weeds and are controlled in Scotland under Schedule 9 of the Wildlife Countryside (Scotland) Act 1981 as amended by the Wildlife and Natural Environment (Scotland) Act 2011. This legislation makes it an offence to grow or cause the growth of these plants which includes any new growth by spread of plant material or contaminated soil.

I understand that at present the only realistic control measures for knotweed are chemical since the smallest piece of root material left in the soil after digging or pulling is capable of generating a new plant. Control or removal methods are often expensive.

The specialist recommendations include implementation of an Invasive Weed Management Plan. It was further recommended that remediation works are carried out to reduce/eradicate invasive weeds. Depending on the development timescales this may involve the use of herbicides over a number of years or alternatively other options may be considered. The RICS issued further guidance on best practice in remediation of Japanese Knotweed and also measures need to be in place that ensure best practice is achieved in compliance with SEPA requirements.

The relationship with the existing landscape features and in particular the burns and water courses in the surrounding landscape, the incorporation of SUDS and open space and the proximity of the railway line are considered to be the main site constraints.

No obvious presence of contamination on site was noted, [e.g. absorption by property of poisons or pollutants requiring invasive treatment works or presence of Radon gas etc]; nor the presence on site of hazardous or deleterious materials.

There were no obvious abnormal ground conditions noted.

4. Valuation

4.1 Valuation Methodology / Approach and Reasoning

I have approached the valuation on a market value basis, taking into account the proposed scheme for the site outlining the site's potential for private housing. This is in line with the guidance contained in the South Lanarkshire Local Development Plan as well as the planning application submitted on behalf of Dawn Homes Ltd.

As noted my valuation is based on information currently available and assumes a cleared, serviced site ready for development.

In formulating this valuation I have had regard to the sum that developers would be willing to pay on the assumption that the site was developed for private market housing. I have had regard to the site in the context of the Local Development Plan, to the possible development proposals and to prevailing market conditions for residential properties on sites in the locality.

The site is located within an established residential area in Rutherglen, close to good transport links and the town centre. The principal amenities of the site are its access to public transport, proximity to local amenities and access for commuting. The location is somewhat mixed in terms of amenity being on the fringe of largely public sector housing.

Although there has been some renewed vigour in the housing development market sector in recent months, this has been patchy and rather dependent on location. "Hot spots" tend to be limited to traditionally popular areas particularly those within reasonable commuting distance of Glasgow and Edinburgh and with good transport links.

Land sales in and around South Lanarkshire generally up until 2008/2009 suggested rates of around £600,000 to £850,000 per acre were not unrealistic at that time. However, depending on which source one refers to, the general opinion is that some residential rates per acre have fallen by as much as 50% in some areas since the peak of the market.

However as the market begins to show signs of recovery and with increasing developer activity, there does appear to be appetite from both national and local builders for sites in the wider area.

Additionally, there is some transactional information available both locally and within the wider locality which is of relevance to Cambuslang, including Barratt's development at Langlea Road, Keepmoat Homes' development at Langlea Road, Cambuslang, Miller Homes new development at Newton Farm Road, Cambuslang, Westpoint Homes' development at Old Castle Green, Simshill Road, Glasgow and TaylorWimpey new build development at Broomhouse. I have also considered evidence from further afield, including development of housing at Blantyre, Uddingston and Hamilton. In particular I would refer to land sales and new build property being marketed as follows.

4.2 Comparable Evidence

- 1) Development site at Somervell Street Cambuslang, valued under case reference 1598893. This is the former Hoover factory site in Cambuslang which has a planning application in for 195 houses. The site is 15.60ha Gross. The value reported July 2016 is £380,000/NDA, £31,000/plot.
- 2) Development Site at East Hallside Farm, Cambuslang, sold to Bellway Homes March 2015 for residential development for £2.0million. I valued this site for commuted sum purposes in January 2015 (case reference 1531085) at £370,000/NDA or £34,500/plot ignoring abnormals and other S75 contributions. The sale analyses at £302,571/NDA. However it is assumed that is a net price after deduction for abnormals. This site is in reasonable close proximity to the north of the subjects.
- 3) Development Site at Gilbertfield Road, Cambuslang, G72 8XA. I valued this for commuted sum purposes 24 July 2015 under planning application reference CR/15/0046 at £370,000/NDA, £35,000/plot. The application was for 42 houses and the NDA was 10.44acres. Probably better location compared to the subjects.
- 4) Development Site at Langlea Road, Cambuslang, G72 8HG. Site extending to 2.29(2.14 net area) acres sold 1/9/2015 for residential development for £380,000 equating to £165,888/acre. Planning for 28 x two and three bed terraced houses, representing a density of around 13/acre. I valued this site under reference 1535377, planning application CR/14/0200 in 2015 at £400,000 per Net Developable Acre or £31,000/plot. This would equate to around 23% of Gross Development Value based on current asking prices at the Keepmoat Homes Development.
- 5) Development site at the former Simshill Primary School, 148 Simshill Road, Glasgow, G44 5EN, sold 5/1/2016 for £2.11million, £355,818/acre based on site area 5.93 acres (gross). Prime residential site in King's Park area near Linn Park within 3-4 miles of subject but probably superior location. Westpoint Homes are currently marketing properties here under Old Castle Green, with a 3 bed terraced house on at £175,000 and a 3 bed Semi Detached house on at £190,000.
- 6) Bellshill Road, Uddingston. Stewart Milne site, HM/12/0269 Planning Application approved 2013 for erection of 157 dwelling houses on site extending to 13.42 acres (Sunvic phase 2). Total sale price appears to be £4.55million 4/13 (assumed net of demolition) which at gross 13.42 = £339,046/acre or 157 plots at £28,980/plot. 11.78 plots /acre on Gross area.
- 7) Land at Strathtay Avenue, East Kilbride, 8 May 2012, £3,575,000, sale to Bellway Homes. This was part of the disposals process at Hairmyres Hospital in East Kilbride

which demonstrated even in the market in 2012, the high level of interest and offers made for site. This is not the best ground, being water logged and boggy in places extending to 9.66 acres gross-about 7.5 net developable. Numerous offers were received, gross and on conditional of site investigation and came from a wide cross section of developers including big companies. The successful offer was from Bellway, who offered £60.250/unit for 80 units all detached, subject to abnormal and planning gain costs.

- 8) Land at Whistleberry Road, Blantyre. I valued this site under reference 1569693 in 2015 for Commuted Sum purposes at £375,000 per Net Developable Acre or £31,250 per plot. This was a riverside site opposite Bothwell, but nonetheless a former industrial site in a poorer location compared to Cambuslang.

I have also considered the sale and asking prices for new build residential properties in the vicinity which can be indicative of the underlying residential value of the land and the likely sale prices of new build properties proposed for the site.

Barratt Homes is currently on site at Newton Farm, Cambuslang. The general asking prices are as follows:-

Balmoral	4 bedroom detached villa	marketed at £264,995
Drummond	4 bedroom detached villa	marketed at £260,995
Brodie	3 bedroom detached villa	marketed at £168,995

Taylor Wimpey were on site at Newton Village, Red Deer Road, Cambuslang, G72 6QF. The general asking prices were as follows:-

The "Munro"	4 bedroom detached villa	marketed at £265,000.
The "Maxwell 2"	4 bedroom detached villa	marketed at £249,995.
The "Geddes 2"	4 bedroom detached villa	marketed at £237,000.
The "Fairbairn"	4 bedroom detached villa	marketed at £220,000.
The "Douglas 2"	4 bedroom detached villa	marketed at £209,000.
The "Chalmers 2"	3 bedroom detached villa	marketed at £203,000
The "Baird"	3 bedroom semi detached villa	marketed at £159,995.
The "Balfour"	3 bedroom semi detached villa	marketed at £159,995.
The "Andrew 2"	2 bedroom semi detached villa	marketed at £139,995.

Stewart Milne were on site at the Sunnymead development at Bellshill Road, Uddingston. The general asking prices were as follows:-

The "Castlewellan"	3 bedroom semi detached villa	marketed at £197,000.
The "Hampsfeld",	4 bedroom detached villa	marketed at £271,000
The "Dukeswood"	4 bedroom detached villa	marketed at £252,500.

Taylor Wimpey were on site at their Broomhouse development, Calderpark Road, Uddingston as follows:

The Stewart 2	4 bed detached villa	marketed at £272,000.
The Maxwell 2,	4 bedroom detached villa	marketed at £259,995.
The Chalmers 2,	3 bedroom, semi detached villa	marketed at £190,000.

Barratt are active at Langlea Road, Cambuslang, G72 8HG. This is a development of 2 and 3 bedroom homes. A guide price is £156,495 for a 3 bedroom terraced property.

Other Developments (second hand sales)

Toryglen/ modern development situated next to local authority scheme of 4 storey tenements in Toryglen (Barrat Homes / built in 2008)

- 152 Newhouse Road sold 01/2011 for £140,000
Modern three bedroom, end terrace house, new build.
- 68 Newhouse Road sold 03/2013 for £134,995
Modern two bedroom terraced house, new build.
- 66 Newhouse Road sold 05/2013 for £134,995
Modern two bedroom terraced house, new build.
- 62 Newhouse Road sold 04/2013 for £145,495
Modern two bedroom terraced house, new build.

Resales

- 8 Newhouse Road sold 03/2016 for £132,000
Modern three bedroom semi detached.
- 148 Newhouse Road sold 10/2015 for £118,000
Modern two bedroom mid terrace.
- 152 Newhouse Road sold 9/2015 for £140,000
Modern three bedroom end terrace .

Bowhouse Development, nearby to south of subjects off Croftfoot Road (built by Miller Homes c. 2001):

- 76 Bowhouse Drive, Highfield Park, Glasgow, sold 06/2016 for £126,500
Modern two bedroom semi detached house in good condition.
- 108 Bowhouse Drive, Glasgow, sold 05/2016 £160,000
Modern three bedroom, detached house in good condition.
- 8 Bowhouse Grove, Glasgow, sold 01/2016 for £105,000
Modern three bedroom semi detached house in good condition.
- 17 Bowhouse Drive, Glasgow, sold 06/2015 for £125,000
Modern two bedroom, semi detached house in good condition.

Cityford Development, nearby to north of subjects, at the other side of Kings Park Avenue, Bankhead (built by Mactaggart & Mickel c. 1992):

- 37 Cityford Drive Bankhead, sold 03/2014 for £145,000
Modern three bedroom semi detached house in good condition.
- 29 Cityford Drive Bankhead, sold 10/2011 for £150,000
Modern three bedroom semi detached house in good condition.

I am of the view that the selling prices at these locations are all a good indicator of the anticipated selling prices that may be achievable at the subject site.

I would anticipate a range of selling prices between £130,000 for the smallest starter home units (Isla type), around £135,000 for the smaller 3 bed end terrace units (Esk type), around £145,000 for the smaller 3 bed semi detached units (Esk type) and up to £150,000 for the largest 3 bed semi detached (Carrick type) property with an average overall of £141,276 per unit. I believe this would be realistic for the proposed house types and I am of the view that in terms of locality and demand, the subject site is probably inferior to the other Rutherglen and Cambuslang comparators.

I believe recent transactional evidence suggests that an area with good transport links will be in reasonable demand and could support this level of value as seen in sites in the surrounding areas.

As a consequence, I have taken the view that the application site could generate a Gross Development Value of c. £13.28million and taking a percentage of around 18% which is consistent with my approach for other sites in Rutherglen and Cambuslang as representing the land value, this would give a site value of around £2.39million. Based purely on the NDA of 8.0 acres, this would suggest a rate in the region of £300,000 per net developable acre. This is slightly lower than the other site valuations such as Somervell Street, Gilbertfield Road and Langlea Road, Cambuslang, however, I am of the view that this rate reflects the amenity and characteristics of the location as does the somewhat modest house types and designs proposed for the site.

Having weighed the comparable evidence taking into account locality, amenity and the development proposals as outlined by Dawn Homes Ltd, I consider it is reasonable in this location to adopt a figure in the region of **£300,000 per Net Developable Acre** which represent around 18% of Gross Development Value and I think adequately reflects the estimated density of development at c. 11.75 units per acre suggested by the Dawn Homes layout plan.

This would equate to around £25,500 per plot based on 11.75 units per net developable acre.

4.3 Opinion of Value

I am of the opinion that the market value of the owner's heritable interest in the site at Kirkconnel Drive, Rutherglen, Glasgow, G73 4QW (CR/15/0063) as at the date of this report, 15 August 2016 with vacant possession, is fairly stated at gross figures as follows:-

£300,000 (Three Hundred Thousand Pounds) per net developable Acre.

£741,000 (Seven Hundred and Forty One Thousand Pounds) per net developable Hectare.

£25,500 (Twenty Five Thousand, Five Hundred Pounds) per Plot.

This is based on an estimated net developable site area of 3.23 hectares and on the proposed 94 no. planning units at a density of circa 11.75 units per net developable acre.

I have assumed the Special Assumption, in terms of the principle of valuation, that the land value should be provided on gross terms, not taking into account any abnormal costs, Section 75 Contributions or any other such costs as it is assumed these costs will be identified separately and agreed between the parties in assessing the commuted sum payable.

4.4 Currency

All prices or values are stated in pounds sterling.

4.5 VAT

I understand that VAT does not apply to this transaction and my opinion of value reflects this. In the event that my understanding is found to be inaccurate, my valuation should be referred back for reconsideration.

4.6 Costs of Sale or Acquisition and Taxation

I have assumed that each party to any proposed transaction would bear their own proper legal costs and surveyor's fees.

No allowance has been made for liability for taxation, whether actual or notional, that may arise on disposal.

4.7 Market Commentary

In formulating this valuation, I have taken into account the prevailing market conditions in the immediate locality and beyond for residential properties and sites.

The subjects are located in what can best be described as a reasonable location, close to good transport links.

In the period up until mid-2008 in common with the rest of the country, the area had been experiencing significant upward movement in values. The ensuing worldwide economic situation then had an impact on the whole country and this huge market buoyancy ended, resulting in a sharp downturn in property values. Sales were noticeably fewer and demand for new properties in the wider locality decreased markedly.

Where new build units were on the market, developers were reducing prices and offering substantial incentives at almost all locations. It became clear that both buyers and lenders were being far more cautious than during the previous boom in the area, the number of sales greatly diminished and prices reduced across the board.

The market had generally been in decline with very much fewer market transactions in the area than previously until relatively recently.

However, it is true to say that there is significantly more movement in the market reported and sites in the wider locality are coming back on to the market.

Furthermore there is now transactional evidence which suggests growing demand and a real appetite in some areas, particularly in traditionally sought after locations. Where developments are underway or recently completed across the district, I have had regard to the sales levels and rate of uptakes at these developments.

As noted my valuation is based on information currently available and provided on a per net developable acre/hectare basis but gross of any further adjustments for abnormal ground conditions, costs or contributions to Section 75 or other planning contributions which may have to be made.

There is still an element of uncertainty in the wider housing and development market and a general lack of depth of comparator evidence in the immediate area, although this is improving. I am also aware that the cost and availability of finance is still a determining factor in the viability of developments. Therefore I remain of the opinion that an element of restraint in my approach to land values is appropriate and must emphasise that values provided for residential development at the current time, continue to carry a higher than normal degree of risk.

Finally, given the combination of uncertain market conditions and the type of property involved this valuation carries a high degree of subjectivity leading to a greater than normal range of uncertainty. As a result, the possible range of values for an asset type is wider than normal or at least wider than in recent years. I would therefore caution as to the possibility for a need to show some degree of flexibility in the use and interpretation of the reported value for the reasons stated above.

In summary I refer to the current edition of the RICS Valuation -Professional Standards 2014 UK Edition VPGA9- Valuation of Market Susceptible to Change: Certainty and Uncertainty.

5. General Information

5.1 Status of Valuer

It is confirmed that the valuation has been carried out by [REDACTED] and assisted with inspection and valuation by [REDACTED], both RICS Registered Valuers acting in the capacity of external valuers, who have the appropriate knowledge and skills and understanding necessary to undertake the valuation competently, and are in a position to provide an objective and unbiased valuation.

5.2 Conflict of Interest

Checks have been undertaken in accordance with the requirements of the RICS standards and have revealed no conflict of interest. DVS has had no previous material involvement with the property.

5.3 Restrictions on Disclosure and Publication

The client will neither make available to any third party or reproduce the whole or any part of the report, nor make reference to it, in any publication without my prior written approval of the form and context in which such disclosure may be made.

You may wish to consider whether this report contains Exempt Information within the terms of paragraph 9 of Schedule 7A to the Local Government (Scotland) Act 1973 (see section 2 and Part II of Schedule 1 to the Local Government (Access to Information Act 1985) and your Council can treat it accordingly.

5.4 Limits or Exclusions of Liability

The report should only be used for the stated purpose and for the sole use of your organisation and your professional advisers. No responsibility whatsoever is accepted to any Third Party who may seek to rely on the content of the report unless previously agreed.

5.5 Validity

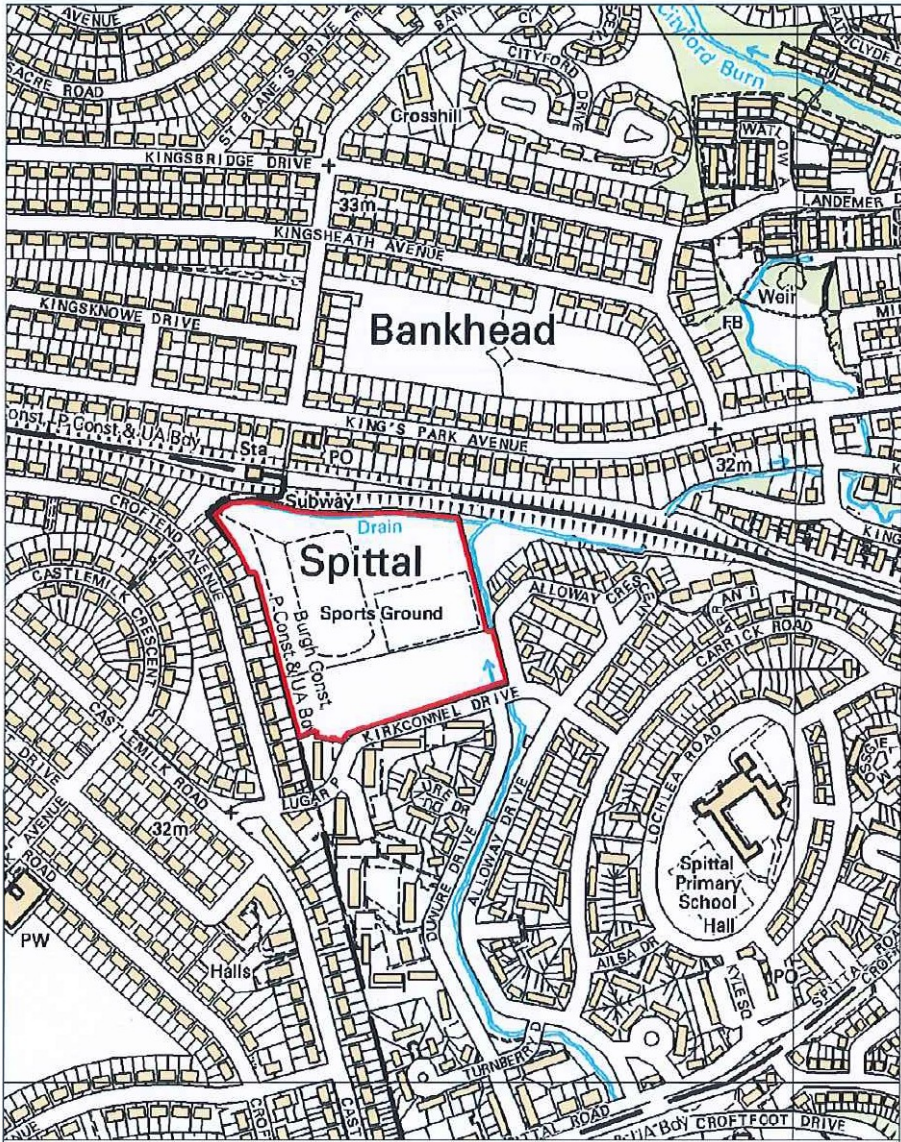
This report remains valid for 3 (three) months from its date unless market circumstances change or further or better information comes to light, which would cause me to revise my opinion.

I trust that the above report is satisfactory for your purposes. However, should you require clarification of any point do not hesitate to contact me further.

[REDACTED]
[REDACTED]
Senior Surveyor
RICS Registered Valuer
DVS

6. Appendices

6.1 Plans



Plan title: Site at Kirkconnel Drive, Rutherglen, G73 4QW	
Case type:	Key
Map title: NS66SW Scale: n/a	Coordinates: 260671.660461 Area: 4.46 ha or thereby Perimeter:
	N t
Copyright (c) 2003 Ordnance Survey	Date: 10/8/2016

6.2 Photographs



From Kirkconnel Drive looking north east
across site



Bridge over Cityford Burn at junction
between Kirkconnel Drive and Alloway
Crescent



Looking south west across site towards
public sector housing at Kirkconnel Drive



Looking north and west across site from
Kirkconnel Drive



Looking west towards houses at Croftend Avenue and across former football pitch on site



Looking south and west across site from public path at Croftfoot Station



Public path leading to Croftfoot Station with site ad'acent



Underpass at station leading to King's Park Avenue



Looking west towards houses at Croftend Avenue and with fence boundary bisecting site boundary between maintained/unmaintained areas



Overgrown areas around the Cityford Burn at north east most corner of site.