













**Report of:** Finance and Asset Management Business Manager

**To:** Executive Board

**Date:** 9 October 2006

**Item No:**

**Title of Report :** SALE OF 1 FURLONG CLOSE

<u>Summary and Recommendations</u>	
	
	
 <b>Purpose of report:</b>	This report arises from a decision  by Executive Board to sell 1 Furlong Close on the open market. It constitutes the report required by Contract Procedure Rules 9.05.
	
<b>Key decision:</b>	No.
<b>Portfolio Holder:</b>	Councillor Patrick Murray
 <b>Deputy Responsibility:</b>	Finance.
<b>Ward(s) affected:</b>	Iffley
<b>Report Approved by:</b>	Councillor Patrick Murray (Improving Housing) Councillor Stephen Tall (Better Finances) Jeremy King (Legal and Democratic Services) Penny Gardner (Finance & Asset Management) Rachel Tregidga ( Asset Management) Kevin Flynn (Finance & Asset Management)
	
	
	
 <b>Policy Framework:</b>	Capital Strategy and Asset Management Plan
<b>Recommendations:</b>	Executive Board is recommended to approve acceptance of the best offer currently available for the property as detailed in the Confidential Appendix to this report. In the event that the proposed purchase does not proceed at this level, the Board is requested to authorise the Business Manager to proceed with a sale to an alternative party at a best price, at or above open market value.
	
	

1. This property is part of a disposal programme of vacant HRA properties agreed by Executive Board on 19th June 2006.
2. The property has been marketed over a 5-week period resulting in 10 viewings after sending out 122 sets of particulars.
3. Three offers were received for the property in the course of marketing as set out in section 1 of the confidential Appendix to this report. The closest under-bidder did not reply to a request asking for evidence of financial ability to proceed. The highest bidder with whom it is proposed that the Council should proceed provided satisfactory evidence of financial ability to proceed.
4. It is understood that the purchaser intends to refurbish the property for his own business occupation. He does not have any other property to sell and does not require a mortgage.
5. The report approved by Executive Board on 19th June 2006 gave a market value for the property (set out in section 4 of the Appendix). The current open market value has been revised at 5<sup>th</sup> September 2006 and is set out section 3 of the Appendix.
6. It is considered that the offer detailed in section 2 of the Appendix represents “best consideration” and it is therefore recommended that this offer be accepted.
7. In the event that the purchaser does not proceed at this level, the Board is requested to permit the Business Manager to proceed with a sale to the same or an alternative party at a best price, above the figure in section 3 of the Appendix.
8. Under the provisions of the General Housing Consents 2005 (paragraph A5.3.1) found in S32 of the Housing Act 1985 a local authority may dispose of a vacant commercial property (comprising part residential accommodation) at a price reflecting the “best consideration” that can reasonably be obtained.

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**Background papers:** None.

