

REPORT AND VALUATION ON

**GILESTONE FARM
TAYLBONT-ON-USK
BRECON
LD3 7JE**

For Providing an Opinion of Market Value

Prepared for



Date of Valuation: 16th February 2022 (Date of Inspection)

Prepared by



For and on behalf of

POWELLS CHARTERED SURVEYORS, LAND & ESTATE AGENTS

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EXECUTIVE SUMMARY

This report must be read in full to put this executive summary, of which it forms part, in its proper context and is subject to the assumptions, caveats and bases of valuation stated within the report. The executive summary therefore should not be read in isolation.

THE PROPERTY:

**GILESTONE FARM
TAYLBONT-ON-USK
BRECON
LD3 7JE**

DESCRIPTION

Gilestone Farm briefly comprises of a detached farmhouse, a range of modern and traditional farm buildings, a safari lodge commercial glamping site, holiday lodges (in construction), excellent arable and pastureland and woodland extending to 241.08 acres in all.

BASIS OF VALUATION:

'Market Value' as per the definition set out in the Royal Institution of Chartered Surveyors Global Valuation Standards, and with regard to the definition of Market Value within the Red Book Global Standards.

BASIS OF VALUATION – MARKET RENT

'Market Rent as per the definition set out in the Royal Institution of Chartered Surveyors Valuation Global Standards, and with regard to the definition of Market Value within the Red Book Global Standards.

PURPOSE OF VALUATION:

Providing an Opinion of Market Value for Sales Negotiation.

DATE OF VALUATION:

16th February 2022 (Date of Inspection)

MARKET VALUE:

VALUATION 1 – Land and Buildings extending to 214.93 acres (Lot 1)	£3,000,000 (three million pounds)
VALUATION 2 – House and Buildings and Land extending to 26.15 acres (Lot 2).	£1,250,000 (one million, two hundred and fifty thousand pounds)
VALUATION 3 - MARKET RENT	£65,000pa (sixty-five thousand pounds per annum)

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1. Confirmation of Instruction Letter dated 21st October 2021
2. Location Plans
3. Property Plans
4. Photographs
5. Assumptions
6. Mineral Agreement

1.0 INTRODUCTION:

1.1 Instructions

- 1.1.1 I have been instructed by [REDACTED] to provide a report and valuations of the Freehold Interest of Gilestone Farm, Talybont-on-Usk, Brecon LD3 7JE (referred to herein as "the Property") as to assist with potential sale negotiations. A copy of my confirmation of instruction letter, dated 15th February 2022 is included in **Appendix 1**.
- 1.1.2 I have been instructed to value 100% of the freehold interest in Gilestone Farm, Talybont-on-Usk, Brecon LD3 7JE. The Property has been put forward for a private, off-market sale as two Lots (description). I will comment on the proposed sale prices, the value of each lot in isolation (**Valuation 1 & 2**) and a brief comment on the agreed sale price as a whole. The sale price has been potentially agreed at £4,250,000 for the whole Property. Subsequent to the letter of instruction I have also been instructed to consider the Market Rent for the Subject Properties (**Valuation 3**).
- 1.1.3 In my preparation of this report and valuation, I have relied upon my inspection of the Property, my further research and information available from third parties, and further due diligence in preparing this valuation report.

1.2 RICS Valuation Standards

- 1.2.1 I confirm that this report and valuation has been prepared in accordance with the current requirements of the Royal Institution of Chartered Surveyors Valuation Standards – updated January 2020 (commonly referred to as "The Red Book").

1.3 Inspection of Property

- 1.3.1 I made an inspection of the Property, as described within this report on 16th February 2022. The weather was mostly wet and overcast at the time of my inspection.
- 1.3.2 I was accompanied by Mr Charles Weston who is the owner of Gilestone Farm.
- 1.3.3 Access was not available to the let buildings or lodges currently under construction
- 1.3.4 Photographs and notes were not able to be taken while inspecting much of the Property. Some have been reproduced from the Gilestone Website by kind permission of Mr Charles Weston and a number were taken by myself.

1.4 Purpose and Effective Valuation Date

- 1.4.1 In accordance with my instructions, I have prepared a report & valuations for providing an Opinion of Market Value for Sales Negotiation.
- 1.4.2 The date of valuation is 16th February 2022 been the date of inspection.

1.5 Valuer's Qualifications and Experience

- 1.5.1 This report has been written by me, [REDACTED]
- 1.5.2 I confirm that I have the knowledge, skills and understanding to competently undertake this valuation instruction.

1.6 Conflicts of Interest

- 1.6.1 I am not aware of any conflicts of interest that will or may affect the independence or accuracy of my report and valuation.

1.6.2 Powells Rural have previously been instructed by Fiona Stewart regarding other professional work. There is not deemed to be a conflict arising from previous instructions in relation to this valuation.

1.7 **Status of Valuer**

1.7.1 I confirm that I fulfil the requirements of an independent valuer, qualified for the purpose as defined within the RICS Valuation Standards.

1.7.2 I confirm that I am a RICS Registered Valuer and I am part of the RICS Valuer Registration Scheme.

2.0 SITUATION AND LOCATION:

2.1 Gilestone Farm is located around 7 miles south of Brecon, 8 miles northeast of Crickhowell and just outside the village of Talybont-on-Usk and is located within the Brecon Beacons National Park.

2.2 The village of Talybont-on-Usk provides a small range of amenities including two public houses, a village shop with Post Office and a primary school with a wider range of services and amenities found at Brecon and Crickhowell which include supermarkets, healthcare and primary and secondary education respectively.

2.3 Talybont-on-Usk is a well-known village within the Brecon Beacons National Park and as such has a thriving tourism sector considering the size of the village. With a range of camping, glamping and B&Bs serving the village and wider area providing an excellent base for tourists looking to visit and enjoy the National Park.

2.4 The Monmouthshire and Brecon canal is accessed at Talybont-on-Usk as well as a number of public footpaths and bridleways, including the Taff's Trail.

2.5 Gilestone Farm is accessed via a shared farm drive leading from Station Road.

2.6 There is good connectivity to the A40 which runs north/south and provides access to Brecon and Abergavenny respectively. The wider motorway network is within easy reach with the M4 to the south at J24 Coldra (Newport) (37.5 miles) and the M50 southeast at Ross on Wye (42 miles).

2.7 Mainline rail services are available from Abergavenny (14.5 miles) and Newport (33 miles) with travel times to Cardiff from 16 and 42 minutes respectively and travel times to Bristol from Newport from 47 minutes.

2.8 International air transport is available at Cardiff airport, 59 miles and Bristol airport, 65 miles.

2.9 Location plans are attached in **Appendix 2**.

3.0 DESCRIPTION:

3.1 I have set out an overall description of Gilestone Farm. The extent of the Property is outlined in red on the valuation plan attached in **Appendix 3**. A number of photographs of the Property are shown in **Appendix 4** attached.

VALUATION 1 – LAND AND BUILDINGS EXTENDING TO 214.93 ACRES (LOT 1)

- 3.2 Contained within what shall be referred to as **Lot 1** briefly comprises a range of agricultural buildings, some used within the in hand, farming business and some let to third parties, agricultural land comprising of excellent level and workable arable land and permanent pasture. In all Lot 1 extends to 214.93 acres (86.98 hectares).
- 3.3 The buildings comprise an exceptional range of agricultural buildings (plan below for reference) which are well suited to their use and are adequate with the arable and livestock enterprises on the farm as well as supporting a range of third party commercial tenants. The farm buildings are generally in a good order for their age and use. Please see plan below for reference only.
- 3.4 *It should be noted that no access was available to the internals of the let buildings. Similarly, there are no photographs, and no notes were taken while inspecting the yard or the buildings as the owner of Gilestone Farm did not want to alert the commercial tenants towards the potential sale or concern the tenants with such thoughts that the farm might be sold and potentially affect their occupation. I have therefore measured the buildings via ProMap to produce Gross External Areas.*
- 3.5 I therefore reserve the right to amend the descriptions and value should the following comments be significantly varied from the detail. Specifically in relation to the assumptions of the internal condition and construction of said buildings.

Building 1: Modern general purpose agricultural building, used for general and machinery storage. Steel portal frame, high eaves and tin clad, earth/hardcore floor. In an excellent condition. Floor area 414sqm.

Building 2: Cattle building providing loose housing with feed barriers and concrete floors, steel frame and fibre cement roof. Excellent cattle building but in some need of repair and on-going maintenance as expected with a building of its age and use. Floor area 1953sqm.

Building 3: Grain store. Excellent condition with concrete floor, concrete grain walls, fibre cement roof and two small office/welfare units. Floor area 475sqm.

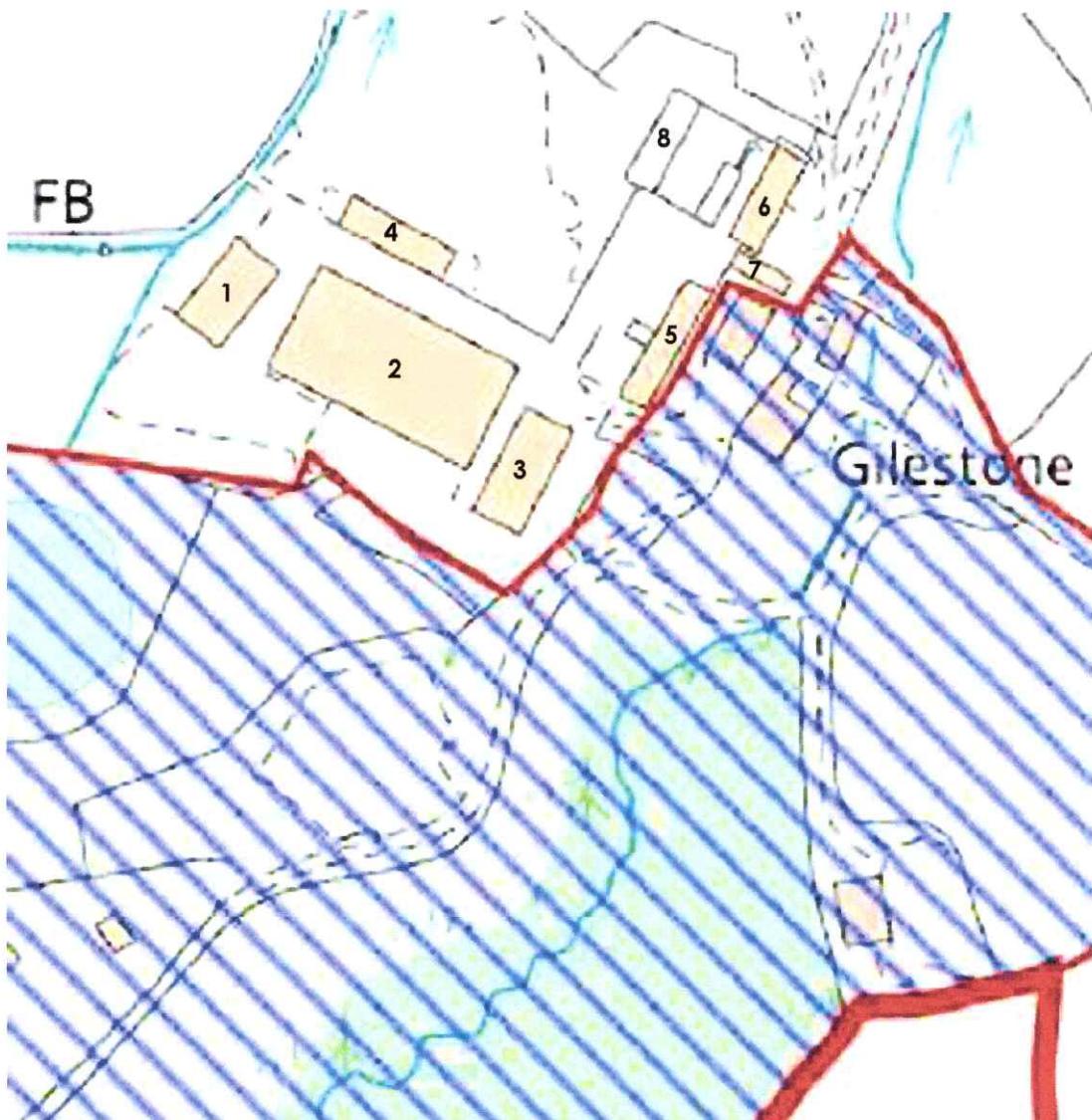
Building 4: Recently replaced building of steel frame construction, tin clad and roof. Let to a third party. Concrete floor and extends to 291sqm.

Building 5: Traditional stone build building in poor condition. Two small let units on northern elevation. The main part of this building is redundant and presents a hazard to third parties and must be made safe, repaired, or securely fenced off. Total floor area, including let units 299sqm.

Buildings 6 & 7: Small range of buildings comprising several small let units.

Building 8: Old silage clamp and muck store, used for general hardstanding, muck storage and some caravan storage on or next to this 'concrete pad'.

LOT 1 BUILDING PLAN FOR REFERENCE TO ABOVE DESCRIPTIONS



- 3.6 The agricultural land at Gilestone Farm, comprises a useful and desirable block of mainly arable land with some permanent pasture, a small coppice and a small recently dug lake. Spilt into a number of manageable grazing enclosures and some larger arable fields, with direct access to the farm and buildings. With road access from a shared driveway (shared with Lot 2) from Station Road as well as a secondary access down a farm track leading from the B4558 to provide direct access to the northern most fields.
- 3.7 The majority of the soil is generally freely draining, flood plain soil and is well suited to its current use as livestock grazing and arable/fodder production. Sitting over a bed of gravel, any flood waters generally subside quickly. As you move away from the flood plain the soil becomes slightly more acidic and loamier, more suited to grassland production. The arable land has been used to support a range of winter and spring sown arable crops, including maize, winter oats, winter wheat and spring barley.
- 3.8 The land sits between 112m and 133m above sea level (both Lots).

- 3.9 The land is well fenced, with mature hedges and trees providing shelter for livestock as well as benefitting the environment. The land has been very well farmed and is in good heart.
- 3.10 The northern boundary of the Lot is the River Usk, which does flood over the Property but given the free draining soil in most cases retreats back into the river after a short time.
- 3.11 Within the Property is the historic asset of note, known as the Gilestone, and is the site of a Scheduled standing stone (Cadw BR140).
- 3.12 The Property is registered with the Land Registry under title numbers CYM515577 (part), CYM515641, WA515967 (part) and WA521251.
- 3.13 In all the total freehold interest valued comprising of Lot 1 extends to 214.93 acres (86.98 hectares), as shown outlined in red on the valuation plan attached in **Appendix 3**.

VALUATION 2 - HOUSE AND BUILDINGS AND LAND EXTENDING TO 26.15 ACRES (LOT 2).

- 3.14 Gilestone Farmhouse is a Grade II listed dwelling and is of mid-17th century origin. The building consists of two storeys with converted attic space and underwent substantial late Georgian remodelling in the late 19th century.
- 3.15 The house has recently been used as self-contained, holiday accommodation where the whole house is let to a party. The owner does not live at Gilestone Farm. The bookings are believed to be very popular with a high occupancy of the house all year round. The house is generally let on a weekly basis with charges per week varying from £1,650 to £2,900 per week – time of year dependent. Shorter breaks are available.
- 3.16 Gilestone Farmhouse is situated to the south of the main agricultural buildings. The farmhouse is served by its own access, from Station Road but this is shared access with the main farmyard. The farmhouse is of traditional construction, with stone built and rendered elevations under a slate pitched roof with a small timber-built conservatory on the southern elevation. Generally, the external condition of the Property was good and commensurate with its age and construction.
- 3.17 Internally the dwelling consists of a front hallway, which provides a lovely opening and feel on entry to the farmhouse and leads through to the kitchen. The kitchen, with a flagstone floor, AGA and exposed beams extends to 4.7m x 6.3m. Leading through into the back kitchen, 4.5m x 4.7m, again with a flagstone floor and housing the white goods, boiler and a rear entrance door as well as a downstairs bathroom with WC, basin, shower and a further external door. Again, from the kitchen there are two dairy rooms with flag stone floors measuring 4.4m x 3.8m and 4.4m x 2.1m respectively. A further larder with a carpet floor provides excellent additional storage space. The conservatory, of a timber frame construction with a timber floor provides an excellent space to enjoy the evening sun and extends to 4.3m x 3.8m. From the front entrance hall, the morning room with a carpeted floor, front aspect bay window and a wood burner extending to 4.4m x 6.3m max. and with the drawing room opposite, over the hall, with a timber floor, front aspect bay window and wood burner extending to 6.4m x 5.8m completes the downstairs accommodation.
- 3.18 The first floor comprises of the master bedroom with four poster bed (4.7m x 6.4m), a smaller double bedroom (2.8m x 3.0m), a large double bedroom with a fireplace (6.4m x 4.5m) known as the 'Red Room', a further double bedroom with built in wardrobes (3.9m x 3.9m) and another single bedroom (3.2m x 2.6m). An excellent family bathroom, 2.9m x 2.0m, and a second bathroom (1.8m x 4.6m) provides well finished bathroom provisions including WC's, shower and bath respectively

- 3.19 The second floor comprises of a large ensuite double bedroom with a single bed also available (2.5m x 3.3m & 7.2m x 3.5m) with the ensuite containing a WC, bath and basin (2m x 3.4m. significant element of reduced headroom and a low beam in the main bedroom. A further double bedroom, again with an element of reduced headroom (3.6m x 4.9m). A further bathroom completes the second-floor accommodation comprising of a well finished small bathroom with WC, basin and a shower (1.8m x 2.4m).
- 3.20 The Property has been well maintained and finished to a good standard throughout. The Property has been used as self-contained holiday accommodation and the number of bedrooms and bathrooms complement this use.
- 3.21 The house is registered for Business rates and careful consideration should be made to preserve the residential status of the dwelling now that the council tax has expired.
- 3.22 The house is located very close to the working farmyard and feels very much like a large 'farmhouse' as opposed to an 'estate house'. Especially given the impact the farmyard, proximity to livestock sheds and the commercial lets as well as the shared access have on the dwelling. There is a minimal garden, mainly laid to lawn, again this does not provide the seclusion many estate buyers would look for and suggests that the dwelling is much more likely to be seen as a large 'farmhouse' than anything else.
- 3.23 Description of the buildings in Gilestone Farm, Lot 2, Yard. Please see plan abstract for reference only.
- 3.24 *It should be noted that no access was available to the internals of the let buildings. Similarly, there are no photographs, and no notes were taken while inspecting the yard or the buildings as the owner of Gilestone Farm did not want to alert the commercial tenants towards the potential sale or concern the tenants with such thoughts that the farm might be sold and potentially affect their occupation. I have therefore measured the buildings via ProMap to produce Gross External Areas.*
- 3.25 I therefore reserve the right to amend the descriptions and values should the following comments be significantly varied from the detail of the buildings. Specifically in relation to the assumptions of the internal condition and construction of said buildings.

Building 1: A general purpose agricultural building of modern steel frame construction with steel fronted doors and concrete floor. Floor area of 210sqm.

Building 2: A range of old Stable buildings, timber clad and split into a number of let units providing office space and general storage space. Floor area of 170sqm.

Building 3: Old Shower Block and Timber Yard, concrete block construction under a fibre cement roof, and hardcore yard to front. Let as well as providing space for a timber storage and milling yard. Floor area of 220sqm and yard space of circa 1025sqm.

LOT 2 BUILDING PLAN FOR REFERENCE TO ABOVE DESCRIPTIONS



- 3.26 The agricultural land within Lot 2 is mainly permanent pasture and woodland. Much of the woodland is classified as Ancient Semi Natural Woodland and there is a permissive path which currently runs through the woodland. There is an area of arable land at the eastern side of the property. Included within the land is the site of the three safari tents and associated welfare unit, the site for the holiday lodges, which are under construction and a lake which adds great amenity appeal to the Lot.

- 3.27 A small area of the land is let to a local market gardener. Again, it is assumed there is no formal agreement in place.
- 3.28 The Glamping site/Safari Tent site comprises a small block of sheltered permanent pasture, with three safari tents in situ alongside a welfare unit, with hot water, shower, WC and basin, draining into its own private system. It is assumed these tents and the welfare unit could be removed and the site cleared in the event of a sale or made available to the purchaser. The safari tent site was permitted under planning application 18/16320/FUL. This provides scope to a purchaser to potentially continue with this as a diversified income.
- 3.29 The Safari tents are let for between £1,350-£1,500 per week in the high season and £900-£1,000 per week in the low seasons. Prices vary on dependent upon the specific lodge and its size.
- 3.30 Currently under construction are four holiday lodges which were permitted under planning application 17/15005/FUL. The site is not completed and would add significant diversified income to Lot 2 however there is still an element of expenditure needed to complete these buildings. Within the plans are two 1x bedroom lodges and two 2x bedroom lodges. The lodges will be clad and finished with a slate tile roof and overlook the lake providing an excellent position for visitors to enjoy.
- 3.31 Chilson Bridge (Canal Bridge No.146) which is located over the canal at the southern boundary of the property is a Grade II listed building.
- 3.32 The Property is registered under part of Land Registry Title Number CYM515641 and part of Land Registry Title Number CYM515577.
- 3.33 In all the total freehold interest valued comprising of Lot 2 extends in total to 26.15 acres (10.58 hectares) as shown outlined in red on the valuation plan attached in **Appendix 3**.
- 3.34 **VALUATION 3 – MARKET RENT**
- 3.35 In consideration of the market rent a number of factors must be remedied before letting the property. Several assumptions have been made below to allow a suitable market rent to be reported. Given the diversified portfolio on offer at the Subject I have assumed the most sensible option is to let the whole Property under a Farm Business Tenancy (FBT) (Agricultural Tenancies Act 1995) agreement with the landlord providing the ability to sub-let, the commercial units and potentially continue the safari tents and other holiday accommodation (although the lodges are not yet completed and an agreement regarding their completion maybe needed). The proper S1(4) notices will need to be served on the tenant of the FBT to keep clarity that the agreement is wholly and mainly agricultural.
- 3.36 Given the unwritten commercial agreements I would recommend efforts are made to agree written terms, especially in regard to repairs and insurance provisions, services, as well as rent review clauses and if the parties are in agreement and mutually agree to contract out of the security of tenure provisions within S24-28 of the Landlord and Tenant 1954 Act.
- 3.37 For the purpose of this rental valuation, I have taken into account the current status of the commercial tenants and the current rent roll (circa £28,500pa) as well as the apparent risk associated with unwritten agreements.
- 3.38 I have assumed the head tenant would be responsible for all repairs and maintenance on the holding.
- 3.39 Before continuing to let or establishing new agreements I would recommend all legal compliance is undertaken regarding letting property under residential and commercial

terms, e.g., electrical safety checks and EPCs. I am under the assumption that there will be significant costs involved in regularising the current commercial agreements, agreeing suitable terms for a FBT, as well as repairs and remedial works that are needed to bring the let units up to a legal standard.

4.0 SERVICES:

- 4.1 Mains and private borehole water supply the whole Property. Main's electricity is connected. A number of private drainage systems serve the Property, the safari tents and the lodges will have a new system installed once completed. Broadband is connected.

5.0 ENERGY PERFORMANCE CERTIFICATE

- 5.1 Gilestone Farmhouse is registered as having an energy efficiency rating of an F. this certificate has expired 31st January 2022 and needs to be renewed in the event of any sale.
- 5.2 Gilestone Farmhouse cannot be let under any assured shorthold tenancy until the EPC is improved to at least a level of E in line 2018 'Minimum Level of Energy Efficiency' standards.
- 5.3 There are no records for EPC registrations for any of the commercial lettings. Again and self-contained, let building with any heating system needs to comply with the 2018 'Minimum Level of Energy Efficiency' standards.

6.0 FIXTURES & FITTINGS:

- 6.1 I have not included any personal possessions contained with the dwellings. I have not included any livestock, equipment, machinery, growing crops or crops in store/fodder or BPS Entitlements, forming part of the farming business trading assets, within my valuations. I have valued any fixtures and fittings attached to the Property that would reasonably be expected to be sold with the Property in the event of a hypothetic sale such as field gates and water troughs etc.

7.0 TENURE & TENANCIES:

- 7.1 I value on the assumption that vacant possession would be available to the residential and agricultural property at Gilestone Farm but have considered in this valuation the occupation of the buildings at Gilestone Farm which are let.
- 7.2 There are no written agreements in place for the business lets at the Property. Therefore, I have valued on the assumption that vacant possession would not be available to these units as these tenants could be occupying under the Landlord and Tenant Act 1954 and benefit from security of tenure as there has been no contracting out of the provisions held within sections 24-28 of the Act.
- 7.3 I reserve the right to amend my valuation if information becomes available in regard to these agreements.

8.0 TITLE:

- 8.1 I have not inspected the Deeds of the Property, or any Registered Title documentation, for the Property therefore for the purposes of this valuation, I have assumed that the Title does not contain any onerous terms, restrictions, covenants, encumbrances, reservations or outgoings that would adversely affect the value and that good title can be shown. If at any

later stage any further information is made available, identifying any of the above, then I reserve the right to amend my valuations.

9.0 BASIC PAYMENT SCHEME, QUOTAS & GRANT SCHEMES:

- 9.1 It was confirmed to me that all of the eligible agricultural land is registered with Rural Payments Wales and the agricultural Basic Payment Scheme is claimed upon eligible field parcels/field areas. I value on the assumption that there are no specific grant schemes or environmental schemes, which apply any restrictions to any part of the land on a permanent basis.

10.0 FIXED & VARIABLE OUTGOINGS:

- 10.1 The Council Tax Band for Gilestone Farm is not recorded online as Business Rates are payable in relation to the self-catering holiday let and premises at Gilestone Farmhouse. The present rateable value for 2021/22 is £7,100.00.
- 10.2 I do not believe the commercial units are registered for business rates.
- 10.3 I am not aware of any unusual outgoings that would adversely affect my valuation of the Property assets and value assuming there are none. I have not been provided with any information on liability for Chancel repairs. Chancel repair liability can affect property/land within a Church of Wales parish with a medieval or pre-medieval church and there have been cases where property owners with such liabilities have faced substantial repair liabilities. I have assumed that no such liability exists over any part of the Property but reserve the right to amend my valuations, should any further information in respect of Chancel Repair Liability be made available in the future.

11.0 MINERALS, TIMBER & SPORTING RIGHTS:

- 11.1 I value on the assumption that all minerals' rights are included in the freehold title but are held within an agreement between Geraint John Thomas and Sharpness and Severn Transport Limited in an agreement date 18th May 2012 relating to land held within Land Registry Title Number WA521251. See **Appendix 6**. The mineral rights are believed to come back in hand at the end of the payable period, 21st October 2025.
- 11.2 '*The Transferee covenants with the Transferor to pay 30% of the profit from any minerals sold, mined or extracted from the property within a period of 15 years from the date of the Transfer.*'
- 11.3 I would recommend that the details of this agreement are looked into more detail but do not see any exercise of this right occurring before the end of the payable period given the location and flood risk pertinent to the site.
- 11.4 The sporting and timber rights are believed to have been sold off at an earlier date, prior to the current owner's purchase. Details of this I have not seen.

12.0 RESTRICTIONS:

- 12.1 I am not aware of any specific restrictions which significantly affect the value of the subject Properties.

13.0 ACCESS & RIGHTS OF WAY:

- 13.1 Overall access is good with all elements of the property being accessed via private or shared driveways and benefits from a number of internal farm tracks.
- 13.2 The driveway is assumed to be shared with the owners of the land which is either side of the drive from Station Road.
- 13.3 I am not aware of any Public Rights of Way that cross the subject Properties.
- 13.4 There is a permissive footpath which crosses the Subject Property, known as 'Orchard Walk'. This could be extinguished at any time.
- 13.5 I value on the assumption that there are no other private rights of way to the benefit of any third party.

14.0 EASEMENTS & WAYLEAVES:

- 14.1 From my valuation inspection I am not aware of any specific easements to any third parties, such as oil, gas or water pipelines which cross through any part of the Property valued. If any further information is received at a future date, I reserve the right to amend my valuations.
- 14.2 There are a number of electricity lines which cross the subject Property and I value on the assumption that all necessary wayleave or electricity easement agreements are in place where third party electricity distribution lines cross the Property.

15.0 PLANNING & DEVELOPMENT MATTERS:

- 15.1 The Property is all situated within the area covered by Brecon Beacons National Parks for planning and development control and administration. Any such matters are controlled in accordance with the Local Development Plan (LDP), adopted 17th December 2013.
- 15.2 A number of the current LDP policies which are believed to directly impact the Subject Property are outlined below.

15.3 Policy SP1 - National Park Policy

Development in the National Park will be required to comply with the purposes and statutory duty set out in legislation, and will be permitted where it:

- a) conserves and enhances the Natural Beauty, wildlife and cultural heritage of the Park; and/or
- b) provides for, or supports, the understanding and enjoyment of the special qualities of the National Park in a way that does not harm those qualities; and
- c) fulfils the two purposes above and assists the economic and social well being of local communities.

15.4 Policy 1 - Appropriate Development in the National Park

All proposals for development or change of use of land or buildings in the National Park must comply with the following criteria, where they are relevant to the proposal:

- i) the scale, form, design, layout, density, intensity of use and use of materials will be appropriate to the surroundings and will maintain or enhance the quality and

- character of the Park's Natural Beauty, wildlife, cultural heritage and built environment;
- ii) the proposed development is integrated into the landscape to the satisfaction of the NPA through planting and appropriate management of native species or through the construction of appropriate boundary features;
- iii) the proposed development does not have an unacceptable impact on the economic, social, cultural and linguistic vitality and identity of any community, either in its own right or through cumulative impact.
- iv) the proposed development promotes opportunities for the conservation and enhancement of bio/geodiversity through appropriate design and landscaping.
- v) the proposed development is within 400m of an area of accessible natural greenspace.

Policy 38 - Farm Diversification

Proposals for farm diversification will be permitted where:

- a) the proposed diversification will be of an intensity of use appropriate to the environment and setting within the National Park and will have no significant detrimental effect on the vitality and viability of any adjacent town or village, either in its own right or through cumulative impact;
- b) functioning of surrounding agricultural land is not prejudiced;
- c) adequate provision for the storage of materials/equipment is maintained;
- d) adequate parking provision is made to serve the needs of the diversified scheme; and
- e) Any new buildings or conversions or existing buildings that form part of the proposal lie within or immediately adjacent to the group of existing buildings which make up the farm complex and are in accordance with Policy 23.

Policy SP14 - Sustainable Tourism

The NPA will enable proposals for sustainable tourism development which promote opportunities for the enjoyment and understanding of the National Park, whilst ensuring that the natural beauty, wildlife and cultural heritage is conserved and enhanced.

Policy 46 - Non-permanent Holiday Accommodation

Development of non-permanent holiday accommodation will only be permitted in exceptional circumstances where:

- a) the applicant has demonstrated to the satisfaction of the NPA that the proposed development is fully integrated into the landscape by virtue of topography or surrounding land uses, particularly when viewed from public routes and vantage points outside of the site;
- b) on-site facilities, including any accommodation for a site manager, washroom facilities, stores, retail outlets or similar, can be provided by the conversion of existing buildings if available;
- c) the development will not be occupied as permanent residential accommodation and will be subject to a seasonal occupancy condition restricting the use of the site to certain periods throughout the year;

d) the proposed site will have an adequate means of access to and into the site that is capable of accepting the width of vehicles required for movement of the accommodation without detriment to highway amenity.

Policy 40 - Storage of Caravans

The storage of caravans will only be permitted where:

- a) they are placed within an existing building. Where this is not possible, the applicant must demonstrate to the satisfaction of the NPA that the proposed site will be fully integrated into the landscape by virtue of topography or surrounding land uses, particularly when viewed from public routes and vantage points outside of the site;
- b) any planting or construction of boundary features required by the NPA will be undertaken prior to any caravans being stored on the site;
- c) the proposed site will have an adequate means of access to and into the site that is capable of accepting vehicles moving caravans without detriment to highway amenity, safety or the landscape; and
- d) any associated commercial activity such as a hire business or maintenance service must comply with all relevant policies in this chapter.

Policy 65 - Minerals Safeguarding

Reserves of sand and gravel, limestone and sandstone will be safeguarded as shown on the Proposals Map. Extraction of minerals before development that would otherwise sterilise mineral resources of current or likely future economic importance will be required, provided there is no suitable alternative location and an overriding need for the development (in line with Policy SP2), and extraction can be achieved:

- a) without prejudicing the proposed development;
- b) by completing the extraction within a reasonable timescale;
- c) without unacceptable environmental impacts.

The above policies outline some of the key policies which impact the Subject Property. There are a number of other considerations and policy matters which the NPA will consider in light of any planning application and careful consideration of the Local Plan as a whole should be made before any application is submitted.

15.5 I have set out below the planning consents which have been identified in respect of **Gilestone Farm**.

- 1. Change of use of farm buildings and land to cafe, cafe annex, toilets and caravan storage. 2. Revised details of the layout of the camping and caravan site on area 1 including additional planting, construction of reception/shop and retention of exit road and recreation area. 3. Revised details for the layout of the camping and caravan site on area 2 including works to construct 2 spine roads, 40 pitches and wildlife pond with new planting. 4. Carry out development on the camping and caravan site without compliance with conditions 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 15, 17, 18 and 19 of planning permission P20617. 5. Subject to the grant of planning permission, enter into a Section 106 agreement or unilateral obligation to cease caravan storage on OS 6649 and to discontinue the siting of marquees on the application site.

Ref. No: 08/01957/FUL | Status: Finally Disposed Article 25(11) GDPO

- Retention and change of use of a shower block/toilets into an agricultural building for storage of agricultural machinery and animal feeds and retention of the existing road infrastructure and hardstanding.
Ref. No: 11/06582/FUL | Status: Application Permitted
- Four proposed units of holiday accommodation and installation of associated sewage treatment
Ref. No: 17/15005/FUL | Status: Application Permitted
- Change of use of agricultural land to site for temporary safari tents for holiday accommodation (3 units) and removable sanitary accommodation units, with associated septic tank installation
Ref. No: 18/15922/FUL | Status: Application Withdrawn
- Change of use of agricultural land to site for temporary safari tents for holiday accommodation (3 units) and removable sanitary accommodation units, with associated septic tank installation
Ref. No: 18/16320/FUL | Status: Application Permitted
- Discharge of conditions 5 and 7 pursuant to approved planning application 17/15005/FUL - Four proposed units of holiday accommodation and installation of associated sewage treatment
Ref. No: 21/20021/DISCON | Status: Application Withdrawn
- Discharge of Conditions 5 and 7 pursuant to Planning Permission 17/15005/FUL Condition 5 - photographs of natural slate (Q11 Spanish Contessa) and charred larch boarding Condition 7 - Landscape and Biodiversity Enhancement Plan (Mackley Davies, May 2017); -Planting Plan 1754601; -4227-4a Proposed Plan showing lesser horseshoe bat box position; -Ecology Planning Report Number: 1672 / 01 (Detail of lesser horseshoe box)
Ref. No: 22/20796/DISCON | Status: Application Received
- Demolition of 4 No agricultural buildings and conversion of 3 No existing agricultural buildings to 3 No residential units
Ref. No: P20156 | Status: Finally Disposed Article 25(11) GDPO
- Erection of barn for hay storage on site 'A'
Ref. No: P14777 | Status: Application Permitted
- Demolish livestock building and replace with farrowing house nearby
Ref. No: P15082 | Status: Application Permitted
- Erection of two lean-to agricultural buildings
Ref. No: P15081 | Status: Application Permitted
- Erection of agricultural building for hay storage
Ref. No: P14898 | Status: Application Permitted
- Utility buildings to supply toilets and showers to approved camp site
Ref. No: P21299 | Status: Application Withdrawn
- Proposed relocation of existing camping facility out of flood zone
Ref. No: P20617 | Status: Application Permitted
- Agricultural building
Ref. No: K6204 | Status: Application Permitted

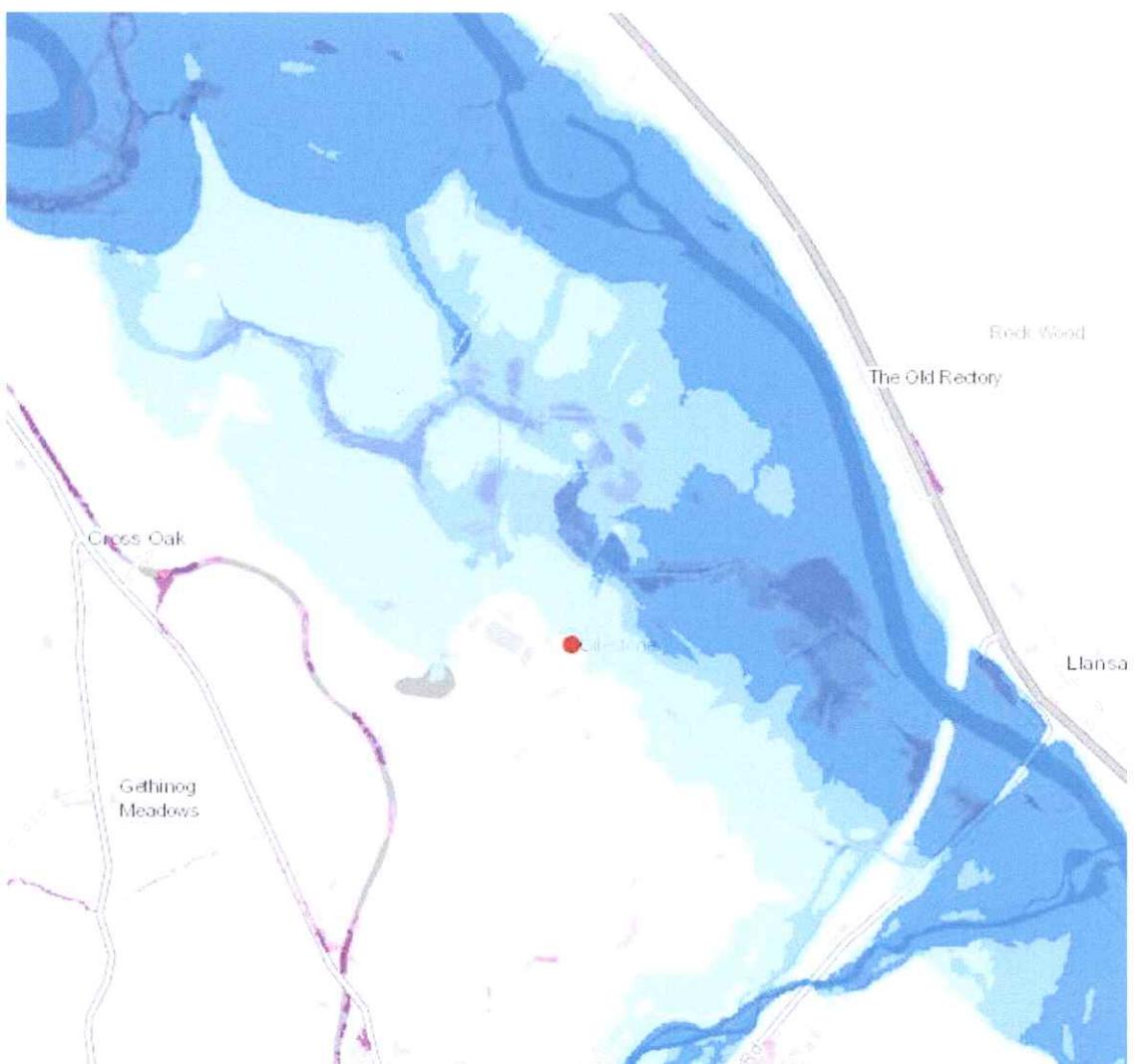
- Full planning permission for farmyard manure store
Ref. No: K12033 | Status: Application Permitted
- Outline planning permission for two poultry houses
Ref. No: K11259 | Status: Application Refused

- 15.6 I have set out below the planning appeals which have been identified in respect of **Gilestone Farm**.
- Utility buildings to supply toilets and showers to approved camp site
Ref. No: 06/00013/1 | Status: Appeal Withdrawn
 - Development Appeal
Ref. No: K11259 | Status: Appeal Dismissed
- 15.7 The agricultural buildings which are used within the farming business at Gilestone may have potential for further, alternative commercial uses, subject to the necessary consents.
- 15.8 I value on the assumption that there are no undetermined planning applications, or additional planning consents (other than those listed above) which affect any part of the Property. I am not aware of any outstanding planning applications, other planning consents or enforcement notices affecting any part of the Property.
- 15.9 I am not aware of any other outstanding planning applications, unimplemented planning consents, or enforcement notices that affect the Property, although I reserve the right to amend my valuation should further information become available.

16.0 CONTAMINATION, POLLUTION & ENVIRONMENTAL MATTERS:

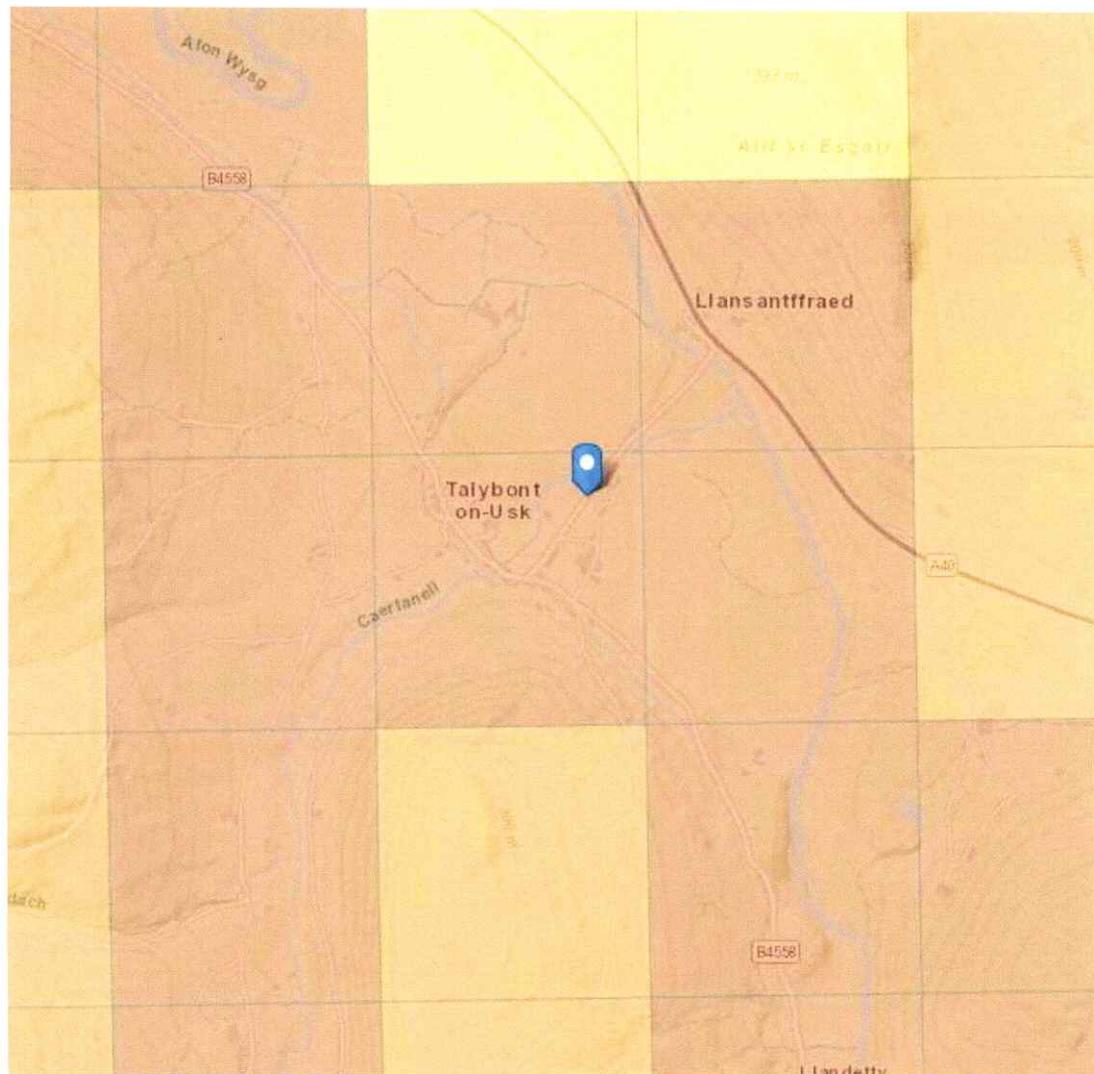
- 16.1 In accordance with my instructions, I have not arranged for any specialist investigation to establish whether the Property or neighbouring property is or has the potential to be contaminated or polluted or affected by other environmental matters such as mining. For the purposes of this report and valuation therefore I have assumed that the Properties is not contaminated or polluted nor affected by any other environmental matters.
- 16.2 I am not aware of the content of any environmental audit or other environmental investigation or soil survey that may have been carried out on the Property and which may draw attention to, or the possibility of, any contamination, pollution or other environmental matters that may affect the value of the Property.
- 16.3 Based on my inspection of the Property, there were no specific pollution or contamination matters visually identified that would require me to investigate with further due diligence, that would significantly affect my valuation(s). However, should it become established that any particular contamination or pollution or other environmental matters affect the Property then this might reduce the values now reported and require me to amend my report and valuation(s) accordingly.
- 16.4 The subject Property is partly located in an area at high risk from river flooding however this is not deemed to affect the dwelling or many of the farm buildings.

FLOOD RISK MAP FOR REFERENCE ONLY



- 16.5 Radon is a radioactive gas that has no smell, colour, or taste. Radon is produced from the natural radioactive decay of uranium, which is found in all rocks and soils. Radon escapes from the ground into the air, where it decays and produces further radioactive particles. As we breathe, these particles are deposited on the cells lining the airways, where they can damage DNA and potentially cause lung cancer.
- 16.6 The subject Property is located in an area where maximum Radon levels are between 10%-30%. This is classed as a high-risk area (ukradon.org). However, this is not thought to significantly impact the value of the Subject Property as Radon reducing equipment such as fans or sumps can be installed for minimal cost. However, if Radon levels are of a concern, I would recommend a specialist be instructed to consider levels in the dwelling and advise further.

RADON RISK MAP FOR REFERENCE ONLY.



17.0 ASSUMPTIONS:

- 17.1 My general assumptions are contained in **Appendix 5**.

18.0 BASIS OF VALUATION:

- 18.1 The basis of value is "Market Value" as defined in the Royal Institution of Chartered Surveyors Global Valuation Standards (The "Red Book") as;
- 18.2 "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".
- 18.3 The basis of value is "Market Rent" as defined in the Royal Institution of Chartered Surveyors Global Valuation Standards (The "Red Book") as;

18.4 "The estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

19.0 MARKET CONDITIONS & VALUATION CONSIDERATIONS:

- 19.1 At the date of valuation, the Property market has settled somewhat since the onset of the coronavirus pandemic and the national lockdowns since March 2020. The Property market over 2021 had been very buoyant with sales often in many cases exceeding market expectations. Generally, a lack of supply has meant the market at the time of writing remained a 'buyers' market'.
- 19.2 An annual price rise of 12.5% in Property values across Wales over the last 12 months and in particular in areas where good access to local amenities and the wider road network have seen increases above the all Wales average. In Wales, on average, house prices have risen by 2.8% since July 2021. This trend has continued into the start of 2022 and sales are still being agreed following short periods of marketing.
- 19.3 The outlook for 2022 remains hinged on the impact of the Coronavirus, interest rates and building/material costs as well as now the impact of the Russia – Ukraine crisis. Generally, it is expected that house prices will continue to rise but not at the trajectory previously seen over the last 12-18 months.
- 19.4 Farming buyers remain strong in the market and as such agricultural properties have been met with strong interest and competition, especially where the ability to diversify is available. Driven by the recent lack of supply locally and nationally for good quality agricultural holdings prices remain strong and competitive and Gilestone would be met with significant agricultural and investment interest if placed in the open market.
- 19.5 Nationally, average arable land values across England and Wales increased by 0.9% during Q4 and by 4.5% during 2021, to reach £8,833 per acre. Arable land is now 13% below its previous peak in 2016. Pastureland also recorded a strong rate of growth, at 2.4% during Q4. The annual rate accelerated to 6.2% by the end of 2021, and the average land value reached £7,161 per acre. Pastureland is now 5.9% below its previous peak in 2016.
- 19.6 In arriving at my valuations, I have assessed suitable and relevant comparable market transactions and market evidence around the valuation date. Comparable/market evidence has been analysed and adjusted to reflect all of the relevant valuation factors such as location, situation, position, extent and subject of the property, condition of the property/land, market interest, market sector purchasers, date of sale and all other relevant valuation factors.
- 19.7 I have also used my experience of valuing and selling such rural, agricultural, and commercial property in the locality in arriving at my valuations.

20.0 METHODS OF VALUATION:

- 20.1 I have based my opinion of value on the comparable evidence that I have obtained and on my experience of valuing and selling similar property in the locality.
- 20.2 A number of the comparables which I have utilised in arriving at my valuations are set out below and these have been adjusted to allow for all relevant valuation factors, such as location, situation, position, accessibility, acreage, extent of property, condition of property/land, date of sale and market conditions/market appeal;

Farm, Land and Estate Comparable Sales

- Great Campston, Pandy, Monmouthshire – An excellent Welsh Estate and working farm comprising of a substantial Georgian house, guest cottage, bungalow, exceptional gardens and grounds, modern and traditional farm buildings, pasture and woodland, and in all extending to 275.53 acres. Currently under offer at the guide price of £4,500,000. Overall, the main dwelling at the comparable property is worth significantly more than Gilestone Farmhouse and has the feel of a real estate property. The land and buildings at Gilestone are worth more however over all Gilestone is worth less.
- Buckland Farm, Bwlch, Powys – Approximately 238 acres of predominantly grassland with a large main dwelling and other residential aspects, and farm buildings sold in January 2020 for £3,370,000. The house was located in the original Grade II listed farmyard away from the more modern farm buildings. The land at Gilestone is worth significantly more per acre as it is arable especially when coupled with the extensive range of buildings at Gilestone. Overall Gilestone is worth significantly more, but this is a local and comparable of a similar size and holds significant weight regarding the valuation of Gilestone as a whole.
- Glen Usk House, Llanhennock, Newport – Currently on the market with an advertised guide of £6,500,000. Benefiting from a significant residence, two cottages, outbuildings and 75 acres of pasture with views over the River Usk and the Celtic Manor Golf Course this is a modern, lifestyle estate property. Overall guided at a price well in excess of the value of Gilestone.
- Wern Gochen & Maesbrook, Cwmcarvan, Monmouthshire – Currently on the market with an advertised guide of £2,500,000 and comprises an excellent events venue/small farm extending to 50 acres in all. The comparable property comprises a 5-bedroom farmhouse, 5-bedroom converted barn, 2-bedroom converted barn, large 'party' barn and pastureland. The Subject is worth significantly more as a whole given the additional land and buildings available at Gilestone.
- Blaenant Farm, Pencelli, Powys – Sold for £1,410,000 in December 2020. The farm extended to 188 acres of mainly permanent pasture, with around 40 acres of woodland, some steep in places. The 5-bedroom house (Grade II Listed) was in need of modernisation throughout. The land is worth significantly less per acre due to being permanent pasture and in places sloping and only suitable for livestock grazing. Gilestone is worth significantly more.
- Llan Farm, Hendre, Monmouthshire – Sold March 2022 for £1,350,000 comprising a farmhouse, planning permission for a second dwelling, a range of farm buildings and level pasture extending in all to 78 acres. Overall worth slightly more than Lot 2 given the extra land over and above the Subject.
- Pentregwyn Farm, Brecon, Powys – Currently on the market advertised with a guide price of £2,250,000 comprising of a 4-bedroom dwelling, holiday cottages, an extensive range of farm buildings and pastureland extending to 126 acres. Overall worth significantly less than the Subject. Although not sold, but a local property, and provides a good base to assess land and agricultural value in the locality.
- Pentwyn Farm, Llantilio Crossenny, Monmouthshire – A large traditional Grade II Listed five-bedroom farmhouse, extensive range of traditional buildings (unconverted) with part residential/part holiday let planning consent and 142 acres of arable land. Sold for £1,750,000 April 2018. Worth significantly more than Lot 2.

- Upper Tal-y-Fan Farm, Dingestow, Monmouthshire – Has been advertised on the market for in excess of 3 years at a guide of £1,400,000. Comprising a Grade II* listed 5-bedroom dwelling (Subject to an Agricultural Occupancy Condition), 2 residential holiday lets, a range of agricultural buildings and 76 acres of grazing/pastureland. This suggests to me than Lot 2 is worth less than this given the significantly smaller acreage.
- Beechgrove, The Hendre, Monmouth – A four-bedroom refurbished farmhouse subject to Agricultural Occupancy Condition, with new 10 bay steel portal framed general purpose agricultural building; ring fenced 70 acres of pastureland. Sold June 2018 for £915,000. Slightly historic, but Lot 2 is worth more, given there is no AOC and a larger range of buildings/diversified income potential. When indexed the Subject (Lot 2) is also worth more overall.
- Tyr Ywen Farm, Llantilio Perholey, Monmouthshire – sold for £995,000 in January 2021. The comparable property was an excellent equestrian package with a main farmhouse, a variety of outbuildings, including a holiday cottage in need of completion, 3 bay carport with office/store, a range of agricultural buildings and stables, in all extending to 31 acres. A significantly smaller dwelling than Gilestone and worth less overall compared to Lot 2.
- The Warrage, Raglan, Monmouthshire – sold in February 2021 for £965,000 and included the dwelling, two residential holiday lets and grounds extending to 2 acres. This is a good comparable for Gilestone Farmhouse in isolation but lacked the additional land.
- Westbrook Manor, Westbrook, Herefordshire – currently on the market for £1,250,000 and comprises a significant, 7-bedroom farmhouse and 10.50 acres of land. In a similar condition internally and suitable for a similar holiday letting as at Gilestone. The comparable is not impacted by a farm in the same manner as Gilestone, has its own access, and is worth similar to Lot 2 even with less land.
- Pastureland at Brownhill, Llangadog, Carmarthenshire - 76.06 acres sold February 2022 for £570,000 or £7,500/acre. Arguably wetter land than the pasture at the Subject and also had no buildings or residential element combined. The land at the Subject is worth significantly more per acre due to location and marriage value attributable to the buildings.
- Arable and pastureland at Brownhill, Llangadog, Carmarthenshire - 232.8 acres sold January 2022 for £1,405,000 or £6,035 /acre. Some of this land was severed by the river Towy and only accessible by livestock at times of low river levels. Again, the land at the Subject is worth significantly more per acre due to location and marriage value attributable to the buildings and diversified portfolio on offer at Gilestone.
- Lower Whitecastle Lands, Llantilio Crossenny, Monmouthshire – 79.17 acres of good pastureland with range of outbuildings in ring fenced parcel. Sold in October 2018 for £645,000. Per acre, buildings included the value of the land and buildings at Gilestone is worth significantly more.
- Land at Cefn Llogell Farm, Coedkernew, Newport – excellent arable/pastureland contained in a ring-fenced parcel, adjacent to M4, extending to 50.26 acres. Laid to productive grass leys. Sold December 2020 for around £402,000 (£7,998/acre). The land at The Subject is worth more per acre.

Generally, the recent, historically low levels of supply, have meant that a surge in demand for properties in the Usk Valley which benefit from land and with a potential for diversified

incomes have resulted in strong demand and sale prices for rural property. This is supported by the agricultural and investment market in the locality.

If a farm such as Gilestone was put onto the open market I believe it would be met with strong levels of interest given the lack of supply in the locality and further afield for farms of this quality and size. However, given the current rises in input costs, uncertainty around the direct subsidy in Wales, the potentially secure commercial lets preventing full management control and vacant possession and the size of the main dwelling this may subdue the agricultural interest at the present time.

As mentioned previously Gilestone Farmhouse is not an outright 'estate' dwelling and does not benefit from an estate premium often seen within properties with diverse income streams alongside agricultural enterprises and therefore sits very well placed as a prime agricultural unit, at the top end of what would be perceived 'agricultural value'.

Looking at the land in isolation, prime arable values are in Wales are now often in the region of £9,500/acre for bare land. Given the buildings, diversification potential and agricultural package on offer at Gilestone this value would be exceeded due to the marriage value attributable to each part interlinking with one another.

Considering the property as a whole and specifically the combination of the residential, tourism, commercial and agricultural enterprises on offer at Gilestone the agreed sale prices reflect accurately the current market value. Following instruction from my client and given the location, accessibility, green infrastructure, and additional and established income streams the ability to establish and develop further tourism/events enterprises (STPP) at the Subject Property would be something I expect a number of purchasers would look to pursue in the current market and potentially offers to my client what they would look to establish at the Subject.

- 20.3 The values for the Subject Properties are as outlined below;

21.0 VALUATIONS:

VALUATION 1 – LAND AND BUILDINGS EXTENDING TO 214.93 ACRES (LOT 1): From my valuation inspection of the Property, my further research, due diligence and analysis of comparable evidence, I am of the opinion that the **Market Value of the Freehold Interest in the Land and Buildings at Gilestone Farm, Taylbotn on Usk, Brecon LD3 7JE extending To 214.93 acres (Lot 1)**, as described herein and shown outlined in red on the attached valuation plan in Appendix 3, at the date of valuation, subject to vacant possession, and on the assumption of good title with no onerous conditions, covenants, encumbrances or restrictions, in pounds sterling to be;

£3,000,000 (three million pounds)

- 21.1 **VALUATION 2 - HOUSE AND BUILDINGS AND LAND EXTENDING TO 26.15 ACRES (LOT 2):** From my valuation inspection of the Property, my further research, due diligence and analysis of comparable evidence, I am of the opinion that the **Market Value Market Value of the Freehold Interest in the House And Buildings and Land Extending To 26.15 acres (Lot 2)**, as described herein and shown outlined in red on the attached valuation plan in Appendix 3, at the date of valuation, subject to vacant possession, and on the assumption of good title with no onerous conditions, covenants, encumbrances or restrictions, in pounds sterling to be;

£1,250,000 (one million, two hundred and fifty thousand pounds)

The proposed sale value of £4,250,000 (four million, two hundred and fifty thousand pounds) is equivalent to the freehold value of Gilestone Farm as a whole.

- 21.2 **VALUATION 3 – MARKET RENT:** From my valuation inspection of the Property, my further research, due diligence and analysis of comparable evidence, I am of the opinion that the **Market Rent of Gilestone Farm, Talybont on Usk, Brecon LD3 7JE Let as a Whole**, as described herein and shown outlined in red on the attached valuation plan in Appendix 3, at the date of valuation, subject to vacant possession, and on the assumption of good title with no onerous conditions, covenants, encumbrances or restrictions, in pounds sterling to be;

£65,000 (sixty-five thousand pounds)

An allocation of the rental value split between the potential sale ‘Lots’ has been outlined below;

LOT 1 MARKET RENT: £40,000 (forty thousand pounds)

LOT 2 MARKET RENT: £25,000 (twenty-five thousand pounds)

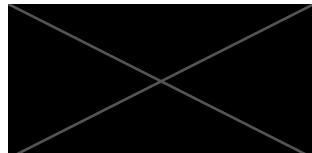
The above market rent represents a yield on the total sale price of 1.50%.

22.0 DISCLAIMER:

- 22.1 My report and valuation is confidential to and for the use only of the named client and no responsibility whatsoever shall be accepted to any third party for the whole or any part of its contents. Any such third parties who rely upon this report do so at their own risk. Neither the whole, or any part of this report or any reference to it may be included now, or at any time in the future, in any published document, circular or statement, nor published, referred to or used in any way without my written approval of the form and context in which it may appear.

VALUER'S SIGNATURE

Signed:



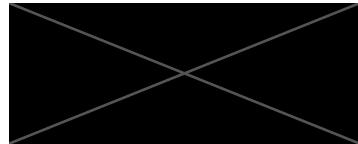
For and on Behalf of Powells Chartered Surveyors,
Land & Estate Agents

Dated:

7th March 2022

PEER REVIEWER SIGNATURE

Signed:



For and on Behalf of Powells Chartered Surveyors, Land & Estate Agents

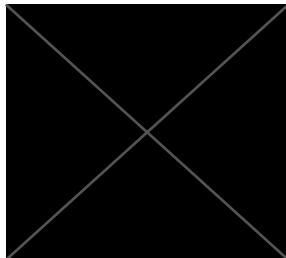
Dated:

7th March 2022

Appendix 1

Our Reference: EWF/PRE/GREENMAN

15th February 2022



Singleton Court Business Park
Wonastow Road
Monmouth
NP25 5JA

Telephone: 01600 714140
Fax: 01600 716744
Website: www.powellsrural.co.uk

Dear [REDACTED]

Valuation of Gileston Farm, Talybont on Usk, Brecon LD3 7JE

Client: Greenman Ltd. c/o Fiona Stewart

Thank you for your kind instructions to undertake the required RICS Red Book Valuation Report required as part of your purchase of Gileston Farm, Talybont-On-Usk, Brecon LD3 7JE (Lot 2) alongside a purchase being undertaken by the Welsh Government of the land (Lot 1).

I now write to confirm our valuation instructions in writing, as I am required to do so by the Royal Institution of Chartered Surveyors (RICS).

I confirm that I will produce a Valuation Report of the land that is set to be acquired by the pension fund, which will be prepared in accordance with the Royal Institution of Chartered Surveyors Global Valuation Standards, published January 2020 ("The Red Book").

I have set out all the principal details of the required valuation below, along with our terms of engagement, for you to confirm your formal instructions to proceed with this valuation;

1. My report and valuation will be for and addressed to **Fiona Stewart**. This will be sent to your confirmed correspondence address at Plantpot Ltd, Old Bank House, Beaufort Street, Crickhowell NP8 1AD.
2. My report and valuation will be for **Market Value Purposes**. Our valuation report will be for the named purpose only.
3. The subject of my valuation will be the **Gileston Farm, Talybont on Usk, Brecon LD3 7JE**, which comprises a large, detached dwelling, a range of modern and traditional agricultural buildings and agricultural land which is all registered under the Land Registry Title Numbers CYM515641, WA515967, & CYM515577. The total extent of the freehold property is approximately 224.06 acres.

I understand you require a freehold valuation of the subject properties 'Market Value' split into two 'lots'; **Valuation 1 – Land extending to 191.75 acres (Lot 1) & Valuation 2 – House and Buildings and Land extending to 32.31 acres (Lot 2)**.

Our valuation report will be provided in our own free text valuation report template, which will cover the salient and relevant points requested in your instruction letter.



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Registered in Wales, Company No. 07814768.
Registered Office - 6 Agincourt Street, Monmouth, NP25 3DZ. Regulated by RICS.



4. I confirm that you have asked me to value **100% of the Freehold Interest** in the Property.
5. I confirm that I will provide you with a valuation of the property based on the definition of "Market Value" as per the definition set out in the Royal Institution of Chartered Surveyors Global Valuation Standards and as both defined in **Appendix 1** attached hereto.
6. For the purposes of my report and valuation the date of valuation shall be the date of my valuation inspection.
7. I confirm that for the purposes of this valuation I fulfil the status of Independent Valuer.
8. I confirm that I have no conflicts of interest in undertaking this valuation instruction which may affect the accuracy or independence of my valuation. I confirm that I have the knowledge, skills and understanding to competently undertake this instruction.
9. I confirm that my valuation will be expressed in pounds sterling.
10. I confirm that my valuation will be based on the conditions and assumptions as set out in **Appendix 2**. Should these conditions and assumptions change for any reason, or should I need to include further assumptions, then I will confirm and agree these with you before my report is issued. I can confirm Powells hold Professional Indemnity Insurance in excess of £1 million pounds.
11. I confirm that my report and valuation will be based on our visual inspection of the property and such further investigations as I consider appropriate. I shall rely on information provided by the client and their professional advisors.
12. My report and valuation will be confidential to and for the use only of the client and no responsibility whatsoever shall be accepted to any third party for the whole or any risk. Neither the whole nor any part of this report or any reference to it may be included now, or at any time in the future, in any published document, circular or statement, nor published, referred to or used in any way without my written approval of the form and context in which it may appear.
13. I confirm that our professional fees for carrying out my report and valuation, shall be based on our standard charge out rate of £125.00/hour plus VAT. I am agreeable to our professional fees being capped at **£1,500.00 plus VAT**. Any out of pocket expenses (mileage charged at £0.60/mile) are also chargeable in addition to VAT. Our professional fees are subject to the terms of business set out in **Appendix 3** attached hereto.
14. I can confirm that Powells Chartered Surveyors has a formal complaints procedure, a copy of which can be provided on request.
15. I must point out that reports and valuations prepared under the RICS mandatory regulations, along with supporting records, now have to be made available for inspection by the RICS as part of their monitoring procedures, and, therefore, if requested by the RICS, we will be obliged to provide such information. Confidentiality between the client and Powells Chartered Surveyors would still be maintained.

I would be grateful if you could please ensure that our valuation instructions are all correct, and our terms of engagement all satisfactory, please formally confirm your instructions by **signing and returning one copy** of this letter, which will be included within our Valuation Report.

If there is any aspect of this valuation instruction which you would like to discuss, please do not hesitate to contact me. Thank you for your kind instructions in this matter.

With kind regards.

Yours sincerely,



For and on behalf of Powells
Chartered Surveyors | Land & Estate Agents | Property Consultants | Land Promotion

Email:
Mobile:



Encs: Appendix 1 – Definition of Market Value
Appendix 2 – Conditions and Assumptions
Appendix 3 – Terms of Business

I/We confirm my/our instructions to proceed with the services specified in accordance with this letter and appendices.

Signed:



Name:

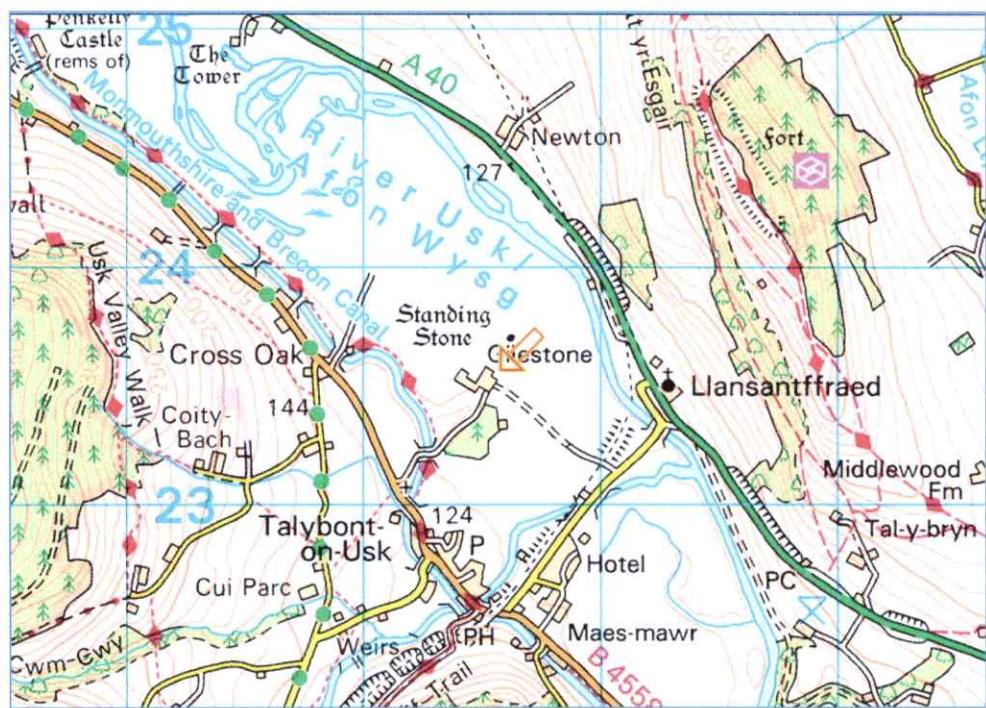
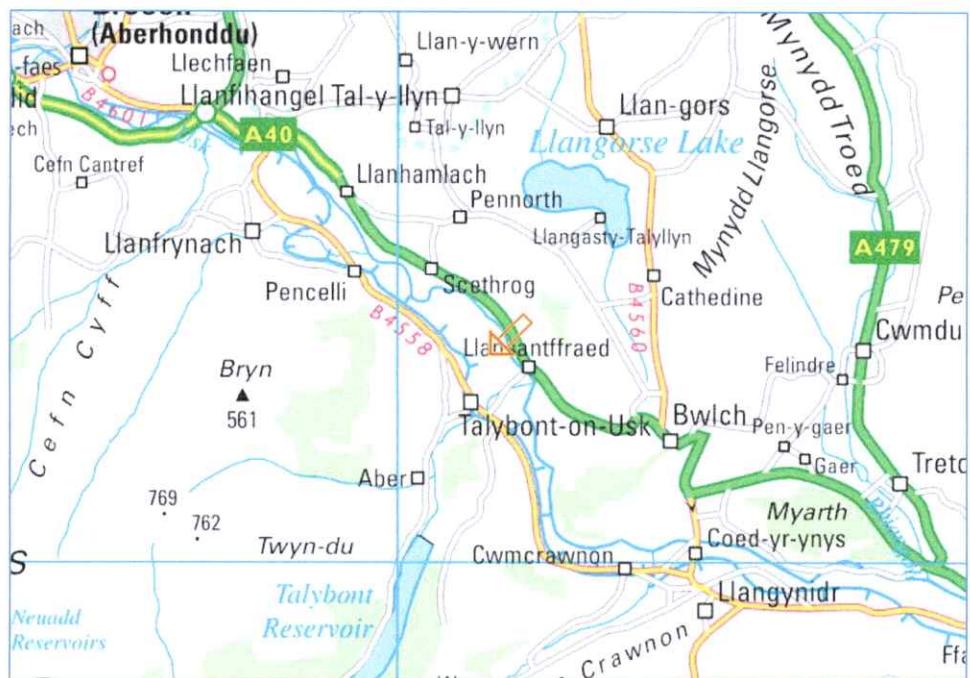


Dated: **18/02/22**.....

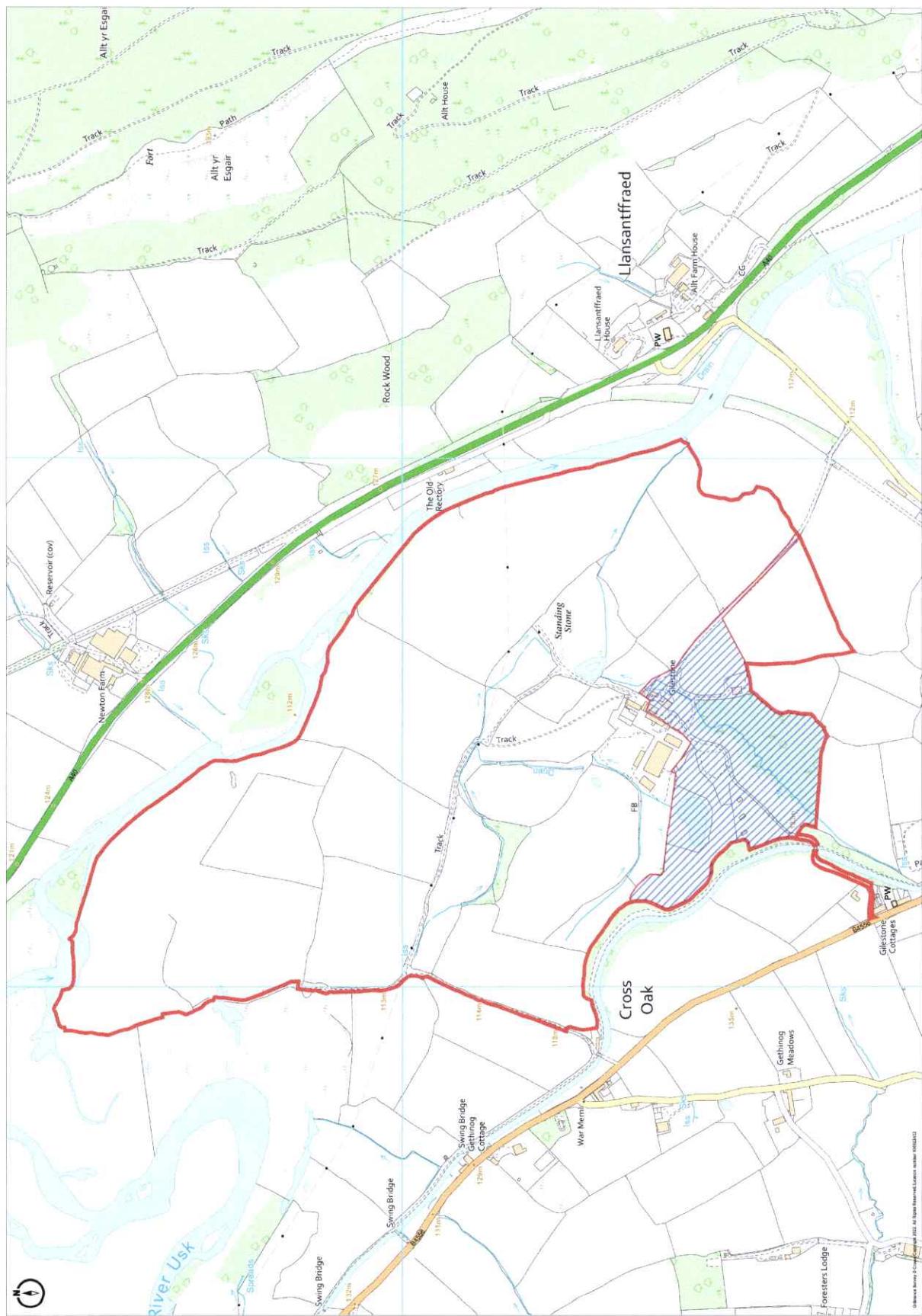
Appendix 2

LOCATION PLANS

GILESTONE FARM, TALYBONT ON USK, BRECON LD3 7JE



Appendix 3



Ordnance Survey © Crown Copyright 2022. All Rights Reserved.
Licence number 10002432
Printed Scale - 1:25000 Paper Size - A3

Promap
LANDMARK INFORMATION

Appendix 4

PHOTOGRAPHS
GILESTONE FARM, TALYBONT ON USK, BRECON LD3 7JE

Front Elevation



Rear Elevation



Sitting Room



Kitchen



Reception Room

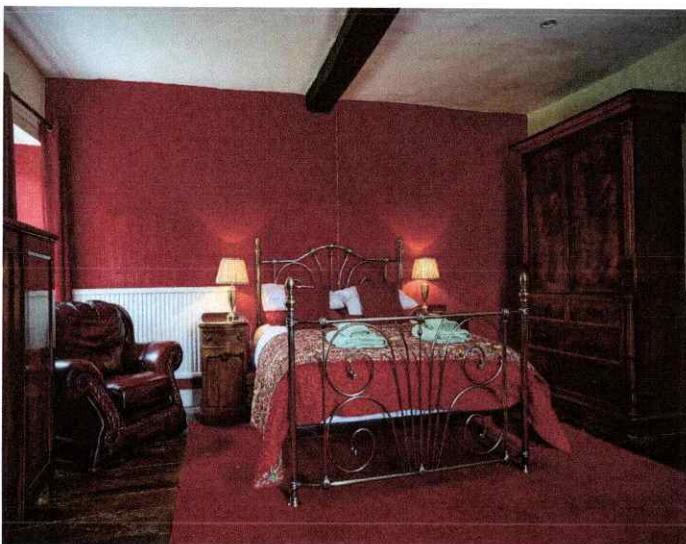


Master Bedroom



PHOTOGRAPHS
GILESTONE FARM, TALYBONT ON USK, BRECON LD3 7JE

Bedroom (Red Room)



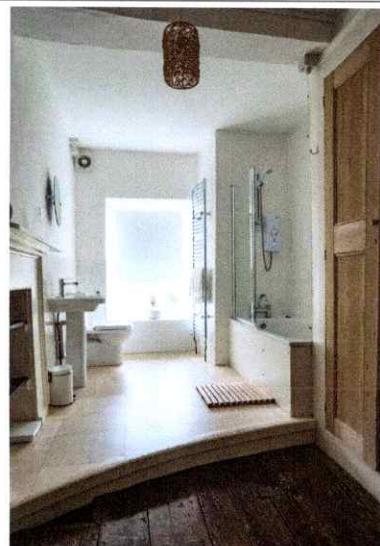
Bedroom



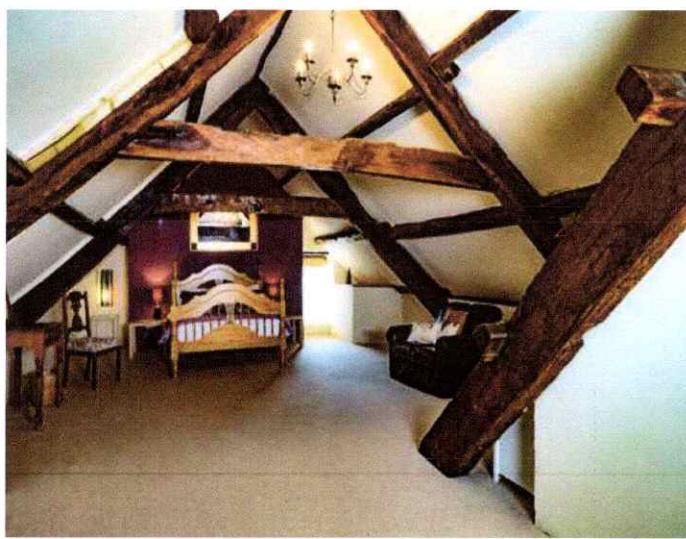
Bathroom



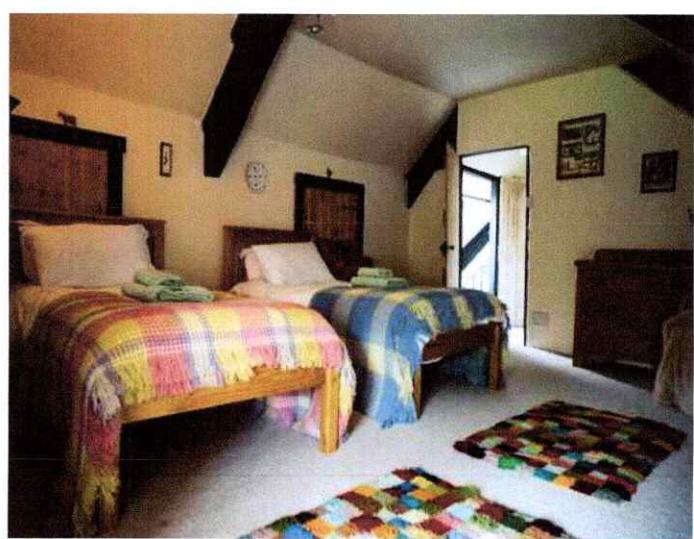
Bathroom



2nd Floor Bedroom



Bedroom



**PHOTOGRAPHS
ADDRESS**

River Usk



The 'Gilestone'



Safari Tents



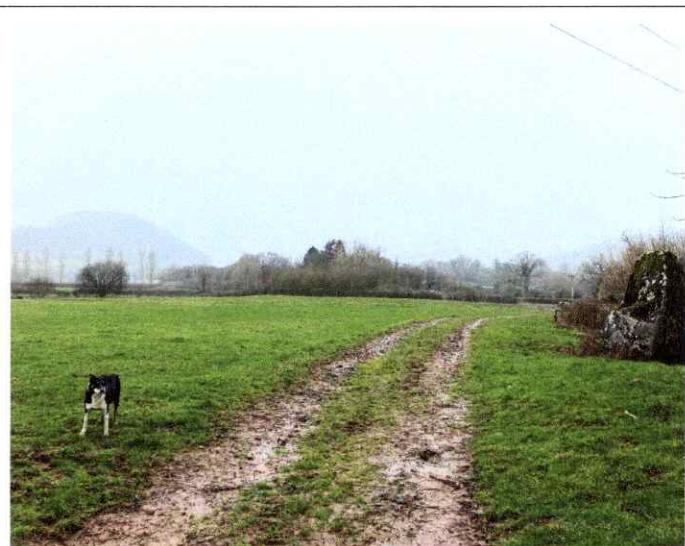
Safari Tents



Lake



Pastureland



PHOTOGRAPHS
GILESTONE FARM, TALYBONT ON USK, BRECON LD3 7JE

Winter Drilled Arable Land



Recently Dug Lake



Productive Grassland



Yard



Market Garden (Let)



Pastureland



PHOTOGRAPHS
GILESTONE FARM, TALYBONT ON USK, BRECON LD3 7JE

Concrete Building & Timber Yard



Modern Agricultural Building



Woodland



Recently Planted Woodland



Arable Land



Arable Land



PHOTOGRAPHS
GILESTONE FARM, TALYBONT ON USK, BRECON LD3 7JE

Lodges Under Construction



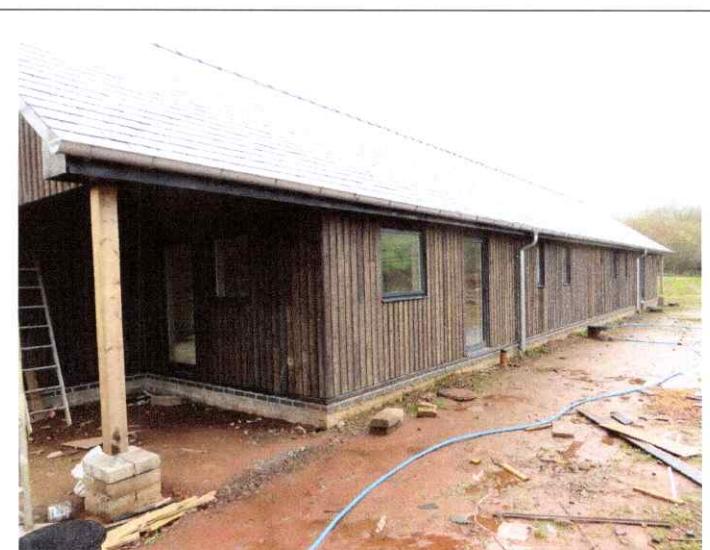
Lodges Under Construction



Lodges Under Construction



Lodges Under Construction



Permissive Footpath



Permissive Footpath



Appendix 5

CONDITIONS AND ASSUMPTIONS

STANDARD CONDITIONS

My valuation has been carried out on the basis of the following standard conditions:

1. I have not made any allowance for the effect of Capital Gains Tax, Value Added Tax nor other taxation, nor any liability, that may arise on disposal whether actual or notional. I have not taken into account any individual, corporate or other tax status. I should point out however that an individual's tax status and the imposition of Value Added Tax may influence values for capital and rental purposes.
2. I have not inspected the Title Deeds or Land Registry Certificate or made any enquiries that would normally be undertaken by a solicitor or legally trained professional. I will not accept any responsibility or liability for the true interpretation of your legal position or that of other parties.
3. My valuation is exclusive of VAT and in particular makes no provision for the payment of Value Added Tax if a sale of all or any part of a building constitutes a taxable supply.
4. I have not made any allowances for any expenses of sale, purchase, leasing or otherwise.
5. All plans that I have provided with my valuation are for illustrative purposes only and any measurements, areas and ages quoted are approximate.
6. I have made a visual inspection of the property to be valued, but I have not carried out a building or structural survey. I have not inspected those parts of the property that were covered, unexposed or inaccessible on the date of my inspection nor have I arranged for the testing of any electrical, heating, drainage or other services. My valuation assumes that those parts of the property not inspected are in good condition and that all services and related appliances are in good working order. I have taken into account defects that became apparent from my visual inspection, the age and general apparent condition of the property, but I have not taken defects into account that could only have been identified or quantified by carrying out a building or structural survey, or which would have become apparent only from a full inspection.
7. I have not arranged for any investigation to be carried out to determine whether any deleterious or hazardous materials has been used in the construction of the property or has since been incorporated. I have assumed that any such specialist investigations would not disclose the presence of any such material.
8. I have not arranged for any specialist investigation to establish whether the property or neighbouring property has been, or has the potential to be, polluted or contaminated or affected by other environmental matters such as mining. I have assumed that any such specialist investigations would not disclose the presence of any pollution, contamination or other environmental matters that may affect my valuation.

9. I have made enquiries of the Local Planning Authority to establish whether the property has the necessary planning consents for its existing buildings and use. I have also asked the Local Planning Authority whether there are any planning policies or proposals that could have an impact on the value of the property. I have not however made any enquiries of the Local Authority's Building Control department.
10. My valuation does not include any additional value attributable to goodwill, non-fixed equipment free standing furniture or to fixtures that are only of value in situ to the present occupier.
11. I have made no allowance either positive or negative, should the property form part of a larger transaction. The total value that I have stated is the aggregate of the individual values, except where negative values arise in which case I have stated these separately.
12. I have not taken into account any possible effect that the appointment of either an Administrative Receiver, or a Law of Property Act Receiver, might have on the perception of the property(ies) in the market and its/their subsequent valuation, or the ability of such a Receiver to realise the value of the property in either of these scenarios.
13. I have not made any allowances for rights, obligations or liabilities arising under the Defective Premises Act 1972, and I will assume that all fixed plant and machinery and its installation complies with the relevant UK and EEC legislation.
14. Where I have been requested to provide an indication of current reinstatement costs for insurance purposes I have provided this solely as a guide and without warranty.

General Assumptions

My valuation has been carried out on the basis of the following General Assumptions. Unless otherwise stated in my report, I have assumed that I will not be required to confirm these assumptions. As such, if any of the following assumptions are subsequently found not to be valid, then this may affect the values that I have reported.

1. That the interest in the property to be valued and title to the property is good and marketable and not subject to any unusual or onerous restrictions, encumbrances or outgoings.
2. That there are no soil borne pests or diseases present on the property or any animal on the property that would cause me to make any reduction in my valuation.
3. That the information you and your advisors have and have provided to me is both accurate and complete and that any plans that you have provided of the property are materially correct and accurately show the legal ownership and area of the property.

4. That any building on the property has been constructed and is and will be used in accordance with all necessary consents, licences, statutory, bye-laws, health and safety legislation and building control requirements.
5. That, unless stated otherwise in my report that the property is not adversely affected, nor is likely to become adversely affected, by any highway, town planning or other schemes or proposals, and that there are no matters adversely affecting value that might be revealed by a local search (or their national equivalent), replies to usual enquiries, or by any statutory notice and that the condition of the property and its use or intended use is or will be lawful.
6. Unless otherwise stated in my report, that any building(s) is/are structurally sound, and that there are no structural, latent or other material defects, including rot and inherently dangerous or unsuitable materials or techniques, whether in part of the building(s) I have inspected or not, that would cause me to alter my valuation(s).
7. Unless otherwise stated in my report that the property is connected or capable of being connected without undue expense, to the public services of gas, electricity, water, telephones and sewerage.
8. That no use was made of any deleterious or hazardous materials or techniques, such as high alumina cement, calcium chloride additives, woodwool slabs and asbestos.
9. Unless otherwise stated in my report, that the sewers and roads giving access to the property have been adopted, and that any lease provides right of access and egress over all communal estate roadways, pathways, corridors, stairways and to use communal grounds, parking areas and other facilities.
10. That in the case of newly constructed residential property the builder is a registered member of the NHBC, the Zurich Municipal Mutual or equivalent and will construct the property to obtain its cover.
11. That vacant possession is provided, or where a property is tenanted, that the tenant is capable of meeting his obligations and that there are not arrears of rent or undisclosed breaches of covenant.
12. That there are no adverse site or soil conditions, that the property is not adversely affected by the Town and Country Planning (Assessment of Environmental Effects) Regulations 1988, that the ground does not contain any archaeological remains, nor that there is any other matter that would cause us to make any allowances for exceptional delay or site or construction costs in our valuation.
13. That all flank walls are Party Walls and that satisfactory arrangements exist for their maintenance.

Appendix 6

DATED

18 May 2012

MINERAL RIGHTS AGREEMENT

relating to

**LAND AND BUILDINGS AT GILESTONE FARM, TALYBONT-ON-USK,
BRECON, POWYS, LD3 7JE**

between

SHARPNESS AND SEVERN TRANSPORT LIMITED

and



This agreement is dated 18 May 2012

PARTIES

- (1) SHARPNESS AND SEVERN TRANSPORT LIMITED a company registered in England and Wales with company number 02320577 of 701 Stonehouse Park, Sperry Way, Stonehouse, Gloucestershire, GL10 3UT (**Grantor**).

(2)



BACKGROUND

- (A) By a transfer dated 22 October 2010 ("the Transfer") made between the Grantor and the Grantee in respect of the land and buildings at Gilestone Farm, Talybont-on-Usk. Brecon, Powys LD3 7JE, the Grantee's Land was transferred to the Grantor.
- (B) Within the Transfer, the Grantor and the Grantee agreed the Grantee's right to a proportion of the profits from any minerals sold, mined or extraction from the Grantee's Land.

AGREED TERMS

1. INTERPRETATION

- 1.1 The definitions in this clause apply in this deed.

Accounting Period: 1 January to 31 December in each year.

Certificate: a certificate issued by the Grantor certifying the amount of Gross Income received by the Grantor in respect of the sale of any minerals sold, mined or extracted from the Grantor's Land.

Gross Income: the sum received by the Grantor from the sale of any minerals mined or extracted from the Grantor's Land less value added tax or any substituted or similar tax.

Grantor's Land: the land at Gilestone Farm, Talybont-on-Usk, Brecon, Powys, LD3 7JE registered with title number WA521251 as at the date of this agreement.

Net Income: the Gross Income less the reasonable and proper costs incurred by the Grantor in connection with the extraction of the minerals from the Grantors Land.

Payable Sum: the sum totalling 30% of the Net Income.

- 1.2 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.4 Except where a contrary intention appears, a reference to a clause is a reference to a clause of this agreement.

1.5 Clause and paragraph headings do not affect the interpretation of this agreement.

2. PAYMENT

2.1 The Grantor shall provide the Grantee with the Certificate within 40 days after the end of each Accounting Period and the Grantor covenants with the Grantee that such Certificate will state accurately the amount of Gross Income, the Net Income and the Payable Sum.

2.2 The Grantor shall (together with the Certificate) provide the Grantee with written confirmation of the Payable Sum in respect of the relevant Accounting Period referred to in the Certificate (based on the information set out in the Certificate).

2.3 Following receipt of the Certificate, and written confirmation referred to above the Grantee shall send an invoice to the Grantor for the Payable Sum and such amount shall be paid by the Grantor to the Grantee within 40 days of the Payment Days.

2.4 In the event if any dispute concerning the amount of the Payable Sum to the Grantee and the amount of Gross Income set out in the Certificate, the Grantor shall provide such supporting information as is reasonably necessary to verify the Certificate subject to that information being confidential to the parties provided that the Grantor shall not be obliged to supply any information which might in its reasonable opinion be sensitive to its business or the commercial operation of the Grantor's Land.

2.5 The Payable Sum shall be payable for the period from 22 October 2010 until 21 October 2025.

3. KEEPING OF RECORDS

- 3.1 The Grantor shall maintain full and accurate records of all information required for the purpose of ascertaining and verifying the Gross Income and the Net Income.
- 3.2 The Grantor shall make the information referred to in paragraph 3.1 above available for inspection at the Grantor's offices at all reasonable times upon prior appointment by an employee or accountant (duly authorised in writing by the Landlord to make such inspection) of the Landlord.
- 3.3 The Grantee may at its discretion and own cost cause an audit to be made of the information referred to in paragraph 3.1 above relating to any of the 3 immediately preceding years of the Term by a professional qualified accountant appointed by the Grantor.
- 3.4 The Grantee shall not disclose the Gross Income or the Net Income or any other information obtained from the inspection or audit except as required by law.
- 3.5 If it shall be proved by the Grantor following any such inspection or audit that any further Payable Sum is payable then such Payable Sum shall be paid by the Grantee within 14 days of receipt of written demand from the Grantee.

4. GOVERNING LAW

This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

5. CONTRACTUAL RIGHTS OF THIRD PARTIES

No term of this deed shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a third party but this does not affect any right or remedy of a third party which exists or is available apart from under that Act.

Signed for and on behalf of
SHARPNESS AND SEVERN
TRANSPORT LIMITED

.....
Authorised Signatory