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FAMILY OFFICE  
BY  
HOGAN LIMITED



## **CONTENTS**

### **1.0 SUMMARY**

### **2.0 BASIS OF VALUE**

#### **2.1 MARKET VALUE**

#### **2.2 FAIR VALUE**

### **3.0 ASSUMPTIONS**

#### **3.1 INTRODUCTIONS**

#### **3.2 TITLE**

#### **3.3 CONDITION OF BUILDINGS**

#### **3.4 SERVICES**

#### **3.5 PLANNING (ZONING)**

#### **3.6 CONTAMINATION AND HAZARDOUS SUBSTANCES**

#### **3.7 ENVIRONMENT MATTERS**

#### **3.8 SUSTAINABILITY**

#### **3.9 SPECIAL ASSUMPTIONS**

### **4.0 PRINCIPALS**

#### **4.1 CLIENT**

#### **4.2 PURPOSE OF THE VALUATION**

#### **4.3 SUBJECT OF THE VALUATION**

#### **4.4 THE INTEREST TO BE VALUED**

#### **4.5 CLASSIFICATION OF THE PROPERTY**

#### **4.6 BASIS OF THE VALUATION**

#### **4.7 DATE OF THE VALUATION**

#### **4.8 DISCLOSURE OF ANY MATERIAL INVOLVEMENT OR A STATEMENT THAT THERE HAS NOT BEEN ANY PREVIOUS MATERIAL INVOLVEMENT.**

#### **4.9 STATUS OF THE VALUER**

#### **4.10 CURRENCY ADOPTED**

#### **4.11 ANY ASSUMPTIONS OR SPECIAL ASSUMPTIONS, RESERVATIONS OR SPECIAL INSTRUCTIONS OR DEPARTURES**

#### **4.12 THE EXTENT OF VALUER'S INVESTIGATIONS**

#### **4.13 THE NATURE AND SOURCE OF INFORMATION TO BE RELIED UPON BY THE VALUER**

#### **4.14 ANY CONSENT TO OR RESTRICTIONS ON PUBLICATION.**

#### **4.15 LIMITS OR EXCLUSION OF LIABILITY TO PARTIES OTHER THAN THE CLIENT**

#### **4.16 ACCORDANCE WITH STANDARDS**

#### **4.17 VALUATION APPROACH**





Source - Strutt & Parker



## **1.0 SUMMARY**

Further to instruction the previous day, Peter Hogan FRICS of Hogan Ltd attended the above property on the afternoon of Tuesday, 23<sup>rd</sup> January 2024, to carry out a valuation inspection.

This four storey (lower ground to second floor), three bedroom, terraced property is located in a quiet part of North Kensington and is currently occupied.

In addition to the main entrance from the street level, there is a second entrance, via the front lightwell.



It is believed that the property was refurbished approximately ten years ago and is currently in 'average' condition.



The following information has been relied upon to generate the base valuation as Appendix 1:

- Property: **Terrace**
- Given internal area: **1,918 sq. feet**
- Bedrooms: **3**
- Bathrooms: **2**
- Constructed: **Pre-1914**
- Quality: **Average (quality ranges from very high, high, average, below average and unmodernised)**
- Outdoor: **Balcony / terrace (i.e. two lightwells)**
- Off street parking: **0 spaces**

Accordingly, I value the property at **£3,500,000 (three million, five hundred thousand GBP)<sup>1</sup>**



**Peter Hogan** FRICS Chartered Surveyor  
On behalf of **Hogan Limited**

<sup>1</sup> £1,825 per sq ft, based on a market valuation of £3,500,000 (£3,825,000 for “high”) and an overall gross internal area of 1,918 sq ft



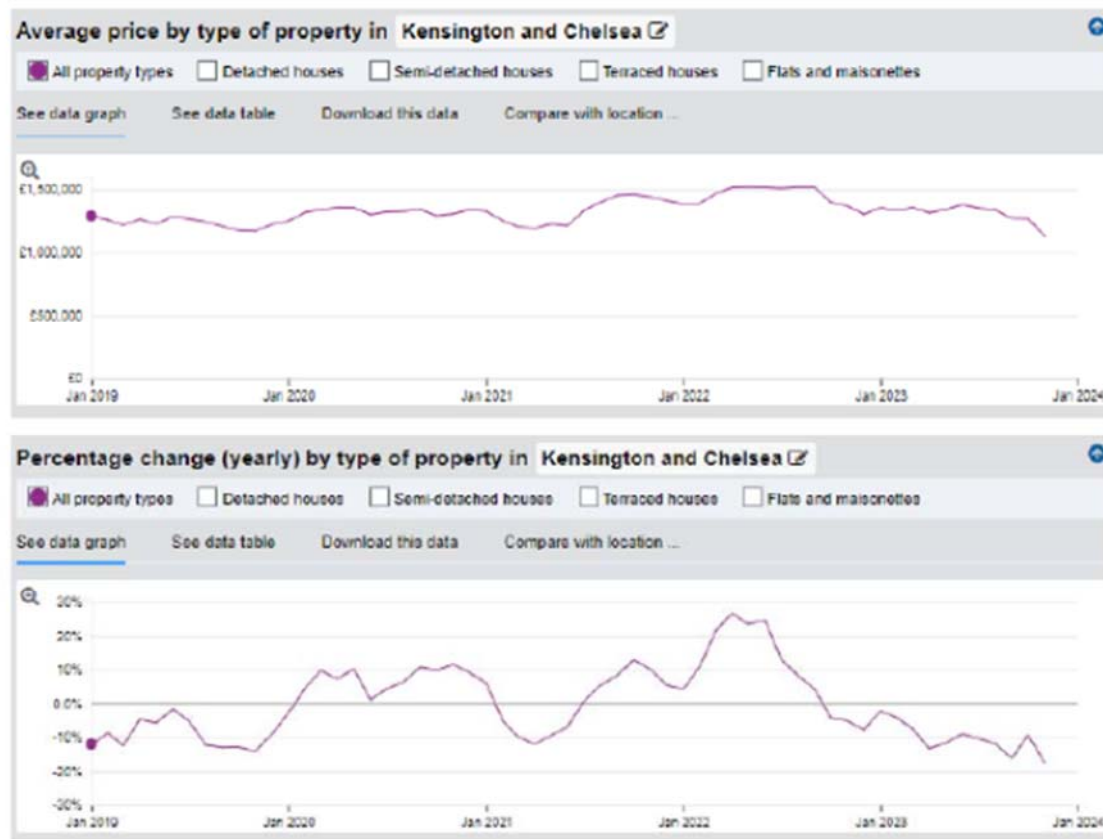
As below, numerical property prices, in London, have not changed, markedly, in the last 5 years (with respect to underlying inflation):

### House Price Statistics

Kensington and Chelsea  for January 2019 to January 2024

#### Type of property

Track the index, average price and both monthly and annual change for all property types or focus on one in particular.

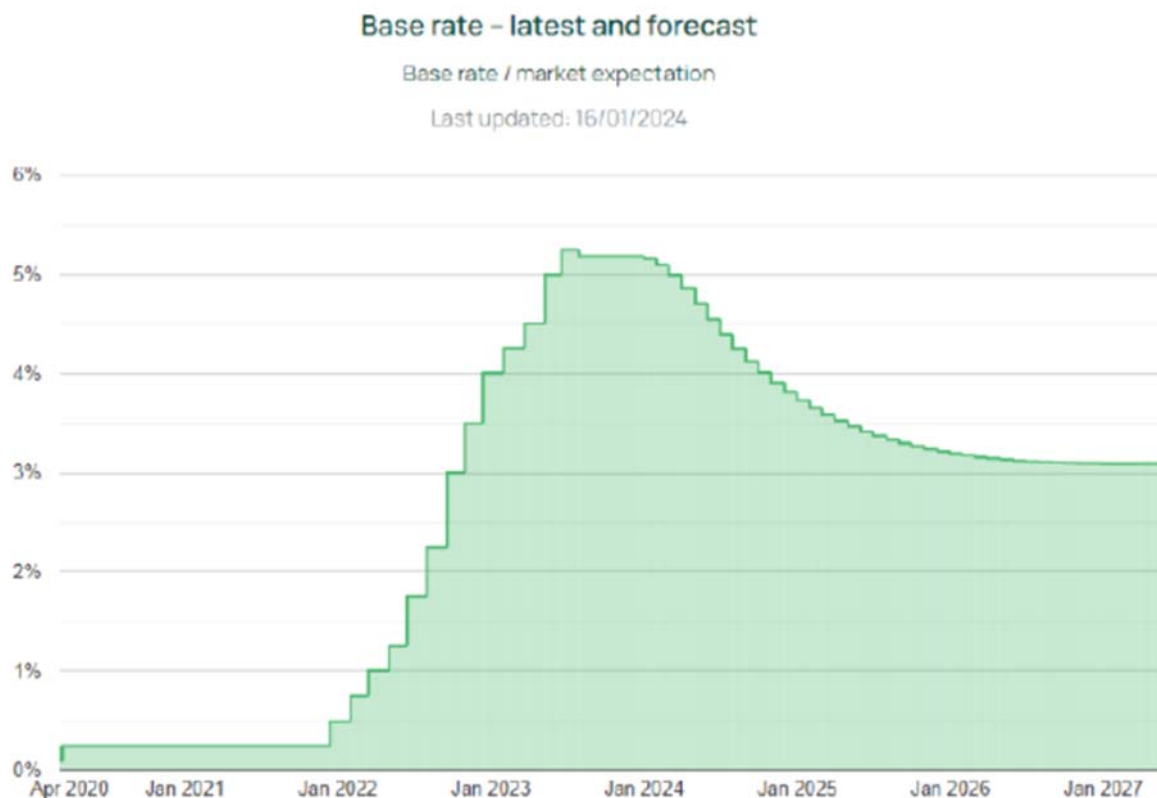


Source 'Land Registry'



The following factors have also been taken into account, to varying degrees.

- Interest and Inflation rates<sup>2</sup>
- Ukraine Invasion/Middle East conflicts<sup>3</sup>
- Mortgage rates reduced<sup>4</sup>



*Interest rate progression and forecast – Source propertydata*

<sup>2</sup> [Sticky core inflation means UK interest rate cuts are not coming any time soon | Inflation | The Guardian](#)

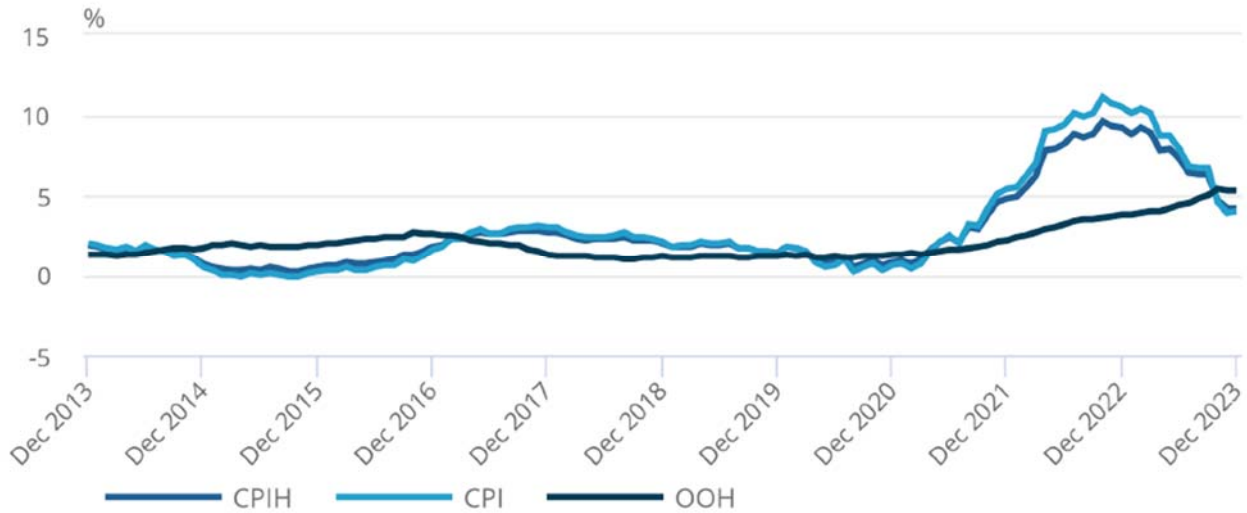
<sup>3</sup> [Ukraine war live | World | The Guardian](#)

<sup>4</sup> [UK lenders expected to make further mortgage rate cuts next week | Mortgage rates | The Guardian](#)



Figure 1: Annual CPI inflation rate increases for the first time since February 2023

CPIH, OOH component and CPI annual inflation rates for the last 10 years, UK, December 2013 to December 2023



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Source Office for national statistics





## Knight Frank UK house price forecasts: October 2023:

### UK sales forecast

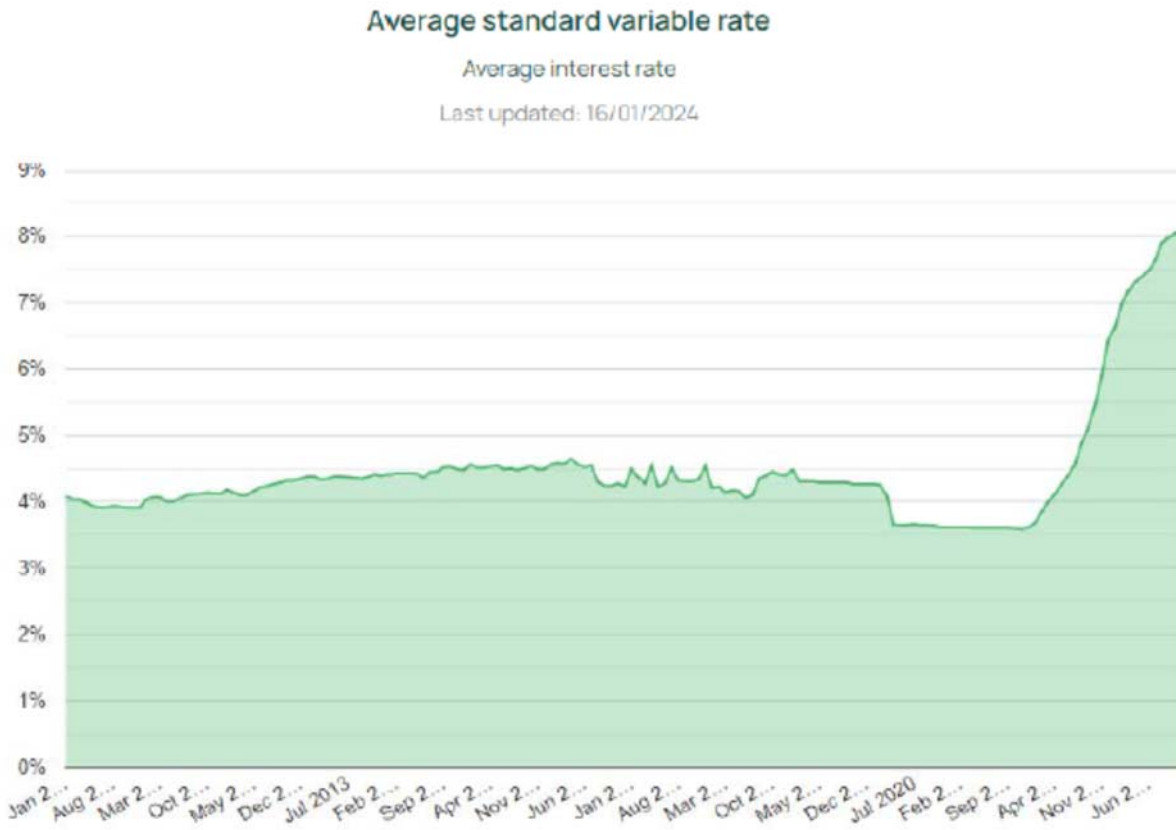
	UK	PCL	POL	Prime country
2023	-7.0%	-3.0%	-3.0%	-7.0%
2024	-4.0%	0.0%	1.0%	-3.0%
2025	4.0%	3.0%	2.5%	3.0%
2026	4.0%	4.0%	3.0%	4.0%
2027	5.0%	4.0%	3.0%	4.0%
<b>5 Year Cumulative</b>	<b>1.4%</b>	<b>8.1%</b>	<b>6.5%</b>	<b>0.5%</b>

### UK rental forecast

	PCL	POL	UK	Greater London
2023	8.0%	8.0%	6.5%	7.0%
2024	5.0%	4.5%	5.0%	5.5%
2025	3.0%	3.0%	3.5%	3.5%
2026	3.0%	3.0%	3.0%	3.0%
2027	3.0%	3.0%	2.5%	2.5%
<b>5 Year Cumulative</b>	<b>23.9%</b>	<b>23.3%</b>	<b>22.2%</b>	<b>23.3%</b>

- *PCL prime central London*
- *POL prime outer London*





Source Property Data



## Newsroom

The latest property market and economic news

### UK housing market sees 'respite' as mortgage rates ease

The housing market has had some "respite" in recent weeks as activity picked up amid easing mortgage rates after a challenging 2023, according to surv...

theguardian

2 days ago

### Interest rate cuts still expected despite UK inflation uptick

Expectations that interest rates will be cut this year remain despite a surprise uptick in the UK's inflation rate last month. Inflation, which measu...

BBC

3 days ago

### House prices record fastest annual fall since 2011, ONS figures show

UK house prices recorded their fastest annual fall since 2011 in November, according to the latest figures from the Office of National Statistics (ONS...

This is MONEY

3 days ago

### Tax nightmare for landlords leads to huge rise in buy to let companies

Despite a sharp fall in the number of homes bought by landlords in 2023, the number of limited companies set up to hold buy to let properties continue...

LandlordTODAY

5 days ago

### Revised five-year forecast for residential sales and rentals – Knight Frank

In October, financial markets were pricing in a single interest rate cut of 0.25% by the end of 2024. By the end of last week, they were expecting fiv...

property industry eye

5 days ago

### Upbeat Housing Market start to 2024 reports Rightmove

Average new seller asking prices rose 1.3 per cent between December and January - the biggest rise at this time of year since 2020. Even so average p...

LandlordTODAY

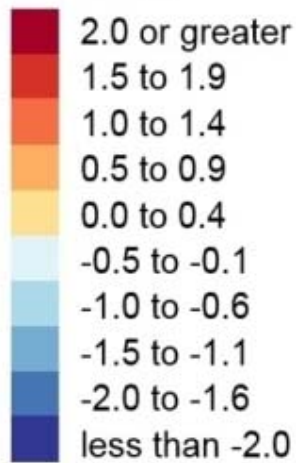
5 days ago

[Embed the newsroom on your website](#)



Monthly price changes

Growth (%)



<https://www.gov.uk/government/statistics/uk-house-price-index-for-may-2023/uk-house-price-index-summary-may-2023>

Source: Land Registry – Latest to May 2023



**Expectations that interest rates will be cut this year remain despite a surprise uptick in the UK's inflation rate last month.**

Inflation, which measures how prices rise over time, rose marginally to 4% in December, up from 3.9% in November.

Economists had forecast a slight fall, but rises in tobacco and alcohol prices were behind the surprise rise.

But with energy bills predicted to come down in 2024, there are expectations of rate cuts later this year.

Spikes in the cost of gas and electricity and food costs, started by Covid lockdowns ending across the world and fuelled further by Russia's invasion of Ukraine, have put household finances under pressure in recent times.

The Bank of England raised rates in a bid to tackle the pace of price rises in the UK, which has strained the finances of households.

The Bank's rate currently stands at 5.25%, a 15-year high, which has led to higher mortgage rates due to the cost of borrowing money being more expensive.

Returns on savings, however, have also gone up.

Financial markets and traders are still expecting it to cut its base rate in 2024 due to the inflation rate falling sharply since peaking at 11.1% in October 2022, which was the highest rate in 40 years.

*Source BBC – January 2024*



## **2.0 BASIS OF VALUE**

A market valuation was determined on 24th January 2024.

## **2.1 MARKET VALUE**

Valuations based on market value (MV) shall adopt the definition, and the conceptual framework, settled by the International Valuation Standards Committee.

Market value is defined as:

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

## **2.2 FAIR VALUE**

Valuations based on fair value shall adopt the definition settled by the International Valuation Standards Committee.

Fair value is:

*"The amount for which an asset could be exchanged, between knowledgeable, willing parties, in an arm's length transaction."*

## **3.0 ASSUMPTIONS**

### **3.1 INTRODUCTIONS**

Private valuation of:

**London W8**

### **3.2 TITLE**

**It is assumed that the property is offered with a lease at or above 100 years.**

### **3.3 CONDITION OF BUILDING**

Average quality.



### **3.4 SERVICES**

Detailed investigation into services is outside of the scope of this valuation report and it is assumed that the services, and any associated controls or software are in working order and all are free from defects and are within a maintenance programme.

### **3.5 PLANNING (ZONING)**

It is necessary to establish whether the property has the necessary statutory consents for the current building use and whether there are any policies or proposals by statutory authorities that could impact positively, or conversely, adversely on the value.

### **3.6 CONTAMINATION AND HAZARDOUS SUBSTANCES**

Confirmation required in this respect from the client.

### **3.7 ENVIRONMENT MATTERS**

As above:

### **3.8 SUSTAINABILITY**

As above:

### **3.9 SPECIAL ASSUMPTIONS**

No special assumptions have been advised e.g.

- A situation where a bid from a special purchaser has been made or can be reasonably anticipated.
- A situation where circumstances mean that the interest that is being valued cannot be offered freely and openly in the market.
- A past change in the physical circumstance of the property where the valuer has to assume those changes have not taken place.
- An impending change in the physical circumstance of the property, for example, a new adjacent building being constructed or an existing building refurbished or demolished.
- An anticipated change in the mode of accommodation or trade at the property.
- Other unknown encumbrances.



**4.0 PRINCIPALS**

**4.1 CLIENT REPRESENTATIVE**

Family Office

**4.2 PURPOSE OF THE VALUATION**

Private valuation.

**4.3 SUBJECT OF THE VALUATION**

**London W8**

**4.4 THE INTEREST TO BE VALUED**

The property is currently unoccupied.

**4.5 CLASSIFICATION OF THE PROPERTY**

It is assumed that this is for normal residential habitation.

**4.6 BASIS OF THE VALUATION**

Please refer to Section 2.

**4.7 DATE OF THE VALUATION**

24<sup>th</sup> January 2024

**4.8 DISCLOSURE OF ANY MATERIAL INVOLVEMENT OR A STATEMENT THAT THERE HAS NOT BEEN ANY PREVIOUS MATERIAL INVOLVEMENT.**

I confirm that I have had no earlier dealings with or knowledge of the above property which would cause a conflict of interest.





#### **4.9 STATUS OF THE VALUER**

I, Peter Hogan, am a Fellow of the Royal Institute of Chartered Surveyors (FRICS), an Incorporate of the Institute of Builders (I was admitted as a Member in 1989), Member of the Association of Project Management and a Member of the Institute of Business Consulting.

Having gained an Honours Degree in Construction Technology, from the University of Manchester in Science Technology in 1983, I joined a Graduate Training Scheme with John Laing Construction for a period of 3 years and stayed with this company until 1989 having completed three complex hospital projects, as a Site Manager.

I subsequently joined Buro Four Project Services as Assistant Project Manager in 1990-91. My appointment was curtailed due to recession.

I then joined an American funded nursing home company and, in addition to being, for a period of one year, the cyclical Maintenance Manager for 80 properties, I also, over my 4½ years with this company, project managed the development of 18 health care facilities in England, Scotland and Wales.

In 1994 I joined E C Harris Project Management (now known as Arcadus Ltd) as a Senior Project Manager and presided over projects in Regent Street and Heddon Street, London for the Crown Estate. I also managed the development of the first NHS walk-in centre in Soho Square and worked with the Radio Communications Agency in relocating this organization after the IRA bombing in Canary Wharf (South Quay 3).

In 1997 I set up Hogan Limited to provide building services including project management and management consultancy.

Projects have included project managing a £90m GDV, 355 apartment (commercial and residential) project in Bristol, an appointment as Principal Business Consultant reporting directly to the Chief Constable of the British Transport Police, Project Director on the pre-construction development of a 700,000 sq. ft. data centre in Cambridge and over 1,000 building inspections/surveys including a 44 bedroom hotel (circa £18m) in Bayswater.

Experienced in valuations (*RICS Registered Valuer*) and party wall awards having secured and provided services to circa 3,000 clients since 2010.

#### **4.10 CURRENCY ADOPTED**

It is assumed that this is GBP.



**4.11 ANY ASSUMPTIONS OR SPECIAL ASSUMPTIONS, RESERVATIONS OR SPECIAL INSTRUCTIONS OR DEPARTURES**

Client to advise.

**4.12 VISIT TO THE PROPERTY**

Tuesday, 23<sup>rd</sup> January 2024.

**4.13 THE NATURE AND SOURCE OF INFORMATION TO BE RELIED UPON BY THE VALUER**

This is summarised above.

**4.14 ANY CONSENT TO OR RESTRICTIONS ON PUBLICATION.**

Client only.

**4.15 LIMITS OR EXCLUSION OF LIABILITY TO PARTIES OTHER THAN THE CLIENT**

Client only.

**4.16 ACCORDANCE WITH STANDARDS**

RICS 'Red Book'.

**4.17 VALUATION APPROACH**

As Section 2.

**Limitations & Conditions**

Any parts of the structure, which were concealed, inaccessible or unexposed at the time of survey, were not inspected.

For the purposes of this report, it is assumed (unless stated to the contrary) that no deleterious materials were used in the construction and that there are no easements, covenants, restrictions or other outgoings of an onerous nature that would materially affect the property.

This report is confidential to the above party.

No liability is extended to any other party who may become acquainted with its contents without prior written consent from Hogan Ltd.



#### **EWS 1 EXCLUSION**

**Due to the current professional indemnity insurance market, indemnity is not offered in any way directly or indirectly with any claims associated with external cladding.**

#### **PROFESSIONAL INDEMNITY INSURANCE**

**Given the current acute political and financial UK and global difficulties, the accuracy of this report cannot be guaranteed.**

#### **FIRE SAFETY EXCLUSION**

**Due to the current professional indemnity insurance market, indemnity is not offered in any way, directly or indirectly, for any claim or circumstance based on any loss, damage or any other liability including Defence Costs directly or indirectly arising out of, or in any way connected to or involving:**

- 1. The combustibility, fire safety requirements or fire protection performance of any façade materials, cladding, core, filler, signage, glazing, balconies, doors, composite, insulation, decorative panels, external wall system and/or internal wall system of any building or structure; including but not limited to any component or material used for the external cladding or façades of buildings, insulation, and signage, and the manufacture, assembly, fixing or construction thereof;**
- 2. Any aspect of fire safety or fire performance of a building or structure; including but not limited to warning of fire, escape from the building or structure in the event of fire, fire spread, structural integrity, the provision of access and facilities to the emergency services and/or the provision of premises not fit for habitation;**
- 3. Any aspect of fire safety or fire performance of a building or structure not falling within 1. or 2. above.**



**APPENDIX 1**





# Property valuation

24 January 2024

Property: **Terraced house**

Size: **1918 sqft**

Bedrooms: **3**

Bathrooms: **2**

Postcode: **W8 5BJ**

Constructed: **Pre-1914**

Quality: **Average**

Outdoor: **Balcony / terrace**

Off street parking: **0 spaces**

SALE VALUATION

**£3,500,000**

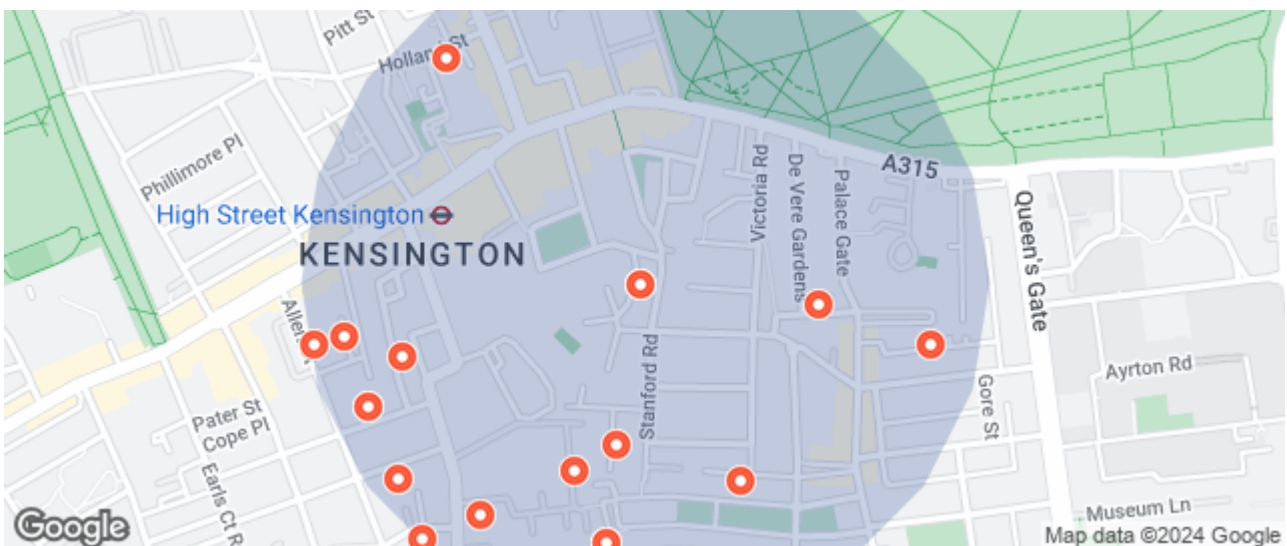
+/- £210,000

RENTAL VALUATION

**£7,750pm**

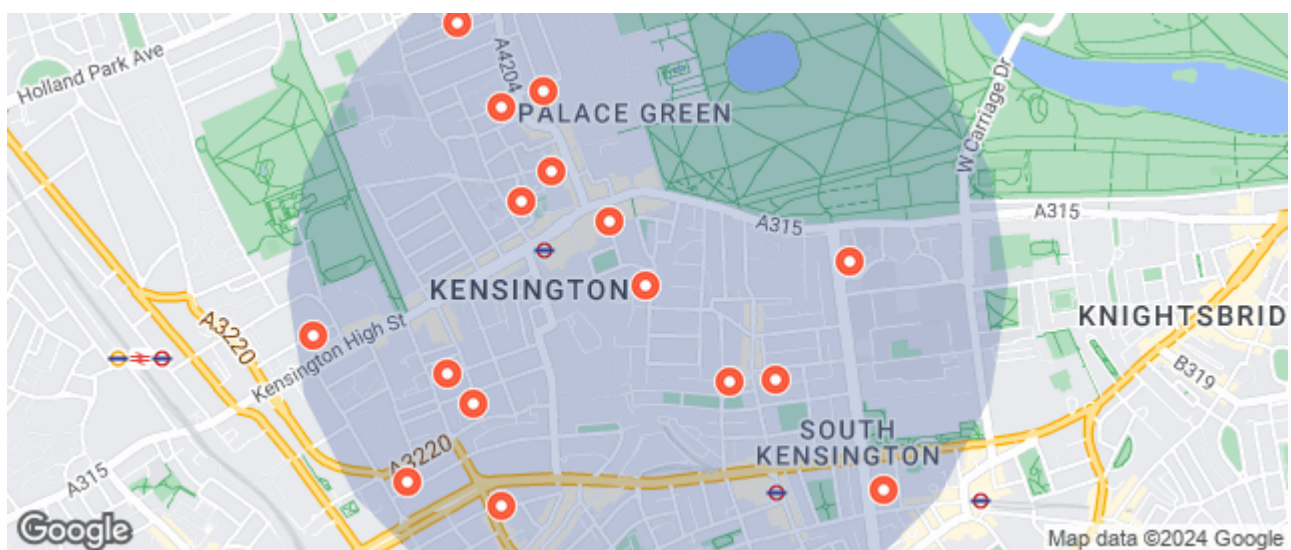
2.7% gross yield

In the last **18 months** the average sold £/sqft for similar terraced houses in a **0.31mi** radius was **£1,979/sqft**:



Date	Address	Sqft	£/sqft	Price	Dist	View
2022-08-11	11, Kensington Court Place, W8 5BJ	1,808	£1,532	£2,770,000	0.00	<a href="#">View</a>
2022-09-26	9, Kensington Court Place, W8 5BJ	1,507	£3,583	£5,400,000	0.00	<a href="#">View</a>
2023-07-19	18, Kelso Place, W8 5QD	1,711	£1,520	£2,600,000	0.15	<a href="#">View</a>
2023-01-13	7, Canning Place Mews, W8 5AJ	1,281	£2,147	£2,750,000	0.17	<a href="#">View</a>
2023-05-05	7, St Marys Place, W8 5UE	3,208	£2,011	£6,450,000	0.19	<a href="#">View</a>
2023-06-09	18, Kynance Mews, SW7 4QR	1,281	£2,342	£3,000,000	0.20	<a href="#">View</a>
2023-04-28	14, Blithfield Street, W8 6RH	1,292	£1,548	£2,000,000	0.23	<a href="#">View</a>
2023-02-24	2, Cornwall Gardens Walk, SW7 4BJ	2,680	£2,164	£5,800,000	0.24	<a href="#">View</a>
2022-09-28	13, Cornwall Gardens Walk, SW7 4BJ	1,528	£1,502	£2,295,000	0.24	<a href="#">View</a>
2022-08-04	5, St Marys Gate, W8 5UA	2,723	£2,277	£6,200,000	0.26	<a href="#">View</a>
2022-08-30	69, Queen's Gate Mews, SW7 5QN	1,819	£913	£1,660,000	0.27	<a href="#">View</a>
2022-08-31	25, Holland Street, W8 4NA	2,982	£2,096	£6,250,000	0.27	<a href="#">View</a>
2023-11-06	30, Pembroke Square, W8 6PB	1,658	£2,413	£4,000,000	0.28	<a href="#">View</a>
2023-04-28	20, Adam & Eve Mews, W8 6UJ	2,034	£1,932	£3,930,000	0.28	<a href="#">View</a>
2023-01-19	24, Pembroke Square, W8 6PB	2,153	£1,928	£4,150,000	0.28	<a href="#">View</a>
2022-09-28	17, Scarsdale Villas, W8 6PT	2,562	£2,537	£6,500,000	0.29	<a href="#">View</a>
2022-10-14	10, Phillimore Terrace, W8 6BJ	2,713	£2,156	£5,850,000	0.31	<a href="#">View</a>
2022-07-28	30, Stratford Road, W8 6QD	1,787	£1,335	£2,385,000	0.31	<a href="#">View</a>

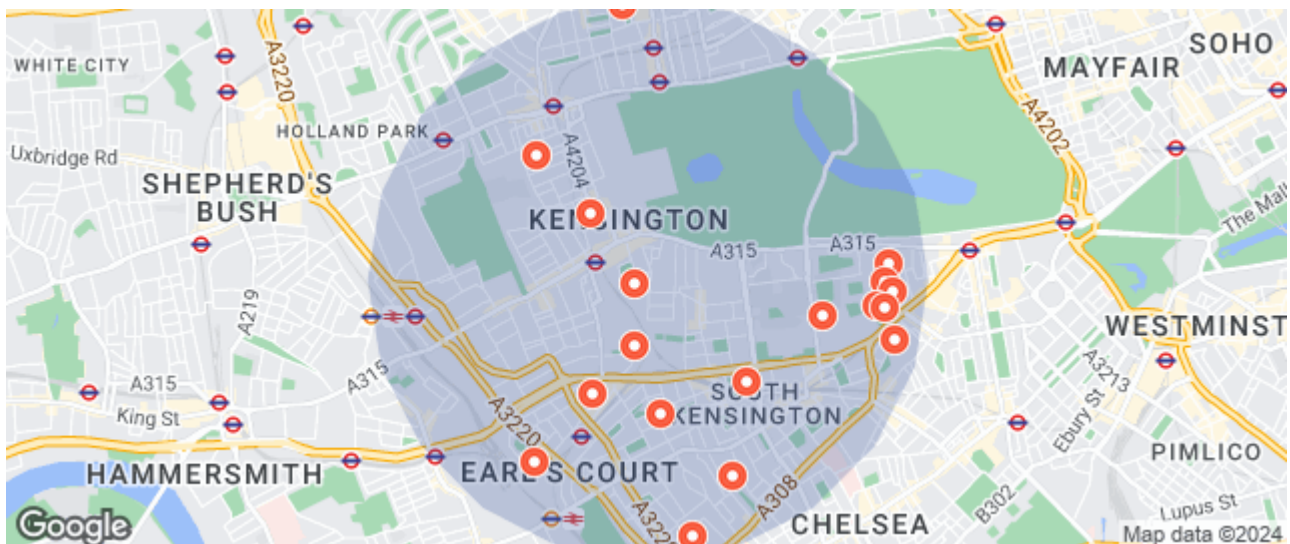
The average asking price of **3** bedroom terraced houses in a **0.65mi** radius is **£2,920,000**:



Address	Price	Dist	View
Kensington Court Place, Kensington, London, W8 5BJ	£3,250,000	0.01	<a href="#">View</a>
Young Street, London, W8, W8 5EH	£3,750,000	0.13	<a href="#">View</a>

Address	Price	Dist	View
Kynance Mews, South Kensington, London, SW7, SW7 4QP	£1,850,000	0.24	<a href="#">View</a>
Drayson Mews, London, W8, W8 4LY	£2,850,000	0.27	<a href="#">View</a>
Gregory Place, London, W8 4NG	£2,100,000	0.27	<a href="#">View</a>
Petersham Mews, South Kensington, SW7, SW7 5NR	£3,500,000	0.30	<a href="#">View</a>
Jay Mews, London, SW7, SW7 2EP	£4,000,000	0.38	<a href="#">View</a>
Abingdon Road, Kensington, London, W8, W8 6QU	£4,850,000	0.38	<a href="#">View</a>
Vicarage Gate, Kensington, W8, W8 4AG	£4,650,000	0.40	<a href="#">View</a>
Abingdon Villas, Kensington, London, W8, W8 6XB	£3,500,000	0.40	<a href="#">View</a>
Gloucester Walk, Kensington, London, W8 4BG	£4,100,000	0.42	<a href="#">View</a>
Redfield Lane, London, SW5, SW5 0RN	£1,590,000	0.49	<a href="#">View</a>
Marlborough Court, Pembroke Road, Kensington, London W8, W8 6DF	£1,375,000	0.57	<a href="#">View</a>
Queensberry Mews West, London, SW7, SW7 2EB	£2,750,000	0.59	<a href="#">View</a>
Peel Street, London, W8, W8 7PA	£2,350,000	0.59	<a href="#">View</a>
Holland Park Road, London, W14, W14 8NA	£2,495,000	0.62	<a href="#">View</a>
Brechin Place, London, SW7 4QA	£2,650,000	0.65	<a href="#">View</a>
Dove Mews, London, SW5, SW5 0LE	£1,750,000	0.65	<a href="#">View</a>

The average asking rent of **3** bedroom terraced houses in a **1.01mi** radius is **£6,924pm**:




Address	Price	Dist	View
Ansdell Terrace London W8, W8 5BY	£8,649pm	0.04	<a href="#">View</a>
Cornwall Gardens Walk London SW7, SW7 4BJ	£6,066pm	0.24	<a href="#">View</a>
Dukes Lane, Kensington, London, W8, W8 4JN	£11,296pm	0.31	<a href="#">View</a>
Kenway Road, Earls Court, London, SW5, SW5 0RE	£3,999pm	0.46	<a href="#">View</a>
Colbeck Mews, South Kensington, SW7, SW7 4LX	£6,001pm	0.50	<a href="#">View</a>



Address	Price	Dist	View
Stanhope Mews East, South Kensington, SW7, SW7 5QT	£6,001pm	0.53	<a href="#">View</a>
Peel Street, Hillgate Village, W8, W8 7PH	£5,000pm	0.60	<a href="#">View</a>
Princes Gate Mews, London, SW7, SW7 2PR	£7,799pm	0.68	<a href="#">View</a>
Philbeach Gardens, London, SW5, SW5 9DY	£4,766pm	0.78	<a href="#">View</a>
Roland Way, South Kensington, London, SW7, SW7 3PF	£9,533pm	0.80	<a href="#">View</a>
RUTLAND MEWS SOUTH, London, SW7, SW7 1EJ	£9,316pm	0.87	<a href="#">View</a>
Montpelier Walk, London, SW7, SW7 1JL	£8,298pm	0.89	<a href="#">View</a>
Cheval Place, London, SW7, SW7 1ER	£11,916pm	0.90	<a href="#">View</a>
Kent Yard, Knightsbridge, SW7, SW7 1BP	£5,416pm	0.91	<a href="#">View</a>
Montpelier Place Knightsbridge SW7, SW7 1HJ	£8,991pm	0.92	<a href="#">View</a>
Egerton Place, Knightsbridge, SW3, SW3 2EF	£6,045pm	0.95	<a href="#">View</a>
Hollywood Mews, Chelsea SW10, SW10 9HU	£3,878pm	0.97	<a href="#">View</a>
Kensington Gardens Square, London W2, W2 4BB	£5,980pm	1.01	<a href="#">View</a>

The area is a urban major conurbation, the internet speed is **300+ Mbps fibre** and the flood risk is **very low (<0.1% pa)**. The local authority will pay an LHA rate of **£1,915pm** for **3** bedroom properties.

Valuations are strictly estimates only and you should use them on that basis. Our Automated Valuation Model analyses prices for similar properties sold or offered in the area. These properties may differ in ways which we do not or cannot take into account. Valuations are subjective and based on market forces which may change. Valuations must not be used for property sale, purchase, mortgage or related purposes. You should seek a professional valuation from a qualified surveyor before making any decision whether to buy or sell a property. We shall not be liable for any losses you or anyone else suffers as a result of relying on the valuations. This includes not being liable for any loss of profit, loss of bargain, loss of capital through over-payment or under-sale or for any indirect, special or consequential loss.

This valuation generated on 2024-01-24 with  **PropertyData**