

**BELL SNOXELL ASSOCIATES LTD**

**Chartered Surveyor, Architectural & Planning Consultants**  
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6th December 2011

Ms L Heath  
Windy Ridge  
Egton  
Whitby  
YO21 1UE

Our Ref BGS/PG/S.6447

Dear Ms Heath,

**Re Valuation Appraisal - Dalton's Cottage, Egton Bridge, Whitby**

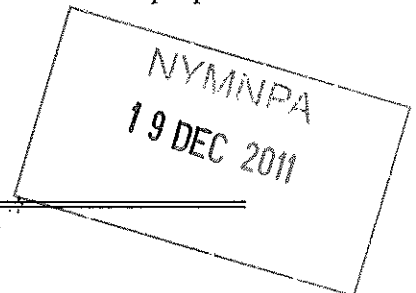
I refer to the above and to your instructions, given verbally on 11th November last, to carry out an inspection of the property known as Dalton's Cottage, Egton Bridge for the purpose of providing you with a valuation of the property as existing and as proposed after various works of improvement and extension have been completed as set out in plans prepared by your Architect, Mr Malcolm Watson, in his Drawings numbered S/EB/11/1-10. The valuations were to be on a market value basis and I inspected the property on 17th November last when I was able to carry out a brief examination of both the internal and external features of the existing structure.

In addition to my visual inspection, which was undertaken solely for the purpose of the valuation as requested, your Architect provided me with some documentary details including plans and some draft costings. Further information was obtained regarding the Listed status of the property and I note that the property is a Grade II Listed Building.

In your instructions you confirmed that the matter of repair and extension had been discussed with the North York Moors National Park Authority Officers and you had also contacted and instructed not only Malcolm Watson as your Architect but also Richard Agar, a Chartered Structural Engineer, to prepare details of the proposed repair and extension works.

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Barrie G Snoxell BA, FRICS, IHBC (Director)  
Jane M Snoxell (Director)  
Stuart J Emerson BSc., MRICS (Consultant)  
Michael Forster PhD, MRICS (Consultant)



Various matters had been raised by the Authority, particularly relating to the value of the premises and the possible imposition of a local occupancy condition on the grounds that the existing dwelling had no use, ie. that the use for residential purposes ceased when the building was abandoned in 1976.

The property is a detached dwellinghouse located to the south of the village of Egton Bridge in an elevated position overlooking the valley of the River Esk. The Statutory List describes the property as follows:-

*Early 19th century; extended later in 19th Century. Tooled sandstone with slate roof; extended partly in rock-faced sandstone. Central-entry plan with service extension at left rear. 2-storey, 2-window front. 6-panel door, with two glazed lights, in architrave; 16-pane sashes with stone sills. Tooled lintels to all openings. Raised eaves course. Coped gables and block kneelers. End corniced stacks. Left return: 4-pane sashes in extension. Under Closing Order at time of resurvey.*

The dwelling is 'L' shaped, the main frontage section being the original part of the dwelling and the two storey off-shoot to the rear being a later 19th Century section.

#### **Planning & Statutory Matters**

At the present time it is understood that an application is being prepared for Listed Building and planning consent to re-commence the use of the property as a dwellinghouse and to carry out works involving demolition, alteration and extension.

As the property is located within a Conservation Area there may also be the need to apply for consent to fell or lop trees in the vicinity.

The question of abandonment of use is a serious matter which materially affects the value of the property both as an existing structure and as a completed building with all of the works as proposed in use. If the Authority decide to apply their planning policies strictly and without consideration of other factors it is likely that a condition limiting the occupancy of the dwelling to local persons will be imposed.

The imposition of a local occupancy condition would be unreasonable and would ensure that the project is uneconomic and therefore unlikely to proceed.

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A further matter that needs attention is the question of a possible Closing Order referred to in the Statutory List. If such an Order exists it will need to be lifted by Scarborough Borough Council. It would be worthwhile agreeing with the Environmental Health Department of Scarborough Borough Council exactly what works would be required. For the purposes of this appraisal it has been assumed that any Order would be lifted once the works of improvement, repair and enhancement were completed.

### Condition of Property Relevant to Valuations

The building is in a wholly deteriorated condition having been abandoned for use as a dwelling over 35 years ago at the end of a period of drought which apparently caused major problems of settlement and movement.

An appraisal by Mr Richard Agar, Chartered Structural Engineer concludes that the late 19th Century rear extension needs to be taken down due to the amount of movement that has occurred but that the frontage section, although it is the oldest part of the structure, is restorable in a safe manner.

It is apparent from a brief inspection that the buildings have suffered from significant damage including wet and dry rot, floor and ceiling collapse, deterioration of walling including pointing, collapse of the staircase etc.

It is apparent that all of the external joinery will need to be replaced and that all of the service installations, including foul and surface water drainage, will need to be renewed. Externally there are works needed to the retaining wall on the south side.

It is possible to gain vehicular access to the site and this would minimise costs. Access is via a public footpath/driveway extending up from the public highway immediately adjacent to Egton bridge.

It is apparent that the existing structure would be too small to accommodate a family without the extensions at the rear. The proposed extension put forward by Malcolm Watson is understood to be acceptable to the Authority and this would provide important space including a kitchen/day room, one bedroom, a bathroom and a study. The existing retained structure would provide two relatively small rooms on each floor.

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### Valuation Appraisal

The proposed works will involve significant alterations and extensions. The section of the building to be retained contains approximately 58m<sup>2</sup> of floorspace (gross internal measure). The proposed extension section will have a combined floorspace at ground and first floor levels of approximately 68m<sup>2</sup>. This will give a total usable floorspace of 126m<sup>2</sup>. This is not dissimilar to the existing floorspace including the section of the building that is to be demolished.

Building costs have been assessed on the basis of a floorspace multiplier to give an approximate idea of the levels of expenditure that can be expected. Works to the existing retained structure have been calculated at a minimum of £1,200 per m<sup>2</sup> and those to the extension section between £1,800 and £2,000 per m<sup>2</sup>. In addition there will be the services, infrastructure and contingency sums to add into the total plus all professional fees and other charges. We consider that the total cost based on current levels of charges would amount to not less than :

Approximate cost of building works:  
**£245,000 (Two Hundred and Forty Five Thousand Pounds)**

The second part of the assessment involves the appraisal of the site value plus existing structure value. This is a more complex sum due to the fact that the figure will vary according to whether or not the Authority impose an occupancy condition. At the present time the site has no restriction and has no consent. If it is assumed that the Authority will restrict the occupancy of the dwelling by way of a condition this would immediately cut the present value by approximately one third. The reduction of values by 33.3% is something that has been accepted by HM Customs & Revenue Valuers (formerly the District Valuers). These figures are applied by the Revenue to dwellings with agricultural occupancy and local occupancy restrictions.

The total cost of this project plus the maximum site value, assuming an unrestricted consent, would be a total of £395,000. On the basis of a one third reduction of the site value the total cost would still be in excess of £345,000.

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Property valuations are undertaken on the basis of comparable evidence with other dwellings in their vicinity and frequently as floorspace multipliers to compare one property with another. Over the past 3 years the global economic downturn/credit crunch has resulted in a severe reduction in the number of completed house sale transactions. There are therefore very few comparable sales in the vicinity from which to draw evidence. It is therefore necessary to assume multipliers based on general trends in the Esk Valley area. In the attractive villages the levels of value of properties of similar size to the subject property, ie. over 120m<sup>2</sup>, tend to be figures of approximately £2,900 per m<sup>2</sup> up to £3,000 per m<sup>2</sup>. These figures apply to properties that are not restricted in terms of occupancy. Dalton's Cottage has a floorspace of 126m<sup>2</sup> and the projected value, using the mean multiplier level of £2,950 per m<sup>2</sup> gives a projected figure in respect of the freehold interest with vacant possession of :-

**Projected Market Value On Completion (no occupancy restriction)  
£372,000 (Three Hundred and Seventy Two Thousand Pounds)**

It will be noted that the projected value is less than the aggregate building cost plus site value by some £23,000. This gives some idea as to the effect of a declining housing market and the ever increasing cost of building works using high quality tradesmen.

If the National Park Authority impose a local occupancy condition a reduction in value of one third can be expected and this would give a projected market value of:-

**Projected Market Value (assuming local occupancy condition imposed)  
£248,000 (Two Hundred and Forty Eight Thousand Pounds)**

### **Conclusion**

The primary conclusion of this appraisal is that the economics of carrying out the restoration and extension of this Listed Building are finely balanced between effectively breaking even or making a significant loss. The imposition of a local occupancy condition would materially alter the profitability of the project to such an extent that it would be likely to deter any prospective purchaser/owner from carrying out the necessary work.

The value of the property on completion, assuming no special restrictive conditions are imposed would be less than the aggregate cost of site value plus building works costs. This is not unusual with Listed Buildings as the costs of repairs and alterations tend to be significantly higher than they are for non-listed structures. Even so, many owners decide to go ahead with such works despite the fact that their expenditure will be unlikely to be equalled by a rise in value.

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Another factor which the Authority might wish to consider is that with a local occupancy condition in place the value of this property, when it has been enlarged and refurbished, would be around £250,000. This is not a figure which might be described as 'affordable.' Although the value would be less than the unrestricted level the house would still not be affordable to the average buyer. The value would still be significantly higher than average prices for houses in the National Park.

It is important that the Authority are made aware of these findings.

Please contact me if you have any queries.

I understand that a copy of this letter will be forwarded to the Local Planning Authority for their information. If the Authority Officers wish to discuss it I would be pleased to hear from them.

Yours sincerely,

Barrie G Snoxell

Copies to:-

Mr M Watson, Architect

Mrs H Saunders, NYMNPA