



Financial Viability Assessment

Land adjacent to the Ageas Bowl, Southampton, Hampshire, SO30 3XH

March 2023 - Revised on 1st June 2023

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Report title: Financial Viability Assessment – Land adjacent to the Ageas Bowl, Hampshire

Date: March 2023

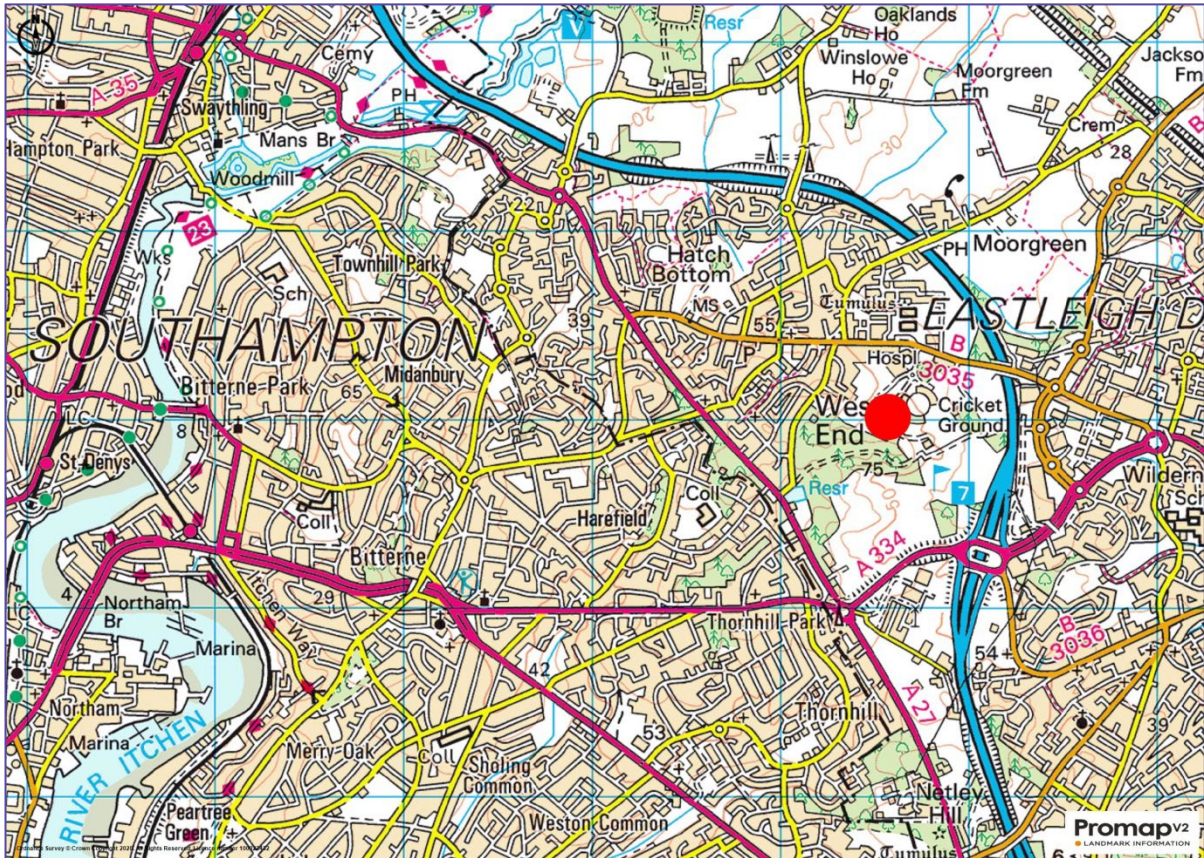
For and on behalf of Avison Young (UK) Limited

1. Introduction

- 1.1 The land adjacent to the Ageas Bowl, Hampshire, lies within the administrative area of Eastleigh Borough Council. The wider site accommodates the Ageas Bowl cricket stadium (Hampshire County) and associated facilities that include a Hilton hotel, alongside other incidental built form including surface car parking areas. We understand that all of the existing buildings are in use. The remainder and vast majority of the wider site is known as the strategic gap and is in use as a golf course alongside open green space and woodland.
- 1.2 This report has been undertaken in accordance with national, regional and local policies (including PPG and the NPPF), and the RICS Guidance Note: Financial Viability in Planning. The contents of this report and attached appraisals do not constitute a Royal Institution of Chartered Surveyors (RICS) Valuation Standards (Red Book) Valuation, and should not be treated as such.
- 1.3 The content of this report and attached appraisals are intended for the use of LDA Ltd and Eastleigh Borough Council only and is not to be relied upon or provided to any third party because of its confidential nature. It is important to note that development appraisals of this nature are highly sensitive to changes in value due to the residential values and costs involved and small alterations can alter viability significantly.
- 1.4 The property has been externally inspected on 7 July 2022 by James Lineham in our Land & Development Team from the London City Office.

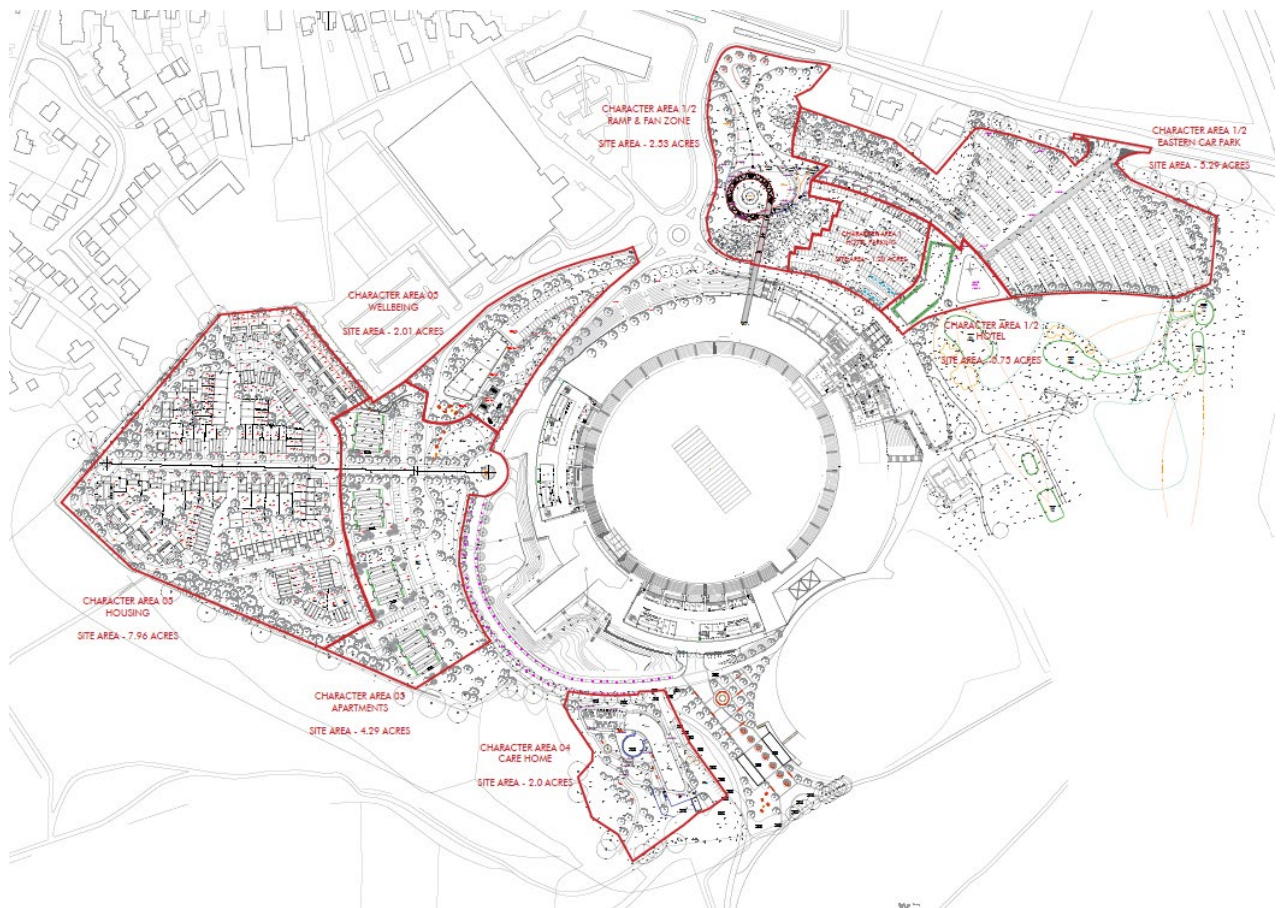
2. Location

- 2.1 The subject site is located between the suburban towns of Hedge End and West End, which form part of the South Hampshire conurbation, approximately 8km to the north-east of Southampton city centre and 6km north of Hamble. The site is accessed at the south side of Botley Road (B3035) via Marshall Drive.
- 2.2 The site is well connected by road and public transport facilities with Hedge End Rail Station located circa 2km to the north-east and is served by regular trains to London Waterloo (c. 90 minutes) and Portsmouth Harbour (c. 40 minutes) operated by South Western Railway. The site is also located adjacent to the northwest of Junction 7 of the M27, which links into the M3 and A3 (M) for access north towards London. Additionally, Southampton Airport is a 15 minute car journey away and provides access to U.K. and European destinations.
- 2.3 The site lies in a predominantly residential area with housing towards the north, west and south boundaries, with retail warehousing and industrial uses towards the east. The location is well served with local amenities with Hedge End retail park a short distance to the east with occupiers such as Sainsbury's, Marks & Spencer's, TK Maxx, B&Q, Wickes, Halfords, Curry's PC World in situ. Additionally, there is an ASDA supermarket on Botley Road, which is a 15 minute walk from the subject site.
- 2.4 The site also benefits from close proximity to a number of green spaces and leisure facilities including Telegraph Woods and the golf course, which are both within the wider subject site. Furthermore, a David Lloyd Leisure centre is located at the northwest of the site and provides recreational offerings such as a gym, swimming pool and outdoor tennis courts. The leisure centre abuts a Holiday Inn Express hotel.
- 2.5 The subject site is denoted as a red circle and displayed on the location plan below:



3. Site Description

- 3.1 The site comprises a combination of tarmacked parking and golf course land to the north east, open amenity land, particularly across the western and southern sections of the site that is also used as car parking, in addition to hardstanding, storage / light industrial uses to the south.
- 3.2 The wider site is partly previously developed. It accommodates the Ageas Bowl cricket stadium (Hampshire County) and associated facilities that include a Hilton hotel, alongside other incidental built form including surface car parking areas. We understand that all of the existing buildings are in use. The remainder and vast majority of the wider site is known as the strategic gap and is in use as a golf course alongside open green space and woodland. It is anticipated that there will be limited development opportunity in the strategic gap.
- 3.3 We have been provided with the plan below (prepared by Calerpeel Architects), which displays the separate elements of the proposals outside of the cricket ground and the Hilton hotel. We have estimated that the total area extends to 23.58 acres (9.5 hectares).



3.4 We also include a CGI of the proposed development, also prepared by Calderpeel Architects.



4. Planning

4.1 Full planning permission is sought under planning ref F/22/93194 for the following:

“The erection of 185 dwellings, a 71-bedroom care home (Use Class C2), a 142-bedroom hotel (Use Class C1), a well-being centre (Use Class E / F2), a new pavilion building and improvements to existing stadium, new vehicular access, car parking, pedestrian circulation and processional ramp, together with associated tree planting, landscaping, SuDS and biodiversity enhancements”.

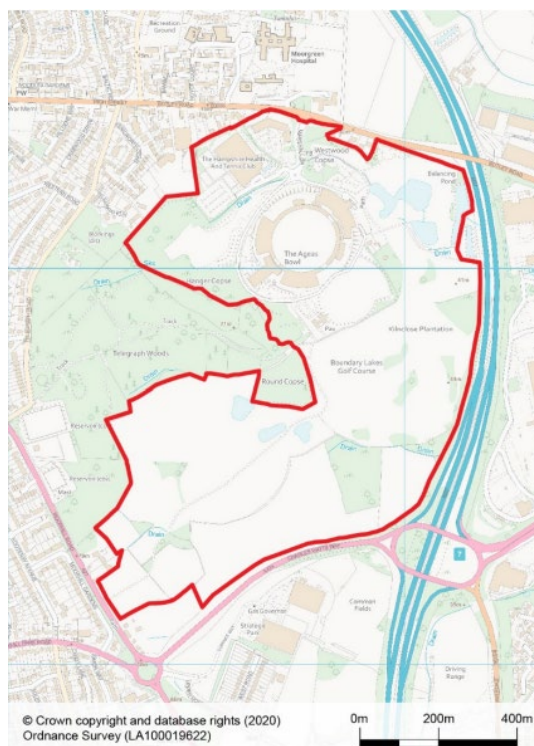
Planning Policy Context

4.2 The Eastleigh Borough Local Plan 2016 – 2036 was recently adopted on 25 April 2022.

4.3 Under this, the Ageas Bowl and surrounding area is subject to a specific site allocation (Policy WE4) to guide future development at the site over the Plan period (i.e. up to 2036). Policy WE4 states that development will be supported where it facilitates the site’s important role in meeting sporting needs in the Borough and wider area; complements the high quality design and open setting of the site; and protects the settlement gap. Taking these aims into account, development will be permitted if it meets all of the following criteria:

- a) Building or structures must be appropriate in scale, form and location to the predominantly green and open character of the area, taking account of the different characteristics of the site; and should only be visible from the surrounding area in the context of the wider landscape setting;
- b) development achieves a high quality design by paying careful attention to detailing, hard landscaping and planting;
- c) outside the urban edge (as defined by the policies map) development is for outdoor sports/recreational purposes only (including ancillary facilities of appropriate location, scale and design to protect the settlement gap, such as a golf clubhouse);
- d) inside the urban edge (as defined by the policies map) development is for outdoor or indoor sports/recreation; leisure; hotel or office/research use provided that:
- e) any leisure, hotel or office/research use meets the sequential test by demonstrating there are no suitable, available and viable sites in city, town or district centres;
- f) proposals for floodlighting on any part of the site must be of a scale, form, location and luminosity that would not affect the predominantly open character of the area or the biodiversity interests of the adjacent SINC or protected/priority species. The hours of use of any floodlighting may be limited in order to minimise its impact on nearby residential property;
- g) the number of non-sporting events such as concerts, and their operation (including hours of operation) will be strictly controlled and any intensification of sporting events managed where practicable in order to minimise the impact on nearby residential properties;
- h) proposals must be accompanied by satisfactory arrangements for vehicular access and must include provision for improved facilities for pedestrians, cyclists and public transport;

- i) any areas of the site to be used for temporary or occasional car parking must be provided with an appropriate soft surface treatment;
- j) surface water drainage will not increase flood risks downstream and within the river corridor; and
- k) there will be no adverse impact on the adjacent Telegraph Woods SINC with appropriate environmental buffers from development.



- 4.4 The Ageas Bowl (formerly the Rose Bowl), the tennis centre and golf course at West End have seen significant development in recent years. The Council is keen to ensure the success of these facilities whilst maintaining the generally green, open, landscaped character of the area. Outside of the urban edge uses will be restricted to outdoor leisure/recreational uses or ancillary facilities to protect the settlement gap and wider landscape setting of the site. Within the urban edge a greater range of development will be supported provided it is of a use and form which contributes to the overall concept of a leisure and sporting led venue with high quality buildings set within an open and green context. The use of the present facilities causes traffic congestion on occasions, and enhanced provision for pedestrians, cyclists and public transport will be required in conjunction with any additional development. Residential development will present a range of additional issues which will require careful consideration in accordance with the policy. Residential development could only be supported on the part of the site identified by the policies map to the south of the Pitters development, so that it does not affect the setting of the wider site and connects directly to the existing settlement. (Other uses supported by the policy within the urban edge can also be located within this residential area as part of a mixed use scheme). The green open space required with any residential development can be considered adjacent to and outside of the designated residential area, if it relates to the boundary treatment to create the high quality and distinctive setting to the Ageas Bowl. All other open space required in accordance with criterion d.(i). will fall within the designated residential area. The existing access via Marshall Drive does not provide a direct route to West End and forms a separate access to the Ageas Bowl site which has a very different character to existing residential areas. A new appropriately designed pedestrian/cycle route providing a more direct connection to West End centre and to integrate new with existing residential communities will

therefore be required. If the Pitters site were to be redeveloped in the future, this is likely to create the most direct and appropriate route. For the same reasons, and also because Marshall Drive is heavily used on match and events days, it may also be necessary for an alternative vehicular route to be created via any future redevelopment of the Pitters site. The necessity for and deliverability of an alternative vehicular route will be considered at the planning application stage.

- 4.5 The provision of any residential development on the site will increase the potential for impacts on residential amenity. Any residential development should not compromise the existing function of the Ageas Bowl.
- 4.6 Policy WE4 allows for reasonable additional development, adaptation and change, whilst maintaining outdoor recreational activities as the primary uses of the area, and seeking to ensure that any development is of the highest quality. Areas used for temporary or occasional car parking should not include any hardstanding or gravelled areas. Any surface treatment should blend into the landscape. Development should achieve a net gain in biodiversity as set out in policy DM11 and with reference to the site's Natural Environment Delivery Plan.

5. The Proposed Scheme

- 5.1 The proposed scheme provides a total of 185 new residential units, a 71-bedroom care home (Use Class C2), a 142-bedroom hotel (Use Class C1), a well-being centre (Use Class E / F2), a new pavilion building and improvements to existing stadium, new vehicular access, car parking, pedestrian circulation and processional ramp, together with associated tree planting, landscaping, SuDS and biodiversity enhancements.
- 5.2 The residential scheme provides the following net internal areas:

Unit Type	Unit No	Total NIA
Apartment – 1B2P*	14	6,479
Apartment – 2B4P*	68	51,232
House A – 3B5P	23	24,210
House B – 2B4P	18	14,143
House C – 4B6P	3	4,521
House D – 3B5P	10	10,602
House E/E+ – 3B6P	27	29,728
House F – 4B6P	18	26,328
House F+ – 3B6P	4	4,770
Residential Total	185	172,013

- 5.3 *The total NIA of the apartments is 57,711 sq ft (5,362 sq m) and the total GIA is 79,877 (7,421 sq m). The net:gross ratio equates to 72.3%.
- 5.4 The 142-bed budget hotel totals 28,070 sq ft (2,608 sq m) NIA and the 46,877 sq ft (4,355 sq m) GIA.
- 5.5 The 71-bed care home totals 21,806 sq ft (2,026 sq m) NIA and 39,808 sq ft (3,699 sq m) GIA. It is arranged across ground and three upper floors.

- 5.6 The well-being centre is arranged over lower ground, ground and first floors and totals 13,034 sq ft (1,211 sq m) GIA.
- 5.7 The retail unit totals 269 sq ft (25.0 sq m) GIA.
- 5.8 A copy of the schedule of accommodation is attached in Appendix 1.

6. Property Market

- 6.1 The UK government has made progress on rebuilding its reputation in the eyes of the financial markets, thanks to a return to an orthodox fiscal policy under the new Sunak administration. Having reached a low point of \$1.07 on the 28th September 2022, the pound had rallied to nearly \$1.24 on 27th January 2023. 10-year Gilt yields stood at 3.3% on 27th January, down from the 10th October peak of 4.5%.
- 6.2 The UK economy is currently caught between the impact of high inflation, which is squeezing incomes, and the Bank of England hiking interest rates in order to tame price rises. Inevitably, the steps taken to tackle inflation have a negative effect on growth. UK GDP contracted q-on-q by -0.3% in Q3 2022, leaving the economy -0.8% below its pre-Covid level.
- 6.3 Recent months have seen the economy move into a 'stop, go' pattern, where GDP has alternated between growth and contraction on a month-on-month basis. September saw GDP shrink by -0.6% compared to August, but in October growth rebounded to 0.5%, then slowed to 0.1% in November.
- 6.4 CPI inflation eased to 10.5% in the year to December 2022, down from 10.8% in November. Many commentators believe that inflation will now trend downwards, particularly as the October energy price cap increase is in the figures.
- 6.5 At the February meeting of the Bank of England's Monetary Policy Committee (MPC) the decision was taken to increase the UK base rate by 50 bps to 4.00%. We believe the base rate is now at or close to its peak for this hiking cycle.
- 6.6 The unemployment rate was 3.7%, which is unchanged m-on-m but above the 3.6% seen in September. This is low by historic standards and indicates a tight labour market.
- 6.7 The IHS Markit composite Purchasing Managers' Index (PMI) for January 2023 recorded a net balance of 47.8, down from the 49.0 in December. A reading of below 50.0 suggests an economic contraction may have occurred.
- 6.8 Gfk's consumer confidence index stood at -45 in January, down from -42 in December, reflecting concerns over cost-of-living increases.

Housing Market

- 6.9 The Nationwide House Price Index reported a 1.1% increase in the year to January 2023, down from the 2.8% figure for December. Month-on-month the index fell by -0.6%. This marked the fifth month of values falling compared to the previous month.
- 6.10 The average two-year fixed rate mortgage deal reached 5.4% in late January 2023 according to Money Facts, up from 4.1% in late August 2022. However, this is down on the October peak of 6.5% seen in the aftermath of the Truss government's mini-budget.

- 6.11 In December 2022, 36,000 mortgages were approved, according to the Bank of England, which was down sharply on the November figure of 46,000 and the pre-Covid average of 66,800 per month in the year to February 2020.
- 6.12 During the September mini-budget the government raised the level at which Stamp Duty Land Tax (SDLT) applies from £125,000 to £250,000 in England and Northern Ireland. For first time buyers the level will increase from £300,000 to £425,000. This is a welcome move, although the sharp rise in mortgage rates in recent months and the slowdown in the economy are likely to outweigh the benefits from increasing SDLT thresholds.
- 6.13 There is a loose correlation between consumer confidence and house prices. Given the squeeze on household incomes from high inflation and rising mortgage rates, and the shrinking economy, we expect to see house prices slide further in 2023.

7. Local Residential Market

Southampton Residential Market Analysis

- 7.1 Over the last 12 months, the average price paid in the SO30 (Hedge End) postcode area for all property types was £364,376 with 193 sales completed, according to figures produced by Zoopla. The average price paid for a detached house was circa £534,000, a semi-detached house c. £332,000, a terraced house c. £282,000 and a flat c. £187,000 (Source: Zoopla, March 2023).
- 7.2 The table below details the variety of stock that currently exists in Hedge End. The table demonstrates that Hedge End (SO30 postcode) predominantly comprises residential housing with just a small proportion at circa 12.3% of flatted accommodation. Detached property is the highest proportion of housing within Hedge End (SO30 postcode) ahead of terraced and semi-detached properties.

Property Type	SO30 (Hedge End)
Detached	35.6%
Semi-Detached	24.3%
Terrace	27.3%
Flat	12.3%

(Source: Mouseprice, March 2023)

- 7.3 The data above illustrates the relative proportions of the differing types of property. Based on information collected in the 2011 census, the percentages provide an indication of how common particular types of housing are within the postcode district. It is important to note that as homes are demolished and built these percentages will fluctuate accordingly. Please note that end of terrace properties are defined as terrace, as opposed to semi-detached.

New Residential Schemes

- 7.4 We have reviewed new build residential housing schemes under construction in the locality and have summarised this information below.

Millers Walk, West End, SO30

- 7.5 Millers Walk is situated in close proximity to the subject site's Botley Road entrance and the development comprises 91 new homes in total with associated open green spaces and private children's play areas. It is currently being constructed by Foreman Homes in partnership with Vivid Homes.

7.6 We have obtained a recent asking price list from Foreman Homes, which is displayed below.

Type	Bed	Size (sq ft)	Price	£PSF
Detached	4	1,478	£540,000	£365
Detached	4	1,478	£540,000	£365
Detached	4	1,590	£580,000	£365
Detached	4	1,590	£580,000	£365
Detached	4	1,688	£625,000	£370

N.B. Please note that we have estimated the total floor area based on the room dimension information provided.

7.7 This information has been summarised in the below table:

	Max	Avg	Min
Price:	£625,000	£573,000	£540,000
£psf	£370	£366	£365
Sq. ft	1,688	1,565	1,478

Boorley Park, Botley, SO32

7.8 Boorley Park lies approximately 1.9 miles to the north east of the subject site at the former Botley Park Golf Club and the development comprises c. 1,400 homes, a new park and public open space. It is currently being constructed by a consortium of house builders comprising Bloor Homes, Bovis Homes and Linden Homes.

Bloor Homes

7.9 We have obtained a recent asking price list from Bloor Homes, which is displayed below.

Name	Type	Bed	Size (sq ft)	Price	£PSF
The Acton	Semi- detached	3	905	£420,000	£464
The Bredon	Detached	4	1,128	£480,000	£426
The Hemsley	Detached	4	1,128	£525,000	£465
The Astley	Detached	4	1,026	£550,000	£536
The Berrington	Detached	4	1,392	£575,000	£413
The Berrington	Detached	4	1,392	£580,000	£416
The Berrington	Detached	4	1,392	£580,000	£416
The Thornsett	Detached	4	1,440	£600,000	£417
The Thornsett	Detached	4	1,440	£610,000	£424

N.B. Please note that we have estimated the total floor area based on the room dimension information provided.

7.10 This information has been summarised in the below table:

	Max	Avg	Min
Price:	£610,000	£546,667	£420,000

£psf	£536	£437	£413
Sq. ft	1,440	1,249	905

- 7.11 Bloor Homes are currently marketing a selection of detached houses benefitting from a garage and at least a single parking space. The asking prices for a 4 bed detached house ranges from £480,000 to £610,000, whilst there is currently a single 3 bed semi-detached house available for £420,000.
- 7.12 The Help to Buy initiative is applicable at this development and the scheme is available to both first time buyers and existing homeowners. Purchasers require a minimum deposit of 5% of the total sale price and the Government can lend the purchaser up to 40% of the value of the property through an equity loan, which means that they would then need to secure a 55% mortgage. The scheme is only available to newly built homes up to a price of £600,000.
- 7.13 Bloor Homes are currently offering various incentives to purchasers, such as Part Exchange and Assisted Move. With Part Exchange, Bloor Homes would buy a purchasers existing home, which would avoid a potential chain delaying timescales and also save costs by excluding estate agents fees. Alternatively for an Assisted Move, Bloor Homes will arrange for an estate agent to sell a purchaser's existing property or pay their fees.

Bovis Homes

- 7.14 We have obtained a recent asking price list from Bovis Homes, which is displayed below.

Name	Type	Bed	Size (sq ft)	Price	£PSF
The Holly	End-of-terrace	2	798	£331,000	£415
The Holly	End-of-terrace	2	798	£331,000	415
The Cypress	Semi-detached	3	1,073	£438,600	£409
The Beech	Semi-detached	3	1,034	£397,500	£384
The Beech	Semi-detached	3	1,034	£402,500	£389
The Aspen	Detached	4	1,407	£550,000	£391

N.B. Please note that we have estimated the total floor area based on the room dimension information provided.

- 7.15 This information has been summarised in the below table:

	Max	Avg	Min
Price:	£550,000	£408,433	£331,000
£psf	£415	£399	£384
Sq. ft	1,407	1,024	798

- 7.16 Bovis Homes are currently marketing a two 2 bed townhouses for £331,000 and three 3 bed semi-detached houses ranging from £397,500 to £438,600, and a single 4 bed detached house for £550,000. The 3 bed and 4 beds units benefit from a garage and all units have at least a single private parking space.

Linden Homes

- 7.17 We have obtained a recent asking price list from Linden Homes, which is displayed below.

Name	Type	Bed	Size (sq ft)	Price	£PSF
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The Haywood	Semi-detached	3	1,214	£395,000	£325
The Haywood	Semi-detached	3	1,214	£395,000	£325
The Oxford	Detached	4	1,241	£490,000	£395
The Fulford	Detached	4	1,393	£550,000	£395
The Fairford	Detached	4	1,443	£580,000	£402

N.B. Please note that we have estimated the total floor area based on the room dimension information provided.

7.18 This information has been summarised in the below table:

	Max	Avg	Min
Price:	£580,000	£482,000	£395,000
£psf	£402	£370	£325
Sq. ft	1,443	1,301	1,214

7.19 Linden Homes are currently marketing a selection of 3 and 4 bed homes from £395,000 for the price of a 3 bed semi-detached and 4 bed detached houses are currently available from £490,000 to £580,000. All units benefit from a garage and at least a single private parking space.

7.20 Linden Homes are offering Part Exchange and Assisted Move incentives.

West End Road, West End, SO30

7.21 This is a boutique development approximately 0.8 miles to the north-east of the subject site. The development comprises 4 x three bedroom semi-detached houses. We have obtained a recent asking price list, which is displayed below.

Type	Bed	Size (sq ft)	Price	£PSF
Semi-Detached	3	1,066	£437,600	£411
Semi-Detached	3	948	£437,600	£462
Semi-Detached	3	1,066	£437,600	£411
Semi-Detached	3	948	£437,600	£462

7.22 This information has been summarised in the below table:

	Max	Avg	Min
Price:	£437,600	£437,600	£437,600
£psf	£462	£435	£411
Sq. ft	1,066	1,007	948

7.23 All units benefit from two off-street private parking spaces. Help to Buy is available on these units.

Spitfire Lodge, Belmont Road, Southampton, SO17

7.24 Spitfire Lodge is a Churchill Group development in Southampton and lies approximately 2.8 miles to the west of the subject site. The development is closer to central Southampton and comprises 73 one bed and two bed apartments. We have obtained a recent asking price list, which is displayed below and includes accurate floor areas.

Type	Bed	Size (sq ft)	Price	£PSF
Flat	1	525	£279,950	£533
Flat	1	603	£311,950	£517
Flat	2	798	£379,950	£476
Flat	2	759	£392,950	£518
Flat	2	848	£423,950	£500

7.25 This information has been summarised in the below table:

	Max	Avg	Min
Price:	£423,950	£357,750	£279,950
£psf	£533	£506	£476
Sq. ft	848	707	525

7.26 There are a number of incentives available such as an easy mover scheme.

Summary – Residential and Care Home

7.27 There are a number of significant housing schemes under construction within an approximate 3 mile radius from the subject property, particularly in Boorley Green with the comprehensive Boorley Park development, as well as the Millers Walk development in close proximity on Botley Road. We consider that a redevelopment of the subject site will deliver a similar specification to these schemes but would be more sought after due to its close proximity to leisure and wellness/recreation facilities at the Ageas Bowl. Overall we consider that it is also likely to attract a similar buyer profile.

7.28 From our market research, 3 and 4 bedroom semi-detached and detached housing is the most popular unit type and the majority of houses benefit from either a garage or private parking spaces for two vehicles.

7.29 There are various incentives available, particularly through the larger plc house builders and the majority of units are applicable for the Help to Buy scheme with an asking price below £600,000, however this scheme is due to finish imminently. Most of the comparable developments catered for a broad range of purchasers, such as first time buyers, families and professionals, with varied house types and close connections to public transport.

7.30 We consider a residential development of the subject site would benefit from the mature woodland setting adjacent to the western boundary of the site and also the range of leisure and shopping facilities in close proximity. We consider that the saleability of these units would be further enhanced by cricket enthusiasts attracted to the close proximity of the Ageas Bowl.

7.31 Having regard to the information above, we consider that a residential housing-led scheme could potentially achieve sales values in the region of £400psf to £450 psf, subject to design and specification. We have applied an average value equating to circa £428 per sq ft to the total net internal area of 172,013 sq ft which provides a total value of circa £73,575,000.

7.32 Our end values equate to £240,000 (£519 psf) for 1B2P flats, £330,000 (£438 psf) for 2B4P flats, £350,000 (£445 psf) for 2B4P houses, £450,000 (£424 – 428 psf) for 3B5P houses, £455,000 - £460,000 (£386 - £413 psf) for 3B6P houses, and £590,000 - £600,000 (£398 - £409 psf) for 4B6P houses. We consider these values to be pitched circa 10% in excess of comparable residential housing-led schemes that are being marketed in the wider area. We consider this to be commensurate to the aspirations of the proposed development delivering an exceptionally well-located product to the

wider Southampton market and corresponds to the cost profile outlined in the Welling cost plan detailed in Appendix 2.

- 7.33 For the care home element, we consider Churchill's Spitfire Lodge scheme to be the most pertinent evidence due to its relative proximity in Portswood c. 4.5 km to the west and its similar scale providing 73 one and two bedroom retirement apartments in a single integrated facility. We have discounted slightly from the larger one bed units in this comparable scheme to arrive at a capital value of £250,000 per unit for the studio en-suite rooms within the proposed care home development. This generates a total value of £17,750,000 across the 71-bed care home which we consider to be appropriate for a single integrated scheme of this nature in this location.

Hotels

- 7.34 We have provided the following recent hotel rental and investment evidence to ascertain appropriate rent and yield assumptions in our appraisal.

Rental

Address	Location	No. Keys	Term	Rent per key (£ pa)
Travelodge Bournemouth	Bournemouth	110	30	£5,564
Premier Inn Oxford Botley	Oxford	123	25	£6,300
Premier Inn Faversham	Faversham	84	30	£4,285
Travelodge Harlequin Park	Bristol	97	25	£4,706
Premier Inn Reading	Reading	101	25	£6,000
Premier Inn Bournemouth	Bournemouth	105	25	£5,880
Premier Inn Brighton	Brighton	133	30	£6,500
Premier Inn Bath	Bath	165	30	£7,500
TOTAL / AVERAGE		115	28	£5,842

Investment

Address	Location	No. Keys	Year Sold	Basis	Yield	Rent per key (£ pa)
Premier Inn Norwich City Centre	Norwich	117	2021	Investment	4.08%	£94,530
Travelodge Emersons Green	Bristol	90	2021	Investment	5.00%	£123,963
Premier Inn Maidenhead	Maidenhead	124	2021	Investment	5.00%	£110,484
Travelodge Harlequin Park	Bristol	97	2021	Forward Fund	4.95%	£119,784
Travelodge Central Park	Bristol	81	2021	Forward Fund	5.03%	£104,938
Premier Inn Milton Keynes	Milton Keynes	180	2021	Forward Fund	4.24%	£131,722
TOTAL / AVERAGE		115			4.72%	£114,237

Conclusion

- 7.35 The evidence provided includes covenants such as Travelodge and Premier Inn and we envisage these to be comparable to the end user of the subject property. We have applied an average rent of £6,000 per bed and capitalised this income at a yield of 5.00% to arrive at a capital value of £120,000 per bed. This generates a total value of £17,040,000 across the 142-bed budget hotel. We consider this value to be appropriate in the context of the evidence sourced above.

8. Approach to Assessing Viability

- 8.1 Viability assessments are used for a number of purposes in the planning process but probably most commonly in relation to assessing the amount of affordable housing and Section 106 / CIL contributions a specific development can accommodate whilst still providing an appropriate return to the developer as defined by the NPPF.
- 8.2 A viability assessment is usually undertaken by way of a form of residual appraisal. An appraisal calculates the total revenue of the proposed scheme, including the sales values of the private residential units, and any additional income items from the commercial elements and ground rents. This provides the Gross Development Value (GDV) of the scheme. The total cost of the scheme, including build costs, infrastructure costs, professional fees, planning obligations, sales and letting fees and finance costs, are deducted from the GDV. If the land value is taken as the value at which the site would be released for development, the remainder is available for developer's profit.
- 8.3 The Developer requires a return for investing and bringing forward a scheme. The level of profit required varies from scheme to scheme and depending upon the stage of the economic cycle, and the risk inherent in a project. Therefore, the level of developer's profit should take account of the risk in bringing forward the scheme as well as providing an appropriate return. A realistic profit margin is not only required to ensure the developer appropriate cover, but is now more than ever, a requirement of any bank looking to fund a scheme.
- 8.4 If the costs of development and land are deducted from the GDV and the amount remaining for developer's profit is sufficient to objectively justify the development, then the scheme is viable. However, if this is not the case, the scheme is not viable. In this situation, the amount of affordable housing should be reduced until the scheme becomes viable.
- 8.5 The updated National Planning Policy Framework ("NPPF2") and Planning Practice Guidance ("PPG") on viability were published in July 2018, superseding previous versions. These documents reiterate the importance of viability in plan-making and decision taking, confirming that Local Planning Authorities should ensure policies on affordable housing and CIL/S106 contributions are set at levels that do not financially undermine development sites being brought forward. All policy should be applied to encourage housing development and not to restrain it.
- 8.6 The NPPF1 and NPPF2 sets out the Government's planning policies and how these should be applied.
- 8.7 On Development Contributions, the NPPF states at Paragraph 34:
- 8.8 "Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan."
- 8.9 On viability, the NPPF states at Paragraph 57:
- 8.10 "Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage,

should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.”

- 8.11 The NPPF seeks to ensure that policies set by Local Planning Authorities through plan-making, should not undermine the viability of development.
- 8.12 On affordable housing, the NPPF states at Paragraph 64
- 8.13 “Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:
- a) provides solely for Build to Rent homes;
 - b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);
 - c) is proposed to be developed by people who wish to build or commission their own homes; or
 - d) is exclusively for affordable housing, an entry-level exception site or a rural exception site.”
- 8.14 The Planning Practice Guidance (“PPG”) was updated in line with the NPPF and sets out the key principles in understanding viability in plan making and decision taking. The Guidance is set out in 4 sections and the key points are set out below:

Section 1 – Viability and plan making

- 8.15 Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure).
- 8.16 These policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106.
- 8.17 To provide certainty, affordable housing requirements should be expressed as a single figure rather than a range. Different requirements may be set for different types of site or types of development.

Section 2 – Viability and decision making

- 8.18 Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.

Section 3 – Standardised inputs to viability assessment

- 8.19 A viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes

looking at the key elements of gross development value, costs, land value, landowner premium, and developer return.

- 8.20 The Planning Guidance sets out the government's recommended approach to viability assessment for planning.
- 8.21 Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available.
- 8.22 Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments.
- 8.23 For viability assessment of a specific site or development, market evidence (rather than average figures) from the actual site or from existing developments can be used. Any market evidence used should be adjusted to take into account variations in use, form, scale, location, rents and yields, disregarding outliers.
- 8.24 Assessment of costs should be based on evidence which is reflective of local market conditions.
- 8.25 Costs include:
- build costs based on appropriate data, for example that of the Building Cost Information Service
 - abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites.
 - site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value
 - the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value
 - general finance costs including those incurred through loans
 - professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value
 - explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return
 - to define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner

to sell land for development while allowing a sufficient contribution to comply with policy requirements. This Benchmark land value should:

- be based upon existing use value
- allow for a premium to landowners (including equity resulting from those building their own homes)
- reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and
- be informed by market evidence including current uses, costs and values wherever possible. Where recent market evidence is used to inform assessment of benchmark land value this evidence should be based on developments which are compliant with policies, including for affordable housing. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time which is often called 'existing use value plus' (EUV+).

- 8.26 Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use together with the right to implement any development for which there are policy compliant extant planning consents, including realistic deemed consents, but without regard to alternative uses. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield. Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.
- 8.27 The premium (or the 'plus' in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner as an incentive to engage in the redevelopment process. The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements.
- 8.28 Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks.
- 8.29 The updated RICS Guidance Note 'Assessing viability in planning under the National Planning Policy Framework 2019 for England', introduced in March 2021 and effective from 01 July 2021, provides guidance for carrying out and interpreting the results of viability assessments under the NPPF and the updated PPG.
- 8.30 However, it has become clear that there have been a number of difficulties in the use of land market transactions to inform the benchmark land value within a planning viability assessment. A market-based land value whether based on price paid, market transactions, valuations or an aspirational landowner figure, may only 'have regard' to Development Plan policies. Therefore, reliance on purchase price and market transactions as comparable evidence must be adjusted to take into account current policy requirements otherwise there is a clear risk of encouraging developers to

overpay for sites and try to recover some or all of this overpayment via reductions in planning obligations.

- 8.31 Viability for planning purposes is an objective financial viability test of the ability of a development project to meet its costs, including the cost of planning obligations, whilst ensuring an appropriate site value for the landowner and a market risk adjusted return to the developer in delivering that project.
- 8.32 The principle of viability is well established in that a site will not be released for development if it is not possible to achieve an appropriate land value and adequate developer's profit.
- 8.33 It is recognised and understood that a site with development potential will not be released for development at current use value. There is simply no incentive to release land for the value of its current use. However, it is also not appropriate to adopt a simple land value based on a purchase price where the purchaser may not have assumed the payment of appropriate planning obligations. Therefore, the viability guidance recommends that the benchmark land value is based on the Market Value of the site. Where redevelopment of the site is viable, this should be reflected in the market value, however, the uplift relating to any proposed development potential must be on a policy compliant basis.
- 8.34 Therefore, the approach to assessing the benchmark land value could be to consider the level at which the site would be released to the market. A viability assessment is a form of residual appraisal. An appraisal calculates the total revenue of the proposed scheme, including the sales values of the private residential units, and any additional income items from the commercial elements and ground rents. This provides the Gross Development Value (GDV) of the scheme. The total cost of the scheme, including build costs, infrastructure costs, professional fees, planning obligations, sales and letting fees and finance costs, are deducted from the GDV. If the land value is taken as the value at which the site would be released for development, the remainder is available for developer's profit.
- 8.35 The developer requires a return for investing and bringing forward a scheme. The level of profit required varies from scheme to scheme and depending upon the stage of the economic cycle, and the risk inherent in a project. Therefore, the level of developer's profit should take account of the risk in bringing forward the scheme as well as providing an appropriate return. A realistic profit margin is not only required to ensure the developer appropriate cover, but is now more than ever, a requirement of any bank looking to fund a scheme. It is our view that a developer's profit for this scheme should equate to 20.0% of the GDV for the residential and care home element, and 15% of the GDV for the hotel, wellbeing centre and retail element. We consider that the development risk profile is significant in this uncertain climate. Funding requirements are stricter, and further, a bespoke and unique product such as the proposed scheme will carry a higher risk profile than a standard development. Developments of this scale now carry a greater risk burden due to the uncertainty with regards to values and costs.
- 8.36 If the costs of development and land are deducted from the GDV and the amount remaining for developer's profit equates to a level that is reasonable for that particular scheme, then the scheme is viable. However, if this is not the case and a lower level of profit is generated, the scheme is not viable. In this situation, if there is a large planning obligation or high level of affordable housing included in the scheme, it may be necessary to negotiate to reduce this, in order to improve the viability of the scheme and enable the scheme to be brought forward.
- 8.37 Residual appraisals are very sensitive to changes in inputs and therefore there must be sufficient tolerance to allow for market fluctuations. Sensitivity analysis is used to demonstrate the level of tolerance.

Land Value Benchmark

- 8.38 The RICS guidance requires that the Land Value Benchmark is based on the Market Value of the site such that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan.
- 8.39 The site value in theory should represent a balance that allows for a proposal to derive a reasonable market return but also to meet its planning obligation liabilities in accordance with the Development Plan. This approach ultimately maximises the prospects of delivery.
- 8.40 The subject site comprises land adjacent to a stadium in operation by Hampshire County Cricket Club, Hilton Hotel and Beefy's Restaurant. This type of property rarely comes to the market and therefore comparable evidence of this nature is scarce. Golf Courses are very much a long-term investment where the cost of delivery varies quite significantly dependent upon the relevant stakeholders, and surrounding demographic which will be reflected in the membership costs etc. It is vital to consider how temporary uses such as the parking are contingent on whether the cricket occurs. Consequently, we have had to consider this when determining value against the relevant parcel. Further, we have disregarded the surrounding amenity land from this exercise. It could be argued that such land does have a value, as ultimately it facilitates the value of the land that is developable. However, we consider that for this purpose it would not be appropriate. We recognise the ambitious nature of this regeneration initiative which would seek to create a new community generating commercial activity and a local economy that is sustainable.
- 8.41 We have conducted our own research into existing use values. We have estimated the property's site area using Promap software, having regard to the title plans we have been provided with. We summarise below our understanding of the existing approximate areas, however, should these prove inaccurate, then we wish to reserve the right to amend our opinion. We have also included the primary use type of the existing land parcels.

Ageas Bowl – Character Area	Existing Use	Hectares	Acres
1 - Hotel Car Parking	Car Parking	0.5	1.28
1 / 2 - Eastern Car Park	Golf Course	2.1	5.29
1/2 - Hotel	Car Parking	0.3	0.75
4- Care Home	Open Storage Amenity Land	0.8	2.00
5 - Residential Flats	Car Parking / Amenity Land	1.7	4.29
5 - Residential Houses	Car Parking / Amenity Land	3.2	7.96
5- Wellbeing Centre	Car Parking	0.8	2.01
TOTAL		9.5	23.58

- 8.42 The wider site accommodates the Ageas Bowl cricket stadium (Hampshire County Club) and associated facilities that include a Hilton hotel, alongside other incidental built form including surface car parking areas. We understand that all of the existing buildings are in use. The remainder (vast majority) of the wider site is known as the strategic gap and is in use as a golf course alongside open green space and woodland. It is anticipated that there will be limited development opportunity in the strategic gap.
- 8.43 The NPPF advocates that the benchmark land value should be assessed on the basis of the existing use value (EUV) plus premium approach. We have adopted this methodology for the purpose of our assessment.
- 8.44 Our approach has been to identify the primary existing use type of each character area and attribute an appropriate value on a per acre basis against each one. We have sourced appropriate comparable

sales evidence for amenity land, open car parking / open storage, amenity land, and light industrial. This evidence is provided in Appendix 3. Evidence of this nature in close proximity to a high-profile sporting and leisure venue is extremely rare and as such, we have made suitable adjustments to the comparable evidence to arrive at our values evidenced in the table below.

- 8.45 We consider the best comparable evidence for the golf course land is Bourn Golf Club (c. £25k per acre) and Lakeside Lodge (c. £30k per acre), however these sales are slightly historic and we consider the Boundary Lakes golf course to be superior. The Bourn Golf Club subsequently underwent improvement works and has now rebranded as the luxury development Cambridge County Club and we would expect it to trade for considerably more than £25k per acre if it were offered to the market now. Generally the sales evidence ranges from £13,187 - £41,500 per acre and we have adopted £50,000 per acre for the golf course land at the subject.
- 8.46 The most suitable open storage land comparable is the Former Ready Power Site (£289,017 per acre) in Micheldever, Winchester. The land is part hardstanding and part earth bunded and did not have any planning applications / consents in place at the time of sale. We have upwardly adjusted this value for the open storage land at the subject to reflect its superior location and the historic sale of the comparable.
- 8.47 We have discounted from the Former Ready Power Site and also consider the B&W Nurseries (c. £95k per acre) and Garrison Hill land (c. £145k per acre) to arrive at rates for the car parking ranging from £150,000 - £200,000 per acre depending on size with quantum size adjustments being made for the larger residential plots (£150,000 per acre) and the higher value (£200,000 per acre) for the smaller hotel and hotel car park plots. Our breakdown is provided in the table below:

Ageas Bowl – Character Area	Existing Use	Hectares	Acres	£ per acre	EUV
1 - Hotel Car Parking	Car Parking	0.5	1.28	£200,000	£256,000
1 / 2 - Eastern Car Park	Golf Course	2.1	5.29	£50,000	£264,500
1/2 - Hotel	Car Parking	0.3	0.75	£200,000	£150,000
4- Care Home	Open Storage / Amenity Land	0.8	2.00	£350,000	£700,000
5 - Residential Flats	Car Parking / Amenity Land	1.7	4.29	£150,000	£643,500
5 - Residential Houses	Car Parking / Amenity Land	3.2	7.96	£150,000	£1,194,000
5- Wellbeing Centre	Car Parking	0.8	2.01	£150,000	£301,500
TOTAL / AVERAGE		9.5	23.58	£148,834	£3,509,500

- 8.48 Based on the information provided, we have estimated that the property generates a value of c. £150,000 per acre which we consider to be appropriate for uses including car parking, amenity land, light industrial and golf course land in this location.
- 8.49 We have included details of the existing car park income at Appendix 4.

Existing Use Value

- 8.50 We have estimated an existing use value for the property of £3,509,500 by utilising the comparable method of valuation. We consider a capital value of c. £150,000 per acre to be appropriate.
- 8.51 For the purposes of establishing our Land Value Benchmark we have attributed a 25% premium to our existing use value which provides a value of circa £4,500,000. We consider a 25% premium to be appropriate given the subject property's allocation under WE4 in the adopted Eastleigh Local Plan (2016).

9. The Proposed Scheme Appraisal

9.1 In order to ascertain whether the proposed scheme can provide affordable housing we have assessed the scheme on the basis of 100% market tenure.

9.2 A copy of our appraisal is attached at Appendix 5. The key components are as follows:

Gross Development Value

Private Residential Units

9.3 We have applied an average value equating to circa £427 per sq ft to the total net internal area of 172,013 sq ft which provides a total value of circa £73,575,000. Our end values equate to £240,000 for 1B2P flats, £330,000 for 2B4P flats, £350,000 for 2B4P houses, £450,000 for 3B5P houses, £455,000 - £460,000 for 3B6P houses, and £590,000 - £600,000 for 4B6P houses. We note that these values are comfortably in excess of comparable residential housing-led schemes that are being marketed in the wider area and we consider this approach to be appropriate due to the unique setting of the property and aspirational nature of the proposed scheme.

Care Home

9.4 We understand that there are 71 beds within the proposed scheme. We have applied an average capital value equating to £250,000 per bed which can be broken down as an annual net rent of c. £10,500 per bed and capitalised at a yield of 4.25% (reflecting a strong end covenant). This provides a total value of circa £17,750,000 across the 71 en-suite rooms.

Hotel

9.5 We have applied an average capital value equating to £120,000 per bed which can be broken down as an annual rent of £6,000 per bed and capitalised at a yield of 5.00% (reflecting a likely end covenant to Travelodge or similar). This provides a total value of circa £17,040,000 across the 142 bed budget hotel.

Commercial Space – Wellbeing Centre and Retail

9.6 We have set out our proposed rental and yield assumptions in the table below.

Description	Area (Sq Ft)	Rent (£PSF)	Void / Rent Free Period	Yield	Capital Value
Wellbeing Centre	13,034	£15.00	12 months	6.00%	£3,074,057
Retail	269	£20.00	-	6.50%	£82,769
Totals	13,303	-	-	-	£3,156,826

9.7 We set out below a table of all the components that create the Gross Development Value.

Use	AY
Private Tenure Residential Units	£73,575,000
Care Home	£17,750,000
Hotel	£17,040,000
Wellbeing Centre	£3,074,057
Retail	£82,769
TOTAL (£ Circa)	£111,307,162

Development Costs

- 9.8 We have been provided with a cost plan by Welling. Their assumed construction cost for the residential element equates to circa £54,128,111 (£259 per sq. ft), wellbeing centre costs equating to £3,396,000 (£261 per sq ft), care home equating to £10,281,000 (£258 per sq ft), and hotel equating to £12,476,000 (£266 per sq ft). This brings the construction cost across the built elements to £80,281,111 (£260 per sq ft). These costs include preliminaries (13.8%), overheads & profit (7.00%), project / design team fees (3.50%) and contingency of 10%. The cost plan also includes an allowance of £1,142,000 for the eastern car park which we have adopted in our appraisal.
- 9.9 This brings the total build cost to £81,423,111.
- 9.10 We have excluded all the costs relating to Pavilion Works (2.5) and also the Bridge and Fan Zone (2.7), totalling £18,158,000 (inclusive of risk allowance). These items are no longer included in the appraisal despite remaining on the planning application because they are not currently viable due to considerable inflationary pressure on build costs since the initial scheme was envisaged, even in the absence of social housing. It's still the aspiration to carry out the elements in the fullness of time if future trading permits.
- 9.11 We have made a professional fees allowance of 10% of construction costs.
- 9.12 We have also included the following agents/legal fees in our appraisal:

Fee	AY
Direct Sales Agents Fee	2.00% of Private Tenure
Direct Sale Legal Fee	0.50% of Private Tenure and Affordable Units (if applicable)
Marketing Fee	Included in the sales agents fee
Purchaser's Costs	6.8% of the wellbeing centre and retail

Other Costs

- 9.13 There is no adopted CIL Charging Schedule in Eastleigh. We have made an allowance of £200,000 for Section 106 contributions.
- 9.14 We've assumed a debit rate of 6.00% which we consider to be a relatively bullish funding rate in the current lending environment. We have adopted a 3 month pre-construction period, 24-month construction period (reflecting simultaneous delivery of each character area) and a 21 months sales programme following practical completion to dispose of all the residential units.

Appraisal Summary

- 9.15 In undertaking our appraisal, we have adopted our Land Value Benchmark of £4,500,000. We have apportioned this figure on a pro rata basis against the acreage of the residential, care home, hotel, and wellbeing centre land parcels only. This is broken down in the table below:

Element	Acres	BLV Split
Residential	12.25	£ 3,013,942
Wellbeing Centre	2.01	£ 494,533

Care Home	2	£	492,072
Hotel	2.03	£	499,453
Total	18.29	£	4,500,000

9.16 Based on the costs set out above, our total development costs including finance are circa £104,897,448. When deducted from our GDV of circa £111,307,162 above, this option produces a profit of circa £6,409,713. After allowing for a required blended developer's profit of 19.1% of the GDV, totalling £21,262,324 (20% for the private residential and care home, 15% for the hotel, wellbeing centre and retail), we have calculated a considerable deficit of circa £14,852,611 and as such the scheme cannot afford to provide any on-site affordable housing.

9.17 A copy of our appraisal can be found in Appendix 5.

Conclusion

9.18 This is an ambitious development scheme where the developer is taking significant risk to unlock value across the site. It has been essential to assume nil affordable housing due to the challenging macroeconomic climate in today's market. The inflationary pressures the construction market has faced over the past circa 18 months, and continues to face, have been well publicised in the national press. The pressure on the scheme has now been exacerbated with recent tensions on residential sales values due to climbing interest rates and the associated impact on declining mortgage affordability (with further pressure on homebuyers building cash deposits due to the ongoing cost of living crisis).

9.19 Despite the challenging market conditions, the developer is eager to progress with an ambitious and aspirational scheme that will enhance the local area and provide an attractive proposition that will draw residential owner occupiers and commercial occupiers to the completed development in due course.

Appendix I

Schedule of Accommodation

CALDERPEEL

ARCHITECTS

REVISION DATE: 25/03/2021

Car Park, Spectator Ramp & Hotel

Floor Level	Accommodation Type	Sq.m	Sq.ft	Build Type
Gf	Shop/Merch. Retail	25	269.1	New Build
			Total GIA:	269.1
			Total NIA:	269.1

sq.ft

sq.ft

Total GEA:	339.0	sq.ft
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sq.ft

Budget Hotel

[illegible]

sq.ft

sq.ft

please note that all areas are approximate and should not be relied upon for any contractual purposes

Net Internal Areas					
Accommodation Type	Room Sq.m	Quantity	Sq.m	Sq.ft	Build Type
standard family @ 21 sq.m	21	68	1428	15369.6	New Build
accessible room @ 22 sq.m	22	10	220	2367.9	New Build
double shower room @ 15 sq.m	15	64	960	10332.5	New Build
Total:		142			

Total GEA :	49848.0	sq.ft
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sq.ft

CHARACTER AREA 3 - AREAS SCHEDULE

CALDERPEEL

ARCHITECTS

REVISION DATE:

30/03/2022

Pavilion & Maintenance

Notes	Accommodation Type	Sq.m	Sq.ft	Build Type
Areas are over 3 Storeys	Maintenance Stores	2136	22989.8	New Build/Refurb
	Cricket Nets	500	5381.5	New Build/Refurb
	WC/Changing	149	1603.7	New Build/Refurb
	Wicket Cover St.	463	4983.3	New Build/Refurb
	Pavilion	392	4219.1	New Build/Refurb
Total:		3640	39177.32	

Total GIA:	3844.9 Sq.m 41,383.3 Sq.ft
Total NIA:	3640 Sq.m 39,177.3 Sq.ft

please note that all areas are approximate and should not be relied upon for any contractual purposes

Within
existing GEA

Floor level	Sq.m	Sq.ft
Lower G	1944.4	20927.6
Ground	3376.1	36337.0
First	593.4	6386.8
Second	477.6	5140.4

Total GEA:	6391.5	68791.7
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CHARACTER AREA 4 - AREAS SCHEDULE

ARCHITECTS

REVISION DATE: 24/03/2022

Care Home

Net Internal Areas					
Floor Level	Accommodation Type	Quantity	Sq.m	Sq.ft	Build Type
Gf	Concierge		390	4197.6	New Build
1st	En-suite + Bedrooms (@ circa 20sq.m)	19	380	4089.9	New Build
1st	En-suite + Bedrooms (@ circa 24sq.m)	5	120	1291.6	New Build
1st	En-suite + Bedrooms (@ circa 26sq.m)	3	78	839.5	New Build
2nd	En-suite + Bedrooms (@ circa 20sq.m)	19	380	4089.9	New Build
2nd	En-suite + Bedrooms (@ circa 24sq.m)	5	120	1291.6	New Build
2nd	En-suite + Bedrooms (@ circa 26sq.m)	3	78	839.5	New Build
3rd	En-suite + Bedrooms (@ circa 20sq.m)	9	180	1937.3	New Build
3rd	En-suite + Bedrooms (@ circa 24sq.m)	6	144	1549.9	New Build
3rd	En-suite + Bedrooms (@ circa 26sq.m)	2	156	1679.0	New Build
	(Staff rooms, BOH, breakout spaces included in gfa)				
Total:		71	2026	21805.8	

Total GIA:	39808.0	sq.ft
Total NIA:	21805.8	sq.ft

Gross Internal Areas	Sq.m	Sq.ft
Gf	453.6	4882.1
1st	1192	12829.5
2nd	1192	12829.5
3rd	861	9266.9
Total:	3698.6	39808.0

Gross External Areas	Sq.m	Sq.ft
Gf	631.7	6799.0
1st	1645	17705.1
2nd	1645	17705.1
3rd	1197	12883.3
Total:	5118.7	55092.6

(Staff rooms, BOH, breakout spaces included in gfa)

please note that all areas are approximate and should not be relied upon for any contractual purposes

CHARACTER AREA 5 - AREAS SCHEDULE

CALDERPEEL

ARCHITECTS

REVISION DATE: 26/05/2022

Residential

Notes	Accommodation Type	GIA Sq.m	GIA Sq.ft	Quantities	Total GIA	
Areas over all storeys	HT A 3B5P	97.8	1052.6	23	24210.3	sq.ft
	HT B 2B4P	73	785.7	18	14142.6	sq.ft
	HT C 4B6P	140	1506.8	3	4520.5	sq.ft
	HT D 3B5P	98.5	1060.2	10	10601.6	sq.ft
	HT E/E+ 3B6P	102.3	1101.1	27	29728.5	sq.ft
	HT F- 4B6P	138.4	1489.6	8	11916.8	sq.ft
	HT F 4B6P	133.9	1441.2	10	14411.7	sq.ft
	HT F+ 3B6P	110.8	1192.5	4	4770.2	sq.ft
Total:				103	114302.0	sq.ft
		NIA Sq.m	NIA Sq.ft	Quantities	Total NIA	sq.ft
Areas over all storeys	Apartment - 1B2P	43	462.8	14	6479.3	sq.ft
	Apartment - 2B4P	70	753.4	68	51231.9	sq.ft
						sq.ft
Total:				82	57711.2	
			Total:	185	172013.2	sq.ft

please note that all areas are approximate and should not be relied upon for any contractual purposes

HT Gross External Areas	GEA Sq.m	GEA Sq.ft	Quantities	Total GEA sq.m	Total GEA sq.ft
HT A 3B5P	125.2	1347.5	23	2879.6	30993.1
HT B 2B4P	93	1001.0	18	1674.0	18017.3
HT C 4B6P	194.3	2091.3	3	582.9	6273.8
HT D 3B5P	143	1539.1	10	1430.0	15391.1
HT E/E+ 3B6P	158.1	1701.6	27	4268.7	45944.0
HT F- 4B6P	174.1	1873.8	8	1392.8	14990.7
HT F 4B6P	175.5	1888.9	10	1755.0	18889.1
HT F+ 3B6P	146.3	1574.6	4	585.2	6298.5

Total:	1209.5	13017.8	103	3733.0	40178.3
--------	--------	---------	-----	--------	---------

Apartment mix	Apartment Block type	GEA Sq.m	GIA Sq.m	NIA Sq.m	Net/Gross
(4-1b2p &18-2b4p)	1	2166.3	1995.8	1432	71.8%
(4-1b2p &18-2b4p)	1	2166.3	1995.8	1432	71.8%
(3-1b2p &16-2b4p)	2	1854.8	1714.6	1249	72.8%
(3-1b2p &16-2b4p)	2	1854.8	1714.6	1249	72.8%

Total:		8042.2	7420.8	5362.0	
--------	--	--------	--------	--------	--

CHARACTER AREA 5 - AREAS SCHEDULE

CALDERPEEL

ARCHITECTS

REVISION DATE: 30/03/2022

Well-Being Centre

Floor Level	Accommodation Type	Sq.m	Sq.ft	Build Type
Lower Ground	Leisure/Health	68.5	737.3	New Build
Ground	Leisure/Health	775.2	8343.5	New Build
First	Leisure/Health	367.3	3953.2	New Build
Total:		1211	13034.0	

Total GIA: 13034.0 sq.ft

Floor Level	GEA Sq.m	GEA Sq.ft
Lower G	81.4	876.1
Ground	908.6	9779.3
First	435.9	4691.6

Total GEA: 1425.9 15347.0 sq.ft

please note that all areas are approximate and should not be relied upon for any contractual purposes

Appendix II

Cost Plan



Order of Cost Estimate No. 2 (SUMMARY) REVISION C

Floor Area Method

					Pavilion Works 2.5				Character Areas 1 & 2 2.7		
	Residential Houses 2.1	Residential Flats 2.2	Wellbeing Centre 2.3	Care Home 2.4	Part A Pavilion Only	Part B Maintenance Facilities	Part C External Works	Budget Hotel 2.6	Character Areas 1 & 2 (Bridge and Fan Zone)	Character Areas 1 & 2 (Eastern Parking Only)	Grand Total
Works Cost	£ 30,511,202	£ 17,032,153	£ 2,885,000	£ 8,901,000	£ 4,825,000	£ 4,421,000	£ 1,524,000	£ 10,600,000	£ 4,815,000	£ 1,003,000	£ 86,517,356
D&B Contractor's Design Fees	£ 1,067,892	£ 596,125	£ 202,000	£ 445,000	£ 338,000	£ 309,000	£ 107,000	£ 742,000	£ 169,000	£ 35,000	£ 4,011,017
Other Development/ Project Costs	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded
Base Cost	£ 31,579,095	£ 17,628,279	£ 3,087,000	£ 9,346,000	£ 5,163,000	£ 4,730,000	£ 1,631,000	£ 11,342,000	£ 4,984,000	£ 1,038,000	£ 90,528,373
Risk Allowances	£ 3,157,909	£ 1,762,828	£ 309,000	£ 935,000	£ 516,000	£ 473,000	£ 163,000	£ 1,134,000	£ 498,000	£ 104,000	£ 9,052,737
Cost Estimate (excluding inflation)	£ 34,737,004	£ 19,391,106	£ 3,396,000	£ 10,281,000	£ 5,679,000	£ 5,203,000	£ 1,794,000	£ 12,476,000	£ 5,482,000	£ 1,142,000	£ 99,581,110
Tender Inflation	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded
Construction Inflation	£ 1,042,110	£ 581,733	£ 51,000	£ 154,000	£ 85,000	£ 78,000	£ 27,000	£ 187,000	£ 82,000	£ 17,000	£ 2,304,843
Cost Estimate (including inflation)	£ 35,779,114	£ 19,972,840	£ 3,447,000	£ 10,435,000	£ 5,764,000	£ 5,281,000	£ 1,821,000	£ 12,663,000	£ 5,564,000	£ 1,159,000	£ 101,885,954
VAT Assessment	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded
Cost /m² of GIFA [Gross Internal Floor Area]	£2,815/m² [12,708m²]	£2,690/m² [7,424m²]	£2,846/m² [1,211m²]	£2,819/m² [3,702m²]	£1,978/m² [2,914m²]	£1,996/m² [2,646m²]		£2,902/m² [4,364m²]			

Appendix III

EUV Comparable Evidence

Open Storage Land / Car Parking / Light Industrial & Open Storage

Location	Date	Price	Acres	Price per acre	Description
B&W Nurseries, Salisbury Road, Romsey	Feb-23	£750,000	8.0	£93,750	c. 8 acre mixed-use site including a legacy consent for an acre plot for agriculturally-tied residential dwelling. 2 x 12,000 sq ft greenhouses, 5,000 sq ft greenhouse, and 2 storage buildings of 732 sq ft and 1,774 sq ft
Riverside Meadows, Mill Lane, Titchfield	Jan-22	£272,600	9.4	£29,000	Land with water meadow grazing land suitable for equestrian, conservation or biodiversity offset land. Fareham Borough Council will be using the land for nitrate offset purposes.
Gibbs Marsh Trading Estate, Landshire Lane, Sturminster Newton	Jul-21	£79,000	0.3	£263,333	Hardstanding / open storage land
Former Ready Power Site, Old Basingstoke Road, Winchester	Jun-21	£500,000	1.7	£289,017	Hardstanding / open storage land
Pitsea Hall Lane, Basildon	Jun-21	£1,600,000	1.3	£1,230,769	Parking lot with licence to be used as an operations and holding centre for purchasers' vehicles
Garrison Hill, Southampton	Apr-21	£1,100,000	7.5	£146,667	Former Hotel. Looks like unconsented resi land deal
Lymington New Forest Hospital Staff Car Park	Jun-19	£2,100,000	1.3	£1,666,667	New Forest District Council purchased the freehold interest. The car park consists of 386 public car parking spaces, 28 of which are for disabled drivers with valid blue badges

Golf Course Land

Location	Date	Price	Acres	Price per acre	Description
South Winchester Golf Club	May-21	£8,300,000	200	£41,500	Sales and leaseback deal to Bloor Homes, on 10 year lease. 2020 planning permission for 1,000 homes
Skylark Meadows, Fareham	May-21	£1,200,000	91	£13,187	Includes 9,302 sq ft clubhouse
Bourn Golf Club (now Cambridge Country Club), Cambridge.	2019	£3,150,000	127	£24,803	Golf course with extensive clubhouse set in c127 acres and with significant perceived development potential.
Chart Hills Golf Course, Kent	Dec-19	£3,500,000	198	£17,677	27,000 sq ft, clubhouse, half-way house, practice facilities and green keeping complex.
Lakeside Lodge Golf Course, Huntingdon	Oct-19	£4,000,000	130	£30,741	Golf course, golf driving range, pitch and putt, c 21,000 sq ft clubhouse with leisure and some lodge development.
Wiltshire Golf Course	Jan-19	£5,250,000	201	£26,171	27-hole golf course with leisure and pool, 58 bedroom hotel with planning permission for additional bedrooms.
Overstone Park Resort, Northamptonshire	Dec-17	£6,500,000	161	£40,373	Golf course, 20,300 sq ft, club house and leisure club, 33 en-suite letting bedrooms and 115 lodges.
High Legh Park Golf Club, Knutsford	Apr-21	£2,700,000	173	£15,607	27 hole GC with 23 bay GDR, a modern clubhouse (circa 10,760 sqft) and a farmhouse.
Paultons GC, Hampshire	Sep-19	£2,850,000	200	£14,250	27 hole GC, 24 bay GDR with a circa 6,350sqft clubhouse set in approximately 200 acres.
Bristol Golf Centre, Bristol	Dec-20	£3,000,000			18 hole Adventure Golf Course ,23 bay floodlit GDR , retail superstore , coffee shop and function facilities.
Dudsbury Golf Club, Ferndown	Apr-17	£5,000,000	150	£33,225	Reported to have been secured by Dorset-based Wyatt Homes.

Appendix IV

Existing Car Parking Income

Lineham, James (Avison Young - UK)

From: Mark Russell <Mark@LADAL.co.uk>
Sent: 10 May 2023 16:14
To: Harrison, Liz
Cc: Parker, Nicholas; Zoe Curran; Chris Roberts; Philip Allin; Barry Holmes; Bernstein, Jonathan (Avison Young - UK); Lineham, James (Avison Young - UK)
Subject: Fwd: Viability

Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: External Sender

Hi Liz,

Update from HCCC re parking.

Any further queries re FVA best directed from Aspinall Verdi to Avison Young.

Best wishes,

Mark.

Mark S. Russell
+44 7970 444334
+44 20 7193 8844
mark@ladal.co.uk
www.ladal.co.uk
www.facebook.com/LandAdvisory
www.twitter.com/LandAdvisory



Begin forwarded message:

From: Greig Stewart <Greig.Stewart@ageasbowl.com>
Subject: RE: Viability
Date: 10 May 2023 at 16:00:01 BST
To: Mark Russell <Mark@LADAL.co.uk>
Cc: David Mann <David.Mann@ageasbowl.com>

Hi Mark,

Western Car Park generates the below revenue through car parking:

TYPE	TOTAL
Members	£60,000
County Champ	£3,000
One Day Cup	£8,018

MODI	£700
WODI	£5,500
The Hundred	£25,000
Concert	£700
Moorgreen Hospital	£44,928
TOTAL	£147,846

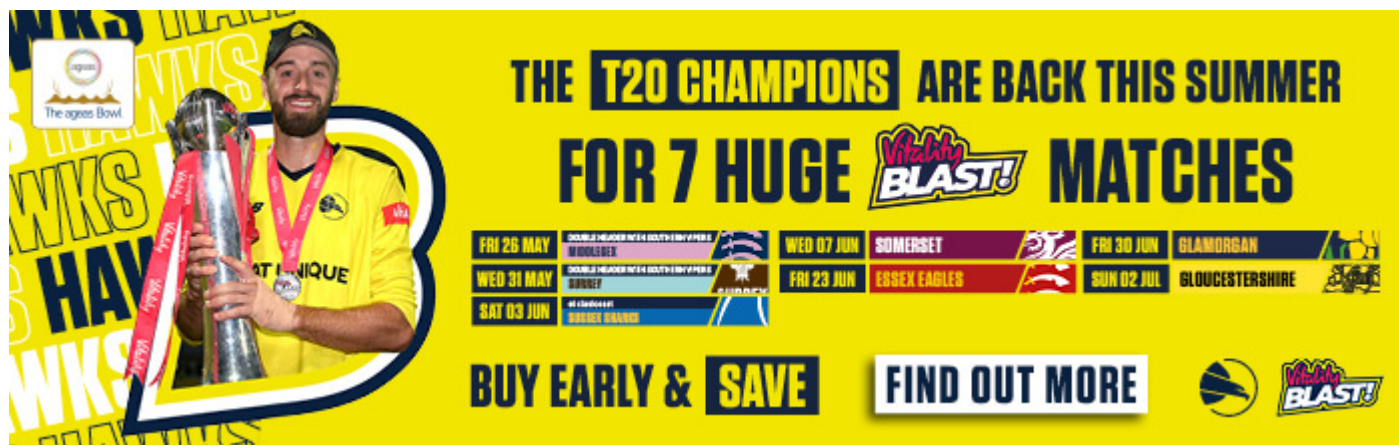
It also facilitates our park and ride function for Men's ODI and Concert. Not sure if that's attributable

Thanks,

Greig

Greig Stewart

Head of Customer Experience
The Ageas Bowl
T: 02380 472002 (opt 2)
www.ageasbowl.com



THE T20 CHAMPIONS ARE BACK THIS SUMMER FOR 7 HUGE VITALITY BLAST! MATCHES

FRI 26 MAY WILTSHIRE WILTSHIRE	WED 07 JUN SOMERSET SOMERSET	FRI 30 JUN GLAMORGAN GLAMORGAN
WED 31 MAY SURREY SURREY	FRI 23 JUN ESSEX EAGLES ESSEX EAGLES	SUN 02 JUL GLOUCESTERSHIRE GLOUCESTERSHIRE
SAT 03 JUN SURREY SURREY		

BUY EARLY & SAVE **FIND OUT MORE**

Download the Hampshire Cricket App!



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The Ageas Bowl, Botley Road, West End, Southampton, Hampshire. SO30 3XH
Registered in England and Wales. Company Number: 4368413

Please consider the environment. Do you really need to print this email?

From: Mark Russell <Mark@LADAL.co.uk>
Sent: 10 May 2023 14:58
To: Greig Stewart <Greig.Stewart@ageasbowl.com>
Cc: David Mann <David.Mann@ageasbowl.com>
Subject: Re: Viability

This message originated outside of the Ageas Bowl Network. Use caution when opening attachments, clicking links or responding to requests for information.

Hi Greg,

Do you have figures for the western carpark use by Morgreen hospital staff?

I need all income from parking in the western carpark (I don't require the hotel carpark or Thorneydown).

Many thanks,

Mark.

Mark S. Russell

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Lineham, James (Avison Young - UK)

From: Mark Russell <Mark@LADAL.co.uk>
Sent: 10 May 2023 15:02
To: Harrison, Liz
Cc: Parker, Nicholas; Chris Roberts; Zoe Curran; Philip Allin; Barry Holmes; Lineham, James (Avison Young - UK); Bernstein, Jonathan (Avison Young - UK)
Subject: Re: Ageas Bowl FVA

Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: External Sender

Hi Liz,

This is what I've received from the club re western carpark income:-

Understanding is that Transport is cost neutral – below shows projected net revenues for 2023 (minus COS) but assumes sell out parking for all T20, Hundred, Internationals and Concert and projection based on 2022 for CC & ODC. Suggested to Ops that we reduce expectation by at least 10% to account for weather impact or lack of demand.

Overall Parking/Shuttle Revenue

Event	Expected Net (after COS)	Per Event/Match	Current Premise (excludes Hospitality Parking)	Additional Info Required
Arctic Monkeys	£30,492	£30,492	74 x Onsite, 1500 x P&R, 800 x P&W	
England v New Zealand	£21,311	£21,311	74 x Onsite, 1500 x P&R, 800 x P&W	
England v Australia	£13,808	£13,808	674 Onsite, 800 x P&W	
The Hundred	£66,684	£16,671	674 Onsite, 800 x P&W	
Vitality Blast	£62,051	£8,864	674 Onsite, 800 x P&W	
One Day Cup	£17,618	£4,404	674 Onsite + Exec Club (CP1)	
County Championship	£36,629	£5,233*	674 Onsite + Exec Club (CP1)	2022 On The Day Sales – CSP
Total	£248,593			

* County Championship is per match (4-days) per day figure is £1,308.25
Members Parking is divided between domestic matches

The carpark is also used on non event days by staff, conference attendees and Moorgreen hospital staff.

Best wishes,

Mark.

Mark S. Russell
+44 7970 444334
+44 20 7193 8844
mark@ladal.co.uk
www.ladal.co.uk



On 9 May 2023, at 11:40, Harrison, Liz <Liz.Harrison@eastleigh.gov.uk> wrote:

Dear Mark

I have checked with our consultants and they replied as follows:

In terms of information from the applicant ordinarily we require detail of any operators/terms they have lined up for things like hotel use etc, as well as any income they are receiving from anything on site currently, whether that is existing car parking or buildings prior to redevelopment. If there are no existing buildings etc that's fine.

Once they have the necessary information to start the assessment they will be able to see if further information is required.

I hope that clarifies the situation.

Regards
Liz

Liz Harrison
Principal Planning Officer

Planning & Environment - Planning/Development Management
023 8068 8284



Eastleigh Borough Council | Eastleigh House | Upper Market Street | Eastleigh | SO50 9YN

From: Mark Russell <Mark@LADAL.co.uk>
Sent: 05 May 2023 16:11
To: Harrison, Liz <Liz.Harrison@eastleigh.gov.uk>
Cc: Parker, Nicholas <nicholas.parker@eastleigh.gov.uk>; Christopher Roberts <ChristopherRoberts@boyerplanning.co.uk>; Zoe Curran <ZoeCurran@boyerplanning.co.uk>; Philip Allin <philipallin@boyerplanning.co.uk>; Barry Holmes <barry@ladal.co.uk>; James Lineham <James.Lineham@avisonyoung.com>; Jonathan Bernstein <jonathan.bernstein@avisonyoung.com>
Subject: Re: Ageas Bowl FVA

Dear Liz,

Many thanks for your comprehensive email.

Just re your five bullet points re viability appraisal in the first instance, no problem re cost plan and accommodation schedules for the proposed development.

Appendix V

Appraisal Printout

Ageas Bowl - Whole Scheme February 2023

The Ageas Bowl
Marshall Drive
SO30 3XH

Development Appraisal
Avison Young
28 February 2023

APPRAISAL SUMMARY**AVISON YOUNG****Ageas Bowl - Whole Scheme
February 2023****Appraisal Summary for Merged Phases 1 2 3 4 5 6**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
5 - Residential	185	172,013	427.73	397,703	73,575,000
4 - Care Home	71	21,806	814.00	250,000	17,750,000
1 & 2 - Hotel	<u>142</u>	<u>28,070</u>	607.05	120,000	<u>17,040,000</u>
Totals	398	221,889			108,365,000

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
5 - Wellbeing Centre	1	13,034	15.00	195,510	195,510	195,510
1 & 2 - Retail	1	269	20.00	5,380	5,380	5,380
Totals	2	13,303			200,890	200,890

Investment Valuation**5 - Wellbeing Centre**

Market Rent	195,510	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,074,057

1 & 2 - Retail

Current Rent	5,380	YP @	6.5000%	15.3846	82,769
--------------	-------	------	---------	---------	--------

Total Investment Valuation**3,156,826****GROSS DEVELOPMENT VALUE****111,521,826**

Purchaser's Costs (Wellbeing Centre and Retail Only)
Effective Purchaser's Costs Rate

(214,664)
6.80%

(214,664)

NET DEVELOPMENT VALUE**111,307,162****NET REALISATION****111,307,162****OUTLAY****ACQUISITION COSTS**

Fixed Price (Residential)	3,013,942			
Fixed Price (Wellbeing Centre)	494,533			
Fixed Price (Care Home)	492,072			
Fixed Price (Hotel)	499,453			
Total Acquisition		4,500,000		4,500,000
Stamp Duty	5.00%	225,000		
Agent Fee	1.00%	45,000		
Legal Fee	0.80%	36,000		
			306,000	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
5 - Wellbeing Centre	13,034	260.55	3,396,000
5 - Residential	208,936	259.07	54,128,111
4 - Care Home	39,808	258.26	10,281,000
1 & 2 - Hotel	<u>46,877</u>	266.14	<u>12,476,000</u>
Totals	308,924 ft²		80,281,111
1 & 2 - Eastern Car Park			1,142,000
			81,423,111

Section 106 Costs

Section 106 Costs	200,000	
		200,000

PROFESSIONAL FEES

Professional Fees	10.00%	8,028,111	
			8,028,111

DISPOSAL FEES

Sales Agent Fee	2.00%	1,471,500
Sales Legal Fee	0.50%	367,875

APPRAISAL SUMMARY**AVISON YOUNG****Ageas Bowl - Whole Scheme
February 2023**

	1,839,375
FINANCE	
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)	
Total Finance Cost	8,600,851
TOTAL COSTS	104,897,448
PROFIT	
	6,409,713

Performance Measures

Profit on Cost%	6.11%
Profit on GDV%	5.75%
Profit on NDV%	5.76%
Development Yield% (on Rent)	0.19%
Equivalent Yield% (Nominal)	6.01%
Equivalent Yield% (True)	6.25%
IRR% (without Interest)	9.57%
Rent Cover	31 yrs 11 mths
Profit Erosion (finance rate 6.000)	12 mths

Contact details

Enquiries

James Lineham MRICS
020 7911 2015
james.lineham@avisonyoung.com

Visit us online

[avisonyoung.com](https://www.avisonyoung.com)

Avison Young

65 Gresham Street, London EC2V 7NQ

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