Egyptian Halls 84-100 Union Street, Glasgow G1 3QW

GCC District Valuer Reports; July 2025 & 2016, 2019 x 2 and 2024 commentary

8th June 2026

Updated from Oct 2025 version and prior emails

Valuation Report Egyptian Halls
84-100 Union Street Glasgow G1 3QW

Report for: Glasgow City Council
Prepared by: RICS Registered Valuer DVS

Case Number: 1870130
Date: 9 July 2025

8th June 2026 GCC DV Valuation Reports 2016-2025 update

Key Commentary, Non-Disclosure, Knowledge Gaps Summary

USP/USI were provided with the July 2025 District Valuer (DV) Report; however, they were genuinely blindsided by references to earlier DV valuation reports (2016, two in 2019, and 2024), which had not previously been disclosed to them. Further the 2024 DV Report has not been disclosed because we believe 99% it contains information on the availability of grant funding, how to source this and the combined leverage that would be exerted to secure this from Scot Govt via GCC or HES or TBCF directly or indirectly that May 2015 stated to the HLF that USP would **NOT** be awarded any grant funding for the foreseeable future.

This lack of transparency is notable, particularly given that—over the same period—USP and USI were actively sharing scheme costs and development appraisals with GCC (and HES). Despite this, GCC has asserted an absence of collaboration and engagement on the part of USP/USI, a position that appears inconsistent with the documented exchange of information.

GCC's strategy appears to be a) actual structural condition is ignored b) current legal obligations are ignored c) actual legal ownership is ignored underpinned by ignoring GCC (and Scot Govt) disastrous errors, mistakes and signal misrepresentation, which have caused a 28 year delay. None of which the DV was briefed on 2016-2025.

This commentary does not seek to challenge the DV's professional methodology or process. Rather, it highlights concerns regarding key assumptions underpinning the valuations, which appear to reflect knowledge gaps and a limited understanding of the Egyptian Halls project by the DV, GCBPT, SCT-GCC.

Deed of Conditions and Repair Liability

A fundamental tenet within the valuation framework is the reference to and use of the Deed of Conditions, under which repair obligations were shared between the two ownerships.

In 2008, USP's legal advisers, in conjunction with GCC Legal, produced an updated version of the 1927 version incorporating GCC's requested to be "enshrined" Conservation Burden, which states USP bears 100% liability for repairs apportionment (LBRN DBN or otherwise).

Historically (1927–2009), repair apportionment was based on Rateable Values (RVs) determined through five-yearly revaluations. In 2008, these RVs were fixed.

Impact of Rating Revaluations

Therefore the 2017 Revaluation would have materially altered the RV profile of the respective properties: Four on Ground Floor and Nine on Upper Floors if they were floating.

However Summer 2017 recognising these valuation changes and the need to modernise the document, GCC recommended reverting to a methodology reflecting prevailing High Street conditions. So the Oct 2017 Deed of Conditions was amended from Fixed RV's to Floating RV's

- Upper floors, would have increased their share from ~31/7% to ~45%
- Ground floor units would have decreased from ~68.3% to ~55%

This demonstrates a significant shift in relative value distribution across the property. And both reducing Ground Floor deficit and Upper Floors surplus. Given the need for grant funding and the fact the 2013 project was in effect a "merged title", the co-owners were relaxed about this.

GCC NDR Assessment – Upper Floors Jan 2018

In an attempt to reduce Water Rates to be imposed due to vacant Listed Building no longer being exempt. An appeal was made to GCC NDR to assess. And to the absolute surprise and amazement of all. GCC NDR after a detailed inspection reduced the Upper Floors from NINE combined RV's to ONE. And then zero-rated the Upper Floors from 1st Jan 2018.

- Upper floors de creased their share from ~31.7% to ~ZERO%
- Ground floor units would have decreased from ~68.3% to 100%

Ground Floor Properties are t100% liable for ALL Repairs. And Upper Floors ZERO% liable for Repair. This has also now been confirmed for the April 2026 Rateable Valuation Assessment.

Issues with the 2025 DV Report

The 2025 DV Report references the Deed of Conditions; however:

- It appears to rely on an outdated version of the deed
- It uses obsolete Rateable Values for repair apportionment
- The continued application of the 68.3% ground floor allocation is therefore inaccurate when tested against the 2018 and 2023 Rating Rolls

In practice, the current position is that the combined ground floor interests are liable for 100% of repair obligations. However a merged title was always an option until GCC-HES/Scot Govt withdrew all grant funding for the foreseeable future May 2015-till May 2026 for any USP and USI project. Hence USI rescinded the offer to merge its development surplus to reduce the USP deficit.

Implications for Earlier DV Reports

Given that both 2019 DV Reports relied on the incorrect Deed of Conditions and outdated RVs, it is reasonable to infer that the 2024 DV Report may contain the same deficiencies.

If so, the valuation advice underpinning these reports cannot be considered logically robust and should be subject to reassessment. Any conclusions or assumptions derived from this flawed basis should likewise be revisited.

Valuation Impact

Under the current (post-2017) Deed of Conditions framework, the upper floors demonstrate a materially enhanced valuation position. This is evidenced by the development appraisals prepared by Shepherds and submitted in April 2019 to GCC and HES, which indicate an uplift in the range of approximately **£2 million to £6 million**

Material Omissions all DV Reports 2015, 2109 (x2), 20224 and 2025

MAR 2026 Material Omissions from CPO Review Process document
http://www.egyptianhalls.co.uk/2003-2026 Material Omissions from CPO Review Process.pdf

e.g. GCC documented, on record Stability/ Structural assessments- causal Public Safety issues 1995-2016 but not briefed to District Valuer- COST IMPLICATIONS NOT FACTORED IN

- **FEB 2002 GCC advise** ***"You may be aware that there was a potentially fatal building collapse in the City Centre in October 2001, "The general condition of the building overall is much deteriorated and an immediate cause of concern. This situation will only worsen if the full repairs package as per the terms of the extant Listed Building Repairs Notice, are not effected before the onset of the next winter*** **the legally non variable LBRN states** ***"stabilise all elements of the supporting*** **(whole)** ***structure*****"**

- **GCC March 2008**- *I recall that the original investigation found this material to be very weak to the extent that some of the attempted cores could not be obtained because they fell through when they started to core the concrete.* ***The addition of any loading onto the existing foundations would have to be very carefully considered*** *and independent foundations for new elements may be a less risky option*

- **GCC DRS - Dec 09:** ***In terms of the "floors" i.e. the concrete infill, in my opinion, that has never been entirely safe to walk on anyway****. If you recall when they tested the material, some years ago (****circa 2000****), some of it was unable to be cored and fell through onto the floor below. It is clear from the original construction that it was never intended for that purpose anyway;* ***however, its continuing security/stability is indeed an issue.***

- **Cost implications not as yet factored in given GCC ignored the LBRN est**

Context- Evaluation Report- Failure to brief effectively

Evolving Structural Changes from 100% Conservation to Façade Retention; Development Chaos

- **1997: GCC/HS approved the removal of the cast iron frame, would have caused Demolition. minimal structural alteration DEFINTELY NOT achieved".**

- **2000: brilliant TMP/Add Cons 100% Conservation scheme retains cast iron frame; "minimal structural alteration achieved".**

- **2013: Another brilliant TMP/Add Cons scheme, but now the cast iron frame is structurally too weak, so structural cellularisation is developed by passing the cast iron frame. "minimal structural alteration achieved".**

- **2026-2027- TMP to work on the only realistic option: Façade Retention, which then means the unique cast iron frame is lost. And of course "minimal structural alteration NOT achieved".**

GCC has not briefed effectively the evidence that confirms only ***"minimal structural alteration"*** is required. This does not consider GCC's own historical assessments or the chronology of studies detailing a 46 year deterioration process summarised as follows, the costs of have not been factored in.

Addison/TMP/ WRD studies 2000-2024 reinforce these potential/probable/actual issues

- ***The floors are circa 33% of the required commercial strength and cannot be used/walked upon safely.***
- ***The massive dead weight Parapet is balanced atop the structurally weak façade and is not tied to the floors or structure.***
- ***Therefore, Nov 2019 a protective Crash Deck was designed and constructed as a safety feature should the parapet move forward onto the scaffold.***
- ***The Roof requires to be replaced.***
- ***The Rear Wall requires to be replaced.***
- ***For a visual reinforcement of this, use this link http://www.egyptianhalls.co.uk/page17.html***

Further if one skims the following again the cost implications of replicating similar for the Egyptian Halls have not been factored in. *https://www.heraldscotland.com/news/26005126.14-storey-office-block-glasgow-turned-259-student-flats/?ref=glasgowbell.co.uk Planners at Glasgow City Council have approved an application which will include the partial demolition of a building on Cadogan Street. Over 250 student beds will be made available across the 14-storey block. Plans stated the owners believe the existing seven-storey building "****underutilises an important city centre site".***

*The application added that the building, constructed in 1989, would need "**considerable investment to improve the energy performance of both the external envelope and mechanical/electrical plant in line with modern occupier sustainability requirements".** It stated the "**cost of such upgrades are not balanced by prevailing market conditions and rental values in Glasgow". A 14-storey development, retaining the "substructure and perimeter walls" of the existing building, was proposed.***

Whether GCC thinks the LBRN won't be enforced (legally doubtful) or the causal Conservation Burden is NOT legally binding. Or GCC secures a 2nd CPO, which if so would be appealed immediately. The scale of works required are massively in excess of the never, ever can be achieved "minimal structural alteration" GCC has decided can be achieved based on very limited expert advice and no specialist testing and an unwillingness to accept the unequivocally proven structural interconnectivity.

Given GCC know this since Feb 2025 this should have been referenced to within the overall Risk Assessment in relation to Valuation Scenarios relevant to back to back agreements. Copies on a P&C basis of the 2016, 2019 , 2024 Valuation Reports. and the 2025 Valuation Report all workings- calculations- valuation commentary- assumptions made are requested.

GCC's identified back to back buyer faces very likely a £2-£4M Upper Floor valuation. And a potential significant USP Ground Floor compensation claim predicated on GCC's admittance of title availability delays. As well as praise of USP's significant investment on project development/ site acquisition

One leading question how can "in principle planning be "approved" Feb 2025 CPO Review but this won't discharge the *1991 LBRN to the satisfaction of the Director of Planning*?

LBRN legal primacy or not? Not briefed to the DV.

- GCC has reinforced an LBRN is needed for a 2nd CPO; in correspondence 2005 and 2009.
- GCC has reinforced the LBRN Legal Non-Variability; in correspondence 2005 and 2009
- GCC has reinforced it created in 2008 a Conservation Burden and persuaded USP to accept this and it was integrated into the Deed of Conditions; confirmed by correspondence 2010
- GCC reinforced the importance of this Conservation Burden by stating it had *enshrined* the LBRN into the Deed of Conditions via this; confirmed by correspondence 2014
- The approved 2000 and 2005 schemes would have discharged the incumbent LBRN; must be on file someplace?
- **GCC in 2012 correspondence and also via DV 2016 correspondence confirm the LBRN would be satisfied by the delivery of the then approved planning application**.
- GCC 2019-2026 are apparently unaware of all this as have advised 2019-2025 to the DV this *For the purposes of this valuation, I am to assume that GCC will not act upon the existing LBRN and is unlikely to serve an LBRN in the future.* (Four DV Reports, Two Narro Reports and Ryden Data Room all have materially flawed components; should they all now be re-assessed)

Ownership/Investment Clarification:

- Ground Floors are owned by USP Ltd but controlled by the Standard Security holders
- Upper Floors are owned by USI Ltd but controlled by the Standard Security holders
- USP's Ground Floors has a massive deficit, but would not if this was New Build
- USI has a significant surplus whether the building is preserved, or it is New Build
- The Upper Floors have a single title and legally separate repair obligations and valuation
- USI has no legal obligation to cross subsidise USP and GCC is on record stating USP has committed a "*very significant expenditure (available on a P&C basis)"*

1 Introduction

I refer to your instructions dated 18 June 2015, and my Terms of Engagement dated 3 July 2025. I have now valued the property, and I am pleased to report to you as follows.

It would be worthwhile being provided with what the GCC instructions were June 2015. So these could be assessed for accuracy. It's also just a month after GCC-HES/Scot Govt briefed the HLF that no grant funding would be awarded to USP for the "foreseeable future" which then torpedoed a then game changing £5M grant application for a merged title Hotel and Bars/ Restaurant development. So these will be requested

2 Valuation Parameters

2.1 Identification of Client
The valuation has been undertaken for Glasgow City Council (GCC).

2.2 Purpose of Valuation

Glasgow City Council (GCC) requires valuations of the subject property to potentially inform a negotiated purchase of the property and / or an acquisition under a Compulsory Purchase Order. I understand that 3 valuations are required as follows:

Market Value (MV) reflecting any income receivable from the property, notably the ground floor retail units, but reflecting the following special assumptions: that

(i) GCC will not serve a Listed Buildings Repairs Notice; **for the record there is an incumbent 1991 LBRN, which is legally non variable (see Appendix A). However it's non-viable to discharge and has been since 2008. Also the now structural interconnectivity weaknesses could see the need to re-serve it as it's very unlikely it can deliver on this LBRN served 34 years ago. Therefore the current owners and any new potential owner would have to take full cognisance of this Contingent Liability when assessing any potential investment options; very surprising this has not disclosed by GCC.**

(ii) **Currently there is also in place the specified by GCC 2008 Conservation Bond, which does allow for alternatives to the LBRN to be submitted (see Appendix B). Which is in place until USP Ltd applies to the Lands Tribunal to have it rescinded. GCC cannot amend the Conservation Burden Again hugely surprising this has not been disclosed or referenced by GCC**

(iii) any owner will be liable for repairs under a Defective Building Notice;

(iv) Any income from the advertising hoarding on the scaffolding (which is in place illegally and must be removed (**Not been in place since Aug 2023**) should be ignored.

- Compensation Value under a Compulsory Purchase Order (CPO) reflecting the owner's reinvestment costs and fees etc in addition to the MV at 1 above.

- MV based on the Compensation Value above but recognising the favourable opportunity to avoid a CPO, a Public Local Inquiry (PLI) or a Blight Notice. The proposed option to purchase (referred to in the 2019 valuations undertaken for GCC) is to be excluded.

DVS previously provided valuation advice to GCC with regard to the subjects in 2016 and 2019. An additional valuation, prepared for the Glasgow Building Preservation Trust (GBPT) in 2024, was facilitated by, and shared with GCC. **And in fact the 2016 Rateable Values splits of Ground Floor combined at 68.3% and Upper Floors at 31.7% (9 separate listings) were wrongly applied 2019, 2024 and now 2025. Autumn 2017 the Deed of Conditions was agreed to be amended as follows at GCC's express request from fixed Rateable Values to floating values (which was the process pre-2008) so as to reduce the Ground Floor deficit to 58% and 42% for Upper Floors.**

Then early 2018 GCC NDR assessed the Upper Floors and due to the extent and scale of deterioration and the fact was now Uninsurable. The entire 9 separate listings were merged into one single listing and given a ZERO rating (see Appendix C)

This then under the 2017 Deed of Conditions (see Appendix D) sees the Ground Floor Properties then 100% LIABLE for all Repairs. However USI has offered since 2010 to merge the Upper Floors deficit to reduce the Ground Floor deficit (all on record) subject to assurances that the required funding would be in place e.g. for the 2012 approved scheme it was a combination of USI surplus, HES grant funding, BPRA funding and an agreed sum from GCC for the final tranche of gap funding.

Post approval GCC then confirmed much to the consternation of all stakeholders that it could not fund this "believed to be agreed pre-application" grant component. Neither would GCC consider re-visiting the option of additional Upper Floors- see 1st page of for full details ***http://www.egyptianhalls.co.uk/assets/files/CPO-ReviewResponseDoc.pdf***

The advantage that there could be a merged title has always been offered. As has the re-profiling of the "significant expenditure" acknowledged by GCC. And it's very germane that if this was a merged title then GCC would be looking to pay minimal compensation.
On reflection potentially GCC NRS are attempting this currently despite the separation of legal ownership between Ground Floor and Upper Floors; note used by GCC since 1996 and right up to and including the 2016, 2019, 2024 and 2025 Valuation Reports by the District Valuer.

References the 2024 DV Report for the GCBPT (facilitated by and shared with GCC do we assume also funded?). And if this is (sic) independent report used to assess and decided the NON, NEVER MADE offer by the List Magazine was somehow refused is further questioned given for this report there was no access, no information from the co-owners was provided. Then again we now assume 99.99% Ediston are now in league with GCC directly or indirectly via GCBPT/SCT etc.

One does further conjecture how a valuation can be briefed that is a) unsolicited b) does not take legal cognisance of it's in separate ownership c) with separate legal obligations d) separate RV's e) based on relevant Deed of Conditions e.g Page 18 . ***"Rateable Value" means the Rateable Value of any Unit as noted from time to time in the Registers held and maintained by the Rating Authority for the area***

And Burdens Section D19 Clause (vi) Page 24 (vi) ***Each Owner shall be liable to pay that proportion of all and any costs for which they shall be liable in terms of this Deed of Conditions, or in terms of the Development Management Scheme, in the same proportion that the Rateable Values of the Unit or Units owned by any Owner from time to time bears to the combined Rateable Values of all of the Units and other subjects comprising the Development***

2.3 Subject of the Valuation

The property to be valued is the land and buildings comprising Egyptian Halls, 84-100 Union Street, Glasgow, G1 3QW. The valuation has been undertaken to reflect the **(joint)** owner's heritable interest subject to vacant possession. **Amended to reinforce the building is in joint ownership, with separate titles regulated by the 2017 Deed of Conditions hence separate valuations**

2.4 Date of Valuation

The date of valuation is 9 July 2025. Please note that values change over time and that a valuation given on a particular date may not be valid on an earlier or later date.

2.5 Confirmation of Standards

The valuation will be prepared in accordance with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards and RICS UK National Supplement, commonly known together as the Red Book. Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).

Measurements will be in accordance with the 'RICS Professional Statement 'RICS Property Measurement' (2nd Edition) which is effective from 1 May 2018 and, where relevant, the RICS Code of Measuring Practice (6th Edition).

In accordance with market practice, the property is reported using the traditional measurement standards rather than IPMS, specifically Gross Internal Area (GIA) and therefore the measurements are an agreed departure from 'RICS Property Measurement (2nd Edition)'.

2.6 Agreed Departures from the RICS Professional Standards

As specifically requested by you, and as captured above with explanation, the property has been reported upon using a measurement standard other than IPMS. There are no further departures beyond those restrictions on the extent of investigations and survey, and the assumptions, stated below.

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To summarise GCC are correct in using a Deed of Conditions, but they are not using the current applicable version, although it should be noted that they did use for the 2016 DV Report the correct RV's at that time.

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2.7 Basis of Value
The basis of value adopted is Market Value, which is defined at RICS VPS 2, para 4 as:

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion **to repeat this statement provides the foundation to set out on record unequivocal evidence of systemic knowledge gaps within GCC and GCBPT and other connected stakeholders, which leads to this July 2025 Valuation Report being materially flawed. And we surmise the 2016, 2019 and 2024 Reports to be similarly if they are based upon an out of date of the Deed of Conditions, ergo Repairs Apportionment is inaccurate. For the record can I both reinforce and clarify also that separate valuations are a requirement of separate ownership given fair and reasonable discharge of commercial obligations as per registered Deed of Conditions.**

On occasion, it may be agreed that a basis of value requires to be modified and a Special Assumption added, for example where there is the possibility of Special Value attaching to a property from its physical, functional, legal or economic association with some other property.

Any Special Assumptions agreed with you have been captured below under the heading Special Assumptions, in accordance with VPS 2, para 10 of the professional standards of the Royal Institution of Chartered Surveyors and will be restated in my report. **It is contended that the known existence of the 2008 Conservation Burden (see App B) should be assessed as a Special Assumption. As it defines USP as being 100% liable for the 1991 LBRN or any other approved scheme.**

Also a further special assumption to factor in is the introduction of the Tall Buildings initiative given GCC state *a significant change from the past decades, where buildings have been capped well below what might be expected in a city of Glasgow's size and growing international profile. Glasgow is unique among Scottish cities in having the scope to build upwards, building towards the kind of city centre population density that's commonplace in European cities*. Councillor Ruairi Kelly, Convener for Development, added, *"Tall buildings will play a significant role in our ambition to grow the city centre population and encouraging major construction projects will be a boost for the local economy and employment."*

This guidance will directly benefit the already GCC NRS planned initiatives. It also significantly increases the development value of the USI-owned upper floors, providing greater flexibility to contribute toward reducing the known ground floor deficit, which must be addressed regardless of ownership, whether by USP or others.

Given this would increase the development value of the Upper Floors and the potential for an arrangement to reduce the Ground Floor deficit by a significant amount. And a comparable is the approval of 197 flats via 10 storey extension
https://www.glasgowtimes.co.uk/news/scottish-news/24564647.former-glasgow-nightclub-will-replaced-1970-student-flats/

2.8 Special Assumptions

A number of agreed special assumptions are outlined at 2.2 above.

2.9 Nature and Source of Information Relied Upon

In addition to relying upon VOA held records and information, I have assumed that all information provided by, or on behalf of you, in connection with this instruction is correct without further verification – for example, details of tenure, tenancies, planning consents, etc.

For this instruction, you have provided the following information:

GCC did not it looks like provide the Title Deeds or Conservation Burden; probably assumed the DV would look at this. And hence an error 2019 (twice), repeated 2024 and now again 2025 took foundation and became one of the key bulwarks underpinning the Feb 2025 CPO Review.

- A Condition Survey of the building prepared by Narro Associates. **(2025!!! 45 years on)**

My advice is dependent upon the accuracy of this information and should it prove to be incorrect or inadequate, the accuracy of my valuation may be affected. **One would advise strongly that the following is assessed as a matter of urgency given the clear lack of comprehension this started way back in 1980!!**

http://www.egyptianhalls.co.uk/Egyptian Halls Structural Survey Glossary Year 2000-2023.pdf

Further it's a matter of conjecture why the DV was not provided with the on record advice/studies from the GCC specified Conservation Burden architect TMP.
Surely this is a massive imbalance further reinforced by no reference also to the Buildings at Risk Register, which details the Upper Floors have been vacant since 1980 with the requirement for significant structural repairs identified 1990's onwards; today one would think these Repairs had just been assessed as required

For the record the two Narro Reports (2018 and now 2025) for GCC owe USP and USI no Duty of Care, have no impact upon the advice both have and are in receipt from TMP/Addison Conservation 1998-2019 and WRD/TMP 2019 onwards.

One could conjecture that GCC (Scot Govt by association) are attempting to shift this problem created 1980 onwards onto USI, which did not get control/title to the Upper Floors until 2010 (30 years later). One asks if the DV can now take cognisance of this via the "independent" *https://www.buildingsatrisk.org.uk/search/keyword/Egyptian%20Halls,%20Glasgow/event_id/892661/building_name/egyptian-halls-84-100-union-street-glasgow*

GCC DRS - Dec 09: *In terms of the "floors" ie the concrete infill, in my opinion, that has never been entirely safe to walk on anyway. If you recall when they tested the material, some years ago* ***(circa Year 2000)****, some of it was unable to be cored and fell through onto the floor below. It is clear from the original construction that it was never intended for that purpose anyway; however, its continuing security/stability is indeed an issue* (**Note this is known 25 years ago and is detailed in all structural reports 2008 onwards, which GCC were submitted but have a) overlooked b) ignored**

Dec 2019 WRD stated *The building is now in an unsafe condition and structurally unpredictable, primarily been caused by the deterioration of the roof and upper floors from continued water ingress over a prolonged period and the fundamental lack of robustness in the structure, with the potential for a trigger event to cause a structural failure which could have serious consequences, with the risk to public safety and damage to surrounding buildings*. This was produced *http://www.egyptianhalls.co.uk/StructuralMovie.html*

Which GCC Feb 2020 discounted entirely *And stated as follows A spokesman said a survey, carried out by the authority around 18 months ago, found "no danger of imminent collapse". the building's structural condition is the responsibility of the owner, and they look forward to viewing proposals for future uses of the property.*

Stated despite GCC being on record reinforcing Conservation schemes are all non-viable. And it refused Demolition/New Build 2010-2011 and on record refused to revisit Feb 2016 and April 2019. And in July 2024 WRD stated *Designed by world famous, Alexander 'Greek' Thomson in 1871, one of his most celebrated remaining completed works which has unfortunately deteriorated significantly due to a lack of intervention over the previous 40 years and has now reached the point where appropriate measures need to be taken to save the building from being lost forever through material deterioration that is beyond feasible recovery. Elements of the structural fabric are now considered to be in an unsafe condition and structurally unpredictable which has primarily been caused by the deterioration of the roof and the upper floors from continued water ingress over a prolonged period of time, and the fundamental lack of robustness in the structure with the potential for a trigger event to cause a structural failure which could have serious consequences with the risk to public safety and damage to surrounding buildings.*

Feb 2025 GCC now claim they've discovered the aforementioned as a result of one site tour; yet refuse to discuss what has changed since their Feb 2020 "nothing to see" comments, talk about marking your own homework. Further given the Narro Reports are primarily desktop surveys with no specialist testing, no comprehensive load testing. It's clear it should not be relied upon for any scheme works to be specified from. It also ignores the legally binding Conservation Burden developed by GCC as an attempted straitjacket on the owners who'd in fact reconciled the CPO title impasse that GCC had been floundering with for a decade, yes a decade, which one is also not taken cognisance of within the 2016, 2019 and 2024 DV Reports; which again is wholly perplexing. But again not surprising when you're marking your own homework and issuing briefings that don't reflect the reality and causation of proven errors, mistakes and misrepresentation.

2.10 Date of Inspection

As with my previous valuations, the instruction has been undertaken on a desktop basis, and no contact has been made with the owner of the property. No internal inspection has been undertaken although a brief external inspection was undertaken on 3 July 2025.

2.11 Extent of Investigations, Survey Restrictions and Assumptions

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

- A brief statement of the outcome or assumptions made will be included in the report.

- It will be assumed that good title can be shown, and that the property is not subject to any unusual or onerous restrictions, encumbrances or outgoings. **The four Ground Floor titles are subject to a primary Standard Security in favour of Union Street Investments Ltd and three secondary equal Standard Securities in favour of Duncan Souter, Kelvin Kerr and Derek Souter. The Upper Floors are subject to a clutch of equal ranking Standard Securities in favour of Duncan Souter and BD Mgt, Kelvin Kerr and Derek Souter/DJSCM Ltd**

- It will be assumed that the property and its value are unaffected by any statutory notice (**its liable for the 1991 LRBN, which to repeat is legally non variable (App A) or equivalent potential new LBRN to come and should be assessed as a Contingent Liability)** or proposal or by any matters that would be revealed by a local search and replies to the usual enquiries, and that neither the construction of the property nor its condition, use or intended use was, is or will be unlawful or in breach of any covenant.

- While the valuer will take reasonable care to verify any information provided or obtained it will be assumed that all information provided by you with regard to the purpose of this request and details of tenure, tenancies, planning consents and all other relevant information is correct. The advice will therefore be dependent on the accuracy of this information, and should it prove to be incorrect or inadequate the basis or the accuracy of any valuation may be affected. **It's advised that the overall report, assessment, prior briefings and due diligence is re-assessed, and any aspects raised for clarification are assessed correctly, reconciled and an amended report produced.**

Or indeed this report and the veracity of the earlier 2019 and 2024 iterations are called into question given they have contributed to the approval of the Feb 2025 CPO Review given GCC claim USP and USI refused an offer in excess of an independent valuation. Again the provision of the report this claim is founded upon is called for! And if as surmised it's founded upon inaccurate and obsolete Rateable Value inputs it's veracity requires to be re-assessed.

- Valuations will include that plant that is usually considered to be an integral part of the building or structure and essential for its effective use (for example building services installations) but will exclude all machinery and business assets that comprise process plant, machinery and equipment unless otherwise stated and required. **The Upper Floors were stripped of all fixtures and fittings and all relevant Utilities mid 1990's. Hence as earlier a complete re-fit is required in line with modern, commercial specifications.**

- It will be assumed that no deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated. However, where an inspection is made and obvious signs of such materials or techniques are observed, this will be reported to you and further instructions sought.

- With regard to Reinforced Autoclaved Aerated Concrete (RAAC), you will notify us if you are aware of the presence of RAAC and provide us with a copy of any structural investigation report which you have obtained, together with any remedial cost figures that are available to you.

- No access audit will be undertaken to ascertain compliance with the Equality Act 2010, and it will be assumed that the premises are compliant unless otherwise stated in the report.

- No environmental assessment of the property (including its site) and neighbouring properties will be provided to or by the VOA, nor is the VOA instructed to arrange consultants to investigate any matters with regard to flooding, contamination or presence of radon gas. No search of

contaminated land registers will be made. However, where an inspection is made and obvious signs of ESG matters such as contamination or other adverse environmental impact are visible, the observations will be captured in the report. In such circumstances it will be recommended that further investigations are undertaken, as appropriate. Where such signs are not evident during any inspection made, it will be assumed that the property (including its site) and neighbouring

- and other adverse environmental impacts. Where a risk of flooding is identified during any inspection made, or from knowledge of the locality, this will be reported to you. The absence of any such indication should not be taken as implying a guarantee that flooding can never occur.

3. Property Information

3.1 Situation

The subjects comprise a substantial Category A listed building designed by Alexander 'Greek' Thomson and built around 1870. The building is laid out over basement, ground, three upper floors and an attic floor within the roof space. The main frontage to Union Street comprises a predominantly sandstone façade incorporating a variety of Egyptian, Greek and Roman influenced features, many of which were originally hand carved. Internally, the floors are part solid, part suspended timber with a cast iron frame and a network of support columns at upper floor levels.

The ground floor and basement comprise four retail units which are all occupied according to the Scottish Assessors website. Lease details are not known, and I assume that the tenants occupy on either short term agreements or on historic leases continuing under tacit relocation. The retail fittings are generally in fair condition although I understand that a number of original finishes remain behind the fittings, particularly above suspended ceilings.

The upper floors comprise four levels of open space which have previously been used for a variety of retail, office and restaurant purposes. Access is via a central entrance at ground floor level leading to a lift and stair well. There is also an ancillary stairwell to the rear for fire escape purposes. Each of the three main upper floors has good natural lighting from the front elevation and ancillary natural lighting from the rear.

The upper floors can best be described as being in shell condition with the services and fittings having been stripped out several years ago (**massive underestimation based upon no actual research so not surprising more perplexing than anything as per earlier summary of how massively deteriorated the Upper Floors are**). The building has been vacant for many years, and this coupled with a piecemeal and reactive approach to maintaining wind and water tightness, has taken its toll on the condition of the building. Any refurbishment programme would likely involve strengthening and repair of the main structure, a new roof, complete replacement of internal finishes to the upper floors and a comprehensive restoration programme of the main façade. Additionally, the structural integrity of the rear elevation has been questioned with a complete rebuild put forward under various refurbishment and extension plans put forward by the (**Joint**) Owner**s**.

In the past, refurbishment proposals have generally assumed retail or restaurant uses on the ground floor with office or hotel use on the upper floors including additional accommodation to be provided within a vertical extension of two or more storeys. **And if GCC had not failed to provide it's agreed gap funding then or if four storeys had been approved then the project would have been delivered 2013-2014 as two extra storeys would have delivered an extra £2.5M-£3M in valuation uplift- see Page 1 of this link *http://www.egyptianhalls.co.uk/assets/files/CPO-ReviewResponseDoc.pdf***

The property (**USP Ground Floor and basements**) was granted planning permission in 2012 for **USI Ltd's Upper Floors Plus two-storey extension assuming hotel use, which had a £1,65M surplus 2010-and £2M as per independent Dev Apps 2012, 2014, 2014 and 2016 and in 2019 £6M+ from independent Chartered Surveyors (see App E)**, however, the total cost of refurbishment and extension for any proposed uses has long outweighed the final value of those uses. **Not when the actual Deed of Conditions was applied by all appraising this 2010-2019. The District Valuer should release the 2016, 2019, 2024 reports to allow these to be reviewed.**

Refurbishment and extension are therefore regarded as unviable via traditional development finance options and additional grant funding will be required. **Again wholly inaccurate and to repeat the Ground Floor is massively non-viable and needs Grant Funding. And the Upper Floors has a surplus once the correct Deed of Conditions is applied and has never needed grant funding since 2010 (on record)**

3.2 Description and Condition *Internally, the floors are part solid, part suspended timber with a cast iron frame and a network of support columns at upper floor levels* **Hence further reinforcement that structural interconnectivity is acknowledged. And we know of the overall structural weaknesses across and throughout the structure, which HES concurs with and GCC somehow attempts to obfuscate in relation to its actual position.**

however, the total cost of refurbishment and extension for any proposed uses has long outweighed the final value of those uses. Refurbishment and extension are therefore regarded as unviable via traditional development finance options and additional grant funding will be required. **Again inaccurate and should state the Upper Floors has always had and still has today a development surplus.**

Given as of we believe the 2024 DV Report there is apparent belief significant grant funding of would be available. Therefore why USP has been denied grant funding since 2010 most notably when GCC and HES combined to torpedo the 2015 HLF Application. Yet as of Feb 2026 GCC has approved a preferred bidder (Ediston) that has in its "compelling, well thought out proposal" up to 40% Non-Commercial Funding ergo Grant Funding or Public Funding. Incredibly perplexing to read that somehow because GCC believe Ediston have experts in securing grant funding they'll find circa £10M+ from sources outwith GCC/Scot Govt/GB Govt; directly or indirectly. And if so legal action will be raised citing; bias, discrimination, abuse of statutory powers.

And this has changed from 2019 when same Point 3.2 stated including "*indeed the property was granted planning permission in 2012 for a two storey extension assuming hotel use, however this was not progressed by the owner".* Pure and simple a re-writing of the actual facts or more to borrow from Trump 2016 "Alternative FACTS". The reality is as follows:

In 2012 USI was to loan its £2M surplus to USP to reduce the deficit in conjunction with BPRA funding £3M and HES grant £1.5M, Dev Profit £1.M and that GCC was to fund the gap left circa £3M or approve a 4 storey extension as opposed to a 2 storey extension. GCC then did neither and did not even re-approve it's £1M grant offer made with a 12 month deadline when GCC knew the planning process would take 24 months+. And in parallel the Culture Secretary also refused the multiple requests for "extraordinary funding". All on record.

The Egyptian Halls FOUR approved but failed Planning Applications –There will be a FIFTH!!!

There is unequivocal proof the scheme has been delayed since Year 2000 due to causal legal, grant funding and non-viability issues, which combined to prevent any scheme being delivered

- **1997 - approved (without expert conservation structural advice) and would remove cast iron frame, causing collapse, CPO Appeal was then made, prompting CPO Amendment.**
- **2000 - brilliant 100% Conservation scheme, CPO appeal reconciled, what could go wrong? GDA/HS rescinded grants derailing scheme and payoff for former owners.**
- **2005 - Reapproval of Year 2000 scheme, held up before and for next 7 years by CPO Amendment non – predicted consequences**
- **2013 - CPO Title issues reconciled by USP, 100% Conservation scheme approved, which was agreed to be funded pre-application. GCC/HES then failed to fund (on record)**

3.3 Tenure Owner's heritable interest subject to vacant possession.

I understand that the ground and basement floors are owned by Union Street Properties Ltd (USP) while the upper floors are owned by Union Street Investments Ltd (USI). These are legally separate companies although they share the same directors and shareholders.

The building is covered by a historic Deed of Condition (**amended in 2008 to fixed % from floating to again floating % in 2017 as set out earlier- and see Apps D and E**)

under which repair obligations are shared between the two ownerships. Under this arrangement, the ground floor and basement units are liable for 68.3% of any repair liability despite the fact these units account for only c.32% of the total floor area.

However for the GCC DV 2019 (x2), 2024 and 2025 DV Reports somehow the actual registered Deed of Conditions is not used. Instead it's just cut and paste Point 3.3, which uses the out of date 2008 Deed of Conditions, which detail Repairs split to be 68.3% G.Floor and 31.7% U.Floors when in fact it's been 100% and ZERO % since Jan 2018. Therefore across the entirety of these the Valuation assumptions, Repairs Apportionment and back to back buyer scenarios used are all materially flawed. The DV or GCC or both somehow failed to brief the requirement to follow RICS Standard Practice e.g.

Deed of Conditions Clarification shared with GCC 21st Oct 2025 – Ken Gerber/Mitchells Roberton
If one were to download the title sheets for the constituent parts of the building, they would see that these do not make any reference to the 2008 Deed of Conditions, but they do contain the current and valid 2017 Deed of Conditions. My clients tell me they have been informed via GCC DRS that the District Valuer believes he can make certain assumptions; however, the use of Rateable Values is founded upon the use of current Rateable Values (2017 onwards), and my clients have pointed out that such is actually not an assumption but is the accepted manner of proceeding as decided and as recorded on file via the Scottish Assessors website based on Rateable Values assessed and calculated by your Council or your Council's appointed Valuation Board

Deed of Conditions Clarification NOW shared with GCC from Ken Gerber/A.Strathern May 2021
There have been any instances of people seeking to challenge a registered deed of conditions or other deed imposing title conditions, or to have its terms varied by the Lands Tribunal – invariably a challenge would be by an existing or new owner of part of the larger entity that is affected by the deed of conditions. Given the only parties burdened by the two deeds in question in your case are USP & USI it is difficult to see any problem on this front.

To summarise GCC are correct in using a Deed of Conditions, but they are not using the current applicable version, although it should be noted that they did use for the 2016 D V Report the correct RV's at that time. Again as per earlier this was the case 2008-2016 . But again was amended in 2017 (details on Page 1) and it transformed to 100% and ZERO % respectively – see NDR Rateable Roll. (App C) And of course this a complex situation but pre USP's involvement there were upwards of 13 separate ownership and causal Standard Security interests. USP via pragmatic site assembly, assiduous project Mgt reinforced by significant capital investment pared this back to single ownership then split the Upper Floors away so they could be a SPV to facilitate the approved hotel scheme 2012-2013.
The reduction to ZERO from 31.7% is a direct consequence of the massively delayed 12 year timescale it took to secure the Upper Floors titles (2 x 50% pro indiviso) from the former owners due to GCC's unilaterally imposed CPO Amendment Feb 1998 then predicted to delay the then approved scheme by a "few months". Today it's 339 months or 113 times a few months click to SEPT 2019 - Why has GCC's CPO Amendment Claim "*it will only delay your scheme by a few months*" become 312+ months and MANY times the original £3M cost?
http://www.egyptianhalls.co.uk/assets/files/2409-2019-GCCsFeb1998CPOAmendmentwillcausea300monthdelay-WHY.pdf

A Listed Building Repair Notice was served by the Council in the 1990s and currently remains outstanding **to repeat is legally non variable but has been non-viable since 1996 hence why £1.335M of grant funding was awarded (just got massively more and 95% certain cast iron frame cannot be preserved) (App A), has to be discharged to the satisfaction of specified architect The Morrison Partnership/GCC see App B. Further another significant knowledge gaps the 1991 LBRN which was reserved 1995 (due to a GCC error) is both extant and defines what specifically what was required as of Feb 2002. FEB 2002 GCC advise.**

You may be aware that there was a potentially fatal building collapse in the City Centre in October 2001 "The general condition of the building overall is much deteriorated and an immediate cause of concern. This situation will only worsen if the full repairs package as per the terms of the extant Listed Building Repairs Notice, are not effected before the onset of the next winter **the legally non variable LBRN states *"stabilise all elements of the supporting* (whole) *structure*".**

So again why was this crucial information not taken full cognisance of by GCC let's say 2019-2026. The essence of this advice has been front and centre of what TMP/Add Cons reinforced. And will be in detailed, highlighted, reinforced in the final version of the WRD 1&2 Combined (DRAFT) Study July 2024

Further the existence of 1996 CPO of the Upper Floors is not referenced or GCC's Feb 1998 CPO Amendment, which caused a 12 year delay.

April 2003 E.times- by GCC DRS *"The CPO process adopted by the Council in this case involves compensation being determined before the Council can gain a satisfactory title for onward disposal. there is potential for significant delay in a being available for Union Steet. I can understand the frustration expressed by Mr Souter. The resolution is not straight forward".*

Or the fact USP reconciled the legal impasse GCC had created by error, which only became a factor due to this incredibly perplexing lack of joined up thinking

Sep 2000: *The Glaswegian reports that both Scottish Enterprise has withdrawn its offer of grant aid and Historic Scotland has reduced its, the project is unlikely to proceed.*

Talk about a lack of joined up Govt. But hey "we" GCC and HES and Scot Govt are all in this together and we need a collective fall guy; aha let's blame the private sector owners!!!

The **Ground Floor** owner has long argued that the disproportionate burden of repair falling on the ground floor and basement units has historically rendered any refurbishment of these parts of the building non-viable and un-fundable (**see on file Dev Apps, which it's as perplexing as it's surprising DV Reports are unaware of the existence of these 1999-2019 now provided**). **As is the March 2025 Defective Notice, which if able to be implemented would see 100% of costs apportioned to the Ground Floor properties via Deed of Conditions and/or Conservation Burden. Also USP is arguing these "defects" have been known about since 1980 see Page 16**

This situation is compounded by the ownership structure of the building which has previously resulted in USP arguing for the buildings demolition with USI maintaining that it could viably refurbish the upper floors. **Refer to on file Dev Apps, which detail an Upper Floor surplus since 2010, hence why USI never supported Demolition. Since the announcement of the Golden Z, Tall Buildings Initiative the Upper Floors has an increased development potential for BTR/PBSA either as stand-alone or combined with NCP Mitchell St Car Park directly behind it to develop Mackintosh-Thomson Mews *http://www.egyptianhalls.co.uk/opportunity.html***

So to repeat it's perplexing the DV 2024 and 2025 Reports are unaware of the existence of this as well as the 1999-2019 Dev Apps Summary which were on file from 2010 and which of course GCC praised USP for producing as per July 2010 letter from GCC's Convenor Cameron to Culture Minister Hyslop *and the developer has committed very significant expenditure on bringing the building into a single ownership, on preparing a range of technical and conservation studies, and in completing both option and development appraisals for a variety of potential end uses.*

Also fails signally to reference the 12 year delay caused by grant rescindment (Year 2000) and GCC's non disclosed CPO Amendment; one has to ask why? Was the DV aware of this but decided to not stray into this? Or did GCC not brief this massively relevant factor?
And reinforced to clarify that Repairs are 100% due by Ground Floor Properties/USP Ltd and the USI-Upper Floors has ZERO% Repairs Liability either via application of 2017 Deed of Conditions Clause ??? and/or the 2008 Conservation Burden.
So this should be revised from *The owner will have to incur the cost of repairs under a Defective Building Notice* **which is 100% the liability of USP Ltd or Ground Floor owner**

This situation is compounded by the ownership structure of the building which has previously resulted in USP arguing for the buildings demolition with USI maintaining that it could viably refurbish the upper floors (**as proven by the on record Dev Apps from Chesterton, Drive Jonas, Knight Frank, Donaldsons and latterly Shepherds on file and available for objective assessment see App E)**

Now if the DV had been given the Dev Apps 1999-2019 – Pages 23-51 he'd have been able to comment that USI's claim is supported by expert valuation commentary. Again we must assume that the 2016, 2019 and 2024 DV Reports contain these and other legal inaccuracies which have led to a clutch of significant misformed assumptions being made. And which once due diligence is applied will be revised.

DV is correct to state Ground Floor is massively disproportionately affected by the Repairs costs as the burden has increased exponentially since 1998. And therefore, its combined asset value is negative. But of course, it's in separate ownership and when applied the GF deficit increases and the UF value is positive. One only has to refer back to the 1999 Valuations (Page 29 Appendices to see £2,189M 84,88 and 96 and when you add in No 100 circa £3M. And now minus £25M+ unless New Build or grant funded)

For the purposes of this valuation, I am instructed to assume that GCC will not enforce the Listed Building Repair Notice **GCC and the owners have to comply with the LBRN's stated legal non variability. Therefore the DV has to re-assess and take full cognisance of the actual legal position not what GCC 2025 decides it should be. (See App A)**.

The owner (**USP not USI**) will have to incur the cost of repairs under a Defective Building Notice which has now been served. **The Defective Notice as scoped and the objective of removing the Scaffolding requires significant detailed assessment and the timescales allocated means this cannot be achieved. USP and USI have reinforced the significant and known for 15 years plus causal Public Safety/ Structural issues. GCC can step in and attempt to implement any attempt this Notice but USP and USI have again reinforced to GCC they'd be liable for all Public Safety issues, would very likely create a Dangerous Building see link**

http://www.egyptianhalls.co.uk/assets/files/The-EgyptianHallsPublicSafetyClarificationRequest.pdf

And if attempting to recover costs; massively in excess of £250K- closer to £15M+ would rank behind the incumbent Standard Security holders (2003 Defective Notice Act as follows *Policy Memorandum relating to the Defective and Dangerous Buildings (Recovery of Expenses) (Scotland) Bill. Paragraph 60 (on page 13) of this document states that 'A charging order under the 2003 Act will rank according to the date of its registration and is a fixed security'. In addition, paragraph 87 (on page 18) states that 'The member considered whether charging orders under the 2003 Act should have prior ranking over other charges, as was the case with charging orders under the 1959 Act.*

The case for and against this approach involves consideration of competing interests. It is recognised that by affording charging orders prior ranking status over existing securities, this would place local authorities in a stronger cost recovery position. However, the position of standard security holders, such as mortgage lenders, is also acknowledged. The position taken by the Bill respects the status of existing fixed security holders.'

However USP would have the rights to apply for Demolition based on incontrovertible proven structural, public safety and non-viability grounds. Note Demolition was refused 2010 and

GCC refused to discuss tabled proposals 2016, 2019 and as recently as Aug 2025. Again a denial of Due Process by the entity pivotal in creating this toxic farrago

Point 3.3 DV is correct to state Ground Floor is massively disproportionately affected by the Repairs costs as the burden has increased exponentially since 1998. And therefore, its combined asset value is negative. But of course, it's in separate ownership and when applied the GF deficit increases and the UF value is positive.
One only has to refer back to the 1999 Valuations (Page 29 Appendices to see £2,189M 84,88 and 96 and when you add in No 100 circa £3M. And now minus £20-£25M+ unless New Build or grant funded, which remarkably, astonishingly we're to now believe Ediston's grant experts and with open assistance from GCC can secure up to 40% of required funding. Despite GCC-HES/Scot Govt refusing all grant funding requests 2010-2025 to USP Ltd. Again blatant bias, favouritism and causal corporate governance breaches come to the fore.

Point 3.3 This situation is compounded by the ownership structure of the building which has previously resulted in USP arguing for the buildings demolition with USI maintaining that it could viably refurbish the upper floors. Now if the DV had been given the Dev Apps 1999-2019 – **Pages 23-51 he'd have been able to comment that USI's claim is supported by expert valuation commentary. Again we must assume that the 2016, 2019 and 2024 DV Reports contain these and other legal inaccuracies which have led to a clutch of significant misformed assumptions being made. And which once due diligence is applied will be revised.**

3.4 Site Area

Using digital mapping software, I calculate that the site area is approximately 0.089 hectares (0.22 acres) or thereby.

3.5 Floor Areas
The valuation has been undertaken on a desktop basis, and I have not undertaken an internal inspection or measured the building. Plans and areas were provided to me by GCC in 2019 reflecting various refurbishment and extension options put forward by the joint Owner**s**. **And by then you're working of plans that cannot be implemented because the Upper Floors "cellularisation" process recommended could no longer be applied. By Dec 2019 GCC had been submitted the following from WRD**

Egyptian Halls, 84-100 Union Street, Glasgow Structural Report – Dec 2019

Please find attached our report which provides a structural appraisal on the current condition, and recommendations for appropriate remedial works required to the 'Egyptian Halls' building located at 84-100 Union Street, Glasgow. Our report provides a detailed and comprehensive review of the existing structure which has been underpinned by robust sampling, intrusive investigations, analysis and assessment. If the required remedial works cannot be delivered due to technical constraints or financial restrictions, then alternative options for collaborative proposals should be considered to enable any future developments to be realised. The following potential collaborative proposals are being considered for the future redevelopment:

Option A – Existing building preservation ergo Year 2000 approved scheme, all but impossible to achieve due to approximately 85% of the structure will need to be replaced and commercially non fundable

Option B – Façade retention - 2 storey extension ergo Year 2013 approved scheme; culturally acceptable, commercially non fundable

Option C – Façade retention - 4 storey extension; potentially culturally acceptable, potentially commercially fundable.

Option D – Demolition and New Build – structurally easier to achieve, culturally unacceptable, commercially fundable depending on Planning.

Why this information was not briefed onto the DV one would ascribe to GCC's knowledge gaps
The total floor area for the retail and storage accommodation occupying the ground floor and basement was 1,446 sq (15,565 sq ft) while the upper floors extended to a total gross internal area of 3,236 sq m (34,833 sq ft). I have reviewed this information for the purposes of this current instruction, and it is apparent that the ground floor and basement areas allowed for the construction of part mezzanine floors above the ground floor accommodation, however, information from the Scottish Assessors suggests that only 100 Union Street benefits from a mezzanine.
I have therefore adopted the same gross areas for the upper floors and relied upon ground floor and basement areas adopted by the Assessor for business rates purposes as these are more likely to reflect the extent of the accommodation as it currently exists. These areas are summarised in the table below.

3.6 Defects, Repair and Refurbishment Costs

As instructed, I have not undertaken an internal inspection of the property and consequently I have not carried out any kind of structural survey, tested services or arranged for any investigations to be carried out to determine whether deleterious materials have been used in the construction of the subject property as these are out with the scope of my instructions. The commentary below, which formed part of my 2019 report, summarises the condition of the property as outlined in a Condition Survey prepared for GCC by Narro Associates following an inspection of the property in 2018: *The Structural Condition Survey concluded that the building is in a poor state of repair due to a lack of effective maintenance over the many years since the upper floors were last in use. Generally, urgent works are required to all parts of the building including the cast iron structure, floors, roofs and exterior masonry and stonework while the rear elevation features a temporary steel splint at first floor level that may indicate previous movement or deterioration which requires further investigation. Internally, all timberwork and all floor and wall finishes to the upper floors require to be repaired or replaced due to damage and decay from past and ongoing water penetration. The true condition of the ground and basement levels cannot be fully assessed while tenant's fixtures and fittings remain in place.*

The latest 2025 Condition Survey, prepared for GCC by Narro Associates. provides the following commentary: *From our last full structural survey conducted between March and July in 2018, and our further site visits in February 2020, November 2023 and now May 2025, the building does not appear to have deteriorated significantly. This suggests that the roof covering remains intact and direct water ingress is under control, with only minor impacts on ceiling fixity in some areas and some increase in stone erosion at the upper level of the front elevation. There did not appear to be any new areas of deterioration in general, apart from some spread of ceiling plaster failure and potential rot infestation around the central stairwell in timber finishes. Previous water ingress appears to have been arrested albeit the timber internal finishes and concrete slab have deteriorated over time prior to the water ingress issues being tackled.* (due to presence of the Façade Shroud as per TMP and WRD commentary see Point 9.75

The report goes on to note the following urgent or necessary structural requirements:

- *The investigation into the condition of the existing concrete slabs should be an urgent action to allow the planning and design of any new augmentation or repair.*
- *Investigation into the nature and composition of the existing slabs, along with testing (material testing or load testing) of wrought iron beams would be considered a necessary requirement of any refurbishment project.*
- *The rear elevation bulge at first floor level (with temporary works clamping the pier) should be investigated further as an Immediate action, with repair works considered urgent.*

Again if the DV had access to the detailed, rigorous studies by TMP/ Addison Conservation/WRD then this would be more comprehensive but this does have congruence with the recommendation by WRD (Draft) 1&2 Combined July 2024, which calls for physical load testing for the floors/slabs. One does with hindsight does wonder why the Defective Notice was scoped and served before the updated Conditions Survey?

Again all of the aforementioned ignores the following on record, documented GCC assessments detailed earlier-WHY? The DV or GCC or both appear to be oblivious to all of the aforementioned as well as this; very perplexing and potentially very dangerous if unchallenged non expert opinions become FACTS!

Proven Deterioration – Structural Engineering Chronology

http://www.egyptianhalls.co.uk/Egyptian Halls Structural Survey Glossary Year 2000-2023.pdf

For this valuation, I am not required to assess the costs of refurbishment and / or extension associated with the various retail, restaurant, hotel and office uses previously put forward by the Owner, however, in 2019, I reported a number of valuations reflecting potential end values and the costs required to achieve them. **USP and its core advisors would require to see sight of these assumptions, which were generated without any contact or briefings from the actual co-owners. Especially given the FOUR failed prior approvals 1996, 2000, 2005, 2012 (all on record)**

The costs reflected a range of approximately £19m to £29m and the valuations all demonstrated mathematically negative residual figures in excess of minus £9m. **This one surmises is for the entire building instead of splitting between Ground and Upper Floors. Also inaccurate due to misformed allocation of costs based on 2016 Apportionment detailed at Point 3.3. And one also assumes no cognisance was taken of the legally binding obligations under the Conservation Burden (see App B)**

So again unequivocally apples and pears and the DV appears to have just looked at the combined Ground and Upper Floor figures; now if he'd understood more cogently a) the change in Rateable Values b) Deed of Conditions he'd then have surmised the Upper Floors value is entirely and legally separate. Given the 100% control over the building via USP and USI from the core standard security holders. Therefore this is wholly misformed and should be re-assessed and factored into the now untenable Valuation Scenarios detailed further on.

Build costs have increased significantly since that time and it would not surprise me if residual appraisals returned an even larger development deficit.. **Yet GCC and /or Ediston rescinded the agreed feasibility study Spring 2023, GCC and HES torpedoed the 2015 HLF £5M grant application, 2013 GCC failed to provide the (sic) promised grant funding pre- application when the approval was confirmed, 1998-2000 GDA and HS derailed the approved and brilliant scheme. So for 25 years GCC, HES, Scottish Government have been updated that the development deficit for a non-commercial project was increasing.**

And if one only read the DV Reports you could conjecture this is a very new occurrence and caused by the private sector owners, which of course is what GCC and its heritage stakeholders wish to believe (and Jings how vehement is that belief bordering on being zealous) but as we have always known but GCC wanted to forget on record, documented structural/stability assessments- causal public safety warnings have been "misfiled" at GCC and HES and the heritage groups; well have just never understood the Egyptian Halls EVER1

Yet the on record evidence is unequivocally that delays causing deterioration and causal cost increases are 100% the combined fault of GCC/GDA/HS-HES/GCC-HES/Scottish Government. And GCC were provided with this very information 2017-2018 and 2019 (can be provided on a P&C basis but here is a summary.

Current Valuation Summary 1998-2020 19th February 2021

Development Appraisal Splits Summary – "to discharge LBRN / deliver an approved scheme as per Registered Deed of Conditions (date of valuation of 12th June 2019)

	Ground Floor*	Upper Floors	Mature Trading
OPTION A	**- £27,163,773**	**+ £5,637,691**	**+£2M = £7.6M**
OPTION B	**- £28,233,879**	**+ £6,693,847**	**+£4M = £10.7M**
OPTION C	**- £30,448,620**	**+ £6,559,538**	**+£4M = £10.6M**
OPTION E (+A4)	**- £29,283,221**	**+ £5,537,215**	**+£3M = £8.6M**

Points to Note

1) **"Ground Floor figures contain £10M Site Acquisition/Development Costs due to the standard security holders founded upon EQ's calculation of the aforementioned based on GCC's July 2010 letter confirming this had been incurred b) see Site Rationale *Appendix D***

2) **There are also figures for 1998 -2021 overall at 10/15/20% circa £15M-£27M.**

3) **GCC- Scot Govt could of course just give a grant of £30M and that saves the Egyptian Halls and creates what the 2013 approved scheme should have created.**

4) **As well as kickstarting the long overdue regeneration of the wider environs of Union Street.**

5) **The means the investors then own a building which becomes a very good cash generating investment property. Then again the investors have had no return for near 24 years**

6) **A merged title would need to see USP, or a Scot Govt sponsored SPV purchase USI for market value circa £8M-£10M.**

7) **Please note that any potential argument that the Upper Floors are not worth the valuation calculated due to it being dependent on the Ground Floor properties discharging their combined legal and statutory obligations.**

8) **Then USI counters with this then proves unequivocally SHEP TEST (iii) Demolition required due to preventing wider regeneration etc.**

9) **The Scot Govt has the option to facilitate the purchase/lease etc of Ground Floor or to include the Upper Floors to create a single title.**

In view of discussions to date where Option 5 has the potential to offer the most likely solution, the foregoing demonstrates that the current value specifically excluding the £10M site assembly cost, (based on separate ownership/Titles/Deed of Condition split) is as follows:

Ground Floor (USP)	**- £10,000,000**
Upper Floor (USI)	**+£6,750,000**

Given the reference to various Development Appraisals and given we assume the DV refers to the on-file versions provided (e.g.) attached 2019 version. He reinforces the non-viability of all development schemes but does not clarify the deficit is 100% the liability of the Ground Floor properties. Or the fact the Upper Floors has a very positive surplus no matter which option was assessed. If the DV has produced DV Development Appraisals then can these be made available for assessment

3.7 Services

Although the upper floors have been stripped of functional services, the ground and basement units are occupied, and I therefore assume that the property is connected to the usual mains services of gas, water, drainage and electricity.

3.8 Planning

The property is covered by the Glasgow City Development Plan which was adopted on 29 March 2017. The property is a Category A Listed Building located within a Conservation Area. The property has an extensive listing on the Buildings at Risk Register maintained by Historic Environment Scotland.

There are 25 years of Structural Studies, Planning Applications, Development Schemes, Correspondence. Remarkably or is this deliberate non-inclusion founded upon not enough forensic research the DV fails to reference the1996 CPO, of which the failure of and who is responsible for this is detailed as follows

JUNE 2023 What caused the Year 2000 Scheme to Founder?
http://www.egyptianhalls.co.uk/What Caused The Brilliant Feasible Year 2000 Scheme To Founder.pdf

MARCH 2023 - How a barrier to regeneration was created inadvertently
http://www.egyptianhalls.co.uk/How A Barrier Was Created Inadvertently.pdf

AUG 2022 - HES Request for Accountability
http://www.egyptianhalls.co.uk/HES-Accountability-Appendices.pdf

SEPT 2019 - Why did the 1996 Egyptian Halls CPO fail? Briefing to SPICE- Scottish Parliament
http://www.egyptianhalls.co.uk/assets/files/1609-2019-UPDATEDEgyptianHallsCPOBriefingNote.pdf

SEPT 2019 - Why has GCC's CPO Amendment Claim "it will only delay your scheme by a few months" become 312+ months and MANY times the original £3M cost?
http://www.egyptianhalls.co.uk/assets/files/2409-2019-GCCsFeb1998CPOAmendmentwillcausea300monthdelay-WHY.pdf

NOV 2018 - History of Non-Viability caused by GDA, HS, GCC, assisted by Scot Govt.
http://www.egyptianhalls.co.uk/assets/files/0811-2018-TheEgyptianHallsNonViabilityConfirmation1996-2018.pdf

NOV 2018 - Missed Opportunities caused by GDA, HS, GCC assisted by Scot Govt
http://www.egyptianhalls.co.uk/assets/files/0511-2018-HistoricMarketingandMissedOpportunitiesSummary1996-2018.pdf

And as earlier to repeat **Proven Deterioration – Structural Engineering Chronology**
http://www.egyptianhalls.co.uk/Egyptian Halls Structural Survey Glossary Year 2000-2023.pdf

Planning Permission (ref 12/01707/DC) and Listed Building Consent (ref 12/01708/DC) were granted in 2012.**Also 1996, 2000 and 2005** for redevelopment, extension and alteration to form bar / restaurant and / or retail uses at basement and ground floor level with hotel use to the upper floors, to include a rooftop 2 storey extension. These permissions have now lapsed, however, since 2012, the Owner **(CO-OWNERS**) has produced a number of alternative schemes although no further planning applications have been made.

For the record The Egyptian Halls has had FOUR approved but failed Planning Applications. There is unequivocal proof the scheme has been delayed since Year 2000 due to causal legal, grant funding and non-viability issues, which combined to prevent scheme being delivered.

• 1997 - approved (without expert conservation structural advice) and would remove cast iron frame, causing collapse, CPO Appeal was then made, prompting CPO Amendment.

• 2000 - brilliant 100% Conservation scheme, CPO appeal reconciled, what could go wrong? GDA/HS rescinded grants derailing scheme and payoff for former owners.

• 2005 - Reapproval of Year 2000 scheme, held up before and for next 7 years by CPO Amendment non – predicted consequences

• 2013 - CPO Title issues reconciled by USP, 100% Conservation scheme approved, which was agreed to be funded pre-application. GCC/HES then failed to fund (on record). Note by then grant rescindment and legal issues have caused a 15 year delay.
None of this was caused by the private sector owners/investors. Hence why a CPO Review is again called for and has been since 2002

The property is the subject of an historic Listed Building Repair Notice, and a Defective Building Notice has recently been served on the owner. **As has been argued for years the LBRN is non variable but GCC kept repeating it was outmoded as was the Conservation Burden. And then late October USP uncovers historical GCC stability, structural and causal public safety issues (1995-2016). And in particular GCC's Feb 2002 correspondence, which states *You may be aware that there was a potentially fatal building collapse in the City Centre in October 2001***

Point 3.10 Any third party seeking to rely on the valuation for any purpose is therefore strongly advised to make their own enquiries in relation to the stability of the property and to consider obtaining insurance cover against subsidence, ground heave, settlement and landslide and any other such eventualities.

We'd recommend adding WRD Dec 2019/2024 *The building is now in an unsafe condition and structurally unpredictable, which has primarily been caused by the deterioration of the roof and upper floors from continued water ingress over a prolonged period and the fundamental lack of robustness in the structure, with the potential for a trigger event to cause a structural failure which could have serious consequences, with the risk to public safety and damage to surrounding buildings. Key decisions now need to be made. While these decisions may be a difficult compromise for some parties, it is no longer possible to leave the building in its current condition.*

Egyptian Halls, Potential Progressive Collapse Scenario

http://www.egyptianhalls.co.uk/StructuralMovie.html

http://www.egyptianhalls.co.uk/assets/files/TheEgyptianHallsPublicSafetyClarificationRequest.pdf

4. Valuation

Primacy of the Deed of Conditions and Values: Ground and Upper Floors: (see App D)

Fundamentally the DV has to take full cognisance of the following given it's somehow not been factored in to date Both USP and USI are confident their respective, legally separate commercial properties will be developed and valued using this registered and legally binding document, in order to deliver on the significant investment GCC is on record praising.

Why would a commercial project not look to achieve this? Why would commercial companies not seek to achieve this? GCC-Scot Govt cannot have it both ways?

It's either a Heritage project that needs grant funding or it's for profit private sector project. And as we now know the preferred bidder approved proposal is 60% Commercial Funding/40% Non Commercial Funding? And one would ask given GCC-HES/Scot Govt have refused all Non Commercial Funding request by USP since 2010.

Are they now to assist/provide project support funding? And if so this has to be disclosed and assessed accordingly for bias, favouritism, discrimination, lack of openness, honesty and transparency.

The 2017 Deed of Conditions of course regulates the commercial affairs of the entire building. GCC of course did not like the consequences of the amendments it requested to the 2008 Deed of Conditions. However USP and USI since then have offered to combine to create a single title.

GCC has every right to serve Notices (of course they have to be competent, take cognisance of public safety and developed by experts (so again one refers to Feb 2002 GCC correspondence (and other GCC assessments 1995, 2000, 2008, 2009, 2106) on this.

Given the aforementioned one has to ask is the Defective Notice comprehensive enough? USP had put forward the case it does not address public safety issues and had from its files uncovered GCC correspondence that agrees with what TMP/ADD Cons 2000-2019 and WRD/TMP 2019 onwards state). And can of course step in and carry out such works. Repairs Apportionment is by Deed of Conditions and via the 2008 Conservation Burden it's 100% USP-G.Floor Liability.

Further the Jan 2018 Rateable Value change from 31.3% to ZERO % was made by GCC NDR independently of GCC DRS and also USI. This has been communicated to and discussed with GCC and also HES many times and it's both again perplexing and surprising the DV is apparently unaware of this? And which when implemented for the three Valuation scenarios will affect significantly the assumptions that underpin these.

For the record the Deed of Conditions is under the auspices of the co-owners USP and USI and is stewarded by the interest of the core investors who hold the various separate standard securities for both the Ground and Upper Floor properties. And until they agree any changes or amendments then relevant use of and referral to the incumbent Deed of Conditions will be managed as per the 2017 registered version. GCC also uses for other commercial projects e.g. Residential conversions relevant Deed of Conditions but as GCC will know to amend a registered Deed of Conditions it needs to have an interest partial, which requires collaboration or controlling.

Since 2010 separate valuations have always been calculated and never combined due to the hotel option being marketed via a single Upper Floors title. This improves its marketability – ask any professional Chartered Surveyor, not some "person" providing an informal but, of course, independent valuation (GCC Feb 2025), that USI was unaware of until Feb 2025. However, USI did agree to loan to USP its development value to combine with BPRA funding, HES grant and "promised" GCC funding, GCC then failed to deliver.

4.1 Valuation Methodology and Reasoning

You have instructed 3 valuations as outlined at 2.2 above. The first valuation is somewhat subjective but seeks to recognise that the mathematically negative residual values associated with the various end uses previously proposed by the Owner do not necessarily reflect what a third party in the open market might be prepared to pay for the property in its current condition.
The second and third valuations essentially provide additional information related to the costs associated with a Compulsory Purchase Order with valuation 2 also having a statutory basis under the Town and Country Planning (Scotland) Act 1997.

This Valuation Report makes no reference to the a) 2017 Deed of Conditions b) existence of the 2008 Conservation Burden which details USP is due 100% of the LBRN or equivalent Repair Costs. The DV should have assessed this and commented as he sees fit. However the 2008 Cons Burden is legally binding until USP asks for it to be rescinded. Or indeed GCC secures a 2nd CPO. So probably the DV should include this as a Contingent Liability/ Risk Assessment. Until it is clarified a) why this has not been assessed and also b) what Rateable Values were used the next section cannot be assessed effectively. Some initial comment is made but is subject to revision once the DV comments and also the 2016, 2019 and 2024 Valuation Reports (plus Support Dev Apps) are provided for objective evaluation by Shepherd Chartered Surveyors.

4.1 – **Again there is reference to the approved 2012 scheme but the fact there were the 1996, 2000 and 2005 approved schemes derailed by GDA and HS and GCC**

4.2 Valuation 1 - Market Value

This valuation reflects the price a speculator might be prepared to pay for the benefit of receiving the short-term rental income from the ground floor retail units together with hope value for some form of grant aid – albeit in the knowledge that a lack of finance is the reason why previous grant aid applications have failed. **A wholly, inaccurate misformed assumption USP and USI would welcome clarification of this given GCC is on record praising USP's significant investment, whilst admitting its CPO approach would cause significant delays in title availability. All on record. And to repeat this is a recurring theme throughout all the reports; wrong information, out of date information, lack of information, increasing subjectivity, lack of objectivity; could go on and on and on.** This valuation is subject to the following special assumptions:

GCC will not serve a Listed Buildings Repairs Notice. **As earlier GCC has already served one on 1991 and that's according to GCC correspondence 2005 and 2008 is legally non variable (App A). In the same correspondence GCC also stated an LBRN was a pre-cursor to the requirement to apply for a CPO; in this case a 2nd CPO. So would GCC**

a) **Rescind current LBRN**
b) **Look to scope and serve a replacement LBRN**
c) **Add additional bolt on DBNs to complement now served DBN?**

Deterioration Evidence-Disagreement between GCC Building Control and Narro Associates

GCC also stated March 2025 the following ***At the end of March the Council served a defective buildings notice in terms of the Building (S) Act 2003 on the owners of Egyptian Halls. This sets out work which the Council considers is necessary to rectify defects in the building and bring it into a reasonable state of repair. This would also result in the removal of the scaffolding which has been located in front of the building since 2010. These repairs are necessary to prevent a further deterioration, but they are not the comprehensive and long term solution which is required to secure the future of the building.*** **So the latter sentence should be taken cognisance of and defined as a requirement given the believed counterproductive component which would see much of this work requiring re-done hence a Contingent Liability should be estimated**

May 2025 The latest Condition Survey, prepared for GCC by Narro Associates. provides the following commentary: ***From our last full structural survey conducted between March and July in 2018, and our further site visits in February 2020, November 2023 and now May 2025, the building does not appear to have deteriorated significantly.***

This is incredibly germane as given WRD, TMP and now Narro Associates disagree with GCC re a) rate of deterioration b) when it occurred ergo certainly not the last FIVE- SIX YEARS!

And USP/USI and GCC/HES now have to take absolute cognisance of this fundamental significant knowledge gaps the 1991 LBRN which was reserved 1995 (due to a GCC error) is both extant and defines what is required as of Feb 2002 GCC correspondence and legally non variable as per GCC correspondence May 2005 and March 2009. *You may be aware that there was a potentially fatal building collapse in the City Centre in October 2001 "The general condition of the building overall is much deteriorated and an immediate cause of concern. This situation will only worsen if the full repairs package as per the terms of the extant Listed Building Repairs Notice, are not effected before the onset of the next winter* the legally non variable LBRN states "*stabilise all elements of the supporting* (whole) *structure*" So again why was this crucial information not taken full cognisance of by GCC let's say 2019-2026. The essence of this advice has been front and centre of what TMP/Add Cons reinforced 2000-2019 and WRD/TMP 2019-2025

Any income from the advertising hoarding on the scaffolding (which is in place illegally and must be removed **rescinded Aug 2023**) should be ignored. **But given approved building/construction works are required then the benchmark for re-approval may now be met? Also this has to be factored in**

Onerous Financial Costs of Protecting Public Safety for 17 years

USP's asset value declined from circa £3M to negative- £15M due to public sector incompetence

- **Scaffolding is protecting public safety and costs £50k p.a.**
- **£700k has been spent on Scaffolding / Electricity since 2008 an**
- **USP has lost circa £1.6M in Rental income due to the presence of the Scaffolding.**
- **Over the period £1.5M of Ad Hoarding income came in, so overall down £800k!**
- **GCC has cut the USP/USI working capital budget by £300k since Aug 2023 and currently remains to be convinced that the budget should be restored.**
- **This was despite USP claiming the Scaffolding was needed to protect public safety, which GCC stated was not accurate. Well now we have GCC's on record earlier assessments?**
- **The Scaffolding costs cannot be maintained indefinitely by a commercial company, which in 27 years has not had 1 penny of grant support. And demolition is now a live option unless working capital can sourced.**

In arriving at my opinion of value, I have initially considered the ground floor retail units and upper floors as if they were two separate entities. I have adopted the floor areas outlined at 3.5 above. These total 1,429.46 sq m (15,385 sq ft) across the 4 retail units with Reduced Floor Areas (used for analysing retail rents on a zoned basis) totalling 502.73 sq m (5,411 sq ft). The upper floors total 3,236 sq m (34,833 sq ft).

Ground Floor and Basement

The actual rents received by the Owner for the four retail units are unknown, as are details of the occupational agreements (circa £50k with £40k spent protecting public safety with £700k spent since 2009 doing this, which to the chagrin of the owners GCC does not recognise). Information from the Scottish Assessor's website indicates that all four units are occupied as follows: The tenants of 96 Union Street and 100 Union Street appear to have taken occupation since my previous 2024 report was provided. I cannot find any published information relating to these lettings and there is very little new information arising from elsewhere in Union Street.

A letting at 39-45 Union Street was achieved in March 2025 for 4,332 sq ft of ground floor and basement accommodation at an asking rent equating to c.£28 psf ITZA. Full details are confidential, however, in line with more historic lettings in Union Street, I would expect the achieved rent to substantially less than the asking rent. **No argument from USP as Rents down 80% from 2008.**

However this takes no cognisance of future valuation uplift via Golden Z/City Avenues Project or even the potential game changing/ transformative Mackintosh-Thomson Mews ***http://www.egyptianhalls.co.uk/opportunity.html***

But as we believe 99.99% Ediston and GCC are eyeing this potential opportunity for themselves after being briefed on it by USP. And given an outline joint feasibility study was "agreed" Spring 2023 but was then cancelled summarily by Ediston/GCC – on record

Given the general perception that the subject building has an uncertain future, coupled with the presence of the scaffolding across the frontage, it is my opinion that few if any prospective tenants would want to occupy the units at prevailing levels of rent in the vicinity and I assume that the current tenants occupy by way of either short term agreements – perhaps on a month to month or quarter to quarter basis – or they are holding over on expired leases now proceeding on a yearly basis under tacit relocation. In terms of rental value, I have applied a Zone A rate of £20 psf to the RFAs to give a total rental value of £108,220 per annum (equating just £7 psf overall). This essentially mirrors the 2023 Rateable Values totalling £107,500 per annum.

The apportionment of 68.3% for the DBN or LBRN is wrong and should be 100% as per 2017 Deed of Conditions.

I have thereafter capitalised the rent at a rate of 25% or a multiplier of 4 to give an investment value of £432,880 but say £435,000 (equating to c.£28 psf overall). Prime retail yields in Glasgow currently stand at around 6.5% and a yield of 25% reflects both an extremely risky income stream and the fact that Union Street remains a secondary retail location.
That said, there is no real reason to assume that the Tenants have any intention of vacating the units provided the rent is fair and the building does not deteriorate to a point that the retail accommodation is compromised. **If the Scaffolding is removed prematurely therefore creating a significantly increased public safety risk then the units would very likely have to close.**

Upper Floors

The upper floors extend to 34,833 sq ft and have no potential for occupation in their current condition. Residual valuations of the upper floors for any use are mathematically negative **(fundamental error or inability to understand the Deed of Conditions, separate ownership, which apportions Repairs by current Rateable Value and since 1st Jan 2018 that has been combined Ground Floor (4 separate listings) 100% and Upper Floors (1 listing) ZERO%** and if acquiring the entire building, I am of the view that the majority of purchasers would ascribe no value to the upper floors. **Another fundamental misformed assumption as who would be acquiring the entire building given the separate ownership requires separate offers for legally separate title deeds with relevant repairs obligations and causal valuations. In a nutshell the DV is apportioning by error 31.7% of LBRN costs to the Upper Floors. When in fact that should be ZERO% as per 2017 Deed of Conditions**.

The DV also has assumed New Build is not an option given it's not referenced- WHY? As is of course the Tall Buildings Initiative. Can't be a fully independent report if all options are not considered given there is on record proof stating the Upper Floors have been viable since 2010. And one conjecture Why New Build option is not considered? Especially given the HES SHEP Tests are met unequivocally if USI applied! And also If USP applied! And also if USD applied on behalf of the Standard Security holders for the entire building . Also; fails to factor in separate ownership, history since 2009 of surplus/ positive value from FIVE independent Chartered Surveyors

However, given the separate ownership (**knowledge gaps to the fore here**), I have assumed that a speculator might be prepared to pay something for a future opportunity. **massively inaccurate because the DV fails to factor in correct RV's, the Tall Buildings Initiative founded upon agreed use by the owners of the Deed of Conditions**

I have therefore applied a di minimis capital value of £5 per sq ft for a capital value of £174,166 but say £175,000 **Needs reviewed fundamentally using proven separate ownership of Ground and Upper Floors, applicability of Deed of Conditions, Conservation Bond as per Thorntons Nov 2019 letter, Defective Notice charging clarification and Mackintosh- Thomson Mews *http://www.egyptianhalls.co.uk/index.html#content5-bd* And now the Tall Buildings Initiative, *Glasgow is unique among Scottish cities in having the scope to build upwards, building towards the kind of city centre population density that's commonplace in European cities.* Councillor Ruairi Kelly, Convener for Development, added, *"Tall buildings will play a significant role in our ambition to grow the city centre population and encouraging major construction projects will be a boost for the local economy and employment."* *https://www.heraldscotland.com/news/25212372.major-changes-glasgow-skyline-horizon-new-policy-agreed/?ref=ebbn&nid=1388&u=dd4cdf1fd1f802e39820d1128c5e9230&date=030625/***

Market Value

On the above basis, the building has a total value of ££610,000. From this I would deduct LBTT at £19,000 and selling costs including VAT, say 1.8% or £10,980 to reach a Market Value of £580,000 before any consideration of compliance with the Defective Building Notice. Compliance with a Defective Building Notice would reduce this value. **See earlier comment Upper Floors value unaffected by this**

In 2016, GCC estimated the cost of the Defective Building Notice works - essentially safety compliance works relating to the facade - to be in the region of £150,000 **TMP estimated these works to be circa £4.2M as of Aug 2022 in a submission to GCC DRS, which appears to have gone astray until Jan 2025 but is still being ignored completely by GCC and of course not briefed onto the DV.**

And of course GCC cut the working capital budget for let's never forget a non-viable project; inflexible public sector trumps proven private sector expenditure requirements yet again from 1998 to currently in 2025; an astonishing 27 years. But who cares in the public sector when it can fabricate a case to blame the private sector and there's no objective assessment of this decision making process. Hence why a PLI would be welcomed with open arms by both USP and USI and the core investors/ standard security holders.

The BCIS All-in Tender Price Index shows an increase in build costs of c.46% between 1Q2016 and 2Q2025. **According to Hardies Cost Consultants (see App F) discharging the legally non variable LBRN could be £20M+.**

And that would be revised upwards due to significant estimated costs to somehow maintain the current cast iron structure given TMP and WRD and Narro Associates all state the floors/slabs require strengthening.

Further USP argue strongly this deterioration was identified way back between 1980-1995 as per the Buildings at Risk Register: hence why 30 years later the building's very future is massively uncertain, and these defects are only a partial attempt to reconcile a building defined as being "*structurally unpredictable and prone to a trigger event, which could cause progressive collapse"*

This would inflate the £150,000 figure to c.£220,000 however I would adopt a figure of £250,000 to allow for additional costs since that time (equivalent to an added contingency allowance of c.13.5%). Deducting this from £610,000 and allowing for LBTT and selling costs results in a Market Value of **£350,000 (Three Hundred and Fifty Thousand Pounds)** as of 9 July 2025. **See above**

This value equates to just under £7.00 psf overall and is the same value reported in 2024.
Valuation 2 - Compulsory Purchase

Section 188 of the Town and Country Planning (Scotland) Act 1997 gives Local Authorities the power to acquire land needed for a legitimate planning purpose by agreement. However, where land cannot be acquired by agreement, Section 189 of the Act allows for land to be compulsorily acquired. Section 189 states: *A Local Authority shall, on being authorised to do so by the Secretary of State, have power to acquire compulsorily any land in their area which: is suitable for and is required in order to secure the carrying out of development, redevelopment or improvement. is required for a purpose which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated.*

The purpose (a) above allows the Local Authority to exercise compulsory purchase powers to assemble a site. In deciding whether land is suitable for development, and therefore compulsory purchase, a Local Authority and Scottish Ministers must consider the following, as set out in Part 2 of Section 189 of the 1997 Act: *A Local Authority and the Secretary of State in considering for the purposes of Subsection (1) (a) whether land is suitable for development, redevelopment or improvement shall have regard* to: The provisions of the development plan, so far as material. Whether planning permission for any development on the land is in force. *Any other considerations which would be material for the purpose of determining an application for planning permission for development on the land.*

A germane indication of the conflicted, challenging position the Egyptian Halls finds itself in when its future could and should have been secured 25 years ago. Given Scotland's then First Minister took a direct interest and was not informed accurately of why the scheme was being delayed and the true position was withheld. Neither were GCC Councillors disclosed the true position especially Dec 2002 Econ Dev Committee Report. Neither GCC or HES/GDA should be held solely accountable for the combined public sector errors on record since 1998 and were submerged instead of being reconciled USP and USI do again reinforce here their own willingness to explore reconciliation options now; mediation, arbitration (advisory or binding) as opposed to all parties enduring another five years or more of legal and political impasse. See prima facie evidence of public sector errors, non-disclosure, pre-mediated obfuscation.

http://www.egyptianhalls.co.uk/assets/files/CPO-ReviewResponseDoc.pdf

http://www.egyptianhalls.co.uk/assets/files/SlicingTheGordianKnot.pdf

The amount of compensation due to the **joint** Owners under a compulsory purchase scenario would be the same as the value under Valuation 1 with additions to reflect that the **joint** Owner**s** would also be entitled to reinvestment costs to purchase another investment of a similar value to the one compulsorily taken - as long as this is incurred within one year of the date of vesting. This would typically relate to Land and Buildings Transaction Tax (LBTT) and the purchase costs associated with the new property such as legal and agent's fees. **To be reassessed after current and applicable Deed of Conditions apportionment based on Rateable Values since 2018 is factored in. And separate ownership is respected and taken full cognisance of. See also Site Acquisiton/ Development Summary at App H founded upon Page 9 Prima facie proof of GCC'S unstinting, non-facilitated praise of USP.**

Again, under a compulsory purchase scenario, the claimant would have the right to be represented during negotiations. Revised guidance for reimbursement of surveyor's fees for Compulsory Purchase work now reflects a move away from Ryde's Scale to a quantum meruit (diary) basis. The specialised nature of the interest and the potential development options could justify an hourly rate of £200 or more for a specialist surveyor. In view of the history and each side's likely view on value, I would anticipate lengthy negotiations and have allowed a spot figure of £25,000 for surveyor's fees. In addition to a surveyor, the claimant could use other professionals such as a planning expert and / or a building surveyor to challenge the Council's opinion on refurbishment costs etc. I have allowed a further spot figure of £35,000 to cover these additional professional fees.

On this basis I estimate that the total figure under a compulsory purchase scenario would be in the region of **£425,000 (Four Hundred and Twenty-Five Thousand Pounds)**, as of 9 July 2025, as shown in the table below. **To be reassessed after current and applicable Deed of Conditions apportionment based on Rateable Values since 2018 is factored in. And separate ownership is respected and taken full cognisance of.**

RICS Standard Practice – The following general guidelines are adhered to as follows:

Title deeds: For residential properties in Scotland, particularly common tenement buildings, the title deeds specify the owners' responsibilities for common repairs and the formula for apportioning costs **(the Egyptian Halls is in effect a Tenement Building**.) A **RICS Red Book valuation** report may reference title deeds to assess how repair obligations are apportioned, but this is a complex issue often clarified by specific legal documents like a lease. While the Red Book itself is a set of global valuation standards, a valuer will investigate legal and title issues, including the lease, to identify any constraints or obligations that affect value and a property's condition, and this includes repair responsibilities.

How title deeds and the Red Book relate to repairs

- **Valuation focus:** A Red Book valuation report is primarily an opinion of a property's market value and condition, not a detailed building survey. **However, a valuer will identify any legal issues that could impact this value.** Separate ownership, separate Repairs Apportionment, legally non-variable LBRN discharge, and the 2008 Conservation Burden all missing from DV Reports.
- **Title deed investigation:** A key part of the valuation process **is reviewing title documents**, which **can include details on who is responsible for what repairs**. Uses wrong Deed of Conditions
- **Apportionment clarification:** For properties with a lease, the lease document is the primary source for determining repair responsibilities. The title deeds will also confirm the lease terms. No attempt to assess leases 2016-2026 and counting
- A valuer will use these documents to understand if responsibility is shared or if one party is solely responsible for certain repairs. DV does this but does not use the current Deed of Conditions that's referenced within the title Deeds for 84, 88, 96, 100 Union Street (Ground Floor) and 92 Union Street- (Upper Floors)
- **Impact on value: The extent and cost of repairs, and who is responsible for them, directly impacts the property's value.** If a leaseholder is responsible for a large and costly repair, this could affect the property's market value. Agreed Ground Floor due 100% and Upper Floors due ZERO% as Deed of Conditions and Dev Apps 2018-2020

Key Fundamental not actioned – WHY? An RICS valuer will check title deeds and lease documents as part of the valuation process to identify any repair obligations. We do not know which documents the DVs were briefed on, but as Mr Gerber stated in an email to GCC on Tuesday 21st Oct, *"To summarise, GCC*

Relevant Commentary – Deed of Conditions

Deed of Conditions Clarification shared with GCC 21st Oct 2025 – Ken Gerber/Mitchells Roberton

If one were to download the title sheets for the constituent parts of the building, they would see that these do not make any reference to the 2008 Deed of Conditions, but they do contain the current and valid 2017 Deed of Conditions. My clients tell me they have been informed via GCC DRS that the District Valuer believes he can make certain assumptions; however, the use of Rateable Values is founded upon the use of current Rateable Values (2017 onwards), and my clients have pointed out that such is actually not an assumption but is the accepted manner of proceeding as decided and as recorded on file via the Scottish Assessors website based on Rateable Values assessed and calculated by your Council or your Council's appointed Valuation Board

Deed of Conditions Clarification NOW shared with GCC from Ken Gerber/A.Strathern May 2021

There have been any instances of people seeking to challenge a registered deed of conditions or other deed imposing title conditions, or to have its terms varied by the Lands Tribunal – invariably a challenge would be by an existing or new owner of part of the larger entity that is affected by the deed of conditions. Given the only parties burdened by the two deeds in question in your case are USP & USI it is difficult to see any problem on this front.

Valuation 2 - Compulsory Purchase Claim

Value Market Value£350,000
Add Claimant's surveyor's fees£25,000
Claimant's other professional fees£35,000
Add Reinvestments costs on MVLBTT on MV£6,500
Acquisition agent 1.00% Legals 0.50%VAT on fees 0.30%1.80% £6,300
Total £422,800 But say £425,000

It should be noted that the valuation assumes that the existing Tenants do not have any interests attracting compensation. **TBCF**

4.4 Valuation 3 - Favourable Opportunity

Re Lands Tribunal reference USP been there 2005-2008 when it pulled GCC out of the massive compensation hole it had got itself into when £10k pre CPO Amendment became £2M due to CPO Amendment's never, ever predicted consequences causing a 12 year delay.

And for the benefit of the DV (and GCC DRS/Legal) In 2008 USP's lawyers in conjunction with GCC modernised the Deed of Conditions and produced the 2008 iteration, which apportioned Repairs as 100% due to USP but also had fixed RV's at 68.3% and 31.7%. USP then transferred the Upper Floors to USI to allow it to become an SPV to facilitate a hotel operator. Then came 2017 changes and means RV's can now vary from time to time.

It is relevant to clarify that from 1927 to 2009 the Deed of Conditions used the Rateable Values decided by each Rating Revaluation exercise every 5 years. In 2009 these were fixed. However mid 2017 due to Rateable valuation changes and the need to modernise the actual Document one of many changes GCC DRS asked to be considered was to move back to a process that reflected overall High Street conditions so 68/3% Ground Floor and 31.7% Upper Floors would then have become 55% and 45% respectively. However Jan 2018 GCC NDR (independently of GCC DRS and USP and USI) after a detailed inspection reduced the then NINE combined Rateable Values from to ZERO; so when apportioning Repairs 45% became ZERO%

GCC could consider purchase by CPO per valuation 2, however this adds a number of complications. First, any purchase by CPO would mean that GCC would have to openly declare its interest and proposals for the building which could result in objections, delays and costs if there were to be a Public Local Inquiry (PLI).

The advantage of negotiating with the Owner on a voluntary basis is that any agreement / payment can be made conditional upon GCC having a back-to-back deal to sell on to a third party, with no option to purchase fee to be paid **For the record USP has been seeking this since 2002 – *http://www.egyptianhalls.co.uk/assets/files/CPO-ReviewResponseDoc.pdf***

It also avoids the risk of a Blight Notice being served on the Acquiring Authority, so there is no risk to GCC. The approach to this valuation is to use the total cost under Valuation 2 of £425,000 and then factor in the potential savings or advantages of a voluntary agreement that avoids a CPO. Compulsory purchase can be expensive and time consuming, particularly if there is a PLI.

I do not have any specific cost estimates from GCC relating to a potential CPO; however DVS has been involved with other cases where we have had to estimate the potential costs or savings if a CPO can be avoided. I understand that GCC are willing to reach a voluntary agreement with the Owner on the basis that there will be a back-to-back deal with a 3rd party is in place. This essentially assumes that the back-to-back purchaser has access to both development finance and potential sources of additional grant funding required to refurbish the building **What a statement given the previously denied grant funding to USP is now potentially/ probably/definitely available! Surely not? If so that would be prima facie proof of bias and discrimination or just "systemic unreasonable behaviour". Let's NEVER forget GCC and HES combined to torpedo the 2014-2015 HLF Application. As bizarre a combination as one could conjecture given they scuppered a £5M GRANT option (App G)**

On this basis I estimate that the value under a favourable opportunity scenario would be in the region of **£550,000 (Five Hundred and Thirty-Five Thousand Pounds)** as of 9 July 2025 shown in the table below. **To be reassessed after current and applicable Deed of Conditions apportionment based on Rateable Values since 2018 is factored in. And separate ownership is respected and taken full cognisance of.**

Valuation 3 - Favourable Opportunity CPO
claim value £425,000 Add Saving on CPO promotion £35,000
Saving on cost of Public Local Inquiry £35,000
Saving on GCC staff time (CPO/PLI) £30,000 £17,500 Total £542,500
But say £550,000

This figure is slightly above the value reported in 2024. **To be reassessed after current and applicable Deed of Conditions apportionment based on Rateable Values since 2018 is factored in. And separate ownership is respected and taken full cognisance of. Also Tall Buildings development opportunities are assessed and which are of course Upper Floors only, but GCC was offered 2012 a merged title. And 2019 onwards but now of the table given the degree of non-collaboration this report references. And whether this meets the benchmark for duplicity is open to assessment**

There is the risk, in the event of disagreement over value under a CPO **To be reassessed after current and applicable Deed of Conditions apportionment based on Rateable Values since 2018 is factored in. And separate ownership is respected and taken full cognisance of. i.e. Upper Floors pays ZERO % for Repairs whether LBRN or Defective Notice moves circa £7-£10M of costs from the Upper Floors to the Ground Floor titles. USP with the greatest of reluctance but with the same respect for commercial property law has to accept this. The challenge is GCC and HES which have no locus over the Deed of Conditions refuse to accept Commercial Property Law despite GCC using the Deed of Conditions for the 2006-2008 Lands Tribunal)**, that the case could be referred to the Lands Tribunal for Scotland)**Were there 2005-2008 GCC used the Deed of Conditions – all reports available by request??** If both parties have vastly differing opinions on the compensation, both parties therefore bear the risk of costs being awarded against them at the Tribunal if their valuation approach is shown to be unreasonable. **As perplexing and untenable a comment if the DV had been briefed objectively.**

I have not factored in an additional cost to cover this eventuality on the assumption that our valuation approach is reasonable. **To be reviewed in light of application of the following**

There is evidently some risk here, but based on present information, there is no reason to assume that the Council or its agents have been unreasonable. **If GCC's current use of obsolete Rateable Values continue they'll face massive costs and causal compensation claims. And see App I for prima facie proof of the scale, detail and longevity of GCC and GDA/HES/Scot Govt "unreasonable" actions and activities, see App I**

4.5 Valuation Summary

Market Value £350,000 (Three Hundred and Fifty Thousand Pounds)
Compulsory Purchase £425,000 (Four Hundred and Twenty-Five Thousand Pounds) Favourable Opportunity £550,000 (Five Hundred and Fifty Thousand Pounds)

To be reassessed after current and applicable Deed of Conditions apportionment based on Rateable Values since 2018 is factored in. And separate ownership is respected and taken full cognisance of.

4.6 Conclusion In 2019, I reported that there was no positive residual value for any of the scenarios assumed for the refurbishment and re-use of Egyptian Halls **Again called into doubt and requires to be proven as being the case given the on record valuations by leading Chartered Surveyors since 2010 (App E) see also next paragraph, but we now know it's been valued as single title when the Upper Floor title is owned by USI. And the Ground Floor titles are owned by USP Ltd**.

The appraisals undertaken at that time assumed traditional development finance to demonstrate that none of the scenarios were viable and that additional grant funding was required to ensure the future of the building .

To repeat this has been stated and stated and stated since 2008. And to repeat again since 2010 the separate Upper Floors has always had a development surplus then £1.6M, n 2012 and 2014 and 2016 then £2M and in 2019 circa £6M all calculated by leading firms of Chartered Surveyors; Chesterton, Driver Jonas, Knight Frank, Andrew Oswald and latterly Shepherds.

It's well worth reinforcing Dec 1999 the Ground Floor properties were valued at circa £3M before grant rescindments and non-disclosed legal breaches caused massive scheme delivery delays due the 1996 CPO malfunctioning due to unilaterally imposed, legally irreversible minor CPO Amendment, which The condition of the building has not deteriorated significantly since 2019 **(just check the actual state 1980-2019 a very misleading claim indeed)**, however, build costs have increased and the refurbishment of the building remains unviable. **Yes for the Ground Floor properties but not the Upper Floor property. Also New Build would certainly be viable**

<u>Proven Non Viability- 25 years ago and counting</u>

- **1997 £1.335M Grant funding awarded (£1M HS, £245 GDA,£100k GCC)**
- **Sept 2000: Buildings at Risk Register states *Scottish Enterprise has withdrawn its offer of grant aid and Historic Scotland has reduced its, the project is unlikely to proceed***
- **April 2003: E.times article briefed by GCC DRS *"The CPO process adopted by the Council in this case involves compensation being determined before the Council can gain a satisfactory title for onward disposal. there is potential for significant delay in a being available for Union Steet. I can understand the frustration expressed by Mr Souter The resolution is not straight forward.***
- **Jun 2010: GCC Econ Dev Report states "*There is therefore no prospect of the project proceeding without external funding support.*"**
- **Aug 2010: HS Head of Grants Martin Fairley - *"However, I have made my position clear the project as it stands is it's non -viable"*.**

It remains the case that bank funding for any refurbishment proposals would not be forthcoming until additional funding is secured from other sources. Similarly grant funders such as Historic Environment Scotland or Heritage Lottery Fund are unlikely to commit to any funding until it is demonstrated that the full amount of the funding required from sources other than themselves is in place. **Remarkably to this day one cannot fathom why GCC failed to deliver it's "promised "pre-application 2012-2013 scheme funding (independent evidence on file).**

And to repeat the scandalous duplicity when GCC and HES decided to meet the HLF separately to inform them the 2014-2015 £5M grant application by (EHBPT) Ltd would not be supported by either GCC or HES or Scottish Government for the foreseeable future (App G). Perplexing, dispiriting; the essence of cutting one's nose to spite one's face then and even more so today.

Given the recent history of Egyptian Halls, it is unlikely that the current Owner (**AGAIN TO REPEAT IT'S CO-OWNED**) will ever be able broker a deal that will allow the required dual funding streams to be put in place **This is highly subjective and is detailed from a DV with very limited background knowledge. And for the DV's benefit this was caused by public sector legal and grant funding issues reinforced by a signal lack of joined up government e.g. the 1996 CPO was underpinned by £1.335M of grant funding GDA (£245k), GCC (£100k) and HES (£1M). The 1st scheme approval was held up by an appeal by the former owners, which (see earlier) USP reconciled. And then became GCC's partners and produced the brilliant, praised 100% Conservation scheme, which was then derailed by grant rescindments and then GCC's never disclosed for 16 years CPO Amendment which had caused a 12 year scheme delay. And then GCC derailed the 2013 approval by not providing its agreed pre-application gap funding. He has really no idea of the USP and USI contribution or indeed GCC's lavish praise of USP. Or indeed what actually caused FOUR approved schemes to fail. And of course zero support from a then SNP Govt with limited traction in Glasgow hence this quote is so prescient**

"If the Egyptian Halls were in Edinburgh, would they be in this condition? Specific buildings, this being one of them, should be better protected by the Scot Govt, and the responsibility should not just be at the feet of Glasgow City Council. Look at the Scottish Government's approach to the burnt-out Glasgow School of Art Mackintosh Building. They rejected their own committee report that recommended a public inquiry into the fires. Probably because at the root of most built heritage drama is government ineptitude. What would they do if Edinburgh Castle burnt down, I wonder? Would the Mack be back in business if it was in the capital?" **Marissa MacWhirter, Jan 2025**

There of course is the New Build Route that obviates the requirement for Grant Funding again see earlier for WRD 1 Dec 2019 Development Options Summary

GCC has the power to acquire the building - on the assumption that a back-to-back deal is place **(this assumption requires significant re-evaluation) given the likely value that would be calculated for the Upper Floors (+ 2,4, 6, 8, 10 storeys) and the compensation claim for the USP Ground Floor founded upon public sector errors, mistakes, non-disclosure** - using either Compulsory Purchase powers or a negotiated settlement as outlined above, albeit that the **JOINT** Owner's (**separate titles**) view on value, including the potential recoupment of historic costs and / or the forfeiture of potential future development profit, may prove problematic.

USP is 100% confident their envisaged Lands Tribunal submission would find traction given that in 1999 the Ground Floor properties were worth near £3M and projected to increase to near £4M on completion of the approved Year 2000 scheme. And this belief is further reinforced by the following from April 2003 ***The CPO process adopted by the Council in this case involves compensation being determined before the Council can gain a satisfactory title for onward disposal. there is potential for significant delay in a being available for Union Steet. I can understand the frustration expressed by Mr Souter The resolution is not straight forward.***

Prima facie proof of GCC'S unstinting, non-facilitated praise of USP the DV is unaware of

June 2004 GCC Econ Dev Report

- **USD re-secured the grant funding from Historic Scotland which had reduced the offer of grant for the scheme from £990,000 to £250,000.**
- **Union Street Properties negotiated the grant offered back up to £930,000 for the scheme.**
- **USD also brought about the withdrawal of the objection to the promulgation of the CPO by the upper floor proprietor of the building".**

July 2010 GCC wrote to Culture Minister Hyslop as follows: "*As you may know the Council has been working with USP Properties, the owners of the magnificent grade A listed Egyptian Halls building in Union Street Glasgow for many years in order to help them bring the building into a single ownership and, having achieved this, to bring forward suitable proposals for the refurbishment of the building for an appropriate productive use. A considerable amount of correspondence and many meetings, over a prolonged period of time, have already taken place between the developer and his agents, the City Council and Historic Scotland, and the developer has committed very significant expenditure on bringing the building into a single ownership, on preparing a range of technical and conservation studies, and in completing both option and development appraisals for a variety of potential end uses. We have now reached a very critical stage in these discussions whereby there is a clear, but very time limited, opportunity to secure the development. The challenges to do so remain formidable. The Council is now extremely concerned that this development may not proceed for a number of reasons including: The likelihood that the failure to fill the current funding gap will almost certainly mean the prospect of securing the development in the foreseeable future would be lost."* And whose fault was that? In chronological order, it is a) GDA, Historic Scotland and GCC (see App G and I)

May 2013 Another very positive GCC compliment this time from then GCC Leader Matheson; wonder how many more to uncover? Certainly adds to the story of commitment and investment by the core investors "*Dear Mr Souter Thank you for your kind invitation to visit the Egyptian Halls. I have been kept fully informed of your progress so far and I am delighted that your team has now secured Planning Permission and Listed Building Consent as the next milestone in your plans to redevelop the building. Officers from the Council have visited this building on many occasions as have those from Historic Scotland, and I have been briefed by them on the work you have done. Unfortunately, I'm unable to attend a tour at this point but I look forward to your team bringing the building back into a viable new use, which I'm sure, will complement Union Street and the surrounding area*" Councillor Gordon Matheson Leader of the Council

Q? How in 2025 can a 45 year delay be blamed on USP and USI?

GCC surely requires to explain why and if not a Review should be instructed by the First Minister given GCC failed to disclose the true position when asked May-June 2004 *http://www.egyptianhalls.co.uk/CPO Title Transfer Delay-Inadvertent Misrepresentation Document.pdf*

Comparable Evidence

Below I have outlined a limited number of transactions relating to period properties marketed with vacant possession. Although historic, these sales demonstrate the low capital values per square foot achieved for properties with limited market appeal or marginal development viability.

Given the known massive non viability It's very surprising that this section does not reference this? However we have not been disclosed the GCBPT – DV 2024 Report, which 99% sure details the very likely probability of significant grant funding for the "correct applicant".

1) the 14 storey-197 2 bed PBSA scheme just 250M away. Perhaps the DV was unaware of this potential, which we're delighted to brief him on as follows *A planning application to transform the Archaos site at 21-41 Queen Street has been approved by council officials. Plans outline that the existing structure will be pulled down with only the facade remaining and a 14-storey building will be constructed behind it. It will be home to a 197-bed student accommodation block with associated facilities and a retail unit on the ground floor.*

2) *https://www.glasgowlive.co.uk/news/glasgow-news/ms-sauchiehall-street-demolished-replaced-2816*

A former Marks & Spencer store is to be demolished in Sauchiehall Street to make way for student homes and shops to be built. The facade of the previous M&S unlisted 1935 building, which has been empty since April 2022 is to be retained. The building will be five and eight storeys facing onto Sauchiehall Street. On Renfrew Street the property would reach 11 and 18 storeys.

Now an Egyptian Halls facade retention scheme would create 5 floors so similar 14 or even 15 storeys for the USI owned Upper Floors. And given the June announcement of the Tall Buildings initiative then this is a very deliverable opportunity.

So if we assess from 4 to 14 storeys. Then dependent on end use e.g. BTR then potentially can create £600k additional value per floor =£6M. Added to the £6M already calculated makes the separately owned Upper Floors very valuable and a pivotal contributor to any project;

Note for Facade Retention grant funding required but for New Build no Grant funding is required as per WRD 1 Dec 2019 covering letter; GCC have failed to engage on these options signally. And one must now ask why the District Valuer has not factored in the massive latent potential of the Tall Buildings initiative given both the Queen Street Project same and the Egyptian Halls are located in the Central Conservation area.

And it's also realised that any higher than 2 or 3 storeys does not fit remotely with the Central Conservation area but this issue of massive non viability has to be reconciled. Especially when the DV's assessment is founded upon the signally misformed belief "minimal structural alteration" can be achieved, when that's now impossible but could have been achieved via the approved Year 2000 "brilliant" 100% Conservation scheme

Note GCC/HES refused demolition citing non viability in 2010 and also refused to engage when requested Feb 2016 and April 2019 (on file). Now in 2025 it meets the criteria for USI- Upper Floors, USP- Ground Floor and merged single title building

Plus there is the game changer that would be Mackintosh-Thomson Mews, which is being worked upon for a Pre-App as a pre-cursor to a FIFTH Planning Application- Mackintosh-Thomson Mews *http://www.egyptianhalls.co.uk/index.html#content5-bd*

<u>The Legacy</u> (we all have to reconcile via collaboration and negotiation)

There is unequivocal proof the scheme has been delayed since Year 2000 due to causal legal, grant funding and non-viability issues, which combined to prevent any scheme from being delivered 1997, 2000, 2005 and 2013. And since 2000 there have been difficult choices sidelined, missed opportunities, failures to deliver joined up government, inadvertent misrepresentation. There are very challenging decisions ahead if the building is to be saved, no interest from private sector investors and developers due to known and proven non viability. This project had approved grant funding in 1997 of £1.5M. What public sector interventions it needs now would be quantified by the Feasibility Study. Hence, we arrive at the final decision process.

The envisaged end uses are (tbcf)

Upper Floors

- **PBSA**
- **BTR**
- **Office / Apart Hotel**
- **Others TBCF**

Ground Floor and basements

- **Leisure/ Work Hub – Food/Beverage option**

Scope

- **Egyptian Halls only – Façade Retention or New Build (Façade Retention is the least non-viable of the massively non-viable options(**
- **Mack- Thom Mews- Façade Retention E.Halls + rest is new Build or all New Build**

14 storeys = 308 Rooms = 308 Rooms 616 Rooms

17 storeys = 374 Rooms = 374 Rooma 748 Rooms

Assumes Façade Retention affords extra floor an increase from four to five floors

It could then be a 700- 800 Rooms project and end uses could be combinations of e.g.

- **Student living options; mix of 3 bed and 2 bed and studios**
- **Buy to Rent; mix of 3 bed and 2 bed and studios**
- **Apart Hotel; mix of 3 bed and 2 bed and studios**
- **Grade A Office**

E-Halls – Upper Floors
NCP Mitchell Street- Combined

9 storeys = 198 Rooms = 198 Rooms 396 Rooms
And to repeat we know 197 x 2 bed PBSA has been approved on Queen Street (300M away)

https://www.glasgowtimes.co.uk/news/scottish-news/24564647.former-glasgow-nightclub-will-replaced-1970-student-flats/
Combined Ground Floors- both sites

- **Circa 15,000 sq feet - combined Ground Floors**
- **Circa 15,000 sq feet – combined Basements**
- **And akin to Social Hub- Candleriggs as follows with a Gourmet Food Market concept**

https://www.thesocialhub.co/glasgow/eat-and-drink/?&msclkid=8bd1b531ff6913951037dd4bfd66d212&utm_source=bing&utm_medium=cpc&utm_campaign=Glasgow%20%7C%20Brand%20%7C%20Non%20Local%20%7C%20EN&utm_term=social%20hub%20glasgow&utm_content=Branded%20%7C%20Glasg

Egyptian Halls/ NCP Integration- creates Mackintosh-Thomson Mews

Ultimately the inclusion of the NCP creates a destination scheme which relies on nothing, if you can secure planning for the bigger scheme it defines the pitch and will change shopping in Glasgow. Anything else will leave the market to dictate the success. **Leading Developer who wishes to remain anonymous.**

I think the NCP scheme will reduce the voids, increase the rents in Union St as it will be the prime pitch and a lot of people would value higher to reflect the new shopping pitch. But to quantify in monetary terms is impossible at this stage. **Donaldson Surveyors Dec 2012**

4.9 VAT

I understand that VAT does not apply, and our opinion of value reflects this. In the event that my understanding is found to be inaccurate, my valuation should be referred back for reconsideration. **Both USP and USI are VAT registered so VAT would be paid should an agreement be reached**

4.10 Costs of Sale or Acquisition and Taxation
I have assumed that each party to any proposed transaction would bear their own proper legal costs and surveyor's fees. No allowance has been made for liability for taxation, whether actual or notional, that may arise on disposal.

5. General Information

5.1 Status of Valuer

The valuation has been carried out by Andrew Putland BArch DipSurv MRICS, Principal Surveyor and RICS Registered Valuer, acting in the capacity of external valuer with the appropriate knowledge and skills and understanding necessary to undertake the valuations competently, and who are in a position to provide an objective and unbiased valuation. The valuation and report have been reviewed by James Martin MRICS, Principal Surveyor and RICS Registered Valuer.

5.2 Conflict of Interest

Checks have been undertaken in accordance with the requirements of the RICS standards and have revealed no conflict of interest. I confirm that DVS has previously provided valuation advice to GCC with regard to the subjects in 2016 and 2019. An additional report was provided to the GBPT (facilitated by and shared with GCC) in 2024.

Copies of these reports are requested to assess for approach, assumptions made and consistency of application; the belief a report commissioned by GCBPT and shared with GCC, which we surmise GCC founded upon relating to their claim that USP and USI refused an offer at above independent valuation requires objective assessment.

5.3 Restrictions on Disclosure and Publication

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

5.4 Limits or Exclusions of Liability

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

5.5 Validity

This report remains valid for 6 (six) months from its date unless market circumstances change or further or better information comes to light, which would cause me to revise my opinion.

One requests that these FACTS are assessed and relevant amendments made

- **It's believed 100% that the correct Deed of Conditions has not been referred to and this has consequences**
- **Given historical, now obsolete RV's have been used instead of the current RV's that have for the record been on the Assessors list since Dec 2017**
- **Given there is no reference to the legally binding Conservation Burden e.g. USP has 100% Repairs/LBRN Liability**
- **Given the allocation of Repair costs at 68.3%/31.7% requires to be amended to 100% and Zero%, see attached**
- **Given there is no reference to the legally binding Conservation Burden e.g. USP has 100% Repairs/LBRN Liability**
- **Given the building's separate ownership has not been factored in**
- **Given The Tall Buildings initiative offers the potential to create significant valuation uplift but currently it's 100% to the Upper Floors has not been included;**
- **GCC's 2002 LBRN discharge advice has not been factored in.**
- **The fact the 1991 LBRN has extant status and is legally non variable has not been briefed by GCC**
-

I trust that the above report is satisfactory for your purposes. However, should you require clarification of any point do not hesitate to contact me further. Andrew Putland BArch Dip Surv MRICS Principal Surveyor RICS Registered Valuer DVS Report and valuation reviewed on 9 July 2025 by James Martin MRICS, Principal Surveyor & RICS Registered Valuer

District Valuer Report Case Number: 1870130 Response Support Apps can be accessed via

http://www.egyptianhalls.co.uk/District Valuer Report Appendices.pdf

Additional Salient Factors DV 2016, 2019 (X2), 2024 (99%) and 2025 Reports

The mystifying removal of Point 4.1 from the July 2025 GCC-DV Report

District Valuer Valuation Report July 2016 (disclosed 9 years later)

4.1 ***It should be specifically noted that our appraisal does not allow for any effects of value potentially associated with the Upper Floors being in separate ownership to the ground and basement floors or any effects associated with the repairs liabilities under the Deed of Conditions that appear to disproportionally burden the ground and basement floors (68.36% compared to 32% of current floor area)***

District Valuer Valuation Report 1 July 2019 (disclosed 6 years later)

4.1 ***It should be specifically noted that our appraisal does not allow for any effects of value potentially associated with the Upper Floors being in separate ownership to the ground and basement floors or any effects associated with the repairs liabilities under the Deed of Conditions that appear to disproportionally burden the ground and basement floors (68.36% compared to 32% of current floor area)***

District Valuer Valuation Report 2 July 2019 (disclosed 6 years later)

Valuation 4.1 – It ***should be specifically noted that appraisal does not allow for any effects of value potentially associated with the Upper Floors being in separate ownership to the ground and basement floors or any effects associated with the repairs liabilities under the Deed of Conditions that appear to disproportionally burden the ground and basement floors***.

Fact Check From Jan 2018 became **100% for 32%** of current floor area! So the 2019 reports and thereafter were materially flawed therefore inaccurate due to having inaccurate inputs.

District Valuer Valuation Report July 2024

Not disclosed currently due it raising strong possibility of significant grant funding being available post any CPO . And would be very interesting to be informed if Clause 4.1 as per 2016 and 2019 x 2 reports was just cut and pasted? And if so the questions regarding the Clause 4.1 /July 2025 Report become incredibly relevant.

District Valuer Valuation Report 2 July 2025

Point 4.1 DV 2016 and DV 2019 1st Report Spoiler Alert THIS WAS DELETED for the July 2025 Report.!! One would assume 100% this would be included. But it's not! WHY? Was it by error or by design? And if the latter on whose instruction was this deleted? And if deliberate would this breach ethical and corporate governance procedures for GCC. And also, similarly for the District Valuer given a consistent approach has been deleted summarily without any comment.

The separate value of the Upper Floors and its potential for uplift is a core component of the Upper Floors valuation. The announcement in June 2025 of the city centre Tall Buildings Initiative and e.g. the approval of a 14-storey extension development of similar scale building just 300M away in Queen Street is of relevance. And would be factored into both Development Appraisals and Valuation claims going forward, whichever is required.

And the deletion of Point 4.1has to be clarified given the stated opinion for NINE YEARS the Upper Floors had a separate value. And the secondary causal issue that the Deed of Conditions causes "alleged" disproportionality but to whom? Not to the core investors who control the Standard Securities but certainly to any potential purchaser of the Egyptian Halls who has been read the GCC-DV 2025 Valuation Report.

Core Clarification/ information

- Deed of Conditions Amendments mid 2017

  - Mid 2017 post New Rateable Values GCC DRS (Ken Clark/Susan Connolly lobbied for these fixed % for Ground and Upper Floors to be allowed to float to then allow then current Rateable Values to be applied, which would then see the LBRN liability of 68.36% reduce to circa 54%. Therefore, the current 2008 Deed of Conditions was amended and disclosed to GCC and then registered. But as we know late 2017 GCC NDR re- assessed the then NINE separate Upper Floor Rateable Values so as to attempt to reduce Water Rates that were now to be levied to vacant Listed Buildings.

- Rateable Values Amendments – Upper Floors Jan 2018

  This assessment was made and Jan 2018 the combined NINE RVs = **31.7%** became ONE RV = **ZERO%.** So, in one fell swoop the aforementioned subjective opinion of "disproportionality" (founded upon decades/centuries of commercial property RV's) became even more pronounced at **100%** Ground Floor and **ZERO%** Upper Floors.

- Does use of Deed of Conditions disproportionally burden specific areas of mutually owned buildings?

  The DV raises the premise "*appear to disproportionately burden*" but fails to state that's how a Deed of Conditions works and this underpinned the scoping of the 1991 LBRN and 1996 CPO by GCC. However the LBRN discharge was **£3M**, by 2010 = **£12M**, by 2016 = **£15M**, 2019 = **£20M** and 2026 circa £25M; all caused due to grant funding rescindments and legal issues caused by GDA/HS-HES, GCC and Scottish Government. **So as Deterioration increased so did LBRN obligations caused by the public sector**.

- LBRN Apportionment Issues and Reconciliation Opportunities

  If the various properties were not under the control of the same Standard Security holders then this problem would be nigh intractable! However in this specific but complex, complicated case they are. But to date since Jan 2018 to current day GCC, HES, Scottish Govt, Heritage stakeholders and interested media appear to be a) unable or b) unwilling to accept this is founded upon commercial property law; and which GCC is on record using for all relevant projects including the Egyptian Halls 1991-2025

Is the extant 1991 LBRN legally non variable or not?

GCC despite stating it's both extant and legally non variable 2002, 2005 2009 and it's discharge was also enshrined in legally binding Conservation Burden but 2016 onwards the following has been briefed

District Valuer Valuation Report 2 July 2019 (disclosed 6 years later)

2.8 *For the purposes of this Valuation I am to assume that GCC will not act upon the existing LBRN and are unlikely to serve an LBRN in the future*.

District Valuer Valuation Report July 2025

3.3 For the purposes of this valuation, I am instructed to assume that GCC will not enforce the Listed Building Repair Notice.

4.2 GCC will not serve a Listed Buildings Repairs Notice

All grist to the mill and also being edited into the CPO Review Response for future use going forward and will come to the fore shortly if a back-to-back buyer emerges or at the CPO appeal stage. My strongly developing belief is this will likely go to P&C Mediation/Arbitration.

Additional Discussion Points 2016-2025

2016 DV Valuation Report

Point 2.8 It's not within GCC's remit to rule out New Build given it was on record that the SHEP test benchmark of Non-Viability was met. Also, there is no reference to a) 1991 LBRN is both extant and legally non variable b) GCC created and insisted in 2008 an additional Conservation Burden was added to the relevant title Deeds and which also specifies The Morrison Partnership as the architects to discharge the 1991 LBRN. GCC has no process to rescind this, whilst USP could have applied since 2013 to have this rescinded but has not to date.

3.3 "*A Listed Building Repairs Notice was served by the Council in the mid 1990's and still remains outstanding"*

3.6 Defects and Repair – no reference to apportionment of costs as per defined Deed of Conditions

3.8 *"The Council have confirmed that implementation of the planning permission granted would satisfy the LBRN mentioned above"*

4.4 Residual Value- no reference to apportionment of costs as per defined and referenced Deed of Conditions; if accurately applied the Upper Floors would have surplus

4.6 Mothballing the Upper Floors; Perplexing to the nth degree this information was never disclosed to USP and USI and is remarkable in a very negative sense to now assess this a decade later. This was ruled out before then after detailed assessment by let's be clear the GCC Conservation Burden specified

architect; see web link ***http://www.egyptianhalls.co.uk/Egyptian Halls Structural Survey Glossary Year 2000-2023.pdf*** and scroll to

- ***2014 - Joint GCC/TMP/Addison Conservation Updated Building Review - requested by GCC***
- ***2014 - Scale and Complexity of the Conservation Works required***
- ***2015 - Joint Structural Survey GCC-TMP/Add Conservation***
- ***2015-2016 - Structural - Parapet Review requested by GCC***
- ***2016 - Premature Scaffolding Removal Would Cause Public Safety Issues, Feb 2016***
- ***2016 - Several Structural/Scaffolding/Urgent Repairs assessment reports - requested by GCC***

Notwithstanding GCC continuation of its NON-EVIDENTIAL belief the incredibly dangerous theory of "Mothballing" was safe 2013-2018 it would have been rendered utterly untenably by GCC's Feb 2002 structural assessment and of course GCC's 2000 structure/floors assessment as well as the 1995 B@R statement re stability of floors.

4.7 Conclusion; HURRAH!! USP and USI agree with the DV and this has been the collaborative position stated and stated and stated on numerous occasions to both GCC and HES. However, the level of return engagement and discussion and collaboration is minuscule and in fact let's tell the truth has been ZERO. It's been aggressive, denigrative, discriminatory underpinned by flawed use of legislation combined with denying what the legal position is from contract breach to discharge of the extant and legally non variable LBRN. A reinforcement that the required grant funding requirement has increased very significantly. And what caused this? Causal grant rescindments and non-predicted title transfer conveyance issues; all in all, a massive failure to collaborate effectively by GDA/HS-HES, GCC, Scot Govt. But let's just divert all the blame onto the private sector owners.

District Valuer Valuation Report 1 July 2019 (disclosed 6 years later)

2nd CPO being explored circa 2019

And it has to be said and will be repeated many times we now read in 2019 GCC was assessing the options then of a 2nd CPO as it was way back in 2002 as it is now 2025/2026. However, at this juncture early 2019 GCC had just disclosed (massively) inadvertently a known contract breach that it had not disclosed when asked to by Scotland's First Minister May 2004 and from then GCC has denied all "knowledge of wrong doing and impropriety – so see also attached from the "archives". And will also be edited into the CPO Review Response doc as well as the additions below

Point 2.8 It's not within GCC's remit to rule out New Build given it's well known the SHEP test of Non-Viability is met with considerable ease. Also, structurally by then it's Façade Retention or New Build. Also, there is no reference to a) 1991 LBRN is both extant and legally non variable b) GCC created and insisted in 2008 an additional Conservation Burden was added to the relevant title Deeds and which also specifies The Morrison Partnership as the architects to discharge the 1991 LBRN. GCC has no process to rescind this, whilst USP could have applied since 2013 to have this rescinded but has not to date

2.9 Nature and Source of Information relied upon

- A structural Options Appraisal April 2018 is referenced- this never disclosed to USP
- Drawings and cost estimates produced internally by GCC February 2019 never disclosed and highly unlikely to discharge the extant and legally non variable 1991 LBRN
- Can I reinforce on the 30th of April 2019 meeting these Drawings and Cost estimates were never referenced at all by GCC and never were going forward
- July 2019 Shepherds/ Ewan Mackay Property met GCC Ken Clark/Susan Connolloy/Shona Simpson and again this Feb 2019 comparative information was not disclosed, never mind discussed. **when does GCC's claims of non-engagement by USP and USI actually get withdrawn?**

3.6 Defects and Repair – no reference to apportionment of costs as per defined and referenced Deed of Conditions. And of course, is not using the current Deed of Conditions or current Rateable Values

3.8 The Council have confirmed that implementation of the planning permission granted would satisfy the LBRN mentioned above

4.4 Residual Value- no reference to apportionment of costs as per defined and referenced Deed of Conditions- if applied the Upper Floors would have a much larger surplus given the now 100% Ground Floor liability and ZERO % Upper Floors

4.6 Mothballing the Upper Floors; Perplexing to the nth degree this information was never disclosed to USP and USI and is remarkable in a very negative sense to now assess this nearly SEVEN later. This was ruled out before then after detailed assessment by let's be clear the GCC Conservation Burden specified architect; see web link ***http://www.egyptianhalls.co.uk/Egyptian Halls Structural Survey Glossary Year 2000-2023.pdf*** and scroll to

- ***2014 - Joint GCC/TMP/Addison Conservation Updated Building Review - requested by GCC***
- ***2014 - Scale and Complexity of the Conservation Works required***
- ***2015 - Joint Structural Survey GCC-TMP/Add Conservation***
- ***2015-2016 - Structural - Parapet Review requested by GCC***
- ***2016 - Premature Scaffolding Removal Would Cause Public Safety Issues, Feb 2016***
- ***2016 - Several Structural/Scaffolding/Urgent Repairs assessment reports - requested by GCC***
- ***2017-2018 - SEVEN Scheme Options requested by, developed, and presented to GCC/HES***
- ***2018 - Additional structural assessment linked to Scheme Options - requested by GCC***

4.7 Conclusion; HURRAH!! USP and USI agree with the DV and this has been the collaborative position stated and stated and stated on numerous occasions to both GCC and HES. However, the level of return engagement and discussion and collaboration is minuscule and in fact let's tell the truth has been ZERO. It's been aggressive, denigrative, discriminatory underpinned by flawed use of legislation combined with denying what the legal position is from contract breach to discharge of the extant and legally non variable LBRN

District Valuer Valuation Report 2 July 2019 (disclosed 6 years later)

2.8 *For the purposes of this Valuation I am to assume that GCC will not act upon the existing LBRN and are unlikely to serve an LBRN in the future*. Fundamentally misleading and the question of would it be maladministration to ignore an extant and legally non variable Listed Building Repairs Notice. And does this also breach the law?

2.9 Nature and Source of Information relied upon see 2019 Valuation 1 Report above

3.3 Tenure- Fundamentally misleading and the question of would it be maladministration to ignore an extant and legally non variable Listed Building Repairs Notice. And does this also breach the law?

3.6 Defects, Repair and Refurbishment Costs – no reference to apportionment of costs as per defined and referenced Deed of Conditions. And of course, is not using the current Deed of Conditions or current Rateable Values. And repeats ad nauseum as FACT very highly inaccurate structural information leading to conclusions based on fundamentally imperfect assessments, which were laid bare by the Dec WRD 1 2019 Study

Valuation 4.2 (Market Value) - Again it repeats the belief GCC does not have to adhere to the legal non variable status of the extant 1991 LBRN. Which has legal compliance challenges as well as impacting on Conservation/Construction/Cost and causal Public Safety**.** Again, apparently none of the aforementioned apparently concern GCC if so then full cognisance would be taken but of course it's not.

Valuation 4.1.-4.4 Again, these clauses repeat the belief GCC does not have to adhere to the legal non variable status of the extant 1991 LBRN. Which has legal compliance challenges as well as impacting on Conservation/Construction/Cost and causal Public Safety

4.5 Conclusion; HURRAH!! USP and USI agree with the DV and this has been the collaborative position stated and stated and stated on numerous occasions to both GCC and HES. However, the level of return engagement and discussion and collaboration is minuscule and in fact let's tell the truth has been ZERO. It's been aggressive, denigrative, discriminatory underpinned by flawed use of legislation combined with denying what the legal position is from contract breach to discharge of the extant and legally non variable LBRN

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Not disclosed currently due it raising strong possibility of significant grant funding being available post any CPO and we assume the same approach to LBRN non discharge the wrong, use of actual RV's is continued, the correct Deed of Conditions is not referenced, imperfect structural assessments are repeated and flawed conclusions are stated. Also, we assume separate ownership is not understood and not applied or is comprehended but just discounted. Who knows? And would be very interesting to be informed if Clause 4.1 as per 2016 and 2018 reports was just cut and pasted?

District Valuer July 2025 Valuation Revisions; LBRN legal inaccuracies - Causal Valuation Timescale consequences

3.6 Defects, Repair and Refurbishment Costs For this valuation, I am not required to assess the costs of refurbishment and / or extension associated with the various retail, restaurant, hotel and office uses previously put forward by the Owner, however, in 2019, I reported a number of valuations reflecting potential end values and the costs required to achieve them.
The costs reflected a range of approximately £19m to £29m and the valuations all demonstrated mathematically negative residual figures in excess of minus £9m. Build costs have increased significantly since that time and it would not surprise me if residual appraisals returned an even larger development deficit.

Again, unequivocally apples and pears and the DV appears to have just looked at the combined Ground and Upper Floor figures (see attached); now if he'd understood more cogently a) the legal requirement to discharge the LBRN ergo it's extant status and that has to be costed fully. Also, in parallel a) the change in Rateable Values b) updated Deed of Conditions he'd then have surmised the Upper Floors value is entirely and legally separate. Given the 100% control over the building via USP and USI from the core standard security holders. Therefore, this is wholly misformed and should be re-assessed and factored into the now untenable Valuation Scenarios

3.6 Cont.- Also, and it would not surprise me if residual appraisals returned an even larger development deficit. Yet GCC and /or Ediston rescinded the agreed feasibility study Spring 2023, GCC and HES torpedoed the 2015 HLF £5M grant application, 2013 GCC failed to provide the (sic) promised grant funding pre- application when the approval was confirmed, 1998-2000 GDA and HS derailed the approved and brilliant scheme. So, for 25 years GCC, HES, Scottish Government have been updated that the development deficit for a non-commercial project was increasing. And if one only read the DV Reports you could conjecture this is a very new occurrence and caused by the private sector owners, which of course is what GCC and its heritage stakeholders wish to believe (and Jings how vehement is that belief bordering on being zealous) yet the on record evidence is unequivocally that delays causing deterioration and causal cost increases are 100% the combined fault of GCC/GDA/HS-HES/GCC-HES/Scottish Government.

3.3 For the purposes of this valuation, I am instructed to assume that GCC will not enforce the Listed Building Repair Notice. Further another significant knowledge gaps the 1991 LBRN which was reserved 1995 (due to a GCC error) is both extant, crucially legally non variable and defines what specifically what was required as of Feb 2002 GCC correspondence to reconcile identified public safety issues e.g. ***stabilise all elements of the supporting structure in order to a avoid a potential fatal building collapse***.

So again, why was this crucial information not taken full cognisance of by GCC let's say 2019-2026. The essence of this advice has been front and centre of what TMP/Add Cons reinforced. And will be in detailed, highlighted, reinforced in the final version of the WRD 1&2 Combined (DRAFT) Study July 2024

3.8 ***The property is the subject of an historic Listed Building Repair Notice and a Defective Building Notice has recently been served on the owner.*** As above So again why was this crucial information not taken full cognisance of by GCC let's say 2019-2026. The essence of this advice has been front and centre of what TMP/Add Cons reinforced. And as stated which has legal primacy the comprehensive full structural LBRN that would reconcile identified Public Safety issues or the partial frontage Defective Notice, which does not reference Public Safety and allows no time for a detailed Risk Assessment. Historic stability/structural- causal public safety assessments 1995-2016 somehow and very perplexing as well as dangerous have failed to be taken full cognisance of? Why this has occurred and being allowed to occur is perhaps the leading question

4 Valuation

GCC has every right to serve Notices (of course they have to be competent, take cognisance of public safety and developed by experts (so again one refers to Feb 2002 GCC correspondence on this; is the Defective Notice competent given it makes no reference to Public Safety, has no allowance for Risk Assessment? And USP has put forward the case it does not address this and GCC disagrees summarily with no offer of collaborative discussion (IS THAT ALSO NON-ENGAGEMENT?) USP then uncovers GCC correspondence that agrees with what TMP/ADD Cons 2000-2019 and WRD/TMP 2019 onwards state. Fundamentally why was GCC unaware of this?