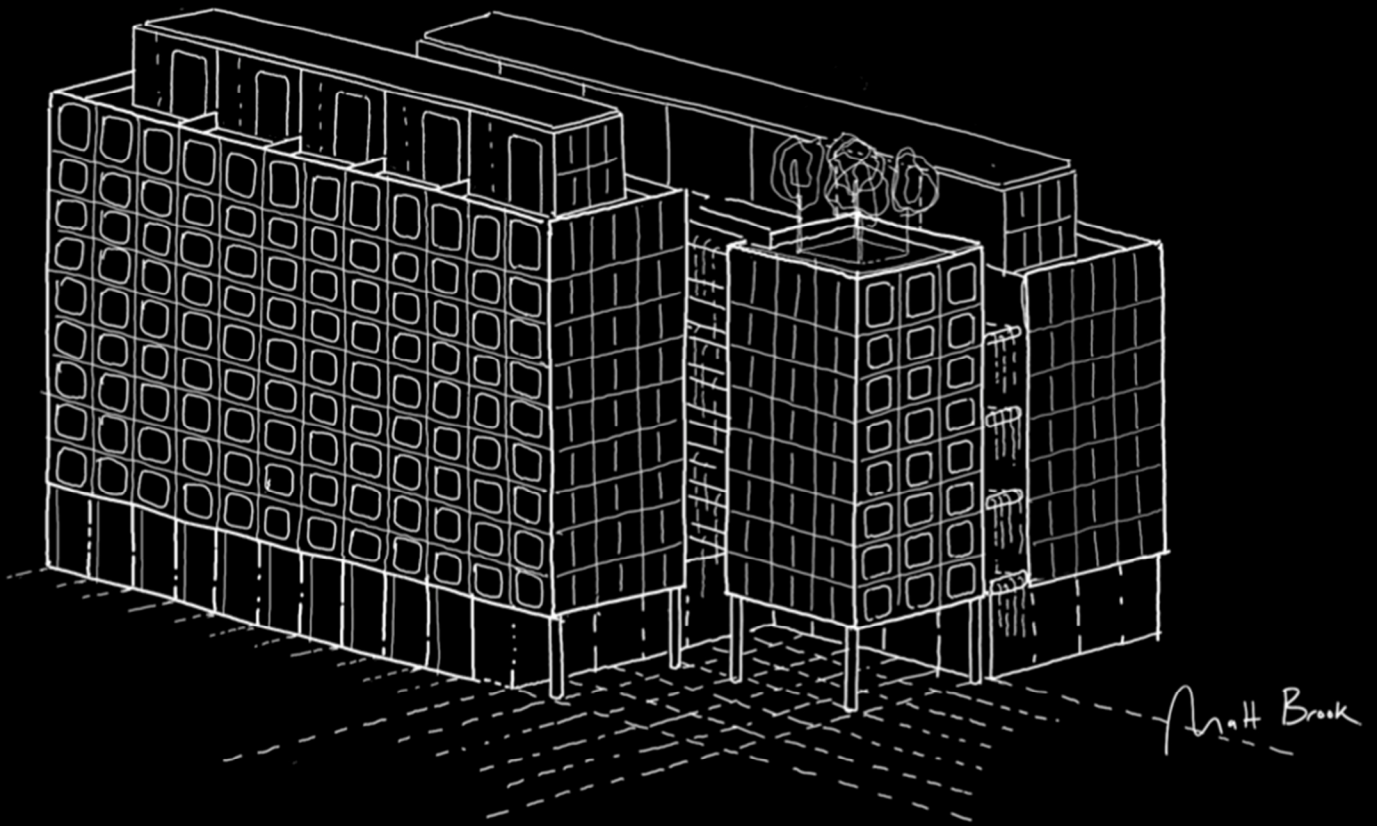


# PHOENIX WORKS, MANCHESTER



Viability Assessment | November 2020

## Introduction

This Viability Assessment has been produced by DeTrafford for the planning submission dated November 2020, for the proposed residential project known as Phoenix Works.

The construction figures stated are based on a cost report from Rider Levett Bucknall, dated November 2020, details of which can be found in Appendix A. All other fees and sales costs have been built up from working with the teams through 2020.

## The Site

The site is located off Ellesmere Street, in the St Georges area of Manchester, and the proposed development is the final phase of DeTrafford's Masterplan for the area.

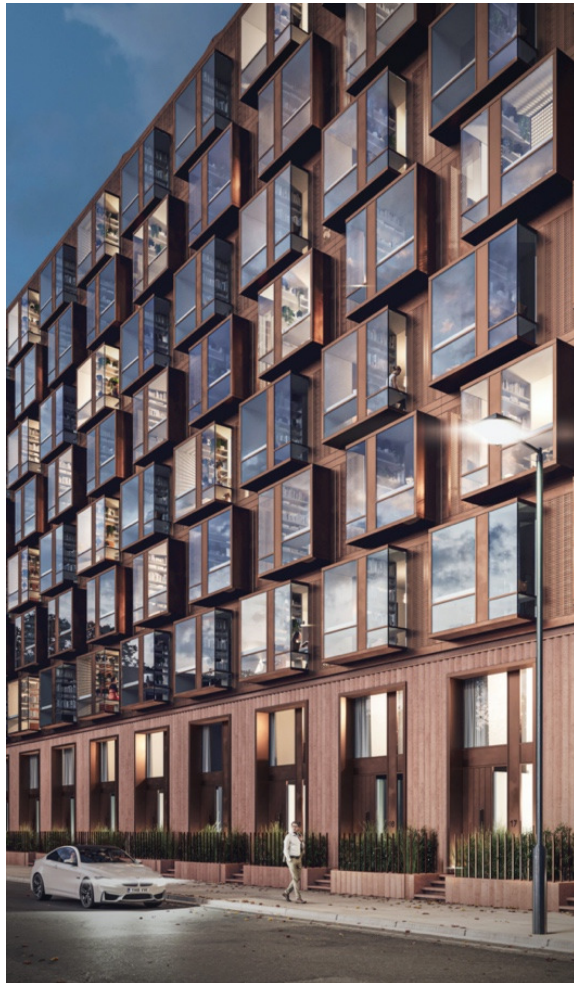


The existing site consists of a building called Phoenix House and associated car parking off Cawdor Street, which is being used by DeTrafford Construction as a site office.

The DeTrafford masterplan consists of 1 completed project 'Roof Gardens' and 3 live projects 'Sky Gardens', 'City Gardens' and 'St Georges Gardens'. The next project to start will be 'Gallery Gardens' which has a resolution to approve subject to the signing of a section 106.

## The Scheme

The scheme known as 'Phoenix Works' includes the demolition of the existing 3 storey office/gallery building and the erection of a residential-led mixed use development within a part 11 and part 13 storey building. The development consists of 237 residential units (C3); 338sqm of commercial floorspace (Use Class E), associated car 11nr spaces and cycle parking at ground floor, plus extensive public realm and associated landscaping works.



Covid-19 and national lockdowns have resulted in an unprecedented shift in peoples values and lifestyles. The pandemic has brought about a renewed focus on wellbeing and the importance of community along with what is likely to be a permanent shift towards home working. Phoenix Works has been designed to be the first of a new form of post-pandemic of city centre living projects designed to embrace these societal shifts in values and lifestyles. Extensive naturalistic planting, growing spaces, open balcony walkways and dual aspect apartments are designed to enhance wellbeing. Balconies outside front doors create stoops with built-in seating, which combined with kitchen gardens and stable doors create a strong relationship between apartments and communal areas, creating a convivial environment which encourages neighbourliness and social interaction. Whilst home working bays create dedicated workspaces with good views, natural daylight and the ability to physically separate work and home life.

The masterplan looks to unify the separate developments, giving a cohesive design language and will create a public square at the heart of the masterplan adding to the sense of community and linking all the individual projects together.

## Viability Review

We have a good track record of sales in Manchester and the surrounding areas, so we are able to anticipate the project sales/rental values for this project. Based on the location of the development being adjacent to our other projects we feel this gives a fair understanding of the current market conditions in the St Georges area and based on real life data.

The fees and survey costs are already agreed with the professional team, we have a robust cost plan from Rider Levett Bucknall, which is used in part for this viability assessment but also will inform our negotiations with the main contractors and supply chain. We have also drawn upon feedback from DeTrafford Construction who are delivering three adjacent projects, plus our negotiations for No 1 Castlefield which is within a few hundred yards away from the site.

To take into account any project unknowns or fee variance during the course of pre-construction and construction, we have included a design development contingency and construction contingency, which should account for any substantial variances over the course of the project.

We have developed the design to an advanced stage for this planning submission to give us a robust set of details and the confidence that the cost plan is robust.

To assist with our sales targets, we have looked at Gallery Gardens, the adjacent plot, where we are achieving sales rates net of sales/agency fees of circa £414/ft<sup>2</sup>.

**Phoenix Works Residential GDV Target Residential Value: -**

| Floor  | Unit No. | Unit Type | SQFT | £SQFT   | Sale Price £ |
|--------|----------|-----------|------|---------|--------------|
| Ground | 0.01     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.02     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.03     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.04     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.05     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.06     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.07     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.08     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.09     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.10     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.11     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.12     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.13     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.14     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.15     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.16     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.17     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.18     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.19     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.20     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.21     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.22     | 2BTH      | 797  | £425.00 | £338,725.00  |
| Ground | 0.23     | 2BTH      | 797  | £425.00 | £338,725.00  |
| 1      | 1.01     | 1BT1      | 530  | £420.00 | £222,600.00  |
| 1      | 1.02     | 1BT1      | 530  | £420.00 | £222,600.00  |
| 1      | 1.03     | 1BT1      | 530  | £420.00 | £222,600.00  |
| 2      | 2.01     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.02     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.03     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.04     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.05     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.06     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.07     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.08     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.09     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.10     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.11     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.12     | 1BT1      | 530  | £425.00 | £225,250.00  |
| 2      | 2.13     | 2BT1      | 768  | £402.50 | £309,120.00  |
| 2      | 2.14     | 2BT1      | 768  | £402.50 | £309,120.00  |
| 2      | 2.15     | 2BT1      | 768  | £402.50 | £309,120.00  |
| 2      | 2.16     | 2BT1      | 768  | £402.50 | £309,120.00  |
| 2      | 2.17     | 2BT1      | 768  | £402.50 | £309,120.00  |
| 2      | 2.18     | 2BT1      | 768  | £402.50 | £309,120.00  |
| 2      | 2.19     | 2BT1      | 768  | £402.50 | £309,120.00  |
| 2      | 2.20     | 2BT2      | 768  | £402.50 | £309,120.00  |
| 2      | 2.21     | 2BT2      | 768  | £402.50 | £309,120.00  |

| 2     | 2.22     | 2BT2      | 768  | £402.50 | £309,120.00  |
|-------|----------|-----------|------|---------|--------------|
| 2     | 2.23     | 2BT2      | 768  | £402.50 | £309,120.00  |
| Floor | Unit No. | Unit Type | SQFT | £SQFT   | Sale Price £ |
| 2     | 2.24     | 2BT2      | 768  | £402.50 | £309,120.00  |
| 2     | 2.25     | 2BT2      | 768  | £402.50 | £309,120.00  |
| 2     | 2.26     | 2BT2      | 768  | £402.50 | £309,120.00  |
| 3     | 3.01     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.02     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.03     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.04     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.05     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.06     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.07     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.08     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.09     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.10     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.11     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.12     | 1BT1      | 530  | £430.00 | £227,900.00  |
| 3     | 3.13     | 2BT1      | 768  | £405.00 | £311,040.00  |
| 3     | 3.14     | 2BT1      | 768  | £405.00 | £311,040.00  |
| 3     | 3.15     | 2BT1      | 768  | £405.00 | £311,040.00  |
| 3     | 3.16     | 2BT1      | 768  | £405.00 | £311,040.00  |
| 3     | 3.17     | 2BT1      | 768  | £405.00 | £311,040.00  |
| 3     | 3.18     | 2BT1      | 768  | £405.00 | £311,040.00  |
| 3     | 3.19     | 2BT1      | 768  | £405.00 | £311,040.00  |
| 3     | 3.20     | 2BT2      | 768  | £405.00 | £311,040.00  |
| 3     | 3.21     | 2BT2      | 768  | £405.00 | £311,040.00  |
| 3     | 3.22     | 2BT2      | 768  | £405.00 | £311,040.00  |
| 3     | 3.23     | 2BT2      | 768  | £405.00 | £311,040.00  |
| 3     | 3.24     | 2BT2      | 768  | £405.00 | £311,040.00  |
| 3     | 3.25     | 2BT2      | 768  | £405.00 | £311,040.00  |
| 3     | 3.26     | 2BT2      | 768  | £405.00 | £311,040.00  |
| 4     | 4.01     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.02     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.03     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.04     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.05     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.06     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.07     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.08     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.09     | 1BT1      | 530  | £435.00 | £230,550.00  |
| 4     | 4.10     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.11     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.12     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.13     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.14     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.15     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.16     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.17     | 2BT1      | 768  | £407.50 | £312,960.00  |
| 4     | 4.18     | 2BT2      | 768  | £407.50 | £312,960.00  |

| 4     | 4.19     | 2BT2      | 768  | £407.50 | £312,960.00  |
|-------|----------|-----------|------|---------|--------------|
| 4     | 4.20     | 2BT2      | 768  | £407.50 | £312,960.00  |
| Floor | Unit No. | Unit Type | SQFT | £SQFT   | Sale Price £ |
| 4     | 4.21     | 2BT2      | 768  | £407.50 | £312,960.00  |
| 4     | 4.22     | 2BT2      | 768  | £407.50 | £312,960.00  |
| 4     | 4.23     | 2BT2      | 768  | £407.50 | £312,960.00  |
| 4     | 4.24     | 2BT2      | 768  | £407.50 | £312,960.00  |
| 4     | 4.25     | 2BT2      | 768  | £407.50 | £312,960.00  |
| 5     | 5.01     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.02     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.03     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.04     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.05     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.06     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.07     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.08     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.09     | 1BT1      | 530  | £440.00 | £233,200.00  |
| 5     | 5.10     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.11     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.12     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.13     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.14     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.15     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.16     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.17     | 2BT1      | 768  | £410.00 | £314,880.00  |
| 5     | 5.18     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 5     | 5.19     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 5     | 5.20     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 5     | 5.21     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 5     | 5.22     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 5     | 5.23     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 5     | 5.24     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 5     | 5.25     | 2BT2      | 768  | £410.00 | £314,880.00  |
| 6     | 6.01     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.02     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.03     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.04     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.05     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.06     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.07     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.08     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.09     | 1BT1      | 530  | £445.00 | £235,850.00  |
| 6     | 6.10     | 2BT1      | 768  | £412.50 | £316,800.00  |
| 6     | 6.11     | 2BT1      | 768  | £412.50 | £316,800.00  |
| 6     | 6.12     | 2BT1      | 768  | £412.50 | £316,800.00  |
| 6     | 6.13     | 2BT1      | 768  | £412.50 | £316,800.00  |
| 6     | 6.14     | 2BT1      | 768  | £412.50 | £316,800.00  |
| 6     | 6.15     | 2BT1      | 768  | £412.50 | £316,800.00  |
| 6     | 6.16     | 2BT1      | 768  | £412.50 | £316,800.00  |
| 6     | 6.17     | 2BT1      | 768  | £412.50 | £316,800.00  |

| 6     | 6.18     | 2BT2      | 768  | £412.50 | £316,800.00  |
|-------|----------|-----------|------|---------|--------------|
| 6     | 6.19     | 2BT2      | 768  | £412.50 | £316,800.00  |
| Floor | Unit No. | Unit Type | SQFT | £SQFT   | Sale Price £ |
| 6     | 6.20     | 2BT2      | 768  | £412.50 | £316,800.00  |
| 6     | 6.21     | 2BT2      | 768  | £412.50 | £316,800.00  |
| 6     | 6.22     | 2BT2      | 768  | £412.50 | £316,800.00  |
| 6     | 6.23     | 2BT2      | 768  | £412.50 | £316,800.00  |
| 6     | 6.24     | 2BT2      | 768  | £412.50 | £316,800.00  |
| 6     | 6.25     | 2BT2      | 768  | £412.50 | £316,800.00  |
| 7     | 7.01     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.02     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.03     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.04     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.05     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.06     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.07     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.08     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.09     | 1BT1      | 530  | £450.00 | £238,500.00  |
| 7     | 7.10     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.11     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.12     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.13     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.14     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.15     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.16     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.17     | 2BT1      | 768  | £415.00 | £318,720.00  |
| 7     | 7.18     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 7     | 7.19     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 7     | 7.20     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 7     | 7.21     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 7     | 7.22     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 7     | 7.23     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 7     | 7.24     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 7     | 7.25     | 2BT2      | 768  | £415.00 | £318,720.00  |
| 8     | 8.01     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.02     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.03     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.04     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.05     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.06     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.07     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.08     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.09     | 1BT1      | 530  | £455.00 | £241,150.00  |
| 8     | 8.10     | 2BT1      | 768  | £417.50 | £320,640.00  |
| 8     | 8.11     | 2BT1      | 768  | £417.50 | £320,640.00  |
| 8     | 8.12     | 2BT1      | 768  | £417.50 | £320,640.00  |
| 8     | 8.13     | 2BT1      | 768  | £417.50 | £320,640.00  |
| 8     | 8.14     | 2BT1      | 768  | £417.50 | £320,640.00  |
| 8     | 8.15     | 2BT1      | 768  | £417.50 | £320,640.00  |
| 8     | 8.16     | 2BT1      | 768  | £417.50 | £320,640.00  |

| 8     | 8.17     | 2BT1      | 768           | £417.50        | £320,640.00           |
|-------|----------|-----------|---------------|----------------|-----------------------|
| 8     | 8.18     | 2BT2      | 768           | £417.50        | £320,640.00           |
| Floor | Unit No. | Unit Type | SQFT          | £SQFT          | Sale Price £          |
| 8     | 8.19     | 2BT2      | 768           | £417.50        | £320,640.00           |
| 8     | 8.20     | 2BT2      | 768           | £417.50        | £320,640.00           |
| 8     | 8.21     | 2BT2      | 768           | £417.50        | £320,640.00           |
| 8     | 8.22     | 2BT2      | 768           | £417.50        | £320,640.00           |
| 8     | 8.23     | 2BT2      | 768           | £417.50        | £320,640.00           |
| 8     | 8.24     | 2BT2      | 768           | £417.50        | £320,640.00           |
| 8     | 8.25     | 2BT2      | 768           | £417.50        | £320,640.00           |
| 9     | 9.01     | 1BT1      | 530           | £460.00        | £243,800.00           |
| 9     | 9.02     | 1BT1      | 530           | £460.00        | £243,800.00           |
| 9     | 9.03     | 1BT1      | 530           | £460.00        | £243,800.00           |
| 9     | 9.04     | 1BT1      | 530           | £460.00        | £243,800.00           |
| 9     | 9.05     | 1BT1      | 530           | £460.00        | £243,800.00           |
| 9     | 9.06     | 2BT1      | 768           | £420.00        | £322,560.00           |
| 9     | 9.07     | 2BT1      | 768           | £420.00        | £322,560.00           |
| 9     | 9.08     | 2BT1      | 768           | £420.00        | £322,560.00           |
| 9     | 9.09     | 2BT1      | 768           | £420.00        | £322,560.00           |
| 9     | 9.10     | 2BT2      | 768           | £420.00        | £322,560.00           |
| 9     | 9.11     | 2BT2      | 768           | £420.00        | £322,560.00           |
| 9     | 9.12     | 2BT2      | 768           | £420.00        | £322,560.00           |
| 9     | 9.13     | 2BT2      | 768           | £420.00        | £322,560.00           |
| 9     | 9.14     | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 9     | 9.15     | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 9     | 9.16     | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 9     | 9.17     | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 9     | 9.18     | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 9     | 9.19     | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 9     | 9.20     | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 10    | 10.01    | 1BT1      | 530           | £465.00        | £246,450.00           |
| 10    | 10.02    | 1BT1      | 530           | £465.00        | £246,450.00           |
| 10    | 10.03    | 1BT1      | 530           | £465.00        | £246,450.00           |
| 10    | 10.04    | 2BT1      | 768           | £422.50        | £324,480.00           |
| 10    | 10.05    | 2BT1      | 768           | £422.50        | £324,480.00           |
| 10    | 10.06    | 2BT1      | 768           | £422.50        | £324,480.00           |
| 10    | 10.07    | 2BT2      | 768           | £422.50        | £324,480.00           |
| 10    | 10.08    | 2BT2      | 768           | £422.50        | £324,480.00           |
| 10    | 10.09    | 2BT2      | 768           | £422.50        | £324,480.00           |
| 11    | 11.01    | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 11    | 11.02    | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 11    | 11.03    | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 11    | 11.04    | 2BPH      | 1046          | £460.00        | £481,160.00           |
| 11    | 11.05    | 2BPH      | 1046          | £460.00        | £481,160.00           |
|       |          |           | <b>166979</b> | <b>£423.98</b> | <b>£70,795,395.00</b> |

**Phoenix Works Commercial GDV Target Residential Value: -**

| Floor  | Unit No. |  | SQFT        | £SQFT          | Sale Price £       |
|--------|----------|--|-------------|----------------|--------------------|
| Ground | Unit 1   |  | 2635        | £250.00        | £658,750.00        |
| Ground | Unit 2   |  | 998         | £250.00        | £249,500.00        |
|        |          |  | <b>3633</b> | <b>£250.00</b> | <b>£908,250.00</b> |

For the car parking, we have included an allowance £12,500 per parking space, which will be offered for sale or rent to the residents within the building.

**Total Gross Development Value**

| Development Use  | GDV                   |
|------------------|-----------------------|
| Residential      | £70,795,395.00        |
| Commercial Space | £908,250.00           |
| Car Parking      | £137,500.00           |
| <b>Total</b>     | <b>£71,841,145.00</b> |

**Basis of the Viability: -**

| <u>Expenditure</u> | <u>Activity</u>                               | <u>Qty</u> | <u>Rate</u> | <u>Value (£)</u> |
|--------------------|-----------------------------------------------|------------|-------------|------------------|
|                    |                                               |            |             |                  |
|                    |                                               |            |             |                  |
| <b>LAND:</b>       | Site purchase                                 |            |             | £4,423,000       |
|                    | Lease Re-Gear and Extension                   |            |             | £882,554         |
|                    | Site Insurance                                |            |             | £30,000          |
|                    |                                               |            |             |                  |
|                    | Stamp Duty                                    |            |             | £213,750         |
|                    | Solicitors fees                               |            |             | £84,000          |
|                    | Application fee                               |            |             | £50,975          |
|                    |                                               |            |             |                  |
| <b>FEES:</b>       | <b><u>Professional Fees &amp; Surveys</u></b> |            |             |                  |
|                    | Planning consultant                           |            |             | £72,950          |
|                    | Consultations                                 |            |             | £2,250           |
|                    | Air Quality Assessment                        |            |             | £950             |
|                    | Noise Impact Assessment                       |            |             | £2,500           |
|                    | Phase 1 Ecology Report                        |            |             | £750             |
|                    | Arboriculture Survey                          |            |             | £950             |
|                    | Phase 1 Geo-Environmental Report              |            |             | £2,126           |
|                    | Phase 2 Site Investigation                    |            |             | £16,250          |
|                    | UXO Survey and Remediation                    |            |             | £1,300           |
|                    | Knotweed Survey                               |            |             | £1,000           |

|                   |                                                                  |  |       |                    |
|-------------------|------------------------------------------------------------------|--|-------|--------------------|
|                   | Daylight, Sunlight Assessment                                    |  |       | £4,000             |
|                   | Right to lights Consultants                                      |  |       | £16,790            |
|                   | Right to lights Insurance                                        |  |       | £150,000           |
|                   | Crime Impact Assessment                                          |  |       | £7,230             |
|                   | Wind Assessment                                                  |  |       | £4,000             |
|                   | Sustainable urban drainage systems                               |  |       | £5,500             |
|                   | BREEAM & Environmental Standards Assessment                      |  |       | £10,375            |
|                   | Landscaping Consultant                                           |  |       | £26,100            |
|                   | Transport Survey & Travel Plans                                  |  |       | £14,500            |
|                   | Building Regulation fee                                          |  |       | £24,000            |
|                   | Oversailing                                                      |  |       | £5,000             |
|                   | Party wall                                                       |  |       | £5,000             |
|                   | Waste Management Plan                                            |  |       | £2,600             |
|                   | Verified Views for Townscape & Visual Report                     |  |       | £8,625             |
|                   | Television & Signal Reception Survey                             |  |       | £1,250             |
|                   | Archaeological DBA                                               |  |       | £1,475             |
|                   | Ground Water Assessment                                          |  |       | £2,000             |
|                   | Existing Drainage, Services & Asbestos Survey's and Report       |  |       | £10,500            |
|                   | Topographical and Building Survey                                |  |       | £4,075             |
|                   | Section 38 agreements                                            |  |       | £10,000            |
|                   | Section 278 agreements                                           |  |       | £50,000            |
|                   | Easements, Diversions & Investigations of Existing Services      |  |       | £75,000            |
|                   | New Services                                                     |  |       | £0                 |
|                   | Legal fees for Easements/Diversions & agreements                 |  |       | £15,000            |
|                   | Sale & Marketing Fees                                            |  | 2.0%  | £1,434,073         |
|                   | Architect fees                                                   |  | 2.2%  | £992,566           |
|                   | Structural Engineer fees                                         |  | 1.25% | £563,958           |
|                   | Quantity Surveyor fees                                           |  | 1.00% | £451,166           |
|                   | M & E Engineer fees                                              |  | 0.5%  | £225,583           |
|                   | Project Management Fees                                          |  | 0.25% | £60,000            |
|                   | Principal Designer fees                                          |  | 0.05% | £22,558            |
|                   | Fire Consultants                                                 |  |       | £65,000            |
|                   | Acoustician                                                      |  |       | £14,600            |
|                   | Other Consultants                                                |  |       | £79,000            |
|                   | Valuation fees (Bank Surveyor)                                   |  |       | £30,000            |
|                   | Construction Legal fees                                          |  |       | £30,000            |
|                   | Project / OCIP Insurance                                         |  |       | £100,000           |
|                   | Affordable Housing Contribution                                  |  |       | £250,000           |
|                   | VAT on fees                                                      |  | 20.0% | £4,836,300         |
| <b>BUILD COST</b> | <b>New Building Work</b>                                         |  |       | <b>£45,116,620</b> |
|                   | Novated Design Fees                                              |  |       | £511,450           |
|                   | PCSA Agreement                                                   |  |       | £200,000           |
|                   | Demolition, Site Clearances                                      |  |       | £120,000           |
|                   | Public Realm/Courtyard within our ownership                      |  |       | £305,400           |
|                   | Private Terrace Areas and Podium External Areas                  |  |       | £211,980           |
|                   | Public Realm new building work outside of our ownership/boundary |  |       | £96,000            |
|                   | Development Contingency                                          |  | 2.0%  | £902,332           |
|                   | NHBC Insurance                                                   |  |       | £237,000           |

|                      |                                                      |         |                  |                    |
|----------------------|------------------------------------------------------|---------|------------------|--------------------|
|                      | Inflation                                            |         |                  | £1,353,499         |
|                      | Development Management Fee                           |         |                  | £992,418           |
|                      |                                                      |         |                  |                    |
|                      | Fees & Construction Total                            |         |                  | £58,636,649        |
|                      |                                                      |         |                  |                    |
| <b>BANK CHARGES:</b> | Finance charges: -                                   |         |                  |                    |
|                      | Arrangement Fee                                      |         | 1.00%            | £450,964           |
|                      | Exit Fee                                             |         | 1.00%            | £450,964           |
|                      | Bank Interest 7.5% of Senior Debt Funds plus Libor   |         |                  | £3,665,277.00      |
|                      |                                                      |         |                  |                    |
|                      | Expenditure Total                                    |         |                  | £63,203,854        |
|                      |                                                      |         |                  |                    |
| <b>SALES</b>         | Total Sales Value                                    |         |                  |                    |
|                      | Car Parking                                          | 11      | £12500 per space | £137,500           |
|                      | Residential Area                                     | 166,979 | £423.98          | £70,795,395        |
|                      | Commercial                                           | 3,633   | £250 SQFT        | £908,250           |
|                      | Freehold Sale                                        |         |                  | £1,415,908         |
|                      | Gross Development Value                              |         |                  | <b>£73,257,053</b> |
|                      | Profit on Cost (£)                                   |         |                  | <b>£10,053,199</b> |
|                      |                                                      |         |                  |                    |
|                      | Profit as percentage of Cost                         |         |                  | <b>15.91%</b>      |
|                      |                                                      |         |                  |                    |
|                      | Freehold Sale                                        |         |                  | £1,415,908         |
|                      | Profit as percentage of Cost including Freehold Sale |         |                  | <b>18.15%</b>      |

Land Purchase price is based on agreed sale, plus the lease re-gear with Manchester City Council, which is based on the 237 units which sit on council freehold land and using a calculation from other plots previously agreed.

The professional fees are based on agreed fees from each team member as required to deliver the project but equates to circa 7% overall.

Construction costs are based on a cost plan produced by Rider Levett Bulknall (see appendix A) this equates to £197/ft<sup>2</sup> but excludes any novated or professional fees which has been included separately. This construction cost is comparably to our other local projects.

As part of the build cost and shown separately on the viability sheet, we have highlighted the public realm works.

Included with the cost plan is a 3% design development contingency and we have added a further 2% project contingency, to give us a 5% contingency overall.

Development management fee equates to 2%.

Finance Rate 7.5% which is based on our knowledge from this scale of development.

Our cost per sqft for the residential sales is net of sales and agency fees.

## Conclusion

Phoenix Works is the final development which will complete the masterplan area which DeTrafford have developed in its entirety which, alongside significant environmental improvements, is delivering more than 1,000 homes in the Roof Gardens, Sky Gardens, City Gardens, St George's Gardens, Gallery Gardens and Phoenix Works developments, alongside the nearby No 1 Castlefield development which will deliver more than 400 further homes in the local area.

As such this final phase includes the Public Square which ties in with the surrounding buildings, and will be complimented with the commercial units opening out onto it which together will provide for community interation and contribute to place making. The cost of this Public Courtyard and surrounding public realm is £401,400 which is significant contribution to local community.

The appraisal shows a development margin of 16.65%, which does not take into account any profits made from freehold sales, if there is an ability to do this in the future. As such we suggest that the scheme can't support any Section 106 affordable housing contribution, because the profit margin is below expectations and below industry standard development profits of 20%.

## **Appendix A – Cost Plan**