

Financial Viability Assessment



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

Eastleigh Borough Council

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Non-technical Summary

ES 1 AspinallVerdi has been appointed by Eastleigh Borough Council (the Council) to objectively assess, and report upon, the financial viability prepared by Avison Young in March 2023 (updated in December 2023) for the proposed redevelopment of the Site for the Proposed Development:

“Full planning application for the erection of 172 dwellings, a 71-bedroom care home (Use Class C2), a 141-bedroom hotel (Use Class C1), a well-being centre (Use Class E / F2), improvements to existing stadium, new vehicular access, car parking, pedestrian circulation, together with associated tree planting, landscaping, SuDS and biodiversity enhancements.”

ES 2 The purpose of the viability assessment is to test the financial viability of the Proposed Development of the Site, taking into account the policy requirements set by Eastleigh Borough Council as well as national planning policy and guidance.

ES 3 AspinallVerdi note the following in regards to the scheme and the Applicants FVA:

- The Applicant has omitted costs of £18,158,000 (inclusive of risk allowance) for the Pavilion works as well and the Bridge and Fan Zone. We note that the Pavilion Works and the Fan Zone still form part of the Planning Application. We have also omitted these costs at this time, in the interests of viability.
- We also note that although the retail element of the scheme is included in the Applicant's GDV calculations, they have provided no costings for this and little detail surrounding any plans. Whilst we have mirrored their approach of adopting revenue for the retail element, and not the costs, we consider that this needs to be highlighted.

ES 4 By way of analysis set out in chapter 6 of this document, it is considered that, if acting reasonably and based on planning policy, the value of the Site should be adopted as £1 to reflect the condition of the Site and its vacant status.

ES 5 AspinallVerdi has undertaken appraisals for the Proposed Development with 35% affordable housing contribution, and with nil affordable housing. The resulting outcomes are as follows:

Table ES1 - Appraisal Results

Appraisal	RLV	BLV	Surplus / Deficit	Viable / Unviable
1. The Proposed Development Nil Affordable Housing	-£9,115,704	£1	-£9,115,705	Unviable
2. The Proposed Development 35% Affordable Housing (Policy Compliant)	-£15,397,248	£1	-£15,397,249	Unviable

Source: AspinallVerdi, January 2024.

- ES 6 The Applicant has not accounted for affordable housing delivery in their appraisals based on the proposed development being in a considerable deficit.
- ES 7 AspinallVerdi also note that in their appraisals, the Applicant has adopted a cost of £200,000 for S106 allowances. The Council has informed us that the scheme is likely to see costs of £7,407,804.54 (though this is subject to change based on the costs that we are yet to receive). We have included this cost which has decreased the viability in comparison to the Applicant's appraisals.
- ES 8 AspinallVerdi have been asked to test how much the S106 contributions could increase for the profit on the scheme to be 0%. We have conducted an appraisal to this effect and found that the s106 contributions of the scheme could increase by £7,289,000 until the scheme shows a profit level of 0%. We have attached an appraisal that demonstrates this at Appendix 8.
- ES 9 AspinallVerdi have also tested the proposed development at 100% market sale and as a policy compliant scenario.
- ES 10 The RLV falls below the BLV in scenario 2 with the 35% policy-compliant scheme producing a residual land value of - £15,397,248 which results in a total deficit of - £15,397,249. In this scenario, the scheme would generate a profit level of 8% which is 10.2% below the target profit rate. It is therefore deemed appropriate that the Council applies the flexibility provided within its Local Plan policies to support the delivery of the Proposed Development of the Site, which will be undertaken at the developer's risk.
- ES 11 AspinallVerdi would recommend the Council implement a review mechanism in the S106 to allow the Council to benefit from any favourable uplift in viability at a later stage.

Liz Harrison
Principle Planning Officer, Planning & Environment
Eastleigh Borough Council
Eastleigh House
Upper Market Street
Eastleigh
SO50 9YN

Unit G.03
Clerkenwell Workshops
27-31 Clerkenwell Close
London, EC1R 0AT


www.aspinallverdi.co.uk

For the Attention of Liz Harrison

Dear Liz,

1 Introduction

- 1.1 We refer to your instructions which were enclosed in an email dated 5th May 2023 requesting a review of a submitted Financial Viability Assessment (FVA) in respect of the planning application for the development of a total of 172 dwellings, a 71-bedroom care home (Use Class C2), a 141-bedroom hotel (Use Class C1), a well-being centre (Use Class E / F2), improvements to existing stadium, new vehicular access, car parking, pedestrian circulation, together with associated tree planting, landscaping, SuDS and biodiversity enhancements. Aspinall Verdi have reviewed the FVA provided by Avison Young in March 2023 which was updated in December 2023.
- 1.2 Certain S106/S278 obligations will be expected for the development based on planning policy, including the delivery of on-site affordable housing. The purpose of this report is to provide an independent and objective assessment of the level of policy contributions that the development can viably support. Paragraph: 002 Reference ID: 10-002-20190509 of the PPG (2019) states that:
- “Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable...”*
- 1.3 Policy DM28 of the Eastleigh Local Plan (Delivering affordable housing) sets out that affordable housing will be sought on housing sites of 0.5ha or more, 10 homes or more or a maximum combined gross floorspace of 1,000 sqm or more. A target of 35% affordable housing will be sought on-site. When provided on-site, affordable housing should be integrated within the design and layout of a development and of a mix and tenure that reflects the current need.

- 1.4 The purpose of this report is to determine the level of planning policy contributions which the development can viably support.
- 1.5 We have run financial appraisals using Argus Developer software to determine the viable level of affordable housing the proposed development can support. We have set out our assumptions of costs and values in the following sections, along with the evidence which informs these assumptions.

RICS Professional Statement

- 1.6 Our FVA has been carried out in accordance with the RICS Financial Viability in Planning: Conduct and Reporting Professional Statement 1st edition, May 2019.
- 1.7 Our FVA has been prepared in accordance with the RICS Assessing Viability in Planning under the National Planning Policy Framework 2019 for England Guidance Note 1st edition, March 2021.
- 1.8 We have also had regard to the National Planning Policy Framework, December 2023 and the latest Planning Practice Guidance on Viability, 1 September 2019.

Objectivity, Impartiality and Reasonableness

- 1.9 We have carried out our review in collaboration with the Council (as Local Planning Authority (LPA)) and the Applicant/landowner. At all times we have acted with objectivity, impartially and without interference when carrying out our viability assessment and review.

Confirmation of Instructions

- 1.10 We attach at Appendix 1 our terms of engagement.
- 1.11 We confirm that that in preparing this report, no performance-related or contingent fees have been agreed.
- 1.12 Note that we have not been instructed to inspect the site.

Conflicts of Interest

- 1.13 We confirm that we have no conflict of interest in providing this advice and we have acted independently and impartially.

Transparency of Information

- 1.14 Transparency and fairness are key to the effective operation of the planning process. The presumption is that this viability assessment will be published in full, except where this may compromise delivery of the proposed application scheme or infringe other statutory and regulatory requirements.
- 1.15 In this instance, we have not agreed any exceptions with the Client.

Information Relied Upon

- 1.16 For the purposes of our appraisals, we have relied on the following information:
- | | |
|-------------------------------|-----------------------|
| • Floorplans | Calderpeel Architects |
| • Design and Access Statement | Calderpeel Architects |
| • Viability Assessment | Avison Young |
- 1.17 All the above information is logged electronically and can be provided should you require.

Engagement

- 1.18 At all stages of the viability process, we have advocated reasonable, transparent and appropriate engagement between the parties.

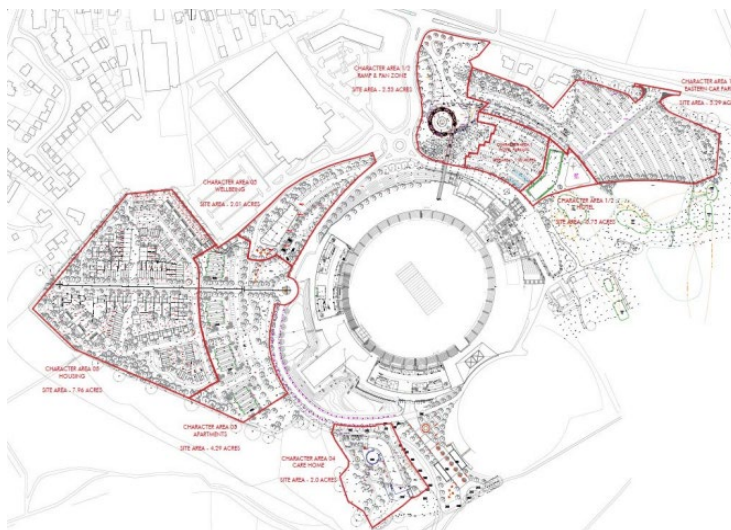
2 Scheme Details

2.1 This section of our report sets out our understanding of the scheme.

Location

- 2.2 The subject site is located between the suburban towns of Hedge End and West End, which form part of the South Hampshire conurbation, approximately 5 miles to the north-east of Southampton city centre and 6km north of Hamble. The Site is accessed on the south side of Botley Road (B3035) via Marshall Drive.
- 2.3 The Site is well connected by road and public transport facilities with Hedge End Railway Station located circa 1 mile 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.
- 2.4 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.

Figure 2.1 - Location Map



Source: Calderpeel Architects, March 2023.

Existing Use(s)

- 2.5 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.
- 2.6 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 settlement 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 settlement gap.
- 2.7 The site area is approximated to be 23.58 acres / 9.5 hectares.
- 2.8 AspinallVerdi note that the planning application submitted to the Council includes site boundary which extends to 15 hectares. We have based our understanding of the site on the Applicant's FVA which outlines the character areas to be developed.

Proposed Scheme

- 2.9 The application seeks planning permission for the following proposed description of development:
“Full planning application for the erection of 172 dwellings, a 71-bedroom care home (Use Class C2), a 141-bedroom hotel (Use Class C1), a well-being centre (Use Class E / F2), improvements to existing stadium, new vehicular access, car parking, pedestrian circulation, together with associated tree planting, landscaping, SuDS and biodiversity enhancements”.
- 2.10 The proposed development contains commercial and residential development including a 141-bed budget hotel, a 71-bed care home a well-being centre and retail units. The residential element of the scheme comprises of 88no. flats, including 16no. 1-bed (9.3%) and 72no. 2-bed (41.86%) units. There is also housing development on-site including 9no. 2-bed (5.23%), 59no. 3-bed (34.3%), and 16no. 4-bed (9.3%) units.

Scheme Mix/Areas

- 2.11 The proposed unit mix for the development is shown below in Table 2.1.

Table 2.1 - Scheme Mix and Areas Summary

Unit Type	Total No.	Percentage
1-Bed Flat	16	9.3%
2-Bed Flat	72	41.86%
2-Bed House	9	5.23%
3-Bed House	59	34.3%
4-Bed House	16	9.3%
Total	172	100%

Source: Avison Young, December 2023.

3 Planning Policy Requirements

- 3.1 In this section we set out the planning policy which is relevant in respect of viability.
- 3.2 We understand from the Applicant's report that the Council's targeted on-site affordable housing provision for the proposed scheme is 35%.

National Planning Policy Framework ('NPPF') 2019 (as amended December 2023)

- 3.3 Paragraphs 55-58 deal with planning conditions and obligations under the NPPF¹. Within this section we note that there is no longer a 'paragraph 173' which under the previous NPPF made reference to providing competitive returns to landowners and developers. The wording within this paragraph was more geared towards policies not undermining viability and enabling development to happen. Whilst paragraph 57 of the revised NPPF sets out the test for how planning obligations are sought i.e., being 'fair and reasonable', the emphasis (which is established further through the PPG, discussed shortly) is on strengthening planning policy rather than opening planning obligations up for negotiation.
- 3.4 Paragraph 66 of the NPPF requires that where major development involving the provision of housing is proposed, planning policies and decisions should expect *at least 10%*² 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.
- 3.5 Note that there are 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.
- 3.6 It is also stated under paragraph 58 that, 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 justify the need for a viability assessment at the application

¹ National Planning Policy Framework, February 2019 (as amended December 2023), Ministry of Housing, Communities and Local Government

² As part of the overall affordable housing contribution from the site.

stage. Furthermore, 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.

PPG Viability

- 3.7 In addition to the revised NPPF, the Planning Practice Guidance on Viability from the Ministry of Housing, Communities and Local Government has been updated³ to set out key principles for viability in plan making and decision taking.
- 3.8 National policy is seeking to ensure that policy requirements are taken into consideration when land is valued and purchased and this is reiterated on multiple occasions within the revised PPG.
- 3.9 National Policy is aiming to create an environment where viability assessments are only required at the decision taking stage in particular circumstances. Policy requirements are set at a Plan level to take into account affordable housing and infrastructure needs, without the need for further viability assessment at the decision-making stage⁴.
- 3.10 Should a viability assessment be required at the decision taking stage then the PPG emphasis again that the onus is on the Applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage⁵.
- 3.11 Where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the plan; and the Applicant should provide evidence of what has changed since then⁶.
- 3.12 The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case⁷. A decision maker can also give appropriate weight to emerging policies⁸.

Standard Inputs to Viability

- 3.13 Paragraph 010 of the PPG describes the principles for carrying out a viability assessment. It stated that, '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.'⁹

³ 1 September 2019

⁴ Paragraph: 002 Reference ID: 10-002-20190509, Revision date: 09 05 2019

⁵ Paragraph: 007 Reference ID: 10-007-20190509, Revision date: 09 05 2019

⁶ Paragraph: 008 Reference ID: 10-008-20190509, Revision date: 09 05 2019

⁷ Paragraph: 008 Reference ID: 10-008-20190509, Revision date: 09 05 2019

⁸ Paragraph: 007 Reference ID: 10-007-20190509, Revision date: 09 05 2019

⁹ Paragraph: 010 Reference ID: 10-010-20180724, Revision date: 24 07 2018

- 3.14 We note that the principles of carrying out viability assessments, namely proportionately and transparency are to, 'strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure the maximum benefits in the public interest through the granting of planning permission'¹⁰
- 3.15 We note that it is not a balance that the landowner's aspirational land value and the developer's profit is protected at the expense of affordable housing.
- 3.16 The PPG describes how the gross development value and costs should be defined for the purposes of a viability assessment (Paragraphs 011 and 012).

Benchmark Land Value

- 3.17 The PPG defines the benchmark land value (BLV) for any viability assessment as the existing use value (EUV) of the land, plus a premium for the landowner¹¹.
- 3.18 This should reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees¹².
- 3.19 It is important to note that a paragraph 014 the PPG confirms that, 'market evidence can also be used as a **cross-check** of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners. And, 'this evidence should be based on developments which are **fully compliant with emerging or up to date plan policies**, including affordable housing requirements at the relevant levels set out in the plan. 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.'¹³
- 3.20 Paragraph 014 also reiterates that, in no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. And Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement)¹⁴. This is particularly relevant where the price paid may be actually less than the BLV advocated by the developer.
- 3.21 The PPG defines EUV as follows:

¹⁰ Paragraph: 010 Reference ID: 10-010-20180724, Revision date: 24 07 2018

¹¹ Paragraph: 013 Reference ID: 10-013-20190509, Revision date: 09 05 2019

¹² Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

¹³ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

¹⁴ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

(Paragraph 015) '[...] EUV is the value of the land in its existing use. 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.'¹⁵

3.22 The PPG also defines the premium to the landowner:

(Paragraph 016) 'The premium (or the 'plus' in EUV+) [...] is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements.

And, market evidence can include benchmark land values from other viability assessments. Land transactions can be used but **only as a cross check** to the other evidence. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners.¹⁶ (our emphasis).

3.23 Paragraph 017 of the PPG refers to alternative use value (AUV) for establishing benchmark land values. This is more at the decision-making stage as our site typologies herein are all for broadly defined uses.

3.24 Paragraph 017 of the PPG refers to alternative use value (AUV) for establishing benchmark land values. Paragraph 017 states that, 'for the purpose of viability assessment alternative use value (AUV) refers to the value of land for uses **other than its existing use**. AUV of the land may be **informative** in establishing benchmark land value. If applying alternative uses when establishing benchmark land value these should be **limited to those uses which would fully comply with up-to-date development plan policies, including any policy requirements for contributions towards affordable housing** at the relevant levels set out in the plan. Where it is assumed that an existing use will be refurbished or redeveloped this will be considered as an AUV when establishing BLV.

3.25 Furthermore, 'where AUV is used this should be supported by evidence of the costs and values of the alternative use to justify the land value. Valuation based on AUV **includes the premium to the landowner**. If evidence of AUV is being considered the premium to the landowner must not be double counted.'¹⁷

3.26 Finally, it is reiterated that the price paid for land is not a relevant justification for failing to accord with relevant policies in the plan¹⁸.

¹⁵ Paragraph: 015 Reference ID: 10-015-20190509, Revision date: 09 05 2019

¹⁶ Paragraph: 016 Reference ID: 10-016-20190509, Revision date: 09 05 2019

¹⁷ Paragraph: 017 Reference ID: 10-017-20190509, Revision date: 09 05 2019

¹⁸ Paragraph: 002 Reference ID: 10-002-20190509, Revision date: 09 05 2019, and paragraphs 001, 006, 011, 014, 015, 018

Developers Return/Profit

- 3.27 The PPG also defines developer's return / profit for the purposes of viability assessment at the plan making stage. The key points are:
- The cost of fully complying with policy requirements should be accounted for in the benchmark land value.
 - For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers.
 - Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development.
 - A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk.
 - Alternative figures may also be appropriate for different development types.¹⁹
- 3.28 There is no specific guidance on profit at decision-taking stage, but we have applied the above principles herein. We have also provided sensitivities on the profit margin.

Eastleigh Borough Council Local Plan (2016 – 2036)

- 3.29 Policy DM28, (Delivering affordable housing) sets out that affordable housing will be sought on housing sites of 0.5ha or more 10 homes or more or a maximum combined gross floorspace of 1,000 sqm or more. A target of 35% affordable housing will be sought on-site. When provided on-site, affordable housing should be integrated within the design and layout of a development and of a mix and tenure that reflects the current need.
- 3.30 Policy DM24 (creating a mix of housing) discusses how the Council aims to provide an effective mix of housing to serve current need, ensuring that all new housing development will be required to:
- demonstrate how the proposal contributes to the overall mix of housing in the Housing Market Area, informed by the current need, current demand and existing housing stock (including approved developments) considering the context and character of the site;
 - where appropriate, demonstrate how the scheme contributes to the provision of properties suitable for entry-level homes suitable for first time buyers (or equivalent, for those looking to rent), or for example downsizers, unless the need for such homes is already being met locally;

¹⁹ Paragraph: 018 Reference ID: 10-018-20190509, Revision date: 09 05 2019

- demonstrate that where a mix of different house sizes and types is provided on site, the development is designed to avoid excessive concentrations of the same size or type of home.
- 3.31 This policy also states that an estimated 75% of all market sector and 65 % affordable sector dwellings should be two or three bedrooms.
- 3.32 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:
- 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;
 - development achieves a high-quality design by paying careful attention to detailing, hard landscaping and planting;
 - 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);
 - 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:
 - i. any development creates a high quality of design and takes the form of distinctive individual buildings each set within an open and high quality landscape setting; the extent of development and the boundary treatment of that development (built design and landscape) creates a high quality, distinctive, green and open setting to the Ageas Bowl;
 - ii. in addition to meeting criterion d i., any residential development is located solely in the north west corner of the site (as defined on the policies map); the development provides an appropriately designed access directly to/from the settlement of West End rather than via Marshall Drive for pedestrians/cyclists and also, unless demonstrated otherwise, for vehicles; and the layout and design of the development ensures an appropriate level of residential amenity in respect of the cricket ground and events venue;
 - iii. enables the enhancement of sporting facilities on the site;

- iv. does not compromise the function of the Ageas Bowl as an international cricket ground and events location;
- 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;
- 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.
- 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;
- proposals must be accompanied by satisfactory arrangements for vehicular access and must include provision for improved facilities for pedestrians, cyclists and public transport.
- any areas of the site to be used for temporary or occasional car parking must be provided with an appropriate soft surface treatment;
- surface water drainage will not increase flood risks downstream and within the river corridor; and
- there will be no adverse impact on the adjacent Telegraph Woods SINC with appropriate environmental buffers from development.

Community Infrastructure Levy ('CIL')

- 3.33 CIL was introduced under the Planning Act 2008 and is legislated by the CIL Regulations 2010 (as amended). Local authorities in England and Wales can elect to charge CIL on new development to assist in funding infrastructure associated with planned growth.
- 3.34 Eastleigh Borough Council does not currently implement a CIL charge on development in the area, though this remains under review.

S106 Costs

- 3.35 The Applicant has included an allowance of £200,000 for S106 costs in their appraisals.
- 3.36 AspinallVerdi have been in contact with the Council who have provided a provisional figure of £7,004,870.74 for the S106 costs attributed to the scheme. We have included these within our appraisals. However, we are currently awaiting further confirmation from the Council regarding these figures as we are aware that some costs are still to be finalised.

4 Gross Development Value

- 4.1 We set out below our assessment of the gross development value (GDV) of the scheme. The purpose of this assessment is to determine the likely sales values the proposed development could achieve in order that the values adopted in our appraisals are robustly justified.
- 4.2 AspinallVerdi has conducted a pricing analysis from data captured from comparable new-build and re-sale developments, within 3 miles of the Site.
- 4.3 The analysis has included an assessment of new-build asking prices and sales transactions, utilising Rightmove/Zoopla, Land Registry and Energy Performance Certificate ('EPC') data. Where appropriate, data from the existing re-sale market - comprising modern, good quality stock has been incorporated to benchmark and determine local market performance.
- 4.4 AspinallVerdi has prepared a brief market information summary, to inform assumptions for the assessment of the Proposed Development. AspinallVerdi has undertaken a review of sold and marketed residential properties of a similar scale and type to those proposed for the subject Site.
- 4.5 We note that there are currently no transactions or listings of new build flats within the vicinity of the proposed development. Instead, we have relied on re-sale evidence to inform our value assumptions of the flatted developments on-site

Comparable Market Evidence (New Build Detached Homes)

Boorley Gardens, Hampshire, SO32 2AU

- 4.6 Boorley Gardens lies approximately 1.9 miles to the north east of the subject Site. The development comprises no. 680 homes, 35% of which are affordable, as well as retail, community/healthcare use, land for a school and public open space. The development is brought forward by Miller Homes and Bellway Homes providing 1-,2-,3-, and 4-bedroom homes to the northwest of Winchester Road in Boorley Green.

Boorley Park, Hampshire, SO32 2BX

- 4.7 Boorley Park lies approximately 1.9 miles to the north east of the subject Site at the former Botley Park Golf Club. The development comprises c. 1,400 homes, 30% of which are offered on affordable tenures. The development also offers local centre, primary school, community buildings, sports pitches and open space. Boorley Park is a development by Bloor Homes and Vistry providing 1-,2-,3-, and 4-bed homes to the northeast of Winchester Road in Boorley Green.

Millers Walk, West End, SO30

- 4.8 Millers Walk is a development of 91no.1-, 2-, 3-, and 4-bed homes in West End, Hampshire delivered by Foreman Homes. The development is 0.3 miles North of the proposal site. Hedge End Station is 1.2 miles from the development site providing links into Eastleigh Station in 6 minutes and links to Southampton Central in 32 minutes

Heath House Lane, Hedge End, SO30 0LE

- 4.9 The Hamblewood development is provided by Bargate Homes and offers 1-,2-,3-, and 4-bed units. The subject site is 2.9 miles north of the development. River Hamble Country Park is 1.3 miles from the development. Bursledon Station is 1.4 miles from the development providing links to Southampton in 25 minutes.

Maddoxford Park, Boorley Green, SO32 2DG

- 4.10 Maddoxford Park is a development of 50no. 1-,2-,3- and 4-bed homes delivered by Foreman Homes. The development is 2.8 miles to the east of the development site. Hedge End Station is 1.9 miles from the development site, providing links into Eastleigh Station in 6 minutes and links to Southampton Central in 32 minutes.

Table 4.1 - Market Evidence (Detached Houses)

Plot/Development	Image	No. of Beds	Asking Price	Area (sqft)	£psf	Comment
Maddoxford Park, Botley, SO32 2DG		4- bed detached	£695,000	1,780	£390	Four-bedroom detached home within 2.0 miles from the subject site. Detached garage.
Winchester Road, Botley, Southampton, SO32		4- bed detached	£615,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site.
Winchester Road, Botley, SO32		4- bed detached	£585,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site.
Winchester Road, Botley, Southampton, SO32		4- bed detached	£585,000	1,551	£377	Four-bedroom detached home within 1.8 miles from the subject site. Garage with parking for 2no. cars.
Maddoxford Park, Botley, SO32 2DG		4- bed detached	£580,000	1,481	£392	Four-bedroom detached home within 2.0 miles from the subject site. Garage.
Winchester Road, Botley, Southampton, SO32		4- bed detached	£575,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage.

Winchester Road, Botley, SO32		4- bed detached	£555,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage.
Winchester Road, Botley, SO32		4- bed detached	£550,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage.
Winchester Road, Botley, SO32		4- bed detached	£550,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage.
Winchester Road, Boorley Green, Botley, SO32 2BX		4- bed detached	£549,995	1,407	£391	Four-bedroom detached home within 1.7 miles from the subject site. Garage.
Winchester Road, Boorley Green, Botley, SO32 2BX		4- bed detached	£549,995	1,419	£388	Four-bedroom detached home within 1.7 miles from the subject site. Garage.
Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		4- bed detached	£540,000	n/a	n/a	Four-bedroom detached home within 1.7 miles from the subject site. Garage.
Winchester Road, Boorley Green, Botley, SO32 2BX		4- bed detached	£539,995	1,309	£413	Four-bedroom detached home within 1.7 miles from the subject site. Garage.

Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		4- bed detached	£537,500	n/a	n/a	Four-bedroom detached home within 1.7 miles from the subject site. Garage.
Winchester Road, Boorley Green, Botley, SO32 2BX		4- bed detached	£535,995	1,338	£401	Four-bedroom detached home within 1.7 miles from the subject site. Garage.
Winchester Road, Botley, Southampton, SO32		4- bed detached	£530,000	n/a	n/a	Four-bedroom detached home within 1.7 miles from the subject site. Garage and solar panels.
Maddoxford Park, Botley		4- bed detached	£525,000	1,257	£412	Four-bedroom detached home within 2.0 miles from the subject site. Garage.
Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		4- bed detached	£515,000	n/a	n/a	Four-bedroom detached home within 1.7 miles from the subject site. Garage.
West End, Southampton		4- bed detached	£515,000	1,478	£348	Four-bedroom detached home within 0.3 miles from the subject site. Garage. This property has recently been reduced in price.
West End, Southampton		4- bed detached	£515,000	1,478	£348	Four-bedroom detached home within 0.3 miles from the subject site. Garage.

						This property has recently been reduced in price.
Winchester Road, Botley, Southampton, SO32		4- bed detached	£500,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage.
Maddoxford Park, Botley		4- bed detached	£475,000	1,381	£344	Four-bedroom detached home within 1.9 miles from the subject site. Garage.
Winchester Road, Botley, SO32		4- bed detached	£475,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage. This property has recently been reduced in price.
Winchester Road, Botley, SO32		4- bed detached	£475,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage. This property has recently been reduced in price.
Heath House Lane, Hedge End, Southampton, Hampshire, SO30		4- bed detached	£450,000	n/a	n/a	Four-bedroom detached home within 1.8 miles from the subject site. Garage.
Winchester Road, Boorley Green, Botley, SO32 2BX		3- bed detached	£437,495	1,100	£398	Three-bedroom detached home within 1.7 miles from the subject site.

Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		3- bed detached	£436,000	n/a	n/a	Three-bedroom detached home within 1.7 miles from the subject site. Garage.
Winchester Road, Botley, SO32		3- bed detached	£435,000	n/a	n/a	Three-bedroom detached home within 1.8 miles from the subject site. Garage
Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		3- bed detached	£433,000	n/a	n/a	Three-bedroom detached home within 1.7 miles from the subject site.
Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		3- bed detached	£425,000	n/a	n/a	Three-bedroom detached home within 1.7 miles from the subject site.
Winchester Road, Botley, SO32		3- bed detached	£420,000	n/a	n/a	Three-bedroom detached home within 1.7 miles from the subject site.
Winchester Road, Botley, SO32		3- bed detached	£412,000	n/a	n/a	Three-bedroom detached home within 1.7 miles from the subject site.
Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		3- bed detached	£399,995	n/a	n/a	Three-bedroom detached home within 1.7 miles from the subject site.

Winchester Road, Boorley Green, Botley, SO32 2BX		3- bed detached	£399,995	1,045	£383	Three-bedroom detached home within 1.7 miles from the subject site.
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Source; Rightmove, January 2024.

Transactional Evidence – (New Build Detached homes)

- 4.11 AspinallVerdi have also considered transactional evidence of new-build detached homes.

Boorley Park, Hampshire, SO32 2BX

- 4.12 Boorley Park lies approximately 1.9 miles to the north east of the subject Site at the site of the former Botley Park Golf Club. The development comprises c. 1,400 homes, 30% of which are offered on affordable tenures. The development also offers local centre, primary school, community buildings, sports pitches and open space. Boorley Park is a development by Bloor Homes and Vistry providing 1-,2-,3-, and 4-bed homes to the northeast of Winchester Road in Boorley Green.

Table 4.2 - Transactional Data (New-Build Detached Homes)

Address	No. of Beds	Sale Date	Sold Price	Area (ft ²)	£/ft ²	Commentary
Boorley Park, St Andrews Road, Botley, Southampton, SO32 2ST	4	16/02/2022	£480,000	1,270	£378	A new-build property. Price confirmed by Land Registry.
Boorley Park, St Andrews Road, Botley, Southampton, SO32 2ST	4	28/02/2022	£470,000	1,270	£370	A new-build property. Price confirmed by Land Registry.
Boorley Park, St Andrews Road, Botley, Southampton, SO32 2ST	4	31/03/2022	£495,000	1,270	£390	A new-build property. Price confirmed by Land Registry.
Boorley Park, Sunningdale Close, Botley, Southampton	3	29/04/2022	£420,000	1,109	£379	A new-build property. Price confirmed by Land Registry.
Boorley Park, Troon Road, Botley, Southampton, SO32 2SP	4	25/03/2022	£525,000	1,399	£375	A new-build property. Price confirmed by Land Registry.
Boorley Park, Turnberry Close, Botley, Southampton, SO32 2SG	4	09/02/2022	£514,000	1,367	£376	A new-build property. Price confirmed by Land Registry.
Boorley Park, Troon Road, Botley, Southampton, SO32 2SP	3	27/04/2022	£467,500	1,033	£452	A new-build property. Price confirmed by Land Registry.
Boorley Park, Troon Road, Botley, Southampton, SO32 2SP	3	29/04/2022	£525,000	1,033	£508	A new-build property. Price confirmed by Land Registry.
Boorley Park Carnoustie Crescent, Botley, Southampton, SO32 2SE	4	24/06/2022	£535,000	1,216	£440	A new-build property. Price confirmed by Land Registry.

Source; Land Registry, January 2024.

Comparable Market Evidence (New Build Semi-Detached Homes)

Boorley Gardens, Hampshire, SO32 2AU

- 4.14 Boorley Gardens lies approximately 1.9 miles to the north east of the subject Site. The development comprises no. 680 homes, 35% of which are affordable, as well as retail, community/healthcare use, land for a school and public open space. The development is brought forward by Miller Homes and Bellway Homes providing 1-,2-,3-, and 4-bedroom homes to the northwest of Winchester Road in Boorley Green.

Boorley Park, Hampshire, SO32 2BX

- 4.15 Boorley Park lies approximately 1.9 miles to the north east of the subject Site at the former Botley Park Golf Club. The development comprises c. 1,400 homes, 30% of which are offered on affordable tenures. The development also offers local centre, primary school, community buildings, sports pitches and open space. Boorley Park is a development by Bloor Homes and Vistry providing 1-,2-,3-, and 4-bed homes to the northeast of Winchester Road in Boorley Green.

Millers Walk, West End, SO30

- 4.16 Millers Walk is a development of 91no.1-, 2-, 3-, and 4-bed homes in West End, Hampshire delivered by Foreman Homes. The development is 0.3 miles North of the proposal site. Hedge End Station is 1.2 miles from the development site providing links into Eastleigh Station in 6 minutes and links to Southampton Central in 32 minutes.

Heath House Lane, Hedge End, SO30 0LE

- 4.17 The Hamblewood development is provided by Bargate Homes and offers 1-,2-,3-, and 4-bed units. The subject site is 2.9 miles north of the development. River Hamble Country Park is 1.3 miles from the development. Bursledon Station is 1.4 miles from the development providing links to Southampton in 25 minutes.

Maddoxford Park, Boorley Green, SO32 2DG

- 4.18 Maddoxford Park is a development of 50no. 1-, 2-, 3- and 4-bed homes delivered by Foreman Homes. The development is 2.8 miles to the east of the development site. Hedge End Station is 1.9 miles from the development site, providing links into Eastleigh Station in 6 minutes and links to Southampton Central in 32 minutes.

Table 4.3 – Market Evidence (Semi-Detached Homes)

Plot/Development	Image	No. of Beds	Asking Price	Area (sqft)	£psf	Comment
Winchester Road, Botley, SO32		3-bed Semi-detached	£430,000	n/a	n/a	Three-bedroom semi-detached home within 1.8 miles from the subject site. Garage and parking. This property has recently been reduced in price.
Heath House Lane, Hedge End, SO30 0LE		3-bed Semi-detached	£425,000	n/a	n/a	Three-bedroom semi-detached home within 1.8 miles from the subject site. Single garage.
Off Winchester Road, Boorley Green, Hampshire, SO32 2BX		3-bed Semi-detached	£410,000	n/a	n/a	Three-bedroom semi-detached home within 1.7 miles from the subject site. Single garage.
Winchester Road, Boorley Green, Botley, SO32 2BX		3-bed Semi-detached	£395,000	n/a	n/a	Three-bedroom semi-detached home within 1.8 miles from the subject site. Single garage.
Winchester Road, Boorley Green, Botley, SO32 2BX		3-bed Semi-detached	£389,995	1,262	£309	Three-bedroom semi-detached home within 1.7 miles from the subject site. Single garage.

Maddoxford Park, Botley		3-bed Semi-detached	£370,000	n/a	n/a	Three-bedroom semi-detached home within 2.0 miles from the subject site.
Maddoxford Park, Botley		3-bed Semi-detached	£370,000	n/a	n/a	Three-bedroom semi-detached home within 2.0 miles from the subject site.
Heath House Lane, Hedge End, SO30 0LE		3-bed Semi-detached	£360,000	n/a	n/a	Three-bedroom semi-detached home within 1.8 miles from the subject site. Single garage and 2 parking spaces
Heath House Lane, Hedge End, SO30 0LE		3-bed Semi-detached	£360,000	n/a	n/a	Three-bedroom semi-detached home within 1.8 miles from the subject site. Single garage and 2 parking spaces
Winchester Road, Boorley Green, Botley, SO32 2BX		2-bed Semi-detached	£339,995	873	£389	Two-bedroom semi-detached home within 1.7 miles from the subject site.
Winchester Road, Boorley Green, Botley, SO32 2BX		2-bed Semi-detached	£334,300	n/a	n/a	Two-bedroom semi-detached home within 1.8 miles from the subject site.
Winchester Road, Boorley Green, Botley, SO32 2BX		2-bed Semi-detached	£334,300	n/a	n/a	Two-bedroom semi-detached home within 1.8 miles from the subject site.

Winchester Road, Boorley Green, Botley, SO32 2BX		2-bed Semi-detached	£330,000	n/a	n/a	Two-bedroom semi-detached home within 1.8 miles from the subject site.
Winchester Road, Boorley Green, Botley, SO32 2BX		2-bed Semi-detached	£330,000	n/a	n/a	Two-bedroom semi-detached home within 1.8 miles from the subject site.
Winchester Road, Boorley Green, Botley, SO32 2BX		2-bed Semi-detached	£329,995	861	£383	Two-bedroom semi-detached home within 1.8 miles from the subject site.
Winchester Road, Boorley Green, Botley, SO32 2BX		2-bed Semi-detached	£325,000	n/a	n/a	Two-bedroom semi-detached home within 1.8 miles from the subject site

Source: Rightmove, January, 2024.

Transactional Evidence – (New Build Semi- Detached homes)

- 4.19 AspinallVerdi have also considered transactional evidence of new-build semi-detached homes.

Boorley Park, Botley

- 4.20 Boorley Park lies approximately 1.9 miles to the north east of the subject Site at the former Botley Park Golf Club. The development comprises c. 1,400 homes, 30% of which are offered on affordable tenures. The development also offers local centre, primary school, community buildings, sports pitches and open space. Boorley Park is a development by Bloor Homes and Vistry providing 1-,2-,3-, and 4-bed homes to the northeast of Winchester Road in Boorley Green.

Table 4.4 - Transactional Evidence (Semi-Detached Homes)

Address	No. of Beds	Sale Date	Sold Price	Area (ft ²)	£/ft ²	Commentary
Boorley Park, St Davids Cul De Sac, Botley, Southampton, SO32 2SN	3	30/11/2022	£425,000	1,109	£383	A new-build property. Price confirmed by Land Registry.
Boorley Park, Sunningdale Close, Botley, Southampton SO32 2SD	3	20/05/2022	£390,000	1130	£345	A new-build property. Price confirmed by Land Registry.
Boorley Park, Sunningdale Close, Botley, Southampton SO32 2SD	3	27/04/2022	£397,500	1130	£352	A new-build property. Price confirmed by Land Registry.
Boorley Park, Sunningdale Close, Botley, Southampton SO32 2SD	3	29/04/2022	£417,000	1109	£376	A new-build property. Price confirmed by Land Registry.
Boorley Park, Sunningdale Close, Botley, Southampton SO32 2SD	3	29/04/2022	£420,000	1109	£379	A new-build property. Price confirmed by Land Registry.
Boorley Park, Carnoustie Crescent, Botley, Southampton, SO32 2SE	3	31/05/2022	£415,000	1109	£374	A new-build property. Price confirmed by Land Registry.
Boorley Park, Carnoustie Crescent, Botley, Southampton, SO32 2SE	3	30/06/2022	£420,000	1109	£379	A new-build property. Price confirmed by Land Registry.
Boorley Park, Carnoustie Crescent, Botley, Southampton, SO32 2SE	3	24/06/2022	£420,000	1109	£379	A new-build property. Price confirmed by Land Registry.
Boorley Park, Carnoustie Crescent, Botley, Southampton, SO32 2SE	3	23/08/2022	£420,000	1109	£379	A new-build property. Price confirmed by Land Registry.
Boorley Park, Troon Road, Botley, Southampton, SO32 2SP	3	31/05/2022	£382,500	1033	£370	A new-build property. Price confirmed by Land Registry.
Boorley Park, Troon Road, Botley, Southampton, SO32 2SP	3	31/05/2022	£374,550	1033	£362	A new-build property. Price confirmed by Land Registry.

Boorley Park, Troon Road, Botley, Southampton, SO32 2SP	2	24/06/2022	£315,000	840	£375	A new-build property. Price confirmed by Land Registry.
Boorley Park, Troon Road, Botley, Southampton, SO32 2SP	2	24/06/2022	£315,000	840	£375	A new-build property. Price confirmed by Land Registry.
Boorley Park, Kingsman Drive, Botley, Southampton, SO32 2TG	3	29/04/2022	£415,000	1109	£374	A new-build property. Price confirmed by Land Registry.
Boorley Park, Kingsman Drive, Botley, Southampton, SO32 2TG	3	29/04/2022	£410,000	1109	£370	A new-build property. Price confirmed by Land Registry.
Boorley Park, Kingsman Drive, Botley, Southampton, SO32 2TG	3	28/09/2022	£397,500	1130	£352	A new-build property. Price confirmed by Land Registry.

Source; Land Registry, January 2024

Market Evidence – (New Build Terrace homes)

29-31 Vespasian Road, Bitterne Manor, SO18

- 4.21 29-31 Vespasian Road is a development of 4no. 3-bed terrace homes, all with off road parking. The development is within 0.3 miles of Bitterne Station which provides links into Southampton Central in 9 minutes.
- 4.22 AspinallVerdi note that there is no transactional evidence for terrace homes surrounding the proposed development.

Table 4.5 – Market Evidence (Terrace Homes)

Plot/Development	Image	No. of Beds	Asking Price	Area (sqft)	£psf	Comment
29-31 Vespasian Road, Bitterne Manor, SO18		3-bed Terrace	£340,000	n/a	n/a	Three-bedroom terrace home within 2.6 miles from the subject site. Allocated parking.
29-31 Vespasian Road, Bitterne Manor, SO18		3-bed Terrace	£340,000	912	£373	Three-bedroom terrace home within 2.6 miles from the subject site. Allocated parking.
29-31 Vespasian Road, Bitterne Manor, SO18		3-bed Terrace	£325,000	932	£349	Three-bedroom terrace home within 2.6 miles from the subject site. Allocated parking.
29-31 Vespasian Road, Bitterne Manor, SO18		3-bed Terrace	£325,000	932	£349	Three-bedroom terrace home within 2.6 miles from the subject site. Allocated parking.

Source: Rightmove, January 2024

Transactional Evidence – (Flats)

- 4.23 AspinallVerdi note that there are no new-build listings for flats surrounding the development site. There is also no transactional new-build evidence within the vicinity of the proposed development.
- 4.24 We have therefore considered transactional evidence of re-sale properties in good condition to form the basis of our value assumptions.

Table 4.6 – Transactional Evidence (Flats)

Address	No. of Beds	Sale Date	Sold Price	Area (ft ²)	£/ft ²	Commentary
18, Riverdene Place, Southampton SO18 1UG	2	07/09/2023	£202,000	576	£351	A re-sale property in good condition. Price confirmed by Land Registry.
63, Hoddinott Road, Eastleigh, Hampshire SO50 5SN	2	20/09/2023	£195,000	673	£290	A re-sale property in good condition. Price confirmed by Land Registry.
20, Elkins Square, Bishopstoke, Eastleigh, Hampshire SO50 8HF	2	28/07/2023	£210,000	743	£283	A re-sale property in good condition. Price confirmed by Land Registry.
26, Mirabella Close, Woolston, Southampton SO19 9AZ	2	07/07/2023	£175,000	689	£254	A re-sale property in good condition. Price confirmed by Land Registry.
Ascot Place, Flat 17, Wildern Lane, Hedge End, Southampton, Hampshire SO30 4DH	2	30/05/2023	£272,000	701	£388	A re-sale property in good condition. Price confirmed by Land Registry.
85, Mansfield Park Street, Southampton SO18 5AE	2	16/05/2023	£181,000	710	£255	A re-sale property in good condition. Price confirmed by Land Registry.
Ascot Place, Flat 1, Wildern Lane, Hedge End, Southampton, Hampshire SO30 4DH	2	24/02/2023	£255,000	638	£400	A re-sale property in good condition. Price confirmed by Land Registry.
5, Pomeroy Crescent, Hedge End, Southampton, Hampshire SO30 2LF	1	06/01/2023	£159,000	420	£379	A re-sale property in good condition. Price confirmed by Land Registry.
14, Wellstead Way, Hedge End, Southampton, Hampshire SO30 2LE	1	19/04/2023	£166,000	474	£222	A re-sale property in good condition. Price confirmed by Land Registry.
20a, Simmons Close, Hedge End, Southampton, Hampshire SO30 4NT	1	09/09/2022	£160,000	527	£304	A re-sale property in good condition. Price confirmed by Land Registry.
Arena, Flat 1, Botley Road, West End, Southampton, Hampshire SO30 3HG	2	27/07/2022	£223,000	807	£276	A re-sale property in good condition. Price confirmed by Land Registry.

1, Whites Way, Hedge End, Southampton, Hampshire SO30 2JX	2	17/03/2022	£192,000	657	£292	A re-sale property in good condition. Price confirmed by Land Registry.
81, Mansfield Park Street, Southampton SO18 5AE	2	30/06/2022	£202,000	710	£284	A re-sale property in good condition. Price confirmed by Land Registry.

Source: Rightmove, January 2024.

- 4.25 The Applicant has based their value assumptions on the beds each unit has rather than the house type. For ease of comparison, we have set out our valuations the same way.
- 4.26 In terms of the 4-bed houses, the Applicant has adopted a rate of £389 psf - £416 psf. Our search has revealed a value range of £344 psf - £440 psf for 4-bed units. Based on the proposed scheme being in a favourable location with proximity to retail and sports facilities, we would expect the values adopted to display a premium in comparison with the data identified. We consider the Applicants adopted range to be within the values that we would expect the scheme to achieve and therefore consider their adopted values to be reasonable.
- 4.27 For 3-bed houses, the Applicant has adopted a range of between £384 psf - £422 psf. Our search revealed a value range of £309 psf and £508 psf. Based on the proposed scheme being in a favourable location with proximity to retail and sports facilities, we would expect the values adopted to display a premium in comparison with the data identified. Given the retrieved data, we consider the Applicant's adopted values to be within the range that we would expect the scheme to achieve. We have therefore adopted the same values in our appraisals.
- 4.28 The Applicant has attributed a value of £447 psf for the 2B4P homes. Our search has revealed a value range of between £375 psf and £389. The Applicant's adopted values reflect a premium due to the location of the scheme. Based on the identified comparable evidence, we consider that the value adopted by the Applicant is within the range we would expect properties on the scheme to achieve and as such, we have adopted the same within our appraisals.
- 4.29 In terms of 2B4P flats, the Applicant has adopted a value of £430psf - £438 psf. AspinallVerdi have considered re-sale flats in good condition and have found a value range of £254 psf - £400 psf. We would expect that the values attainable on the proposed development would be 20% in excess of the second-hand properties identified to reflect the premium associated with new-build developments. As such, we consider the Applicant's adopted value of £438 psf to be reasonable and have therefore adopted the same within our appraisals.
- 4.30 The Applicant has adopted a value of £519psf for the 1B2P flats. AspinallVerdi have considered re-sale flats in good condition and have found a value range of £222 psf - £379 psf. We would expect that the values attainable on the proposed development would be 20% in excess of the second-hand properties identified to reflect the premium associated with new-build developments. As such, we consider the Applicant's adopted value of £519 psf to be reasonable and have therefore adopted the same within our appraisals.

Open Market Sales Values

- 4.31 We have reviewed the comparable evidence presented in the tables above. Taking the comparable evidence into consideration, we have applied a blended average sales rate of £425/sqft to the units within the viability appraisal of the Proposed Development, summarised in the table below.

Table 4.7 – Summary of Open Market Values

Type	Number of Units	Average Unit Area (ft ²)	Total Area (ft ²)	Average Unit Value (£)	Total Value (£)	Average £psf
1BF (1p)	10	463	4,628	£2,40,000	£2,400,000	£519
2BF (4p)	48	814	39,058	£350,000	£16,800,000	£430
2BH (4p)	6	850	5,100	£380,000	£2,280,000	£447
3BH (4p)	24	1,211	29,055	£468,333	£11,240,000	£387
3BH (5p)	14	1,102	15,425	£452,857	£6,340,000	£412
4BH (6p)	10	1,481	14,806	£600,000	£5,400,000	£406
Total	102	965	108,071	£402,321	£45,060,000	£425

Source: AspinallVerdi, January 2024

Affordable Housing Values

- 4.32 Values for affordable units have been set at the Local Housing Allowance (LHA) rates for the affordable rented units. Social rents have been calculated according to the government policy statement on rents for social housing, and the intermediate units have been adopted on a 60% shared ownership basis. The affordable housing values are summarised in the table below.

Table 4.8 – Summary of Affordable Housing Values

Tenure	Beds	Total Units	Average Unit Area (ft ²)	Total Area (ft ²)	Average Unit Price (£)	Total Sales Value (£)	Total Sales Value £psf
Affordable Rent ('AR')	1	6	463	2,777	£101,696	£611,812	£220
	2	27	800	21,596	£147,603	£3,985,283	£185
	3	6	1,066	6,393	£191,193	£1,147,150	£179
AR Total/Avg		39	789	30,766	£147,288	£5,744,245	£187
Shared Ownership ('SO')	3	15	1,066	15,983	£264,150	£3,962,250	£248
	4	6	1,114	8,647	£352,200	£2,113,200	£244
AR Total/Avg		21	1,173	24,630	£289,307	£6,075,450	£247
Grand Total/Average		60	923	55,396	£196,995	£11,819,695	£213

Source: AspinallVerdi, January 2024.

Commercial Use

- 4.33 AspinallVerdi note that the planning application also includes provision for a 141-bed hotel, 71-bed care home, a well-being centre and a retail unit. Table 4.9 below outlines the details of each development.

Table 4.9 – Commercial Accommodation Schedule

Type	NIA (ft ²)	GIA (ft ²)
Hotel	28,070	46,877
Care Home	21,806	39,808
Well-Being Centre	13,034	13,034
Retail Unit	269	269
Total	63,179	99,988

Source Avison Young, March 2023

- 4.34 AspinallVerdi has undertaken comparable research for the commercial elements of the proposed scheme to inform the ERV.

Commercial Use – Hotel

Table 4.10 – Hotel Letting Transactions

Address	Transaction date	Achieved Rent (£)	Rooms	Size (sqft)	£per key	Rent Free / Void Period
Premier Inn, Marcham Road Abingdon	08/2023	£473,000	86	21,500	£5,500	n/a
Room2, 1-8 Queens Road, Southampton	01/2021	£514,750	71	32,855	£7,250	n/a
Travelodge, Streetsbrook Road, Solihull	06/2019	£557,600	82	48,850	£6,800	n/a

Source: CoStar, January 2024.

- 4.35 The comparable data shows a price range between £5,500 and £7,250 per key. AspinallVerdi note that the most comparable to the proposed development is the property at Streetsbrook Road, Solihull. The property is a Travelodge budget hotel on the outskirts of Birmingham. We note that the location of the proposed development is in a more favourable location as it benefits from direct access to the Ageas Bowl Stadium. We have therefore adopted a value of £7,000 per key.

Hotel Yield Evidence;

Table 4.11 – Hotel Yield Transactions

Address	Transaction Date	Sale Price	Yield
Travelodge, West Hill Rd Bournemouth, BH2 5EJ	12/2021	£9,310,000	6.20%
Travelodge, Goldcrest Way Bristol, BS35 4GH	04/2022	£8,500,000	5.00%
Travelodge, 43 Christchurch Rd Bournemouth, BH1 3PH	01/2022	£9,300,000	6.20%
Travelodge, Marcham Rd Abingdon, OX14 1TZ	09/2022	£11,200,000	4.00%
Travelodge, 66 Bridge St Newport, NP20 4AN	08/2022	£3,800,000	7.50%
Premier Inn, 96 Harbour Parade, Southampton, SO15 1BA	09/2023	£15,850,000	5.74%

Source: CoStar, January 2024.

- 4.36 The comparable data shows yield values between 4.00% and 7.50%. The most comparable property is that at 96 Harbour Parade, Southampton, SO15 1BA. The property is a Premier Inn which was constructed in 2011 and is located in Southampton City Centre.
- 4.37 We consider the Applicant's adopted yield of 5% is reasonable given the premises will be new-build.
- 4.38 We would also note that as of June 2023, Knight Frank estimate prime yields for regional budget hotels (20-year lease with 5 yearly index-linked reviews) to sit at 5%, which reinforces the Applicant's and our assumption.

Commercial Use – Retail

Table 4.12 - Retail Letting Transactions

Address	Transaction date	Achieved Rent (£)	Size (sqft)	£/sqft	Rent Free / Void Period
432 Bitterne Road	05/2023	£15,000	690	£21.74	n/a
219 Portswood Road	07/2022	£32,000	986	£32.45	n/a
434 Bitterne Road	06/2022	£35,000	1,400	£25.00	n/a
81-86 High Street	03/2022	£19,000	634	£29.97	n/a
414 Bitterne Road	12/2021	£27,500	750	£36.66	n/a

Source: CoStar, January 2024.

- 4.39 The comparable data shows a price range of between £21.74 psf and £36.66 psf however, we note that the comparable data identified is largely in areas surrounding town centres such as Southampton and Netley so we would assume that the proposed development would achieve a lower £psf value. The most comparable unit to the development site in terms of size and location is the property at 81-86 High Street, Southampton. The unit is 0.7 miles from the Site and is situated on West End High Street. We note that the property is dated. As such, we would expect that the proposed retail development would achieve a similar rate to the property, given that the property is in a more favourable location. We therefore consider the rate of £20psf for the retail unit adopted by the Applicant to be reasonable and have adopted the same throughout our appraisals.

Table 4.13 - Retail Yield Evidence

Address	Transaction Date	Sale Price	Yield
359 Winchester Road, Southampton, SO16 7DJ	12/2021	£290,000	6.88%
81 Parchment Street, Winchester, Hampshire, SO23 8AT	03/2022	£600,000	5.00%
128 High Street, Winchester, Hampshire, SO23 9AX	05/2022	£2,075,559	6.41%
127 High Street, Winchester, Hampshire, SO23 9AX	05/2022	£1,574,441	6.41%
40 Oxford Street, Southampton, Hampshire, SO14 3DP	01/2023	£600,000	6.21%

Source: CoStar, January 2024

- 4.40 The comparable data shows yield values between 5.00% and 6.88%. The most comparable property in terms of size and location is that at Winchester Road, Southampton. The property was constructed in 1930 and is therefore dated. We also note that the proposed retail space will benefit from the surge of footfall occurring when events are held at the Ageas Bowl. Due to such factors, we would expect to see a stronger yield attributed to the proposed development than the subject property. We, therefore, find the yield value of 6.5% adopted by the Applicant to be reasonable.

Commercial Use – Wellness Centre

Table 4.14 – Wellness Centre Lease Transactions

Address	Transaction date	Achieved Rent (£)	Size (sq.ft)	£/sqft	Rent Free / Void Period
8-10 Bell Street	05/2023	£35,000	2,637	£13.27	n/a
Churchill Road	12/2022	£119,964	14,612	£8.21	n/a
26 St Albans Street	05/2022	£40,000	5,600	£7.14	n/a

Source: CoStar, January 2024

- 4.41 The comparable data shows a price range of between £5.29psf and £13.27psf. However, we do note that the identified properties are dated. We would expect that a new-build property would command a premium. As such we consider the adopted rent of £15.00 by the Applicant to be reasonable.

Table 4.15 - Wellness Centre Yield Evidence

Address	Transaction Date	Sale Price	Yield
48-50 Hartington Road, Southall UB2 5AX	12/2021	£700,000	6.40%

Source: Costar, January 2024

- 4.42 The comparable data shows a yield value of 6.40%. The transaction identified was for a property constructed in 1930. Though it has been recently refurbished, we would expect that a new-build facility would be a more attractive investment, attracting less risk. We therefore consider the yield value of 6.00% that the Applicant has adopted concerning the wellness centre to be reasonable.
- 4.43 AspinallVerdi note that the Applicant has attributed a rent-free period of 12 months to the wellness centre. We consider this to be reasonable and have adopted the same in our appraisals.

Commercial Use – Care Home

- 4.44 We note that the Applicant has valued the care home facility based on a retirement living facility within the vicinity of the Site. They have attributed an adjusted value per room and capitalised the overall value. We have undertaken comparable research from other care home facilities as we consider this to be a more accurate means of valuation.

Table 4.16 – Care Home Lease Transactions

Address	Transaction date	Achieved Rent (£)	Size (sq.ft)	£/sqft	Rent Free / Void Period
Whalley Road, Accrington, BB5 5EF	04/2021	£75,010	3,236	£23.18	n/a
4 Fairfield, Slough, SL2 3FG	09/2020	£58,381	1,873	£31.17	n/a
Newton Road, Carlisle, CA2 7JH	06/2019	£236,098	9,704	£24.33	n/a

Source: CoStar, January 2024

- 4.45 The comparable data shows a price range of between £23.18 psf and £31.17 psf. We note that recorded leases of care homes are limited as they tend to be owner-occupied.
- 4.46 The most comparable of the lease transactions identified is the property at 4 Fairfield, Slough, SL2 3FG. The unit is significantly smaller than the proposed care home at 21,806 sqft. The units are therefore likely to reflect an inflated psf value due to the premiums associated with smaller units. Therefore, we would expect that the price achievable for the proposed care home would be £27.50 psf. This equates to a total annual rent of £599,665.

Table 4.17 - Care Home Yield Evidence

Address	Transaction Date	Sale Price	Yield
2 Southampton Rd, Carpathia Grange Care Home	06/2023	£47,300,000 (portfolio of 3no. properties)	4.95%
39 Portmore Park Rd - Norfolk House	06/2023	£9,700,000	5.8%
46 Bartholomew Lane, Hythe, CT21 4BX	03/2022	Not Disclosed	6.80%
89 North Rd Hythe, CT21 5ET	03/2022	Not Disclosed	6.80%
Tanners Hill Hythe, CT21 5UQ	03/2022	Not Disclosed	6.80%
7 Hollington Park Rd TN38 0SE	03/2022	Not Disclosed	6.80%

Norfolk Drive Mansfield, NG19 7AG	03/2022	Not Disclosed	6.00%
Fore Street Woodbridge, IP13 9DF	06/2021	Not Disclosed	5.00%

Source: CoStar, January 2024.

- 4.47 The comparable data shows yield values between 4.95% and 6.80%. The most comparable property in terms of size and location is that at 2 Southampton Rd. We note that the property is part of a multi-property sale which has achieved a yield value of 4.95%. The property is in good condition. We also note that the property doesn't benefit from the retail and leisure facilities that the subject property will have access to.
- 4.48 The Knight Frank Yield Guide²⁰ states that current expected yield values for the Healthcare sector, including elderly care is between 4.00% and 4.25%.
- 4.49 AspinallVerdi has adopted a 4.5% yield in order to reflect the condition and location of the proposed development.

Commercial Use – Car Parking

- 4.50 AspinallVerdi have had sight of the income that is currently generated from the Western Car Park. The Applicant has provided the following details, though we do note that these have been provided in email format and we would request that these be given in a more formal document so that they can be ratified.

Table 4.18 – Western Car Park Income

Year	Revenue
2021	£166,915
2022	£182,649
2023	£148,075

Ageas Bowl, August 2023.

- 4.51 In the absence of any charging schedule or details of how many spaces the car park will have, to reach a value for the car park, AspinallVerdi has taken an average of the income across the 2021 and 2022 (noting that we have not received a full year of income for 2023).
- 4.52 We have then capitalised this value (£174,800) by a yield of 7.5% to attain a total value of £2,330,667.

²⁰ [PowerPoint Presentation \(knightfrank.com\)](#)

4.53 AspinallVerdi note that in the absence of a formal document outlining the current car parking income, and without full details of the scheme, we reserve our position to amend this aspect of the scheme.

4.54 AspinallVerdi outline the adopted values in Table 4.19 below.

Table 4.19 - Commercial Unit Values

Commercial Unit	Area (Sq.ft)	£psf/per key	Gross Rent P.A.	Yield
Retail Unit	269	£20.00	£5,380	6.5%
Hotel	28,070	£7,000	£987,000	5.0%
Wellness Centre	13,034	£15.00	£195,510	6.0%
Care Home	21,806	£27.50	£599,665	4.5%
Car Park	n/a	n/a	£174,800	7.5%

Source AspinallVerdi, January 2024

4.55 Comparable research undertaken by AspinallVerdi is provided in Appendix 2 and 3.

Development Value Summary

4.56 Table 4.20 outlines a GDV comparison between the Applicant's adopted values and our own. AspinallVerdi note that there is a -£7,512,817 difference in the Applicant's GDV and our own. This is due to the incorporation of affordable housing in our appraisals as well as the difference in valuation methodology concerning the care home. We also note that though we have adopted the Applicants market values, we have calculated the GDV of the residential units at market sale to be £3,840,000 in excess of the Applicant's assumptions. This has also made a difference to our GDV in the policy-compliant scenario. We note that in the previous submission, our GDV was c. £11 million below the Applicant's position.

Table 4.20 - Comparison of Gross Development Value

Applicants GDV	AspinallVerdi GDV	Difference
£103,036,826	£95,523,955	-£7,512,817

Source: AspinallVerdi, January 2024.

Ground Rents

- 4.57 Following the Government's announcement on 21 December 2017, ground rents are to be banned.
- 4.58 The Government's subsequent announcement in 2020 that the requirements for the 2021-23 Help to Buy Scheme will include the restriction of ground rents for leasehold properties to a peppercorn, ground rents are excluded from the Proposed Development and net sales revenues positioned accordingly. This is consistent with the approach now taken in 'Red Book' Valuations²¹.
- 4.59 The Leasehold Reform (Ground Rent) Act 2022, puts an end to ground rents and for most new long residential leasehold properties in England and Wales. Royal Assent was granted on 8 February 2022 and the Act was brought into force on 30 June 2022.

²¹ RICS professional standards and guidance, global (January 2020), RICS Valuation – Global Standards

5 Cost Assumptions

- 5.1 This section provides an assessment of the costs and values adopted by the Applicant for the proposed scheme.
- 5.2 The Applicant has had a cost plan prepared by Welling which outlines a total development cost of £81,423,111 for the previous scheme which included 185no. residential units.
- 5.3 The Applicant has rebased their original cost plan to apply to the current scheme of 172no. units.
- 5.4 The Applicant's cost plan has previously been reviewed by Rider Levett Bucknall ('RLB') who accepted that the base build costs were reasonable. However, in our original report, we did reduce the contingency and therefore the overall build costs.
- 5.5 The Applicant's cost alterations have been reviewed by Bristow who have outlined the following:

"We consider the reduction of houses based on a cost per square foot to be an acceptable at this time approach on the basis that these are stand-alone units.

We consider the increase of apartments based on the cost per square foot basis to be a reasonable approach at this time.

Overall, we consider the budget to be adequate for this development.

As the design advances we would recommend that another detailed cost plan is produced demonstrating the robustness of the proposed budget."

Construction Costs

- 5.6 The Applicant has had a cost plan provided by Welling which has stated the total cost of the scheme. This has subsequently been altered by the Applicant's viability consultant to apply to the current scheme of 172no. units. The updated total build costs are £77,916,088. This includes preliminaries (13.8%), overheads and profit (7.00%), project/design team fees (3.50%) and contingency of 10%.
- 5.7 We had previously commissioned a review of the Applicant's cost plan to be reviewed by RLB who outlined the following.
- Firstly, the Applicant has allowed for a 10% contingency allowance. Generally, we would consider this to be 5%, especially given that the build costs are also on the higher side.*
- 5.8 To remedy this, we have extracted the current contingency allowance and replaced this with a 5% allowance (added separately).

Table 5.1 - AspinallVerdi Build Costs

Component	Floorspace (sqft)	Blended Rate (£ / psf)	Total Build Cost
Total Construction	263,456	£269	£70,832,807

Source: AspinallVerdi, January 2024.

Construction Costs Summary

- 5.9 AspinallVerdi has set out the total construction costs applied alongside the Applicant's total construction costs in Table 5.2.

Table 5.2 - Construction Costs Summary

Applicants Construction Costs	AspinallVerdi Construction Costs	Difference
£77,916,088	£70,832,807	-£7,083,281

Source: AspinallVerdi, January 2024.

- 5.10 A full copy of RLB's cost review can be found at Appendix 4.
- 5.11 We outline our other development costs in Table 5.3 overleaf.

Table 5.3 – Other Development Costs

Cost Heading	Applicants Rate	AspinallVerdi Rate	Commentary
Contingency	10.0%	5.0%	Of construction costs
Professional Fees and Insurances ²²	10.0%	8.0%	Estimated as a % of total build costs, Infrastructure, Abnormals.
Marketing Fee	N/A	1.5%	Of GDV - Industry standard
Letting Agent Fee	N/A	10%	Of GDV - Industry standard
Letting Legal Fee	N/A	5.0%	Of GDV - Industry standard
Sales Agent Fee	2.0%	1.0%	Of GDV - Industry standard
Sales Legal Fee	0.5%	0.5%	Of GDV - Industry standard
Finance	6.0%	7.0%	Total blended cost of capital for financing the potential development via the market, which takes into account arrangement, monitoring and related fees/credits.
Developer's Return	19.02%	16.24%	Total target returns on GDV to reflect market sales risk, in line with the minimum market expectations and PPGV (20% on private, 15% on commercial and 6% on affordable) and the Council's affordable housing policy.

Source: AspinallVerdi & Avison Young, January 2023

Development, Marketing & Sales Programme

5.12 The following development programme has been adopted by the Applicant. We consider this to be reasonable and have adopted the same in our appraisals. The development programme is summarised in Table 5.4 below.

Table 5.4 – Development Programme Summary

Duration	Stage	Description
Month 1 – 3:	Pre-Construction	Procurement, planning and site set-up
Month 4 - 27:	Construction	Overall construction period
Month 28 - 48:	Sales Period	Reflects an average sales rate of approximately 4 units per month and 40% sold off-plan

Source: AspinallVerdi, January 2024.

²² Note: Presently excludes allowance for development management services

6 Land Value

- 6.1 We set out below our comments in respect of land value.
- 6.2 The RICS's AVIP provides extensive guidance on the Benchmark Land Value (BLV) and sets out a five-step process for determining the BLV for planning purposes. We have followed this guidance herein.

EUV

- 6.3 The Applications site comprises a combination of tarmacked parking and golf course land to the northeast, 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.
- 6.4 The Applicant has adopted a BLV of £4,500,000 based on the valuation of the land as a golf course and storage/amenity land.
- 6.5 However, we have been given sight of the lease of the development site, which is currently leased to the Applicant by the Council. Therefore, we have based our EUV on the leases that are currently in place.
- 6.6 The land is currently leased to the Applicant on a peppercorn rate. We have therefore adopted a land value of £1 to reflect the current rental income of the asset.

7 Appraisal Results

- 7.1 This chapter presents the results of the assessment of financial viability arising from the Proposed Development of the Site.

Proposed Development Viability Appraisal (35% Affordable Housing)

- 7.2 A viability appraisal has been undertaken for the Proposed Development with a policy compliant affordable housing contribution
- 7.3 By way of analysis set out in chapter 6 of this document, it is considered that, if acting reasonably and when fully accounting for adopted planning policy, guidance and all other relevant factors, a land value of £1 for the site is applicable in this case.
- 7.4 The viability appraisal demonstrates that, for the development to generate the minimum risk-adjusted developer's return of 16.24% on GDV, the residual output generated equates to -£15,397,248.
- 7.5 In this instance, the RLV is below the adopted land value of £1 and thus the scheme cannot viably support a policy compliant affordable housing contribution.
- 7.6 The appraisal for the development reflecting policy compliant affordable housing contribution is provided within Appendix 5.

Proposed Development Viability Appraisal (NIL Affordable Housing)

- 7.7 A viability appraisal has been undertaken for the Proposed Development to provide nil affordable housing.
- 7.8 The viability appraisal demonstrates that, for the Proposed Development to generate the minimum risk-adjusted developer's return of 18.20% on GDV, the residual output (i.e., the 'RLV') generated equates to -£9,115,704.
- 7.9 In this instance, the RLV is below the adopted land value of £1 and thus the scheme is unviable.
- 7.10 The viability appraisal for the Proposed Development with nil affordable housing is provided within Appendix 6.

8 Sensitivity Analysis

- 8.1 The RICS Practice Statement requires that all FVAs and subsequent reviews must provide a sensitivity analysis of the results and an accompanying explanation and interpretation in respective calculations on viability, having regard to risks and an appropriate return(s). This is to:
- allow both the Applicant and decision maker to consider how changes in inputs to a financial appraisal affect viability, and
 - understand the extent of these results, to arrive at an appropriate conclusion on viability of the application scheme.
- 8.2 This also forms part of an exercise to 'stand back' and apply a viability judgment to the outcome of a report.
- 8.3 AspinallVerdi has undertaken a process of sensitivity testing for the scheme with nil affordable housing in order to determine the increase in revenues necessary for the Proposed Development to provide both the minimum BLV to the landowner and return the minimum risk-adjusted return of 18.20% profit on GDV to the developer.
- 8.4 A sensitivity analysis report is provided within Appendix 7.
- 8.5 This demonstrates that, were the Proposed Development to generate increased residential sales revenue by 5%, and a reduced rate for construction costs by 10%. The RLV in this scenario generates a positive land value of £813,905, which exceeds the BLV at the targeted return of 18.20% showing that in this instance the scheme would be viable.
- 8.6 Based on this, if market conditions are to become more favourable it is likely that the scheme at 100% market sale will have a surplus of £904,457 and become viable. This would be expected to be delivered as a payment in lieu to the Council.
- 8.7 However, AspinallVerdi note that given current market conditions, such as increasing interest rates and rising build costs, it is unlikely that the scheme will be viable in the short to medium term.

9 Summary and Conclusions

- 9.1 AspinallVerdi has been appointed by Eastleigh Borough Council (the Council) to objectively assess, and report upon, the financial viability of the proposed redevelopment of the Site for the Proposed Development:

“Full planning application for the erection of 172 dwellings, a 71-bedroom care home (Use Class C2), a 141-bedroom hotel (Use Class C1), a well-being centre (Use Class E / F2), improvements to existing stadium, new vehicular access, car parking, pedestrian circulation, together with associated tree planting, landscaping, SuDS and biodiversity enhancements.”

- 9.2 The purpose of the viability assessment is to test the financial viability of the Proposed Development of the Site, taking into account the policy requirements set by Eastleigh Borough Council as well as national planning policy and guidance.
- 9.3 By way of analysis set out in chapter 6 of this document, it is considered that, if acting reasonably and based on planning policy, the value of the site should be adopted as £1 to reflect the current lease agreement of the site.
- 9.4 AspinallVerdi has undertaken appraisals for the Proposed Development with 35% affordable housing contribution, and with nil affordable housing. The resulting outcomes are as follows:

Table 9.1 - Appraisal Results

Appraisal	RLV	BLV	Surplus / Deficit	Viable / Unviable
1. The Proposed Development Nil Affordable Housing	-£9,115,704	£1	-£9,115,705	Unviable
2. The Proposed Development 35% Affordable Housing (Policy Compliant)	-£15,397,248	£1	-£15,397,249	Unviable

Source: AspinallVerdi, January 2024.

- 9.5 The Applicant has not accounted for affordable housing delivery in their appraisals based on the proposed development being in a considerable deficit.
- 9.6 AspinallVerdi also note that in their appraisals, the Applicant has adopted a cost of £200,000 for S106 allowances. The Council has informed us that the scheme is likely to see costs of £7,407,804.54 (though this is subject to change based on the costs that we are yet to receive as previously stated). We have included this cost which has decreased the viability in comparison to the Applicant's appraisals.

- 9.7 AspinallVerdi have also been asked to test by how much the S106 contributions could increase for the profit on the scheme to be 0%. We have conducted an appraisal to this effect and found that the s106 contributions of the scheme could increase by £7,289,000 until the scheme shows a profit level of 0%. We have attached an appraisal that demonstrates this at Appendix 8
- 9.8 AspinallVerdi have also tested the proposed development at 100% market sale and as a policy compliant scenario.
- 9.9 The RLV falls below the BLV in scenario 2 with the 35% policy-compliant scheme producing a residual land value of - £15,397,248 which results in a total deficit of - £15,397,249. In this scenario, the scheme would generate a profit level of 8% which is 10.2% below the target profit rate. It is therefore deemed appropriate that the Council applies the flexibility provided within its Local Plan policies to support the delivery of the Proposed Development of the Site, which will be undertaken at the developer's risk.
- 9.10 AspinallVerdi would recommend the Council implement a review mechanism in the s106 in order to allow the Council to benefit from any favourable uplift in viability at a later stage.
- 9.11 Should you have any questions or queries in respect of any aspect of this report, please do not hesitate to contact AspinallVerdi.
- 9.12 For and on behalf of Aspinall Verdi Ltd:

Yours faithfully,

(Checked by)



Molly Toon
Consultant

Stephanie Eaton, MRICS
Director

207 183 7580
molly.toon@aspinallverdi.co.uk

0207 183 7580
stephanie@aspinallverdi.co.uk

Appendix 1 – Terms of Engagement

AspinallVerdi – Property Regeneration Consultants

Standard Terms of Appointment

Definitions

“AspinallVerdi” refers to Aspinall Verdi Limited trading as AspinallVerdi – Property Regeneration Consultants providing professional planning and surveying services for property development and regeneration.

“Client” refers to the client named in the Fee Proposal provided with these terms. In the case of sub-contract commissions, the Client is the lead contractor for these purposes.

“Fee Proposal” refers to any letter, email, proposal document, tender, Invitation To Negotiate, Invitation To Tender, bid submission etc., taken all together, containing a description of the scope of the services and professional fees.

Description of services to be provided

AspinallVerdi shall provide the services described within the Fee Proposal.

In the event of any inconsistency, the Fee Proposal will apply over these Standard Terms of Appointment.

Client's Obligations

The Client will provide in a timely manner all necessary information reasonably required, enabling AspinallVerdi to carry out the services during the appointment.

The Client acknowledges that AspinallVerdi is entitled to rely upon the accuracy, sufficiency and consistency of any information supplied to it by the Client. AspinallVerdi accepts no liability for any inaccuracies contained in any information provided by the Client or any third party on behalf of the Client.

The Client shall ensure that they have a representative authorised to make decisions on their behalf.

Unless otherwise specifically agreed, the Client authorises AspinallVerdi to speak to or meet with any other person it may need to contact in order to provide the services during the appointment.

Changes to the scope of instructions

The Client shall notify AspinallVerdi in writing of any instruction to vary the services.

Abortive work - AspinallVerdi reserves the right to make additional charges in the event that the scope of the services is modified during the appointment, or additional information is provided by the Client requiring additional or abortive work, or any other unforeseen circumstance prevents the timely completion of the appointment.

Unforeseen delays - Where information required to carry out the services is not provided by the Client in a timely manner, or any other unforeseen circumstance prevents the timely completion of the appointment, AspinallVerdi reserves the right to issue an interim invoice based on the tasks in the Fee Proposal that have been completed and/or by reference to time incurred (in hours/days) on the Client's behalf multiplied by the previously agreed hourly/daily rates.

Material variations - Where there are material variations to the scope of the appointment our professional fees will be based on an amended Fee Proposal or by reference to time incurred (in hours/days) on the Client's behalf multiplied by the previously agreed hourly/daily rates.

Additional meetings / conference calls – Where the Client requires additional formal meetings or conference calls in lieu of meetings over and above those specified in the Fee Proposal, these will be charged based on the agreed hourly/daily rates.

AspinallVerdi reserves the right to amend these terms of appointment as a consequence of any variation of the services.

Conflicts of Interest

AspinallVerdi will undertake a search of other clients, properties and roles to protect its Clients against any potential conflicts of interest that may exist within the firm.

AspinallVerdi employees must not accept or carry out any instruction where there may be, or reasonably construed to be, a conflict of interest.

If such a conflict of interest arises or becomes known after the instruction has been accepted, AspinallVerdi will withdraw from any instruction unless such conflict of interest is fully disclosed in writing to all relevant parties and all such parties agree that the instruction may be accepted or continued by AspinallVerdi.

Professional Fees

All fees for work carried out by AspinallVerdi will be as agreed in the Fee Proposal.

Disbursements

The Client will pay all incidental expenses incurred by AspinallVerdi, including without limitation: all travel expenses incurred, accommodation, subsistence, special delivery postage/carrier services, copying, Land Registry Title plans, Ordnance Survey plans, photography, advertising, professional photography, "For Sale / All Enquiries" Boards, printed brochure etc, unless otherwise agreed in the Fee Proposal.

Car mileage will be recharged at 0.55 pence per mile.

Any disbursements properly incurred but not yet processed at the time of any invoice will be invoiced separately.

Payment Terms

The Client shall pay the agreed fees and disbursements to AspinallVerdi for the performance of the services in such instalments as are set out in the Fee Proposal.

All fees and charges including disbursements are exclusive of Value Added Tax (VAT) which if due shall be paid concurrently in addition. VAT will be charged at the prevailing rate.

Payment shall be made within 30 days of the invoice date.

AspinallVerdi reserves the right to charge interest and debt recovery costs in respect of any amounts that remain unpaid after 30 days of the invoice date. Interest will be calculated at a rate of 4% a year above the Bank of England's base rate from time to time on any invoice which remains unpaid 30 days after the invoice date. Such interest will accrue on a daily basis.

Documentation

The copyright in all documents prepared by AspinallVerdi in providing the services shall remain the property of AspinallVerdi. Subject to payment by the Client of the fees properly due to AspinallVerdi under this agreement AspinallVerdi grants to the Client an irrevocable non-exclusive royalty-free licence to copy and use the documents for any purpose related to the project. The costs of copying any documents for the Client by AspinallVerdi shall be recharged to the Client.

AspinallVerdi shall not be liable for any use of the documents for any purpose other than that for which they were prepared and provided by AspinallVerdi or for any use by a third party.

No reliance will be placed by the Client on draft reports or other work products (oral or written) provided by AspinallVerdi as these may vary significantly from any final report or work product.

Intellectual Property

The Client will keep confidential and not disclose any methodologies and/or technology utilised by AspinallVerdi in providing the services.

AspinallVerdi does not normally release digital copies of spreadsheets, valuations and/or development appraisals, although hard copies and pdf copies can be provided.

AspinallVerdi is the beneficial owner of all Intellectual Property Rights arising out of or in connection with the provision of the services to the Client.

Reporting

Unless otherwise agreed, AspinallVerdi will provide an electronic pdf version of the final report/output.

AspinallVerdi reserves the right to charge for the production of paper copies or reports. Incidental expenses for additional paper copies will be recharged together with administration time for the preparation and collation of further reports.

AspinallVerdi reserves the right to charge for the production of 'Accessible reports' where these have not been specified by the Client from the outset.

Should the Client require AspinallVerdi to present the final report, the time costs and disbursements associated with this service will be recharged, unless otherwise agreed in the Fee Proposal.

Data Protection

As a result of AspinallVerdi's relationship with the Client, AspinallVerdi will hold personal data about individuals within the Client's business. AspinallVerdi will process that information only in connection with providing the services and for the purpose of contacting them about other services AspinallVerdi may offer i.e. our mutual legitimate business interests.

Assignment

Neither the Client nor AspinallVerdi shall assign the whole or any part of this agreement without the consent of the other in writing. Such consent shall not be unreasonably withheld.

Land and Property Agency Sales and Acquisitions:

Type of Agency

Unless otherwise agreed in writing, you appoint AspinallVerdi as a sole agent with sole selling rights for the duration of this agreement. Sole agent means that the Client agrees a not to appoint or employ any other agent for the purposes for which AspinallVerdi are so appointed during the course of this agreement and be that the sole agent has sole selling rights.

Sole Selling Rights

You are liable to pay remuneration to AspinallVerdi, in addition to any other costs or charges agreed, in each of the following circumstances:

if unconditional contracts for the sale of the property are exchanged in the period during which we have sole selling rights, even if the purchaser was not found by us but by another agent or by any other person, including yourself;

if unconditional contracts for the sale of the property are exchanged after the expiry of the period during which we have sole selling rights but to a purchaser who was introduced to you during that period or with whom we had negotiations about the property during that period.

Agency Period

The Client appoints AspinallVerdi from the date of this agreement for a minimum period of 6 calendar months, after which the agreement may be terminated by either party by giving the other 15 working days' notice in writing to this effect.

Agency Fees

AspinallVerdi's commission will be calculated as a percentage of the purchase price – as set out in the Fee Proposal, plus VAT.

AspinallVerdi will submit an invoice for our commission / fees to your solicitor on exchange of contracts. You shall, as soon as reasonably possible after instructing your solicitor to deal with your property sale, instruct your solicitor to provide us with an undertaking to pay our invoice from the monies held in your client account with your solicitor, and you shall confirm to us when this instruction has been provided. You agree that we may send our invoice direct to your solicitor for settlement, and that your solicitor is authorised to pay that invoice. However, for the avoidance of doubt, you remain fully liable for payment of the invoice for our commission / fees at all times and we may recover payment from you direct if we do not receive payment from your solicitor.

Our invoice is payable upon completion of the sale of the property, or by a payment schedule for a 'subject to planning' or other more complex land and/or development transaction as set out in the Fee Proposal.

Ready, Willing and Able Purchaser

A purchaser is a "ready, willing and able purchaser" if he / she is prepared and is able to exchange contracts for the purchase of your Property. You will be liable to pay remuneration to us, in addition to any other costs or charges agree. If such a purchaser is introduced by us in accordance with your instructions and this must be paid even if you subsequently withdraw and contracts for sale are not exchanged, irrespective of your reasons.

Referral and Introductory Fees

Where AspinallVerdi refer the Client or Land and/or Property to a third party in furtherance of the Clients objectives, business plan, economic plan, Local Plan etc., AspinallVerdi reserves the right to claim a reasonable fee or commission in respect of such service, referral, introduction which will be charged to the third party.

Vacant Properties

AspinallVerdi will not accept responsibility for the maintenance or repair of damage to the property at any time, or insurance of properties under their agency, unless specifically instructed to do so in writing.

Professional Indemnity insurance

AspinallVerdi is required to comply with the regulations of the Royal Institution of Chartered Surveyors and the Royal Town Planning Institute in respect of the maintenance of professional indemnity insurance.

The level of PI Insurance cover appropriate for the instruction being undertaken is limited to £5 million. AspinallVerdi shall on the written request of the Client provide evidence that PI insurance is in place.

AspinallVerdi's liability to the Client arising out of these terms of appointment shall be limited to the amount specified above. AspinallVerdi will not be liable for any consequential, special, indirect or exemplary damages, costs or losses or any damages, costs or losses attributable to lost profits or opportunities.

Liability of Employees

The duties and responsibilities owed to the Client are solely and exclusively those of AspinallVerdi. No employee of AspinallVerdi shall be liable to you for any loss or damage howsoever arising as a consequence of the acts or omissions of such employee (including negligent acts or omissions) save and to the extent that such loss or damage is caused by the fraud, dishonesty, wilful misconduct or unauthorised conduct on the part of such employee.

RICS Regulation

AspinallVerdi is regulated by the RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for firms and all other applicable mandatory professional practice requirements of the RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with the RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Atam Verdi, MRICS Chairman.

Complaints

In the event that the Client has a complaint the Client shall be entitled to have access to the complaints handling procedure maintained by AspinallVerdi, copies of which are available on request from a Director.

A dispute resolution service is available should the complaint not be settled satisfactorily between the parties.

Notice

Any notice to be given under this Agreement shall be in writing and delivered by hand or sent by recorded delivery post to the party at the address showing in this Agreement or to such an address as the other party may have specified from time to time by written notice to the other.

Suspension and Termination

If the Client materially breaches its obligations under this agreement AspinallVerdi may serve on the Client a notice specifying the breach and requiring its remedy within 28 days, and if the Client thereafter fails to remedy that breach within that period AspinallVerdi may terminate this agreement by giving written notice to the Client. The Client shall pay the fees and disbursements to AspinallVerdi for work incurred prior to the termination.

The Client has the right to terminate this agreement at any time on giving reasonable notice to AspinallVerdi and AspinallVerdi has the right to terminate this agreement at any time on giving reasonable notice to the Client.

If a conflict arises during the course of AspinallVerdi's work with the Client it may not be able to continue to act for the Client. If such a conflict arises AspinallVerdi will discuss the position with the Client and agree an appropriate course of action.

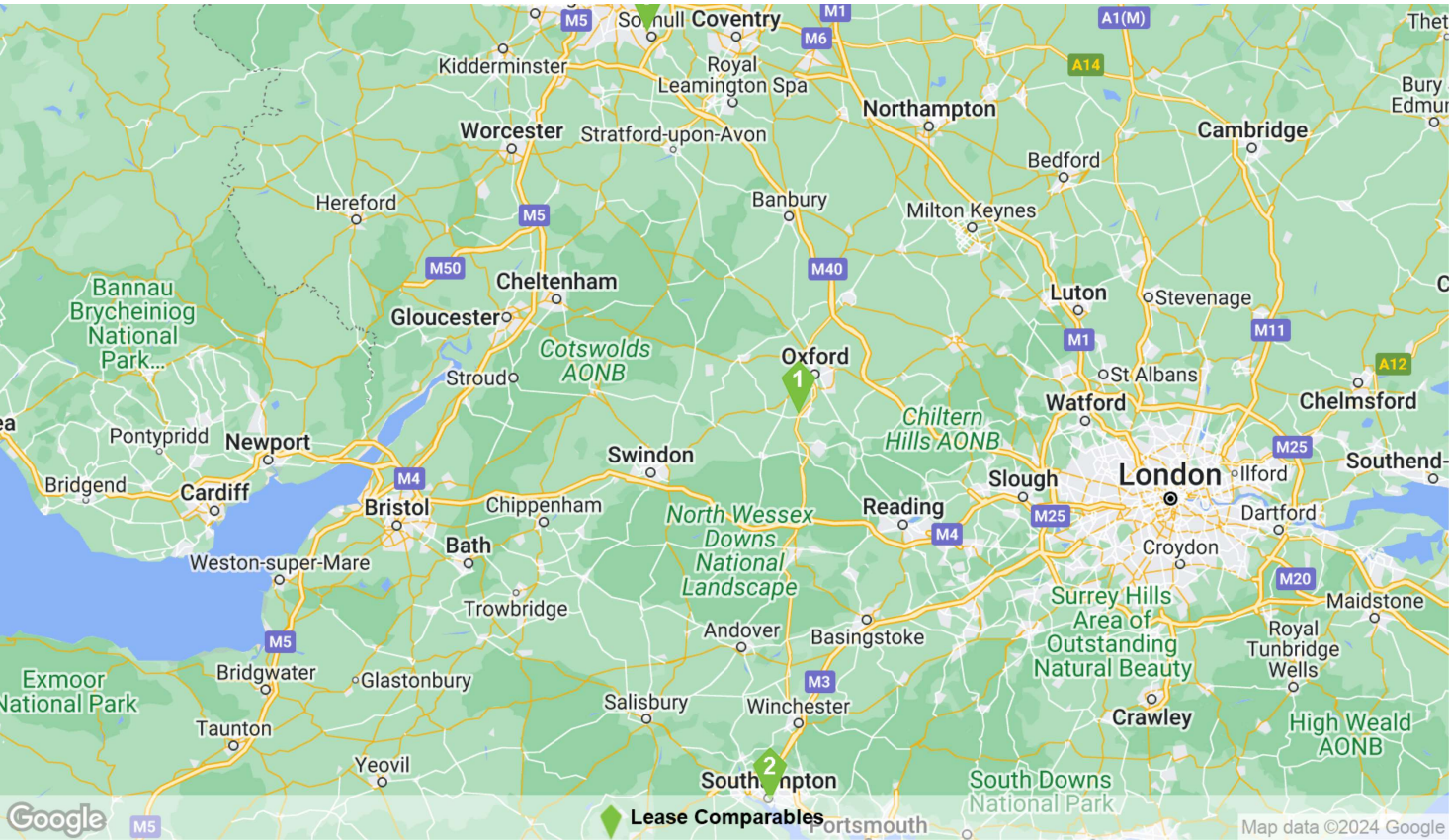
Law

English law shall apply to this agreement and if there is any dispute, the English courts will have exclusive jurisdiction.

Appendix 2 – Lease Comparable Evidence

Deals	Asking Rent Per SF	Achieved Rent Per SF	Avg. Months On Market
3	-	£20.09	-

LEASE COMPARABLES



SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	-	-	-	-	-
Achieved Rent Per SF	3	£11.41	£20.09	£22.00	£78.34
Net Effective Rent Per SF	-	-	-	-	-
Asking Rent Discount	-	-	-	-	-
TI Allowance	-	-	-	-	-
Rent Free Months	1	6	6	6	6

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	-	-	-	-	-
Deal Size	3	6,571	25,640	21,500	48,850
Lease Deal in Months	3	300.0	340.0	300.0	420.0
Floor Number	2	GRND	PR	PR	4

Lease Comps Summary

Lease Comps Report

			Lease				Rents	
Property Name - Address		Rating	SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1	Premier Inn Abingdon C... Marcham Rd	★★★★☆	21,500	GRND,1-3	8/1/2023	-	£22.00	Starting
2	room2 Southampton 1-8 Queens Ter	★★★★★	6,571	Unkwn	1/7/2021	New Lease	£78.34	Starting
3	Travelodge Solihull Streetsbrook Rd	★★★☆☆	48,850	GRND,1-4	6/5/2019	New Lease	£11.41	Starting

1 Marcham Rd - Premier Inn Abingdon Central
Abingdon, OX14 1TZ - Oxford Area Submarket



TENANT	
Tenant Name:	Premier Inn Hotels
Industry:	Retailer

LEASE	RENTS
SF Leased:	21,500 SF
Sign Date:	Aug 2023
Space Use:	Retail
Lease Type:	Direct
Floor:	P GRND, P 1, P 2, P...

LEASE TERM	
Start Date:	Aug 2023
Expiration Date:	Jul 2048
Lease Term:	25 Years

PROPERTY	
Property Type:	Hospitality
Status:	Built 2023
Tenancy:	-
Construction:	Reinforced Concrete
Parking:	20 Surface Spaces a...
Rentable Area:	21,500 SF
Stories:	4
Floor Size:	5,375 SF
Land Acres:	16.34

MARKET AT LEASE

Vacancy Rates	2023 Q3	YOY
Current Building	-	-
Submarket 2-4 Star	0.0%	↔ 0.0%
Market Overall	-	-

Same Store Asking Rent/SF	2023 Q3	YOY
Current Building	-	-
Submarket 2-4 Star	-	-
Market Overall	-	-

Submarket Leasing Activity	2023 Q3	YOY
12 Mo. Leased SF	1,898	-
Months On Market	-	-

2 1-8 Queens Ter - room2 Southampton
Southampton, SO14 3BP - Southampton Centre Submarket



LEASE	
SF Leased:	6,571 SF
Sign Date:	Jan 2021
Space Use:	Retail
Lease Type:	Direct
Floor:	Unkwn Floor

RENTS	
Starting Rent:	£514,750/Yr

PROPERTY EXPENSES	
Service:	Fully Repairing & In...

LEASE TERM	
Start Date:	Jan 2021
Expiration Date:	Jan 2046
Lease Term:	25 Years
Reviews:	Jan 2026, Jan 2031,...

TIME VACANT	
Date Occupied:	Jan 2021

PROPERTY	
Property Type:	Hospitality
Status:	Built May 2018
Tenancy:	-
Construction:	Masonry
Parking:	18 Surface Spaces a...

Rentable Area:	32,855 SF
Stories:	5
Floor Size:	5,932 SF
Land Acres:	0.25

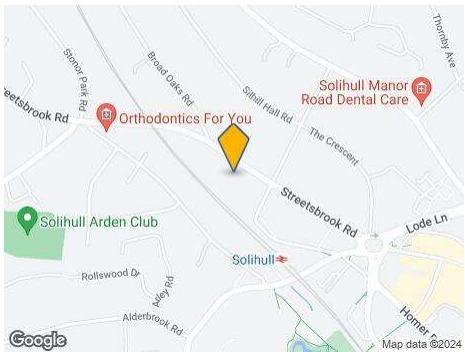
MARKET AT LEASE

Vacancy Rates	2021 Q1	YOY
Current Building	-	-
Submarket 3-5 Star	0.0%	↔ 0.0%
Market Overall	-	-

Same Store Asking Rent/SF	2021 Q1	YOY
Current Building	-	-
Submarket 3-5 Star	-	-
Market Overall	-	-

Submarket Leasing Activity	2021 Q1	YOY
12 Mo. Leased SF	0	-
Months On Market	-	-

3 Streetsbrook Rd - Travelodge Solihull
Solihull, B91 1RD - Solihull Submarket



TENANT	
Tenant Name:	Travelodge

LEASE	
SF Leased:	48,850 SF
Sign Date:	Jun 2019
Space Use:	Retail
Lease Type:	Direct
Floor:	P GRND, P 1, P 2, P...

RENTS	
Starting Rent:	£557,600/Yr

CONCESSIONS AND BUILDOUT	
Mo. Free Rents:	6 Months

LEASE TERM	
Start Date:	Jun 2019
Expiration Date:	Jun 2054
Lease Term:	35 Years

TIME VACANT	
Date Occupied:	Jun 2019

MARKET AT LEASE

Vacancy Rates	2019 Q2	YOY
Current Building	-	-
Submarket 1-3 Star	0.0%	↔ 0.0%
Market Overall	-	-

Same Store Asking Rent/SF	2019 Q2	YOY
Current Building	-	-
Submarket 1-3 Star	-	-
Market Overall	-	-

Submarket Leasing Activity	2019 Q2	YOY
12 Mo. Leased SF	0	-
Months On Market	-	-

PROPERTY		Rentable Area:	48,850 SF
Property Type:	Hospitality	Stories:	5
Status:	Built Oct 2018	Floor Size:	9,770 SF
Tenancy:	-	Land Acres:	0.49
Construction:	Steel		
Parking:	52 Surface Spaces a...		

LEASE NOTES

The property has been pre-let to Travelodge Hotels Limited for a term of 35 years, with a tenant's option to renew at expiry for a further 35 years (subject to breaks in the 10th, 20th and 30th years in the renewal lease).

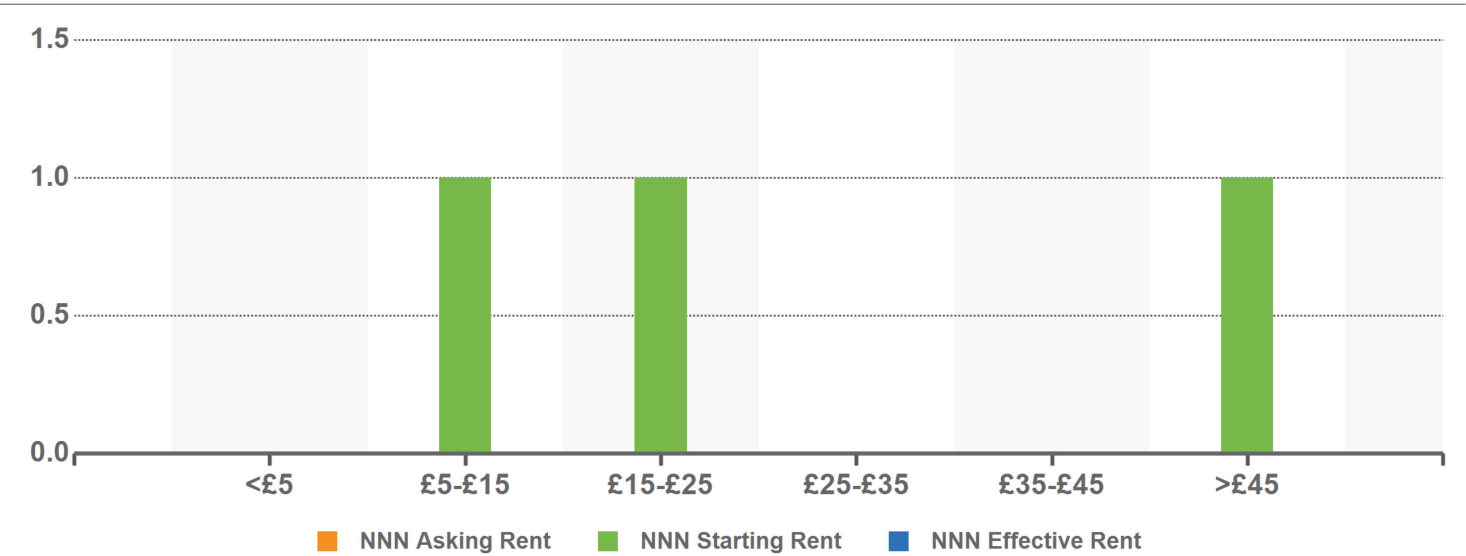
The initial rent is £557,600 per annum (equating to £6,800 per room) plus £8,250 per annum to reflect the enhanced specification for the Super Rooms. The total rent therefore will be £565,850 per annum.

The lease is subject to five yearly, upwards only, RPI linked rent reviews, annually compounded with a collar at 1% per annum and a cap at 4% per annum.

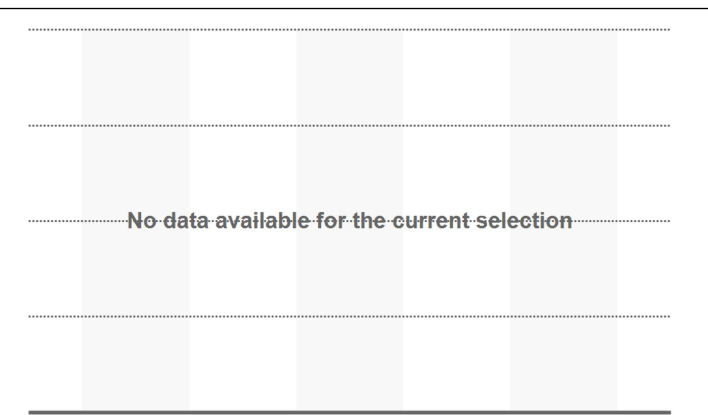
The tenant will be granted an initial 6 month rent free period, which will be topped up by the vendor.

Asking Rent Per SF	Achieved Rent Per SF	Net Effective Rent Per SF	Avg. Rent Free Months
-	£20.09	-	6.0

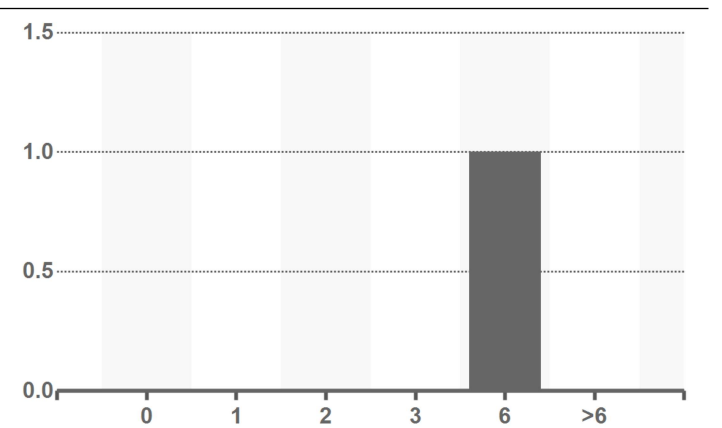
DEALS BY NNN ASKING, NNN STARTING, AND NNN EFFECTIVE RENT



DEALS BY ASKING RENT DISCOUNT



DEALS BY MONTHS FREE RENT



Lease Comparables

1



21,500 SF Retail Lease Signed Aug 2023 for £473,000/Yr (Starting)

Premier Inn - Marcham Rd - Direct, Leased by Premier Inn Hotels

Abingdon, OX14 1TZ - Oxford Area Submarket

★★★★★

Asking Rent:

Achieved Rent: £473,000/Yr

Effective Rent:

Start Date: Aug 2023

Term: 25 Years

Exp. Date: Jul 2048

Rent Free:

Breaks:

Reviews:

Retail Location:

Deal Type:

On Market:

Use Class: C1 (Hotels)

Zone A Rent:

Property Type: Hospitality

Building Area: 21,500 SF

Rates:

Parking Ratio: 0.93/1,000 SF

Leasing Rep:

Tenant Rep:

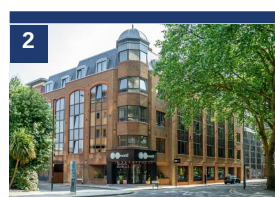
Landlord:

Tenant SIC:

Lease Notes:

ID# 258751211

2



6,571 SF Retail Lease Signed Jan 2021 for £514,750/Yr (Starting)

Room2 - 1-8 Queens Ter - Partial Unknown Floor Direct

Southampton, SO14 3BP - Southampton Centre Submarket

★★★★★

Asking Rent:

Achieved Rent: £514,750/Yr

Effective Rent:

Start Date: Jan 2021

Term: 25 Years

Exp. Date: Jan 2046

Rent Free:

Breaks:

Reviews: Jan 2026...

Retail Location:

Deal Type: New Lease

On Market:

Use Class: C1 (Hotels)

Zone A Rent:

Property Type: Hospitality

Building Area: 32,855 SF

Rates:

Parking Ratio: 0.55/1,000 SF

Leasing Rep:

Tenant Rep:

Landlord: Aberdeen Asset Management PLC

Tenant SIC:

Lease Notes:

ID# 184800111

3



48,850 SF Retail Lease Signed Jun 2019 for £557,600/Yr (Starting)

Travelodge - Streetsbrook Rd - Direct, Leased by Travelodge

Solihull, B91 1RD - Solihull Submarket

★★★★★

Asking Rent:

Achieved Rent: £557,600/Yr

Effective Rent:

Start Date: Jun 2019

Term: 35 Years

Exp. Date: Jun 2054

Rent Free: 6 Mos at Start

Breaks:

Reviews:

Retail Location:

Deal Type: New Lease

On Market:

Use Class: C1 (Hotels)

Zone A Rent:

Property Type: Hospitality

Building Area: 48,850 SF

Rates:

Parking Ratio: 1.06/1,000 SF

Leasing Rep:

Tenant Rep:

Landlord: BlackRock, Inc.

Tenant SIC:

Lease Notes:

The property has been pre-let to Travelodge Hotels Limited for a term of 35 years, with a tenant's option to renew at expiry for a further 35 years (subject to breaks in the 10th, 20th and 30th years in the renewal lease).

...

ID# 184800111

ID# 166552321

Lease Comps Summary

Lease Comps Report

Deals

Asking Rent Per SF

Achieved Rent Per SF

Avg. Months On Market

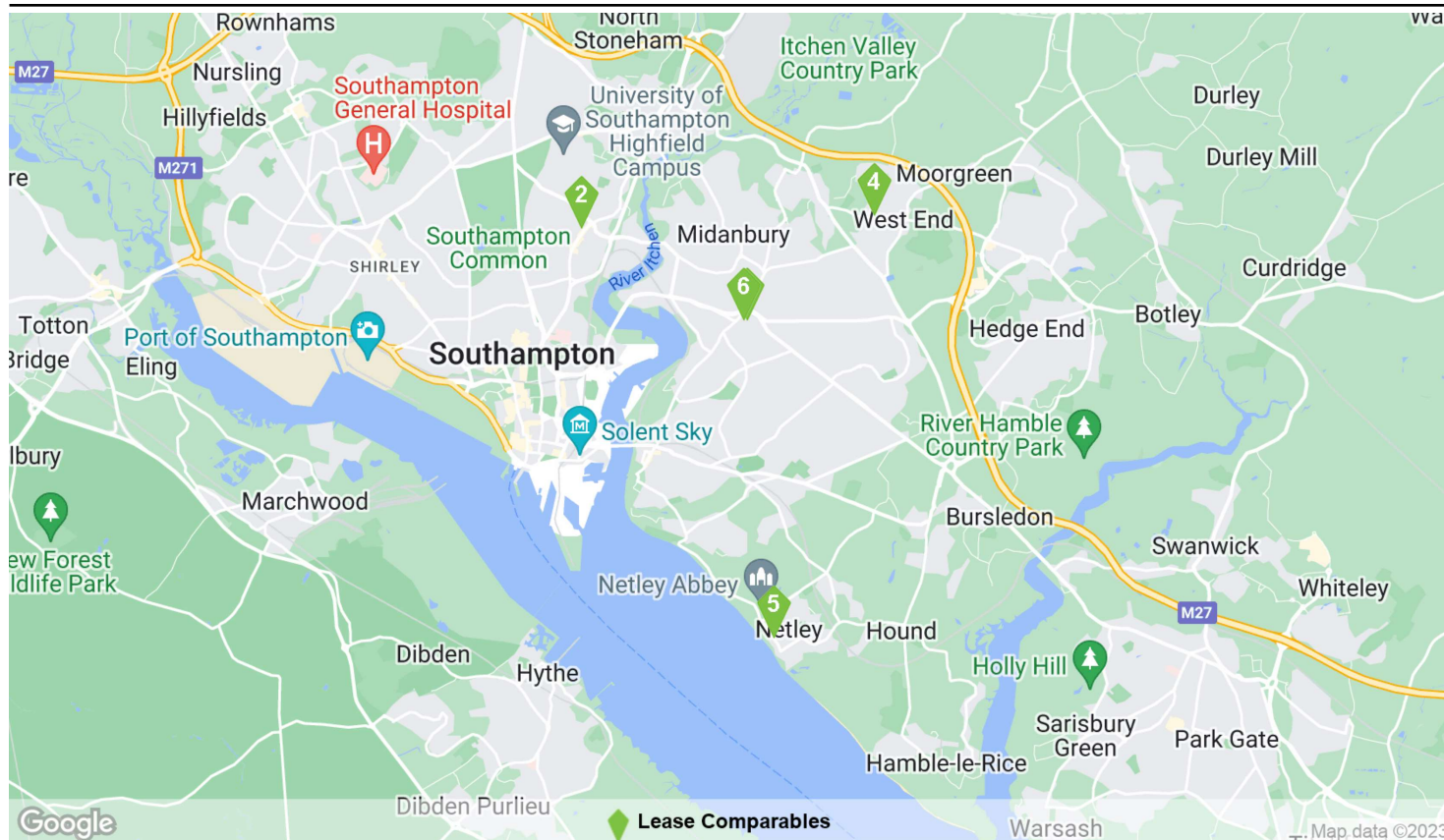
6

£28.75

£18.61

9

LEASE COMPARABLES



SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	4	£21.74	£28.75	£28.98	£36.67
Achieved Rent Per SF	4	£0.03	£18.61	£23.37	£29.97
Net Effective Rent Per SF	4	£0.03	£18.61	£23.37	£29.97
Asking Rent Discount	3	0.0%	39.4%	0.0%	99.9%
TI Allowance	-	-	-	-	-
Rent Free Months	1	0	0	0	0

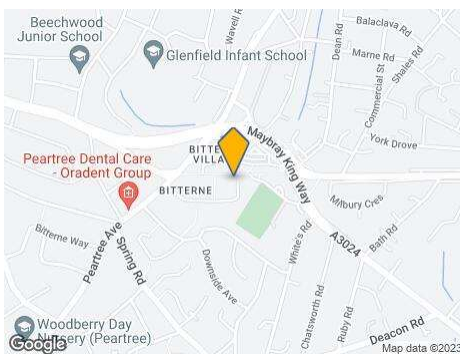
Lease Attributes	Deals	Low	Average	Median	High
Months on Market	5	1	9	5	30
Deal Size	6	634	993	868	1,500
Lease Deal in Months	4	120.0	120.0	120.0	120.0
Floor Number	6	GRND	GRND	GRND	GRND

Lease Comps Summary

Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1 432 Bitterne Road Rd	★★★★★	690	GRND	04/05/2023	New	£21.74/fri	Effective
2 219 Portswood Rd	★★★★★	986	GRND	26/07/2022	New	£0.03/fri	Effective
3 434 Bitterne Rd	★★★★★	1,400	GRND	04/07/2022	New	£25.00/fri	Effective
4 81-86 High St	★★★★★	634	GRND	18/03/2022	New	£29.97/fri	Effective
5 40-41 Victoria Rd	★★★★★	1,500	GRND	11/03/2022	New	-	-
6 414 Bitterne Rd	★★★★★	750	GRND	10/11/2021	New	£36.67/fri	Asking

1 432 Bitterne Road Rd
Southampton, SO18 1DT - Southampton Submarket



LEASE

SF Leased:	690 SF
Sign Date:	May 2023
Space Use:	Retail
Lease Type:	Direct
Floor:	GRND Floor

LEASE TERM

Start Date:	Jun 2023
Expiry Date:	Jun 2033
Lease Term:	10 Years

TIME ON MARKET

Date On Market:	Mar 2023
Date Off Market:	May 2023
Months on Market:	2 Months

LEASING AGENTS

Blue Alpine Partners Ltd
Manor Way
Borehamwood, WD6 1QQ
Joseph Bachman 020 3771 0697

PROPERTY

Property Type:	Retail
Status:	Built 1950
Tenancy:	-

RENTS

Asking Rent:	£15,000 PA
Achieved Rent:	£15,000 PA
Net Effective Rent:	£15,000 PA

CONCESSIONS AND BUILDOUT

Asking Discount:	0.00%
Buildout:	Standard Retail
Buildout Status:	Full Build-Out

PROPERTY EXPENSES

Service:	Fully Repairing & In...
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TIME VACANT

Date Vacated:	Mar 2023
Date Occupied:	Jun 2023
Months Vacant:	2 Months

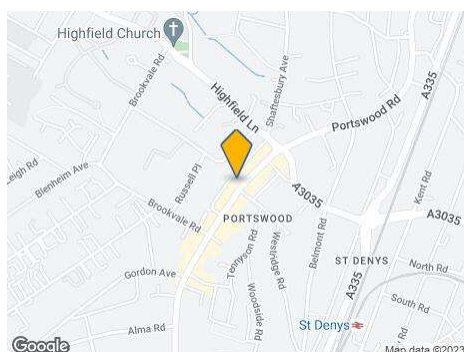
MARKET AT LEASE

Vacancy Rates	2023 Q2	YOY
Current Building	100%	▲ 100%
Submarket 2-4 Star	5.3%	▲ 0.6%
Market Overall	3.2%	↔ 0.0%

Same Store Asking Rent/SF	2023 Q2	YOY
Current Building	£21.01	▼ -2.5%
Submarket 2-4 Star	£20.55	▲ 2.5%
Market Overall	£20.35	▲ 2.0%

Submarket Leasing Activity	2023 Q2	YOY
12 Mo. Leased SF	99,972	▼ -30.1%
Months On Market	10.1	▲ 3.1

2 219 Portswood Rd
Southampton, SO17 2NF - Southampton Submarket



TENANT

Tenant Name: Nest Coffee House Ltd
Industry: Retailer

LEASE

SF Leased: 986 SF
Sign Date: Jul 2022
Space Use: Retail
Lease Type: Direct
Floor: GRND Floor

RENTS

Asking Rent: £32,500 PA
Achieved Rent: £32 PA
Net Effective Rent: £32 PA

CONCESSIONS AND BUILDOUT

Asking Discount: 99.90%
Buildout Status: Shell Space
Space Condition: Average

LEASE TERM

Start Date: Jul 2022
Expiry Date: Jul 2032
Lease Term: 10 Years

PROPERTY EXPENSES

Service: Fully Repairing & In...
Business Rates: £22,250 PA

TIME ON MARKET

Date On Market: May 2022
Date Off Market: Jul 2022
Months on Market: 3 Months

TIME VACANT

Date Vacated: May 2022
Date Occupied: Jul 2022
Months Vacant: 2 Months

MARKET AT LEASE

Vacancy Rates	2022 Q3	YOY
Current Building	0.0%	↔ 0.0%
Submarket 2-4 Star	4.7%	↔ 0.0%
Market Overall	3.3%	▲ 0.3%

Same Store Asking Rent/SF	2022 Q3	YOY
Current Building	£21.52	▼ -0.6%
Submarket 2-4 Star	£20.20	▲ 0.2%
Market Overall	£20.07	▲ 0.1%

Submarket Leasing Activity	2022 Q3	YOY
12 Mo. Leased SF	133,620	▼ -56.8%
Months On Market	7.8	▼ -6.0

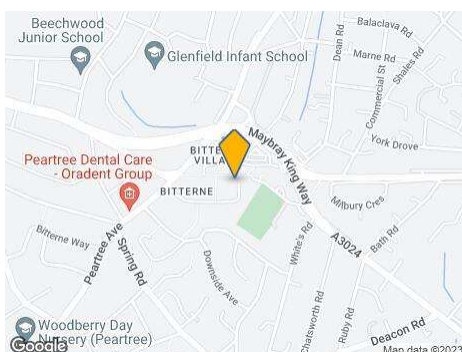
LEASING AGENTS

Trinity Rose Commercial
123 Winchester Rd, Suite Top Floor
Chandler's Ford, SO53 2DR
Jon Baud 01962 888900

PROPERTY

Property Type: Retail
Status: Built 1980
Tenancy: Single
NIA: 986 SF
Floors: 1
Floor Size: 986 SF
Vacancy at Lease: 0.0%
Land Acres: 0.05

3 434 Bitterne Rd Southampton, SO18 1BS - Southampton Submarket



TENANT

Tenant Name: Southern Health NHS Foundation Trust

LEASE

SF Leased: 1,400 SF
Sign Date: Jul 2022
Space Use: Retail
Lease Type: Direct
Floor: GRND Floor

RENTS

Asking Rent: £35,000 PA
Achieved Rent: £35,000 PA
Net Effective Rent: £35,000 PA

CONCESSIONS AND BUILDOUT

Asking Discount: 0.00%
Buildout: Standard Retail
Buildout Status: Full Build-Out

LEASE TERM

Start Date: Jul 2022
Expiry Date: Jul 2032
Lease Term: 10 Years

PROPERTY EXPENSES

Service: Fully Repairing & In...
Business Rates: £9,980 PA

TIME ON MARKET

Date On Market: Nov 2021
Date Off Market: Jul 2022
Months on Market: 8 Months

TIME VACANT

Date Vacated: Nov 2021
Date Occupied: Jul 2022
Months Vacant: 7 Months

MARKET AT LEASE

Vacancy Rates	2022 Q3	YOY
Current Building	0.0%	↔ 0.0%
Submarket 2-4 Star	4.7%	↔ 0.0%
Market Overall	3.3%	▲ 0.3%

Same Store Asking Rent/SF	2022 Q3	YOY
Current Building	£21.52	▼ -0.6%
Submarket 2-4 Star	£20.20	▲ 0.2%
Market Overall	£20.07	▲ 0.1%

Submarket Leasing Activity	2022 Q3	YOY
12 Mo. Leased SF	133,620	▼ -56.8%
Months On Market	7.8	▼ -6.0

LEASING AGENTS

Blue Alpine Partners Ltd
Manor Way
Borehamwood, WD6 1QQ
Joseph Bachman 020 3771 0697

PROPERTY

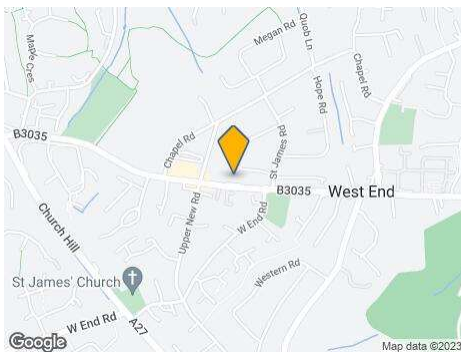
Property Type: Retail
Status: Built 1950
Tenancy: Multi
Construction: Masonry
Parking: Ratio of 0.00/1,000 SF
NIA: 4,000 SF
Floors: 2
Floor Size: 2,222 SF
Vacancy at Lease: 0.0%
Land Acres: 0.09

4

81-86 High St

Southampton, SO30 3DS - Eastleigh Submarket

★★★★★



TENANT

Tenant Name:	Stanford Lettings
Industry:	Real Estate
SIC:	Real Estate Agent

LEASE

SF Leased:	634 SF
Sign Date:	Mar 2022
Space Use:	Retail
Lease Type:	Direct
Floor:	GRND Floor

RENTS

Achieved Rent:	£19,000 PA
Net Effective Rent:	£19,001 PA

CONCESSIONS AND BUILDOUT

Rent Free Months:	0 Months
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LEASE TERM

Start Date:	Mar 2022
Expiry Date:	Mar 2032
Lease Term:	10 Years

PROPERTY EXPENSES

Service:	Fully Repairing & In...
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OPTIONS

Renewal Option

MARKET AT LEASE

Vacancy Rates	2022 Q1	YOY
Current Building	0.0%	↔ 0.0%
Submarket 1-3 Star	0.4%	▼ -0.7%
Market Overall	-	-

Same Store Asking Rent/SF	2022 Q1	YOY
Current Building	£21.88	▲ 0.2%
Submarket 1-3 Star	£18.25	▼ -2.2%
Market Overall	-	-

Submarket Leasing Activity	2022 Q1	YOY
12 Mo. Leased SF	24,249	▲ 609.0%
Months On Market	17.4	▲ 5.9

TIME VACANT

Date Occupied:	Mar 2022
----------------	----------

PROPERTY

Property Type:	Retail	NIA:	3,109 SF
Status:	-	Floors:	2
Tenancy:	Multi	Floor Size:	2,499 SF
Construction:	Masonry	Vacancy at Lease:	0.0%
		Land Acres:	0.12

LEASE NOTES

This deal has been added with details registered at HM Land Registry under title number HP869687. The rent will increase from £19,000 per annum to £21,000 per annum at the commencement of the sixth anniversary of the term.

5 40-41 Victoria Rd
Southampton, SO31 5DQ - Eastleigh Submarket



LEASE

SF Leased: 1,500 SF
Sign Date: Mar 2022
Space Use: Retail
Lease Type: Assignment
Floor: GRND Floor

CONCESSIONS AND BUILDOUT

Space Condition: Average

PROPERTY EXPENSES

Business Rates: £8,961 PA

LEASE TERM

Start Date: Apr 2022

TIME ON MARKET

Date On Market: Aug 2019
Date Off Market: Mar 2022
Months on Market: 31 Months

TIME VACANT

Date Occupied: Apr 2022

LEASING AGENTS

Primmer Olds UK Ltd
61 Cromwell Rd
Southampton, SO15 2JE
Hannah Bennett 023 8082 0900
Duane Walker 023 8022 2292

MARKET AT LEASE

Vacancy Rates	2022 Q1	YOY
Current Building	0.0%	↔ 0.0%
Submarket 1-3 Star	0.4%	▼ -0.7%
Market Overall	-	-

Same Store Asking Rent/SF	2022 Q1	YOY
Current Building	£34.23	▲ 0.3%
Submarket 1-3 Star	£18.25	▼ -2.2%
Market Overall	-	-

Submarket Leasing Activity	2022 Q1	YOY
12 Mo. Leased SF	24,249	▲ 609.0%
Months On Market	17.4	▲ 5.9

PROPERTY

Property Type: Retail
Status: Built 1970
Tenancy: -
Construction: Masonry

NIA: 1,500 SF
Floors: 2
Floor Size: 1,168 SF
Vacancy at Lease: 0.0%

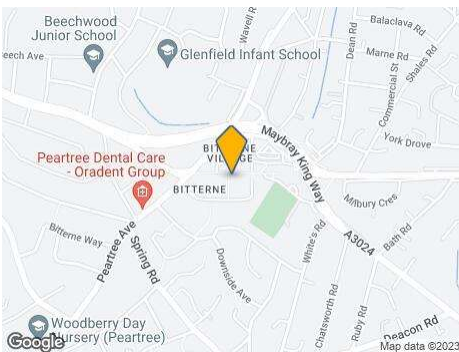


6

414 Bitterne Rd

Southampton, SO18 1DT - Southampton Submarket

★★★★★



LEASE

SF Leased:	750 SF
Sign Date:	Nov 2021
Space Use:	Retail
Lease Type:	Direct
Floor:	GRND Floor

RENTS

Asking Rent:	£27,500 PA
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CONCESSIONS AND BUILDOUT

Buildout:	Speciality
Buildout Status:	Partial Build-Out
Space Condition:	Average

LEASE TERM

Start Date:	Dec 2021
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PROPERTY EXPENSES

Service:	Fully Repairing & In...
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TIME ON MARKET

Date On Market:	Jun 2021
Date Off Market:	Nov 2021
Months on Market:	6 Months

TIME VACANT

Date Vacated:	Jun 2021
Date Occupied:	Dec 2021
Months Vacant:	6 Months

LEASING AGENTS

Jackson Criss
11 Hill's PI
London, W1F 7SE
Michael Lockhart 020 7499 8644

MARKET AT LEASE

Vacancy Rates	2021 Q4	YOY
Current Building	0.0%	↔ 0.0%
Submarket 2-4 Star	4.7%	▼ -0.8%
Market Overall	3.0%	▲ 0.3%

Same Store Asking Rent/SF	2021 Q4	YOY
Current Building	£21.67	▲ 0.6%
Submarket 2-4 Star	£20.08	▼ -2.0%
Market Overall	£19.98	▼ -1.6%

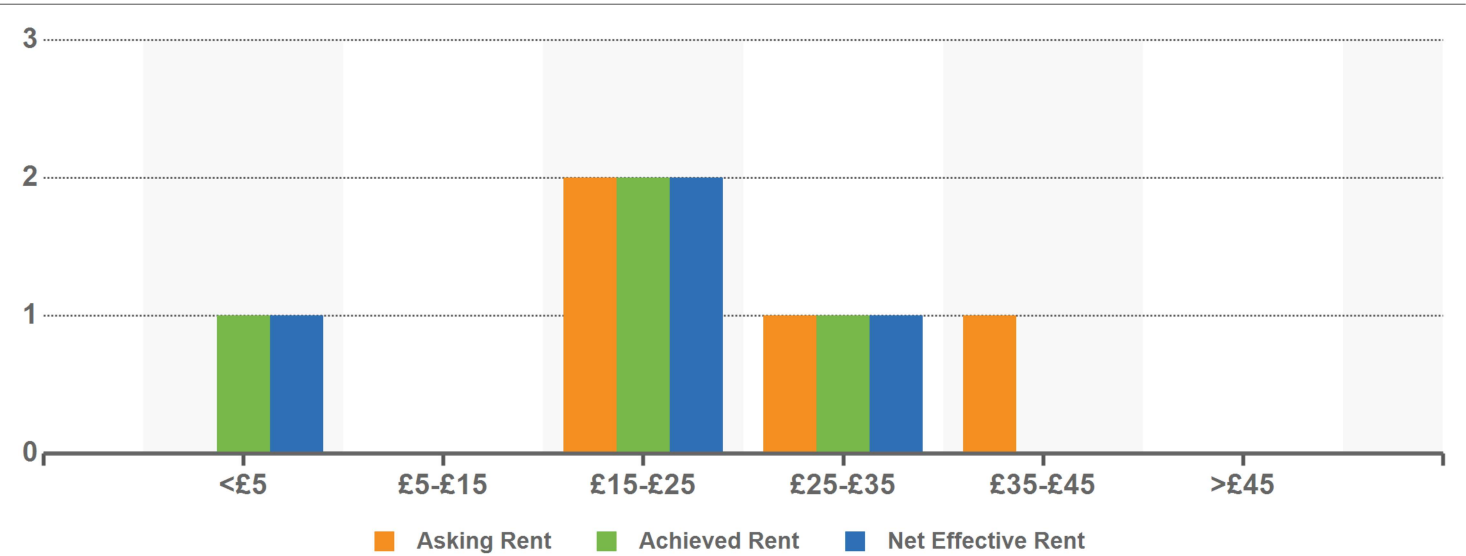
Submarket Leasing Activity	2021 Q4	YOY
12 Mo. Leased SF	327,096	▲ 366.6%
Months On Market	7.0	▼ -7.2

PROPERTY

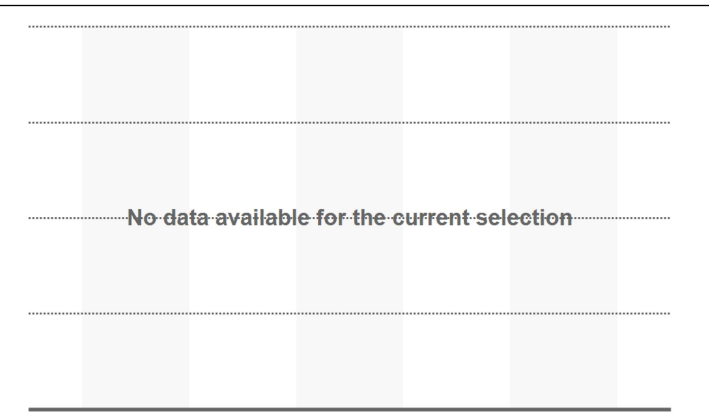
Property Type:	Retail	NIA:	750 SF
Status:	Built 1980	Floors:	3
Tenancy:	-	Floor Size:	250 SF
Construction:	Masonry	Vacancy at Lease:	0.0%
		Land Acres:	0.58

Asking Rent Per SF	Achieved Rent Per SF	Net Effective Rent Per SF	Avg. Rent Free Months
£28.75	£18.61	£18.61	-

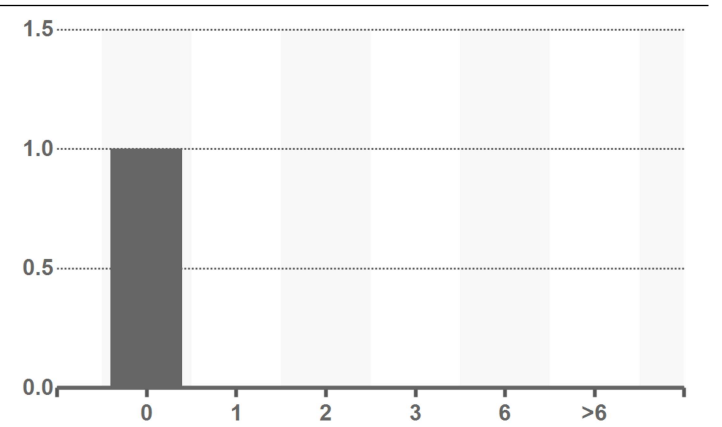
DEALS BY ASKING, ACHIEVED, AND NET EFFECTIVE RENT



DEALS BY ASKING RENT DISCOUNT



DEALS BY RENT FREE MONTHS



Lease Comparables



1

690 SF Retail Lease Signed May 2023 for £15,000 PA (Effective)
432 Bitterne Road Rd - Ground Direct
Southampton, SO18 1DT - Southampton Submarket

★★★★★

Asking Rent:	£15,000 PA	Start Date:	Jun 2023	Rent Free:		Deal Type:	New Lease	Property Type:	Retail Class
Achieved Rent:	£15,000 PA	Term:	10 Years	Breaks:		On Market:	2 Mos	Building Area:	690 SF
Effective Rent:	£15,000 PA	Exp. Date:	Jun 2033	Reviews:		Use Class:	E (Commercial...)	Rates:	
				Retail Location:		Zone A Rent:		Parking Ratio:	

Leasing Rep: Blue Alpine Partners Ltd - Joseph Bachman

Tenant Rep:

Landlord:

Tenant SIC:

Lease Notes:

ID# 255580051



2

986 SF Retail Lease Signed Jul 2022 for £32 PA (Effective)
219 Portswood Rd - Ground Direct, Leased by Nest Coffee House Ltd
Southampton, SO17 2NF - Southampton Submarket

★★★★★

Asking Rent:	£32,500 PA	Start Date:	Jul 2022	Rent Free:		Deal Type:	New Lease	Property Type:	Retail Class
Achieved Rent:	£32 PA	Term:	10 Years	Breaks:		On Market:	3 Mos	Building Area:	986 SF
Effective Rent:	£32 PA	Exp. Date:	Jul 2032	Reviews:		Use Class:	E (Commercial...)	Rates:	£22,250 PA
				Retail Location:		Zone A Rent:		Parking Ratio:	

Leasing Rep: Trinity Rose Commercial - Jon Baud

Tenant Rep:

Landlord:

Tenant SIC:

Lease Notes:

ID# 204849221



3

1,400 SF Retail Lease Signed Jul 2022 for £35,000 PA (Effective)
434 Bitterne Rd - Ground Direct, Leased by Southern Health NHS Foundation Trust
Southampton, SO18 1BS - Southampton Submarket

★★★★★

Asking Rent:	£35,000 PA	Start Date:	Jul 2022	Rent Free:		Deal Type:	New Lease	Property Type:	Retail Class B
Achieved Rent:	£35,000 PA	Term:	10 Years	Breaks:		On Market:	8 Mos	Building Area:	4,000 SF
Effective Rent:	£35,000 PA	Exp. Date:	Jul 2032	Reviews:		Use Class:	E (Commercial...)	Rates:	£9,980 PA
				Retail Location:		Zone A Rent:		Parking Ratio:	0.00/1,000 SF

Leasing Rep: Blue Alpine Partners Ltd - Joseph Bachman

Tenant Rep:

Landlord: Blue Alpine Partners Ltd

Tenant SIC:

Lease Notes:

ID# 204381721

Lease Comparables

4


634 SF Retail Lease Signed Mar 2022 for £19,001 PA (Effective)
81-86 High St - Partial Ground Direct, Leased by Stanford Lettings
Southampton, SO30 3DS - Eastleigh Submarket

★ ★ ★ ★ ★

Asking Rent:	Start Date: Mar 2022	Rent Free: 0 Mos	Deal Type: New Lease	Property Type: Retail Class C
Achieved Rent: £19,000 PA	Term: 10 Years	Breaks:	On Market:	Building Area: 3,109 SF
Effective Rent: £19,001 PA	Exp. Date: Mar 2032	Reviews:	Use Class: E (Commercial...)	Rates:
		Retail Location:	Zone A Rent:	Parking Ratio:

Leasing Rep:
Tenant Rep:

Landlord: S Lee & Sons Limited
Tenant SIC: Real Estate Agent

Lease Notes: This deal has been added with details registered at HM Land Registry under title number HP869687. The rent will increase from £19,000 per annum to £21,000 per annum at the commencement of the sixth anniversary of the term.

ID# 253666351

5


1,500 SF Retail Lease Signed Mar 2022
40-41 Victoria Rd - Ground Assignment
Southampton, SO31 5DQ - Eastleigh Submarket

★ ★ ★ ★ ★

Asking Rent:	Start Date: Apr 2022	Rent Free:	Deal Type: New Lease	Property Type: Retail Class B
Achieved Rent:	Term:	Breaks:	On Market: 31 Mos	Building Area: 1,500 SF
Effective Rent:	Exp. Date:	Reviews:	Use Class: E (Commercial...)	Rates: £8,961 PA
		Retail Location:	Zone A Rent:	Parking Ratio:

Leasing Rep: Primmer Olds UK Ltd - Hannah Bennett, Duane Walker
Tenant Rep:

Landlord:
Tenant SIC:

Lease Notes:

ID# 201787881

6


750 SF Retail Lease Signed Nov 2021 for £27,500 PA (Asking)
414 Bitterne Rd - Ground Direct
Southampton, SO18 1DT - Southampton Submarket

★ ★ ★ ★ ★

Asking Rent: £27,500 PA	Start Date: Dec 2021	Rent Free:	Deal Type: New Lease	Property Type: Retail Class B
Achieved Rent:	Term:	Breaks:	On Market: 5 Mos	Building Area: 750 SF
Effective Rent:	Exp. Date:	Reviews:	Use Class: E (Commercial...)	Rates:
		Retail Location:	Zone A Rent:	Parking Ratio:

Leasing Rep: Jackson Criss - Michael Lockhart
Tenant Rep:

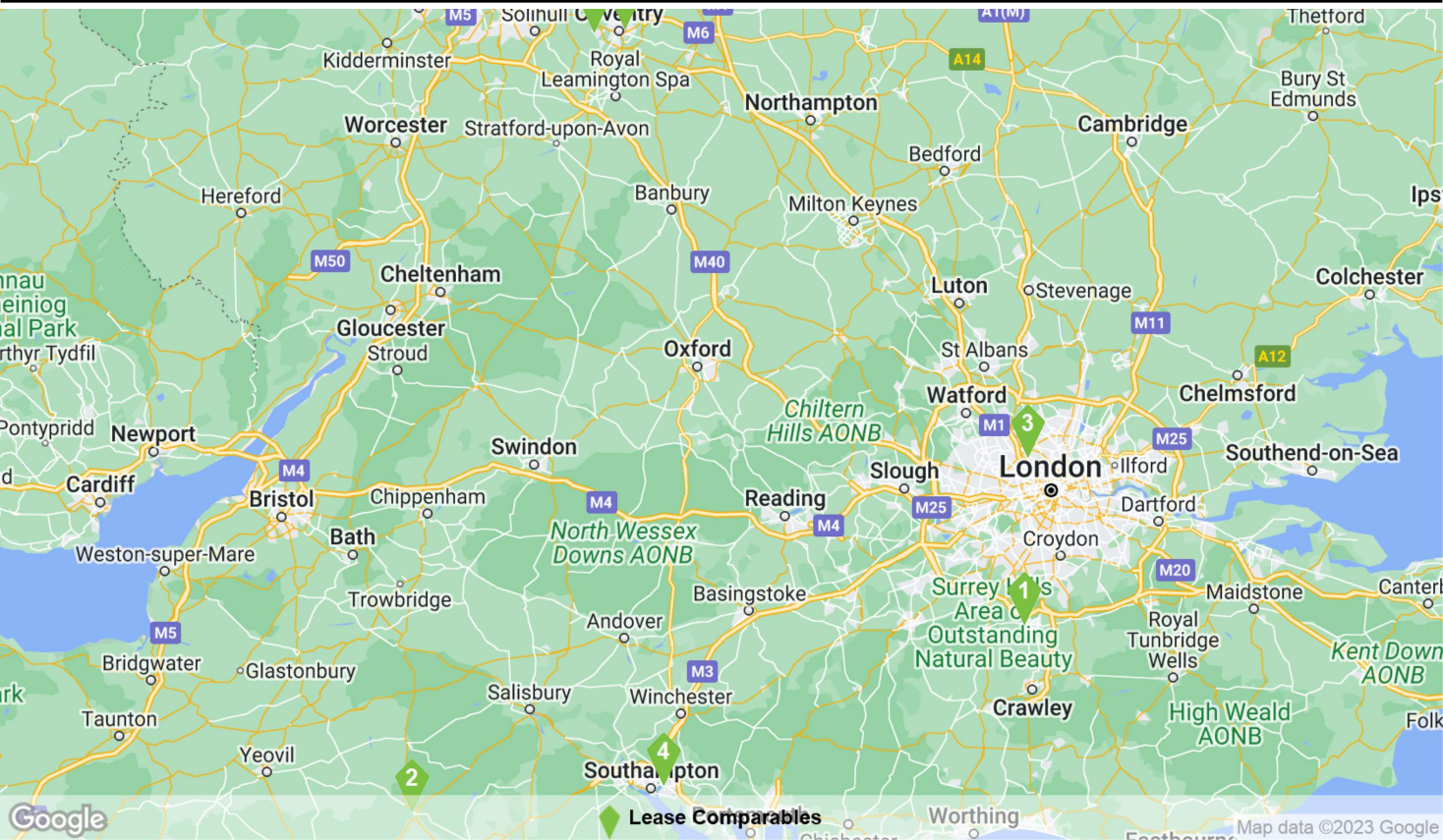
Landlord:
Tenant SIC:

Lease Notes:

ID# 195166131

Deals	Asking Rent Per SF	Achieved Rent Per SF	Avg. Months On Market
6	£9.92	£7.97	8

LEASE COMPARABLES



SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	6	£5.08	£9.92	£9.80	£36.67
Achieved Rent Per SF	3	£5.29	£7.97	£7.14	£13.27
Net Effective Rent Per SF	-	-	-	-	-
Asking Rent Discount	3	-16.6%	29.4%	0.1%	52.4%
TI Allowance	-	-	-	-	-
Rent Free Months	1	1	1	1	1

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	6	2	8	6	21
Deal Size	6	750	4,902	3,068	14,612
Lease Deal in Months	3	12.0	60.0	60.0	108.0
Floor Number	6	GRND	GRND	GRND	1

Lease Comps Summary

Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1 8-10 Bell St	★★★★★	2,637	GRND	5/5/2023	New	£13.27	Starting
2 Churchill Rd	★★★★★	14,612	GRND,1	12/22/2022	New	£8.21	Asking
3 Bradley House 26 St. Albans St	★★★★★	5,600	GRND	5/23/2022	New	£7.14	Starting
4 414 Bitterne Rd	★★★★★	750	GRND	11/10/2021	New	£36.67	Asking
5 236 Jardine Cres	★★★★★	2,314	GRND	7/19/2021	New	£5.08	Asking
6 Wava Hall 31 Barras Grn	★★★★★	3,500	GRND	3/15/2021	New	£5.29	Starting

Lease Comparables

1

2,637 SF Retail Lease Signed May 2023 for £35,000/Yr (Starting)

8-10 Bell St - Ground Direct

Reigate, RH2 7BG - Reigate & Banstead Submarket

★★★★★

Asking Rent:	£30,000/Yr	Start Date:	Jun 2023	Rent Free:		Deal Type:	New Lease	Property Type:	Retail Class B
Achieved Rent:	£35,000/Yr	Term:		Breaks:		On Market:	7 Mos	Building Area:	5,338 SF
Effective Rent:		Exp. Date:		Reviews:		Use Class:	E (Commercial...)	Rates:	
				Retail Location:	High Street	Zone A Rent:		Parking Ratio:	

Leasing Rep:

Tenant Rep:

Lease Notes:

Hartnell Taylor Cook LLP - Victoria Perkins, Rob Amey, Jonathan Moore

Landlord:

Tenant SIC:

Tudor Williams Ltd

2

14,612 SF Office/Medical Lease Signed Dec 2022 for £8.21/SF (Asking)

Shottsford House - Churchill Rd - Direct

Blandford Forum, DT11 7HH - North Dorset Submarket

★★★★★

Asking Rent:	£8.21/SF	Start Date:	Jan 2023	Rent Free:		Deal Type:	New Lease	Property Type:	Specialty
Achieved Rent:		Term:		Breaks:		On Market:	2 Mos	Building Area:	14,612 SF
Effective Rent:		Exp. Date:		Reviews:		Build-Out:	Full Build-Out	Rates:	

Amenities:

Leasing Rep:

Tenant Rep:

Lease Notes:

Hardwood Floors, Kitchen, Reception

Nettleship Sawyer Ltd - Steve Chiari

Landlord:

Tenant SIC:

3

5,600 SF Retail Lease Signed May 2022 for £40,000/Yr (Starting)

Bradley House - 26 St. Albans St - Ground Direct, Leased by Wag-club

London, SW1Y 4SQ - Barnet Submarket

★★★★★

Asking Rent:	£84,000/Yr	Start Date:	Jun 2022	Rent Free:		Deal Type:	New Lease	Property Type:	Flex Class C
Achieved Rent:	£40,000/Yr	Term:	9 Years	Breaks:	Jul 2025...	On Market:	21 Mos	Building Area:	12,438 SF
Effective Rent:		Exp. Date:	Jun 2031	Reviews:		Use Class:	E (Commercial...)	Rates:	
				Retail Location:		Zone A Rent:		Parking Ratio:	0.00/1,000 SF

Leasing Rep:

Tenant Rep:

Lease Notes:

Bernard Gordon & Co - Ben Wallis

Landlord:

Tenant SIC:

Lease Comparables



4

750 SF Retail Lease Signed Nov 2021 for £27,500/Yr (Asking)
414 Bitterne Rd - Ground Direct
Southampton, SO18 1DT - Southampton Submarket



Asking Rent:	£27,500/Yr	Start Date:	Dec 2021	Rent Free:		Deal Type:	New Lease	Property Type:	Retail Class B
Achieved Rent:		Term:		Breaks:		On Market:	5 Mos	Building Area:	750 SF
Effective Rent:		Exp. Date:		Reviews:		Use Class:	E (Commercial)	Rates:	
				Retail Location:		Zone A Rent:		Parking Ratio:	

Leasing Rep:	Jackson Criss - Michael Lockhart	Landlord:	
Tenant Rep:		Tenant SIC:	

Lease Notes:

ID# 195166131



5

2,314 SF Retail Lease Signed Jul 2021 for £11,755/Yr (Asking)
236 Jardine Cres - Ground Direct
Coventry, CV4 9QP - City of Coventry Submarket



Asking Rent:	£11,755/Yr	Start Date:	Aug 2021	Rent Free:		Deal Type:	New Lease	Property Type:	Retail Class C
Achieved Rent:		Term:	1 Year	Breaks:		On Market:	8 Mos	Building Area:	2,314 SF
Effective Rent:		Exp. Date:	Aug 2022	Reviews:		Use Class:	E (Commercial)	Rates:	
				Retail Location:		Zone A Rent:		Parking Ratio:	

Leasing Rep:	Holt Commercial - Chris Hobday, Harry Hanson	Landlord:	
Tenant Rep:		Tenant SIC:	

Lease Notes: A new tenant has taken 236 Jardine Crescent comprising 2,314 sq ft of ground floor retail accommodation on a confidential lease.
The vendor had agent representation.

ID# 190669061



6

3,500 SF Retail Lease Signed Mar 2021 for £18,500/Yr (Starting)
Wava Hall - 31 Barras Grn - Ground Direct, Leased by The Highlife Centre Ltd
Coventry, CV2 4QB - Coventry Fringe Submarket



Asking Rent:	£18,515/Yr	Start Date:	Mar 2021	Rent Free:	1 Mo at Start	Deal Type:	New Lease	Property Type:	Specialty
Achieved Rent:	£18,500/Yr	Term:	5 Years	Breaks:		On Market:	5 Mos	Building Area:	3,500 SF
Effective Rent:		Exp. Date:	Mar 2026	Reviews:		Use Class:	E (Commercial)	Rates:	
				Retail Location:		Zone A Rent:		Parking Ratio:	

Leasing Rep:	Holt Commercial - Chris Hobday, Nick Holt	Landlord:	
Tenant Rep:		Tenant SIC:	

Lease Notes: An undisclosed tenant has taken a new lease at Wava Hall, Coventry comprising 3,500 sq ft of accommodation on a 5 year term at £18,500 pa.
The landlord had agent representation.

ID# 186256091

Lease Comps Summary

Lease Comps Report

Deals

10

Asking Rent Per SF

£10.92

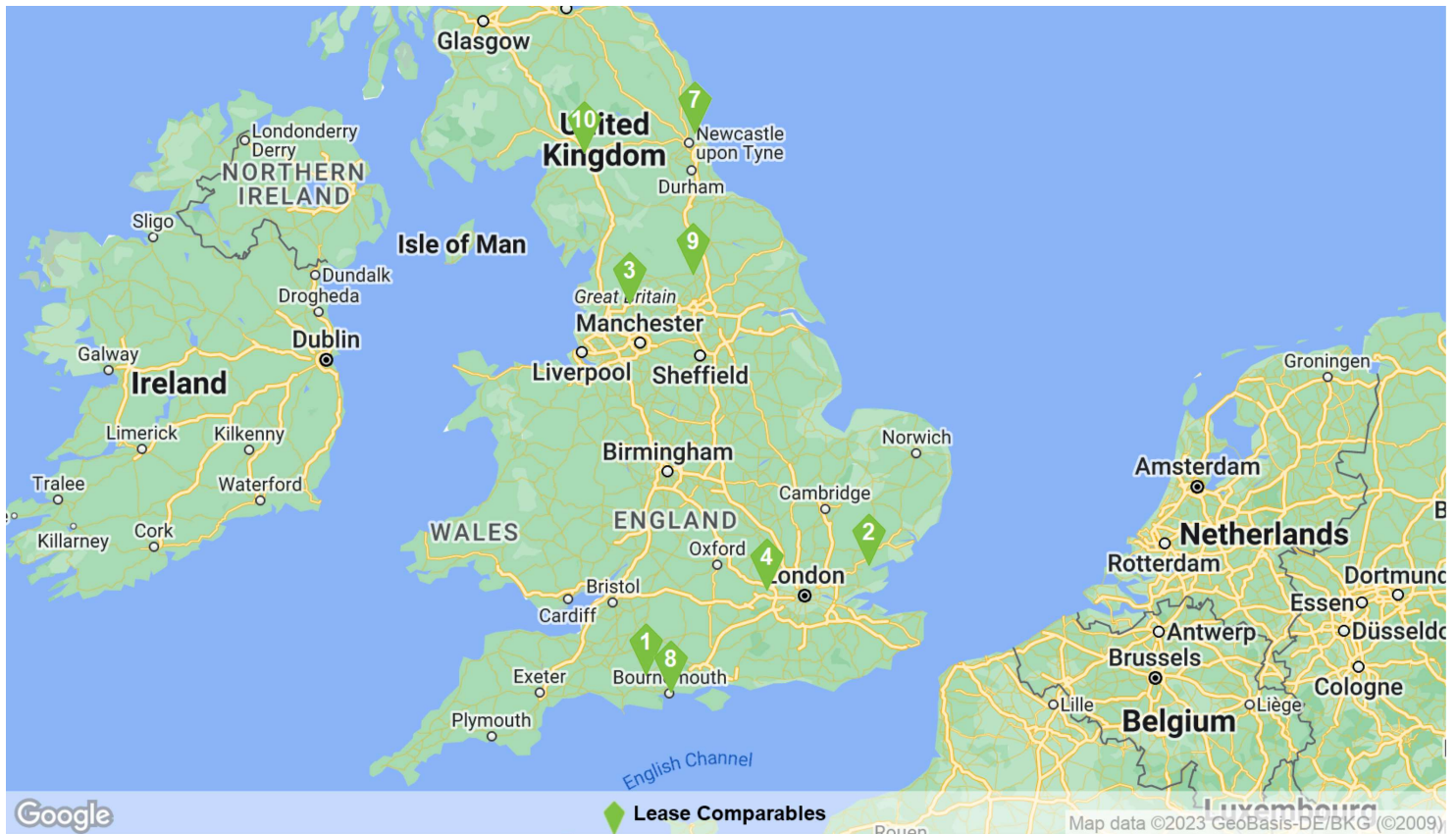
Achieved Rent Per SF

£25.44

Avg. Months On Market

8

LEASE COMPARABLES



SUMMARY STATISTICS

Rent	Deals	Low	Average	Median	High
Asking Rent Per SF	2	£8.21	£10.92	£15.70	£23.18
Achieved Rent Per SF	2	£24.33	£25.44	£27.75	£31.17
Net Effective Rent Per SF	1	£31.17	£31.17	£31.17	£31.17
Asking Rent Discount	-	-	-	-	-
TI Allowance	-	-	-	-	-
Rent Free Months	-	-	-	-	-

Lease Attributes	Deals	Low	Average	Median	High
Months on Market	6	2	8	5	21
Deal Size	10	1,873	6,495	4,144	14,612
Lease Deal in Months	4	60.0	213.0	186.0	420.0
Floor Number	10	GRND	GRND	GRND	2

Lease Comps Summary

Lease Comps Report

Property Name - Address	Rating	Lease				Rents	
		SF Leased	Floor	Sign Date	Type	Rent	Rent Type
1 Churchill Rd	★★★★★	14,612	GRND,1	12/22/2022	New	£8.21	Asking
2 Former Hospice Building Colchester Rd	★★★★★	3,261	GRND	11/15/2021	New	-	-
3 Prospect House Whalley Rd	★★★★★	3,236	GRND,1	3/30/2021	New	£23.18	Asking
4 4 Fairfield	★★★★★	1,873	GRND,1-2	10/26/2020	New	£31.17	Effective
5 Unit A Killingworth Ln	★★★★★	4,144	GRND,1	2/1/2020	New	-	-
6 Unit C Killingworth Ln	★★★★★	7,014	GRND,1	2/1/2020	New	-	-
7 Unit B Killingworth Ln	★★★★★	4,144	GRND,1	2/1/2020	New	-	-
8 Fairways Care Home 2 Owls Rd	★★★★★	13,740	GRND,1-2	10/17/2019	-	-	-
9 The Manor House Care H... 60 Cornwall	★★★★★	3,230	1st	7/19/2019	New	-	-
10 Kingston Court Care Home Newton Rd	★★★★★	9,704	1st	6/10/2019	New	£24.33	Starting

Lease Comparables

1


14,612 SF Office/Medical Lease Signed Dec 2022 for £8.21/SF (Asking)
Shottsford House - Churchill Rd - Direct
Blandford Forum, DT11 7HH - North Dorset Submarket

★★★★★

Asking Rent:	£8.21/SF	Start Date:	Jan 2023	Rent Free:		Deal Type:	New Lease	Property Type:	Specialty
Achieved Rent:		Term:		Breaks:		On Market:	2 Mos	Building Area:	14,612 SF
Effective Rent:		Exp. Date:		Reviews:		Build-Out:	Full Build-Out	Rates:	
Amenities:	Hardwood Floors, Kitchen, Reception								
Leasing Rep:	Nettleship Sawyer Ltd - Steve Chiari						Landlord:		
Tenant Rep:							Tenant SIC:		
Lease Notes:									

ID# 236612971

2


3,261 SF Medical Lease Signed Nov 2021
Former Hospice Building - Colchester Rd - Ground Direct
Maldon, CM9 4NW - Maldon Submarket

★★★★★

Asking Rent:		Start Date:	Jan 2022	Rent Free:		Deal Type:	New Lease	Property Type:	Health Care
Achieved Rent:		Term:		Breaks:		On Market:	23 Mos	Building Area:	3,261 SF
Effective Rent:		Exp. Date:		Reviews:		Build-Out:	Full Build-Out	Rates:	
Amenities:	Air Conditioning, Central Heating, Demised WC facilities, Fully Carpeted, Kitchen, Security System								
Leasing Rep:	Fenn Wright - John Logan, James Wright						Landlord:		
Tenant Rep:							Tenant SIC:		
Lease Notes:									

ID# 196715261

3


3,236 SF Medical Lease Signed Mar 2021 for £23.18/SF (Asking)
Prospect House - Whalley Rd - Direct
Accrington, BB5 5EF - Hyndburn Submarket

★★★★★

Asking Rent:	£23.18/SF	Start Date:	Apr 2021	Rent Free:		Deal Type:	New Lease	Property Type:	Health Care
Achieved Rent:		Term:	6 Years	Breaks:		On Market:	7 Mos	Building Area:	3,236 SF
Effective Rent:		Exp. Date:	Apr 2027	Reviews:		Build-Out:	Shell Space	Rates:	
Amenities:	Kitchen								
Leasing Rep:	Trevor Dawson & Co - Caroline James						Landlord:		
Tenant Rep:							Tenant SIC:		
Lease Notes:									

ID# 186646101

Lease Comparables

4



1,873 SF Medical Lease Signed Oct 2020 for £31.17/SF (Effective)

4 Fairfield - Direct, Leased by Independent Housing UK Ltd

Slough, SL2 3FG - South Buckinghamshire Submarket

★★★★★

Asking Rent:	Start Date: Oct 2020	Rent Free:	Deal Type: New Lease	Property Type: Health Care
Achieved Rent: £31.17/SF	Term: 5 Years	Breaks:	On Market:	Building Area: 1,873 SF
Effective Rent: £31.17/SF	Exp. Date: Oct 2025	Reviews:	Build-Out:	Rates:

Amenities:

Leasing Rep:

Tenant Rep:

Landlord:

Tenant SIC:

Lease Notes:

ID# 190326071

5



4,144 SF Medical Lease Signed Feb 2020

Unit A - Killingworth Ln - Direct, Leased by Age UK North Tyneside

Newcastle Upon Tyne, NE27 0BB - North Tyneside Submarket

★★★★★

Asking Rent:	Start Date: Jul 2021	Rent Free:	Deal Type: New Lease	Property Type: Health Care
Achieved Rent:	Term:	Breaks:	On Market: 15 Mos	Building Area: 4,145 SF
Effective Rent:	Exp. Date:	Reviews:	Build-Out: Full Build-Out	Rates:

Amenities:

Leasing Rep: Colliers - Rachel McCarthy

Tenant Rep:

Landlord:

Tenant SIC: Social Svcs, NEC

Lease Notes: Age UK North Tyneside have taken a lease for units A, B and C, Killingworth Lane on unknown terms. Construction started at the development in the summer of 2020 and will complete by July 2021.
...

ID# 181651841

6



7,014 SF Medical Lease Signed Feb 2020

Unit C - Killingworth Ln - Direct, Leased by Age UK North Tyneside

Newcastle Upon Tyne, NE27 0BB - North Tyneside Submarket

★★★★★

Asking Rent:	Start Date: Nov 2021	Rent Free:	Deal Type: New Lease	Property Type: Health Care
Achieved Rent:	Term:	Breaks:	On Market: 15 Mos	Building Area: 7,015 SF
Effective Rent:	Exp. Date:	Reviews:	Build-Out: Full Build-Out	Rates:

Amenities:

Leasing Rep: Colliers - Rachel McCarthy

Tenant Rep:

Landlord:

Tenant SIC: Social Svcs, NEC

Lease Notes:

ID# 190326071

ID# 181651841

ID# 181651861

Lease Comparables



7
4,144 SF Medical Lease Signed Feb 2020
Unit B - Killingworth Ln - Direct, Leased by Age UK North Tyneside
Newcastle Upon Tyne, NE27 0BB - North Tyneside Submarket



Asking Rent:	Start Date: Jul 2021	Rent Free:	Deal Type: New Lease	Property Type: Health Care
Achieved Rent:	Term:	Breaks:	On Market: 15 Mos	Building Area: 4,145 SF
Effective Rent:	Exp. Date:	Reviews:	Build-Out: Full Build-Out	Rates:

Amenities:

Leasing Rep: Colliers - Rachel McCarthy	Landlord:
Tenant Rep:	Tenant SIC: Social Svcs, NEC

Lease Notes: Age UK North Tyneside have taken a lease for units A, B and C, Killingworth Lane on unknown terms. Construction started at the development in the summer of 2020 and will complete by July 2021.
...

ID# 181651911



8
13,740 SF Medical Lease Signed Oct 2019
Fairways Care Home - 2 Owls Rd - Direct, Leased by Tricuro
Bournemouth, BH5 1AA - Bournemouth Submarket



Asking Rent:	Start Date: Oct 2019	Rent Free:	Deal Type:	Property Type: Health Care
Achieved Rent:	Term:	Breaks:	On Market:	Building Area: 15,614 SF
Effective Rent:	Exp. Date:	Reviews:	Build-Out:	Rates:

Amenities:

Leasing Rep:	Landlord:
Tenant Rep:	Tenant SIC:

Lease Notes:

ID# 169054061



9
3,230 SF Medical Lease Signed Jul 2019
The Manor House Care Home - 60 Cornwall - Partial 1st Floor Direct, Leased by Anchor Hanover
Harrogate, HG1 2NE - Harrogate Submarket



Asking Rent:	Start Date: Jul 2019	Rent Free:	Deal Type: New Lease	Property Type: Health Care
Achieved Rent:	Term: 35 Years	Breaks:	On Market:	Building Area: 5,000 SF
Effective Rent:	Exp. Date: Jul 2054	Reviews:	Build-Out:	Rates:

Amenities:

Leasing Rep:	Landlord: Aviva
Tenant Rep:	Tenant SIC: Retirement Home

Lease Notes:

ID# 166888551

Lease Comparables

10



9,704 SF Medical Lease Signed Jun 2019 for £24.33/SF (Starting)
Kingston Court Care Home - Newton Rd - Partial 1st Floor Direct, Leased by Careport
Carlisle, CA2 7JH - Carlisle Submarket



Asking Rent:	Start Date: Jun 2019	Rent Free:	Deal Type: New Lease	Property Type: Health Care
Achieved Rent: £24.33/SF	Term: 25 Years	Breaks:	On Market:	Building Area: 25,000 SF
Effective Rent:	Exp. Date: Jun 2044	Reviews:	Build-Out:	Rates:
Amenities:				
Leasing Rep:			Landlord: Impact Healthcare REIT plc	
Tenant Rep:			Tenant SIC:	
Lease Notes:				

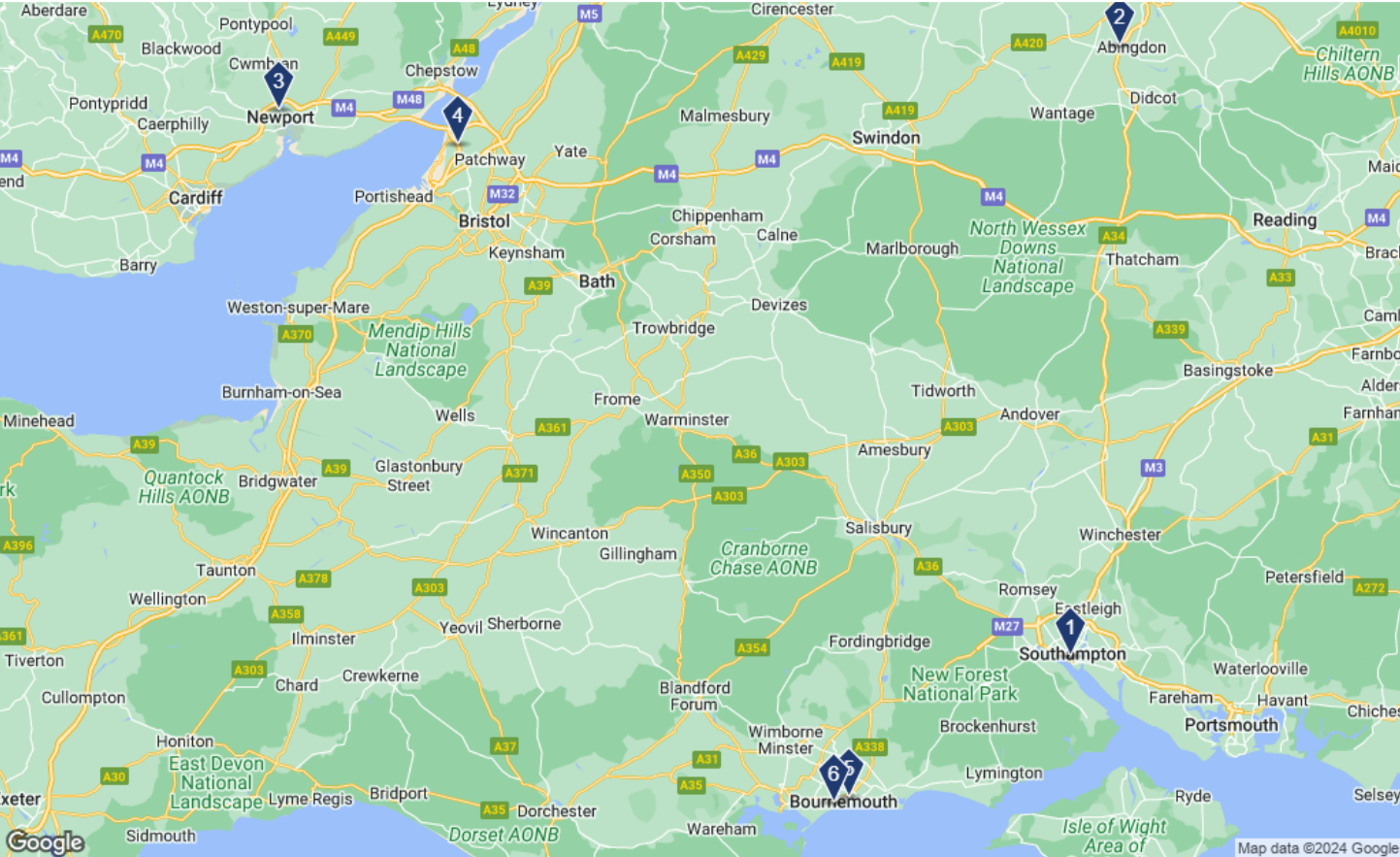
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Appendix 3 – Investment (Yield) Comparable Evidence

Sale Comps Map & List Report

Sale Comparables	Avg. NI Yield	Avg. Price	Avg. Price/Room
6	5.8%	£10M	£88K

SALE COMPARABLES LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	£3,800,000	£9,660,000	£9,305,000	£15,850,000
Price Per Room	£61,290	£88,008	£86,916	£104,938
NI Yield	4.0%	5.8%	5.9%	7.5%
Time Since Sale in Months	3.0	17.7	19.0	25.0
Property Attributes	Low	Average	Median	High
Rooms	62	103	107	155
Floors	3	5	5	6
Year Built	2005	2013	2010	2023

Sale Comps Map & List Report

		Property			Sale			
Property Name - Address		Type	Yr Built	Size	Sale Date	Price	Price/Room	NI Yield
1	Premier Inn Southampton West... 96 Harbour Parade Southampton, SO15 1BA	Hotel	2011	155 Rooms	09/10/2023	£15,850,000	£102,258/- Room	5.7%
2	Travelodge Abingdon Marcham Rd Abingdon, OX14 1TZ	Hotel	2023	-	13/09/2022	£11,200,000	-	4.0%
3	Travelodge Newport Central 66 Bridge St Newport, NP20 4AN	Hotel	2006	62 Rooms	15/08/2022	£3,800,000	£61,290/Room	7.5%
4	Travelodge Bristol Avonmouth Goldcrest Way Bristol, BS35 4GH	Hotel	2021	81 Rooms	18/04/2022	£8,500,000	£104,938/- Room	5.0%
5	Travelodge Bournemouth Hotel 43 Christchurch Rd Bournemouth, BH1 3PH	Hotel	2005	107 Rooms	04/01/2022	£9,300,000	£86,916/Room	6.2%
6	Travelodge Bournemouth... West Hill Rd Bournemouth, BH2 5EJ	Hotel	2009	110 Rooms	23/12/2021	£9,310,000	£84,636/Room	6.2%

1 Premier Inn Southampton West Quay

SOLD

Southampton Hampshire, SO15 1BA

Recorded Buyer **Aviva Life & Pensions UK...**
Aviva Wellington Row
York, NYK YO90 1WR
020 7809 6000 (p)

True Buyer **Aviva**
1 Undershaft
London, LND EC3P 3DQ
0345 602 9221 (p)

Hampshire

Recorded Seller **Amec Staff Pensions Trus...**
Chelford Rd
Knutsford, CHS WA16 8QZ

True Seller **LaSalle Investment Manag...**
1 Curzon St
London, LND W1J 5HD
020 7852 4000 (p)



Sale Date **9 Oct 2023**
Sale Price **£15,850,000**
Price/SF **£220.69**
Price/Room **£102,258**
NI Yield **5.74%**

Type **2 Star Hotel**
Year Built **2011**
GIA **71,820 SF**
Land Acres **24.50 ac**

Parcels **HP553516, HP729115, HP740205**
Comp ID **6543366**
Comp Status **Research Complete**

2 Travelodge Abingdon

SOLD

Abingdon Oxfordshire, OX14 1TZ

True Buyer **Knight Frank Investment ...**
44 Gutter Ln
London, LND EC2V 6BR
020 3870 5860 (p)

Oxfordshire

True Seller **Hinton Group**
Bruntsford Dr
Bromsgrove, WOR B60 4JE
01527 571760 (p)



Sale Date **13 Sept 2022**
Sale Price **£11,200,000**
Price/SF **£520.93**
NI Yield **4.00%**

Type **3 Star Hotel**
Year Built **2023**
GIA **21,500 SF**
Land Acres **16.34 ac**

Parcels **ON248715**
Comp ID **6172264**
Comp Status **Research Complete**

3 Travelodge Newport Central

SOLD

Newport Gwent, NP20 4AN

Recorded Buyer **Temple Securities Limited**
342 Great Cheetham St
Salford, M7 4UJ

Recorded Buyer **Temple Securities 2 Limited**
342 Great Cheetham St
Salford, M7 4UJ

Gwent

Recorded Seller **Highgate Trustee 1 Ltd**
Don St
Jersey, CID JE1 1AD

True Seller **Cording Real Estate Grou...**
18-19 Savile Row
London, LND W1S 3PW
020 3206 7910 (p)



Sale Date **15 Aug 2022**
Sale Price **£3,800,000**
Price/SF **£195.55**
Price/Room **£61,290**
NI Yield **7.50%**

Type **2 Star Hotel**
Year Built **2006**
GIA **19,432 SF**
Land Acres **0.49 ac**
Sale Condition **Entity Buy/Membership Interests**

Parcels **CYM460909, CYM715111, WA335107**
Comp ID **6178674**
Comp Status **Research Complete**

4 Travelodge Bristol Avonmouth

SOLD

Bristol Avon, BS35 4GH

True Buyer **South Gloucestershire Co...**
 Badminton Rd
 Bristol, AVN BS37 5AF
 01454 868009 (p)

Avon

Recorded Seller **BP2017 (Central Park) Ltd**
 True Seller **Barwood Capital Ltd**
 Alderton Rd
 Towcester, NTH NN12 7LS
 01604 369100 (p)



Sale Date **18 Apr 2022**
 Sale Price **£8,500,000**
 Price/SF **£253.69**
 Price/Room **£104,938**
 NI Yield **5.03%**

Type **2 Star Hotel**
 Year Built **2021**
 GIA **33,505 SF**
 Land Acres **0.81 ac**
 Zoning **Commercial**

Parcels **GR432646**
 Comp ID **6088833**
 Comp Status **Research Complete**

5 Travelodge Bournemouth Hotel

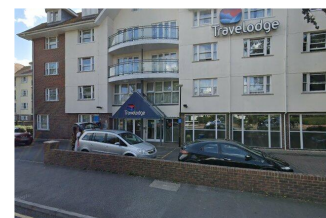
SOLD

Bournemouth Dorset, BH1 3PH

True Buyer **Martin Investment Manage-
 ment**
 33-36 Kings Rd
 London, LND SW3 4LX
 020 7730 5092 (p)

Dorset

True Seller **Aviva**
 1 Undershaft
 London, LND EC3P 3DQ
 0345 602 9221 (p)



Sale Date **4 Jan 2022**
 Sale Price **£9,300,000**
 Price/SF **£182.01**
 Price/Room **£86,916**
 NI Yield **6.15%**

Type **2 Star Hotel**
 Year Built **2005**
 GIA **51,095 SF**
 Land Acres **1.18 ac**
 Zoning **Commercial**

Parcels **DT152760, DT195257, DT290694**
 Comp ID **5829758**
 Comp Status **Research Complete**

6 Travelodge Bournemouth Seafront Hotel

SOLD

Bournemouth Dorset, BH2 5EJ

True Buyer **Martin Investment Manage-
 ment**
 33-36 Kings Rd
 London, LND SW3 4LX
 020 7730 5092 (p)

Dorset

True Seller **Aviva**
 1 Undershaft
 London, LND EC3P 3DQ
 0345 602 9221 (p)



Sale Date **23 Dec 2021**
 Sale Price **£9,310,000**
 Price/SF **£208.34**
 Price/Room **£84,636**
 Rever. Yield **7.25%**
 NI Yield **6.16%**

Type **2 Star Hotel**
 Year Built **2009**
 GIA **44,687 SF**
 Land Acres **0.49 ac**
 Zoning **Residential**

Parcels **DT317401, DT400515, DT401153**
 Comp ID **5841064**
 Comp Status **Research Complete**

Sale Comps Map & List Report

Sale Comparables

5

Avg. NI Yield

6.2%

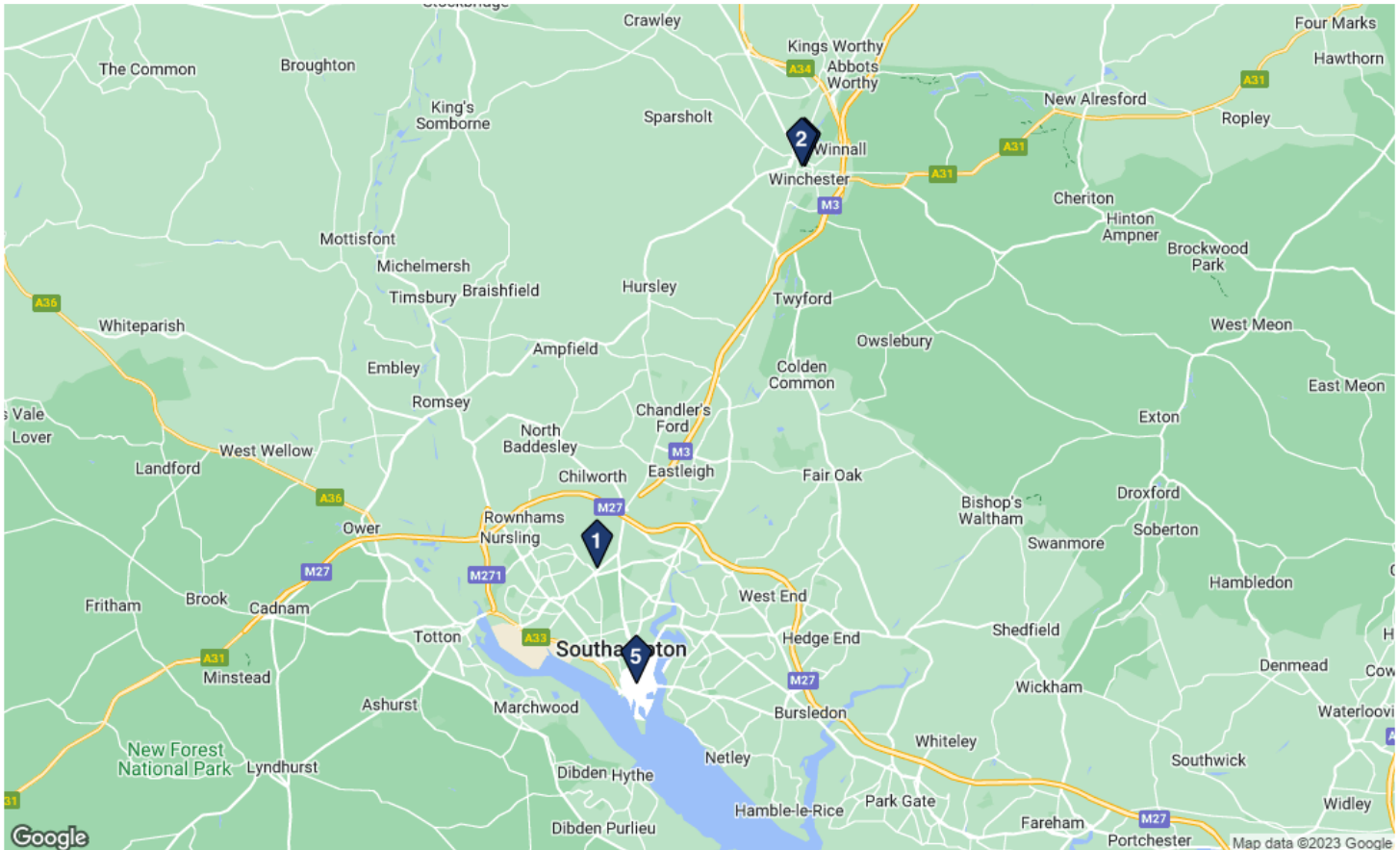
Avg. Price/Sq ft

£867

Avg. Vacancy At Sale

-

SALE COMPARABLES LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	£290,000	£1,028,000	£600,000	£2,075,559
Price Per Sq ft	£313	£867	£619	£2K
NI Yield	5.0%	6.2%	6.4%	6.9%
Time Since Sale in Months	4.0	11.2	11.0	17.0
Property Attributes	Low	Average	Median	High
Building Sq ft	926 SF	1,106 SF	1,084 SF	1,320 SF
Floors	2	4	4	5
Typical Floor	242 SF	618 SF	687 SF	926 SF
Vacancy Rate at Sale	-	-	-	-
Year Built	1890	1914	1921	1930
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.4	★ ★ ★ ★ ★ 2.0	★ ★ ★ ★ ★

Sale Comps Map & List Report

		Property				Sale			
Property Name - Address		Type	Yr Built	Size	Vacancy	Sale Date	Price	Price/Sq ft	NI Yield
1	359 Winchester Rd  Southampton, SO16...	Storefront Retail/Residential     	1930	926 SF	-	08/12/2021	£290,000	£313/Sq ft	6.9%
2	81 Parchment St  Winchester, SO23 8AT	Storefront     	1921	970 SF	-	24/03/2022	£600,000	£619/Sq ft	5.0%
3	Multi-Property Sale  128 High St Winchester, SO23 9AX	Storefront     	-	1,320 SF	-	20/05/2022	£2,075,559 Part of Portfolio	£1,572/Sq ft	6.4%
4	Multi-Property Sale  127 High St Winchester, SO23 9AX	Retail     	-	1,232 SF	-	20/05/2022	£1,574,441 Part of Portfolio	£1,278/Sq ft	6.4%
5	40 Oxford St  Southampton, SO14...	Storefront Retail/Residential     	1890	1,084 SF	-	13/01/2023	£600,000	£554/Sq ft	6.2%

1 359 Winchester Rd

SOLD

Southampton Hampshire, SO16 7DJ

Hampshire



Sale Date **8 Dec 2021**

Sale Price **£290,000**

Price/SF **£313.17**

NI Yield **6.88%**

Parcels **HP593075**

Comp ID **5924729**

Comp Status **Research Complete**

Type **3 Star Retail Storefront Retail/Residential**

Year Built **1930**

NIA **926 SF**

Land Acres **0.05 AC**

Sale Condition **Auction Sale**

2 81 Parchment St

SOLD

Winchester Hampshire, SO23 8AT

Hampshire

Recorded Seller **Maceberry Limited**
2 Old Bath Rd
Newbury, BKS RG14 1QL



Sale Date **24 Mar 2022**

Sale Price **£600,000**

Price/SF **£618.56**

NI Yield **5.00%**

Parcels **HP728412, HP769120, HP859427**

Comp ID **5989715**

Comp Status **Research Complete - New Info**

Type **2 Star Retail Storefront**

Year Built **1921**

NIA **970 SF**

Land Acres **0.01 AC**

Zoning **c**

Sale Condition **Auction Sale**

3 128 High St

SOLD

Winchester Hampshire, SO23 9AX

Hampshire

True Buyer **Custodian Property Income
Reit plc**
1 New Walk
Leicester, LEC LE1 6TE
0116 240 8740 (p)



Sale Date **20 May 2022**

Sale Price **£2,075,559**

Price/SF **£1,430.25**

NI Yield **6.41%**

Comp ID **6060775**

Comp Status **Research Complete**

Type **2 Star Retail Storefront**

NIA **1,320 SF**

Winchester Hampshire, SO23 9AX

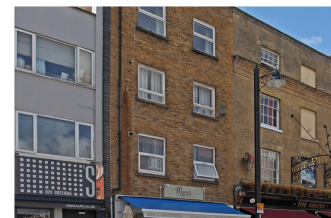
Hampshire

True Buyer **Custodian Property Income
Reit plc**
1 New Walk
Leicester, LEC LE1 6TE
0116 240 8740 (p)

Sale Date **20 May 2022**Type **2 Star Retail**Sale Price **£1,574,441**NIA **1,232 SF**Price/SF **£1,430.25**NI Yield **6.41%**Comp ID **6060775**Comp Status **Research Complete**

Southampton Hampshire, SO14 3DP

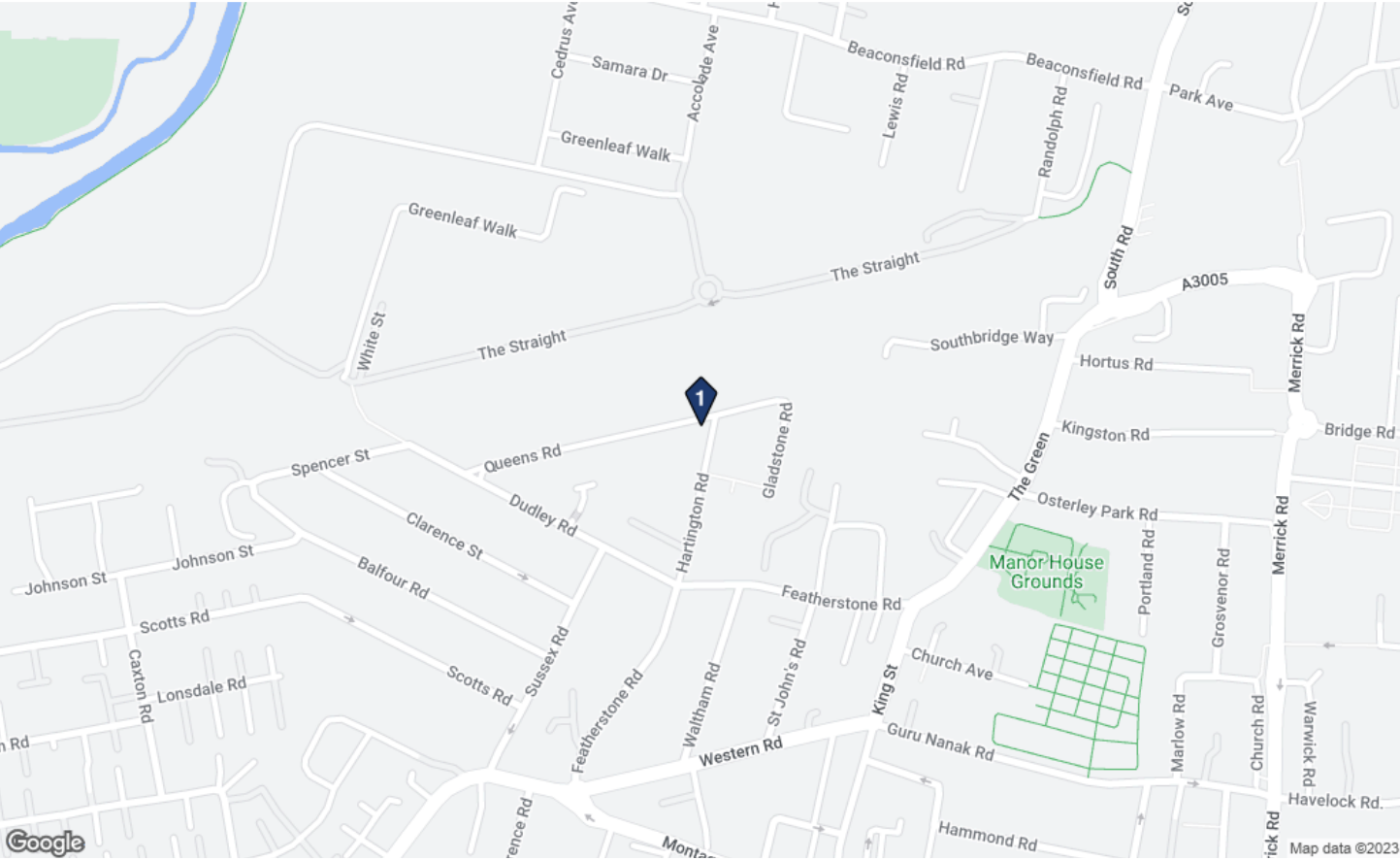
Hampshire

Sale Date **13 Jan 2023**Type **3 Star Retail Storefront Retail/Residen-
tial**Sale Price **£600,000**Year Built **1890**Price/SF **£553.51**NIA **1,084 SF**NI Yield **6.21%**Land Acres **0.02 AC**Parcels **HP783370**Comp ID **6307132**Comp Status **Research Complete**

For Sale Map & List Report

Records	Avg. NI Yield	Avg. Price/Sq ft	Avg. Vacancy
1	6.4%	£380	100%

FOR SALE LOCATIONS



FOR SALE SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	£700,000	£700,000	£700,000	£700,000
Price/SF	£381	£381	£381	£381
NI Yield	6.4%	6.4%	6.4%	6.4%
Days on Market	794	794	794	794

Property Attributes	Low	Average	Median	High
Building Sq ft	1,838	1,838	1,838	1,838
Floors	2	2	2	2
Typical Floor	919	919	919	919
Vacancy Rate	100%	100%	100%	100%
Year Built	1930	1930	1930	1930
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.0	★ ★ ★ ★ ★ 2.0	★ ★ ★ ★ ★

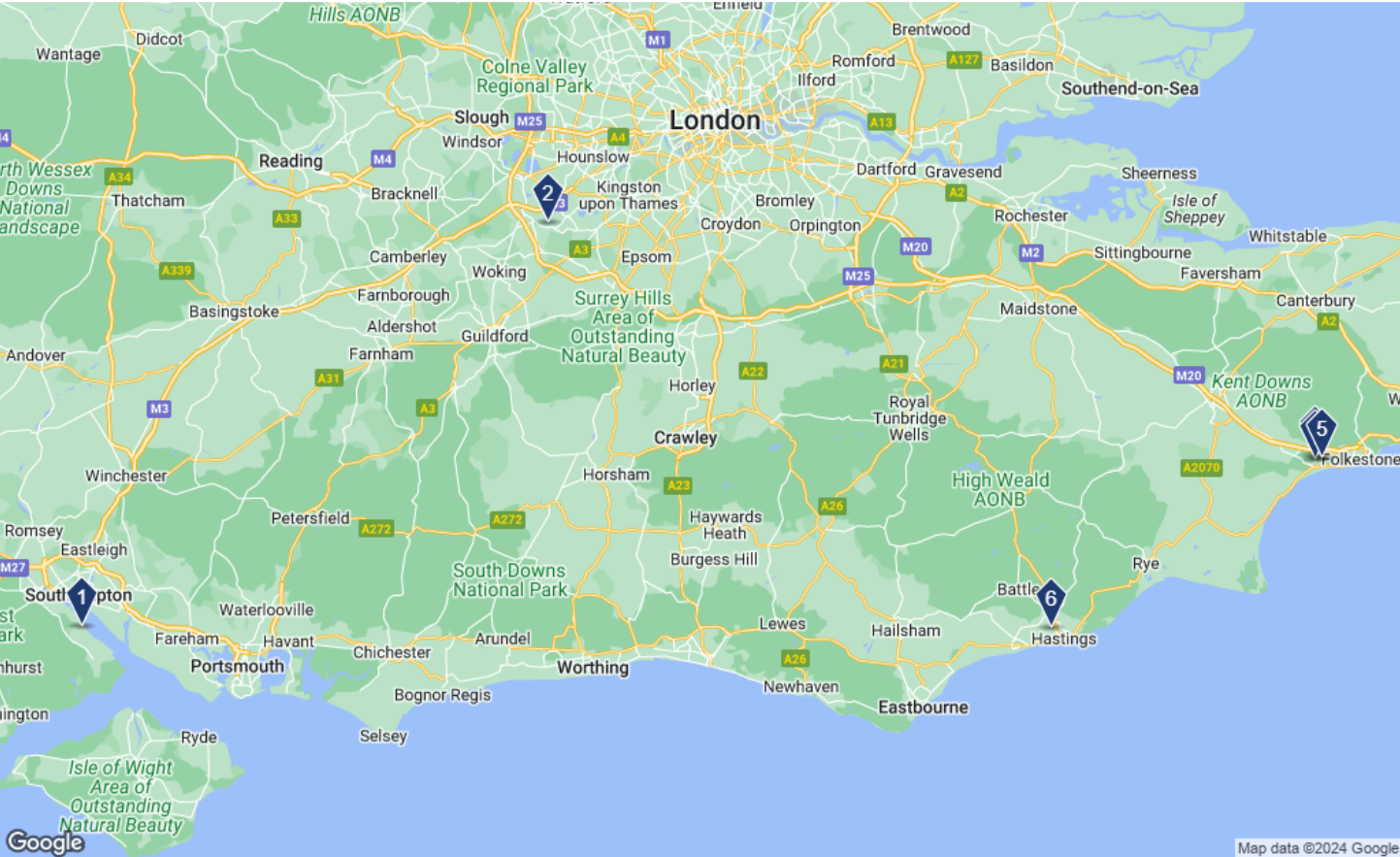
For Sale Map & List Report

Property Name - Address		Property				Sale			
		Type	Yr Built	Size	Vacancy	Price	Price/Area	NI Yield	Days on Market
	48-50 Hartington Rd  Southall, UB2 5AX	Health Care 	1930	1,838 SF	100%	£700,000	£381/Sq ft	6.4%	795

Sale Comps Map & List Report

Sale Comparables	Avg. NI Yield	Avg. Price/Sq ft	Avg. Vacancy At Sale
6	6.3%	£292	-

SALE COMPARABLES LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	£9,700,000	£9,700,000	£9,700,000	£9,700,000
Price Per Sq ft	£292	£292	£292	£292
NI Yield	5.0%	6.3%	6.8%	6.8%
Time Since Sale in Months	7.0	16.3	21.0	21.0

Property Attributes	Low	Average	Median	High
Building Sq ft	7,000 SF	22,764 SF	24,120 SF	35,030 SF
Floors	3	3	3	3
Typical Floor	3,126 SF	10,126 SF	11,358 SF	13,204 SF
Vacancy Rate at Sale	-	-	-	-
Year Built	1950	1972	1950	2019
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 3.0	★ ★ ★ ★ ★ 3.0	★ ★ ★ ★ ★

Sale Comps Map & List Report

Property Name - Address		Property				Sale			
		Type	Yr Built	Size	Vacancy	Sale Date	Price	Price/Sq ft	NI Yield
1	Carpathia Grange... 2 Southampton Rd Southampton, SO45...	Assisted Living ★★★★★	2019	35,030 SF	-	14/06/2023	Price Not Disclosed Part of Portfolio	-	5.0%
2	Norfolk House 39 Portmore Park Rd Weybridge, KT13 8HQ	Assisted Living ★★★★★	1990	33,234 SF	-	07/06/2023	£9,700,000	£292/Sq ft	5.8%
3	Balgowan House 46 Bartholomew Ln Hythe, CT21 4BX	Skilled Nursing Facility ★★★★★	1950	7,000 SF	-	31/03/2022	Price Not Disclosed Part of Portfolio	-	6.8%
4	Hythe View 89 North Rd Hythe, CT21 5ET	Skilled Nursing Facility ★★★★★	1950	11,400 SF	-	31/03/2022	Price Not Disclosed Part of Portfolio	-	6.8%
5	Saltwood Care Centre Tanners HI Hythe, CT21 5UQ	Skilled Nursing Facility ★★★★★	1950	15,006 SF	-	31/03/2022	Price Not Disclosed Part of Portfolio	-	6.8%
6	Mulberry House 7 Hollington Park Rd TN38 0SE	Skilled Nursing Facility ★★★★★	-	34,911 SF	-	31/03/2022	Price Not Disclosed Part of Portfolio	-	6.8%

1 2 Southampton Rd - Carpathia Grange Care Home

SOLD

Southampton Hampshire, SO45 5GQ

Hampshire

True Buyer **Elli Healthcare Properti...**
11-15 Seaton Pl
Jersey, CID JE4 0QH

True Seller **USS**
Royal Liver Building
Liverpool, MSY L3 1PY
0151 227 4711 (p)

True Buyer **Royal London**
80 Fenchurch St
London, LND EC3M 4BT
0345 602 1885 (p)



Sale Date **14 Jun 2023**
Sale Price **Not Disclosed**
Price/SF **£426.10**
NI Yield **4.95%**

Type **4 Star Assisted Living**
Year Built **2019**
GIA **35,030 SF**
Land Acres **1.71 ac**
Sale Condition **Bulk/Portfolio Sale**

Parcels **HP430882, HP751517**
Comp ID **6450084**
Comp Status **Research Complete**

2 39 Portmore Park Rd - Norfolk House

SOLD

Weybridge Surrey, KT13 8HQ

Surrey

True Buyer **Swiss Life Asset Manager...**
55 Wells St
London, LND W1T 3PT
020 7495 1929 (p)

Recorded Seller **K/S Weybridge**
27 Chancery Ln
London, LND WC2A 1PA



Sale Date **7 Jun 2023**
Sale Price **£9,700,000**
Price/SF **£291.87**
NI Yield **5.80%**

Type **3 Star Assisted Living**
Year Built **1990**
GIA **33,234 SF**
Land Acres **0.81 ac**

Parcels **SY593902**
Comp ID **6416919**
Comp Status **Research Complete**

3 46 Bartholomew Ln - Balgowan House

SOLD

Hythe Kent, CT21 4BX

Kent

True Buyer **Corum Asset Management**
6 Rue Lamennais
Paris, 75008
00 33 1 70 82 28 33 (p)

Recorded Seller **Galleon Care Homes Limited**
Alexandra Pl
Guildford, SRY GU1 3QH
01483 790070 (p)

True Seller **Integrum Care Group**
89 North Rd
Hythe, KEN CT21 5ET
01303 901111 (p)



Sale Date **31 Mar 2022**
Sale Price **Not Disclosed**
Price/SF **£468.60**
NI Yield **6.80%**

Type **3 Star Skilled Nursing Facility**
Year Built **1950**
GIA **7,000 SF**
Land Acres **0.45 ac**
Zoning **C**
Sale Condition **Sale Leaseback, Bulk/Portfolio Sale**

Parcels **K68792, TT138242**
Comp ID **6156774**
Comp Status **Research Complete**

4 89 North Rd - Hythe View

SOLD

Hythe Kent, CT21 5ET

True Buyer **Corum Asset Management**
6 Rue Lamennais
Paris, 75008
00 33 1 70 82 28 33 (p)

Kent
Recorded Seller **Galleon Care Homes Limited**
Alexandra Pl
Guildford, SRY GU1 3QH
01483 790070 (p)

True Seller **Integrum Care Group**
89 North Rd
Hythe, KEN CT21 5ET
01303 901111 (p)



Sale Date **31 Mar 2022**
Sale Price **Not Disclosed**
Price/SF **£468.60**
NI Yield **6.80%**

Type **3 Star Skilled Nursing Facility**
Year Built **1950**
GIA **11,400 SF**
Land Acres **0.99 ac**
Zoning **c**
Sale Condition **Sale Leaseback, Bulk/Portfolio Sale**

Parcels **K524752, TT138241**
Comp ID **6156774**
Comp Status **Research Complete**

5 Tanners HI - Saltwood Care Centre

SOLD

Hythe Kent, CT21 5UQ

True Buyer **Corum Asset Management**
6 Rue Lamennais
Paris, 75008
00 33 1 70 82 28 33 (p)

Kent
Recorded Seller **Galleon Care Homes Limited**
Alexandra Pl
Guildford, SRY GU1 3QH
01483 790070 (p)

True Seller **Integrum Care Group**
89 North Rd
Hythe, KEN CT21 5ET
01303 901111 (p)



Sale Date **31 Mar 2022**
Sale Price **Not Disclosed**
Price/SF **£468.60**
NI Yield **6.80%**

Type **3 Star Skilled Nursing Facility**
Year Built **1950**
GIA **15,006 SF**
Land Acres **3.69 ac**
Zoning **C**
Sale Condition **Sale Leaseback, Bulk/Portfolio Sale**

Parcels **K426343**
Comp ID **6156774**
Comp Status **Research Complete**

6 7 Hollington Park Rd - Mulberry House

SOLD

East Sussex, TN38 0SE

True Buyer **Corum Asset Management**
6 Rue Lamennais
Paris, 75008
00 33 1 70 82 28 33 (p)

East Sussex
Recorded Seller **Galleon Care Homes Limited**
Alexandra Pl
Guildford, SRY GU1 3QH
01483 790070 (p)

True Seller **Integrum Care Group**
89 North Rd
Hythe, KEN CT21 5ET
01303 901111 (p)



Sale Date **31 Mar 2022**
Sale Price **Not Disclosed**
Price/SF **£468.60**
NI Yield **6.80%**

Type **2 Star Skilled Nursing Facility**
GIA **34,911 SF**
Land Acres **1.27 ac**
Zoning **C**
Sale Condition **Sale Leaseback, Bulk/Portfolio Sale**

Parcels **ESX418429, HT11166**
Comp ID **6156774**
Comp Status **Research Complete**

Appendix 4 – RLB Cost Review



REPORT

16 AUGUST 2023

LAND ADJACENT TO AGEAS BOWL, SOUTHAMPTON

CONSTRUCTION COST REVIEW
ASPINALL VERDI

Prepared By

Tom Caesar
Associate

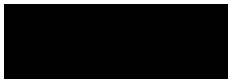
E: tom.caesar@uk.rlb.com
T: +44 7747 448 960

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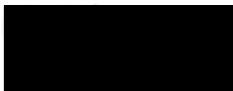
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1.2	DESCRIPTION OF THE PROJECT	3
1.3	INFORMATION RECEIVED	3
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3.0	CONCLUSION AND RECOMMENDATIONS	7

AUTHORISATION

This report has been prepared by:


Signature.....
Tom Caesar

and authorised for issue by:


Signature.....
Paul Beeston

1.0 INTRODUCTION

1.1 SCOPE

RLB have been instructed by Aspinall Verdi to review the construction costs for an applicant's viability assessment of the development of land adjacent to the Ageas Bowl, Southampton, Hampshire.

The scope of this report looks at the construction costs included in the Development Appraisal provided by the applicant, via Avison Young's Financial Viability Assessment, dated March 2023. The construction costs are supported in 'Appendix 2 Cost Plan' of the Financial Viability Assessment. We have not assessed the following elements as they are not included in the Development Appraisal.

- Pavilions Works, and
- Bridge and Fan Zone.

1.2 DESCRIPTION OF THE PROJECT

The project is the construction of 185 dwellings, a 71-bedroom care home, a 142-bedroom hotel, a well-being centre, 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.

1.3 INFORMATION RECEIVED

The following information was issued via email to RLB on 21 April 2023:

- Landscape Masterplan Character Areas 1-5, dwg no. MP-007 Rev. 06
- Financial Viability Assessment by Avison Young, dated March 2023
- Financial Viability Assessment Appendix 2.1 – Houses, Rev. C
- Financial Viability Assessment Appendix 2.2 – Flats, Rev. C
- Financial Viability Assessment Appendix 2.3 – Wellbeing Centre, Rev. C
- Financial Viability Assessment Appendix 2.4 – Care Home, Rev. C
- Financial Viability Assessment Appendix 2.5 – Pavilion A, Rev. C
- Financial Viability Assessment Appendix 2.5 – Pavilion B, Rev. C
- Financial Viability Assessment Appendix 2.5 – Pavilion C, Rev. C
- Financial Viability Assessment Appendix 2.6 – Budget Hotel, Rev. C
- Financial Viability Assessment Appendix 2.7 – Character Area 1 & 2, Bridge, Fanzone, Rev. C
- Financial Viability Assessment Appendix 2.7 – Character Area 1 & 2, Parking, Rev. C

2.0 RLB REVIEW

The total construction costs, as included in the Development Appraisal are summarised below.

Element	Total (£)
Residential – Housing	34,737,004
Residential - Flats	19,391,107
Wellbeing Centre	3,396,000
Care Home	10,281,000
Budget Hotel	12,476,000
Eastern Car Park	1,142,000
Total	81,423,111
Professional Fees (10% of total excluding Eastern Car Park)	8,028,111
Construction Inflation	Excluded

Detail	RLB Comments
Residential Housing £34,737,004 Total GIA at 12,708m2 (including garages and shared area) £2,733/m2	The total cost (£30,511,202; excluding Contractors Design Fees and Risk Allowances) is at the higher end of an expected reasonable range, however, the level of site abnormalities can have a significant impact on the total cost and therefore in the absence of further design information the total cost is not unreasonable. Contractors Design Fees are reasonable for the works involved, however the inclusion of 10% for Risk Allowances, in our opinion is not reasonable and we would expect a level of c.5% to be reasonable at this stage, especially as the total cost, excluding Contractors Design Fees and Risk Allowances is at the higher end of reasonable range.
Residential Flats £19,391,107 Total GIA at 7,424m2 £2,612/m2	The total cost/m2 is at the upper end of expectations based on our experience, however not at an overall cost that is unreasonable. The cost of c. £244k per unit appears to be higher than anticipated but without reviewing the scope and design in more detail, we would say that this is not unreasonable, especially as the apartments are built across four separate blocks.

Detail	RLB Comments
	Main contractor's oncosts are fair for the works assumed, as are the design team costs. However the inclusion of 10% for Risk Allowances, in our opinion is not reasonable and we would expect a level of c.5% to be reasonable at this stage, especially as the total cost, excluding Contractors Design Fees and Risk Allowances is at the higher end of reasonable range.
Wellbeing Centre £3,396,000 Total GIA at 12,708m2 £2,804/m2	There is no clear information about the proposals for the wellbeing centre which makes it difficult to assess the cost allowances included. The overall average cost proposed would not appear unreasonable compared against similarly titled buildings through BCIS data. With the level of information provided, it would be difficult to say that the proposed costs are out of the ordinary but our comment on the contingency at 10% would still remain as per the above.
Care Home £10,281,000 Total GIA at 3,702m2 £2,777/m2	The total cost of £2,777/m2 is higher than would be expected for a care home from our experience. The cost provided is based on BCIS data rather than a cost plan measure and therefore there isn't enough detailed information to be able to review further. We would expect this level of care home to be in the region of £2,300 to £2,700/m2 but we also appreciate that the curved external walls will add cost to this. For this estimate, Contractor Design fees have been increased to 5% rather than the 3.5% used on previous cost plans, which is not an unreasonable amount considering the potential addition design work required for this type of building over the others above. The Risk Allowance of 10%, in our opinion is not reasonable and we would expect a level of c.5% to be reasonable at this stage, especially as the total cost, excluding Contractors Design Fees and Risk Allowances is at the higher end of an expected range.
Budget Hotel £12,476,000 Total GIA at 4,364m2 £2,859/m2	The proposed hotel is noted as 141nr bedrooms. Based on this, the cost per key calculates as c. £89,800 which sits at the upper end of our expected costs for a budget level hotel. Whilst the oncosts included within the costs are marginally higher than we would expect to see (including risk allowances at 10%), overall, we would say the applicant's costs are reasonable.
Eastern Car Park £1,142,000	The total cost (£1,003,000; excluding Contractors Design Fees and Risk Allowances) is reasonable for the work involved. Contractors Design Fees are reasonable for the works involved, however the inclusion of 10% for Risk Allowances, in our opinion is not reasonable and we would expect a level of c.5% to be reasonable at this stage, especially as the total cost, excluding Contractors Design Fees and Risk Allowances is at the higher end of reasonable range.

Detail	RLB Comments
Professional Fees £8,028,111	Professional Fees have been included at 10% of all construction works excluding the Eastern Car Park. Considering there is between 3-5% Contractors Design Fees within the costs elsewhere, this is slightly higher than benchmark on a blended basis.

3.0 CONCLUSION AND RECOMMENDATIONS

Having reviewed the information provided, we believe the level of detail of costs provided is commensurate with a project of this nature at this stage of development. The costs presented are generally a fair reflection of the costs to complete the development. However, based on our review we have made the following key observations.

- Generally, the build costs for the Housing, Flats, Care Home and Budget Hotel are positioned at the higher end of an expected range,
- Contingency/risk allowances has been included throughout at 10%. We feel this should be in the region of 5%, especially as we feel the build costs are generally at the higher end of an expected range, and
- Professional fees have been included at 10% for all construction works excluding the Eastern Car Park. We feel this is slightly higher than benchmark when assessing on a blended basis.

Appendix 5 – Bristow Cost Review

Ageas Bowl Aspinall Verdi

Construction Cost Methodology Review

January 2024

Building smart
solutions to scale.



Cost and Project
Management

DESCRIPTION

Project:	Ageas Bowl	Date: 29.01.2024
Details:	Construction Cost Review	Prepared by: Adam Sukhon
Signature:		

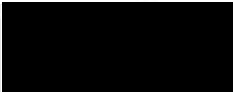


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2.0 Cost Analysis	5
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Executive Summary

We have been appointed to review the methodology for updating validated costs previously reviewed and approved for the Ageas Bowl scheme.

We have reviewed the construction cost adjustment methodology applied to the Ageas Bowl scheme following a change in unit numbers as explained in the Avison young email sent on 5th January 2024 as follows:

Type	Current FVA, dated March 2023 (Revised 1st June 2023)					Latest design, dated 24th November 2023					Difference				
	Units	NIA sq ft	GIA sq ft	Cost (£psf)	Cost	Units	NIA sq ft	GIA sq ft	Cost (£psf)	Cost	Units	NIA sq ft	GIA sq ft	Cost (£psf)	Cost
Houses	103	114,302	129,059	£269	£34,737,004	84	97,961	110,608	£269	£29,770,739	-19	-16,341	-18,451	£-	£-£4,966,265
Flats	82	57,711	79,877	£243	£19,391,106	88	65,508	85,888	£243	£20,850,349	6	7,797	6,011	£-	£1,459,243
Total	185	172,013	208,936	£259	£54,128,110	172	163,469	196,496	£258	£50,621,088	-13	-8,544	-12,440	£-£1	£-£3,507,022

We consider the reduction of houses based on a cost per square foot to be an acceptable at this time approach on the basis that these are stand-alone units.

We consider the increase of apartments based on the cost per square foot basis to be a reasonable approach at this time.

Overall we consider the budget to be adequate for this development.

As the design advances we would recommend that another detailed cost plan is produced demonstrating the robustness of the proposed budget.

1.0 Introduction

1.1 Description of the development

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 buildings and surface car parking areas. 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.

Full planning permission is sought under planning ref F/22/93194 for 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.

1.2 Bristow Consulting role

Bristow Consulting has been appointed to review the methodology applied to update the costs as the scheme changed from 185nr residential units to 172nr residential units.

1.3 Information received

We have received copies of the Avison Young Viability Assessment Report issued in March 2023, the update issued in December 2023, and an email setting out the methodology sent on 5th January 2024.

2.0 Cost Analysis

2.1 Cost Methodology

The methodology applied by Avison Young is set out in the table below and involves establishing the cost per square foot for the initial scheme and applying this against the new gross internal area for updated scheme as follows:

Type	Current FVA, dated March 2023 (Revised 1st June 2023)					Latest design, dated 24th November 2023					Difference				
	Units	NIA sq ft	GIA sq ft	Cost (£psf)	Cost	Units	NIA sq ft	GIA sq ft	Cost (£psf)	Cost	Units	NIA sq ft	GIA sq ft	Cost (£psf)	Cost
Houses	103	114,302	129,059	£269	£34,737,004	84	97,961	110,608	£269	£29,770,739	-19	-16,341	-18,451	£-	-£4,966,265
Flats	82	57,711	79,877	£243	£19,391,106	88	65,508	85,888	£243	£20,850,349	6	7,797	6,011	£-	£1,459,243
Total	185	172,013	208,936	£259	£54,128,110	172	163,469	196,496	£258	£50,621,088	-13	-8,544	-12,440	-£1	-£3,507,022

3.0 Conclusion

We consider the reduction of houses based on a cost per square foot to be an acceptable at this time approach on the basis that these are stand-alone units.

We consider the increase of apartments based on the cost per square foot basis to be a reasonable approach at this time.

Overall we consider the budget to be adequate for this development.

As the design advances we would recommend that another detailed cost plan is produced demonstrating the robustness of the proposed budget.

solutions to scale

Bristow

Fourth Floor
55 New Oxford Street London
WC1A 1BS

T: +44 (0)20 7636 1036
info@bristowconsulting.co.uk bristowconsulting.co.uk



Appendix 6 – 35% Affordable Housing Contribution Appraisal

APPRAISAL SUMMARY**ASPINALLVERDI****240124 Land adjacent to Ageas Bowl (Jan Update)**

Appraisal Summary for Phase 2 240124 PC

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Housing	112	108,071	416.95	402,321	45,060,000
Affordable Housing	60	55,396	213.37	196,995	11,819,695
Totals	172	163,467			56,879,695

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail	1	269	20.00	5,380	5,380	5,380
Wellness Centre	1	13,034	15.00	195,510	195,510	195,510
Care Home	1	21,806	27.50	599,665	599,665	599,665
Car Park	1			174,800	174,800	174,800
Hotel	141	28,070	35.16	7,000	987,000	987,000
Totals	145	63,179			1,962,355	1,962,355

Investment Valuation

Retail					
Current Rent	5,380	YP @	6.5000%	15.3846	82,769
Wellness Centre					
Market Rent	195,510	YP @	6.0000%	16.6667	
(6mths Rent Free)		PV 6mths @	6.0000%	0.9713	3,164,935
Care Home					
Current Rent	599,665	YP @	4.5000%	22.2222	13,325,889
Car Park					
Current Rent	174,800	YP @	7.5000%	13.3333	2,330,667
Hotel					
Current Rent	987,000	YP @	5.0000%	20.0000	19,740,000
Total Investment Valuation					38,644,260

GROSS DEVELOPMENT VALUE**95,523,955**

Purchaser's Costs	6.80%	(2,627,810)
Effective Purchaser's Costs Rate	6.80%	
		(2,627,810)

NET DEVELOPMENT VALUE**92,896,145****NET REALISATION****92,896,145****OUTLAY****ACQUISITION COSTS**

Residualised Price (Negative land)	(15,397,248)	(15,397,248)
------------------------------------	--------------	--------------

CONSTRUCTION COSTS**Construction**

	Units	Unit Amount	Cost
Eastern Car Park	1 un	1,038,181	1,038,181
	ft²	Build Rate ft²	Cost
Wellness Centre	13,034	236.86	3,087,273
Care Home	39,808	234.79	9,346,364
Hotel	46,877	241.95	11,341,818

APPRAISAL SUMMARY**ASPINALLVERDI****240124 Land adjacent to Ageas Bowl (Jan Update)**

Market Housing	125,914	241.90	30,458,597	
Affordable Housing	<u>64,310</u>	241.92	<u>15,557,875</u>	
Totals	289,943 ft²		69,791,927	70,830,108

Developers Contingency		5.00%	3,541,505	3,541,505
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Section 106 Costs

Section 106 Costs			7,004,871	7,004,871
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PROFESSIONAL FEES

Professional Fees		8.00%	5,666,409	5,666,409
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MARKETING & LETTING

Marketing		1.50%	675,900	
Letting Agent Fee		10.00%	196,236	
Letting Legal Fee		5.00%	98,118	
				970,253

DISPOSAL FEES

Sales Agent Fee		1.00%	450,600	
Sales Legal Fee		0.50%	225,300	
				675,900

TOTAL COSTS BEFORE FINANCE**73,291,798****FINANCE**

Timescale	Duration	Commences
Purchase	3	May 2023
Construction	24	Aug 2023
Sale	21	Aug 2025
Total Duration	48	

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)

Land	(1,815,649)	
Construction	5,716,296	
Other	190,633	
Total Finance Cost		4,091,280

TOTAL COSTS**77,383,078****PROFIT****15,513,067****Performance Measures**

Profit on Cost%	20.05%
Profit on GDV%	16.24%
Profit on NDV%	16.70%
IRR% (without Interest)	31.48%

Appendix 7 – NIL Affordable Housing Appraisal

APPRAISAL SUMMARY**ASPINALLVERDI****240124 Land adjacent to Ageas Bowl (Jan Update)****Appraisal Summary for Phase 1 100% Market Sale**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Housing	172	163,467	421.68	400,756	68,930,000

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail	1	269	20.00	5,380	5,380	5,380
Wellness Centre	1	13,034	15.00	195,510	195,510	195,510
Care Home	1	21,806	27.50	599,665	599,665	599,665
Car Park	1			174,800	174,800	174,800
Hotel	<u>141</u>	<u>28,070</u>	35.16	7,000	<u>987,000</u>	<u>987,000</u>
Totals	145	63,179			1,962,355	1,962,355

Investment Valuation**Retail**

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

Market Rent	195,510	YP @	6.0000%	16.6667	
(6mths Rent Free)		PV 6mths @	6.0000%	0.9713	3,164,935

Care Home

Current Rent	599,665	YP @	4.5000%	22.2222	13,325,889
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Car Park

Current Rent	174,800	YP @	7.5000%	13.3333	2,330,667
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Hotel

Current Rent	987,000	YP @	5.0000%	20.0000	19,740,000
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Total Investment Valuation**38,644,260****GROSS DEVELOPMENT VALUE****107,574,260**

Purchaser's Costs	6.80%	(2,627,810)
Effective Purchaser's Costs Rate	6.80%	
		(2,627,810)

NET DEVELOPMENT VALUE**104,946,450****NET REALISATION****104,946,450****OUTLAY****ACQUISITION COSTS**

Residualised Price (Negative land)	(9,115,704)	(9,115,704)
------------------------------------	-------------	-------------

CONSTRUCTION COSTS**Construction**

	Units	Unit Amount	Cost
Eastern Car Park	1 un	1,038,181	1,038,181
	ft²	Build Rate ft²	Cost
Wellness Centre	13,034	236.86	3,087,273
Care Home	39,808	234.79	9,346,364
Hotel	46,877	241.95	11,341,818
Market Housing	<u>190,224</u>	<u>241.92</u>	<u>46,019,171</u>
Totals	289,943 ft²		69,794,626
			70,832,807

APPRAISAL SUMMARY**ASPINALLVERDI****240124 Land adjacent to Ageas Bowl (Jan Update)**

Developers Contingency	5.00%	3,541,640	3,541,640
Section 106 Costs			
Section 106 Costs		7,004,871	7,004,871
PROFESSIONAL FEES			
Professional Fees	8.00%	5,666,625	5,666,625
MARKETING & LETTING			
Marketing	1.50%	1,033,950	
Letting Agent Fee	10.00%	196,236	
Letting Legal Fee	5.00%	98,118	
			1,328,303
DISPOSAL FEES			
Sales Agent Fee	1.00%	689,300	
Sales Legal Fee	0.50%	344,650	
			1,033,950
TOTAL COSTS BEFORE FINANCE			80,292,492

FINANCE

Timescale	Duration	Commences
Purchase	3	May 2023
Construction	24	Aug 2023
Sale	21	Aug 2025
Total Duration	48	

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)

Land	(1,140,986)	
Construction	5,716,496	
Other	499,933	
Total Finance Cost		5,075,443

TOTAL COSTS **85,367,935****PROFIT** **19,578,515****Performance Measures**

Profit on Cost%	22.93%
Profit on GDV%	18.20%
Profit on NDV%	18.66%
IRR% (without Interest)	27.75%

Appendix 8 – NIL Affordable Housing Sensitivity Analysis Report

SENSITIVITY ANALYSIS REPORT**ASPINALLVERDI****240124 Land adjacent to Ageas Bowl (Jan Update)****Table of Land Cost and Profit on GDV%**

Construction: Gross Cost					
Sales: Gross Sales	-10.000%	-5.000%	0.000%	+5.000%	+10.000%
-10.000%	£6,271,000	£10,095,304	£13,938,755	£17,796,295	£21,670,219
62,037,000	18.200%	18.200%	18.200%	18.200%	18.200%
-5.000%	£3,886,015	£7,692,826	£11,522,912	£15,371,206	£19,232,507
65,483,500	18.200%	18.200%	18.200%	18.200%	18.200%
0.000%	£1,517,473	£5,302,386	£9,115,704	£12,951,576	£16,804,692
68,930,000	18.200%	18.200%	18.200%	18.200%	18.200%
+5.000%	-£813,905	£2,925,595	£6,720,984	£10,542,883	£14,382,088
72,376,500	18.200%	18.200%	18.200%	18.200%	18.200%
+10.000%	-£3,113,621	£565,494	£4,337,828	£8,143,864	£11,971,549
75,823,000	18.200%	18.200%	18.200%	18.200%	18.200%

Sensitivity Analysis : Assumptions for Calculation**Construction: Gross Cost**

Original Values are varied by Steps of 5.000%.

Heading	Phase	Amount	No. of Steps
Wellness Centre	1	£3,087,273	2.00 Up & Down
Care Home	1	£9,346,364	2.00 Up & Down
Market Housing	1	£46,019,171	2.00 Up & Down
Eastern Car Park	1	£1,038,181	2.00 Up & Down
Hotel	1	£11,341,818	2.00 Up & Down

Sales: Gross Sales

Original Values are varied by Steps of 5.000%.

Heading	Phase	Amount	No. of Steps
Market Housing	1	£68,930,000	2.00 Up & Down

Appendix 9 – NIL Affordable Housing (Optimum S106 Contribution Scenario)

APPRAISAL SUMMARY**ASPINALLVERDI****240124 Land adjacent to Ageas Bowl (Jan Update)****Appraisal Summary for Phase 3 100% Market Sale (Profit Scenario)**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales		
Market Housing	172	163,467	421.68	400,756	68,930,000		
Rental Area Summary							
	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV	
Retail	1	269	20.00	5,380	5,380	5,380	
Wellness Centre	1	13,034	15.00	195,510	195,510	195,510	
Care Home	1	21,806	27.50	599,665	599,665	599,665	
Car Park	1			174,800	174,800	174,800	
Hotel	<u>141</u>	<u>28,070</u>	35.16	7,000	<u>987,000</u>	<u>987,000</u>	
Totals	145	63,179			1,962,355	1,962,355	

Investment Valuation**Retail**

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

Market Rent	195,510	YP @	6.0000%	16.6667	
(6mths Rent Free)		PV 6mths @	6.0000%	0.9713	3,164,935

Care Home

Current Rent	599,665	YP @	4.5000%	22.2222	13,325,889
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Car Park

Current Rent	174,800	YP @	7.5000%	13.3333	2,330,667
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Hotel

Current Rent	987,000	YP @	5.0000%	20.0000	19,740,000
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Total Investment Valuation**38,644,260****GROSS DEVELOPMENT VALUE****107,574,260**

Purchaser's Costs	6.80%	(2,627,810)	
Effective Purchaser's Costs Rate	6.80%		(2,627,810)

NET DEVELOPMENT VALUE**104,946,450****NET REALISATION****104,946,450****OUTLAY****CONSTRUCTION COSTS**

Construction	Units	Unit Amount	Cost	
Eastern Car Park	1 un	1,038,181	1,038,181	
	ft²	Build Rate ft²	Cost	
Wellness Centre	13,034	236.86	3,087,273	
Care Home	39,808	234.79	9,346,364	
Hotel	46,877	241.95	11,341,818	
Market Housing	<u>190,224</u>	<u>241.92</u>	<u>46,019,171</u>	
Totals	289,943 ft²		69,794,626	70,832,807
Developers Contingency		5.00%	3,541,640	3,541,640
Section 106 Costs				
Section 106 Costs			7,004,871	

APPRAISAL SUMMARY**ASPINALLVERDI****240124 Land adjacent to Ageas Bowl (Jan Update)**

Section 106 Costs (test Item)		7,289,000	
			14,293,871

PROFESSIONAL FEES

Professional Fees	8.00%	5,666,625	
			5,666,625

MARKETING & LETTING

Marketing	1.50%	1,033,950	
Letting Agent Fee	10.00%	196,236	
Letting Legal Fee	5.00%	98,118	
			1,328,303

DISPOSAL FEES

Sales Agent Fee	1.00%	689,300	
Sales Legal Fee	0.50%	344,650	
			1,033,950

TOTAL COSTS BEFORE FINANCE**96,697,196****FINANCE**

Timescale	Duration	Commences
Purchase	3	May 2023
Construction	24	Aug 2023
Sale	21	Aug 2025
Total Duration	48	

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)

Construction	6,195,181	
Other	2,053,224	
Total Finance Cost		8,248,405

TOTAL COSTS**104,945,601****PROFIT****849****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR% (without Interest)	6.70%

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