

'Dok ED 10'
29

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January, 2014

our ref: P. 0903 – 01 / 1-11

**Valuation : PAUL HILI Property Estate Portfolio:
Villa 'Is-Sienja', Triq Ras il-Wardiya [formerly St. George's Road]
WARDIJA – MALTA.**

This property had last been inspected and valued during the month of March, 2009 for the amount of €7,000,000 euro (seven million euro).

Upon request, a follow-up inspection based on the same brief as that carried out in the year 2009 was conducted during the month of January, 23rd 2014 following which I report:

The property has been well kept and is found to be in excellent condition. All aspects and considerations stated in the previous valuation have been re evaluated and are reconfirmed as reported.

The only comments concern the section *Planning Considerations – sub-section Planning Permissions*. This concerns the pending development request and succeeding enforcement order:

PA 6993 /00
Request for the Extension of Garage, Tool's shed - Permission refused.

EC/00864/08
Planning Enforcement action taken due to development carried out without necessary Planning Permission with specific reference to a garden tools shed of around 10courses high, construction of a tennis court and surrounding fence, change of use from stables to residential premises + addition of two small rooms not in accordance with development permission PB 1325 / 88, construction of swimming pool, adjacent pavilion and landscaping features.

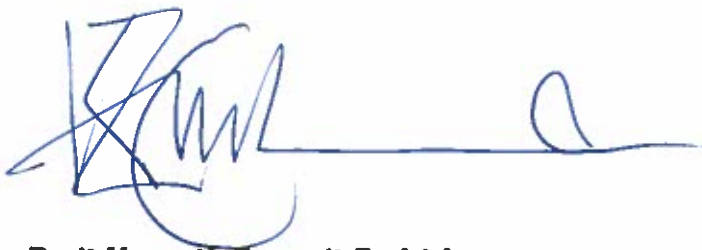
Due to the fact that the local planning policies are currently being reviewed, the architect representing Mr Hili has asked for a suspension of the planning process pending the issuing of new development guidelines governing all development on the islands. This has been the recent stand taken by other similar development projects that have been stalled by similar or other

planning issues. No further progress on the matter can be reported at this particular time.

Property Market considerations

Property values have experienced fluctuations throughout this period between 2008 and 2013. However whilst in general property prices over the immediate past 5-year period have experienced a decline in value of between 6.5% to 12% [though this stabilising at the moment] it can be said that exclusive properties such as the one subject of this valuation, being in limited supply in Malta, have generally kept their value with some cases showing a small cumulative gain of around 2.11%.

In view of the above I would recommend the value stated in the valuation report of 2009, that is of € 7,000,000 euro (seven million euro) to be a fair reflection of its present value according to current market trends with an advisable security advance allowance fluctuation of around 5% due the recent unstable market trends.



Perit Kenneth Zammit Endrich

Market indicators

- **current market indicators point towards a stabilising of market prices after a slight devaluation of the property market.** However, this does not apply to this particular property which appeals to an exclusive market due to its uniqueness in size, historical, location & scenic attributes. It is a high performance property which has relatively retained its comparative market value throughout local economic fluctuations.

A handwritten signature in blue ink, appearing to read 'Perit Kenneth Zammit Endrich', with a long horizontal line extending to the right.**Perit Kenneth Zammit Endrich**

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20th March 2009

our ref: P. 0903-01

**Valuation : PAUL HILI Property Estate Portfolio:
Villa 'Is-Sienja', Triq Ras il-Wardiya [formerly St. George's Road]
WARDIJA – MALTA.**

This valuation has been prepared taking into consideration the following:

- **Property** consists of a main dwelling and several other dwelling units and amenities that are located within the same grounds forming part of the overall estate that is free and unencumbered by third party rights save for agricultural naturally irrigated land [fields] within the property boundary that are subject to an agricultural lease.
- The **historical** nature of the dwelling structure, its **unique location**, surrounding **landscape**, amenities, **high standard** of finishes;
- **Planning** considerations / assets;
- Local property market economic activity & properties within similar market parameters for a comparative market value approach

On the basis of the characteristics and conditions described in this Valuation Report and according to current market trends, I would list two possible estimated values for the said estate.

The first estimate takes into consideration the estate as described in the report excluding amenities within the estate that are currently being addressed by the local planning authorities. As stated in report I would anticipate the pool pavilion to be the main contentious planning issue..

Estimated value : **7,000,000 euro (seven million euro).**

Once said amenities / structures are endorsed by the authorities,
Estimated Value **7,500,000 euro (seven million five hundred euro)**

Perit Kenneth Zammit Endrich

- Encl.: valuation report*
- Site plans & plan [plan provided by mr. hili]
 - Environment & planning categorization plans
 - Site aerial photo [provided by mr. hili]
 - Property photos

Valuation ReportProperty Valued**Villa ' IS-SIENJA', Triq Ras Il-Wardija
[formerly St. George's Road,]
Wardija, , Malta**Proprietor

Mr Paul Hili

Client

UCB Suisse

Basis of Valuation

This report is based on a series of considerations and fact that ultimately have lead to an estimation of the 'Market Value' of the property estate as defined in Article 49[2] of the European Council Directive, that is, "*the price at which lands and building could be sold under private contract between a willing seller and an arm's length buyer on the date of valuation, it being assumed that the property is publicly exposed to the market, that market conditions permit orderly disposal and that a normal period, having regard to the nature of the property, is available for the negotiation of the sale*"

The valued price is determined to be the best price at which the sale of this estate might reasonably be expected to have been completed on the date of the valuation, subject to the following premises:

- a. there is a willing seller;
- b. a reasonable effort and period of proper marketing of the estate, period for negotiation and agreement prior to its sale;
- c. state of the market and level of property values and other relevant circumstances during the date of sale agreement, similar to that on the date of valuation;
- d. no other additional bid by a purchaser with a special interest in the acquisition of said interest;
- e. freehold title can be provided and property is not subject to any unusual or onerous restrictions, encumbrances or outgoing;
- f. property is not unaffected by any Statutory Notice and neither property nor its use, actual or intended, gives rise to a contravention of any Statutory requirements
- g. property is free from defects and effects of wear and tear or of any deleterious materials employed after the valuation
- h. only a visual inspection was carried out to establish the condition of repair and, unless otherwise specifically stated herein, and in that event only to the extent so specified, no parts of the property which were covered, unexposed and inaccessible to visual inspection have been inspected. No tests have been carried out as to whether or not such parts are free from defects, so that the valuation assumes that a survey would reveal no major defects involving substantial expenditure.

Special Conditions

This report is confidential to the Client named above for the specific purpose described below. It may be disclosed to other professional advisors assisting the Client in respect of that purpose, but the Client shall not disclose the report to any other person. Neither the whole nor any part of the report, or reference to it, may be included in any published documents, circular or statement without the prior written consent of the undersigned.

The undersigned is responsible only to the Client and any other person making use of this valuation shall do so solely at his or her risk.

The estate ownership has not been investigated and such investigations was no the scope of this valuation.

Furthermore, the estate boundary where indicated by the present owner, and though physically verified during the same inspection and with other documentation at hand, have not been investigated against any previous contractual documentation.

Date of inspection

10th March 2009

Purpose of Valuation

Use of property as security against loan from UCB Suisse

Description

Property Estate & Historical Background

Complete, converted and finished habitable, detached 2 storey Country Hunting Lodge + Guest Units, Amenities & grounds located within a walled estate in a prestigious residential zone set on a ridge plateau known as WARDIJA HEIGHTS situated in the north part of MALTA.

The main dwelling probably originated a *country hunting lodge* used by the Knights of ST. JOHN and Maltese Nobility [circa late 1500 / early 1600's] since this area was always densely forested and was then popularly used as secluded hunting grounds. Adjoining the lodge is a still existing water mill which must have originally and purposely been located within this area due to presence of a 'perched water table' that would eventually render the entire surrounding country field's water irrigated and self sufficient.

This is now not functioning having been replaced by an 'Aerometer Mill' probably erected during the late nineteenth century. This wind propelled water pump together with its open country type water reservoir is still standing and functioning providing the necessary water supply to all the estate grounds. It is located just behind the main dwelling.

The main dwelling underwent several changes and additions over the years including the addition of a flour mill [still existing and conserved forming part of the residential areas], several room additions that would have provided shelter for both the farming community tilling the land and their livestock. The afforested landscape was also cultivated & modified to include domestic garden areas.

Property Estate & Historical Background [cont]

Later changes saw the estate turned into a residential dwelling with the addition of a tree lined drive, structure additions & boundary walls. Latest additions during this last ownership phase [Mr. Hill] include the construction of horse stable structures, carport, tennis court, swimming pool and adjoining amenities and the conversion of the existing [& separate] one-storey country cottage and stables into residential units.

Major internal refurbishing and restoration works were also carried out [1988] for the present state of the dwelling / estate, the subject of this valuation report.

The property estate consists of the main residential building, a set of converted stables housing two other residential studio units [these are set towards the back of the site], a restored and converted country cottage providing for a separate two bed-roomed unit. Other amenities include a swimming pool, tennis court, lawns, gardens, pool pavilion, paths, enclosed gardens, tree lined drive, car port, etc., etc.

Forming part of the estate are extensive areas of well kept and cultivated irrigated fields that are subject to an agricultural lease.

This lease provides for the tenant farmer/s toiling the fields with limitless supply of water from the underlying water table via the said wind water pump and other water reservoirs situated within the property estate. Unhindered access is also to be provided for and to this effect there is an opening in the boundary wall towards the SE side of the boundary wall leading to a country lane there. The use of an existing small tool shed is also included.

The main residential [old] building is detached and surrounded by gardens, imposing tree lined entrance drive & carport towards the North side with patios, swimming pool and related facilities, separate residential guest units, open country views of the remaining stables, tennis court & irrigated fields towards East & South. .

Apart from the main dwelling structure, itself a cradle of features of heritage interest, other interesting and unique features would be the old water mill ['sienja'] which still lies upright, is sheltered external to the main dwelling and adjacent to its back wall. Close to this area is a mill room, complete with the original [internal] flour grinding mechanism still standing central to the room which is now one of the family recreational areas. All historical elements have been restored, are well maintained and forming an integral part of a unique interior.

Other elements worth noting for their heritage value are the water wind pump, open rural type reservoir and part of the surrounding tree garden which still carries examples and surviving trees of the early forestation. .

The water mill, 'SIENA' mentioned above [hence the contemporary name of the house] actually leads to a series of underground chambers and tunnel system that were originally carved out [hand hewn] right above the perched water table level some twenty-four metres below ground level.

Property Estate & Historical Background [cont]

This same tunnel system links a series of underground water cisterns around the site that are still functional to this very day [though this information could not be physically investigated].

The main dwelling provides for generous accommodation and if finished to very high standards.

Guest accommodation, ie the two 1-bed studio units and a rural cottage structure providing a 2-bed unit are all self catering units and have their own outdoor patio areas that form an integral part of the estate grounds and amenities.

Floor Areas / Dimensions

The main dwelling VILLA lodge residence, together with the paved patios, lawns, recreational gardens, outdoor facilities, swimming pool / deck areas, tennis court and three guest units cover an area of approximately 6,300.00 sq.m [six thousand three hundred]

The agricultural land under lease, as delineated in the attached documentation plans covers an area of approximately 9,500.00 sq.m

Table of approximate areas [outer dimensions] of estate portfolio reads:

Accommodation:

-Main Residence [footprint]	350.00 sq.m [per flr]
-Guest Cottage	140.00 sq.m [1 floor]
-2 Studio units	160.00 sq.m [1 floor]
-Outdoor Facilities incl. drive, carport, tennis court, swimming pool, etc.,	5,650.00 sq.m
-Agricultural Land	9,500.00 sq.m

TOTAL ESTATE AREA – approx. 15,800.00 sq.m

Construction Type

All walls are in masonry however there are several typology types of wall construction the earliest probably dating to early / mid seventeenth century rural structures [hunting lodge].

The older walls would be quite wide and constructed from irregular masonry blocks, fair faced on one side with a mix of soil and loose soil aggregate fill placed in the resulting cavity. Other 'more recent' walls would be in similar construction typology save for the outer leaf being more regularly shaped and in larger format masonry blocks. Recent masonry walls have hand hacked finish to integrate with the overall country style mannerism of the original structure.

Ceilings are also in characteristic masonry slab systems with either timber beam supports or masonry arches, depending on spans involved.

The more significant would be the mill room roofing structure and secondary masonry spiral staircase. Most of the original structures have been retained with several modifications having taken place during the 'lifespan' of the building, more noticeable

Construction Type [cont.]

being the shifting of the [formerly] main entrance from a central position to a lateral location making way for new additions over what originally was a characteristic open type central courtyard.

All walls are masonry load bearing.

As expected, EXTERNALLY the house is in vernacular in style with all external walls in exposed pointed masonry block which has a homogenous patina obtained over the years giving the whole building this typical smooth and continuous weathered outlook look that integrates the building with the surrounding rural landscape.

Guest units and cottage are constructed in similar masonry typology and roofing systems.

Tenure

Dwelling, fields and amenities are freehold. Irrigated fields are subject to an agricultural lease as last recorded in the natural records of Notary Marco Burlo, deed dated 19th February, 2009. This deed was made available by Mr Hill.

The property itself is declared to be '*free from personal rights and servitudes in favour of third parties*'.

Occupation

At the time of inspection, the property was owner occupied.

Age

No documentation could be traced leading to more specific information about this particular building. However, judging by the typology and mannerism of the construction and its original use I would date the first structure to around mid the sixteenth century with modifications being carried out periodically up to the more recent refurbishing program of the main structure / interior carried out around the year 1988 [Mr. Paul Hili]

Location***Aspect***

As already stated, this property lies within one of Malta's most exclusive residential villa area, set on the ridge of WARDIJA, an area of high landscape value, situated in the more scenic Northern part of MALTA.

The area is sparsely developed with most villa estates also Having similar extensive land, some also dating to the sixteenth and seventeenth centuries. Most of the WARDIJA area originally belonged to one of Malta's noble families and was a coveted and secluded hunting grounds for the Knights of St John and local Nobility. Eventually it turned from a secluded hunting grounds to one of MALTA's high end residential zones set on this high ridge plateau in unique, quiet and historical rural setting of country dwellings, villas and mature & old tree gardens and agricultural areas of high landscape value.

The whole estate lies over a 'perched water table' making the prospect of naturally available 'aquifer water' for the estate a highly unique attribute to the site location.

It lies within a designated OUTSIDE DEVELOPMENT ZONE area where similar expansive estates are located.

Surroundings

Being relatively distant from the closest small neighbouring village of Burmarrad, there is no particular traffic generation in the area save that generated occasionally by a reception hall situated in the WARDIJA ridge.

This is a residential zone and therefore there is no village set up and no shops in the immediate vicinity. All community needs are available in the surrounding villages at the foot of the ridge.

It is serviced by a public road that runs along the upper boundary wall of the site. As already mentioned, there is a country lane running just outside towards the site's back boundary wall that provides [vehicular] access to the farmer tenants toiling the irrigated leased land.

A low frequented School for Children with Special Needs is located within close vicinity outside the main gate area, which is some sixty [60] metres away from the main residence dwelling down the main driveway.

Amenities

Being in a secluded residential area, property does not lie within walking distance of any community facilities. It is provided with all infrastructural networks such as electrical and water supply though drainage is serviced by a long serving cesspit.

The site:

Boundaries

One of the site's greatest assets already described is the underlying perched water table. Clearly, this property estate can be divided into two separate areas ie.,

- a. the main residential areas including all the guest units, outdoor facilities, adjoining gardens, patios, etc.,
- b. the irrigated agricultural fields currently subject to an agricultural lease.

These areas have been marked on attached plan documentation and are described in the said recent notary deed of acquisition and accompanying relevant site plan prepared by Notary Marco Burlo'.

Both areas are clearly bounded from the outside by a continuous high masonry peripheral wall that runs along the public road forming a clearly defined frontal area and by low country rubble walls and footpaths within the estate land itself. The outer boundary wall, which varies in both thickness, height and construction methodology, runs along the perimeter of the estate including the agricultural fields.

All the garden areas contain mature trees with one particular area having vegetation dating to a few centuries. Property is accessed via a wide, paved drive that is lined with mature pine trees.

The site is irregular in shape and relatively flat with possibly bedrock formation close to the surface. It is bounded from the NE by the rural secondary public road along which is located the main entrance. The three other sides are bounded by third party properties to the East & West & a country lane to the SE.

Physical characteristics

The land lies on a relatively flat gradient with the main residence located central to the outdoor facilities and guest units. There is a considerable amount of irrigated topsoil throughout with most area containing either mature tree gardens, flower & shrub gardens, vegetation, agricultural irrigated fields and paved areas.

All underlying bedrock is stable.

Main orientation is North / South axially

Easements

Main easement concerns the agricultural lease of land and the opening situated at the back of the site boundary wall facilitating access for the farmer tenants.

No other easements over the site / residence etc., were noticed during the inspection.

Roads:

The principal road leading to the property and beyond is in fact a secondary rural road surfaced with tar macadam and bounded by rural country dry build type walls. Road is wide to generally accommodate two way traffic and is in good condition and in good state of repair. Street lighting is adequate.

Local Authority: ST. PAUL'S BAY Local Council

Accommodation:***MAIN DWELLING***

Parking Facilities Car parking facility exists within the estate compound. Cars gain access through a wide gated entrance and run down a wide paved sixty [60] metre drive reaching a vast paved patio area in front of the house. A sheltered carport [and garden tool shed / maintenance] workshop for around four cars is located here. This area can accommodate numerous visitor's cars.

Basement No basements.

Ground floor Large entrance hallway with spacious study to one side and an L-shaped formal sitting / drawing room combined with a large formal dining room [approx. 80sq.m] to the left side. Hall leads to a spacious marble clad masonry staircase next to which is access to a large kitchen dining room [approx. 30sq.m] elevated steps lead to a large family TV room and typical outdoor paved courtyard with lush vegetation and mature tree garden surrounding it. Various other rooms house general storage, food storage, another lateral entrance [probably the original one that was later shifted to the present central entrance due to new construction that took place in the former central courtyard layout], small seating area, bathrooms, washrooms, etc.

An original enclosed masonry spiral staircase connects the ground floor level to both the first floor level and the roof area

Accommodation [cont]: MAIN DWELLING [cont]

First Floor Level Accessed via the main staircase this level accommodates another vast sitting relaxation / seating area [approx 45sq.m] which also separates the main bedroom suite from the two other bedrooms. The main suite is spacious and has its own seating suite area and private marble clad bathroom. It also leads to a large open type terrace overlooking the front areas of the garden and tree lined drive. Two other bedrooms are accommodated at this level, each with its own bathroom and separate wardrobe areas. All rooms have windows overlooking the gardens.

Roof Level Spiral staircase hood. The water reservoir servicing the old 'sienja' [water mill] is still located at this level located here to facilitate irrigation by gravity.

.....
Total floor area approx. [incl. walls] 700.00 sq.m

GUEST UNITS & EXTERNAL AMENITIES / GARDEN

Converted stables : Single storey horse stables constructed around 1989 and eventually converted into residential studio units for sibling / guest or maid lodging.

Sited towards the back areas of the garden these units are adjacent to each other and each provide for a living / recreational area and a spacious kitchen dining area + separate double bedroom and bathroom.

Both enjoy outdoor covered entertaining paved patios within close proximity to the various outdoor amenities [swimming pool, tennis court, lawns etc.].

.....
Combined floor area approx. [incl. walls] 160.00 sq.m

Country Cottage: Single storey country cottage located close to the outdoor activity amenities [swimming pool, tennis court] and some 20m away from the main dwelling. This structure was constructed early twentieth century.

Unit provides for a spacious living room area, kitchen breakfast and two bedrooms with bathroom. It has its own outdoor paved patio area and overlooks the tennis court area right in front of it and the elevated pool / lawn area to its right.

.....
Total floor area approx. [incl. walls] 140.00 sq.m

Swimming pool: Large pool set on an elevated area with surrounding lawn deck and pool pavilion with timber decking. Partially glazed pool pavilion accommodates a kitchen / dining area with seating areas both indoor and outdoor. Executed to high design specification integrating the surrounding rural landscape and boundary walls in the design. Glass and timber detailing throughout.

.....
Swimming Pool surface area approx. 145.00 sq.m
Pool Pavilion area approx. 60.00 sq.m
Tennis court [full size] 680.00 sq.m

Planning Considerations

[vide attached documentation]

This site lies within a villa residential area. However, being so secluded and exclusively set on a high ridge plateau and in recognition of the various houses of character in the area, some of which have outstanding heritage value and due also to the high landscape value of the area it has been designated an area 'OUTSIDE DEVELOPMENT ZONE' in the last Local Plan Revisions of August 2007. Though in general there is a presumption against new development in such zones this particular area is not governed by any particular set of Local Plan Policies any new development proposal would be vetted under strict scrutiny by the authorities in order to safeguard the area outlook.

Planning Permission

A number of development permits were referenced for this site which has a history of additions and extensions however the earlier ones were untraceable.

Traceable Planning history:

PB 1325 / 88 Request to construct stables, enlarge the existing carport / tool shed & carry out alterations and extensions to the main dwelling.
Permission Granted September 1990.

PA 6993 / 00 Request for the Extension of Garage, Tool's shed
Permission refused.

PA 3424 / 07 Installation of Communications Antennae [2m]
Approved – being contested by third parties.

Succeeding this last application the site has recently been served with a planning **Enforcement Notice.**

EC/00864/08 Enforcement

Quoted from the Maltese text this notice specifically refers:

[vide attached Doc 'Overhead Photograph' with structure legend]

"Enforcement refers to development carried out without necessary Planning Permission with specific reference to a garden tools shed of around 10courses high, construction of a tennis court and surrounding fence, change of use from stables to residential premises + addition of two small rooms not in accordance with development permission PB 1325 / 88, construction of swimming pool, adjacent pavilion and landscaping features."

On examining this enforcement and other information at hand it can be verified that the swimming pool structure actually features in the official site plans of 1988, making it approvable as it predates a cut-off date set by the authorities, i.e. PRE 1992.

Also, of the items mentioned in the enforcement I would only consider the pool pavilion structure to be the main contentious item. Ironically this has been carried out with particular attention to design and to the surrounding landscape.

Planning Considerations [cont]

The process is in hand and being processed by the authorities. Mr. Hill confirmed that he is in the process of submitting official request to address the pending issues.

However, should the pavilion remain contentious from a planning point of view I would consider it to have a minimal effect on the overall value outlook of the property.

Building Services

Water / drainage systems

- First Class water supply* Mains water / fresh water table for general use and irrigation
- First class storage* Roof tanks and underground natural reservoirs
- Second Class water supply* Surface runoff water, roof areas, patios, etc level
- Second Class water storage* Underground constructed reservoirs
- Soil water treatment* Not available
- Soil water disposal* Cesspit

Electrical supply

- Main power supply* National power grid
- Alternative power supply* Solar panels
- Intruder alarm system* Available
- Fire detection system* Not available
- Energy saving system* Not available

Commodities

- Air-conditioning* Fully air conditioned
- Central heating* Air conditioning is heat reverse pump+ fire place in various areas
- Under floor heating* Not available
- Ventilation* All rooms with apertures overlooking rural landscape
- Booster pumps* Domestic needs
- TV* Satellite reception / cable TV

Components, finishes & Condition of Repair

This is not a condition report and no surveys and inspections were made of unexposed or inaccessible areas.

The structure is in very good condition, no visible cracks due to settlement or overloading of load bearing structures. Structure has undergone progressive changes, additions and alterations the latest leading to the present residential amenities.

All external walls are in pointed masonry block, in excellent condition and well-maintained. Construction methodology varies depending on the date of construction which covers a span of time starting around late sixteenth century to contemporary times.

All roofing structures are in masonry slab and timber beam roof type and they are in very good condition and well-maintained, water-proofed from the outside.

Components, finishes
& Condition of Repair [cont]

The main dwelling is very well maintained and is finished to very high specifications with most floors, including the bathrooms in natural Carrara Marble with various inlaid 'tozzetti' designs and other border fascias in 'Nero Assoluto', 'Bardolino' natural darker marbles. Solid hardwoods are used in the main formal entertaining areas whilst the bedroom are fitted with wall to wall high pile branded fibre carpeting

The residence is in a general excellent state of repair with all apertures in double glazing and all in good condition. The same could be said of all fixed installations, wall finishes etc. print & masonry slab for the outdoor terraces.

The **separate dwelling units** are also in very good condition and are well maintained. In general floors are in either quality ceramic / gres tiles or in natural flagstone.

Roofing is in in-situ concrete in the stables area but in masonry slab and timber in the other rural cottage two-bed unit.

All are fitted with natural timber finish kitchens.

The outdoor areas vary in finished with the main patios surrounding the house as well as the patios adjacent to the guest units are all in natural local 'Frankstone Slabs'.

However the landscaped area immediately surrounding the Swimming Pool is a well kept lawn.

The pool pavilion is mainly a timber clad concrete structure that utilises vast areas of glazing and timber for the cladding of the ceiling and various other architectural elements as well as for the deck area immediately adjoining it which is in appropriate external timber slat finish and overlooks the lawn and swimming pool.

The Swimming Pool is constructed in situ / reinforced concrete & concrete block work. Naturally it would need periodical maintenance. At the time of inspection it was full with clear filtered water.

Tennis court is a hard court, i.e., a concrete slab type with appropriate paint finish.

Landscaped areas include a variety of finishes, gardens vegetation, a variety of indigenous vegetation and trees, decorative water fountains etc. with shade devices and other landscape detailing, lighting etc.,

Boundary wall is in natural masonry dry build type, well-maintained and in good condition. Entrance Steel Gates are in painted heavy gauge wrought iron.

Reconstruction Cost

Reconstruction cost for the **main dwelling structures, i.e., the main residence, converted stables, cottage as well as the swimming pool & tennis court, including finishes and boundary wall** should cost around one million three hundred thousand euro. *[1,300,000 e]*

I would cost the contentious **pool pavilion** including finishes at around eighty-five thousand euro. *[85,000 e]*

Landscape elements, such as the pool lawn area and outdoor paved areas are estimated at around three hundred and fifty thousand euro. *[350,000 e]*

Allow around four hundred thousand euro for general vegetation and tree gardens / fountain elements. *[400,000 e]*

These values are based on rates of approx. Euro 1,450 & Euro 150 per sq.m of GFA respectively for structures and finishes and for landscaped areas respectively.

Economic Life

Barring extraordinary events the property should retain a useful economic life of not less than 20 years. Its unique site location within rural surroundings and within a designated ODZ area, its intrinsic historical connotations and facilities, amenities and floor space enhance its worth as a unique property.

The present unforeseen state of world economy has translated in a slight value fluctuation in the local property market indicator. In general these fluctuations are generally accepted to be around 1% to 6% negative variance.

Generally there presently is an oversupply of apartments which should be most hard hit though the lower end market apartments are obviously the least affected.

Summary of points:

<u>Property Valued</u>	Villa 'Is-Sienja', Triq Ras il-Wardija [formerly St. George's Road] WARDIJA – MALTA.
<u>Description</u>	<p>Property Type - 2 storey Country Hunting Lodge [700sq.m] with surrounding land and other structures.</p> <p>Accommodation:</p> <ul style="list-style-type: none"> -Main Residence [footprint] 350.00 sq.m [per flr] Three bed, four bathrooms, formal entertaining spaces, family room, drawing room, amenities, patios etc -Guest Cottage – two bed 140.00 sq.m [1 floor] -2 Studio units – single bed studios 160.00 sq.m [1 floor] -Outdoor Facilities incl. tree lined drive, carport, tennis court, gardens swimming pool, lawn, etc., 5,650.00 sq.m -Agricultural Land [leased] 9,500.00 sq.m <hr/> <p>TOTAL ESTATE AREA – approx. 15,800.00 sq.m</p> <p>Originated as a <i>country hunting lodge</i> used by the Knights of ST. JOHN and Maltese Nobility [circa late 1500 / early 1600's]. It is located within a walled estate in a prestigious residential zone set on a ridge plateau known as WARDIJA HEIGHTS situated in the north part of MALTA, above a 'perched water table'. Tree / shrub and flower gardens throughout with lawns, hard paving providing a varied landscape. Also includes an underground water reservoirs system, sixteenth century water mill, flour mill room etc.,</p> <p>Last major works were carried out in a refurbishing program, circa 1990.</p>
<u>Finishes</u>	Excellent state of repair, high standard of finishes with natural marble floors / hardwood parquet floors throughout, air-conditioning, double glazing etc. Well maintained.
<u>Tenure</u>	Owner occupied part of grounds [irrigated fields] under an agricultural lease. Otherwise Freehold.
<u>Economic Life</u>	Unique, historical, high end property market, international market profile type, property should retain its useful economic life.
<u>Planning Issues</u>	Various applications / development requests. Presently some structures are subject to a Planning Enforcement Order. Main contentious issue being the swimming pool outdoor pavilion.

Market indicators

- **current market indicators point towards a slight slow down in activity.** The present unforeseen state of world economy has translated in a slight value fluctuation in the local property market indicator.

In general these fluctuations are generally accepted to be around 1% to 6% negative variance.

This particular property appeals to an exclusive market / client range due to its uniqueness in size, historical, scenic and ecological attributes. It is a high performance property which technically should always retain its comparative market value throughout local economic fluctuations.

The following is a brief list of properties currently on the market which could be used as market indicators because of their size and type, though most cannot be directly comparable to the property of relevance to this valuation report.

WARDIJA - A Grand Palazzo with authentic features carefully renovated and restored. Large reception hall, lounge/dining room with fireplace, living room, drawing room, study, kitchen/breakfast room, shower room and guest toilet. Further an imposing staircase leading to the first floor having 5 double bedrooms (2 with en-suite bathrooms), 2 main bathrooms and terraces. The property also enjoys a large pool and ample deck area, a mature garden on approximately 15000 sq meters (13 tumoli) of surrounding land and a drive leading to a private garage and parking area.-
€8,152,000

Wardija - Fully detached and converted palazzo situated over eleven thousand square meters enjoying guaranteed unobstructed country views. Entrance to a grand hall, a huge sitting room with a log fireplace, separate dining room, study, large kitchen with pantry, spare toilet with shower, wine cellar, central courtyard, 6 very old rooms, five bedrooms all with bathrooms, a seconda hall, 2 wells, 9000 square meters of landscaped garden including a grand swimming pool, car port and 4 car garage. FREEHOLD
€8,700,000

WARDIJA - Presently a home to one of Malta's titled families, this country estate is set on approx 11000 sq mtrs of landscaped grounds in the most private of locations. Classical rooms, traditional features, wood panelled dining room, terrace overlooking pool and landscaped gardens. Also including a two- bedroom staff quarters and a cottage,
€9,317,500

TA' XBIEX - A very unique DETACHED BUNGALOW set on high grounds on one of the best streets of this exclusive location. Ideal for anyone requiring space for lavish entertainment. Entrance hall, leading onto spacious sitting room, separate dining, separate living, two bathrooms, guest shower room and 5/6 bedrooms. Pool/deck area with pool house and full underlying basement level providing more accommodation including a two car garage.
€4,197,872