Salboy Central Limited

Viadux Phase 2
Manchester

M1 5LG

Financial Viability Appraisal

September 2025

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Contents

1. Introduction

2. Development Description

3. Planning Background

4. Market Review

5. Appraisal Methodology

6. Benchmark Land Value

7. Appraisal Inputs

8. Results of the Appraisals

9. Conclusions

Appendices

Appendix I – Scheme Drawings
Appendix II – Artal Cost Plan
Appendix III – Summary Development Appraisals

1. Introduction

1.1 Tim Claxton Property Ltd has been commissioned by Salboy Central Limited (the Applicant) to undertake an assessment of the financial viability of a proposed development scheme situated on a site located on Great Bridgewater Street in Manchester City Centre.

1.2 The site is situated within the Manchester City Council local authority area.

1.3 The proposed scheme is to be the subject of a detailed planning application for two separate buildings: a 76 storey tower block situated above the service deck to the rear of the Manchester Central Convention Complex (the MCCC) accommodating 452no. residential units and a hotel; and a 133 unit residential block over 21 floors situated on a site located between the existing Beetham Tower and the MCCC service deck.

1.4 The residential element of the main tower has been designed and is proposed for open market sale whilst the smaller 133no. unit tower although not viable to be delivered as a social rented affordable product as a part of the planning application is proposed to be brought forward as a grant supported affordable product secured in conjunction with Manchester City Council as landowner.

1.5 Having reviewed the viability position the Applicant considers that the development economics of the proposed scheme are such that it cannot afford to meet in full the policy requirements for on-site affordable housing provision, a commuted sum in lieu of affordable housing, or any other contributions. However the Applicant is committed to bringing forward affordable housing with grant support.

1.6 Accordingly this report assesses the viability of the proposed scheme with reference to all relevant guidance particularly Planning Policy Guidance dated May 2014 and most recently updated in June 2021 and the RICS Guidance Note 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' which sets out a framework for undertaking viability appraisals of this nature.

1.7 In line with RICS professional guidance and standards – Financial viability in planning: conduct and reporting (May 2019) we are able to confirm:

- We have no conflicts of interest
- The report has been prepared by us with no contingent or performance related fee in place with the Applicant
- In preparing this report we have acted
    - with objectivity
    - impartially
    - without interference, and
    - with reference to all appropriate sources of information

Signed on behalf of Tim Claxton Property Limited



Tim D Claxton MA MRICS,
Director

2. Development Description

Site Location and Description

2.1 The site is located to the south side of Manchester City Centre immediately to the south and south-west of the former train station historically known as GMex and now forming part of the Manchester Central Conference Centre (the MCCC). The site location is shown in Fig 1.

2.2 The main part of the site (Plot 2A) totals in the region of 1.17 acres (0.47 ha) and sits to the east of the existing Viadux 1. It comprises the former train viaduct which is currently used as a service yard for the MCCC, and associated land to the east which, together with some of the viaduct arches was formerly occupied by the Bauer Millett car showroom.

2.3 The second part of the site (Plot 2B) sits to the west adjacent to the Beetham Tower and comprises 0.27 acres (0.11 ha) of cleared land which was most recently used as a construction compound in relation to the completed Viadux 1 scheme.

2.4 The overall site is bordered to the north by Great Bridgewater Street, to the east by Albion Street, to the west by the Beetham Tower and to the south by Trafford Street (which forms a ramp to the MCCC service deck) and the Deansgate-Castlefield tram station. A site plan is reproduced at Fig 2.

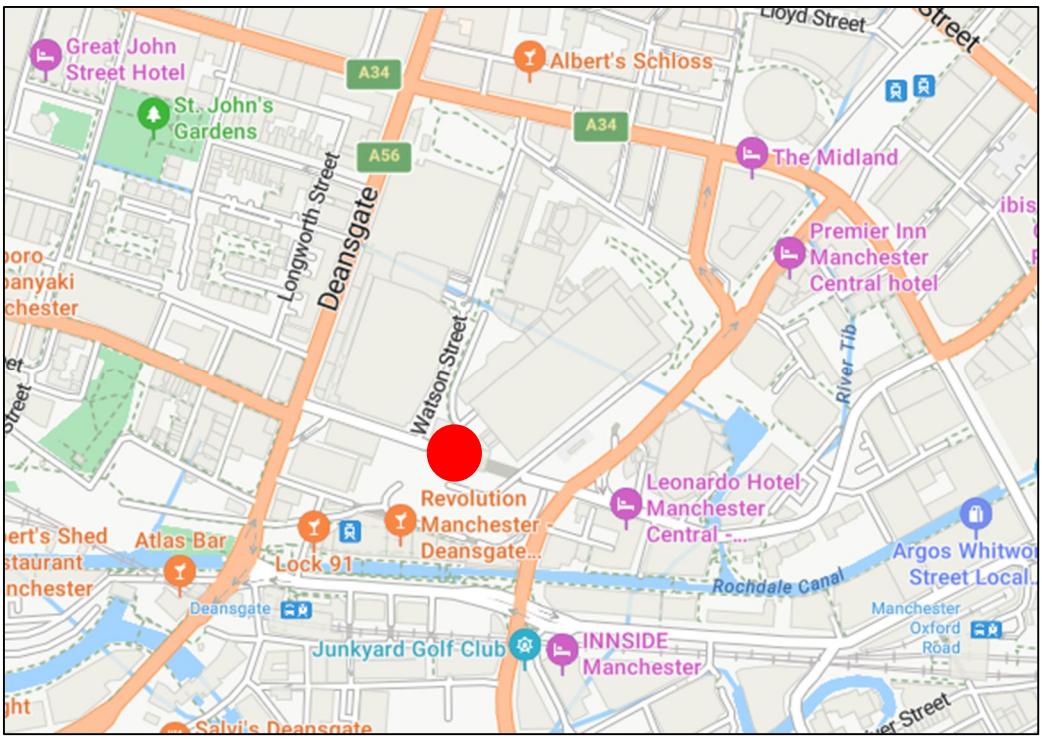


Fig 1: Site Location
Source: Bing maps

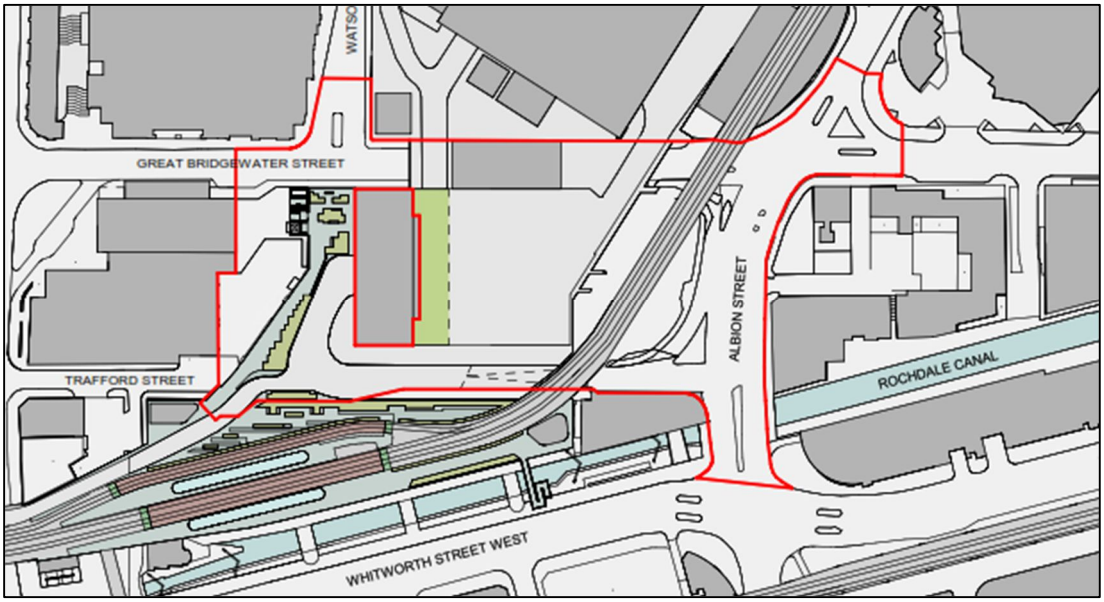


Fig 2: Site Plan
Source: Simpson Haugh

2.5 The immediate area is characterised by a mix of uses, substantial amounts of residential interspersed with commercial uses.

Scheme Description

2.6 The scheme comprises two elements:

Plot 2A – 76 Storey Hotel/Residential Tower

Plot 2B – 21 Storey Residential Tower with some Commercial

2.7 The location of these elements within the boundary of the planning application (shown in Fig 2) are shown at Fig 3 – in addition to the location of Phase 1 the completed Viadux 1 residential tower.

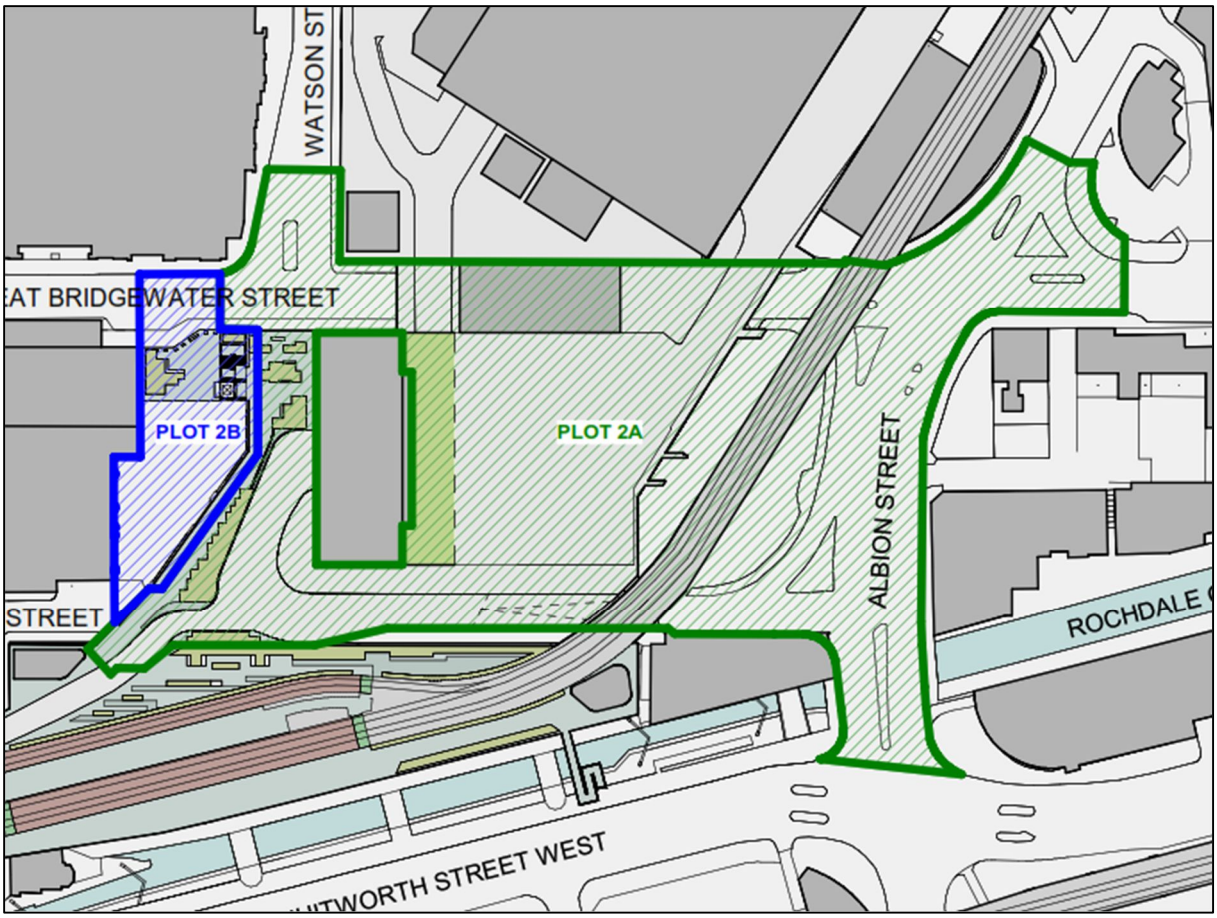


Fig 3: Masterplan Zones
Source: Simpson Haugh

Plot 2A

2.8 The proposed scheme comprises a single block of hotel and residential accommodation providing a hotel with a total of 160 bedrooms and supporting facilities (floors 0 – 25) and 452 dwellings arranged above the hotel (floors 26-74).

Hotel

2.9 In addition to the bedrooms (floors 11-22) the hotel provides food and beverage facilities (ground floor & floors 6-9); meeting facilities (floors 7-9) and leisure facilities (floors 24 & 25). These facilities comprise:

- Ground Floor Bar
- Restaurant
- Restaurant Bar
- Lounge
- 6no.Meeting Rooms
- Function Spaces
- Gym

- Swimming Pool
- Spa

2.10 The hotel is to be operated by Nobu Hotels.

Residential

2.11 The residential scheme provides a mix of one bed apartments (33.4%), two bed apartments (61.5%); three bed apartments (4.4%); and penthouses (0.7%) together with ancillary uses at ground and third and fourth floors

2.12 The scheme provides a number of cycle storage spaces and no car parking spaces. 320 no. cycle spaces are provided to serve both the subject scheme and Phase 1.

2.13 The proposed mix of residential units is summarised in Table 1. Plans of the scheme are attached at Appendix I and an elevation of the tower is reproduced at Fig.4.

2.14 This block delivers 35,539.1 sq.m (382,771 sq.ft) of residential accommodation and 26,046.3 sq.m (280,369 sq,ft) of hotel floorspace within a building with an overall gross area of 79,973.9 sq.m (860,860 sq.ft) giving a gross to net ratio of 77.07%.

Unit Type	**Units**	**Avg Size sq.m (sq.ft)**	**Total sq.m (sq.ft)**
One Bed One Person Apartments (floors 26 – 42)			
0A	17	37.4 (402)	635.8 (6,834)
0B	34	42.8 (461)	1,455.2 (15,674)
One Bed Two Person Apartments (floors 26-42)			
1A	100	51.9 (559)	5,190.0 (55,900)
Two Bed Apartments (floors 26-72)			
2A	34	69.3 (746)	2,356.2 (25,364)
2B	106	80.5 (867)	8,533.0 (91,902)
2C	29	84.7 (912)	2,456.3 (26,448)
2D	7	97.3 (1,047)	681.1 (7,329)
2E	73	102.8 (1,107)	7,504.4 (80,811)

2F	29	109.6 (1,180)	3,178.4 (34,220)
Three Bed Apartments (floors 68-72)			
3A	11	120.4 (1,297)	1,324.4 (14,267)
3B	9	125.6 (1,352)	1,130.4 (12,168)
Penthouses (floors 73,74)			
PHA	2	273.8 (2,947)	547.6 (5,974)
PHB	1	546.3 (5,880)	546.3 (5,880)
Total	**452**		**35,539.1 (382,771)**

Table 1: Plot 2A Proposed Residential Accommodation

Plot 2B

2.15 The proposed scheme comprises a single block of residential accommodation providing a total of 133 dwellings arranged across 22 floors (including mezzanine). The scheme provides a mix of one bed apartments (43%); two bed apartments (43%); and three bed apartments (14%); together with ancillary uses at ground and mezzanine floor together with two commercial units at first floor level. First floor level has access to the service yard level that sits below the main tower.

Unit Type	Units	Avg Size sq.m (sq.ft)	Total sq.m (sq.ft)
One Bed Apartments			
Plot 2B 1A	19	39.0 (420)	741 (7,976)
Plot 2B 1B	38	50.0 (538)	1,900 (20,452)
Two Bed Apartments			
Plot 2B 2A	19	61.0 (657)	1,159 (12,476)
Plot 2B 2B	19	70.0 (753)	1,330 (14,316)
Plot 2B 2C	19	77.0 (829)	1,463 (15,748)
Three Bed Apartments			
Plot 2B 3A	19	80.0 (861)	1,520 (16,362)

Total	**133**		**8,113.0 (87,330)**

Table 2: Plot 2B Proposed Residential Accommodation

2.16 In addition, the scheme provides a number of cycle spaces (133no.) but no car parking spaces.

2.17 The proposed mix of residential units is summarised in Table 2 with the detail relating to each of the commercial units at Table 4. Plans of the scheme are attached at Appendix I.

2.18 This block delivers 8,113.0 sq.m (87,330 sq.ft) of residential accommodation and 195 sq.m (2,099 sq.ft) of commercial floorspace within a building with an overall gross area of 12,038 sq.m (129,576 sq.ft) giving a gross to net ratio of 69.02%.

Unit	Units	Avg Size sq.m (sq.ft)	Total sq.m (sq.ft)
Commercial 1	1	97.0 (1,044)	97.0 (1,044)
Commercial 2	1	98.0 (1.055)	98.0 (1.055)
Total	**2**		**195.0 (2,099)**

Table 3: Plot 2B Proposed Commercial Accommodation

Ownership and Proposed Transaction

2.19 We understand that the site is currently in the following ownerships (as illustrated at Fig. 8):

Parcel 1 – the site of the proposed residential tower (Plot 2B) is in the freehold ownership of Manchester City Council under Title No GM865333.

Parcel 2 – the site of proposed hotel and residential tower (Plot 2A) is subject to a number of different interests. Salboy Central Limited are the freehold owners of the majority of this parcel (approx. 2/3rds) which comprises former train viaducts and the service yard to the rear of the GMex building. The service yard level is subject to a long lease to the MCCC.

The remainder of the site which predominantly sits under the elevated tram tracks is held by way of a long leasehold interest from Transport for Greater Manchester (Title No GM794311) to expire in June 2144. The ultimate freeholder is the MCCC.

2.20 We understand that all restrictions affecting the ability to progress the proposed development will be lifted through the renegotiating of the terms of the existing leases.

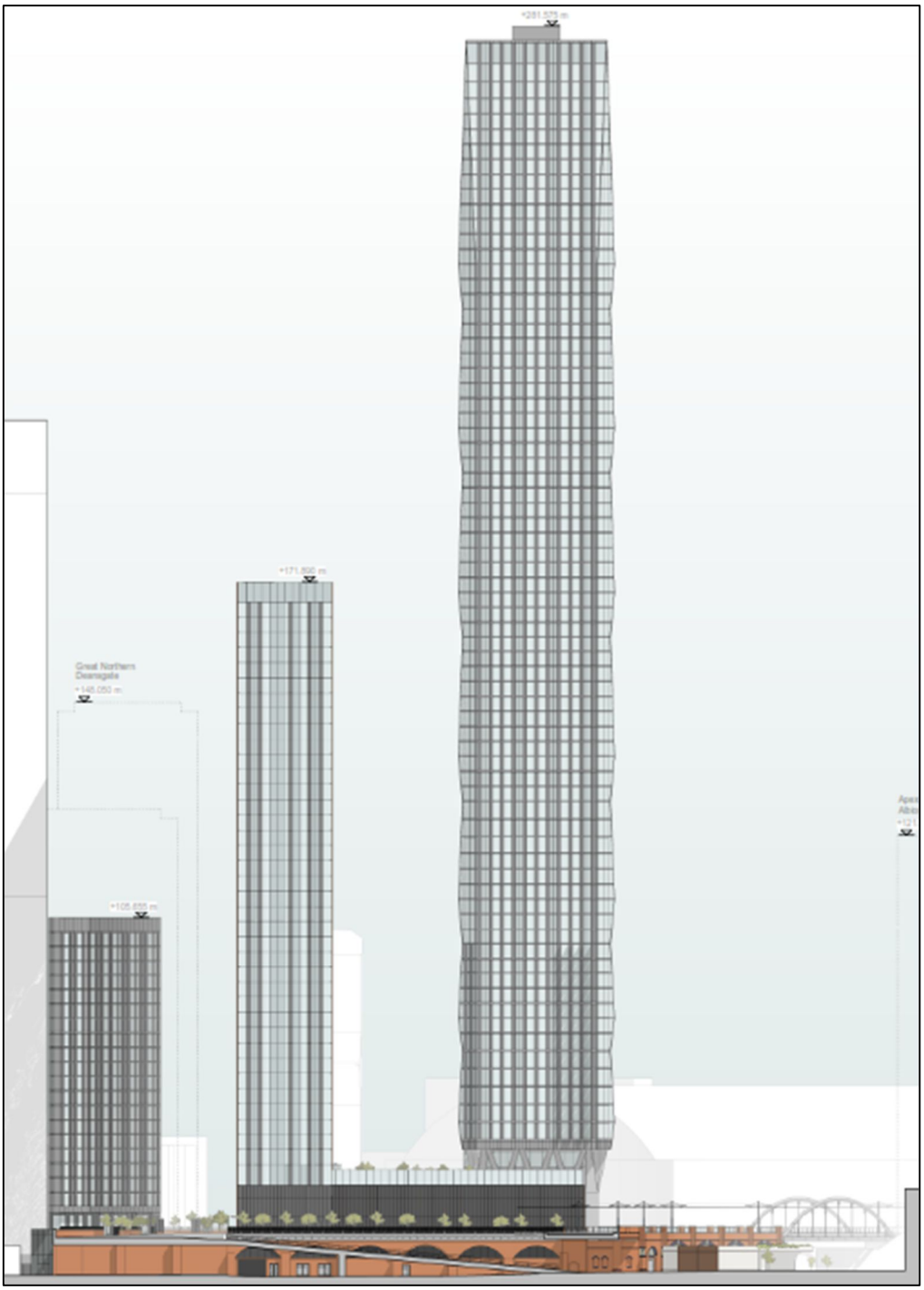


Fig 4: Scheme – South Elevation, Trafford Street
Source: Simpson Haugh

3. Planning Background

National Planning Policy Framework (NPPF)

3.1 The NPPF (Revised December 2024) is a national framework which forms the basis for the preparation of locally focussed development plans. Elements of the NPPF that are relevant to the assessment of scheme viability in a planning context are:

> Paragraph 35 - that states that local plans *'should set-out the contributions expected from development'*.
>
> Paragraph 59 – that states that *'planning applications that comply with [up to date policies relating to contributions] should be assumed to be viable'* and that *'It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability appraisal at the application stage'*.

3.2 It is clear from this revised document that although there is a presumption that all schemes are able to meet the planning obligation requirements set-out by local policy the LPA will adopt some flexibility where necessary to take into account market conditions and site specific. Also such a presumption can only apply where policies are suitably up to date and based on up to date information. In this case plan making is based on historic information with policies dating back to 2012.

Manchester City Core Strategy (2012)

3.3 The Manchester Core Strategy Development Plan Document which was adopted in 2012 is the principal development plan document that guides development control decision making in Manchester.

3.4 Manchester are in the process of preparing Part 2 of the Local Plan document which deals with specific site allocations. The subject site is not currently allocated.

3.5 The policies contained within the Core Strategy identify the subject site as being within the City Centre to which Policies CC1 – CC10 are particularly relevant. Policies that are of particular relevance to this report are:

> Policy CC3 – Housing
>
> Policy CC6 – City Centre High Density Development
>
> Policy CC7 - Mixed Use Development
>
> Policy H8: Affordable Housing
>
> Policy PA1: Developer Contributions

Policy CC3 – Housing

3.6 This policy states:

'The City Centre will see the most intensive development of housing in the City. It is expected that a minimum of 16,500 new units will be provided from 2010-2017.

Key locations for the residential development will be Castlefield, Piccadilly, the Southern gateway and the Northern Quarter.

In other parts of the City Centre residential development will only be appropriate in line with Policy CC7.

Residential development in the City Centre will comprise apartment schemes. The Council will encourage accommodation of a high standard which offers accommodation which is large enough to suit a range of occupants, in terms of both the number of rooms and their size'

Policy CC6 – City Centre High Density Development

3.7 This policy confirms that development within this area will be generally high density.

Policy CC7 – Mixed Use Development

3.8 This policy states that if outside the specific areas identified in Policy CC3 then *'residential development will be supported as part of schemes which include employment.'*

Policy H8: Affordable Housing

3.9 This policy outlines the extent and circumstances under which affordable housing will be requested. This policy is reproduced in full below:

> *'The following requirements for affordable housing or an equivalent financial contribution, as set out in 'Providing For Housing Choice', or any future published SPD and Planning Guidance, currently apply to all residential developments on sites of 0.3 hectares and above or where 15 or more units are proposed. These thresholds will be subject to amendment over the lifetime of the Core Strategy to reflect changing economic circumstances. The targets and thresholds will form part of supporting SPD and/or Planning Guidance.*
>
> 1) *New development will contribute to the City-wide target for 20% of new housing provision to be affordable. Developers are expected to use the 20% target as a starting point for calculating affordable housing provision. It is envisaged that 5% of new housing provision will be social or affordable rented and 15% will be intermediate housing, delivering affordable home ownership options.*
> 2) *The proportion of affordable housing units will reflect the type and size of the development as a whole; and where appropriate provision will be made within Section 106 agreements to amend the proportion of affordable housing in light of changed economic conditions, subject to a financial viability assessment.*
> 3) *Affordable housing units will be inclusively designed to reflect the character of development on the site.*
> 4) *Either an exemption from providing affordable housing, or a lower proportion of affordable housing, a variation in the proportions of socially rented and intermediate housing, or a lower commuted sum, may be permitted where either a financial viability assessment is conducted and demonstrates that it is viable to deliver only a proportion of the affordable housing target of 20%; or where material considerations indicate that intermediate or social rented housing would be inappropriate. In the latter case, such circumstances could include:*
>
> - *There is a very high level of affordable housing in the immediate area;*
> - *There is either a high proportion of social rented (35%), or low house prices in the immediate area compared to average incomes;*
> - *Affordable housing would be prejudicial to the diversification of the existing housing mix.*
> - *The inclusion of affordable housing would prejudice the achievement of other important planning or regeneration objectives which are included within existing Strategic Regeneration Frameworks, planning frameworks or other Council approved programmes;*
> - *It would financially undermine significant development proposals critical to economic growth within the City;*
> - *The financial impact of the provision of affordable housing, combined with other planning obligations would affect scheme viability;*

- *There is a need for additional housing provision for older people or disabled people either as affordable or market housing dependent on the results of a financial viability assessment of the scheme.*

5) *The Council will also consider the provision of affordable housing which is delivered by taking advantage of other equity based products in addition to those options identified in PPS 3.*

6) *The definition used for affordable housing is set out in Annex B of PPS 3.'*

3.10 The provisions of this policy are clear in that the starting requirement is for 20% affordable housing but the level of provision may be reduced where a viability appraisal demonstrates that the development can only support such a reduced provision or where there are other reasons where it would be appropriate.

Policy PA1: Developer Contributions

3.11 This policy states that where the need arises the Council will seek developer contributions to off-set the impact of development and such requests will be in line with national policy and guidelines.

3.12 Critically this non-prescriptive policy states that

> *'In determining the nature and scale of any planning obligation, specific site conditions and other material considerations including viability, redevelopment of previously developed land or mitigation of contamination may be taken into account.'*

3.13 It is apparent therefore that the extent of developer contributions may be impacted by the overall viability of the proposed scheme.

3.14 Associated documents that link into these policies and informed their content include:

Providing for Housing Choice – Supplementary Planning Document and Planning Guidance (2008)

3.15 This document sets out in detail the Council's Affordable Housing Strategy and sets out the rationale for the target proportion of affordable housing and tenure mix. It gives more detail in relation to how viability will be considered and sets-out a specific formula for the calculation of a commuted sum in lieu of on-site provision.

3.16 In this case there are 585 residential units proposed to which the 20% requirement for affordable housing will apply (or 117no. units).

3.17 Where a commuted sum is being calculated (rather than provision being on site) the 585 open market units represent 80% of a notional scheme that includes affordable housing at 20%. The notional scheme therefore equates to 702 units with a requirement for 140 affordable units.

3.18 The commuted sum is therefore calculated by the following formula:

Commuted sum = (average price – affordable price) x 140

In this case:

(£329,614 - £197,768[1]) x 140 = £18,458,440

Manchester Housing Strategy 2022 - 2032

3.19 The most up to date assessment of need within the Manchester Council area is the Manchester Housing Strategy 2022-2032 (2022). This identifies a delivery target of 36,000 new homes over the period and more than 80% of all new housing should be built on brownfield sites close to public transport.

3.20 The strategy is clear that of the total number 10,000 units should be affordable and of these 3,000 should be delivered within the City Centre.

Prima Facie Assessment of Section 106 Requirements

3.21 In line with the policies outlined above and information supplied directly from the Council we have calculated the potential requirement for planning obligations as follows:

Item	Base Requirement	Comment
Affordable Housing	20% provision (on-site or commuted sum)	Subject to the provisions of Policy H5. Estimated commuted sum at c. £18.458 million.
Developer Contributions	Unknown	Subject to the provisions of Policy PA1.

Table 4: Prima Facie Section 106 Requirements

Summary

3.22 In summary, under current local planning policy there is a potential requirement for developer contributions and the provision of affordable housing (or a commuted sum in lieu) but that this is subject to a test of financial viability. Also, in the case of affordable housing full or partial exemptions are possible if it can be demonstrated that affordable housing is not required in the area or its imposition has a negative impact of the regeneration objectives of the Council.

3.23 We go on to test the potential for planning obligations when considered against a financial appraisal for the scheme.

[1] - Based on Plot 2B open market values and assumes social rented units (@ 60% discount)

4. Market Review

Hotel

4.1 The hotel element comprises 160 bedrooms with supporting facilities to be operated as a premium brand and therefore will add to the 'upper-upscale and luxury' hotel supply in Manchester. This segment of the market represents 23% of the total room supply within 2 miles of the subject site and total branded supply equates to 61%. At 160 bedrooms the size of the proposed hotel is bigger than the relevant market segment average at 129 rooms but there are notable luxury hotels that are bigger (Hilton Deansgate, Kimpton Clocktower, Radisson Edwardian).

4.2 Between 2012 and 2024 hotel supply has increased at an annual rate of 3.8% with a 9.4% increase in 2022 and Manchester's tourism offer is seen to be driving much of this growth.

4.3 CBRE estimate that within 2 miles of the subject site there are currently around 1,000 rooms under construction with a total pipeline of 4,500 rooms (in planning, post planning under construction) 28% of which believed to be 4* or 5* product.

4.4 Occupancy in the properties of competitive relevance was a healthy 78% in 2023.

4.5 A typical well located branded hotel in the 3-4* category in Manchester would achieve capital values in the region of £140,000 per key.

4.6 CBRE have assessed the likely net income generated from a fully stabilised hotel in this location and with the proposed branding. This is estimated at £6,896,610 per annum.

4.7 CBRE also report on a 'broker's opinion of pricing' for the subject scheme at a much higher figure of £398,125 per key on a Day One basis and a further inflated figure of £458,750 per key following a period of stabilisation. This reflects the quality of the proposed product and the revenue that the Nobu brand can generate.

Residential

4.8 We have undertaken a review of the residential market concentrating on prices achieved and prospects for the type of properties proposed for open market sale within the proposed scheme which can be defined as a range of 1, 2 and 3 bed apartments within a good quality high rise development in a strong market location.

4.9 To set the prospects of new dwellings in this location in context we have undertaken a review of the national and regional markets before focussing on achieved prices in the immediate vicinity.

National Context

4.10 The Land Registry records a national decrease in prices for all dwelling types of 3.90% for the year to May 2025. Values of apartments have demonstrated a lower increase at 1.50% over the period.

4.11 The Nationwide have issued their index results for the year to June 2025 and re cord an increase in prices of 2.10%, a deterioration on the previous month's reading which showed an increase of 3.50%

4.12 The June 2025 RICS Residential Market Survey which surveys the sentiments of estate agents throughout the UK is another up to date survey of activity and this identifies a stabilised sales market picture with a mildly positive short term outlook.

4.13 New buyer demand has been seen to improve over the previous month's reading and represents a stable picture after7 months of negativity. Likewise agreed sales although showing a slightly negative reading is a big improvement on recent months - again however only a tentative move towards a growth in sales.

4.14 Sales expectations in the short term are recovering slightly as a result of changes in these two metrics but expectation across the next 12 months are generally flat. New instructions appear to have flatlined which will inevitably impact sales volumes in the future.

4.15 House price inflation is seen in broadly negative terms across the UK (although there are variations across the regions). Over the 12 month time horizon the majority of respondents however foresee a return to growth.

4.16 The lettings market continues to experience a decline in new instructions but whereas demand has been strong over many months this seems to have pulled back somewhat most recently. Despite this expectations for rental growth remain.

Regional Picture

4.17 In North West regional terms the picture appears similar to the national backdrop for the year to May 2025 recording an increase of 3.30% across all property types and an increase of 1.30% for apartments. The Nationwide shows a regional increase for all properties at a higher 4.20% to June 2025 (down from 5.90% the previous quarter).

4.18 The RICS survey suggests that the North West is one of the regions which continues to exhibit positive readings as regards house price growth.

The Manchester Market

4.19 The City Centre market should be considered as a sub-market when looking at performance at a local authority level and therefore Manchester wide data should be treated with caution.

4.20 Looking to the local picture the Land Registry produces data for the entire local authority area which is diverse in terms of market performance and pricing.

4.21 For Manchester the Land Registry records an increase in values for all property types for the year to May 2025 at 3.20% and a larger increase in the sales value of apartments of 4.50% over the same period. This appears to be better performance than experienced at national and regional level.

4.22 In terms of location the subject plots sit within the M3 4 postcode area and adjacent to the M1 5 postcode area (as shown in Fig. 5). This covers a substantial part of the south City Centre area.

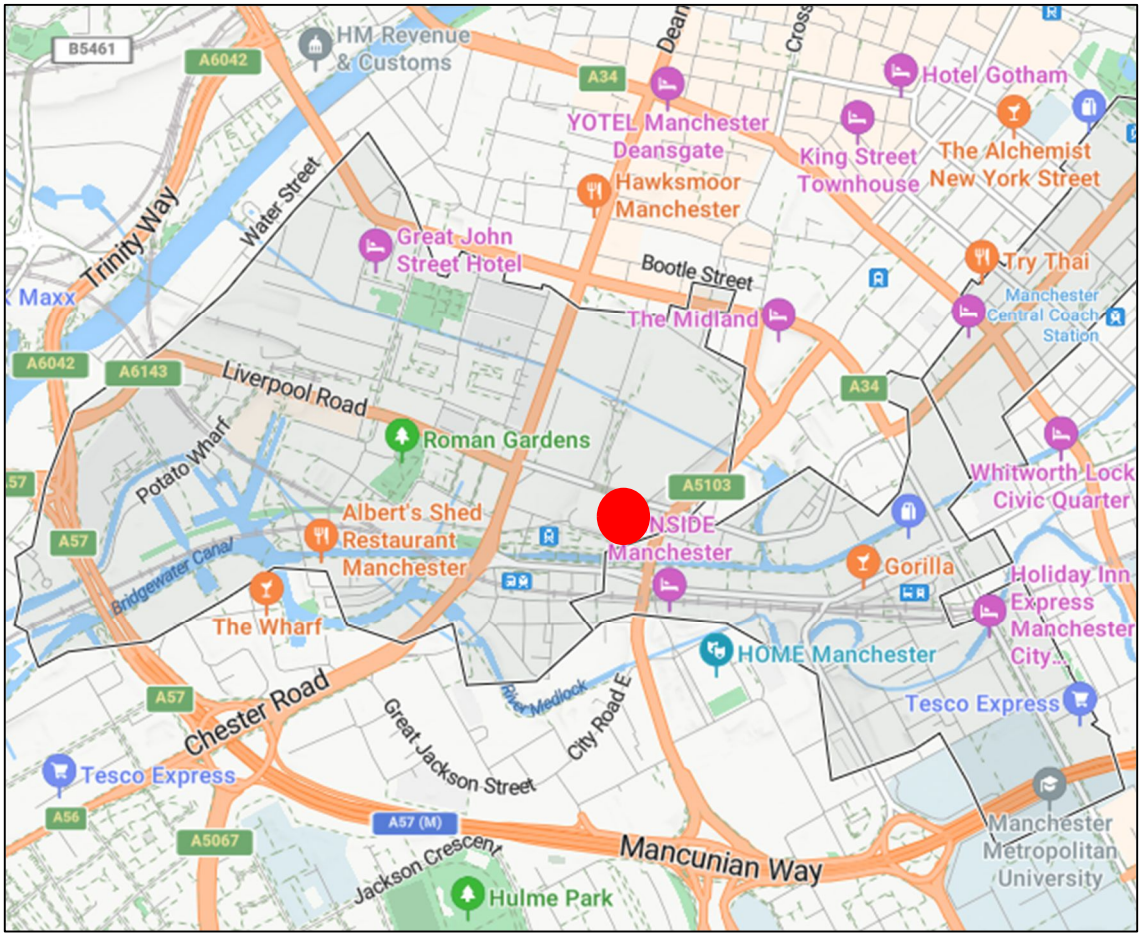


Fig 5: M3 4 & M1 5 Postcode Areas
Source: Bing Maps

4.23 As shown in the heatmap at Fig.6 the location appears to be characterised by medium to high value properties as shown by yellow, orange and pockets of red shading.

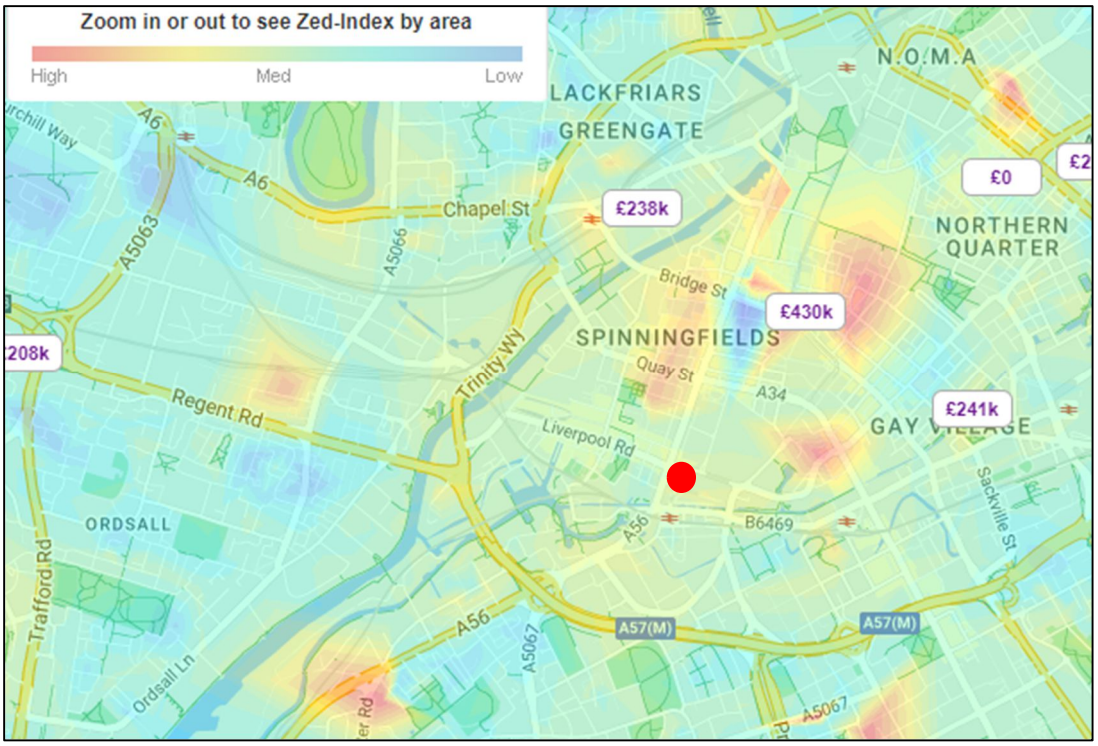


Fig 6: Residential Heat Map
Source: Primelocation.com

Residential Sales Transactions

4.24 We have specifically considered the market in the immediate locality for residential properties similar to those proposed. We have primarily considered the availability of new build evidence.

4.25 The scheme is located in a central and established market location in a wider area known for high profile schemes such as Deansgate Square, a short distance to the south-west, the older Axis scheme to the south and the much older Beetham Tower to the west. The closest and newest scheme is Viadux Phase 1 which is completed and occupied and represents the most up to date and relevant new build evidence.

Viadux Phase 1

4.26 The first phase of the Viadux scheme comprises 375 one and two bed residential units within a 40 storey building of which the substantial majority are now sold.

4.27 Tables 7 and 8 set out a range of completed transactions. Of the sold units one beds which typically range between 546 sq.ft and 563 sq.ft in size average £445.35 per sq.ft. Two beds are similar at £455.48 per sq.ft for units that vary in size from 745 sq.ft to 817 sq.ft. One would normally expect to see a higher rate for the one bed product than the two bed but pricing is likely to have been influenced by the aspect of the one bed apartments that look west onto the existing Beetham Tower.

4.28 The evidence shows a range of values confirmed through reservations across a period from early 2021 to early 2023 affected to a demonstrable extent by location in terms of height within the building – one beds ranging from £222,000 to £277,000 and two beds between £395,000 and £410,000. A single 797 sq.ft 3 bed unit sold for £354,141 (£444 per sq,ft).

4.29 These prices have been generally confirmed during 2022/3 and the indexation of these sales values would add no more than a further 5.0% or so to prices.

4.30 One of the penthouses has reportedly sold recently for £3,000,000. It is understood that this unit was in the region of 2,700 sq.ft in size.

Viadux, Great Bridgewater Street					**SOLD - NEW**
	**Unit**	**Sale Price**	**Committed Date**	**Unit Size**	**Rate Per Sq.ft**
	Apt 29 / 2nd Floor	£224,877	May 2022	566	£397
	Apt 77 / 7th Floor	£230,809	March 2021	547	£421
	Apt 129 / 12th Floor	£239,520	July 2022	557	£430
	Apt 157 / 15th Floor	£241,745	Dec 2021	547	£442
	Apt 199 / 19th Floor	£249,334	Apr 2022	557	£448
	Apt 237 / 23rd Floor	£251,314	Aug 2022	547	£459
	Apt 309 / 30th Floor	£266,884	June 2022	557	£479
	Apt 379 / 37th Floor	£275,972	July 2022	557	£495
Scheme of 375 one, two and three bedroom residential units over 40 stories completed in 2024 and situated immediately adjacent to the west of the subject.					

Table 7: Viadux Phase 1 – Selection of One Bed Sold Prices

Viadux, Great Bridgewater Street					SOLD - NEW
	**Unit**	**Sale Price**	**Committed Date**	**Unit Size**	**Rate Per Sq.ft**
	Apt 26 / 2nd Floor	£311,495	Aug 2022	778	£400
	Apt 73 / 7th Floor	£329,583	Nov 2022	803	£410
	Apt 126 / 12th Floor	£332,176	Aug 2021	755	£440
	Apt 156 / 15th Floor	£337,843	June 2022	755	£442
	Apt 195 / 19th Floor	£373,445	Sept 2022	817	£457
	Apt 233 / 23rd Floor	£367,972	April 2023	803	£458
	Apt 300 / 30th Floor	£349,067	July 2022	745	£468
	Apt 380 / 38th Floor	£364,086	May 2021	745	£489
Scheme of 375 one, two and three bedroom residential units over 40 stories completed in 2024 and situated immediately adjacent to the west of the subject.					

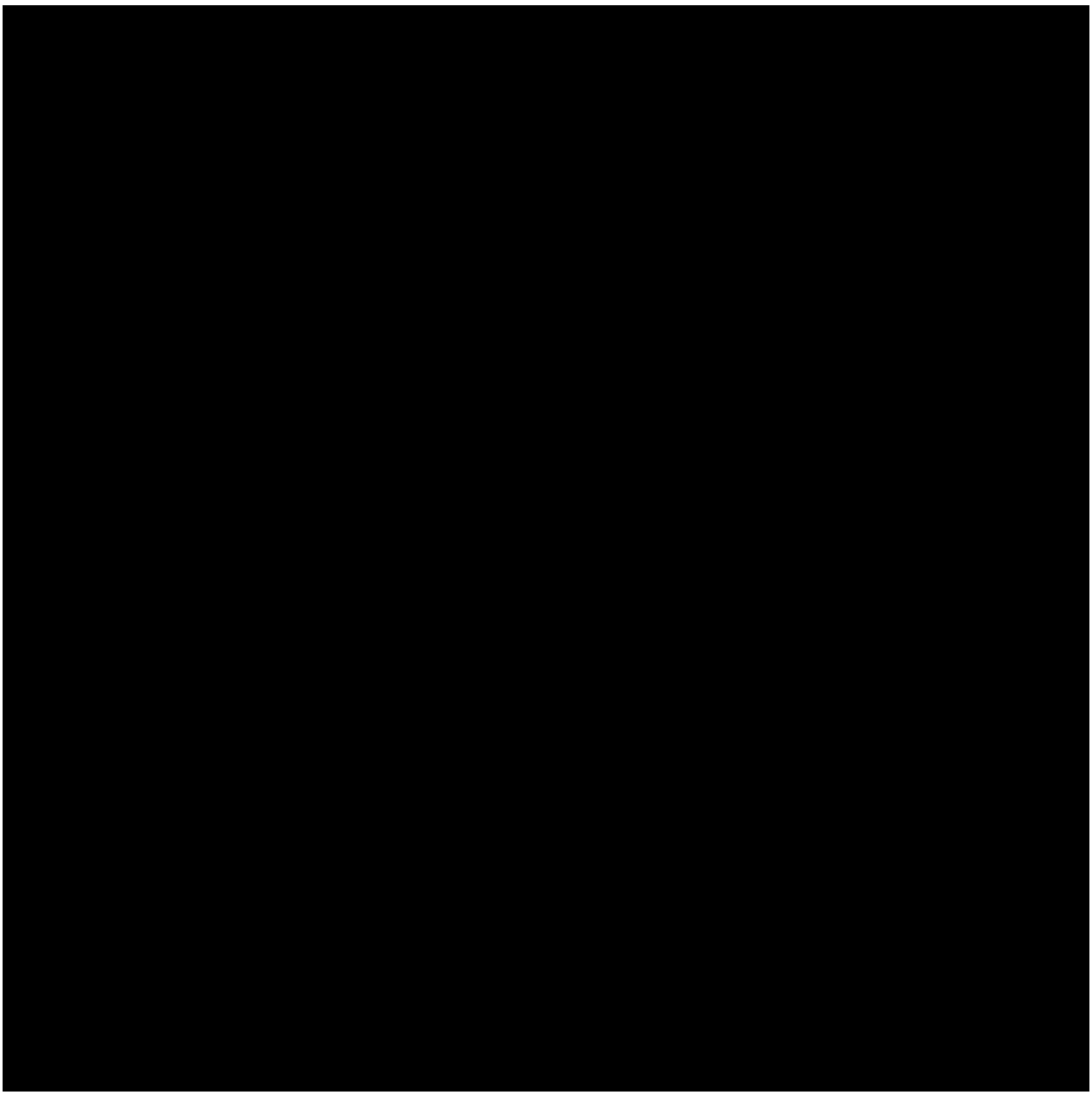
Table 8: Viadux Phase 1 – Selection of Two Bed Sold Prices

4.31 This evidence suggests a level of value which is commensurate with the nature of the scheme proposed. The main tower will be iconic within the city and as such additional value should be expected to be achieved over and above that suggested by the local evidence. This uplift is further enhanced by the proposed branding of the residential as 'Nobu Residences'.

[redacted]









4.34 Taking all circumstances into account namely the high profile of the scheme and assuming a generally positive outlook for pricing moving forwards we propose values for the main tower ranging as follows for market typical sized units:

One Bed One Person Apartments	£400,000
One Bed Two Person Apartments	£460,000
Two Bed Apartments	£750,000 - £900,000
Three Bed Apartments	£1,150,000

4.35 There are a number of non-typical sized units which will command values outside of these ranges of value – notably penthouse apartments on the top floors of the building which are between 2,947 sq.ft and 5,880 sq.ft in size and which will command in the region of £3,500,000 to £5,750,000.

4.36 These values contrast with those values that apply to the smaller tower which are more informed by the Viadux Phase 1 evidence and which suggest the following range of values:

One Bed Apartments	£225,000 - £285,000
Two Bed Apartments	£330,000 - £400,000
Three Bed Apartments	£410,000

Commercial

4.37 The subject scheme offers commercial spaces namely:

Plot 2B – two commercial units at 'podium' level facing towards Phase 1 and Deansgate Metrolink station

4.38 We have reviewed the market for commercial space which we consider would be suitable for convenience retail, food and drink and less so comparison shopping. Indicative rentals are outlined in Table 13.

4.39 On the basis of the above we consider the range of rents that are appropriate are between £25.00 and £30.00 per sq.ft depending on the size of unit.

Address	Tenant	Term	Size	Rent
Great Northern Warehouse, 225-227 Deansgate	Futon Company	10 yrs from Apr 2016	2,094 sq.ft (bmt/gnd)	£47,500 (£22.60 psf)
	Ascend	5 yrs from Aug 2015	1,500 sq.ft (bmt/gnd)	£35,000 (£23.33 psf)
21-35b Whitworth St West	Thornley Groves	10 yrs from Aug 2021	1,266 sq.ft (gnd)	£50,000 (£39.00 psf)
3-11 Liverpool Road	Cibo	20 yrs from Jan 2015	2,283 sq.ft	£50,000 (£21.90 psf)
Deansgate Square, 371 Deansgate	N/A	N/A	2,880 sq.ft (gnd)	£72,000 Asking (£25.00 psf)

Table 13: Commercial Indicative Lettings

5. Appraisal Methodology

5.1 As previously outlined, we have adopted the guidance and methodology that applies to assessing financial viability in the context of planning negotiations.

5.2 The new RICS Guidance Note '*Assessing viability under the National Planning Policy Framework 2019 for England*' gives guidance as to how viability should be undertaken in the context of the NPPG.

5.3 Paragraph 010 of the NPPG states that:

'*Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return.*'

5.4 The residual valuation framework shown in Fig. 7 describes how the different elements of an FVA are pieced together.

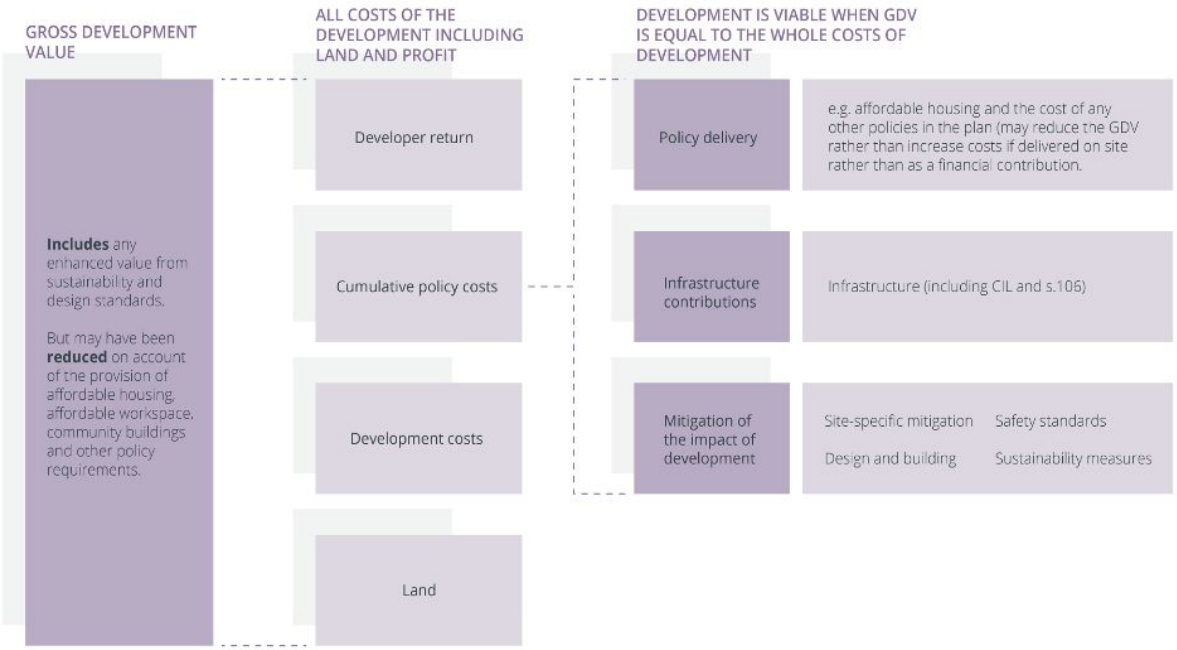


Fig. 7: Residual Valuation Framework
Source: RICS Valuation of development property

5.5 This Guidance Note covers how to undertake Financial Viability Appraisals (FVAs) at the plan making stage and also at the decision-making stage (ie, as part of the planning application process).

5.6 This FVA is submitted as part of a planning application and so the guidance as it relates to the decision-making stage is relevant.

5.7 The NPPG and RICS Guidance is clear that an FVA at the decision-making stage should not be necessary where an up-to-date local plan is in place.[2] The preparation of an FVA may be necessary if particular circumstances justify that viability issues should be considered by the local planning authority.

5.8 In this case the local planning authority (Manchester City Council) adopted its Local Plan in 2012 and so is dated.

5.9 In simple terms the test is, having taken into account the appropriate costs of development and its anticipated end value, does the proposed development meet market expectations in terms of return?

5.10 Looking to the component parts of the development appraisal:

Development Costs

5.11 The usual costs of development that are to be included within a FVA include:

i) Base construction costs

ii) Abnormal costs

iii) Section 106 Costs

iv) Contingency

v) Fees

vi) Finance

vii) Land Value

viii) Profit

Construction Costs

5.12 Build costs should be substantiated through a professional assessment of likely costs undertaken by a qualified quantity surveyor or the use of industry benchmarked cost data (such as BCIS).

Abnormal Costs

5.13 Abnormal costs of development are often the costs that push a project into being 'unviable' in terms of it not being able to generate a reasonable level of return. Equally a project may be considered 'unviable' because market conditions are such that values may not be sufficiently high to cover costs even if there are no abnormal costs.

5.14 The presence of significant abnormal development costs is one justification for considering site specific FVAs at the decision making stage where an up to date local plan exists.

5.15 It is important to recognise that abnormal costs should not necessarily reduce the Benchmark Land Value 'pound for pound' and it is clearly stated in the Guidance as follows:

'*It is only where the premium above EUV falls below the minimum level needed for a reasonable landowner to bring forward the site for development that reducing emerging*

[2] - In this context 'up-to-date' means a local plan that has been formulated under the guidance issued within the NPPG updated in 2019 which outlines how viability should be determined at local plan making stage and that subsequent use of viability evidence at decision making stage is therefore restricted.

or actual policy requirements, taking into account the deliverability of the plan and all relevant circumstances, should be considered'. Para 4.4.8

5.16 It is clear therefore that the landowner's reasonable expectation of value limits the impact of the abnormal costs on the Benchmark Land Value.

Section 106 Costs

5.17 Section 106 contributions (including requirements for affordable housing) which are required as part of local planning policy.

Contingency/Fees

5.18 Contingency is a normal expression of risk in relation to development costs and professional fees are of course an allowable expense.

Finance

5.19 Finance costs should be at a rate that can be considered appropriate in terms of it being the market norm for the type and size of project being appraised.

Land Value

5.20 The Guidance considers in some detail an appropriate land value for inclusion within the appraisal. This guidance is covered in Section 6 of this report where the Benchmark Land Value (BLV) for this scheme is specifically considered.

Profit

5.21 The level of return that is permitted is outlined in the NPPG as normally being between 15% and 20%. The Guidance considers that the appropriate level of profit to be applied to a proposed scheme at decision making stage is to be assessed taking into account similar factors as at plan making stage (ie, the normal range of suitable profit should be between 15% and 20%). Profit should be at a rate that is considered to be the 'market norm' and reflective of the particular characteristics and risk profile of the project.

Values

5.22 Values should be based on evidence available in the open market and take into account all known site specific factors.

5.23 The residual appraisal should be undertaken on a basis that will allow the level of profit to be compared against the benchmark profit – which in this case is expressed as a percentage of Gross Development Value.

5.24 It is also best practice and a mandatory requirement of the RICS to carry-out sensitivity analysis on each of the appraisals to determine the impact on profitability of a change in the most important variables which are typical sales values and build costs but also other inputs which may have an increased chance of variability.

6. Benchmark Land Value

6.1 In order to successfully assess the financial viability of the scheme one needs to take into account the underlying value of the land on which the development is to be constructed (ie the Benchmark Land Value or BLV). Whether or not the land is already in the ownership of the applicant, adequate allowance should be made for the acquisition price or notional acquisition price when identifying the true costs of the development.

The Guidance

6.2 The RICS Guidance which uses the NPPG as its base reference point states that the BLV

> '*will usually be based on the Existing Use Value (EUV) plus a premium (EUV+) but may sometimes be based on the Alternative Use Value (AUV) excluding the premium where appropriate.*' (para 5.1.3)

6.3 Importantly the BLV should not be expected to be the same as market value and therefore is not necessarily the price paid for a site in the open market. Rather the BLV

> '*should be set at a level that provides the minimum return at which a reasonable landowner would be willing to sell.*' (para 5.1.3)

6.4 The guidance is clear that establishing the BLV requires a review of five component elements as follows:

a) EUV (Step 1)

b) Premium (Step 3)

c) AUV (where the EUV+ is not appropriate) (Step 2)

d) The policy compliant site value assessed by the residual method of valuation (Step 4)

e) The policy compliant site value assessed by the comparison method of valuation (Step 5)

6.5 The assessment of the EUV and the Premium is the principal method of determining the BLV. This is replaced by an assessment of the AUV in cases where there is strong case that a higher value would result from either a) the undertaking of development works within the parameters of the existing use or, b) a planning permission that would be reasonably considered to be achievable, or from an extant permission.

6.6 The valuation of the site assuming full policy compliance on both the residual valuation basis and the comparison method of valuation is used as a cross check. It is clearly stated that the assessment of the EUV the Premium and the AUV relies on the professional skill of the valuer to reach a reasoned conclusion. As the policy compliant assessments are designed as a cross check they are to all intents and purposes part of the evidence base used for determining a suitable BLV.

6.7 However, at the heart of the assessment process is the central tenet that the BLV

> '*should be set at a level that provides the minimum return at which a reasonable landowner would be willing to sell.*' (para 5.1.3)

6.8 On this basis the BLV has to equate to a landowner's reasonable expectation of value under all the circumstances and not be unduly driven by the cross-check methodologies.

The Subject Site

6.9 In this case the subject site comprises two distinct parcels (as shown in Fig. 8). The first parcel (**Parcel 1**) is a 1.17 acre (0.47 ha) site which sits adjacent to the east of the already constructed Phase 1 (also known as Viadux 1) which forms part of an earlier permitted scheme. This parcel can be subdivided into 3 distinct areas:

Parcel 1a – an area of around 0.8 acres (0.32 ha) which comprises the former train viaduct and service yard area to the rear of GMex.

Parcel 1b - an area beneath and around the tram viaduct totalling 0.37 acres (0.15 ha).

Parcel 1c - an area of land of approximately 0.18 acres (0.07 ha) to the east which is currently highway (slip road onto Albion Street).

6.10 In terms of planning history Parcel 1 benefits from an extant planning permission (Ref: 115871/FO/2017) for a 40 storey tower accommodating 375 residential dwellings, a 14 storey office block (31,756 sq.m) with ground floor commercial (1,010 sq.m). The residential tower has been constructed outside the boundaries of Parcel 1. The permission has been implemented by the virtue of the construction of Phase 1.

6.11 The second parcel (**Parcel 2**) is a 0.28 acre (0.11 ha) site adjacent to Beetham Tower.

6.12 Parcel 2 was granted planning permission in October 2003 for an 11 storey office block (Ref: 068662/FO/2003/C3). Part of the permission related to the 47 storey hotel and residential tower block (Beetham Tower) which has been built out. The permission has been implemented by virtue of the construction of Beetham Tower and is therefore extant.

6.13 Although there are existing restrictions within the leasehold interests that make up Parcel 1 we understand there is agreement to alter the terms of leases so that the proposed development can be implemented. It is important to recognise however that:

a) Development can only be undertaken above and below the service yard deck and not on it and access is to be maintained through the first phase of development (Viadux Phase 1)

b) The leasehold interest from TFGM does not include the tramway viaduct or supporting structures and nothing can be added or connected to the existing viaduct.

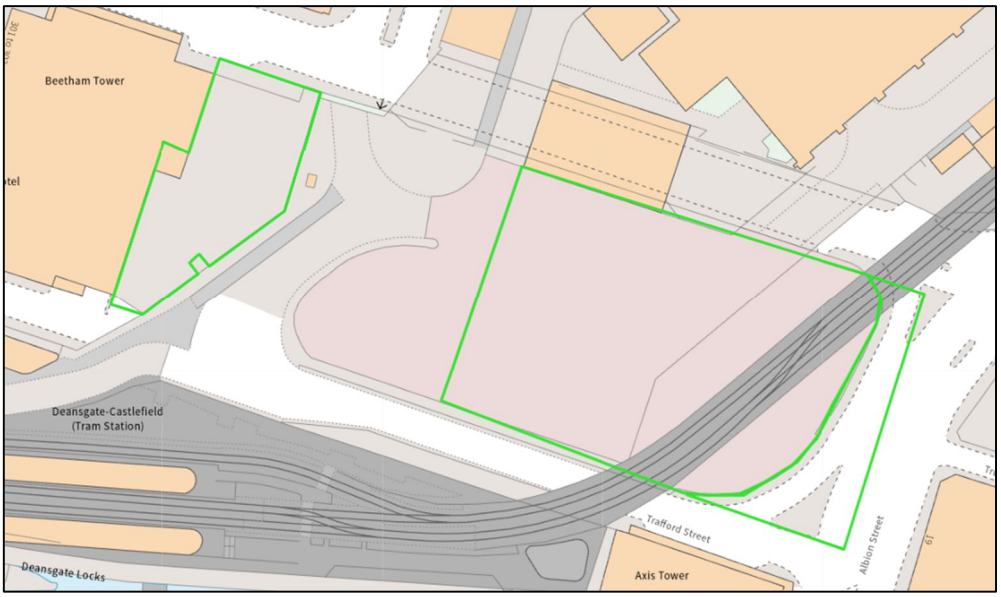


Fig. 8: Parcel 1 (to the east) and Parcel 2 (to the west)

Existing Use (Step 1)

6.14 Looking at each the parcels in turn:

Parcel 1

Parcel 1a

6.15 This parcel comprises the former train viaduct and service yard deck to the rear of GMex. Use of this area is restricted by the long lease over the service yard to the MCCC and the length of the lease effectively gives this part of the site a nominal value in its existing use. At viaduct level (ie below the service yard) the site has potential to accommodate car parking given that this has been its historic use.

6.16 We have calculated the net land value as follows:

Spaces	51
Occupancy	51%[3]
Avg Net Daily Rate	£7.50
Income PA	£71,719

[3] - Based on 75% occupancy on working days only.

Less	
Management Charge @ 10%	£7,172
Operating Costs @ 15%	£10,758
Capitalisation Rate @ 8%	
Gross Value	£672,363
Less	
Capital Expenditure Allowance	£100,000
Less	
SDLT and Purchasers Costs (6.8%)	£38,921
Net Value	**£533,443 (£10,460 per space)**

6.17 Given the existence of an implemented planning permission affecting this site we have considered an appropriate BLV based on the site's AUV. However this scheme has not been delivered as it is incapable of generating an acceptable level of profit and so Existing Use Value remains the basis upon which the BLV should be calculated..

Parcel 1b

6.18 This parcel of land which sits under the elevated tram viaduct currently used as a construction compound related to the adjacent Phase 1 residential tower. It is subject to a long leasehold interest from TFGM.

6.19 We believe an appropriate existing use value would be based in its use for car parking which is permitted under the lease.

6.20 Given the difficult layout that car parking here would suggest we have assumed that the site could accommodate only 45 car parking spaces. On this basis we have calculated the net land value as follows:

Spaces	45
Occupancy	51%[4]
Avg Net Daily Rate	£7.50
Income PA	£63,281

[4] - Based on 75% occupancy on working days only.

Less		
Management Charge @ 10%	£6,328	
Operating Costs @ 15%	£9,492	
Capitalisation Rate @ 8%		
Gross Value	£593,262	
Less		
Capital Expenditure Allowance	£100,000	
Less		
SDLT and Purchasers Costs (6.8%)	£33,542	
Net Value	**£459,719**	**(£10,216 per space)**

Parcel 1c

6.21 We consider this to have an effective existing use value of £0 given its current role as public highway.

Parcel 2

6.22 This parcel comprises undeveloped land currently used as a construction compound related to the adjacent Phase 1 residential tower.

6.23 We believe an appropriate existing use value would be based in its use for car parking.

6.24 We have calculated the net land value as follows:

Spaces	37
Occupancy	80%[5]
Avg Net Daily Rate	£10.00
Income PA	£129,600

[5] - Based on 80% occupancy on 360 days per year.

Less		
Management Charge @ 10%		£12,960
Operating Costs @ 15%		£25,920
Capitalisation Rate @ 8%		
Gross Value		£1,134,000
Less		
Capital Expenditure Allowance		£100,000
Less		
SDLT and Purchasers Costs (6.8%)	£70,312	
Net Value		**£963,688 (£26,282 per space)**

6.25 Given the existence of an implemented planning permission affecting this site we have considered an appropriate BLV based on the site's AUV. However this scheme has not been delivered owing to issues of viability and so Existing Use Value remains the basis upon which the BLV should be calculated.

6.26 In total therefore we consider the total existing use value of Parcel 1a, 1b, 1c and Parcel 2 to be £1.957 million. To this should be added a suitable premium.

Premium (Step 3)

6.27 Guidance is clear that the assessment of the premium is based on the judgement of the valuer, informed but not determined, by the cross checks at Stages 4 and 5 below. Essentially the premium is the amount which the landowner is prepared to accept over and above the existing use value to bring forward their site for the proposed development.

6.28 The Benchmark Land Value should represent the landowner's reasonable expectation of value'.

6.29 There is a very strong argument that a landowner's reasonable expectation of value in a city centre location where high rise residential development is actively encouraged should be in some way linked to the general value of land in the general vicinity for the form and nature of the proposed scheme – suitably adjusted to be policy compliant.

6.30 Alternatively a percentage uplift can be applied. If an uplift of say 30% were applied this would increase the BLV for Parcels 1a, 1b, 1c and 2 to **£2.544 million**.

Alternative Use Value (Step 2)

6.31 As outlined above we do not consider there to be justification for employing an AUV to determine the BLV.

Policy Compliant Residual Valuation (Step 4)

6.32 In this case a policy compliant residual valuation which is based on actual sales evidence would deliver a result that is lower than the Existing Use Value of the sites.

Comparable Analysis Adjusted as Required to Reflect Full Policy Compliance (Step 5)

6.33 As full policy compliance means compliance with policies that have come into force relatively recently it is difficult to identify and analyse transactions in any useful way.

6.34 In **conclusion** we consider the EUV of Parcels 1a, 1b, 1c and 2 to be in the region of £1.957 million. Neither a policy compliant residual valuation nor adjusted land comparable analysis is helpful in informing the Premium.

6.35 The need for an incentive remains and as such we have adopted a 30% premium to incentivise the landowner to sell for the proposed use. This equates to a Benchmark Land Value for the subject site of **£2.544 million**.

6.36 In total therefore we believe a Benchmark Land Value of **£2.544 million** is applicable in this instance.

7. Appraisal Inputs

7.1 We have undertaken residual valuations of the proposed scheme using industry standard software (Argus Developer) to demonstrate the extent of viability. This has been carried-out on an Open Market Sales basis in respect of the residential element within Plot 2A.

7.2 In respect of Plot 2B two separate versions, Basis A and Basis B, with a sub-option in relation to Basis B have been carried out:

Appraisal Basis A - Assuming that Plot 2B (ie, 133 units) is sold in the open market by way of individual apartment sales. This appraisal assumes no Section 106 related payments.

Appraisal Basis B - Assuming that Plot 2B (ie, 133 units)

i) is put over to Social Rented affordable housing which is secured by way of a Section 106 Agreement. This appraisal assumes no other Section 106 related payments/obligations

ii) makes a full commuted sum payment in lieu of on-site provision leaving the completed units to be sold in the open market. This appraisal assumes no additional Section 106 related payments.

7.3 Summaries of these appraisals are attached at Appendix III and these outline the viability of the scheme under the two main scenarios and sub-option.

7.4 The inputs to the appraisal are divided between cost items and values and detail in relation to each of the inputs is outlined below:

Cost Items

Plot 2A – Residential/Hotel

7.5 A cost plan has been prepared by the Applicant's project manager, Artal, and is attached at Appendix II and identifies an overall construction cost of £274,597,948 (£319.15 per sq.ft). This figure is inclusive of externals and abnormals but exclusive of professional fees.

7.6 All allowances for inflation have been excluded with costs as at Q2 2025.The detail of the construction costs for the scheme as a whole is detailed in Table 14.

Fees

7.7 Professional and other fees across the whole site total £10,983,917 which represents 4.0% of the base build, abnormals and externals.

Finance

7.8 A finance rate of 6.5% has been adopted which although lower than the prevailing senior debt development finance is reflective of the anticipated blended cost of finance across all sources likely to be applied to this scheme..

Survey / Fees

7.9 Survey and professional fees in the sum of £1,611,078 have been incurred.

S.278 Works

7.10 Section 278 works required by the permission are estimated at £2,000,000.

Item	Cost
Construction Costs[6]	£274,597,948
Abnormals[7]	£incl
Externals	£incl
Sub-Total	**£274,597,948**
Fees (4.0%)	£10,983,917
Total	**£285,581,866**

Table 14: Plot 2A Construction Costs

Construction Warranty

7.11 A construction warranty at a cost of £3,000 per apartment has been applied.

Marketing/Sales Costs

7.12 Marketing and sales costs comprise the following for the open market residential:

Marketing	2.00% of GDV
Sales Agent Fee	7.5% of GDV
Sales Legal Fee	£350 per dwelling
Branded Residential Fee	4.0% of GDV

7.13 Total marketing and agents' fees therefore total 13.5% which is justified through the need to sell through overseas channels and to pay additional fees to permit the Nobu branding both of which are necessary to secure the exceptional values applied to this set of appraisals.

Land Input Value

7.14 A Benchmark Land Value of £1.291 million is adopted (see Section 6).

Plot 2B – Residential

7.15 A cost plan has been prepared by the Applicant's project manager, Artal, and is attached at Appendix II and identifies an overall construction cost of £37,788,386 (£291.71 per sq.ft). This figure is inclusive of externals and abnormals but exclusive of professional fees.

7.16 All allowances for inflation have been excluded with costs as at Q2 2025.

7.17 The detail of the construction costs for the scheme as a whole is detailed in Table 15.

[6] - This includes preliminaries, contractor risk and OH&P.

[7] - This includes preliminaries, contractor risk and OH&P.

Fees

7.18 Professional and other fees across the whole site total £1,511,535 which represents 4.0% of the base build, abnormals and externals.

Item	Cost
Construction Costs[8]	£37,788,386
Abnormals[9]	£incl
Externals	£incl
Sub-Total	**£37,788,386**
Fees (4.0%)	£1,511,535
Total	**£39,929,992**

Table 15: Plot 2B Construction Costs

Finance

7.19 A finance rate of 6.5% has been adopted which although lower than the prevailing senior debt development finance is reflective of the anticipated blended cost of finance across all sources likely to be applied to this scheme.

Construction Warranty

7.20 A construction warranty at a cost of £3,000 per apartment has been applied.

Marketing/Sales Costs

7.21 Marketing and sales costs comprise the following for the open market residential:

Marketing	2.00% of GDV
Sales Agent Fee	7.5% of GDV
Sales Legal Fee	£350 per dwelling

7.22 Total marketing and agents' fees therefore total 9.5% which is justified through the need to sell through overseas channels.

Land Input Value

7.23 A Benchmark Land Value of £1.253 million is adopted (see Section 6).

Profit Level Benchmark

Plot 2A – Residential/Hotel

7.24 A benchmark profit level of 20% on GDV has been adopted for Plot 2A which we consider to be the minimum level of return that would be acceptable to the market given the scale of this part of the scheme, its broadly speculative nature and the market within which it sits.

[8] - This includes preliminaries, contractor risk and OH&P.

[9] - This includes preliminaries, contractor risk and OH&P.

Plot 2B – Residential

7.25 Where it is assumed the housing is sold in the open market (Appraisal Basis A) a benchmark profit of 20% on GDV has been adopted in respect of Plot 2B given that this element carries development and sales risk .

7.26 Where it is assumed the affordable housing is secured by way of Section 106 (Appraisal Basis B) a benchmark profit of 10% on cost has been adopted in respect Appraisal Basis B(i) given that this element carries no sales risk. In respect of sub-option B(ii) where a commuted sum is assumed the full 20% profit on GDV applies.

7.27 The calculated blend of these rates for Appraisal Basis A gives a return on GDV equivalent of 20%.

7.28 The blended rate for Appraisal Basis B(i) equates to a return on GDV equivalent of 20.29%% but for B(ii) this returns to 20% on GDV.

7.29 The viability of the scheme will be judged by the ability for the scheme to meet these target rates.

Values

7.30 Value in the scheme is generated through:

- the sales of the completed residential units in the open market in respect of Plot 2A
- the investment value of the hotel in respect of Plot 2A
- the sale of the completed residential units in respect of Plot 2B either in the open market or to a Registered Provider via a Section 106 Agreement
- the investment value of the commercial units within Plot 2B.

Plot 2A – Residential Open Market Sales

7.31 Anticipated sales values as at now have been determined for each of the residential units the detail of which is outlined in Table 16.

7.32 The average sales rate for the scheme is £872 per sq.ft with prices of £1,001 per sq.ft for the smallest one bed one person apartments, £823 for the larger one bed two person apartments; and £760 to £1,002 per sq.ft for two bed apartments. Three bed apartments are valued at between £851 and £887 per sq.ft whilst the penthouses are valued at £978 and £1,171 per sq.ft.

Plot 2A – Hotel Disposal Value

7.33 As outlined above the hotel has an estimated stabilised net income of £6,896,610. Applying an investment yield of 7.0% suggests a capital value of £98,522,998 which net of the usual purchasers costs (ie 6.8%) gives a net value of £91,823,434.

Unit Type	Units	Avg Size sq.m (sq.ft)	Unit Price	Total	Price Per sq.ft
One Bed One Person Apartments (floors 26 – 42)					
0A	17	37.4 (402)	£402,500	£6,842,500	£1,001
0B	34	42.8 (461)	£402,500	£13,685,000	£873
One Bed Two Person Apartments (floors 26-42)					
1A	100	51.9 (559)	£460,000	£46,000,000	£823
Two Bed Apartments (floors 26-72)					
2A	34	69.3 (746)	£747,500	£25,415,000	£1,002
2B	106	80.5 (867)	£805,000	£85,330,000	£928
2C	29	84.7 (912)	£839,500	£24,345,000	£921
2D	7	97.3 (1,047)	£862,500	£6,037,500	£824
2E	73	102.8 (1,107)	£885,500	£64,641,500	£800
2F	29	109.6 (1,180)	£897,000	£26,013,000	£760
Three Bed Apartments (floors 68-72)					
3A	11	120.4 (1,297)	£1,150,000	£12,650,000	£887
3B	9	125.6 (1,352)	£1,150,000	£10,350,000	£851
Penthouses					
PHA	2	273.8 (2,947)	£3,450,000	£6,900,000	£1,171
PHB	1	546.3 (5,880)	£5,750,000	£5,750,000	£978
Total	**452**			**£333,960,000**	**Avg £872**

Table 16: Plot 2A Proposed Residential Accommodation Pricing

Plot 2B – Sale on the Open Market or Sale to Registered Provider via Planning Permission

Appraisal Basis A

7.34 Under this scenario the units in Plot 2B are sold in the open market. Anticipated sales values as at now have been determined for each of the residential units the detail of which is outlined in Table 17.

7.35 The average sales rate for the scheme is £502 per sq.ft with prices between £528 and £536 per sq.ft for the one bed apartments; £482 to £504 per sq.ft for the two bed apartments; and £478 per sq.ft for the three bed apartments.

Appraisal Basis B(i)

7.36 Where the affordable housing is to be secured via Section 106 Agreement the completed units are sold to a Registered Provider at discount to Open Market Value. In this case where the tenure is social rent a 60% discount to OMV is typically applied.

7.37 Anticipated sales values have been determined for each of the residential units with an appropriate discount of 60% the detail of which is outlined in Table 17.

Unit Type	Units	Avg Size sq.m (sq.ft)	Avg Unit Price	Discounted Price @ 40% OMV	Total Undiscounted
One Bed Apartments					
Plot 2B 1A	19	39.0 (420)	£225,000	£90,000	£4,275,000
Plot 2B 1B	38	50.0 (538)	£284,000	£113,600	£10,792,000
Two Bed Apartments					
Plot 2B 2A	19	61.0 (657)	£331,000	£132,400	£6,289,000
Plot 2B 2B	19	70.0 (753)	£371,700	£148,680	£7,062,300
Plot 2B 2C	19	77.0 (829)	£400,000	£160,400	£7,600,000
Three Bed Apartments					
Plot 2B 3A	19	80.0 (861)	£411,600	£164,640	£7,820,400
Total	**133**				**£43,838,700 (Discounted £17,535,480)**

Table 17: Plot 2B Proposed Residential Accommodation Pricing

Appraisal Basis B(ii)

7.38 This sub-option incorporates the same values as Basis B(i) but carries an additional cost of an estimated commuted sum in lieu of on-site provision of affordable housing of £18,458,440 (see para 3.19 above).

Plot 2B – Investment Value of Commercial Floorspace

7.39 The adopted rental values and investment yields for the various commercial units are set-out in Table 18.

Plot	Unit	Rent Per sq.ft	Rental Value	Gross Investment Value @ 8% Yield
Plot 2B	Commercial 1 (1,044 sq.ft)	£30.00	£62,970	£787,125
	Commercial 2 (1,055 sq.ft)	£30.00		
				£787,125

Table 18: Plots 2B Proposed Commercial Accommodation Values

Total Scheme Value

7.40 The total Net Development Value of the scheme on the different bases is assessed to be as follows:

Appraisal Basis A	£470,362,119
Appraisal Basis B(i)	£444,055,088
Appraisal Basis B(ii)	£470,362,119 (or £451,903,670 if commuted sum cost taken off top line)

Timings

7.41 The appraisal has been undertaken on the basis that from the date of this report (September 2025) in respect of Plot 2A there will be a period of 6 months before a start on site (April 2026) followed by a 66 month construction period (November 2031). For Plot 2B construction will start in November 2026 with a 48 month construction period (October 2030).

7.42 For the open market sales units it is assumed that all but the penthouses are sold off-plan in advance of practical completion. The remaining penthouses are assumed to be sold over the following 8 months. Furthermore it is assumed that 25% deposits are taken on reservation of the apartments and that these are taken at consistent rate throughout the build period.

7.43 The viability of the scheme is outlined in Section 8.

8. Results of the Appraisals

8.1 The viability of the scheme has been appraised using Argus Developer the market leader in bespoke development appraisal software. The scheme has been appraised on the basis that Plot 2A residential is sold on an open market sales basis whilst the residential proposed for Plot 2B is either sold on the open market or secured for social rent via a Section 106 agreement.. The different bases being:

Appraisal Basis A – Assumes that both the Plot 2A residential and the Plot 2B is sold in the open market. This appraisal assumes no Section 106 related payments.

Appraisal Basis B - Assumes that the Plot 2A residential is sold in the open market and that Plot 2B

(i) is put over to Social Rented affordable housing which is secured by way of a Section 106. Agreement This appraisal assumes no Section 106 related payments, or

(ii) makes a full commuted sum payment in lieu of on-site provision leaving the completed units to be sold in the open market This appraisal assumes no additional Section 106 related payments

8.2 The result of the appraisals that have been carried-out (and which are attached at Appendix III) is outlined below.

Appraisal Basis A

Scheme	Profit on GDV	Compared to Benchmark Profit (@ 20.00%)
All Residential Open Market Sales. No S106 commitments.	7.62%	-12.38%

Table 19: Appraisal Basis A - Appraisal Result

8.3 This clearly demonstrates that the scheme is unable to afford any planning obligations if the benchmark return of 20.00% on GDV is to be achieved.

Sensitivity Analysis

8.4 The nature of residual appraisals are such that they are materially impacted by changes in one or more variables.

8.5 We have therefore considered changes to two key variables, namely;

- Build Costs – base build
- Residential and Commercial Values

8.6 The results of the analysis for the appraisal are as follows:

		Build Costs		
		-10%	0%	+10%
Sales Values	-10%	7.34%	-2.08%	-11.50%
	0%	16.07%	**7.62%**	-0.86%
	+10%	23.04%	15.53%	7.85%

Table 20: Appraisal Basis A - Sensitivity Analysis

8.7 This analysis demonstrates that for the benchmark return of 20.00% on GDV to be exceeded there would need to be a material increase in sales values and reduction in build costs.

Appraisal Basis B(i)

Scheme	Profit on GDV	Compared to Benchmark Profit (@ 20.29%)
Plot 2A – Open market sales; Plot 2B – affordable housing delivered via S106. No other S106 commitments.	2.73%	-17.56%

Table 21: Appraisal Basis B(i) - Appraisal Result

8.8 This clearly demonstrates that the scheme is unable to afford any planning obligations if the benchmark return of 20.29% on GDV is to be achieved.

%Sensitivity Analysis

8.9 The nature of residual appraisals are such that they are materially impacted by changes in one or more variables.

8.10 We have therefore considered changes to two key variables, namely;

- Build Costs – base build
- Residential and Commercial Values

8.11 The results of the analysis for the appraisal are as follows:

		Build Costs		
		-10%	0%	+10%
Sales Values	-10%	2.46%	-7.54%	-17.54%
	0%	11.73%	**2.73%**	-6.27%
	+10%	19.28%	11.14%	2.95%

Table 22: Appraisal Basis B(i) - Sensitivity Analysis

8.12 This analysis demonstrates that for the benchmark return of 20.29% on GDV to be exceeded there would need to be a material increase in sales values and reduction in build costs.

Appraisal Basis B(ii)

Scheme	Profit on GDV	Compared to Benchmark Profit (@ 20.00%)
All Residential Open Market Sales. Commuted sum in lieu of on-site affordable. No other S106 commitments.	3.34%	-16.66%

Table 21: Appraisal Basis B(ii) - Appraisal Result

8.13 This clearly demonstrates that the scheme is unable to afford any planning obligations if the benchmark return of 20.00% on GDV is to be achieved.

Sensitivity Analysis

8.14 The nature of residual appraisals are such that they are materially impacted by changes in one or more variables.

8.15 We have therefore considered changes to two key variables, namely;

- Build Costs – base build
- Residential and Commercial Values

8.16 The results of the analysis for the appraisal are as follows:

		Build Costs		
		-10%	0%	+10%
Sales Values	-10%	2.61%	-6.83%	-16.27%
	0%	11.84%	**3.34%**	-5.16%
	+10%	19.31%	11.67%	3.94%

Table 22: Appraisal Basis B(ii) - Sensitivity Analysis

8.17 This analysis demonstrates that for the benchmark return of 20.00% on GDV to be exceeded there would need to be a material increase in sales values and reduction in build costs.

9. Conclusions

9.1 In conclusion, this financial assessment of the proposed scheme demonstrates that , when compared against an appropriately 'risk adjusted return', the scheme as a whole cannot reasonably be considered capable of generating sufficient financial surplus to fund planning obligations which are a requirement of local planning policy.

9.2 Furthermore, it is clear that in relative terms a scheme which assumes either on site provision of affordable housing (Appraisal Basis B(i)) or a commuted sum in lieu of on-site affordable housing (Appraisal Basis B(ii)) is less viable than a scheme which assumes no Section 106 obligations at all (Appraisal Basis A).

9.3 It is proposed therefore that Plot 2B will be delivered as a shared ownership affordable product suitably grant supported in conjunction with Manchester City Council as landowner.

Appendix I – Scheme Drawings

SUPPLIED SEPARATELY

tcp property

Appendix II – Artal Cost Plan

BUDGET ESTIMATE

OVERALL SUMMARY

GIFA (ft2)	989,426
GIFA (m2)	91,920

Ref	Element	Total	£/m2	£/ft2
A	Demolition/Alterations	£ -	£ -	£ -
	Demolition/Alterations (a)	**£ -**	**£ -**	**£ -**
B	Substructure	£ 6,112,250	£ 66.5	£ 6.2
	Substructure (b)	**£ 6,112,250**	**£ 66**	**£ 6**
C.1	Frame	£ 69,588,830	£ 757.1	£ 70.3
C.2	Upper Floors	£ -	£ -	£ -
C.3	Roof (incl roof terrace allowance)	£ 751,987	£ 8.2	£ 0.8
C.4	Stairs	£ 2,176,000	£ 23.7	£ 2.2
C.5	External Walls	£ 52,440,485	£ 570.5	£ 53.0
C.6	External Windows and Doors	£ 25,000	£ 0.3	£ 0.0
C.7	Internal Walls	£ 13,649,566	£ 148.5	£ 13.8
C.8	Internal Doors	£ 2,565,700	£ 27.9	£ 2.6
C.9	Balconies	£ -	£ -	£ -
	Superstructure (c)	**£ 141,197,567**	**£ 1,536**	**£ 143**
D.1	Wall finishes	£ 7,517,155	£ 81.8	£ 7.6
D.2	Floor finishes	£ 7,438,484	£ 80.9	£ 7.5
D.3	Ceiling Finishes	£ 3,649,058	£ 39.7	£ 3.7
	Internal Finishes (d)	**£ 18,604,697**	**£ 202**	**£ 19**
E	Fixtures, Fittings and Equipment	£ 35,551,250	£ 386.8	£ 35.9
	Fixtures, Fittings and Equipment (e)	**£ 35,551,250**	**£ 387**	**£ 36**
F	Mechanical and Electrical Installations	£ 38,396,700	£ 417.7	£ 38.8
	MEP Services (f)	**£ 38,396,700**	**£ 418**	**£ 39**
G	External Works	£ 7,838,283	£ 85.3	£ 7.9
	External Works (g)	**£ 7,838,283**	**£ 85**	**£ 8**
H	Abnormal costs	£ 12,652,335	£ 137.6	£ 12.8
	Abnormal costs	**£ 12,652,335**	**£ 138**	**£ 13**
	Total 1 (Excl VAT)	**£ 260,353,082**	**£ 2,832**	**£ 263**
I	Main contractors preliminaries	£ 22,973,948	£ 249.93	£ 23.2
J	Design Development / Pricing Risk Contingency Allowance /Inflation	£ 7,933,157	£ 86.3	£ 8.0
K	Main contractors overheads and profit	£ 29,059,303	£ 316.1	£ 29.4
	Total 2 (Excl VAT)	**£ 59,966,408**	**£ 3,485**	**£ 324**
	Overall Construction Total	**£ 320,319,490**	**£ 3,485**	**£ 324**

SALBOY

ARTAL

GIFA (ft2):	860,433
GIFA (m2):	79,936

PRICED SCHEDULE - BLOCK A (2A Main Resi)

Ref	Element	Quantity	Unit	Rate		£/m2	£/sqft
A	Demolition/Alterations						
A.1	Demolition/Alterations						
A.1.1	Site-strip allowance		%				
A	Demolitions & Alterations (a)				£ -	£ -	£ -
B.1	Substructure & Externals						
B.1.2	Breaking up existing site surface; piled foundations - allowance for piling to foundation area, inclusive of establishment/piles/pile caps and piling mat; ground floor slab; insulation; obstructions/softspots	2,125	m2	£ 2,500.00	£ 5,312,500.00	£ 66.46	£ 6.17
B	Substructure & Externals (b)				£ 5,312,500	£ 66	£ 6
C.1	Frame						
C.1.1	Concrete columns, blade columns, downstand beams, ties beams, slab, core walls, precast partition wall	79,936	m2	£ 700.00	£ 55,955,200.00	£ 700.00	£ 65.03
C.1.2	Structural dampers	1	Item	£ 3,500,000.00	£ 3,500,000.00	£ 43.79	£ 4.07
C.1.3	Transfer structure (e/o)	1	Item	£ 2,500,000.00	£ 2,500,000.00	£ 31.28	£ 2.91
C.2	Upper floors						
C.2.1	Incl in frame;		m2	£ -	£ -	£ -	£ -
C.3	Roof						
C.3.1	Roof coverings, generally; including waterproofing works	955	m2	£ 380.00	£ 363,063.40	£ 4.54	£ 0.42
C.3.2	Note; main roof structure incl with structural frame						
C.4	Stairs						
C.4.1	Main Core Stairs PCC; landings & half landings, incl balustrades	152	flt	£ 11,000.00	£ 1,672,000.00	£ 20.92	£ 1.94
C.4.2	Commercial unit stairs		flt				
C.5	External Walls						
C.5.1	Envelope/Façade; unitised; L5 and above	29,672	m2	£ 1,200.00	£ 35,606,148.00	£ 445.43	£ 41.38
C.5.2	Curtain walling to L3 and L4	834	m2	£ 1,050.00	£ 875,920.50	£ 10.96	£ 1.02
C.5.3	Podium perimeter glazing; 3m high	294	m2	£ 900.00	£ 264,708.00	£ 3.31	£ 0.31
C.5.4	Dark cladding to L1 and L2	1,103	m2	£ 950.00	£ 1,047,793.00	£ 13.11	£ 1.22
C.5.5	Lighter cladding to L2	69	m2	£ 950.00	£ 65,483.50	£ 0.82	£ 0.08
C.5.6	BoH solid façade to L1 and L2	778	m2	£ 950.00	£ 739,271.00	£ 9.25	£ 0.86
C.5.7	Amenity space parapet	72	m2	£ 1,140.00	£ 81,738.00	£ 1.02	£ 0.09
C.5.8	Cycle repair shop and café shop front	21	m2	£ 1,500.00	£ 30,900.00	£ 0.39	£ 0.04
C.5.9	Fire escapes and cycle entrance	20	m2	£ 1,500.00	£ 30,675.00	£ 0.38	£ 0.04
C.5.10	Residential entrance	20	m2	£ 600.00	£ 12,240.00	£ 0.15	£ 0.01
C.5.12	Existing glazed brick; clean and repoint	189	m2	£ 150.00	£ 28,320.00	£ 0.35	£ 0.03
C.5.13	Cladding to GF	311	m2	£ 950.00	£ 295,725.50	£ 3.70	£ 0.34
C.5.14	Vehicle gate / barrier to L1	140	m2	£ 100.00	£ 13,955.00	£ 0.17	£ 0.02
C.5.15	Internal liners	31,188	m2	£ 95.00	£ 2,962,877.10	£ 37.07	£ 3.44
C.6	Windows and External doors						
C.6.1	Windows - included above		m2	£ 600.00	£ -	£ -	£ -
C.6.3	External doors; including plant room		nr	£ 2,000.00	£ -	£ -	£ -
C.6.4	Main Entrance Door; extra over item C.5.10	1	nr	£ 25,000.00	£ 25,000.00	£ 0.31	£ 0.03
C.7	Internal Walls and Partitions						
C.7.1	Internal walls; generally; to receive finish	49,883	m	£ 250.00	£ 12,470,772.50	£ 156.01	£ 14.49
C.8	Internal Doors						
C.8.1	Internal doors - Apartment entrance doors	452	nr	£ 750.00	£ 339,000.00	£ 4.24	£ 0.39
C.8.2	Internal doors - Hotel entrance doors	160	nr	£ 750.00	£ 120,000.00	£ 1.50	£ 0.14
C.8.2	Internal doors - Apartment internal doors and other	3,040	nr	£ 550.00	£ 1,672,000.00	£ 20.92	£ 1.94
C.9	Balconies						
C.9.1	Balustrade; anodised aluminum perforated balustrade; 1400mm high		m2	£ 600.00	£ -	£ -	£ -
C.9.2	Juliet Balconies; glazed panel; 1400mm high; allowancec per/ apt		nr	£ 1,200.00	£ -	£ -	£ -
C.9.3	Bolt on balconies		nr	£ 10,000.00	£ -	£ -	£ -
C	Superstructure (c)				£ 120,672,791	£ 1,510	£ 140
D.1	Internal walls						
D.1.1	Wall finishes generally; allowance	275,466	m2	£ 10.00	£ 2,754,663.63	£ 34.46	£ 3.20
D.1.2	Wall tiling; allowance; per/apt	452	Nr	£ 1,750.00	£ 791,000.00	£ 9.90	£ 0.92
D.1.3	Wall tiling; allowance; per/hotel	160	Nr	£ 3,500.00	£ 560,000.00	£ 7.01	£ 0.65
D.1.4	Feature wall allowance / enhancement to hotel bedrooms	160	Nr	£ 8,000.00	£ 1,280,000.00	£ 16.01	£ 1.49
D.4	Floor finishes						
D.3.1	Lounges /Kitchens	29,561	m2	£ 90.00	£ 2,660,453.10	£ 33.28	£ 3.09
D.3.2	Bedroom	17,653	m2	£ 40.00	£ 706,130.80	£ 8.83	£ 0.82
D.3.3	Bathrooms/ensuites	5,594	m2	£ 100.00	£ 559,414.00	£ 7.00	£ 0.65
D.3.6	Amenity	9,227	m2	£ 150.00	£ 1,384,050.00	£ 17.31	£ 1.61
D.3.7	Hotel rooms	17,901	m2	£ 90.00	£ 1,611,090.00	£ 20.15	£ 1.87
D.5	Ceiling finishes						

SALBOY

ARTAL

GIFA (ft2):	860,433
GIFA (m2):	79,936

PRICED SCHEDULE - BLOCK A (2A Main Resi)

Ref	Element	Quantity	Unit	Rate		£/m2	£/sqft
D.5.1	Suspended lay-in grid ceiling to corridors; Solid plasterboard to rooms	79,936	m2	£ 40.00	£ 3,197,440.00	£ 40.00	£ 3.72
D	**Internal finishes (d)**				**£ 15,504,242**	**£ 194**	**£ 18**
E.1	**Fittings and Furnishings**						
E.1.1	Allowance for internal signage	1	Item	£ 250,000.00	£ 250,000.00	£ 3.13	£ 0.29
E.1.2	Bathrooms	870	nr	£ 2,000.00	£ 1,740,000.00	£ 21.77	£ 2.02
E.1.3	Kitchens	452	nr	£ 5,500.00	£ 2,486,000.00	£ 31.10	£ 2.89
E.1.4	Blinds	452	nr	£ 250.00	£ 113,000.00	£ 1.41	£ 0.13
E.1.5	General bathroom fittings	452	nr	£ 500.00	£ 226,000.00	£ 2.83	£ 0.26
E.1.6	Reception desk	2	nr	£ 20,000.00	£ 40,000.00	£ 0.50	£ 0.05
E.1.7	Enhancement to amenity	9,227	m2	£ 2,500.00	£ 23,067,500.00	£ 288.57	£ 26.81
E.1.8	Cycle racks	1	nr	£ 200,000.00	£ 200,000.00	£ 2.50	£ 0.23
E.1.9	Penthouse fit out / finishings	1,921	m2	£ 1,500.00	£ 2,881,500.00	£ 36.05	£ 3.35
E.1.10	Hotel room FF&E	160	nr	£ 18,000.00	£ 2,880,000.00	£ 36.03	£ 3.35
E	**Fittings and Furnishings, including sanitary fittings (e)**				**£ 33,884,000**	**£ 424**	**£ 39**
F.2	**Mechanical and Electrical Installations Fit-Out (plumbing & heating)**						
F.2.1	Based on cost per unit Electric Heating and hot water	612	nr	£ 40,000.00	£ 24,480,000.00	£ 306.24	£ 28.45
F.2.2	BWIC	5	%	£ 24,480,000.00	£ 1,224,000.00	£ 15.31	£ 1.42
F.2.3	Lift	472	flrs	£ 11,000.00	£ 5,192,000.00	£ 64.95	£ 6.03
F.2.5	construction time use	1	nr	£ 30,000.00	£ 30,000.00	£ 0.38	£ 0.03
F.2.5	Wet leisure	1	nr	£ 1,000,000.00	£ 1,000,000.00	£ 12.51	£ 1.16
F.2.6	BMU	1	nr	£ 350,000.00	£ 350,000.00	£ 4.38	£ 0.41
F	**Services (F)**				**£ 32,378,000**	**£ 405**	**£ 38**
G	**External Works**						
G.1.1	Allowance for external signage - **SEPARATE TAB**						
G.1.2	Allowance for hard landscaping works - **SEPARATE TAB**						
G.1.3	Allowance for soft landscaping works - **SEPARATE TAB**						
G.1.4	Allowance for external furniture - **SEPARATE TAB**						
G.1.5	Allowance for S278; signals and the like (landscaping included in the above) - **SEPARATE TAB**						
G.1.6	Power reservation - **SEPARATE TAB**						
G	**External Works**				**£ -**	**£ -**	**£ -**
	Works Total				**£ 207,751,532**	**£ 2,599**	**£ 241**
H.1	**Preliminaries**						
H.1.1	Allowance made for Main Contractor preliminaries	9	%	£ 207,751,532.03	£ 18,282,134.82	£ 228.71	£ 21.25
H	**Preliminaries (H)**				**£ 18,282,135**	**£ 229**	**£ 21**
I	**Design Development / Pricing Risk Contingency Allowance /Inflation**	3	%	£ 226,033,666.85	£ 6,328,942.67	£ 79.18	£ 7.36
J	**Main Contractors Overheads and Profit**	10.0	%	£ 232,362,609.52	£ 23,236,260.95	£ 290.69	£ 27.01
	Contingency & OH&P (I & J)				**£ 29,565,204**	**£ 370**	**£ 34**
	Overal Total (Excl VAT)				**£ 255,598,870**	**£ 3,198**	**£ 297**

SALBOY

ARTAL

GIFA (ft2):	129,542
GIFA (m2):	12,035

PRICED SCHEDULE - BLOCK B (2B Affordable)

Ref	Element	Quantity	Unit	Rate		£/m2	£/sqft
A	Demolition/Alterations						
A.1	Demolition/Alterations						
A.1.1	Site-strip allowance		%	£ -			
A	Demolitions & Alterations (a)				£ -	£ -	£ -
B.1	Substructure & Externals						
B.1.2	Breaking up existing site surface; piled foundations - allowance for piling to foundation area, inclusive of establishment/piles/pile caps and piling mat; ground floor slab; insulation; obstructions/softspots	457	m2	£ 1,750.00	£ 799,750.00	£ 66.45	£ 6.17
B	Substructure & Externals (b)				£ 799,750	£ 66	£ 6
C.1	Frame						
C.1.1	Concrete columns, blade columns, downstand beams, ties beams, slab, core walls, precast partition wall	12,035	m2	£ 550.00	£ 6,618,975.00	£ 550.00	£ 51.10
C.2	Upper floors						
C.2.1	Incl in frame		m2	£ -	£ -	£ -	£ -
C.2.2	Mezzanine floor; composite steel and concrete upper floor solution	415	m2	£ 150.00	£ 62,254.50	£ 5.17	£ 0.48
C.3	Roof						
C.3.1	Roof coverings, generally;	132	m2	£ 380.00	£ 50,133.40	£ 4.17	£ 0.39
C.3.2	Roof coverings; sedum roof	471	m2	£ 140.00	£ 65,940.00	£ 5.48	£ 0.51
C.3.3	Note; main roof structure incl with structural frame						
C.3.4	Green roof to roof over entrance; next to tramway; no details so provisional	264	m2	£ 250.00	£ 66,000.00	£ 5.48	£ 0.51
C.4	Stairs						
C.4.1	Main Core Stairs PCC; landings & half landings, incl balustrades	42	flt	£ 12,000.00	£ 504,000.00	£ 41.88	£ 3.89
C.4.2	Commercial unit stairs		flt				
C.5	External Walls						
C.5.1	Envelope/Façade; unitised	6,766	m2	£ 1,200.00	£ 8,119,764.00	£ 674.71	£ 62.68
C.5.2	Grey parapet cladding	349	m2	£ 950.00	£ 331,588.00	£ 27.55	£ 2.56
C.5.3	Green cladding to GF and L4	1,172	m2	£ 950.00	£ 1,113,381.00	£ 92.52	£ 8.59
C.5.4	Cladding to roof access level	69	m2	£ 950.00	£ 65,844.50	£ 5.47	£ 0.51
C.5.2	Internal liners	7,938	m2	£ 95.00	£ 754,152.75	£ 62.67	£ 5.82
C.6	Windows and External doors						
C.6.1	Windows - included above		m2	£ 600.00	£ -	£ -	£ -
C.6.3	External doors; including plant room		nr	£ 2,000.00	£ -	£ -	£ -
C.6.4	Main Entrance Doors		nr	£ 10,000.00	£ -	£ -	£ -
C.7	Internal Walls and Partitions						
C.7.1	Internal walls	4,697.99	m	£ 250.00	£ 1,174,497.50	£ 97.59	£ 9.07
C.7.2	Glazed wall to mezzanine / void	3.58	m	£ 1,200.00	£ 4,296.00	£ 0.36	£ 0.03
C.8	Internal Doors						
C.8.1	Internal doors - Apartment entrance doors	133	nr	£ 750.00	£ 99,750.00	£ 8.29	£ 0.77
C.8.2	Internal doors - Apartment internal doors and other	609	nr	£ 550.00	£ 334,950.00	£ 27.83	£ 2.59
C.9	Balconies						
c.9.1	Balustrade; anodised aluminum perforated balustrade; 1400mm high		m2	£ 600.00	£ -	£ -	£ -
C.9.2	Juliet Balconies; glazed panel; 1400mm high; allowancec per/ apt		nr	£ 1,200.00	£ -	£ -	£ -
C.9.3	Bolt on balconies		nr	£ 10,000.00	£ -	£ -	£ -
C	Superstructure (c)				£ 19,365,527	£ 1,609	£ 149
D.1	Internal walls						
D.1.1	Wall finishes generally; allowance	196,524	m2	£ 10.00	£ 1,965,241.68	£ 163.30	£ 15.17
D.1.2	Wall tiling; allowance; per/apt	133	Nr	£ 1,250.00	£ 166,250.00	£ 13.81	£ 1.28
D.4	Floor finishes						
D.3.1	Lounges /Kitchens	4,478.11	m2	£ 50.00	£ 223,905.50	£ 18.61	£ 1.73
D.3.2	Bedroom	2,736.76	m2	£ 35.00	£ 95,786.60	£ 7.96	£ 0.74
D.3.3	Bathrooms/ensuites	898.13	m2	£ 60.00	£ 53,887.80	£ 4.48	£ 0.42
D.3.4	Communal areas	1,755.44	m2	£ 60.00	£ 105,326.40	£ 8.75	£ 0.81
D.3.5	BOH / Amenity	1,000	m2	£ 30.00	£ 30,000.00	£ 2.49	£ 0.23
D.3.6	Retail (screed only)	422	m2	£ 20.00	£ 8,440.00	£ 0.70	£ 0.07
D.5	Ceiling finishes						
D.5.1	Suspended lay-in grid ceiling to corridors; Solid plasterboard to rooms	11,290	m2	£ 40.00	£ 451,617.60	£ 37.53	£ 3.49
D	Internal finishes (d)				£ 3,100,456	£ 258	£ 24
E.1	Fittings and Furnishings						

SALBOY

ARTAL

GIFA (ft2):	129,542
GIFA (m2):	12,035

PRICED SCHEDULE - BLOCK B (2B Affordable)

Ref	Element	Quantity	Unit	Rate		£/m2	£/sqft
E.1.1	Allowance for internal signage	1	Item	£ 100,000.00	£ 100,000.00	£ 8.31	£ 0.77
E.1.2	Bathroom	185	nr	£ 2,000.00	£ 370,000.00	£ 30.74	£ 2.86
E.1.3	Kitchens	133	nr	£ 4,500.00	£ 598,500.00	£ 49.73	£ 4.62
E.1.4	Blinds	133	nr	£ 250.00	£ 33,250.00	£ 2.76	£ 0.26
E.1.5	General bathroom fittings	185	nr	£ 500.00	£ 92,500.00	£ 7.69	£ 0.71
E.1.6	Reception desk	1	nr	£ 20,000.00	£ 20,000.00	£ 1.66	£ 0.15
E.1.7	Enhancement to amenity	453	m2	£ 1,000.00	£ 453,000.00	£ 37.64	£ 3.50
E	**Fittings and Furnishings, including sanitary fittings (e)**				**£ 1,667,250**	**£ 139**	**£ 13**
F.2	**Mechanical and Electrical Installations Fit-Out (plumbing & heating)**						
F.2.1	Based on cost per unit Electric Heating and hot water	133	nr	£ 38,000.00	£ 5,054,000.00	£ 419.96	£ 39.02
F.2.2	BWIC	5	%	£ 5,054,000.00	£ 252,700.00	£ 21.00	£ 1.95
F.2.3	Lift	42	flrs	£ 11,000.00	£ 462,000.00	£ 38.39	£ 3.57
F	**Services (F)**				**£ 5,768,700**	**£ 479**	**£ 45**
G	**External Works**						
G.1.1	Allowance for external signage						
G.1.2	Allowance for hard landscaping works	450	m2	£ 400	£ 180,000	£ 14.96	£ 1.39
G.1.3	Allowance for soft landscaping works	450	m2	£ 150	£ 67,500	£ 5.61	£ 0.52
G.1.4	Allowance for external furniture	1	Nr	£ 5,000.00	£ 5,000.00	£ 0.42	£ 0.04
G.1.5	Mansafe (to phase 2b)	1	nr	£ 50,000	£ 50,000	£ 4.15	£ 0.39
G.1.6	Allowance for trees	1	nr	£ 2,000	£ 2,000	£ 0.17	£ 0.02
G.1.7	Power reservation	133	Nr	£ 2,500.00	£ 332,500.00	£ 27.63	£ 2.57
G.1.8	Infrastructure	133	Nr	£ 750.00	£ 99,750.00	£ 8.29	£ 0.77
G	**External Works**				**£ 736,750**	**£ 61**	**£ 6**
	Works Total				**£ 31,438,432**	**£ 2,612**	**£ 243**
H.1	**Preliminaries**						
H.1.1	Allowance made for Main Contractor preliminaries	9	%	£ 31,438,432.23	£ 2,829,458.90	£ 235.11	£ 21.84
H	**Preliminaries (H)**				**£ 2,829,459**	**£ 235**	**£ 22**
I	**Design Development / Pricing Risk Contingency Allowance /Inflation**	3	%	£ 34,267,891.13	£ 959,500.95	£ 79.73	£ 7.41
J	**Main Contractors Overheads and Profit**	10.0	%	£ 35,227,392.08	£ 3,520,494.77	£ 292.53	£ 27.18
	Contingency & OH&P (I & J)				**£ 4,479,996**	**£ 372**	**£ 35**
	Overal Total (Excl VAT)				**£ 38,747,887**	**£ 3,220**	**£ 299**

SALBOY

VIADUX PH2

ARTAL

GIFA (ft2):	14,844
GIFA (m2):	1,379

PRICED SCHEDULE - UP TO PODIUM

Ref	Element	Quantity	Unit	Rate	Totals	£/m2	£/sqft
A	Demolition/Alterations						
A.1	Demolition/Alterations						
A.1.1	Site-strip allowance		%		Excl		
A	Demolitions & Alterations (a)				£ -	£ -	£ -
B	Substructure & Externals (b)				£ -	£ -	£ -
C.1	Frame						
C.1.1	Concrete columns, blade columns, downstand beams, ties beams, core walls, precast partition walls; 325mm slab; additiona top two floors + podium	1,379	m2	£ 600	£ 827,400.00	£ 600.00	£ 55.74
	Note; now a blended rate of columns walls and slabs.						
C.2	Upper floors						
C.2.1	Columns and penetrations; included above		m	£ 2,315	£ -	£ -	£ -
C.2.2	Allowance for connecting into Ph1 Podium; provisional allowance untill detail available	1	item	£ 125,000	£ 125,000.00	£ 90.65	£ 8.42
C.3	Roof						
	Roof coverings, generally; waterproofing etc; landscaping finish included within exteral works; provisional for waterproofing	1,379	m2	£ 150	£ 206,850.00	£ 150.00	£ 13.94
C.3.1	Note; main roof structure incl within c.1.1		m2		£ -	£ -	£ -
C.4	Stairs						
C.5	External Walls						
						£ -	£ -
C.6	Windows and External doors					£ -	£ -
						£ -	£ -
C.7	Internal Walls and Partitions					£ -	£ -
						£ -	£ -
C.8	Internal Doors					£ -	£ -
						£ -	£ -
C.9	Balconies					£ -	£ -
C	Superstructure (c)				£ 1,159,250	£ 841	£ 78
D.1	Internal walls						
D.4	Floor finishes						
D.5	Ceiling finishes						
D	Internal finishes (d)				£ -	£ -	£ -
E.1	Fittings and Furnishings						
E	Fittings and Furnishings, including sanitary fittings (e)				£ -	£ -	£ -
F.2	Mechanical and Electrical Installations Fit-Out (plumbing & heating)						
F.2.2	General allowance for landscaped lighting	1	nr	£ 250,000	£ 250,000.00	£ 181.29	£ 16.84
F	Services (F)				£ 250,000	£ 181	£ 17
G	External Works						
G.1.1	Allowance for external signage	1	item	£ 25,000.00	£ 25,000.00	£ 18.13	£ 1.68
G.1.2	Allowance for hard landscaping works		m2	£ 400.00	£ -	£ -	£ -
G.1.3	Allowance for soft landscaping works		m2	£ 150.00	£ -	£ -	£ -
G.1.4	Allowance for external furniture	1	item	£ 50,000.00	£ 50,000.00	£ 36.26	£ 3.37
G.1.5	Allowance for general works to below podium car park		m2	£ 30.00	£ -	£ -	£ -
G.1.6	Allowance for S278; signals and the like (landscaping included in the above) - **SEPARATE TAB (Abnormals)**						
G.1.7	Power reservation - **SEPARATE TAB** (Abnormals)						
G	External Works				£ 75,000	£ 54	£ 5
	Works Total				£ 1,484,250	£ 1,076	£ 100
H.1	Preliminaries						
H.1.1	Allowance made for Main Contractor preliminaries	9	%	£ 1,484,250	£ 130,614.00	£ 94.72	£ 8.80

SALBOY

VIADUX PH2

ARTAL

GIFA (ft2):	14,844
GIFA (m2):	1,379

PRICED SCHEDULE - UP TO PODIUM

Ref	Element	Quantity	Unit	Rate	Totals	£/m2	£/sqft
H	Preliminaries (H)				£ 130,614	£ 95	£ 9
I	Design Development / Pricing Risk Contingency Allowance /Inflation	3	%	£ 1,614,864	£ 45,216.19	£ 32.79	£ 3.05
J	Main Contractors Overheads and Profit	10.0	%	£ 1,614,864	£ 161,486.40	£ 117.10	£ 10.88
	Contingency & OH&P (I & J)				£ 206,703	£ 150	£ 14
	Overal Total (Excl VAT)				£ 1,821,567	£ 1,321	£ 123

BUDGET ESTIMATE

Abnormals

Ref	Element	Quantity	Unit	Rate	Totals
A	Abnormals				
A.1	Abnormals				
A.1.1	Forming core in existing arches;	2	Nr	£ 125,000	£ 250,000
A.1.3	Tying in details & slab extension/ dowels into new core structure	2	storeys	£ 25,000	£ 50,000
A.1.4	Relocation of Manchester Central storage area	1	item	£ 100,000	£ 100,000
A.1.5	Temporary Electrics and Vibration Monitoring Systems	1	item	£ 50,000	£ 50,000
A.1.6	Temporary Electrics & Safety Lighting	1	item	£ 20,000	£ 20,000
A.1.7	Install Vibration Monitoring System	1	item	£ 50,000	£ 50,000
A.1.8	New RC Slab / Waterproofing to Service Yard	1,379	m2	£ 500	£ 689,500.00
A.1.9	Service diversions on Albion Street	1	Item	£ 750,000	£ 750,000
A.1.10	Slab Break Out (minor areas, use existing slab for piling mat)	1	item	£ 50,000	£ 50,000
A.1.11	Underpinning Works / Grouting	1	item	£ 200,000	£ 200,000
A.1.12	Bridge Removal Inc. Ties, Steel Beams and Ladder Beams	1	item	£ 1,200,000	£ 1,200,000
A.1.13	Face up Masonry Wall after Bridge Removal	1	item	£ 200,000	£ 200,000
A.1.14	Construction of extension to service yard West elevation area	1	item	£ 900,000	£ 900,000
A.1.15	Vehicle Barrier Works - Install new and reinstate / relocate old	1	item	£ 30,000	£ 30,000
A.1.16	Great Bridge Water Street Openings	1	item	£ 100,000	£ 100,000
A.1.17	Column Openings in Service Yard	1	item	£ 300,000	£ 300,000
A.1.18	Reduce Level Dig & Piling Mat	1	item		Incl subs
A.1.19	Reduce Level Dig	1	item		Incl subs
A.1.20	Lay Piling Mat	1	item		Incl subs
A.1.21	Refuge chutes	97	flrs	£ 9,000	£ 873,000
A.1.22	Mansafe (to phase 2b and 2c)	1	nr	£ 50,000	£ 50,000
A.1.23	Plant screen; to roof level	1	item	£ 50,000	£ 50,000
A.1.24	Allowance for S278; signals and the like (landscaping included in the above)	1	Item	£ 50,000	£ 50,000
A.1.25	Repointing Existing Arches	1	item	£ 650,000	£ 650,000
A.1.26	New Basement;				
A.1.27	Basement excavation; 3.5m depth	3,040	m3	£ 120	£ 364,741
A.1.28	Basement walls; 350mm thick rc concrete retaining walls	1,106	m2	£ 700	£ 774,340
A.1.29	Basement slab; 1200mm thick RC mat slab, including waterproofing, excavation and disposal	868	m2	£ 966	£ 838,903
A.1.30	Basement lid; 1200mm thick	868	m2	£ 1,050	£ 911,852
A.1.31	Wind mitigation measures	1	Item	£ 150,000	£ 150,000
A.1.32	New entrance structure / canopy	1	Item	£ 3,000,000	£ 3,000,000
	Works Total				**£ 12,652,335**
B.1	Preliminaries				
B.1.1	Allowance made for Main Contractor preliminaries	9	%	£ 12,652,335	£ 1,113,405.52
C	Preliminaries (H)				£ 1,113,406
C.1	Design Development / Pricing Risk Contingency Allowance /Inflation	3	%	£ 13,765,741	£ 385,440.75
C.2	Main Contractors Overheads and Profit	10.0	%	£ 13,765,741	£ 1,376,574.10
	Contingency & OH&P (I & J)				£ 1,762,015
	Overal Total (Excl VAT)				**£ 15,527,756**

BUDGET ESTIMATE

External works

Ref	Element	Quantity	Unit	Rate	Totals
A	External works				
A.1	External works				
G.1.2	Allowance for hard landscaping works	2,486	m2	£ 500	£ 1,243,000
G.1.3	Allowance for soft landscaping works	1,758	m2	£ 150	£ 263,700
G.1.4	Allowance for external furniture	1	Item	£ 75,000	£ 75,000
G.1.5	Dwarf wall to Albion Street	21	m	£ 250	£ 5,183
G.1.6	Trees	98	nr	£ 2,000	£ 196,000
G.1.7	Allowance for hard landscaping works; S278	4,032	m2	£ 700	£ 2,822,400
G.1.8	Incoming power	745	Nr	£ 2,500	£ 1,862,500
G.1.9	Infrastructure;	745	Nr	£ 750	£ 558,750
	Works Total				**£ 7,026,533**
H.1	Preliminaries				
H.1.1	Allowance made for Main Contractor preliminaries	9	%	£ 7,026,533	£ 618,334.86
H	Preliminaries (H)				£ 618,335
I	Design Development / Pricing Risk Contingency Allowance /Inflation	3	%	£ 7,644,867	£ 214,056.29
J	Main Contractors Overheads and Profit	10.0	%	£ 7,644,867	£ 764,486.74
	Contingency & OH&P (I & J)				£ 978,543
	Overal Total (Excl VAT)				**£ 8,623,410**

JDGET ESTIMATE

clusions / Assumptions

Ref	Element
A	Exclusions / Assumptions
1	Professional fees and surveys
2	OCIP
3	Building warranty
4	ROL Insurance
5	FFE to affordable block
6	Loose furniture
7	Commercial units measured as shell and core

Appendix III – Summary Development Appraisals

Viadux 2 - Hotel Resi
Appraisal Basis A
Financial Viability Appraisal

Great Bridgewater Street
Manchester

Development Appraisal
Prepared by TC
Tim Claxton Property Limited
September 12, 2025

Viadux 2 - Hotel Resi
Appraisal Basis A
Financial Viability Appraisal

Appraisal Summary for Merged Phases 1 3

Currency in £

REVENUE

Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
Pre-sale Type 0A - 1B1P Apt (402 sq.ft)	17	6,834	1,001.24	402,500	6,842,500
Pre-sale Type 0B - 1B1P Apt (461 sq.ft)	34	15,674	873.10	402,500	13,685,000
Pre-sale Type 1A - 1B2P Apt (559 sq.ft)	100	55,900	822.90	460,000	46,000,000
Pre-sale Type 2A - 2B4P Apt (746 sq.ft)	34	25,364	1,002.01	747,500	25,415,000
Pre-sale Type 2B - 2B4P Apt (867 sq.ft)	106	91,902	928.49	805,000	85,330,000
Pre-sale Type 2C - 2B4P Apt (912 sq.ft)	29	26,448	920.50	839,500	24,345,500
Pre-sale Type 2D - 2B4P Apt (1,047 sq.ft)	7	7,329	823.78	862,500	6,037,500
Pre-sale Type 2E - 2B4P Apt (1,107 sq.ft)	73	80,811	799.91	885,500	64,641,500
Pre-sale Type 2F - 2B4P Apt (1,180 sq.ft)	29	34,220	760.17	897,000	26,013,000
Pre-sale Type 3A - 3B6P Apt (1,297 sq.ft)	11	14,267	886.66	1,150,000	12,650,000
Pre-sale Type 3B - 3B6P Apt (1,352 sq.ft)	9	12,168	850.59	1,150,000	10,350,000
Type PHA - Penthouse Apt (2,947 sq.ft)	2	5,894	1,170.68	3,450,000	6,900,000
Type PHB - Penthouse Apt (5,880 sq.ft)	1	5,880	977.89	5,750,000	5,750,000
Hotel	160	280,320	327.57	573,896	91,823,360
Pre-sale Type 1A - 1B1P Apt (420 sq.ft)	19	7,981	535.71	225,033	4,275,619
Pre-sale Type 1B - 1B2P Apt (538 sq.ft)	38	20,447	527.88	284,041	10,793,564
Pre-sale Type 2A - 2B3P Apt (657 sq.ft)	19	12,485	503.81	331,048	6,289,911
Pre-sale Type 2B - 2B4P Apt (753 sq.ft)	19	14,309	493.63	371,754	7,063,323
Pre-sale Type 2C - 2B4P Apt (829 sq.ft)	19	15,753	482.51	400,058	7,601,101
Pre-sale Type 3A - 3B6P Apt (861 sq.ft)	19	16,361	478.05	411,660	7,821,533
Totals	**745**	**750,348**			**469,628,413**
Deposits transferred to Escrow			(91,288,763)		
Sales net of Deposits in Escrow				**378,339,649**	

Viadux 2 - Hotel Resi
Appraisal Basis A
Financial Viability Appraisal

Deposits in Escrow

Deposits from Escrow	91,288,763

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial 1 - Plot 2B (2,099 sq.ft)	1	2,099	30.00	62,979	62,979	62,979
Totals	**1**	**2,099**			**62,979**	**62,979**

Investment Valuation

Commercial 1 - Plot 2B (2,099 sq.ft)						
Current Rent	62,979	YP @	8.0000%	12.5000	787,239	
Total Investment Valuation					**787,239**	
GROSS DEVELOPMENT VALUE				**470,415,652**		
Purchaser's Costs			(53,532)			
Effective Purchaser's Costs Rate		6.80%				
				(53,532)		
NET DEVELOPMENT VALUE				**470,362,119**		
NET REALISATION				**470,362,119**		
OUTLAY						
ACQUISITION COSTS						
Fixed Price		1,291,111				
Fixed Price		1,252,794				
Total Acquisition			2,543,905			

Viadux 2 - Hotel Resi
Appraisal Basis A
Financial Viability Appraisal

			2,543,905
Stamp Duty		116,695	
Effective Stamp Duty Rate	4.59%		
Agent Fee	1.00%	25,439	
Legal Fee	0.50%	12,720	
Surveys/Fees		1,611,078	
			1,765,932

CONSTRUCTION COSTS

Construction	**ft²**	**Build Rate ft²**	**Cost**
Commercial 1 - Plot 2B (2,099 sq.ft)	3,042	291.71	887,262
Pre-sale Type 0A - 1B1P Apt (402 sq.ft)	8,867	319.15	2,829,987
Pre-sale Type 0B - 1B1P Apt (461 sq.ft)	20,337	319.15	6,490,667
Pre-sale Type 1A - 1B2P Apt (559 sq.ft)	72,531	319.15	23,148,417
Pre-sale Type 2A - 2B4P Apt (746 sq.ft)	32,910	319.15	10,503,335
Pre-sale Type 2B - 2B4P Apt (867 sq.ft)	119,245	319.15	38,056,991
Pre-sale Type 2C - 2B4P Apt (912 sq.ft)	34,317	319.15	10,952,224
Pre-sale Type 2D - 2B4P Apt (1,047 sq.ft)	9,510	319.15	3,034,969
Pre-sale Type 2E - 2B4P Apt (1,107 sq.ft)	104,854	319.15	33,464,163
Pre-sale Type 2F - 2B4P Apt (1,180 sq.ft)	44,401	319.15	14,170,641
Pre-sale Type 3A - 3B6P Apt (1,297 sq.ft)	18,512	319.15	5,908,023
Pre-sale Type 3B - 3B6P Apt (1,352 sq.ft)	15,788	319.15	5,038,818
Type PHA - Penthouse Apt (2,947 sq.ft)	7,648	319.15	2,440,729
Type PHB - Penthouse Apt (5,880 sq.ft)	7,629	319.15	2,434,932
Hotel	363,721	319.15	116,081,650
Pre-sale Type 1A - 1B1P Apt (420 sq.ft)	11,564	291.71	3,373,201
Pre-sale Type 1B - 1B2P Apt (538 sq.ft)	29,625	291.71	8,641,819
Pre-sale Type 2A - 2B3P Apt (657 sq.ft)	18,089	291.71	5,276,650
Pre-sale Type 2B - 2B4P Apt (753 sq.ft)	20,732	291.71	6,047,667
Pre-sale Type 2C - 2B4P Apt (829 sq.ft)	22,824	291.71	6,658,056
Pre-sale Type 3A - 3B6P Apt (861 sq.ft)	23,705	291.71	6,915,061
Totals	**989,851 ft²**		**312,355,263**

Viadux 2 - Hotel Resi
Appraisal Basis A
Financial Viability Appraisal

				312,355,263
Other Construction Costs				
Construction Warranty	452 un	3,000.00 /un	1,356,000	
Construction Warranty	133 un	3,000.00 /un	399,000	
				1,755,000
Section 278 Costs				
Section 278 Costs			2,000,000	
				2,000,000
PROFESSIONAL FEES				
Other Professional Fees		4.00%	10,982,222	
Other Professional Fees		4.00%	1,511,989	
				12,494,211
MARKETING & LETTING				
Marketing		2.00%	5,072,650	
Branding Resi Fee		4.00%	10,145,300	
Marketing		3.50%	1,150,933	
Letting Legal Fee	133 un	700.00 /un	93,100	
				16,461,983
DISPOSAL FEES				
Sales Agent Fee		7.50%	22,365,844	
Sales Legal Fee	585 un	350.00 /un	204,750	
				22,570,594
TOTAL COSTS BEFORE FINANCE				**371,946,887**
FINANCE				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			1,223,884	
Construction			59,343,939	
Other			2,001,999	
Total Finance Cost				62,569,822

Viadux 2 - Hotel Resi
Appraisal Basis A
Financial Viability Appraisal

TOTAL COSTS		**434,516,709**
PROFIT		**35,845,410**

Performance Measures

Profit on Cost%	8.25%
Profit on GDV%	7.62%
Profit on NDV%	7.62%
Development Yield% (on Rent)	0.01%
IRR% (without Interest)	9.57%

Viadux 2 - Hotel Resi
Appraisal Basis B(i)
Financial Viability Appraisal

Great Bridgewater Street
Manchester

Development Appraisal
Prepared by TC
Tim Claxton Property Limited
September 12, 2025

Viadux 2 - Hotel Resi
Appraisal Basis B(i)
Financial Viability Appraisal

Appraisal Summary for Merged Phases 1 2

Currency in £

REVENUE

Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**	**Adjustment**	**Net Sales**
Pre-sale Type 0A - 1B1P Apt (402 sq.ft)	17	6,834	1,001.24	402,500	6,842,500	0	6,842,500
Pre-sale Type 0B - 1B1P Apt (461 sq.ft)	34	15,674	873.10	402,500	13,685,000	0	13,685,000
Pre-sale Type 1A - 1B2P Apt (559 sq.ft)	100	55,900	822.90	460,000	46,000,000	0	46,000,000
Pre-sale Type 2A - 2B4P Apt (746 sq.ft)	34	25,364	1,002.01	747,500	25,415,000	0	25,415,000
Pre-sale Type 2B - 2B4P Apt (867 sq.ft)	106	91,902	928.49	805,000	85,330,000	0	85,330,000
Pre-sale Type 2C - 2B4P Apt (912 sq.ft)	29	26,448	920.50	839,500	24,345,500	0	24,345,500
Pre-sale Type 2D - 2B4P Apt (1,047 sq.ft)	7	7,329	823.78	862,500	6,037,500	0	6,037,500
Pre-sale Type 2E - 2B4P Apt (1,107 sq.ft)	73	80,811	799.91	885,500	64,641,500	0	64,641,500
Pre-sale Type 2F - 2B4P Apt (1,180 sq.ft)	29	34,220	760.17	897,000	26,013,000	0	26,013,000
Pre-sale Type 3A - 3B6P Apt (1,297 sq.ft)	11	14,267	886.66	1,150,000	12,650,000	0	12,650,000
Pre-sale Type 3B - 3B6P Apt (1,352 sq.ft)	9	12,168	850.59	1,150,000	10,350,000	0	10,350,000
Type PHA - Penthouse Apt (2,947 sq.ft)	2	5,894	1,170.68	3,450,000	6,900,000	0	6,900,000
Type PHB - Penthouse Apt (5,880 sq.ft)	1	5,880	977.89	5,750,000	5,750,000	0	5,750,000
Hotel	160	280,320	327.57	573,896	91,823,360	0	91,823,360
Pre-sale Type AH 1A - 1B1P Apt (420 sq.ft)	19	7,981	535.71	225,033	4,275,619	(2,565,372)	1,710,248
Pre-sale Type AH 1B - 1B2P Apt (538 sq.ft)	38	20,447	527.88	284,041	10,793,564	(6,476,138)	4,317,426
Pre-sale Type AH 2A - 2B3P Apt (657 sq.ft)	19	12,485	503.81	331,048	6,289,911	(3,773,947)	2,515,965
Pre-sale Type AH 2B - 2B4P Apt (753 sq.ft)	19	14,309	493.63	371,754	7,063,323	(4,237,994)	2,825,329
Pre-sale Type AH 2C - 2B4P Apt (829 sq.ft)	19	15,753	482.51	400,058	7,601,101	(4,560,661)	3,040,441
Pre-sale Type AH 3A - 3B6P Apt (861 sq.ft)	19	16,361	478.05	411,660	7,821,533	(4,692,920)	3,128,613
Totals	**745**	**750,348**			**469,628,413**	**(26,307,032)**	**443,321,381**
Deposits transferred to Escrow			(80,327,500)				
Sales net of Deposits in Escrow				**362,993,881**			

Viadux 2 - Hotel Resi
Appraisal Basis B(i)
Financial Viability Appraisal

Deposits in Escrow

Deposits from Escrow	80,327,500

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial 1 - Plot 2B (2,099 sq.ft)	1	2,099	30.00	62,979	62,979	62,979
Totals	**1**	**2,099**			**62,979**	**62,979**

Investment Valuation

Commercial 1 - Plot 2B (2,099 sq.ft)					
Current Rent	62,979	YP @	8.0000%	12.5000	787,239
Total Investment Valuation					**787,239**

GROSS DEVELOPMENT VALUE			**444,108,620**
Purchaser's Costs		(53,532)	
Effective Purchaser's Costs Rate	6.80%		
			(53,532)
NET DEVELOPMENT VALUE			**444,055,088**
NET REALISATION			**444,055,088**
OUTLAY			
ACQUISITION COSTS			
Fixed Price	1,291,111		
Fixed Price	1,252,794		
Total Acquisition		2,543,905	

Viadux 2 - Hotel Resi
Appraisal Basis B(i)
Financial Viability Appraisal

			2,543,905
Stamp Duty		116,695	
Effective Stamp Duty Rate	4.59%		
Agent Fee	1.00%	25,439	
Legal Fee	0.50%	12,720	
Surveys/Fees		1,611,078	
			1,765,932

CONSTRUCTION COSTS

Construction	**ft²**	**Build Rate ft²**	**Cost**
Commercial 1 - Plot 2B (2,099 sq.ft)	3,042	291.71	887,262
Pre-sale Type 0A - 1B1P Apt (402 sq.ft)	8,867	319.15	2,829,987
Pre-sale Type 0B - 1B1P Apt (461 sq.ft)	20,337	319.15	6,490,667
Pre-sale Type 1A - 1B2P Apt (559 sq.ft)	72,531	319.15	23,148,417
Pre-sale Type 2A - 2B4P Apt (746 sq.ft)	32,910	319.15	10,503,335
Pre-sale Type 2B - 2B4P Apt (867 sq.ft)	119,245	319.15	38,056,991
Pre-sale Type 2C - 2B4P Apt (912 sq.ft)	34,317	319.15	10,952,224
Pre-sale Type 2D - 2B4P Apt (1,047 sq.ft)	9,510	319.15	3,034,969
Pre-sale Type 2E - 2B4P Apt (1,107 sq.ft)	104,854	319.15	33,464,163
Pre-sale Type 2F - 2B4P Apt (1,180 sq.ft)	44,401	319.15	14,170,641
Pre-sale Type 3A - 3B6P Apt (1,297 sq.ft)	18,512	319.15	5,908,023
Pre-sale Type 3B - 3B6P Apt (1,352 sq.ft)	15,788	319.15	5,038,818
Type PHA - Penthouse Apt (2,947 sq.ft)	7,648	319.15	2,440,729
Type PHB - Penthouse Apt (5,880 sq.ft)	7,629	319.15	2,434,932
Hotel	363,721	319.15	116,081,650
Pre-sale Type AH 1A - 1B1P Apt (420 sq.ft)	11,564	291.71	3,373,201
Pre-sale Type AH 1B - 1B2P Apt (538 sq.ft)	29,625	291.71	8,641,819
Pre-sale Type AH 2A - 2B3P Apt (657 sq.ft)	18,089	291.71	5,276,650
Pre-sale Type AH 2B - 2B4P Apt (753 sq.ft)	20,732	291.71	6,047,667
Pre-sale Type AH 2C - 2B4P Apt (829 sq.ft)	22,824	291.71	6,658,056
Pre-sale Type AH 3A - 3B6P Apt (861 sq.ft)	23,705	291.71	6,915,061
Totals	**989,851 ft²**		**312,355,263**

Viadux 2 - Hotel Resi
Appraisal Basis B(i)
Financial Viability Appraisal

				312,355,263
Other Construction Costs				
Construction Warranty	452 un	3,000.00 /un	1,356,000	
Construction Warranty	133 un	3,000.00 /un	399,000	
				1,755,000
Section 278 Costs				
Section 278 Costs			2,000,000	
				2,000,000
PROFESSIONAL FEES				
Other Professional Fees		4.00%	10,982,222	
Other Professional Fees		4.00%	1,511,989	
				12,494,211
MARKETING & LETTING				
Marketing		2.00%	5,072,650	
Branding Resi Fee		4.00%	10,145,300	
Letting Legal Fee	133 un	700.00 /un	93,100	
				15,311,050
DISPOSAL FEES				
Sales Agent Fee		7.50%	19,022,438	
Sales Legal Fee	452 un	350.00 /un	158,200	
				19,180,638
TOTAL COSTS BEFORE FINANCE				**367,405,998**
FINANCE				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			1,223,884	
Construction			59,202,615	
Other			4,093,560	
Total Finance Cost				64,520,060

Viadux 2 - Hotel Resi
Appraisal Basis B(i)
Financial Viability Appraisal

TOTAL COSTS		**431,926,057**
PROFIT		**12,129,031**

Performance Measures

Profit on Cost%	2.81%
Profit on GDV%	2.73%
Profit on NDV%	2.73%
Development Yield% (on Rent)	0.01%
IRR% (without Interest)	7.52%

Viadux 2 - Hotel Resi
Appraisal Basis B(ii)
Financial Viability Appraisal

Great Bridgewater Street
Manchester

Development Appraisal
Prepared by TC
Tim Claxton Property Limited
September 12, 2025

Viadux 2 - Hotel Resi
Appraisal Basis B(ii)
Financial Viability Appraisal

Appraisal Summary for Merged Phases 1 5

Currency in £

REVENUE

Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
Pre-sale Type 0A - 1B1P Apt (402 sq.ft)	17	6,834	1,001.24	402,500	6,842,500
Pre-sale Type 0B - 1B1P Apt (461 sq.ft)	34	15,674	873.10	402,500	13,685,000
Pre-sale Type 1A - 1B2P Apt (559 sq.ft)	100	55,900	822.90	460,000	46,000,000
Pre-sale Type 2A - 2B4P Apt (746 sq.ft)	34	25,364	1,002.01	747,500	25,415,000
Pre-sale Type 2B - 2B4P Apt (867 sq.ft)	106	91,902	928.49	805,000	85,330,000
Pre-sale Type 2C - 2B4P Apt (912 sq.ft)	29	26,448	920.50	839,500	24,345,500
Pre-sale Type 2D - 2B4P Apt (1,047 sq.ft)	7	7,329	823.78	862,500	6,037,500
Pre-sale Type 2E - 2B4P Apt (1,107 sq.ft)	73	80,811	799.91	885,500	64,641,500
Pre-sale Type 2F - 2B4P Apt (1,180 sq.ft)	29	34,220	760.17	897,000	26,013,000
Pre-sale Type 3A - 3B6P Apt (1,297 sq.ft)	11	14,267	886.66	1,150,000	12,650,000
Pre-sale Type 3B - 3B6P Apt (1,352 sq.ft)	9	12,168	850.59	1,150,000	10,350,000
Type PHA - Penthouse Apt (2,947 sq.ft)	2	5,894	1,170.68	3,450,000	6,900,000
Type PHB - Penthouse Apt (5,880 sq.ft)	1	5,880	977.89	5,750,000	5,750,000
Hotel	160	280,320	327.57	573,896	91,823,360
Pre-sale Type 1A - 1B1P Apt (420 sq.ft)	19	7,981	535.71	225,033	4,275,619
Pre-sale Type 1B - 1B2P Apt (538 sq.ft)	38	20,447	527.88	284,041	10,793,564
Pre-sale Type 2A - 2B3P Apt (657 sq.ft)	19	12,485	503.81	331,048	6,289,911
Pre-sale Type 2B - 2B4P Apt (753 sq.ft)	19	14,309	493.63	371,754	7,063,323
Pre-sale Type 2C - 2B4P Apt (829 sq.ft)	19	15,753	482.51	400,058	7,601,101
Pre-sale Type 3A - 3B6P Apt (861 sq.ft)	19	16,361	478.05	411,660	7,821,533
Totals	**745**	**750,348**			**469,628,413**
Deposits transferred to Escrow			(91,288,763)		
Sales net of Deposits in Escrow				**378,339,649**	

Viadux 2 - Hotel Resi
Appraisal Basis B(ii)
Financial Viability Appraisal

Deposits in Escrow

Deposits from Escrow	91,288,763

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial 1 - Plot 2B (2,099 sq.ft)	1	2,099	30.00	62,979	62,979	62,979
Totals	**1**	**2,099**			**62,979**	**62,979**

Investment Valuation

Commercial 1 - Plot 2B (2,099 sq.ft)						
Current Rent	62,979	YP @	8.0000%	12.5000	787,239	
Total Investment Valuation					**787,239**	
GROSS DEVELOPMENT VALUE				**470,415,652**		
Purchaser's Costs			(53,532)			
Effective Purchaser's Costs Rate		6.80%				
				(53,532)		
NET DEVELOPMENT VALUE				**470,362,119**		
NET REALISATION				**470,362,119**		
OUTLAY						
ACQUISITION COSTS						
Fixed Price		1,291,111				
Fixed Price		1,252,794				
Total Acquisition			2,543,905			

Viadux 2 - Hotel Resi
Appraisal Basis B(ii)
Financial Viability Appraisal

			2,543,905
Stamp Duty		116,695	
Effective Stamp Duty Rate	4.59%		
Agent Fee	1.00%	25,439	
Legal Fee	0.50%	12,720	
Surveys/Fees		1,611,078	
			1,765,932

CONSTRUCTION COSTS

Construction	**ft²**	**Build Rate ft²**	**Cost**
Commercial 1 - Plot 2B (2,099 sq.ft)	3,042	291.71	887,262
Pre-sale Type 0A - 1B1P Apt (402 sq.ft)	8,867	319.15	2,829,987
Pre-sale Type 0B - 1B1P Apt (461 sq.ft)	20,337	319.15	6,490,667
Pre-sale Type 1A - 1B2P Apt (559 sq.ft)	72,531	319.15	23,148,417
Pre-sale Type 2A - 2B4P Apt (746 sq.ft)	32,910	319.15	10,503,335
Pre-sale Type 2B - 2B4P Apt (867 sq.ft)	119,245	319.15	38,056,991
Pre-sale Type 2C - 2B4P Apt (912 sq.ft)	34,317	319.15	10,952,224
Pre-sale Type 2D - 2B4P Apt (1,047 sq.ft)	9,510	319.15	3,034,969
Pre-sale Type 2E - 2B4P Apt (1,107 sq.ft)	104,854	319.15	33,464,163
Pre-sale Type 2F - 2B4P Apt (1,180 sq.ft)	44,401	319.15	14,170,641
Pre-sale Type 3A - 3B6P Apt (1,297 sq.ft)	18,512	319.15	5,908,023
Pre-sale Type 3B - 3B6P Apt (1,352 sq.ft)	15,788	319.15	5,038,818
Type PHA - Penthouse Apt (2,947 sq.ft)	7,648	319.15	2,440,729
Type PHB - Penthouse Apt (5,880 sq.ft)	7,629	319.15	2,434,932
Hotel	363,721	319.15	116,081,650
Pre-sale Type 1A - 1B1P Apt (420 sq.ft)	11,564	291.71	3,373,201
Pre-sale Type 1B - 1B2P Apt (538 sq.ft)	29,625	291.71	8,641,819
Pre-sale Type 2A - 2B3P Apt (657 sq.ft)	18,089	291.71	5,276,650
Pre-sale Type 2B - 2B4P Apt (753 sq.ft)	20,732	291.71	6,047,667
Pre-sale Type 2C - 2B4P Apt (829 sq.ft)	22,824	291.71	6,658,056
Pre-sale Type 3A - 3B6P Apt (861 sq.ft)	23,705	291.71	6,915,061
Totals	**989,851 ft²**		**312,355,263**

Viadux 2 - Hotel Resi
Appraisal Basis B(ii)
Financial Viability Appraisal

				312,355,263
Other Construction Costs				
Construction Warranty	452 un	3,000.00 /un	1,356,000	
Construction Warranty	133 un	3,000.00 /un	399,000	
				1,755,000
Section 106 Costs				
Section 106 Costs			18,458,440	
				18,458,440
Section 278 Costs				
Section 278 Costs			2,000,000	
				2,000,000
PROFESSIONAL FEES				
Other Professional Fees		4.00%	10,982,222	
Other Professional Fees		4.00%	1,511,989	
				12,494,211
MARKETING & LETTING				
Marketing		2.00%	5,072,650	
Branding Resi Fee		4.00%	10,145,300	
Marketing		3.50%	1,150,933	
Letting Legal Fee	133 un	700.00 /un	93,100	
				16,461,983
DISPOSAL FEES				
Sales Agent Fee		7.50%	22,365,844	
Sales Legal Fee	585 un	350.00 /un	204,750	
				22,570,594
TOTAL COSTS BEFORE FINANCE				**390,405,327**
FINANCE				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			1,223,884	

Viadux 2 - Hotel Resi
Appraisal Basis B(ii)
Financial Viability Appraisal

Construction		59,343,939	
Other		3,660,241	
Total Finance Cost			64,228,064
TOTAL COSTS			**454,633,391**
PROFIT			**15,728,729**

Performance Measures

Profit on Cost%	3.46%
Profit on GDV%	3.34%
Profit on NDV%	3.34%
Development Yield% (on Rent)	0.01%
IRR% (without Interest)	7.82%