



**Lambert
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**Financial Viability Appraisal
Review**

Of

Developments at New Cross

On behalf of

Manchester City Council

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1 Introduction

- 1.1 Lambert Smith Hampton has been appointed by Manchester City Council to review the Financial Viability Appraisal (FVA) submitted by Deloitte in relation to 3 developments in the New Cross area of Manchester.
- 1.2 There are three development sites in total:
 1. Bendix Street - (proposed 161 residential unit development, together with 172.0 sq. m (1,851 sq. FT) gross internal area of commercial space);
 2. Oldham Road, Manchester (proposed development of 144 residential units and 144.0 sq. m (1,548 sq. FT) gross internal area of commercial space;
 3. Goulden Street, Manchester (a Grade II Listed 'Former Police and Ambulance Station' which is to provide 73 residential units and 221 sq. m (2,379 sq. FT) of commercial space.
- 1.3 The FVA includes a cost appraisal which shows that should the schemes proceed as designed, i.e. non-compliant with the Framework, then a surplus of £810,000 would be available for financial contribution to Section 106, public realm and affordable housing contributions.
- 1.4 We have reviewed the assumptions made within the Financial Viability Assessment undertaken by Deloitte, providing comment on their validity. We have also undertaken our own appraisal of the scheme. Our advice is provided in adherence to RICS guidance note 94/12.
- 1.5 This review has been prepared in accordance with the Financial Viability in Planning: Conduct and Reporting (1st edition) RICS Professional Statement 7 dated May 2019 and effective from 1 September 2019 ('the Professional Statement'). This document sets out mandatory requirements on conduct and reporting in relation to FVAs for planning in England to demonstrate how a reasonable, objective and impartial outcome should be arrived at. It also aims to support and complement the government's reforms to the planning process announced in July 2018 and any subsequent updates.
- 1.6 Sections 2.1 to 2.14 of the Professional Statement set out the fourteen mandatory reporting and process requirements for all FVAs prepared on behalf of, or by applicants, reviewers, decision-makers and plan-makers. We confirm that this FVA has been carried out in

accordance with Sections 2.1 to 2.14. The mandatory reporting requirements are set out under the sub-headings below and expanded on where relevant in this FVA.

2.1: Objectivity, impartiality and reasonableness statement

- 1.7 We confirm that this FVA has been carried out by a RICS member who has acted with objectivity, impartiality, without interference and with reference to all appropriate available sources of information.

2.2: Confirmation of instructions and absence of conflicts of interest

- 1.8 LSH has been appointed by the Local Planning Authority (Manchester City Council) to undertake an independent and robust evidence-based review of the viability assessment of the proposed development on the site.
- 1.9 LSH has no other involvement with the site or the Applicants and as such we do not consider that any conflict of interest, or risk of conflict of interest, arises in this instance.

2.3: No contingent fee statement

- 1.10 In preparing this report, no performance-related or contingent fees have been agreed.

2.4: Transparency of information

- 1.11 This FVA has been prepared on the basis that it will be made publicly available.

2.5: Confirmation where the RICS member is acting on area-wide and scheme-specific FVAs

- 1.12 The author is currently working on area-wide assessments for Pendle BC and Blackpool BC. The author also regularly carries out independent FVA audit commissions for a number of Local Planning Authority clients in Cheshire, Derbyshire, Greater Manchester, Lancashire and Staffordshire. Neither LSH, nor the author has ever undertaken any area-wide or FVA audit work on behalf of the applicant.

2.6: Justification of Evidence

- 1.13 Where we aren't limited by wider RICS requirements to maintain the confidentiality of confidential information, inputs into this review have been reasonably justified as explained in further detail throughout this report.

2.7: Benchmark Land Value

- 1.14 We have assessed the benchmark land value in accordance with the requirements of Section 2.7 of the Professional Statement (see 7.20 to 7.29 below) in that we have reported in the context of the following:

- Current Use Value (referred to as Existing Use Value ('EUV'))
- Premium

- Market evidence (as adjusted in accordance with the PPG)
- All supporting considerations, assumptions and justifications adopted
- Alternative Use Value (as appropriate)

2.8: Sensitivity Analysis

- 1.15 A sensitivity analysis in respect of the Gross Development Value, build costs and also various levels of on-site affordable housing provision is provided in our own independent residual appraisal, included at Appendix 1 of this report.

2.9: Engagement

- 1.16 We confirm that we have advocated, and will advocate reasonable, transparent and appropriate engagement between the parties at all stages of the viability process.

2.10: Non-technical Summaries

- 1.17 A non-technical summary is provided at the end of this report which includes the key figures and issues that support the conclusions drawn from this FVA (see Section 5: Findings and Conclusions).

2.11: Timeframes for carrying out assessments

- 1.18 We confirm that adequate time has been allowed to produce this viability review having regard to the scale and nature of this particular project.
- 1.19 We further confirm that this viability review has been carried out in accordance with Section 4 – Duty of Care and Due Diligence of the Professional Statement.
- 1.20 We set out in the conclusions of this report our assessment of the FVA submitted by Deloitte and recommendations in terms of the planning contributions that the development could viably sustain based on our review.

2 Site Context

- 2.1 The FVA which has been issued to us has been prepared by Deloitte Real Estate (DRE) and is dated 14th February 2020. There are a number of appendices attached to the report, including a Cost Plan ('the Cost Plan') as prepared by Rider Levett Bucknall (RLB) dated January 2020.

Bendix Street – 13 storey building with roof terrace providing one ground floor commercial unit and 161 apartments

Goulden Street – 9 storey building with roof terrace providing one commercial unit and 73 apartments

Oldham Road – 12 storey building with roof terrace providing 144 apartments

- 2.2 The three sites fall within an area which is covered by the New Cross Development Framework ('the Framework'). The Framework was put into place in July 2015 by Manchester City Council and later updated in December 2017. The Framework outlines guidance in respect of massing and density rates. The above schemes are all over and above the guidance in the Framework.

- 2.3 The FVA includes a cost appraisal which shows that should the schemes proceed as designed, i.e. non-compliant with the Framework, then a surplus of £810,000 would be available for financial contribution to Section 106, public realm and affordable housing contributions.

- 2.4 On the basis that the schemes do not currently comply with the Framework, DRE have undertaken an exercise to establish a hypothetical scheme on a pro rata basis. This sees the schemes being compliant with the Framework, and would see the schemes reduced to the following;

Bendix Street – 8 storey building now with 96 units

Goulden Street – 6 storey building now with 43 units

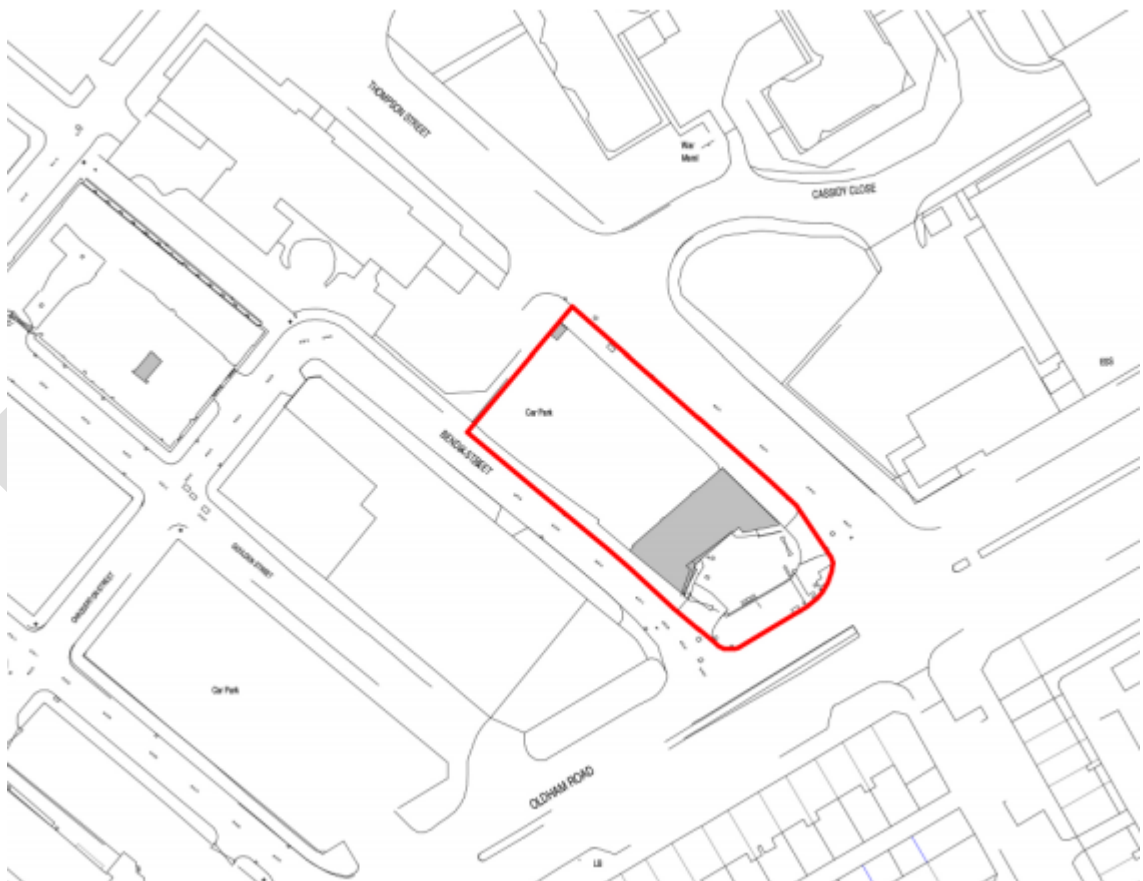
Oldham Street – 7 storey building now with 75 units

- 2.5 The FVA includes a cost appraisal for the hypothetical scheme, which shows that if the scheme were to adhere to the guidance of the Framework, the surplus reduces from £810,000 to -£300,000 meaning there is no scope for any affordable housing or financial contribution from the developer.

3 Site Background – Bendix Street

Location and Description

- 3.1 The site lies within the Piccadilly area of Manchester and is within the New Cross Development Framework Area.
- 3.2 We understand that the site extends to c.0.14 and is located on Bendix Street, where it is also accessed from. The site is surrounded by a variety of uses including a supermarket, a grocery store and a fire station. There are other nearby development sites being built out by a number of developers including BB and FEC.
- 3.3 The proposed development is for 161 apartments as a mix of 56no. 1 bedroom units, 96no. two bedroom units and 9no. 3 bedroom units with 147sq m of ground floor commercial space, use to be defined.



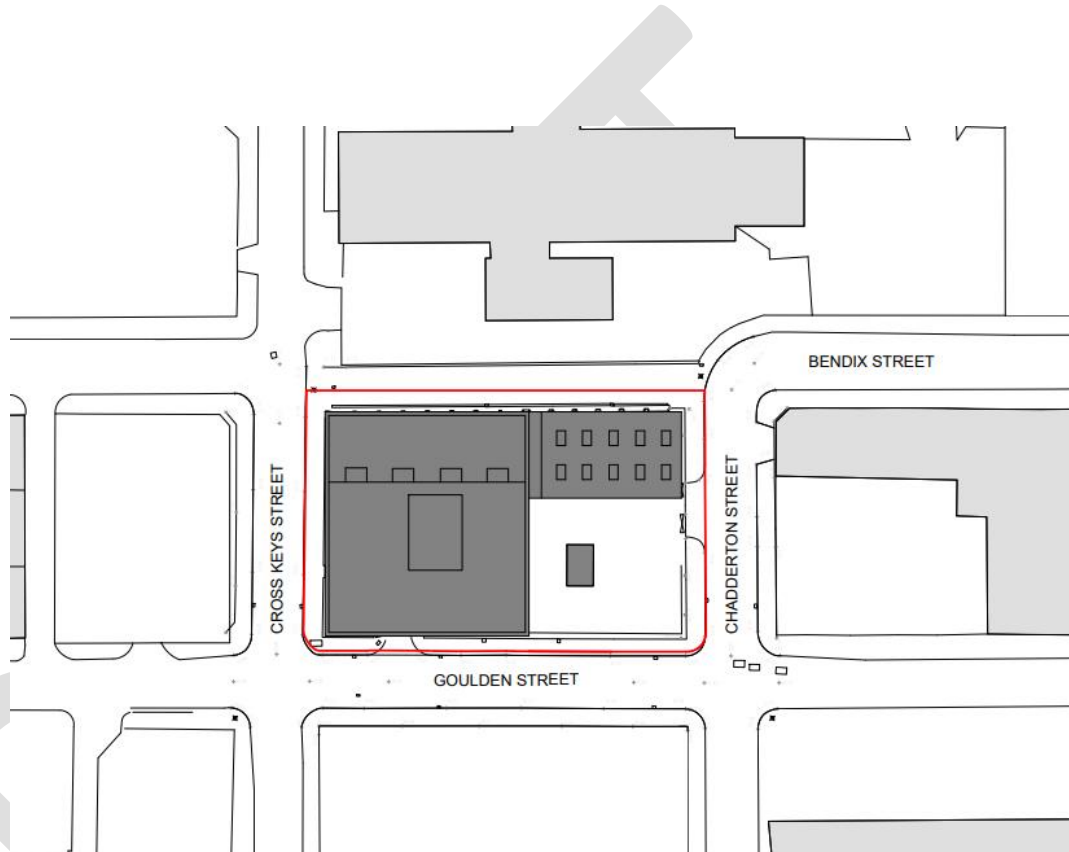
(Source: LandInsight)

- 3.4 The site is currently home to a lock smith business and associated car parking.

4 Site Background – Goulden Street

Location and Description

- 4.1 The Goulden Street site is within the 'New Cross' development area, and sits between Cross Keys Street, Goulden Street and Chadderton Street. The site itself extends to 0.14ha .
- 4.2 The Proposed Development seeks to deliver 73 apartments, 205sqm of commercial floor space and 514sqm of internal/external amenity space. The development is proposed to be 9 storeys in height.

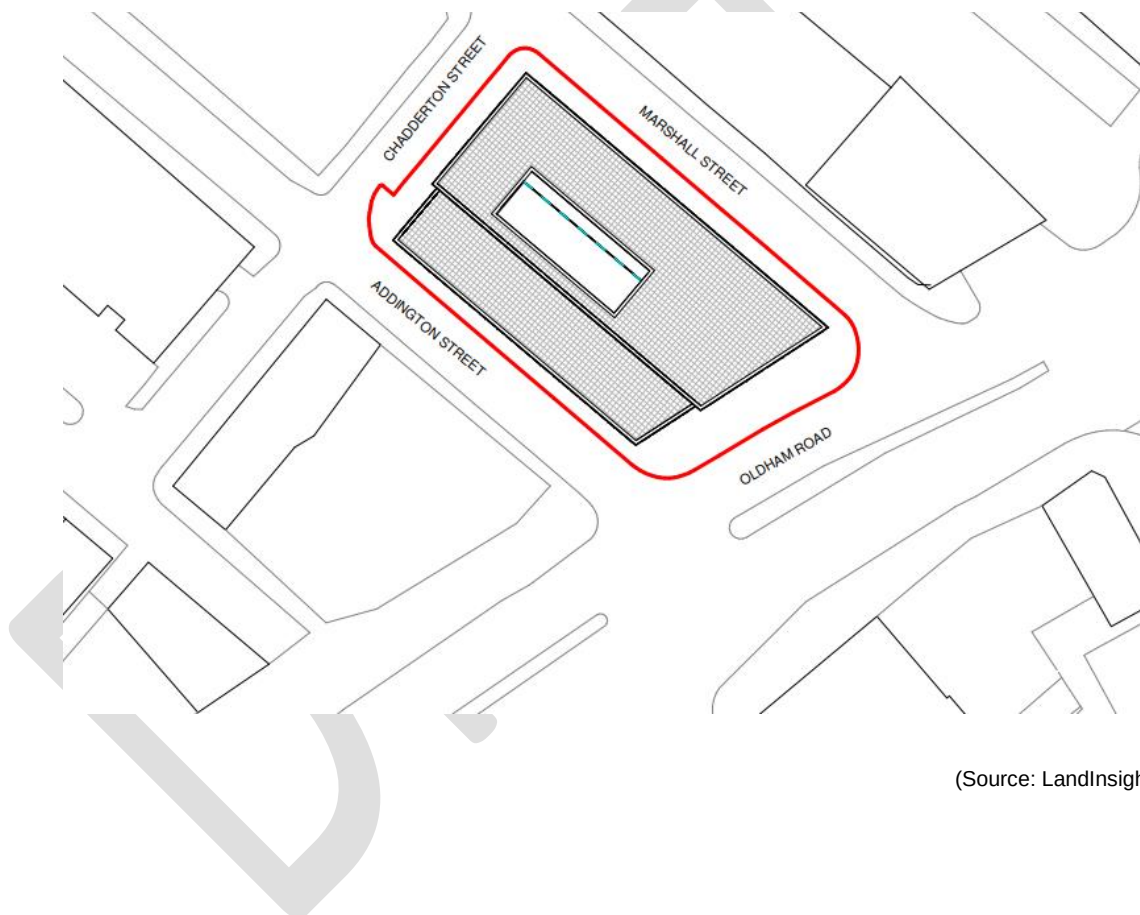


(Source: LandInsight)

5 Site Background – Oldham Road

Location and Description

- 5.1 We understand that the property also lies within the New Cross Development Framework area. The existing property comprises a single storey building adjoined to a 4 storey commercial building.
- 5.2 The proposed development comprises a twelve storey building with roof terrace. It provides a ground floor commercial unit and 144 no. apartments. The apartments comprise studio, one, two and three bed apartments over the ground to the twelfth floors, which is not compliant with the height and density benchmarks in the New Cross Development Framework.



(Source: LandInsight)

6 Assessment of Applicant's FVA – Bendix Street

The applicant has submitted a viability statement within their planning application for Bendix Street. The appraisal shows a scheme for 161 apartments over twelve storeys. Additionally there is 1,851 sq. FT of ground floor commercial space.

Value of the Completed Development

- 6.1 The applicant has determined that the gross development value of the residential scheme on an open market basis is £36,671,000. This equates to a sales value of £335.14/sq. FT for the apartments.
- 6.2 Additionally, the GDV of the commercial space is £1,213,201 allowing for a rent of £17.50/sq. FT and a Yield of 6.5%. The ground rents for the apartments are included within this figure.
- 6.3 Our view of the applicants' market research is that they have undertaken a large amount of research and comparable data analysis to provide what we believe is robust and accurate sales evidence.
- 6.4 Additionally, a large number of comparable schemes have been assessed when arriving at the suggested GDV of the residential units.
- 6.5 There is a c.10% increase in GDVs of the apartments from 1st floor to 12th floor, which we consider to be reasonable – indeed the units on the higher floors command upwards of £350/sq. ft.
- 6.6 LSH has undertaken its own sales evidence on the area and has found that in the 2 years to May 2020, there were 184 new build apartment sales within 0.25 miles of the subject site. The units sold for an average of £235,991 which equates to an average value of £342.26/sq. ft. As a result we believe the adopted apartment GDVS are set at an acceptable rate to assume given the good quality design elements and location of the scheme along with the quantum of the development.

Scheme Costs

Base Build Costs

- 6.7 As the developer's proposed scheme is not compliant with the Framework, in order for the FVA to demonstrate the level of surplus available on a scheme compliant with the Framework, DRE have made a pro rata calculation to demonstrate a hypothetical scheme.

- 6.8 We consider this approach reasonable in an effort to establish the viability of a compliant scheme compared to a non-compliant scheme. However, we note that there are constraints to this methodology.
- 6.9 The construction costs shown in the Cost Plan have been prepared on the basis of construction of three building at 13, 9, and 12 storeys in height. The pro rata scheme shows these buildings being reduced to 8, 6 and 7 storeys respectively. In reality, it is likely that the construction cost would reduce more significantly than the pro rata rate allows for as generally speaking, the costs for the structure of a smaller building decrease disproportionately rather than on a pro rata basis.
- 6.10 For this reason, we are of the opinion that the costs put forward for the Framework compliant scheme should be calculated in greater detail to allow a more accurate assessment to be undertaken on this scheme.
- 6.11 If we apply the same Pro-Rata calculations on reduction for other cost items – it changes the deliverability of the scheme significantly. Again, there are flaws in this method, and it has not been assessed fully in our own FVA for the site.
- 6.12 The approach that LSH has taken is to make assumptions based on the more accurate pricing of the proposed schemes, rather than the compliant schemes.

Summary and Conclusions on Build Cost Assessment

- 6.13 In summary, despite the above comments we generally agree with the items contained within the FVA. There will need to be demolition works undertaken on the sites; the Listed chimney will need repair works undertaking and; it is industry practice and prudent to make allowances for contingencies and professional fees. We do not object to these items being contained as part of the cost plan, but in our opinion there needs to be further clarity in respect of these items if they are to be accurately assessed. All that LSH can do from this point of view is assess the scheme against market norms, which it appears to be consistent with.
- 6.14 Equally, with regard to the pro rata calculation which DRE have undertaken for the scheme, we do not disagree with the methodology behind this. However the effect of the original cost plan not being entirely clear is that the figures are likely a misrepresentation of a true project cost. LSH therefore is sense checking the inputs against industry norms.

Client Contingency

- 6.15 The applicants FVA has assumed a client contingency of £751,530 which equates to c.3% of the build cost. On a development of this scale we believe that this is a reasonable figure to adopt and is at the lower end of what we consider to be industry standard.

Professional Fees

- 6.16 The applicant has allowed for c.8% of the total base build costs for professional fees which we would deem acceptable on a scheme of this nature. We would generally accept between 6% and 10% for this input.

Developers Profit

- 6.17 The applicant has allowed for a profit of 17.5% on cost. This equates to 14.86%% on GDV and is within the market parameters that we consider being acceptable. This figure is in line with Planning Policy Guidance for Viability, and also represents a similar figure to that which we have seen across similar developments in Manchester over the past 12 months.

Land Acquisition Costs

- 6.18 The applicant has assumed land value based on the EUV + methodology which sets the land value of the site at £865,000 which we consider to be robust.

7 Assessment of Applicant's FVA – Goulden Street

The applicant has submitted a viability statement within their planning application for Bendix Street. The appraisal shows a scheme for 73 apartments over nine storeys. Additionally there is 2,379 sq. FT of ground floor commercial space.

Value of the Completed Development

- 7.1 The applicant has determined that the gross development value of the residential scheme on an open market basis is £16,398,000. This equates to a sales value of £336.20/sq. FT for the apartments.
- 7.2 Additionally, the GDV of the commercial space is £928,479 allowing for a rent of £17.50/sq. FT and a Yield of 6.5%. The ground rents for the apartments are included within this figure.
- 7.3 Our view of the applicants' market research is that they have undertaken a large amount of research and comparable data analysis to provide what we believe is robust and accurate sales evidence.
- 7.4 Additionally, a large number of comparable schemes have been assessed when arriving at the suggested GDV of the residential units.
- 7.5 LSH has undertaken its own sales evidence on the area and has found that in the 2 years to May 2020, there were 184 new build apartment sales within 0.25 miles of the subject site. The units sold for an average of £235,991 which equates to an average value of £342.26/sq. ft. As a result we believe the adopted apartment GDVS are set at an acceptable rate to assume given the good quality design elements and location of the scheme along with the quantum of the development.

Scheme Costs

Base Build Costs

- 7.6 See 5.7

Chimney Cost

- 7.7 The RLB Cost Plan identifies a cost for works to the Listed Chimney being retained at the Goulden Street Site. This is a lump sum figure which cannot be validated. It is recommended that an outline scope of works is provided for review so that the costs can be validated. Additionally, DRE state that the cost is included within the base build, yet it is listed separately within the appraisal.

- 7.8 As a result, LSH has removed the equivalent cost from the base build cost.

Client Contingency

- 7.9 The applicants FVA has assumed a client contingency of £751,530 which equates to c.3% of the build cost. On a development of this scale we believe that this is a reasonable figure to adopt and is at the lower end of what we consider to be industry standard.

Professional Fees

- 7.10 The applicant has allowed for c.8% of the total base build costs for professional fees which we would deem acceptable on a scheme of this nature. We would generally accept between 6% and 10% for this input.

Developers Profit

- 7.11 The applicant has allowed for a profit of 17.5% on cost. This equates to 14.86%% on GDV and is within the market parameters that we consider being acceptable. This figure is in line with Planning Policy Guidance for Viability, and also represents a similar figure to that which we have seen across similar developments in Manchester over the past 12 months.

Land Acquisition Costs

- 7.12 The applicant has assumed land value based on the EUV + methodology which sets the land value of the site at £470,000 which we consider to be robust.

8 Assessment of Applicant's FVA – Oldham Road

The applicant has submitted a viability statement within their planning application for Bendix Street. The appraisal shows a scheme for 144 apartments over twelve storeys. Additionally there is 1,548 sq. FT of ground floor commercial space.

Value of the Completed Development

- 8.1 The applicant has determined that the gross development value of the residential scheme on an open market basis is £32,092,000. This equates to a sales value of £334.42/sq. FT for the apartments.
- 8.2 Additionally, the GDV of the commercial space is £1,058,667 allowing for a rent of £17.50/sq. FT and a Yield of 6.5%. The ground rents for the apartments are included within this figure.
- 8.3 Our view of the applicants' market research is that they have undertaken a large amount of research and comparable data analysis to provide what we believe is robust and accurate sales evidence.
- 8.4 Additionally, a large number of comparable schemes have been assessed when arriving at the suggested GDV of the residential units.
- 8.5 There is a c.10% increase in GDVs of the apartments from 1st floor to 12th floor, which we consider to be reasonable – indeed the units on the higher floors command upwards of £350/sq. ft.
- 8.6 LSH has undertaken its own sales evidence on the area and has found that in the 2 years to May 2020, there were 184 new build apartment sales within 0.25 miles of the subject site. The units sold for an average of £235,991 which equates to an average value of £342.26/sq. ft. As a result we believe the adopted apartment GDVS are set at an acceptable rate to assume given the good quality design elements and location of the scheme along with the quantum of the development.

Scheme Costs

Base Build Costs

- 8.7 See 5.7

Client Contingency

- 8.8 The applicants FVA has assumed a client contingency of £751,530 which equates to c.3% of the build cost. On a development of this scale we believe that this is a reasonable figure to adopt and is at the lower end of what we consider to be industry standard.

Professional Fees

- 8.9 The applicant has allowed for c.8% of the total base build costs for professional fees which we would deem acceptable on a scheme of this nature. We would generally accept between 6% and 10% for this input.

Developers Profit

- 8.10 The applicant has allowed for a profit of 17.5% on cost. This equates to 14.86%% on GDV and is within the market parameters that we consider being acceptable. This figure is in line with Planning Policy Guidance for Viability, and also represents a similar figure to that which we have seen across similar developments in Manchester over the past 12 months.

Land Acquisition Costs

- 8.11 The applicant has assumed land value based on the EUV + methodology which sets the land value of the site at £1,010,000 which we consider to be robust.

9 LSH Appraisal

- 9.1 We have set out below our assumptions with regards to values, costs and phasing of development in order to test the applicant's FVA.

Income and values

- On the basis of all units being in close proximity, we have taken a blended average across the 3 schemes of £335/sq. FT GDV for the apartments. This is backed up by our own research (at appendix 1).
- LSH has also reviewed the rents and yields attached to the commercial units and concluded that the relatively small commercial spaces are likely to be filled by small independent businesses. This area is a strong market for this so we anticipate the rents and yields to be accurate within the applicants appraisal

Costs

- 9.2 We have set out below our assumptions with regards to values, costs and phasing of development in order to test the applicant's FVA.

Construction

- Base Build Costs – as per the applicants FVA - with the exception of Goulden Street where we identify a £400,000 double count and deduct this from the appraisal.
- Professional Fees – 8% of GDV in line with industry standard and the applicants FVA
- Contingency – 3% in line with industry standard and the applicants FVA

Finance

- Debit Rate – 5.5% as per the applicants FVA
- Finance Costs - a total finance cost of £3,313,844

Performance Measures

- 9.3 Below, LSH has set out a table showing the individual performance of each scheme, and the collective performance of each scheme if viewed as one development. Furthermore, LSH has undertaken a similar study on the basis of the policy compliant schemes (though these are not accurately costed or assessed at this stage, rather assumptions made based on reduced quantum of development).

Development	GDV	Total Cost	Total Profit	Benchmark Value	Residual Value	Surplus/Deficit
Bendix Street Proposed	£37,959,046	£32,234,956	£5,641,115	£865,000	£1,316,904	£451,904
Goulden Street Proposed	£17,344,790	£14,707,038	£2,573,732	£470,000	-£525,618	-£995,618
Oldham Street Proposed	£33,211,661	£28,265,239	£4,946,421	£1,010,000	£1,983,997	£973,997
Overall Proposed	£88,515,497	£75,207,233	£13,161,268	£2,345,000	£2,775,283	£430,283

9.4 As is demonstrated above and in further detail within the appended appraisals, the proposed scheme delivers a surplus of £430,283 according to LSH appraisals. This is c.£370,000 below the surplus being offered by the developer within their own appraisals.

9.5 It is evident from the above, that the performance of Goulden Street as a stand alone development is very poor – and it is being supplemented by Bendix Street and Oldham Street.

9.6 What is also evident is that judging the three developments as one, negatively affects the contributions to MCC that Bendix Street and Oldham Street are able to make.

9.7 Below, LSH has undertaken a further review of the policy compliant schemes:

Development	GDV	Total Cost	Total Profit	Benchmark Land V	Residual Land Va	Surplus/Deficit
Bendix Street Compliant	£23,160,161	£19,640,150	£3,437,026	£865,000	£1,007,354	£142,354
Goulden Street Compliant	£10,630,013	£8,992,334	£1,573,659	£470,000	-£346,531	-£816,531
Oldham Street Compliant	£17,880,139	£15,155,538	£2,652,223	£1,010,000	£1,093,001	£83,001
Overall Compliant	£51,670,313	£43,788,022	£7,662,908	£2,345,000	£1,753,824	-£591,176

9.8 As is demonstrated above and in further detail within the appended appraisal, the schemes that are designed in line with the local development policy are less viable than the proposed schemes. There is an overall deficit of close to £600,000 which would need to be absorbed in the appraisal. It is unclear if the developer would accept this and the delivery of the schemes would be less likely.

9.9 The above table is not based on submitted cost evidence, and theoretically these policy compliant schemes are not able to be scrutinised at this stage – as they have not been accurately costed.

10 Conclusions

- 10.1 Having assessed the applicants Financial Viability Appraisal, we are of the opinion that the vast majority of the figures used are reasonable and in line with market trends. Indeed, in the case of the developer profit, the applicant is accepting an input below market trends.
- 10.2 The developer has undertaken accurate and up to date market research. LSH has checked and verified the market research and believes that it is valid. The conclusions on corresponding values and the ultimate GDV of the scheme drawn by the applicant are sound in the opinion of LSH. Our own market research leads LSH to a similar GDV for apartments in this location.
- 10.3 With regard to the developer's costs, LSH is of the opinion that the majority are sound and backed up by the cost plan provided by RLB. The build costs are at a level that is deemed by LSH to be acceptable for developments above 6 storeys in Manchester. Furthermore, they are backed up by the BCIS data provided by the applicant.
- 10.4 When the three sites are combined to be assessed as one, the result of the appraisals is that there is a surplus available to Manchester City Council to be used for Section 106, Public Realm and Affordable Housing Contributions.
- 10.5 LSH is of the opinion that this figure is £430,283. The applicant has submitted that the figure is £810,000. The difference is down to slight differences across a number of inputs across the appraisals. Whilst LSH accepts the inputs that the applicant has allowed for on the whole, these small differences can create a large gap when spread across 3 schemes totalling a GDV of £88,515,497 (the difference being 0.49%).
- 10.6 **LSH can therefore support the applicant's position of increased quantum of development in order to improve the viability of the combined schemes and provide the City Council with £810,000 as a further contribution.**
- 10.7 Based on the evidence available, we believe that two of the schemes are viable at the lower density levels in line with policy. However, we would require detailed costs on these schemes to be submitted prior to commenting formally.

Appendix 1: LSH Sales Evidence

Address	Sold Price	Price per sq. FT
Flat 303, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£156,200	£285.98
Flat 8, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£311,000	£391.25
Flat 6, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£244,201	£345.02
Flat 14, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£262,791	£330.60
Flat 11, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£312,000	£392.51
Flat 13, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£238,000	£420.33
Flat 2, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£218,007	£256.68
Flat 9, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£296,200	£418.49
Flat 1, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£201,952	£289.79
Flat 12, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£298,200	£421.32
10 Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£399,500	£352.77
Flat 5, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£261,000	£340.49
Flat 103, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£180,820	£334.96
Flat 4, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£179,100	£255.21
Flat 3, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£255,560	£364.16
Flat 10, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£208,000	£370.49
Flat 7, Spinners Mill, 4, Hatter Street, Manchester, Greater Manchester M4 5FZ	£198,900	£354.28
Flat 7, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£275,000	£299.42
Flat 406, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£254,292	£335.37
Flat 305, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£240,760	£327.52
Flat 608, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£281,063	£338.79
Flat 801, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£195,030	£371.44
Apartment 802, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£209,681	£327.33
5, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£399,950	£373.39
Flat 502, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£221,553	£345.86
Flat 306, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£260,000	£348.71
Flat 602, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£265,962	£415.19
Flat 601, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£189,650	£361.19
Flat 508, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£282,563	£340.60
Flat 405, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£248,292	£337.77
Flat 704, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£192,340	£366.32
Flat 701, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£192,340	£366.32
Flat 506, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£265,000	£355.42
Flat 203, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£172,200	£328.85
Flat 401, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£181,580	£346.76
Apartment 803, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£185,030	£353.35
3, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£402,000	£369.08
Flat 703, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£187,340	£357.76
Apartment 702, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£221,749	£347.11
Flat 302, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£206,708	£323.56

1, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£399,500	£366.79
Flat 706, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£263,356	£354.18
4, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£399,500	£366.79
Apartment 805, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£262,122	£357.55
Apartment 603, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£184,650	£352.62
Apartment 708, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£288,800	£349.06
Flat 107, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£215,746	£312.13
9, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£399,500	£366.79
Flat 204, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£172,200	£328.85
Flat 807, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£252,704	£365.60
Apartment 606, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£254,590	£342.39
2, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£402,000	£369.08
Flat 62, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£197,500	£342.88
Flat 707, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£249,153	£360.46
Apartment 102, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£202,000	£316.19
Apartment 201, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£170,200	£325.03
Flat 106, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£230,228	£309.62
Flat 806, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£252,122	£339.07
Apartment 108, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£256,312	£309.80
Flat 104, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£170,820	£326.21
Apartment 604, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£184,650	£352.62
Flat 804, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£195,030	£372.45
Flat 304, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£176,200	£336.49
Flat 202, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£191,708	£300.08
Flat 705, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£263,356	£359.23
Apartment 504, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£184,270	£349.42
Flat 308, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£269,812	£323.82
Flat 13, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£187,800	£342.42
Apartment 403, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£159,950	£303.31
Flat 27, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£221,421	£318.08
Flat 15, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£235,208	£343.09
Apartment 501, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£179,270	£339.94
Apartment 205, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£240,760	£326.10
Flat 505, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£247,058	£334.63
Flat 507, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£244,500	£351.24
Flat 301, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£176,200	£334.12
Flat 605, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£259,590	£351.61
Apartment 404, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£159,950	£303.31
Apartment 307, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£224,848	£323.01
Flat 50, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£231,500	£332.56
Apartment 105, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£235,000	£318.30

Flat 207, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£224,848	£323.01
Flat 208, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£266,812	£320.22
Flat 9, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£150,000	£249.51
Flat 46, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£286,000	£294.74
Flat 31, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£241,700	£347.22
Flat 408, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£278,312	£334.02
Flat 206, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£240,760	£321.51
Flat 44, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£237,500	£321.69
Flat 101, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£165,000	£312.88
Apartment 407, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£234,950	£337.52
Apartment 503, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£184,270	£349.42
Flat 42, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£232,500	£334.00
Apartment 607, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£241,153	£346.43
Flat 38, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£235,250	£337.95
Apartment 402, 9, Dyche Street, Manchester, Greater Manchester M4 4FU	£213,272	£331.49
Flat 39, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£182,750	£266.57
Flat 66, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£242,500	£343.17
Flat 1, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£224,000	£312.32
Flat 24, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£241,700	£347.84
Flat 61, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£261,122	£370.18
Flat 28, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£186,800	£341.21
Flat 12, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£227,000	£326.68
Flat 17, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£229,200	£315.51
Flat 60, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£187,500	£342.49
Flat 18, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£225,000	£323.81
Flat 25, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£188,295	£343.94
Flat 53, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£247,850	£336.31
Flat 41, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£225,000	£309.73
Flat 48, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£242,539	£349.05

Flat 2, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£165,000	£295.70
Flat 29, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£237,500	£326.93
Flat 64, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£236,000	£311.33
Flat 26, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£260,000	£374.18
Flat 19, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£237,500	£341.80
Flat 20, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£237,500	£322.26
Flat 59, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£250,000	£320.89
Flat 65, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£284,333	£385.81
Flat 47, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£225,000	£323.81
32, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£355,000	£340.60
Flat 54, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£272,669	£359.71
Flat 14, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£258,500	£372.02
Flat 32, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£224,000	£303.95
Flat 63, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£265,184	£381.64
Flat 37, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£199,754	£364.87
Flat 49, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£165,000	£301.39
Flat 43, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£237,500	£341.80
Flat 33, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£202,000	£355.31
Flat 55, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£214,700	£377.65
Flat 51, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£166,500	£304.13
Flat 52, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£247,862	£341.20
Flat 45, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£187,500	£329.80
Flat 22, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£276,075	£285.03
Flat 35, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£237,500	£341.80
Flat 40, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£165,000	£301.39
Flat 11, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4	£224,000	£291.45

4GB		
Flat 23, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£225,000	£323.81
Flat 57, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£224,950	£323.73
Flat 3, Halo House, 27, Simpson Street, Manchester, Greater Manchester M4 4GB	£210,500	£302.94
3, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£325,000	£350.43
15, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£329,950	£445.54
13, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£329,950	£445.54
19, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£319,950	£340.60
20, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£229,950	£361.16
5, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£199,000	£302.63
16, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£319,950	£340.60
21, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£229,950	£361.16
17, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£319,000	£339.58
6, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£199,000	£302.63
23, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£229,950	£361.16
27, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£289,950	£434.05
9, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£239,950	£364.90
10, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£245,000	£372.58
12, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£245,000	£372.58
11, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£245,000	£372.58
7, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£239,950	£364.90
4, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£199,000	£302.63
8, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£239,950	£364.90
18, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£319,950	£340.60
24, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£289,950	£434.05
22, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£229,950	£361.16

25, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£289,950	£434.05
Flat 1, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£205,000	
Flat 22, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£215,000	
Flat 4, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£165,000	
Flat 19, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£219,500	
Flat 11, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£172,500	
Flat 8, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£208,000	
Flat 12, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£226,000	
Flat 7, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£220,000	
Flat 26, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£233,000	
Flat 2, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£145,000	
7, Cotton House 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£401,500	
Flat 14, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£223,500	
Flat 15, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£207,000	
19, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£201,100	
Flat 28, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£237,500	
Flat 5, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£216,000	
Flat 21, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£227,000	
21, Cotton House 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£381,000	
Flat 6, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£217,500	
Flat 25, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£179,500	
Flat 20, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£224,500	
Flat 27, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£228,000	
Flat 18, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£186,000	
13, Cotton House 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£198,100	
Flat 13, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£218,000	
14, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£196,800	
Flat 9, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester	£145,500	

M4 6BQ		
Flat 23, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£155,500	
Flat 16, Popworks Building, 164, Oldham Road, Manchester, Greater Manchester M4 6BQ	£152,000	
20, Cotton House 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£240,000	
16, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£208,720	
15, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£225,000	
11, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£197,100	
17, Cotton House, 21, Blossom Street, Manchester, Greater Manchester M4 5EP	£202,100	
31, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£335,000	
30, Roper Court, 109, George Leigh Street, Manchester, Greater Manchester M4 6GG	£330,000	

Appendix 2: Bendix Street Proposed Appraisal

DRAFT

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Bendix Street
LSH V1****Summary Appraisal for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Residential	161	109,420	335.00	227,675	36,655,700

Rental Area Summary

	Units	ft²	Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	1,851	17.50	32,393	32,393	32,393
Ground Rents	<u>161</u>			250	<u>40,250</u>	<u>40,250</u>
Totals	162	1,851			72,643	72,643

Investment Valuation

Commercial					
Market Rent	32,393	YP @	6.5000%	15.3846	498,346
Ground Rents					
Current Rent	40,250	YP @	5.0000%	20.0000	805,000
					1,303,346

GROSS DEVELOPMENT VALUE**37,959,046**

Purchaser's Costs	6.80%	(82,985)	(82,985)
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NET DEVELOPMENT VALUE**37,876,062****NET REALISATION****37,876,062****OUTLAY****ACQUISITION COSTS**

Residualised Price		1,316,904	1,316,904
Stamp Duty		55,345	
Agent Fee	1.00%	13,169	
Legal Fee	0.80%	10,535	
Town Planning		38,177	
Survey		50,000	
			167,226

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Commercial	1,851 ft²	120.00 pf²	222,120
Residential	<u>136,775 ft²</u>	<u>183.15 pf²</u>	<u>25,050,956</u>
Totals	138,626 ft²		25,273,076

Developers Contingency	3.00%	758,192	
Demolition		10,000	
			768,192

PROFESSIONAL FEES

Professional Fees	8.00%	2,021,846	2,021,846
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MARKETING & LETTING

Marketing	2.00%	505,462	
Letting Agent Fee	10.00%	7,264	
Letting Legal Fee	5.00%	3,632	
			516,358

DISPOSAL FEES

Sales Agent Fee	1.00%	378,761	
Sales Legal Fee	0.50%	189,380	
			568,141

RENT FREE COSTS

Commercial	6 mths	16,196	16,196
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APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Bendix Street
LSH V1****FINANCE**

Timescale	Duration	Commences
Purchase	1	Jun 2020
Pre-Construction	6	Jun 2020
Construction	18	Dec 2020
Sale	36	Dec 2021
Total Duration	54	

Debit Rate 5.500%, Credit Rate 0.000% (Nominal)

Land	112,348	
Construction	1,474,659	
Total Finance Cost		1,587,007

TOTAL COSTS**32,234,946****PROFIT****5,641,115****Performance Measures**

Profit on Cost%	17.50%
Profit on GDV%	14.86%
Profit on NDV%	14.89%
Development Yield% (on Rent)	0.23%
Equivalent Yield% (Nominal)	5.57%
Equivalent Yield% (True)	5.77%

IRR	23.38%
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Rent Cover	77 yrs 8 mths
Profit Erosion (finance rate 5.500%)	2 yrs 11 mths

TIMESCALE AND PHASING GRAPH REPORT

LAMBERT SMITH HAMPTON

Bendix Street
LSH V1

Project Timescale Summary

Project Start Date	Jun 2020
Project End Date	Nov 2024
Project Duration (Inc Exit Period)	54 months

Phase Phase 1



Appendix 3: Bendix Street Compliant Appraisal

DRAFT

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Bendix Street
LSH V2****Summary Appraisal for Phase 1****Currency in £****REVENUE**

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Residential	96	65,244	335.00	227,675	21,856,815

Rental Area Summary

	Units	ft²	Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	1,851	17.50	32,393	32,393	32,393
Ground Rents	<u>161</u>			250	<u>40,250</u>	<u>40,250</u>
Totals	162	1,851			72,643	72,643

Investment Valuation

Commercial					
Market Rent	32,393	YP @	6.5000%	15.3846	498,346
Ground Rents					
Current Rent	40,250	YP @	5.0000%	20.0000	805,000
					1,303,346

GROSS DEVELOPMENT VALUE**23,160,161**

Purchaser's Costs	6.80%	(82,985)	(82,985)
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NET DEVELOPMENT VALUE**23,077,176****NET REALISATION****23,077,176****OUTLAY****ACQUISITION COSTS**

Residualised Price		1,007,354	1,007,354
Stamp Duty		39,868	
Agent Fee	1.00%	10,074	
Legal Fee	0.80%	8,059	
Town Planning		38,177	
Survey		50,000	
			146,177

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Commercial	1,851 ft²	120.00 pf²	222,120
Residential	<u>81,555 ft²</u>	<u>183.15 pf²</u>	<u>14,937,216</u>
Totals	83,406 ft²		15,159,336

Developers Contingency	3.00%	454,780	
Demolition		10,000	
			464,780

PROFESSIONAL FEES

Professional Fees	8.00%	1,212,747	1,212,747
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MARKETING & LETTING

Marketing	2.00%	303,187	
Letting Agent Fee	10.00%	7,264	
Letting Legal Fee	5.00%	3,632	
			314,083

DISPOSAL FEES

Sales Agent Fee	1.00%	230,772	
Sales Legal Fee	0.50%	115,386	
			346,158

RENT FREE COSTS

Commercial	6 mths	16,196	16,196
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APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Bendix Street
LSH V2****FINANCE**

Timescale	Duration	Commences
Purchase	1	Jun 2020
Pre-Construction	6	Jun 2020
Construction	18	Dec 2020
Sale	20	Dec 2021
Total Duration	38	

Debit Rate 5.500%, Credit Rate 0.000% (Nominal)

Land	85,741	
Construction	887,578	
Total Finance Cost		973,319

TOTAL COSTS**19,640,150****PROFIT****3,437,026****Performance Measures**

Profit on Cost%	17.50%
Profit on GDV%	14.84%
Profit on NDV%	14.89%
Development Yield% (on Rent)	0.37%
Equivalent Yield% (Nominal)	5.57%
Equivalent Yield% (True)	5.77%

IRR	23.25%
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Rent Cover	47 yrs 4 mths
Profit Erosion (finance rate 5.500%)	2 yrs 11 mths

TIMESCALE AND PHASING GRAPH REPORT

LAMBERT SMITH HAMPTON

Bendix Street
LSH V2

Project Timescale Summary

Project Start Date	Jun 2020
Project End Date	Jul 2023
Project Duration (Inc Exit Period)	38 months

Phase Phase 1



Appendix 4: Goulden Street Proposed Appraisal

DRAFT

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Goulden Street
LSH V1****Summary Appraisal for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Residential	73	48,774	335.00	223,826	16,339,290

Rental Area Summary

	Units	ft²	Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	2,379	17.50	41,633	41,633	41,633
Ground Rents	<u>73</u>			250	<u>18,250</u>	<u>18,250</u>
Totals	74	2,379			59,883	59,883

Investment Valuation

Commercial					
Market Rent	41,633	YP @	6.5000%	15.3846	640,500
Ground Rents					
Current Rent	18,250	YP @	5.0000%	20.0000	365,000
					1,005,500

GROSS DEVELOPMENT VALUE**17,344,790**

Purchaser's Costs	6.80%	(64,021)	(64,021)
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NET DEVELOPMENT VALUE**17,280,769****NET REALISATION****17,280,769****OUTLAY****ACQUISITION COSTS**

Residualised Price (Negative land)	(525,618)	(525,618)
Town Planning	26,033	
Survey	50,000	
	76,033	

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Commercial	2,379 ft²	120.00 pf²	285,480
Residential	<u>60,968 ft²</u>	<u>196.65 pf²</u>	<u>11,989,000</u>
Totals	63,347 ft²		12,274,480

Developers Contingency	3.00%	368,234	368,234
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Other Construction

Chimney Works	400,000	400,000
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PROFESSIONAL FEES

Professional Fees	8.00%	1,013,958	1,013,958
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MARKETING & LETTING

Marketing	2.00%	245,490	
Letting Agent Fee	10.00%	5,988	
Letting Legal Fee	5.00%	2,994	
		254,472	

DISPOSAL FEES

Sales Agent Fee	1.00%	172,808	
Sales Legal Fee	0.50%	86,404	
		259,212	

RENT FREE COSTS

Commercial	6 mths	20,816	20,816
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FINANCE

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Goulden Street
LSH V1**

Timescale	Duration	Commences
Pre-Construction	6	Jun 2020
Construction	18	Dec 2020
Sale	18	Oct 2021
Total Duration	34	

Debit Rate 5.500%, Credit Rate 0.000% (Nominal)

Land	(24,197)	
Construction	589,648	
Total Finance Cost		565,450

TOTAL COSTS **14,707,038****PROFIT** **2,573,732****Performance Measures**

Profit on Cost%	17.50%
Profit on GDV%	14.84%
Profit on NDV%	14.89%
Development Yield% (on Rent)	0.41%
Equivalent Yield% (Nominal)	5.96%
Equivalent Yield% (True)	6.18%

IRR 29.29%

Rent Cover 42 yrs 12 mths

Profit Erosion (finance rate 5.500%) 2 yrs 11 mths

TIMESCALE AND PHASING GRAPH REPORT

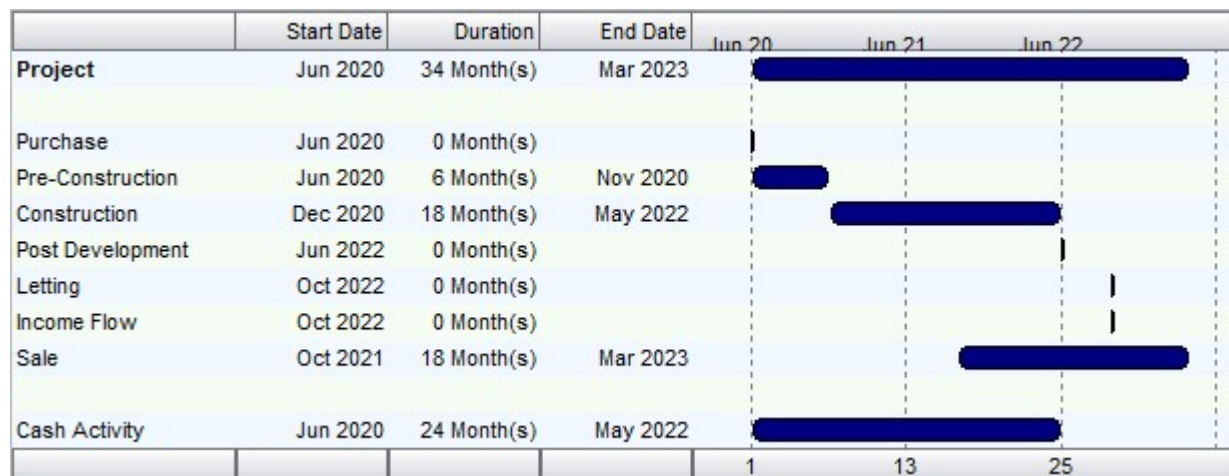
LAMBERT SMITH HAMPTON

Goulden Street
LSH V1

Project Timescale Summary

Project Start Date	Jun 2020
Project End Date	Mar 2023
Project Duration (Inc Exit Period)	34 months

Phase Phase 1



Appendix 5: Goulden Street Compliant Appraisal

DRAFT

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Goulden Street
LSH V2****Summary Appraisal for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Residential	43	28,730	335.00	223,826	9,624,513

Rental Area Summary

	Units	ft²	Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	2,379	17.50	41,633	41,633	41,633
Ground Rents	<u>73</u>			250	<u>18,250</u>	<u>18,250</u>
Totals	74	2,379			59,883	59,883

Investment Valuation

Commercial					
Market Rent	41,633	YP @	6.5000%	15.3846	640,500
Ground Rents					
Current Rent	18,250	YP @	5.0000%	20.0000	365,000
					1,005,500

GROSS DEVELOPMENT VALUE **10,630,013**

Purchaser's Costs	6.80%	(64,021)	(64,021)
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NET DEVELOPMENT VALUE **10,565,993****NET REALISATION** **10,565,993****OUTLAY****ACQUISITION COSTS**

Residualised Price (Negative land)	(346,531)	(346,531)
Town Planning	26,033	
Survey	50,000	76,033

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Commercial	2,379 ft²	120.00 pf²	285,480
Residential	<u>35,912 ft²</u>	<u>196.65 pf²</u>	<u>7,062,014</u>
Totals	38,291 ft²		7,347,494

Developers Contingency	3.00%	220,425	220,425
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Other Construction

Chimney Works	400,000	400,000
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PROFESSIONAL FEES

Professional Fees	8.00%	619,799	619,799
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MARKETING & LETTING

Marketing	2.00%	146,950	
Letting Agent Fee	10.00%	5,988	
Letting Legal Fee	5.00%	2,994	155,932

DISPOSAL FEES

Sales Agent Fee	1.00%	105,660	
Sales Legal Fee	0.50%	52,830	158,490

RENT FREE COSTS

Commercial	6 mths	20,816	20,816
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FINANCE

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Goulden Street
LSH V2**

Timescale	Duration	Commences
Pre-Construction	6	Jun 2020
Construction	18	Dec 2020
Sale	18	Oct 2021
Total Duration	34	

Debit Rate 5.500%, Credit Rate 0.000% (Nominal)

Land	(16,700)	
Construction	356,576	
Total Finance Cost		339,876

TOTAL COSTS**8,992,334****PROFIT****1,573,659****Performance Measures**

Profit on Cost%	17.50%
Profit on GDV%	14.80%
Profit on NDV%	14.89%
Development Yield% (on Rent)	0.67%
Equivalent Yield% (Nominal)	5.96%
Equivalent Yield% (True)	6.18%

IRR 29.77%

Rent Cover 26 yrs 3 mths

Profit Erosion (finance rate 5.500%) 2 yrs 11 mths

TIMESCALE AND PHASING GRAPH REPORT

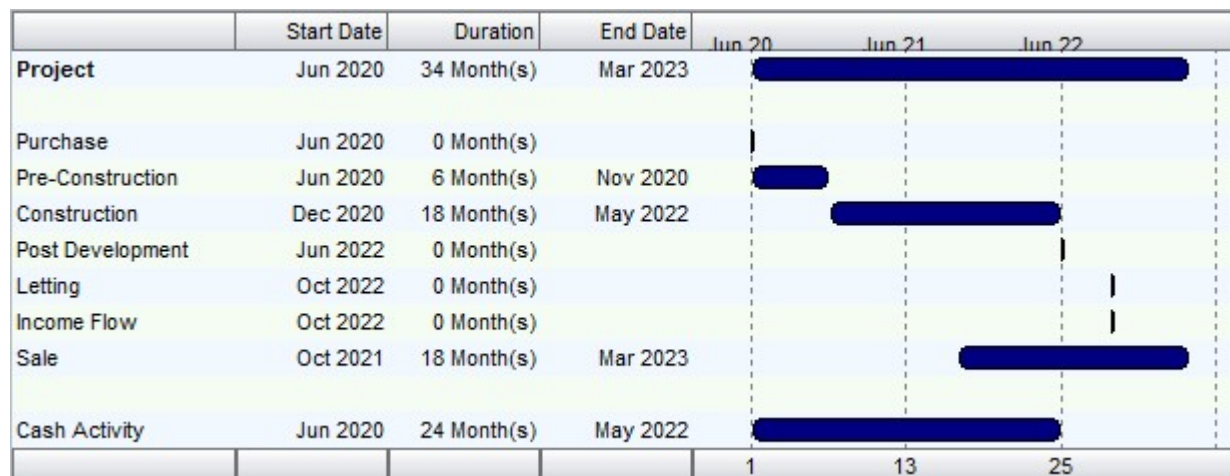
LAMBERT SMITH HAMPTON

Goulden Street
LSH V2

Project Timescale Summary

Project Start Date	Jun 2020
Project End Date	Mar 2023
Project Duration (Inc Exit Period)	34 months

Phase Phase 1



Appendix 6: Oldham Street Proposed Appraisal

DRAFT

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON**

Oldham Street
LSH V1

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Residential	144	95,962	335.00	223,245	32,147,270

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	1,548	17.50	27,090	27,090	27,090
Ground Rents	<u>144</u>			250	<u>36,000</u>	<u>36,000</u>
Totals	145	1,548			63,090	63,090

Investment Valuation

Commercial					
Market Rent	27,090	YP @	6.5000%	15.3846	416,769
Ground Rents					
Current Rent	36,000	YP @	5.0000%	20.0000	720,000
					1,136,769

GROSS DEVELOPMENT VALUE**33,284,039**

Purchaser's Costs	6.80%	(72,379)	(72,379)
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NET DEVELOPMENT VALUE**33,211,661****NET REALISATION****33,211,661****OUTLAY****ACQUISITION COSTS**

Residualised Price		1,983,997	1,983,997
Stamp Duty		88,700	
Agent Fee	1.00%	19,840	
Legal Fee	0.80%	15,872	
Town Planning		26,033	
Survey		50,000	
			200,445

CONSTRUCTION COSTS

Construction	ft ²	Rate ft ²	Cost	
Commercial	1,548 ft ²	120.00 pf ²	185,760	
Residential	<u>119,953 ft²</u>	<u>175.26 pf²</u>	<u>21,023,290</u>	
Totals	121,501 ft²		21,209,050	21,209,050

Developers Contingency	3.00%	636,272	636,272
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Other Construction

Chimney Works		400,000	400,000
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PROFESSIONAL FEES

Professional Fees	8.00%	1,728,724	1,728,724
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MARKETING & LETTING

Marketing	2.00%	424,181	
Letting Agent Fee	10.00%	6,309	
Letting Legal Fee	5.00%	3,155	
			433,645

DISPOSAL FEES

Sales Agent Fee	1.00%	332,117	
Sales Legal Fee	0.50%	166,058	
			498,175

RENT FREE COSTS

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Oldham Street
LSH V1**

Commercial	6 mths	13,545	13,545
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FINANCE

Timescale	Duration	Commences
Pre-Construction	6	Jun 2020
Construction	18	Dec 2020
Sale	24	Oct 2021
Total Duration	40	

Debit Rate 5.500%, Credit Rate 0.000% (Nominal)

Land	149,088	
Construction	1,012,299	
Total Finance Cost		1,161,387

TOTAL COSTS**28,265,239****PROFIT****4,946,421****Performance Measures**

Profit on Cost%	17.50%
Profit on GDV%	14.86%
Profit on NDV%	14.89%
Development Yield% (on Rent)	0.22%
Equivalent Yield% (Nominal)	5.55%
Equivalent Yield% (True)	5.75%

IRR	26.98%
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Rent Cover	78 yrs 5 mths
Profit Erosion (finance rate 5.500%)	2 yrs 11 mths

TIMESCALE AND PHASING GRAPH REPORT

LAMBERT SMITH HAMPTON

Oldham Street
LSH V1

Project Timescale Summary

Project Start Date	Jun 2020
Project End Date	Sep 2023
Project Duration (Inc Exit Period)	40 months

Phase Phase 1



Appendix 7: Oldham Street Proposed Appraisal

DRAFT

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON**

Oldham Street
LSH V2

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Residential	75	49,980	335.00	223,245	16,743,370

Rental Area Summary

	Units	ft²	Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	1,548	17.50	27,090	27,090	27,090
Ground Rents	<u>144</u>			250	<u>36,000</u>	<u>36,000</u>
Totals	145	1,548			63,090	63,090

Investment Valuation

Commercial					
Market Rent	27,090	YP @	6.5000%	15.3846	416,769
Ground Rents					
Current Rent	36,000	YP @	5.0000%	20.0000	720,000
					1,136,769

GROSS DEVELOPMENT VALUE**17,880,139**

Purchaser's Costs	6.80%	(72,379)	(72,379)
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NET DEVELOPMENT VALUE**17,807,760****NET REALISATION****17,807,760****OUTLAY****ACQUISITION COSTS**

Residualised Price		1,093,001	1,093,001
Stamp Duty		44,150	
Agent Fee	1.00%	10,930	
Legal Fee	0.80%	8,744	
Town Planning		26,033	
Survey		50,000	
			139,857

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost	
Commercial	1,548 ft²	120.00 pf²	185,760	
Residential	<u>62,475 ft²</u>	<u>175.26 pf²</u>	<u>10,949,630</u>	
Totals	64,023 ft²		11,135,390	11,135,390

Developers Contingency	3.00%	334,062	334,062
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Other Construction

Chimney Works		400,000	400,000
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PROFESSIONAL FEES

Professional Fees	8.00%	922,831	922,831
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MARKETING & LETTING

Marketing	2.00%	222,708	
Letting Agent Fee	10.00%	6,309	
Letting Legal Fee	5.00%	3,155	
			232,171

DISPOSAL FEES

Sales Agent Fee	1.00%	178,078	
Sales Legal Fee	0.50%	89,039	
			267,116

RENT FREE COSTS

APPRAISAL SUMMARY**LAMBERT SMITH HAMPTON****Oldham Street
LSH V2**

Commercial	6 mths	13,545	13,545
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FINANCE

Timescale	Duration	Commences
Pre-Construction	6	Jun 2020
Construction	18	Dec 2020
Sale	17	Oct 2021
Total Duration	33	

Debit Rate 5.500%, Credit Rate 0.000% (Nominal)

Land	81,800	
Construction	535,763	
Total Finance Cost		617,563

TOTAL COSTS**15,155,538****PROFIT****2,652,223****Performance Measures**

Profit on Cost%	17.50%
Profit on GDV%	14.83%
Profit on NDV%	14.89%
Development Yield% (on Rent)	0.42%
Equivalent Yield% (Nominal)	5.55%
Equivalent Yield% (True)	5.75%

IRR	27.19%
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Rent Cover	42 yrs
Profit Erosion (finance rate 5.500%)	2 yrs 11 mths

TIMESCALE AND PHASING GRAPH REPORT

LAMBERT SMITH HAMPTON

Oldham Street
LSH V2

Project Timescale Summary

Project Start Date	Jun 2020
Project End Date	Feb 2023
Project Duration (Inc Exit Period)	33 months

Phase Phase 1

