

Manchester City Council

8 Minshull Street, Viability Review

Date of report: December 2025

PREPARED FOR



**MANCHESTER
CITY COUNCIL**

savills

Contents

1.	Executive Summary	3
2.	Introduction	4
2.1	Purpose of Report	4
2.5	Objectivity and Impartiality	4
2.9	Report.....	4
2.12	Information Provided	4
3.	Site Information	5
3.1	Location & Situation.....	5
3.4	Description	5
3.8	Planning Policy.....	7
4.	Viability Methodology	9
4.1	Overview	9
4.4	National Planning Policy Framework and Planning Practice Guidance	9
4.10	Financial Viability in Planning: Conduct and Reporting (Professional Standards)	10
4.13	Adopted Methodology.....	10
5.	Benchmark Land Value	11
5.1	Overview	11
5.4	Existing Use Value	11
5.9	Premium	12
5.13	AUV	12
5.15	BLV.....	12
6.	Market Commentary.....	13
6.1	National Residential Market	13
6.3	Local Residential Market	13
6.6	Local Residential Sales Market	13
7.	Gross Development Value	19
7.1	NLA Summary	19
8.	Development Appraisals.....	26
8.3	Construction Costs	26
8.9	Abnormal Development Costs	26

8.11	Developer's Contingency	26
8.13	Professional Fees.....	26
8.15	Finance Costs	27
8.18	Additional Costs and Fees	27
8.23	Target Profit Margin	27
8.27	Timescales	27
9.	Appraisal Results	29
10.	Sensitivity Analysis	30
11.	Conclusion.....	31
12.	Important Note	32
	Appendix 1 – UK Housing Market Update.....	33
	Appendix 2 – Abacus Cost Review	34
	Appendix 3 – Savills Appraisal	35
	Contact.....	36

1. Executive Summary

This report has been produced by Savills on **behalf** of Manchester City Council:

The RICS Professional Statement Financial Viability in Planning: Conduct and Reporting (1st Edition, May 2019) states that all Financial Viability Assessments ('FVA') **must** be accompanied by non-technical summaries of the report so that non-specialists can better understand them (ref: 2.11).

We summarise the key findings of this assessment below:

Applicant	Greybean Limited
Address	8 Minshull Street, Manchester M1 3EF
Scheme	Repurposing and refurbishing a 6 storey Grade II listed building into 39 apartments comprising of 1 , 2 and 3 bedrooms

Appraisal Assumptions

1. 100% OMS

	NLA	Savills
Gross Development Value		
Gross Sales	£15,910,000	£15,910,000
Development Costs	£10,469,986	£10,117,452
Acquisition Costs	£158,300	£179,869
Construction Costs	£7,401,105	£7,401,105
Contingency	£370,055 (5%)	£370,055 (5%)
Professional Fees	£592,088 (8%)	£592,088 (8%)
Sales and Marketing Fees	3.0%	3.0%
Sales Legal Fee	0.5% of GDV	£750 / unit
Finance	7.0%	7.0%
Profit	£2,864,014 (18%)	£2,863,800 (18%)
Benchmark Land Value	£3,245,000	£3,080,000
EUV	£2,950,000	£2,800,000
Premium	£295,000 (10%)	£280,000 (10%)
Residual Land value	£2,576,000	£2,863,800
Deficit	-£669,000	-£216,000
Viability Concern	YES	YES

2. Introduction

2.1 Purpose of Report

- 2.2 This report has been prepared in accordance with instructions received from Manchester City Council to undertake a viability review in respect of the proposed residential development at 8 Minshull Street, Manchester M1 3EF.
- 2.3 The report will first provide a brief overview of the location, site, and development proposals, and an overview of relevant planning policy, followed by a review of the appropriate methodology and guidance in respect of viability in planning. We will then provide an assessment of the appropriate Benchmark Land Value that should be applied to the site, which will involve an assessment of Existing Use Value as well as assessment of the appropriate minimum premium to be applied. We will then provide analysis of the local residential sales considered by NLA, as well as undertake our own assessment of the market to form our opinion of values. An assessment of the Gross Development Value and appropriate cost assumptions will lead us to providing residual appraisals of the scheme in order to assess whether any affordable housing under S106 can be provided as part of the proposed development. The report will provide a conclusion to the level of whether any affordable housing under S106 can be viably sustained at the scheme. A sensitivity analysis will also be provided.
- 2.4 The original financial viability assessment was prepared by Northern Land Agency (NLA) in respect of the proposed scheme. This assessment concluded that a policy compliant scheme providing 20% affordable housing within the S106 agreement is unviable.

2.5 Objectivity and Impartiality

- 2.6 In accordance with RICS Professional Standards, we can confirm that there are no conflicts of interest that affect our independent opinion being provided.
- 2.7 We have acted with objectivity, impartially, without interference and with reference to all appropriate available sources of information.
- 2.8 We can also confirm that no performance related or contingent fees have been agreed in respect of the provision of this report and subsequent viability advice.

2.9 Report

- 2.10 This report is dated **11 December 2025**. It has been produced by Robert Waterhouse MRICS and reviewed by Adam Mirley MRICS.
- 2.11 The people stated above with MRICS qualifications are suitably qualified practitioners that have previously advised in respect of viability assessments across the North West.

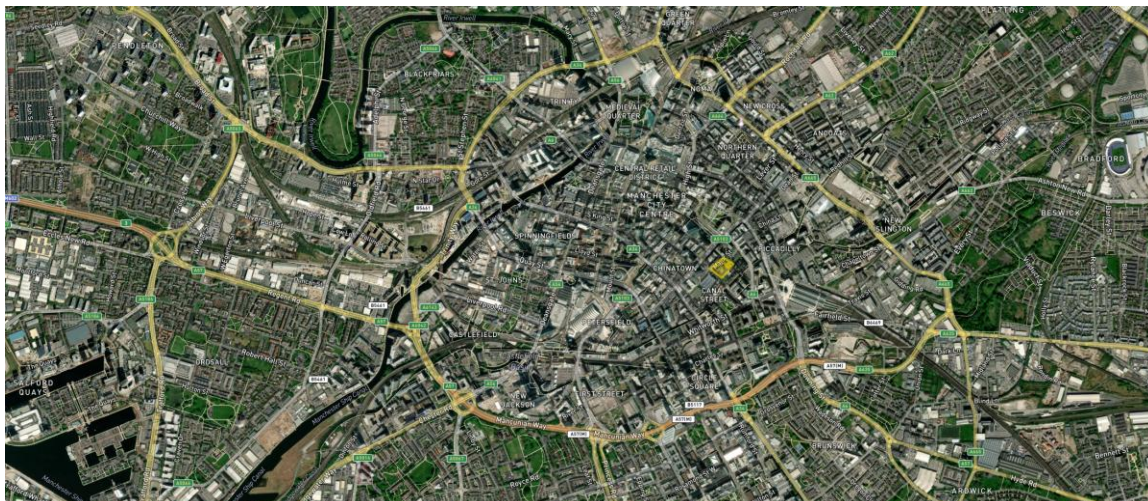
2.12 Information Provided

- 2.13 We are aware of the previously completed viability assessment of the proposed development, and have had reference to this for the purpose of our report. We have been provided with and have relied upon the following information:
- Viability Assessment produced by NLA, dated May 2025

3. Site Information

3.1 Location & Situation

- 3.2 The subject site is located at 8 Minshull Street, within the Piccadilly area of Manchester city centre. It occupies a prominent corner position at the junction of Minshull Street and Aytoun Street, approximately 300 metres from Manchester Piccadilly Station, which is the city's principal transport hub offering national rail, Metrolink and bus services. The site is well-connected to key city centre districts including the Northern Quarter, Ancoats and Canal Street additionally it benefits from excellent pedestrian access to retail, leisure and employment hubs.
- 3.3 The surrounding area has undergone significant regeneration, with a growing number of high-density residential and mixed-use developments contributing to the transformation of Piccadilly into a vibrant urban neighbourhood. Notable nearby schemes include Kampus, Manchester New Square and Waterhouse Gardens. The location is considered highly accessible, with strong public transport links and walkable access to universities, cultural venues and commercial centres. Making it well-suited for residential redevelopment.



3.4 Description

As Existing

- 3.5 The subject site comprises a vacant building, formerly occupied as a nightclub during the early 2000s. The property has remained unoccupied for over a decade and is now proposed for residential redevelopment. The existing structure is of traditional brick construction, arranged over 6 storeys and reflects a dated internal layout and quality rendering it unsuitable for modern commercial or leisure use without substantial refurbishment.

The site extends to approximately 0.12 acres (0.05 hectares) and occupies a corner plot fronting both Minshull Street and Aytoun Street. It is surrounded by a mix of mid-rise and high-rise buildings, with recent developments contributing to a more residential-led character in the area. The proposed scheme seeks to repurpose the structure into a mix of 1, 2 and 3-bedroom apartments.

The proposed development comprises a total development of 39 x 1, 2 and 3 bedroom apartments as follows:

Apt. Number	Type	Beds	Units	Size
B01	2B4P	2	1	757
B02	2B3P	2	1	745
B03	1B1P	1	1	508
B04	2B4P	2	1	829
G01	1B2P	1	1	550
G02	1B2P	1	1	679
G03	3B5P	3	1	1,038
G04	1B1P	1	1	534
G05	2B4P	2	1	1,021
G06	1B2P	1	1	656
101	2B3P	2	1	730
102	2B3P	2	1	664
103	3B5P	3	1	938
104	2B4P	2	1	804
105	1B1P	1	1	505
106	1B2P	1	1	631
107	2B3P	2	1	751
201	2B4P	2	1	764
202	2B3P	2	1	697
203	3B5P	3	1	969
204	2B4P	2	1	817
205	1B2P	1	1	582
206	1B1P	1	1	531
207	1B1P	1	1	517
301	2B4P	2	1	777
302	2B4P	2	1	765
303	3B5P	3	1	966
304	2B4P	2	1	830

305	1B2P	1	1	605
306	1B1P	1	1	524
307	1B1P	1	1	521
308	1B2PD	1	1	708
401	2B4P	2	1	875
402	2B4P	2	1	896
403	2B4P	2	1	932
404	2B4P	2	1	955
405	1B2P	1	1	743
406	1B2P	1	1	688
407	2B4P	2	1	1,018
Total		39		29,020

Table 1: Accommodation Schedule

- 3.6 The proposed developments totals 16no. (41%) x 1 bedroom apartments, 19no. (49%) x 2 bedroom apartments and 4no. (10%) x 3 bedroom apartments.
- 3.7 We have reviewed the proposed floor plans and notes there are limited resident amenities to only include a bike store on the lower ground floor.

3.8 Planning Policy

Local Plan

- 3.8.1 The Manchester Local Plan guides development across the city and comprises the following key documents:
- Core Strategy 2012 – 2027, which must be read alongside the Addendum to Manchester Core Strategy 2024
 - Places for Everyone Joint Development Plan for Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Tameside, Trafford and Wigan (2022 – 2029)
 - Greater Manchester Joint Waste Development Plan Document (DPD)
- 3.8.2 The site at 8 Minshull Street falls within the Regional Centre and City Centre policy zones, and is subject to the following relevant planning policies:
- Policy EC3 – Regional Centre: Supports development for employment-generating uses including offices and commercial activities. Residential development is also appropriate, provided it complements the mixed-use nature of the area and contributes to high-density urban living.
 - Policies CC1 to CC10, City Centre: These policies collectively guide development within Manchester's designated City Centre boundary. They promote sustainable growth, high-quality design, enhanced public realm, and improved connectivity.

Affordable Housing

- 3.9 According to Policy H8 of the Core Strategy, new developments in the city are required to deliver 20% affordable housing. In accordance with Policy H8, the 20% affordable housing should be delivered as 75% intermediate and 25% affordable or social rented units.
- 3.10 Based on the proposed number of units, compliance with this policy would mean NLA would be delivering 8 affordable homes as part of the proposed scheme, this would be split into 6 affordable rent units and 47 units at intermediate discount level. Likewise, in line with this policy we had have adopted 8 affordable units. 6 of them at an intermediate discounted level and the remaining 2 at an affordable rent level.S106 Contributions
- 3.11 We understand that to date, the Council has not provided any additional S106 contributions for the scheme.

Planning History

- 3.12 We have reviewed the Manchester City Council planning website for the subject site at Minshull Street. The below applications are associated with the site within the last 5 years (including the subject application):

Table 2: Planning History (Source: Manchester City Council Planning Portal)

Application No.	Description	Status	Decision Date
143563/LO/2025	Scheme comprises for the change of use of 8 Minshull Street and 42 Bloom Street to a residential development (Use Class C3) and the internal and external works required to facilitate the use	In-progress	N/A

Highways and Access

- 3.13 We have assumed that all roads constructed as part of any new development will be adopted.

Tenure

- 3.14 The site is held on a freehold basis under title number LA13522.

4. Viability Methodology

4.1 Overview

4.2 The fundamental issue in considering viability assessments in a town planning context, is whether a development is made unviable by the extent of affordable housing, planning obligations or other requirements. A proper understanding of financial viability is essential in ensuring that:

- i. land is released for development;
- ii. developers are capable of obtaining an appropriate market risk adjusted return for delivering the proposed development;
- iii. the proposed development is capable of securing funding; and assumptions about the quantum of development that can be delivered over the course of the plan period are robust.

4.3 Where planning obligation liabilities reduce the site value to the landowner and return to the developer below an appropriate level, land will not be released, and development will not take place. Whilst the RICS Guidance Note: Financial Viability in Planning, 1st Edition (August 2012) is now out-dated, it provides a useful diagram to explain how viability is assessed:

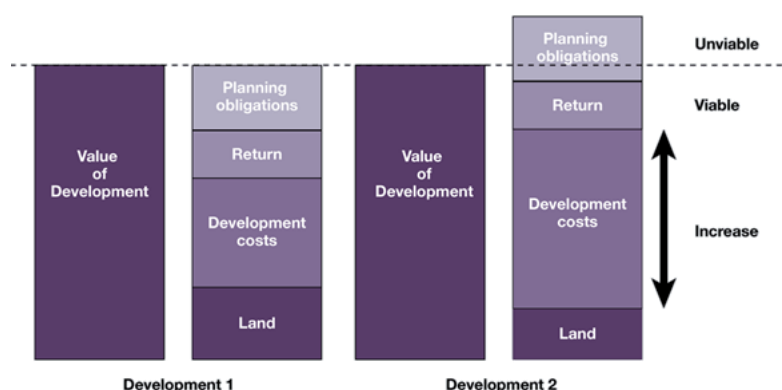


Figure 1: Development Viability Diagram (source: RICS Guidance Note, Financial viability in planning, 1st Edition, 2012)

4.4 National Planning Policy Framework and Planning Practice Guidance

4.5 The NPPF was updated in December 2024. It sets out the Government's planning policies for England and how these should be applied.

4.6 Paragraph 59 of the NPPF states that "all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available".

4.7 It also states that: "where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all circumstances in the case, including whether the plan and viability evidence underpinning it is up to date, and any change in circumstance since the plan was brought into force."

- 4.8 The Viability Planning Practice Guidance (PPG) prioritises the assessment of viability at the plan-making and development management stages. The preferred methodology in this respect is a typology approach whereby sites are grouped by shared characteristics such as location, size and whether they are greenfield or brownfield. Plan makers can then decide on an appropriate benchmark land value, average costs, average values and the subsequent policy requirements for each typology.
- 4.9 The PPG also sets out a preferred methodology for assessing viability at the decision making stage. A viability assessment should incorporate standardised inputs and should also be based upon and refer to any viability that informed the development plan (subject to this being up to date). Any deviation from the figures used in the viability assessment of the plan should be explained and supported by evidence. The standardised inputs as set out in the planning practice guidance are as follows:
- Gross Development Value (GDV)
 - Costs – to include build costs, abnormal costs, infrastructure costs, cost of conforming with planning policies (e.g. S.106 costs, CIL and affordable housing), finance costs, professional fees, management costs, sales / marketing costs and contingency costs
 - Benchmark Land Value – to be assessed as the Existing Use Value (EUV) plus a premium or Alternative Use Value (AUV)
 - Developer's return

4.10 Financial Viability in Planning: Conduct and Reporting (Professional Standards)

- 4.11 This RICS professional standards and guidance, Financial Viability in Planning Conduct and Reporting, 1st Edition, dated May 2019 states the following: "RICS members must comply with the NPPF and PPG as the primary policy and guidance on assessing viability."
- 4.12 It sets out the mandatory requirements that should be adhered to when Financial Viability Assessments (FVAs) are carried out.

4.13 Adopted Methodology

- 4.14 As per the NPPF and RICS guidance, we have adopted the prescribed approach to the standardised inputs and will be assessing the profit margin of the proposed development as follows:
- GROSS DEVELOPMENT VALUE less COSTS less PROFIT = RESIDUAL LAND VALUE
- 4.15 We will assess the existing use value and determine a benchmark land value and determine the residual land value from our development appraisal. Should the development appraisal result in a residual land value that is below the benchmark land value, this would deem the development unviable. We have therefore assessed whether affordable housing under S106 can be provided whilst ensuring a reasonable profit is achieved.

5. Benchmark Land Value

5.1 Overview

- 5.2 The Benchmark Land Value (BLV) is usually based upon the Existing Use Value (EUV) plus a premium (EUV+) approach, although an Alternative Use Value (AUV) and comparable evidence can also be used to triangulate.
- 5.3 NLA have adopted the EUV+ approach, we consider this an appropriate method in assessing the BLV and have therefore adopted the same.

5.4 Existing Use Value

- 5.5 The site currently comprises a former office/ nightclub which has remained vacant for a number of years. NLA have relied on a red book valuation of the property on the basis of its existing use to form their opinion of EUV.
- 5.6 We have received a copy of the valuation undertaken by Avison Young, dated 18 November 2025. It should be noted that the valuation report is considered market sensitive and, as such, a copy has not been appended to this report.
- 5.7 The valuation considers the property as offices in its current condition, which is stated to be poor and in need of significant refurbishment. The valuation also considered residential conversion, albeit purely on a suitability basis, with no consideration to value on this basis.
- 5.8 Avison Young have adopted the comparable method of valuation, relying on nearby vacant/ part tenanted office buildings of similar age and condition which have recently transacted or currently on the market. These include Marlsboro House on Newton Street, Lindencourt House on Charlotte Street and 101 Princess Street, with values ranging from c.£80 to £175 per sq.ft. Based on these, Avison Young adopted a capital value of £70 per sq.ft, equating to £2,800,000, noting a reduction from the comparables reflective of the current condition of the property.
- 5.9 Avison Young have made comment on residential conversion, but state *“as of the valuation date, the property does not have planning permission for conversion to residential use. Therefore, we have valued the subject on an existing use basis having regard to vacant office transactions within Manchester City Centre”*. We therefore consider that no hope value has been included in the valuation. However in their valuation summary, they conclude their opinion of existing use value to include the comment ‘given the good redevelopment potential’ which would infer redevelopment consideration. Based on the comparable analysis and methodology, we do not consider redevelopment values or any premium to have been included, however as a sense check, the Savills Office team have reviewed the comparables to determine their opinion of vacant office values.
- 5.10 Savills Office team consider the subject property in its current condition would be sub £100 per sq.ft., following their recent involvement in the sale of a vacant office building on Fountain Street which achieved £100 per sq.ft, and the comparable evidence relied on by Avison Young . They consider £70 per sq.ft to be conservative for the location, but note this to be reasonable on account of the noted condition.
- 5.11 We therefore consider the valuation to be a reasonable assessment of the existing use, with the property description and area matching our own understanding. Avison young have valued the property on the comparable method, adopting a conservative value of £2,800,000 (£70.00 per sq.ft.) reflective of the current condition of the property, which we consider to be appropriate.

- 5.12 We have therefore also relied on the Valuation prepared by Avison Young in determining the EUV, and have adopted the same EUV of £2,800,000.
- 5.13 We note NLA state the EUV by Avison Young was £2,950,000, which may be a typo or miscalculation. However we have adopted the figure in the valuation report we have had sight of at £2,800,000.

5.14 Premium

- 5.15 We have undertaken a number of viability reviews in and around Greater Manchester and we would consider a minimum premium to be in the order of 20 to 50% for commercial premises.
- 5.16 NLA have adopted a minimum premium of 10% above the EUV in their assessment, which is lower than the usual premium adopted. However the subject property provides a proposed conversion of a listed premises, and therefore naturally already provides much of the core structure of the development, which in turn would hold a higher value than an alternative use or land, therefore requiring less incentive for a landowner to bring to the market.
- 5.17 We therefore consider a 10% premium to be appropriate for this site and have adopted the same premium within our assessment.

5.18 AUV

- 5.19 NLA have not considered any alternative uses of the site. We consider this is appropriate and do not consider there to be an alternative use.

5.20 BLV

- 5.21 NLA adopted a BLV of £3,240,000 based on an EUV of £2,950,000 and a premium of £295,000 (10%). We consider the approach adopted by NLA to be appropriate, but note the slight discrepancy on the figure of the EUV adopted.
- 5.22 Based on the EUV+ methodology, we have therefore adopted a benchmark land value of £2,882,500 based on the below figures:

Table 5.4 – BLV

EUV	£2,800,000
Premium	£280,000
BLV	£3,080,000

- 5.23 We have therefore adopted a BLV of £3,080,000 within our appraisal.

6. Market Commentary

6.1 National Residential Market

6.2 We enclose Savills UK Housing Market Update for December 2025 at **Appendix 1**.

6.3 Local Residential Market

6.4 House prices in ME1 3EF have an overall average of £345,000 over the last year, the historical sold prices in ME1 3EF over the last year were 2% up on the 2020 peak of £337,000.

6.5 Overall, house prices in M1 have an overall average of £243,667 over the last year. The historical sold prices in M1 over the last year were 8% down on the previous year and 11% down on the 2022 peak of £275,089.

6.6 Local Residential Sales Market

6.7 NLA have considered a range of new build schemes around Manchester's city centre and relied on their asking prices. We have summarised and detailed them on the table below:

Table 3 – Summary of NLA Comparable Evidence

Scheme	Type	Beds	Unit Size Range (sq.ft.)	Price Range
Three60 – Silvercroft Street	Flat	1	576	£300,000 (£521)
		2	785 – 1,056	£385,000 - £600,000 (£490 - £568)
		3	1,732	Penthouse property: £1,240,000 (£716)
Port Street	Flat	2	758-861	£420,000 - £500,000 (£528 - £660 per sq.ft.)
Medlock House, Waterhouse Gardens	Flat	1	578	£331,000 - £346,000 (£578 -£597)
		2	578 – 912	£354,000 - £450,000 (£540 - £612)
		3	1,197	£716,000 (£598)
Kingfisher, Redbank Riverside	Flat	1	479-545	£295,000 - £355,000 (£588 - £651 per sq.ft.)
		2	761-828	£401,500 - £447,500 (£485 - £588)
Urban & Civic – Manchester New Square	Flat	2	755-924	£349,950- £434,950 (£576 - £432 per sq.ft.)
Bankside, Colliers yard	Flat	1	517-541	£285,000 - £349,000 (£527 - £674)
		2	792	£439,000 (£554)
		3	964 – 1,192	£550,000 - £900,000 (£559 - £755) Penthouse property: £1,080,000 (£784)

6.8 We are also aware of the following schemes/ sales, which we have reviewed and relied on in coming to our opinion of value.

Vita Living

- 6.9 Vita Living is a development by Vita Group, located at Circle Square on Oxford Road, approximately 0.6 miles from the subject site. The scheme comprises of two towers, Vita Living East and Vita Living North offering a total of 683 apartments. Including a mix of studios, 1, 2 and 3-bedroom units. Residents benefit from extensive amenities including rooftop gardens, co-working spaces, a private gym, lounge areas and 24-hour concierge services.
- 6.10 The development is positioned within Manchester's innovation district, adjacent to the University of Manchester and Manchester Science Park, making it highly attractive to young professionals and academics. The scheme is fully operational and has demonstrated strong rental demand, with occupancy rates consistently above 98%.



Figure 1: Vita Living

We have checked the available units and compiled them on the table below.

Table 4: Vita Living available units

Beds	Bathroom	Size (sq.ft.)	Price	Price per sq.ft.
3	3	950	£502,432	£529
3	3	943	£498,784	£529
3	3	951	£484,295	£509
2	2	713	£418,377	£587
2	2	709	£393,781	£555
2	2	709	£391,804	£553
2	2	715	£380,353	£532
1	1	420	£320,850	£764
			£423,835	£570

- 6.11 The asking price across the above sample equates to an average of £570 per sq.ft.. The one bedroom is priced at £320,850, which equates to £764per sq.ft. The 2 bedroom prices range from £380,353 - £418,377 (£532 - £587 per sq. ft.) and the 3 bedroom prices range from £484,295 - £502,432 (£509 - £529 per sq. ft.).
- 6.12 We consider Vita Living to be a superior scheme in terms of amenity provision and location, albeit the subject site benefits from proximity to Piccadilly Station and the Northern Quarter, which may appeal to a broader demographic of city centre occupiers.

Manchester New Square

- 6.13 Manchester New Square is a residential development by Urban & Civic located on Princess Street, approximately 0.5 miles south of the subject site. The scheme comprises three buildings Carding, Linter and Calico delivering 351 apartments across 13 to 15 storeys, with a mix of 1, 2 and 3-bedroom units.
- 6.14 The development benefits from landscaped communal courtyards, secure cycle storage and concierge services. We consider Manchester New Square to be a good comparable to the subject site in terms of location, specification and scale

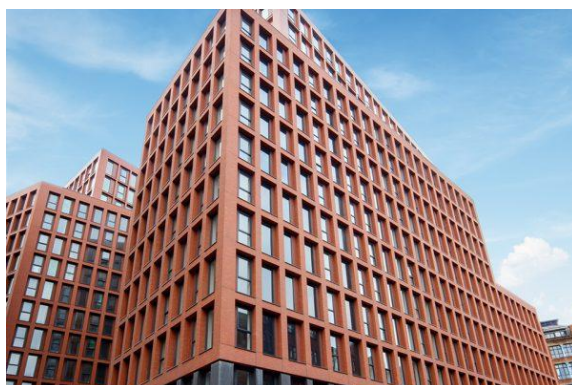


Figure 2: Photo of Manchester New Square

- 6.15 We have compiled the current asking prices for the scheme on the table below, which comprises only two bed units:

Table 6.2: Manchester New Square Prices

Flat	Floor	Beds	Bathrooms	Size (ft.)	Price	Price per sq. ft.
Linter – 1304	13	2	2	755	£434,950	£576
Calico – 609	6	2	2	924	£423,500	£458
Calico – 408	4	2	2	810	£420,000	£519
Carding - 1004	10	2	2	815	£419,950	£515
Linter - 1205	12	2	2	767	£418,950	£546
Calico - 704	7	2	2	820	£418,000	£510
Calico - 209	2	2	2	924	£399,950	£433
Linter - 604	6	2	2	819	£397,500	£485

Carding - 503	5	2	2	804	£392,950	£489
Linter - 404	4	2	2	819	£375,000	£458
Carding - 302	3	2	2	785	£369,950	£471
Carding - 103	1	2	2	804	£349,950	£435
					£401,721	£491

- 6.16 The overall average of the asking prices equates to £491 per sq. ft.. The above asking prices for the 2 bedroom flats range from £349,950 to £434,950, this equates to an average of £401,721. The price per sq. ft. ranges from £435 - £576, this equates to an average of £491. These values are similar to what we expect the 2 bedroom flats to achieve for the subject site.
- 6.17 We have analysed the average price of apartments on the ground floor to the 6th floor reflective of the proposed scheme at the subject site, this equates to an average price of £468 per sq. ft.. This demonstrates a discounted value for units on the lower level. We have therefore reflected this in our opinion of value at the subject site.
- 6.18 We have reviewed the achieved prices for the scheme and detailed the prices on the table below

Table 5: Achieved sale prices for Manchester New Square

Plot	Beds	Unit Size (sq.ft.)	Price Range	Rate per sq.ft.	Sale Date
Flat 1004 Carding Building	2	797	£411,551	£517	30/05/2025
Flat 404 Carding Building	2	797	£398,000	£500	10/01/2025
Flat 105 Carding Building	2	883	£398,000	£451	05/12/2024
Flat 805 Carding Building	2	883	£394,500	£447	28/03/2025
Flat 403, Linter Building	2	926	£393,650	£425	18/12/2024
Flat 1110, Linter Building	2	775	£390,000	£503	18/10/2024
Flat 704, Linter Building	2	818	£381,000	£466	09/08/2024
Flat 1005, Linter Building	2	786	£378,975	£482	29/08/2024
Flat 511, Linter Building	2	947	£363,733	£384	29/08/2024
Flat 204 Carding Building	2	797	£349,950	£439	30/08/2024
Flat 103 Carding Building	2	807	£349,950	£433	16/06/2025

- 6.19 The average sold price of the above sample is £457 per sq.ft.
- 6.20 We consider Manchester New Square to be a good comparable to the subject site in terms of location, specification and amenity, albeit we expect the proposed scheme at the subject site to benefit from a premium of height on the upper floors. We therefore expect the base values of the lower floor at the subject site to be similar to Manchester New Square.

Waterhouse Gardens

- 6.21 Waterhouse Gardens is a canal-side development by Urban & Civic located on Princess Street, approximately 0.5 miles from the subject site. The scheme comprises of 351 apartments across part 13 and part 15 storey buildings, offering a mix of 1, 2 and 3-bedroom units. The development includes landscaped gardens, resident lounges and fitness facilities.
- 6.22 We consider Waterhouse Gardens to be a strong comparable in terms of specification, and located in an area which we consider to hold a similar market. However, the subject site benefits from closer proximity to Piccadilly Station and the Northern Quarter, which may command a premium from occupiers seeking connectivity and lifestyle amenities.



Figure 4: Waterhouse Gardens

- 6.23 We have reviewed the available units for this scheme on the table below:

Beds	Bathrooms	Size (ft.)	Price	Price per sq. ft.
3	2	1,213	£684,000	£564
3	2	1,268	£529,000	£417
3	3	1,191	£507,000	£426
2	2	757	£469,000	£620
2	2	767	£464,000	£605
2	2	757	£450,000	£594
2	2	797	£442,000	£555
2	2	751	£441,000	£587
2	2	754	£436,000	£578
2	2	754	£428,000	£568
2	2	797	£428,000	£537
2	2	797	£412,000	£517
2	2	754	£395,000	£524
1	1	579	£365,000	£630
1	1	564	£330,000	£585
			£452,000	£554

- 6.24 The 3 bedroom asking values reflect a range from £507,000 - £684,000, this equates to a price per sq. ft. ranging from £417 - £564. The 2 bedroom asking values range from £395,000 - £464,000, this equates to a price per sq. ft. ranging from £517 - £605. The one beds are priced at £330,000 (£585) and £365,000 (£630)

7. Gross Development Value

7.1 NLA Summary

We have detailed NLA's open market sale values below:

Apt. Number	Type	Beds	Size (FT ²)	Price (£)	Price per sq. ft.
B01	2B4P	2	757	£415,000	£548
B02	2B3P	2	745	£410,000	£550
B03	1B1P	1	508	£275,000	£541
B04	2B4P	2	829	£455,000	£549
G01	1B2P	1	550	£300,000	£545
G02	1B2P	1	679	£370,000	£545
G03	3B5P	3	1,038	£575,000	£554
G04	1B1P	1	534	£285,000	£534
G05	2B4P	2	1,021	£575,000	£563
G06	1B2P	1	656	£350,000	£534
101	2B3P	2	730	£400,000	£548
102	2B3P	2	664	£360,000	£542
103	3B5P	3	938	£520,000	£554
104	2B4P	2	804	£445,000	£553
105	1B1P	1	505	£270,000	£535
106	1B2P	1	631	£345,000	£547
107	2B3P	2	751	£410,000	£546
201	2B4P	2	764	£415,000	£543
202	2B3P	2	697	£380,000	£545
203	3B5P	3	969	£535,000	£552
204	2B4P	2	817	£450,000	£551
205	1B2P	1	582	£315,000	£541
206	1B1P	1	531	£285,000	£537
207	1B1P	1	517	£280,000	£542

301	2B4P	2	777	£425,000	£547
302	2B4P	2	765	£420,000	£549
303	3B5P	3	966	£535,000	£554
304	2B4P	2	830	£455,000	£548
305	1B2P	1	605	£330,000	£545
306	1B1P	1	524	£280,000	£534
307	1B1P	1	521	£280,000	£537
308	1B2PD	1	708	£385,000	£544
401	2B4P	2	875	£485,000	£554
402	2B4P	2	896	£495,000	£552
403	2B4P	2	932	£515,000	£553
404	2B4P	2	955	£530,000	£555
405	1B2P	1	743	£410,000	£552
406	1B2P	1	688	£380,000	£552
407	2B4P	2	1,018	£565,000	£555
Total			29,020	£15,910,000	£548

NLA's assessment results in a GDV of £15,910,000, equating to a blended value of £548 per sq.ft across all 39 units.

- 7.2 NLA have assessed a 20% affordable scheme, which equates to 8 affordable units including 6 x affordable rent tenure at 45% of OMV and 2 x intermediate tenure at 60% of OMV. The remaining 31 units are Open Market Sale. NLA have adopted the following affordable GDV.

Apt. Number	Type	Beds	Size	Price (£)	Price per sq.ft.	Affordability Tenure
B01	2B4P	2	757	£186,750	£247	Aff Rent
B02	2B3P	2	745	£184,500	£248	Aff Rent
B03	1B1P	1	508	£123,750	£244	Aff Rent
B04	2B4P	2	829	£204,750	£247	Aff Rent
G01	1B2P	1	550	£135,000	£245	Aff Rent
G02	1B2P	1	679	£166,500	£245	Aff Rent
G03	3B5P	3	1,038	£345,000	£332	Intermediate

G04	1B1P	1	534	£171,000	£320	Intermediate
G05	2B4P	2	1,021	£575,000	£563	Open Market
G06	1B2P	1	656	£350,000	£534	Open Market
101	2B3P	2	730	£400,000	£548	Open Market
102	2B3P	2	664	£360,000	£542	Open Market
103	3B5P	3	938	£520,000	£554	Open Market
104	2B4P	2	804	£445,000	£553	Open Market
105	1B1P	1	505	£270,000	£535	Open Market
106	1B2P	1	631	£345,000	£547	Open Market
107	2B3P	2	751	£410,000	£546	Open Market
201	2B4P	2	764	£415,000	£543	Open Market
202	2B3P	2	697	£380,000	£545	Open Market
203	3B5P	3	969	£535,000	£552	Open Market
204	2B4P	2	817	£450,000	£551	Open Market
205	1B2P	1	582	£315,000	£541	Open Market
206	1B1P	1	531	£285,000	£537	Open Market
207	1B1P	1	517	£280,000	£542	Open Market
301	2B4P	2	777	£425,000	£547	Open Market
302	2B4P	2	765	£420,000	£549	Open Market
303	3B5P	3	966	£535,000	£554	Open Market
304	2B4P	2	830	£455,000	£548	Open Market
305	1B2P	1	605	£330,000	£545	Open Market
306	1B1P	1	524	£280,000	£534	Open Market
307	1B1P	1	521	£280,000	£537	Open Market
308	1B2PD	1	708	£385,000	£544	Open Market
401	2B4P	2	875	£485,000	£554	Open Market
402	2B4P	2	896	£495,000	£552	Open Market
403	2B4P	2	932	£515,000	£553	Open Market
404	2B4P	2	955	£530,000	£555	Open Market
405	1B2P	1	743	£410,000	£552	Open Market

406	1B2P	1	688	£380,000	£552	Open Market
407	2B4P	2	1,018	£565,000	£555	Open Market
Total				£14,342,250	£494	

NLA have adopted a GDV of £14,342,250 for the policy compliant scheme, equating to a blended value of £494 per sq.ft across all 39 units.

7.2 We have detailed our Open Market Sale values below:

Apt. Number	Type	Beds	Units	Size (FT ²)	Price (£)	Price per sq. ft.
B01	2B4P	2	1	757	£410,000	£542
B02	2B3P	2	1	745	£405,000	£544
B03	1B1P	1	1	508	£280,000	£551
B04	2B4P	2	1	829	£455,000	£549
G01	1B2P	1	1	550	£295,000	£536
G02	1B2P	1	1	679	£370,000	£545
G03	3B5P	3	1	1038	£570,000	£549
G04	1B1P	1	1	534	£285,000	£534
G05	2B4P	2	1	1021	£565,000	£553
G06	1B2P	1	1	656	£350,000	£534
101	2B3P	2	1	730	£400,000	£548
102	2B3P	2	1	664	£365,000	£550
103	3B5P	3	1	938	£515,000	£549
104	2B4P	2	1	804	£445,000	£553
105	1B1P	1	1	505	£285,000	£564
106	1B2P	1	1	631	£350,000	£555
107	2B3P	2	1	751	£415,000	£553
201	2B4P	2	1	764	£420,000	£550
202	2B3P	2	1	697	£385,000	£552
203	3B5P	3	1	969	£530,000	£547
204	2B4P	2	1	817	£450,000	£551
205	1B2P	1	1	582	£320,000	£550

206	1B1P	1	1	531	£295,000	£556
207	1B1P	1	1	517	£285,000	£551
301	2B4P	2	1	777	£425,000	£547
302	2B4P	2	1	765	£420,000	£549
303	3B5P	3	1	966	£530,000	£549
304	2B4P	2	1	830	£455,000	£548
305	1B2P	1	1	605	£330,000	£545
306	1B1P	1	1	524	£285,000	£544
307	1B1P	1	1	521	£285,000	£547
308	1B2PD	1	1	708	£380,000	£537
401	2B4P	2	1	875	£485,000	£554
402	2B4P	2	1	896	£495,000	£552
403	2B4P	2	1	932	£515,000	£553
404	2B4P	2	1	955	£530,000	£555
405	1B2P	1	1	743	£400,000	£538
406	1B2P	1	1	688	£370,000	£538
407	2B4P	2	1	1,018	£575,000	£565
Total		39	29,020	£15,925,000	£549	

For the Open Market Sales we have adopted a GDV of £15,925,000, equating to a blended value of £549 per sq.ft across the 39 units.

7.3

As stated in section 3.8 and line with policy H8 we have assessed a 20% affordable scheme which equates to 8 x affordable units, included 6 x Intermediate tenure at 70% of OMV and 2 x affordable rented units at 50% of OMV. The remaining 31 units are Open Market Sales, we have adopted the following GDV:

Apt. Number	Type	Beds	Units	Size	Price	Price per sq.ft.	Affordability Type
B01	2B4P	2	1	757	£287,000	£379	Intermediate
B02	2B3P	2	1	745	£202,500	£272	Aff Rent
B03	1B1P	1	1	508	£140,000	£276	Aff Rent
B04	2B4P	2	1	829	£318,500	£384	Intermediate
G01	1B2P	1	1	550	£206,500	£375	Intermediate

G02	1B2P	1	1	679	£259,000	£381	Intermediate
G03	3B5P	3	1	1,038	£399,000	£384	Intermediate
G04	1B1P	1	1	534	£199,500	£374	Intermediate
G05	2B4P	2	1	1,021	£565,000	£553	Open Market
G06	1B2P	1	1	656	£350,000	£534	Open Market
101	2B3P	2	1	730	£400,000	£548	Open Market
102	2B3P	2	1	664	£365,000	£550	Open Market
103	3B5P	3	1	938	£515,000	£549	Open Market
104	2B4P	2	1	804	£445,000	£553	Open Market
105	1B1P	1	1	505	£285,000	£564	Open Market
106	1B2P	1	1	631	£350,000	£555	Open Market
107	2B3P	2	1	751	£415,000	£553	Open Market
201	2B4P	2	1	764	£420,000	£550	Open Market
202	2B3P	2	1	697	£385,000	£552	Open Market
203	3B5P	3	1	969	£530,000	£547	Open Market
204	2B4P	2	1	817	£450,000	£551	Open Market
205	1B2P	1	1	582	£320,000	£550	Open Market
206	1B1P	1	1	531	£295,000	£556	Open Market
207	1B1P	1	1	517	£285,000	£551	Open Market
301	2B4P	2	1	777	£425,000	£547	Open Market
302	2B4P	2	1	765	£420,000	£549	Open Market
303	3B5P	3	1	966	£530,000	£549	Open Market
304	2B4P	2	1	830	£455,000	£548	Open Market
305	1B2P	1	1	605	£330,000	£545	Open Market
306	1B1P	1	1	524	£285,000	£544	Open Market
307	1B1P	1	1	521	£285,000	£547	Open Market
308	1B2PD	1	1	708	£380,000	£537	Open Market
401	2B4P	2	1	875	£485,000	£554	Open Market
402	2B4P	2	1	896	£495,000	£552	Open Market
403	2B4P	2	1	932	£515,000	£553	Open Market

404	2B4P	2	1	955	£530,000	£555	Open Market
405	1B2P	1	1	743	£400,000	£538	Open Market
406	1B2P	1	1	688	£370,000	£538	Open Market
407	2B4P	2	1	1,018	£575,000	£565	Open Market
Total					£14,867,000	£512	

We have adopted a GDV of £14,867,000 for the affordable units, equating to a blended value of £512 per sq,ft across the 39 units.

- 7.4 Based on the market research and evidence in this report, the open market values adopted by NLA are within an acceptable tolerance from what we have implemented, and therefore we have adopted the same GDV as NLA within our appraisals.

8. Development Appraisals

8.1 As a review of NLA's assessment, we have undertaken an appraisal of a policy compliant scheme based on 20% affordable housing provision, as well as an appraisal of a 100% open market sale scheme, to test what level of affordable house or S106 contributions can be made.

8.2 The following sections detail NLA's appraisal inputs and our own assumptions.

8.3 Construction Costs

8.4 NLA have adopted all-in build costs of £7,401,143 equating to £184.13 per sq ft as per the cost plan provided by the applicant. The cost plan is in the form of an excel spreadsheet which summarises the quotes, tenders and estimates from suppliers and contractors to determine estimated costs inclusive of preliminaries, contingency, inflation and contractor OH&P. Professional fees are detailed within the cost plan, but are excluded from the total build cost adopted by NLA.

8.5 We have appointed Abacus Cost Management (ACM) to provide a review of the cost assessment for the proposed scheme. Given the high level nature of cost plan used by NLA, ACM have commented on each element detailed and stated the reasonableness of the cost assumption made.

8.6 ACM state based on the limited information received, we conclude that the expected scope of construction works have been considered within the cost plan and reasonable allowances made for the anticipated scope of works, subject to the comments detailed within their review. A number of packages appear to have been quoted for by package contractors and others are noted as "out to tender" which will either support the cost allowances or suggest otherwise.

8.7 ACM note the Enabling works and OHP costs within the cost plan is different to the figure adopted by NLA. NLA have adopted enabling works costs at £120,818 higher than the cost plan, with the OHP costs calculated at 10% of total construction costs excluding substructure works.

8.8 On the whole ACM consider the costs allowances to be reasonable, therefore we have adopted the costs from the cost plan within our appraisal.

8.9 Abnormal Development Costs

8.10 NLA have not included for any additional abnormal costs, beyond site demolition and remediation works which are included for within the cost plan provided by the applicant.

8.11 Developer's Contingency

8.12 NLA have adopted a developer contingency of 5% of base build costs. We would usually expect developers to cost for a 3-5% contingency. Given the scale of the proposed development, we consider 5% to be a reasonable assumption, and have adopted this within our appraisal.

8.13 Professional Fees

8.14 NLA have adopted professional fees, equivalent to 8% of base build costs. We would expect professional fees of between 6-8% of the base build costs, based on our knowledge and experience. Therefore we consider 8% to be reasonable and have adopted this within our appraisal.

8.15 Finance Costs

- 8.16 NLA have adopted a finance rate of 7%. We consider this to be low in the current market. Whilst the BoE base rate has reduced from 4.5% to 4% since NLA undertook their assessment in May 2025, SONIA swap rates remain high, albeit have recently compressed to c.4.5%. There remains a level of investor/ lender uncertainty, albeit evidence of improving lending rates. For an SME developer, we would consider an interest rate of 8% to be more reasonable and reflective of lending assumptions made on other schemes.
- 8.17 We have therefore adopted a finance rate of 8% within our appraisal.

8.18 Additional Costs and Fees

- 8.19 Manchester City Council have not provided any additional S106 contributions for the scheme and have not formally adopted a CIL charging schedule. In agreement with NLA, we have therefore excluded these costs from our appraisals.

Marketing & Sales Fees

- 8.20 NLA have adopted a marketing and sales agent fee of 3%. We consider this to be appropriate, reflective of industry accepted norms.
- 8.21 NLA have not included for sales legal fees. We would usually expect these to be in the region of £750 per unit, which we have adopted within our appraisal.

Site Acquisition Costs

- 8.22 Site acquisition costs of 1.5% have been included for agent (1%) and legal fees (0.5%). We consider these additional cost and fee assumptions to be reasonable in line with our professional knowledge and experience, and have therefore adopted the same.

8.23 Target Profit Margin

- 8.24 From our knowledge and experience of the development land market, it is usual for residential developers in the North West region to seek a profit margin of 15-20% on GDV.
- 8.25 NLA have adopted a target profit of 18% on GDV for the private OMS units and 8% on GDV for the affordable units, resulting in a blended profit of 16.96% on GDV.
- 8.26 Based on current market conditions it is likely that a developer would target a higher profit margin to reflect the increased sales risk, market uncertainty as well as reflecting the complexity of converting a historic building of the proposed development. Therefore we consider the approach by NLA to be reasonable and have adopted the same target margin within our appraisal.

8.27 Timescales

- 8.28 NLA have adopted the following timescales within their appraisal:
- Purchase – 1 months :
 - Construction – 24 months;
 - Sales – 11 months
 - **Total – 35 months.**

- 8.29 We consider the timescale adopted by TCP to be reasonable of the development of this scale, however we have accounted for pre-sales of 50% at PC, with the remaining sales over a 6 months period at a rate of 3 units per month.

9. Appraisal Results

9.1 NLA's appraisal produces the following results:

Scheme	Residual Value	Viability 'gap' to Savills BLV
100% OMS	£2,576,000	-£504,000
Policy Compliant Scheme	£1,876,000	-£1,204,000

9.2 From these results, NLA conclude that a policy compliant scheme delivering 20% affordable homes under S106 is unviable.

9.3 Savills appraisal produces the following results:

Scheme	Residual Value	Viability 'gap' to Savills BLV
100% OMS	£2,863,800	-£216,200
Policy Compliant Scheme	£2,045,031	-£1,034,969

9.4 We have include a copy of our appraisal in **Appendix 3**.

10. Sensitivity Analysis

- 10.1 The RICS Professional Statement on Viability in planning requires us to produce a sensitivity analysis of the proposed development. The value of a property with development potential, by its nature, can be highly volatile and the residual approach adopted is sensitive to changes in its key variables. This being so, it is useful to provide a sensitivity analysis, giving context to the inter-relationship between key variables, these generally being developer's profit requirement, sales values and construction costs, as well as potential to add or lose value through planning outcomes.
- 10.2 We have run a sensitivity analysis on our appraisal, we have changed the construction cost rate per sq. ft. and sales value rate per sq. ft by +/- 5% respectively.

Construction: Rate / sq ft						
		-5%	-2.5%	0%	+2.5%	+5%
Sales: Rate / sq ft	-5%	-£2,781,615	-£2,599,519	-£2,417,424	-£2,235,328	-£2,053,233
	-2.5%	-£3,037,277	-£2,855,181	-£2,673,086	-£2,490,990	-£2,308,895
	0%	-£3,292,939	-£3,110,843	-£2,928,748	-£2,746,652	-£2,564,557
	2.5%	-£3,548,601	-£3,366,505	-£3,184,410	-£3,002,314	-£2,820,219
	+5%	-£3,804,263	-£3,622,167	-£3,440,072	-£3,257,976	-£3,075,881

- 10.3 This results in a residual land value between £2,053,233 to £3,804,263, against a BLV of £3,080,000. This demonstrates that in order to meet the BLV and the proposed development be viable, costs would need to reduce by at least 2.5%, prior to the scheme being able to afford any S106 contributions.

11. Conclusion

- 11.1 The proposed development comprises 39 residential apartments. NLA have undertaken their FVA and conclude that based on a 100% OMS scheme, the proposed development is unable to afford any S106 contributions or affordable units.
- 11.2 We have undertaken a viability review to determine what level of S106 contributions/ affordable units can be delivered.
- 11.3 We have assessed the BLV for the site (based on the EUV+ principle) to be **£3,080,000**. Having reviewed the approach to determining the BLV by NLA, we consider this to be reasonable and have adopted the same BLV in our assessment, save for the discrepancy in the EUV taken from the Avison Young valuation.
- 11.4 We have assessed the adopted GDV by NLA, based on 100% OMV units which we consider to be reasonable and reflective of the current market. We have therefore adopted the same residential GDV in our appraisals.
- 11.5 We instructed Abacus to undertake a review of the cost plan provided by the applicant, which NLA adopted within their assessment. Abacus conclude based on the limited information received, as noted, we conclude that the CSA figure amounting to £7,401,143 is a reasonable allowance for the expected scope of construction works. A number of packages appear to have been quoted for by package contractors and others are noted as “out to tender” which will either support the cost allowances or suggest otherwise.
- 11.6 We are in agreement with NLA that a suitable developer's profit margin for the proposed development is 18% on GDV.
- 11.7 Both NLA's and Savills appraisal indicates that delivering the 100% OMS scheme is unviable and unable to afford any S106 contributions.
- 11.8 We therefore agree with NLA's conclusion that the scheme delivered as OMS cannot afford any affordable units or additional S106 contributions.
- 11.9 We have undertaken a sensitivity analysis to explore the changes to the profit on variables of +/- 2.5% to the sales value and constructions costs. This highlights that if build costs reduced by 2.5%, then the residual land valued would exceed the BLV of £3,080,000 which we consider to be an acceptable level to provide S106 contribution.
- 11.10 On balance we agree with NLA that no affordable housing can be delivered based on current market conditions. We would however suggest that given the current uncertainty in the residential markets and inflationary pressures on build costs it would be prudent to require a review mechanism in the Section 106 agreement. This will ensure that Manchester City Council capture any additional value created by the development once the development has been constructed so that the actual costs and sales values can be fixed and known.

12. Important Note

Finally, in accordance with our normal practice, we would state that this report is for general informative purposes only and does not constitute a formal valuation, appraisal or recommendation. It is only for the use of the persons to whom it is addressed and no responsibility can be accepted to any third party for the whole or any part of its contents. It may not be published, reproduced or quoted in part or in whole, nor may it be a basis for any contract, prospectus, agreement or other document without prior consent, which will not be unreasonably withheld.

Our findings are based on the assumptions given. As is customary with market studies, our findings should be regarded as valid for a limited period of time and should be subject to examination at regular intervals.

Whilst every effort has been made to ensure that the data contained in it is correct, no responsibility can be taken for omissions or erroneous data provided by a third part or due to information being unavailable or inaccessible during the research period. The estimates and conclusions contained in this report have been conscientiously prepared in the light of our experience in the property market and information that we were able to collect, but their accuracy is in no way guaranteed.

Appendix 1 – UK Housing Market Update

UK Housing Market Update



Budget provides some much needed certainty amidst weaker market confidence

House prices grew by 0.3% in November, according to Nationwide. That put price growth at 1.1% over the last three months. On an annual basis house price growth continued to slow, from 2.4% in October to 1.8% in November. We expect house price growth to continue to slow into the new year while confidence remains subdued.

Despite a prolonged warm-up, we expect the Budget to have a limited effect on the mainstream housing market. The greatest change is the introduction of a council tax surcharge for properties worth over £2 million, effective from April 2028. Charges will range from £2,500 per annum on properties worth £2 million to £7,500 per annum for those at £5 million plus. The impact of this is likely to be felt most in higher value second home markets which are already dealing with an increased stamp duty surcharge and the doubling of council tax in most cases. The impact on the rest of the prime market is set to be modest, with anecdotal evidence from our agents already indicating a pick-up in activity.

Market sentiment was weaker in the run up to the Budget. The RICS reported a fall in both buyer and seller activity, which was corroborated by the Bank of England reporting a 5% annual fall in mortgage approvals in October (seasonally adjusted). This pause may translate into renewed activity at the very end of 2025 with buyers and

sellers now feeling able to make informed decisions.

Mortgage affordability has continued to improve, which should support house price growth. Several lenders have reduced mortgage interest rates, pricing in an increased likelihood that the Bank of England will implement a further base rate cut on 18th December as inflationary pressures ease. Average wage growth, a key inflation driver, slowed to a 3-year low of 4.6% in the three months to September compared with a year earlier, according to the ONS. CPI also fell from a high of 3.8% during Q3 to 3.6% in October.

We expect a lack of confidence in the wider economy to hold back house price growth in the short term. The outlook for the UK economy in 2026 is for lower GDP growth and higher unemployment, with conditions forecast to improve from 2027, according to Oxford Economics. Our mainstream forecasts expect price growth to strengthen from 2027 onwards following continued slower growth in 2026.

More localised house price data from August shows that areas with the greatest value growth were in Scotland and the North, although Sandwell in the West Midlands led the way with annual price growth of 7.9%. Ceredigion saw the most significant price falls of -8.9%, followed by Eastbourne with falls of -4.5%.

Figure 1 House price growth to Aug-25 since 07/08 peak

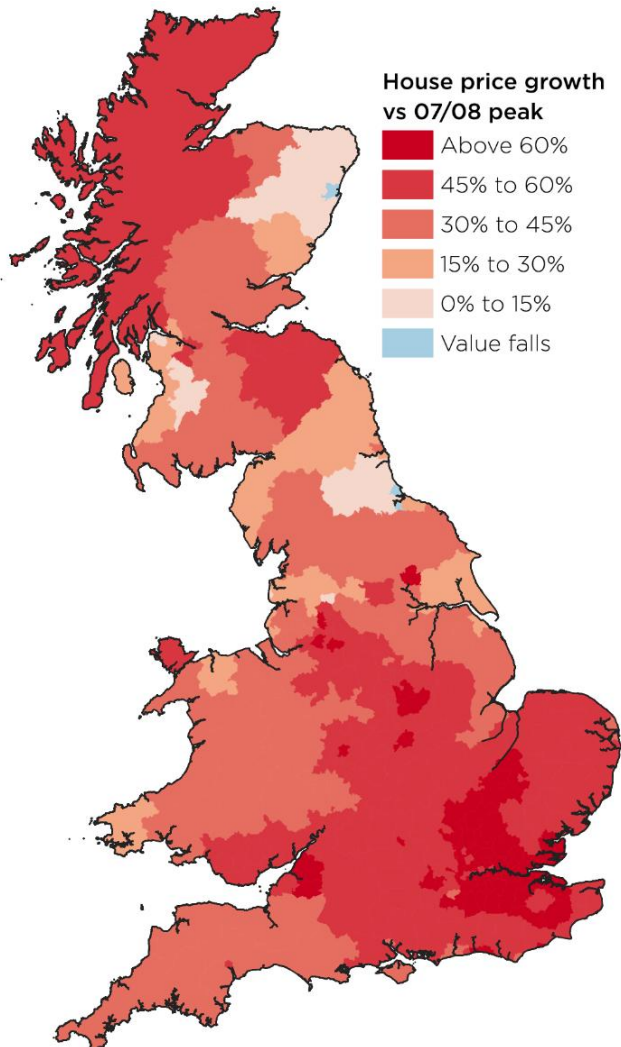
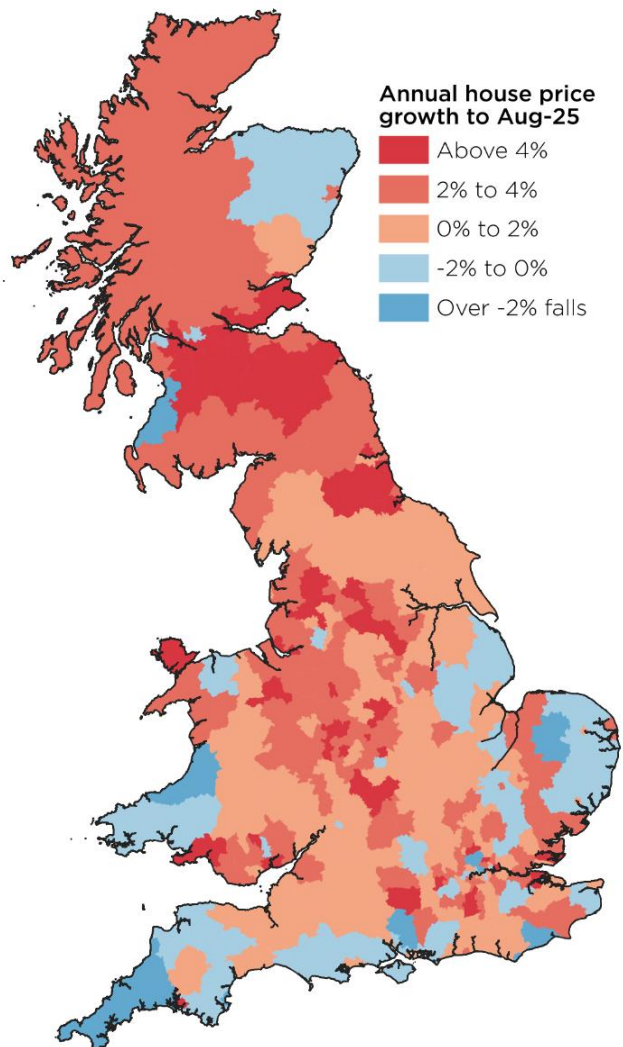


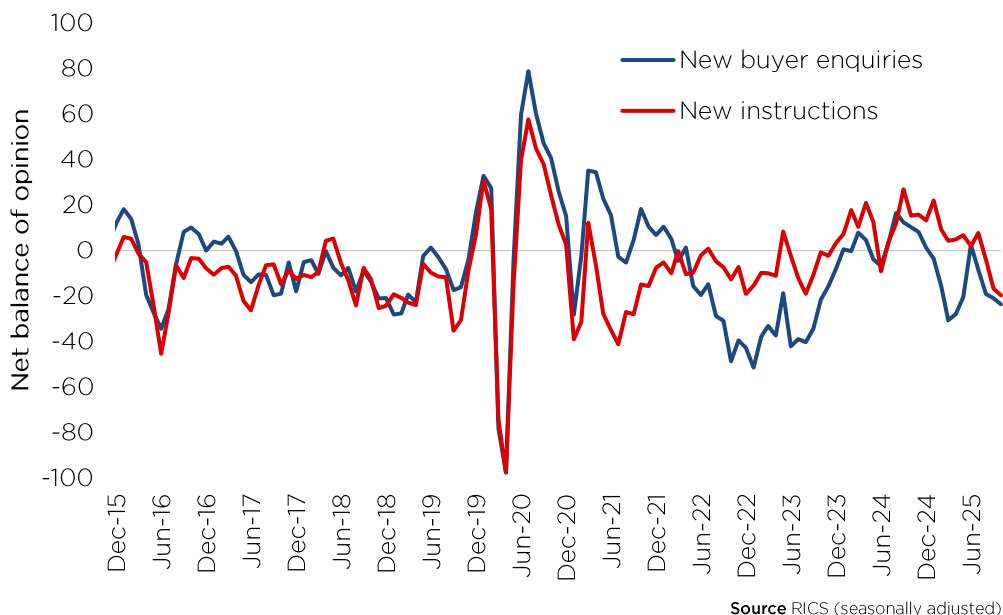
Figure 2 Annual house price growth to Aug-25



Source Savills using HM Land Registry and Registers of Scotland (6 month smoothed)*

Source Savills using HM Land Registry and Registers of Scotland (6 month smoothed)*

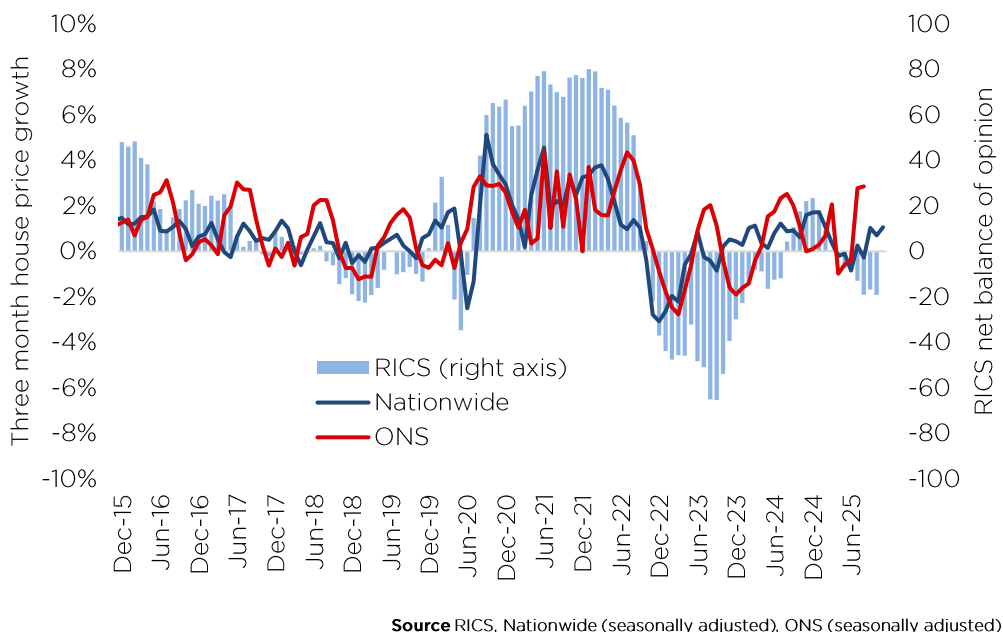
Figure 3 Surveyors reported a further drop in new buyer enquiries in October



As rumours swirled ahead of the Budget, market activity stalled. Surveyors reported both new buyer enquiries and new instructions falling further as buyers and sellers waited for the outcome of the Budget.

Clarity over new measures impacting higher value markets and landlords may lead to a recovery in activity.

Figure 4 Nationwide reported a strong November while RICS remained negative

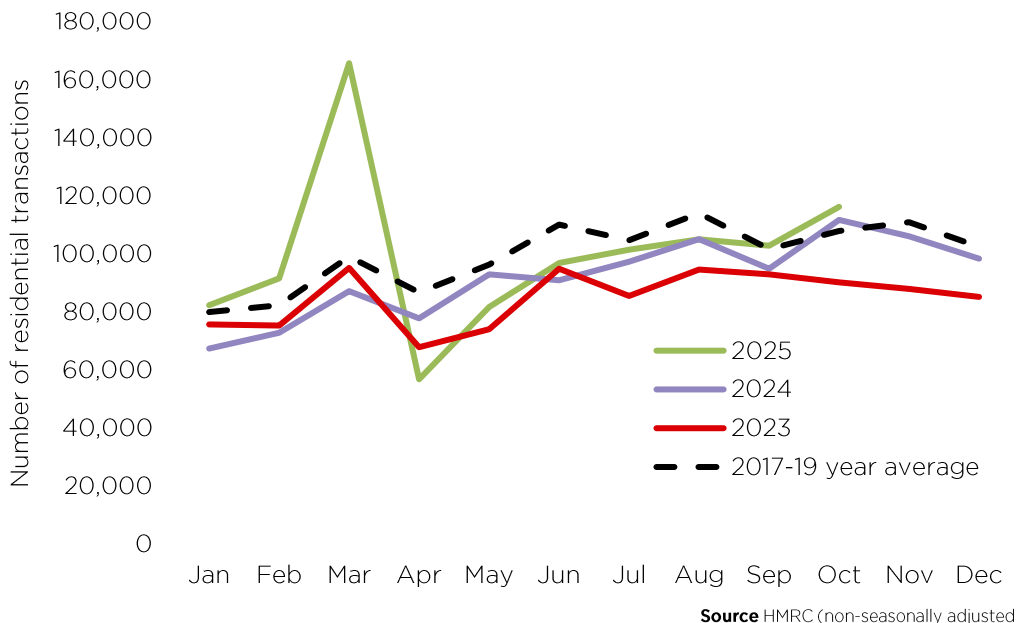


Price indicators are presenting a mixed picture. The RICS survey can be a good early indicator of house price movement, but can exaggerate negative sentiment in the market. It has been particularly low for several months, perhaps more reflective of a lack of activity than price falls.

Nationwide, reported a stronger than expected November, with house prices up by 1.1% on a three monthly-basis.

The more lagged ONS index reported 2.9% growth in August, still picking up the acceleration in the market following the SDLT changes.

Figure 5 Monthly transaction volumes exceeded 2017-19 levels in October



In October, there were 116,230 transactions according to HMRC, 8% above the monthly average between 2017-19.

Buyers at this stage of the process were largely committed to moving, meaning few were impacted by Budget rumours.

Some may have been incentivised to bring forward completions to avoid any potential changes in the Budget that may have affected them.

What happens to this metric over future months will depend how quickly delayed sales can move towards completion.

Annual rental growth across the UK in October was 2.2% according to Zoopla, essentially flat from 2.1% in September. This comes as RICS report lower tenant demand.

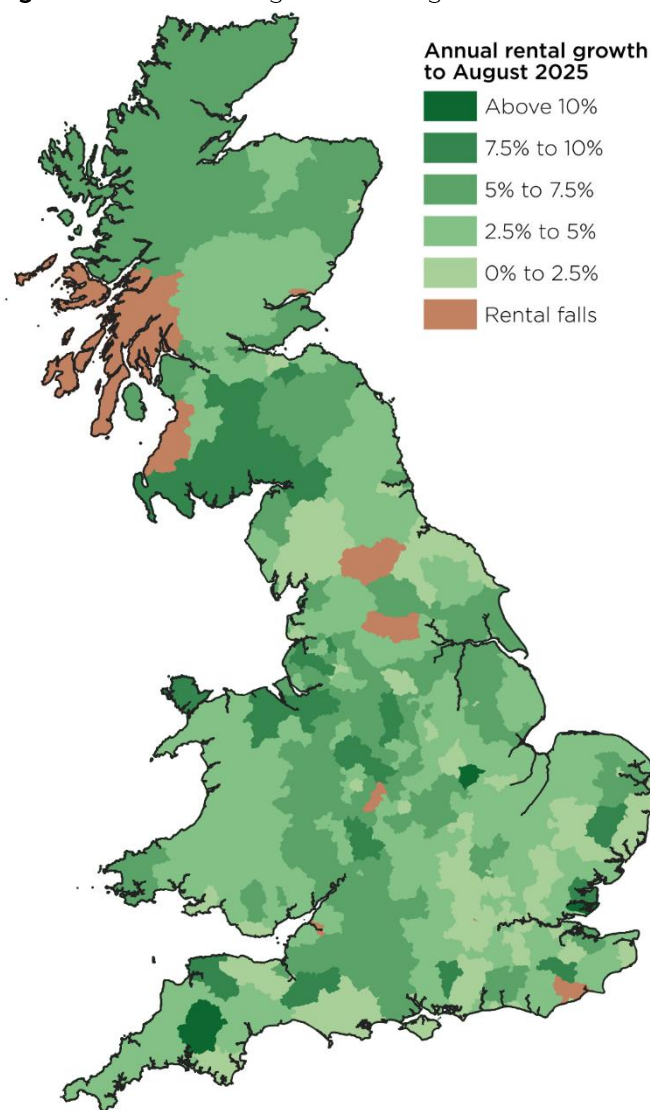
Supply remains constrained and this is likely to continue, with the Budget further reducing the profitability of being a landlord. The 2% increase to tax on property income introduced in the Budget will further erode the returns of buy to let investors, which is likely to lead to fewer homes being available to rent. Timings have also been confirmed for the abolition of Section 21 notice, coming into effect on 1st May 2026. How well this transition works for landlords will be a further determinant of future rental supply.

Table 1 Regional rental growth to October 2025

	m/m	q/q	y/y
UK	0.3%	0.8%	2.2%
London	0.2%	0.7%	1.6%
South East	0.2%	0.6%	2.1%
East of England	0.2%	0.4%	2.5%
South West	0.2%	0.6%	3.0%
East Midlands	0.1%	0.4%	1.9%
West Midlands	0.2%	0.4%	1.7%
North East	1.4%	2.7%	4.5%
Yorkshire and the Humber	0.7%	2.1%	1.8%
North West	0.4%	1.5%	3.2%
Wales	0.3%	0.7%	2.4%
Scotland	0.0%	0.4%	1.7%

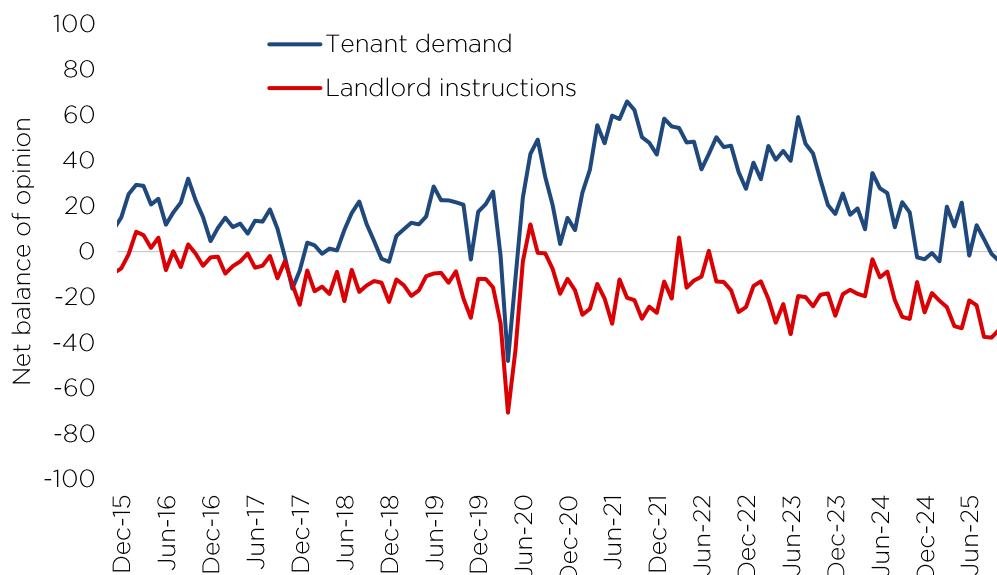
Source Zoopla Rental Index powered by Hometrack

Figure 6 Annual rental growth to August 2025



Source Zoopla Rental Index powered by Hometrack

Figure 7 Landlord instructions continue to fall, with demand also down



The RICS survey showed that landlord instructions recovered slightly in October: a smaller but still large majority of surveyors reported lower supply. Tenant demand slipped into negative territory, with surveyors evenly split on whether demand rose or fell.

There remains a sizeable gap between tenant demand and available stock, but reduced tenant demand will mitigate competition for rental homes. Rental growth is therefore likely to remain steady.

Source RICS

Table 2 Rental forecasts (published November 2025)

Region	2026	2027	2028	2029	2030	5 years to 2030
UK	2.0%	2.0%	2.5%	2.5%	2.5%	12.0%
London	1.5%	1.5%	2.5%	2.5%	3.0%	11.5%

Source Savills

Table 3 Recent house price growth

	Nationwide (Regions to Q3 2025, UK to October 2025)			ONS (to September 2025)			Savills* (to August 2025)		
	m/m	q/q	y/y	m/m	q/q	y/y	m/m	q/q	y/y
UK	0.3%	1.1%	1.8%	-0.6%	1.1%	2.6%	0.1%	0.1%	2.3%
London	-	0.0%	0.6%	-1.1%	-1.1%	-1.8%	0.0%	-0.5%	1.2%
South East	-	-1.1%	0.3%	-1.2%	0.2%	0.9%	-0.1%	-0.3%	1.3%
East of England	-	0.3%	1.2%	-0.6%	0.6%	2.2%	0.1%	-0.2%	1.5%
South West	-	-0.4%	0.9%	-0.9%	1.1%	0.9%	0.0%	-0.4%	0.8%
East Midlands	-	1.1%	2.8%	-0.6%	1.9%	3.7%	0.2%	0.2%	1.6%
West Midlands	-	1.1%	3.1%	-0.6%	0.7%	2.5%	0.0%	0.4%	2.8%
North East	-	0.9%	5.2%	-1.1%	0.6%	3.6%	0.2%	0.4%	3.9%
Yorks & Humber	-	2.0%	3.9%	0.3%	2.6%	4.5%	0.4%	0.6%	3.1%
North West	-	0.4%	3.2%	-0.8%	1.7%	3.4%	0.3%	0.6%	3.3%
Wales	-	0.7%	3.1%	-0.8%	-0.4%	2.7%	0.2%	0.4%	2.8%
Scotland	-	0.0%	3.1%	0.5%	1.6%	5.3%	0.5%	1.4%	3.8%

Source Savills using HM Land Registry and Registers of Scotland (6 month smoothed)*, Nationwide (seasonally adjusted), ONS (seasonally adjusted)

Table 4 Mainstream house price forecasts (published November 2025)

Region	2026	2027	2028	2029	2030	5 years to 2030
UK	2.0%	4.0%	5.0%	5.5%	4.0%	22.2%
London	0.0%	2.0%	3.5%	4.5%	3.0%	13.6%
South East	1.0%	3.0%	4.0%	4.5%	3.5%	17.0%
East of England	1.5%	3.5%	4.5%	5.0%	3.5%	19.3%
South West	2.0%	4.0%	5.0%	5.0%	3.5%	21.0%
East Midlands	2.5%	4.0%	5.5%	6.0%	4.0%	24.0%
West Midlands	2.5%	4.5%	5.5%	6.0%	4.0%	24.6%
North East	3.5%	5.5%	6.0%	6.0%	5.0%	28.8%
Yorks & Humber	3.5%	5.5%	6.0%	6.0%	5.0%	28.8%
North West	3.0%	5.5%	6.0%	6.0%	4.5%	27.6%
Wales	3.0%	5.0%	6.0%	6.0%	5.0%	27.6%
Scotland	3.0%	5.0%	6.0%	6.0%	5.0%	27.6%

Source Savills

Savills team

Please contact us for further information

Corranne Wheeler
Analyst
corranne.wheeler@savills.com
020 3107 5454

Ed Hampson
Associate Director
Ed.hampson@savills.com
020 3107 5460

Chris Buckle
Director
cbuckle@savills.com
020 7016 3881

*Savills index is an unadjusted repeat sales index based on HM Land Registry and Registers of Scotland price paid data. Note that Savills national index (labelled UK) is for Great Britain, not including Northern Ireland.

This report is for general informative purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. Whilst every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.



Appendix 2 – Abacus Cost Review

From: Luke McDonald <luke.mcdonald@abacus-cm.com>
Sent: 22 October 2025 16:58
To: Robert Waterhouse <robert.waterhouse@savills.com>
Cc: Colin Lewis <Colin.Lewis@abacus-cm.com>; Luke McDonald <Luke.McDonald@abacus-cm.com>
Subject: Bloom Street, Manchester

EXTERNAL EMAIL: Be cautious when opening attachments or clicking links

Hi Robert

As discussed yesterday, please see below our comments/observations in relation to Bloom Street, Manchester.

Should you have any queries or questions, please do not hesitate to contact us.

Kind regards

Luke

Information received:

- Viability Assessment (VA) prepared on behalf of Greybean Limited
- Contract Sum Analysis Excel file (CSA) named: Minshull Street – BGH review 10.04.25 – mezzanine added

Executive summary

Based on the limited information received, as noted above, and notwithstanding the comments below, we conclude that the CSA figure amounting to £7,401,143 is a reasonable allowance for the expected scope of construction works. A number of packages appear to have been quoted for by package contractors and others are noted as “out to tender” which will either support the cost allowances or suggest otherwise.

General Comments:

1. The VA and CSA received are prepared for two different Clients: VA for Greybean, CSA for ‘Views’.
2. The VA is clearly based on the CSA with all figures being identical with the exception of the Enabling Works and OH&P.
3. The VA Enabling Works is £120,818 higher than the CSA.
4. Below is an extract of the cost breakdown from the VA:

Project: Bloom Street Client: Greybean Limited		Contract Sum Analysis	
		Contract Start:	TBC
		Construction Duration (weeks):	87
		Contract Completion:	TBC
		Nr of units	39.00
Item	Description	Quant	Total
	Enabling Works		£ 1,535,620.73
	Substructure		£ 60,409.00
	Superstructure		£ 148,860.00
9	Roof & Stairs		£ 474,875.00
	Internal Works		£ 3,387,346.91
	External Works		£ 230,000.00
	PRELIMINARIES		
30	Preliminaries	1.00	£ 672,076.92
31	Scaffolding	1.00	£ 224,615.00
37	OH&P @ 10%	1.00	£ 667,339.46
	TOTAL COST (Nett):		£ 7,401,143.01
	TOTAL s/ft GIFA		40,195.00
	TOTAL COST (Per s/ft):		£ 184.13
	TOTAL COST (Per Unit):		£ 189,772.90

Figure 6

- The OH&P shown above has been calculated on the total of construction works, prelims and scaffolding excluding the Substructure, otherwise it is arithmetically correct.

CSA comments:

- It appears that a number of costs are based quotes or estimates from trade contractors or are out to tender.
- Item 2 - Window removal all floors - £689,000 includes both the removal and replacement plus £75,219 for the 4th floor windows. There being c. 210Nr windows (including 4th floor), this equates to an average of c. £3,600/window which is expensive. However it should be established if the cost includes access i.e. scaffolding, in which case there could be a double count with allowances elsewhere (item 31).
- Item 3 - Roof removal works – appears to be expensive if this is for removing the roof covering (slates) only. However, if it includes replacement of/repairs to the structure then the allowance is more justified.
- Asbestos removal – £88,725 - it is difficult to assess this without an Asbestos report. It is quite possible to be a quote from a contractor.
- Heritage repairs - £100,000 – this is a reasonable allowance for a building of this style and age.
- Foundations – no works anticipated subject to confirmation by Structural Engineer.

12. Item 6 – Tanking £50,409 – we query if this is double counted within Internal Works Item 19 LG Floor.
13. Item 7 - Infill stairs £35,000 – c. £3000 per flight - scope is unclear but assumed to include handrail & balustrading, and possibly with a heritage requirement? Allowance seems reasonable.
14. Item 8 – Repairs to each floor - difficult to comment without scope and condition report. Increased allowance for upper floors which could reflect a condition report.
15. Item 8 – Mezzanines £70,000 – having reviewed the breakdown which includes £20,000 for a staircase, whilst we have not received the design detail, allowances are reasonable for the scheduled scope of work.
16. Item 9 – Roof £158,000 – equates to c. £186/m² based on a pitched roof area of 850m². It is assumed this includes vapour barrier, battens, insulation, re-use of existing slates.
17. Item 9 – Tenting existing roofing £108,420 – equates to c. £156/m² based on a plan roof area of 695m². Seems expensive but due to accuracy of the allowance it could be based on a quote. Comment notes: “out to tender”, other quotes will either support the allowance or inform otherwise.
18. Item 9 – Rainwater goods £25,000 – this is a reasonable allowance considering the heritage characteristics of the building façade.
19. Item 10 – Stairs £62,000 – “PC Sum” noted which is assumed to mean Provisional Sum – the notes suggest the stairs are “listed”. It is difficult to comment without further information. It is noted that these works are out to tender.
20. Item 11 – External Walls £103,455 – “PC Sum” noted which is assumed to mean Provisional Sum. Allowance works out at c. £52/m² plus access scaffolding based on external wall area estimated at c. 2000m² which is deemed to be a reasonable allowance provided no significant areas of façade replacement are required.
21. Item 12 – New rooflights £18,000 – allowance is reasonable at c. £1000/m².
22. Items 14-19 inclusive - Internal Works – having reviewed the detailed breakdown and benchmarked it against other projects, the allowances are considered reasonable for the scope of works, subject to point (12) above.
23. Item 20 – Kitchens £261,000 – allowances of £6000-£8000 for galley kitchens including a breakfast bar are in line with benchmark data from other projects.
24. Items 21-26 – MEP £1,432,000 – equates to £36,718/unit including sanitaryware which is slightly less than benchmark data (c. £37,000 excluding sanitaryware). However, it appears this has been market tested to at least one contractor each for Mechanical and Electrical .
25. Item 24 – Lift £65,000 – allowance is reasonable.
26. Item 24 – Platform lift £17,000 – allowance is reasonable.
27. Item 24 – BWIC 3% – allowance seems low for the type of project, upto 5% would be reasonable.
28. Item 25 & 26 – we would expect surface water drainage to connection to the existing system with perhaps a small allowance for remedial works (broken gullies, etc.). £50,000 for Foul water installations is a reasonable allowance at this stage.
29. Item 28 – Hard landscaping & road works £30,000 – this is a reasonable allowance at this stage.
30. Item 29 – Incoming services £150,000 – whilst this is a significant allowance for an existing building, the anticipated scope may include a new substation and off-site reinforcement.

31. Item 30 - Preliminaries £672,077 – based on 20-month construction period (11.76% or c. £7,800/week), this allowance seems low. We would expect c. £12,000-£15,000/week considering the city centre location, potential road closures for site compound facilities, etc.
32. Item 31 – Scaffolding £224,615 – this equates to c. £112/m2 based on 2000m2 façade area. This seems to be expensive (expect c. £50/m2) but could be an enhanced rate due to the city centre location and heritage façade.
33. Fees – it is assumed that these are based on quotes for specified scopes of service. However, the M&E consultant fee appears to be low but we have not had sight of the scope of services.
34. OH&P 10% - we would expect between 7%-10% reflecting the type of contractor anticipated for a project of this scope and scale i.e. Tier2/3 or specialist refurb contractors.

Luke McDonald BSc(Hons), MRICS

Director



4th Floor Cotton House, Queen Street, Manchester, M2 5HS

0845 3651350

07391 011454

luke.mcdonald@abacus-cm.com

www.abacus-cm.com



Appendix 3 – Savills Appraisal

Minshull Street
100% Open Market Sales

APPRAISAL SUMMARY**SAVILLS**

Minshull Street
100% Open Market Sales

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
OMS Apartments	39	29,020	548.24	407,949	15,910,000

NET REALISATION **15,910,000**

OUTLAY**ACQUISITION COSTS**

Residualised Price			2,928,748		
				2,928,748	
Stamp Duty			135,937		
Effective Stamp Duty Rate		4.64%			
Agent Fee		1.00%	29,287		
Legal Fee		0.50%	14,644		
				179,869	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost		
OMS Apartments	40,195	184.13	7,401,105		
Contingency		5.00%	370,055		
				7,771,161	

PROFESSIONAL FEES

Professional Fees		8.00%	592,088		
				592,088	

DISPOSAL FEES

Sales Agent Fee and Marketing		3.00%	477,300		
Sales Legal Fee	39 un	750.00 /un	29,250		
				506,550	

TOTAL COSTS BEFORE FINANCE **11,978,415**

FINANCE

Debit Rate 7.0000%, Credit Rate 0.0000% (Nominal)					
Total Finance Cost				1,067,785	

TOTAL COSTS **13,046,200**

PROFIT**2,863,800****Performance Measures**

Profit on Cost%	21.95%
Profit on GDV%	18.00%
Profit on NDV%	18.00%
IRR% (without Interest)	22.52%
Profit Erosion (finance rate 7.000)	2 yrs 10 mths

Minshull Street
100% Open Market Sales

Detailed Cash flow Phase 1

Page A 1

Monthly B/F	001:Oct 2025	002:Nov 2025	003:Dec 2025	004:Jan 2026	005:Feb 2026
	0	(3,108,616)	(3,183,453)	(3,326,021)	(3,531,196)
Revenue					
Sale - OMS Apartments	0	0	0	0	0
Disposal Costs					
Sales Agent Fee and Marketing	0	0	0	0	0
Sales Legal Fee	0	0	0	0	0
Unit Information					
OMS Apartments					
Acquisition Costs					
Residualised Price	(2,928,748)	0	0	0	0
Stamp Duty	(135,937)	0	0	0	0
Agent Fee	(29,287)	0	0	0	0
Legal Fee	(14,644)	0	0	0	0
Construction Costs					
Con. - OMS Apartments	0	(50,179)	(109,826)	(164,401)	(213,904)
Contingency	0	(2,509)	(5,491)	(8,220)	(10,695)
Professional Fees					
Professional Fees	0	(4,014)	(8,786)	(13,152)	(17,112)
Net Cash Flow Before Finance	(3,108,616)	(56,703)	(124,104)	(185,774)	(241,712)
Debit Rate 7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
Credit Rate 0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Finance Costs (All Sets)	0	(18,134)	(18,464)	(19,402)	(20,485)
Net Cash Flow After Finance	(3,108,616)	(74,836)	(142,568)	(205,175)	(262,197)
Cumulative Net Cash Flow Monthly	(3,108,616)	(3,183,453)	(3,326,021)	(3,531,196)	(3,793,394)

Minshull Street
100% Open Market Sales

Detailed Cash flow Phase 1

Page A 2

006:Mar 2026 (3,793,394)	007:Apr 2026 (4,107,208)	008:May 2026 (4,467,561)	009:Jun 2026 (4,868,621)	010:Jul 2026 (5,304,882)	011:Aug 2026 (5,771,260)	012:Sep 2026 (6,261,728)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(258,335)	(297,694)	(331,981)	(361,196)	(385,339)	(404,410)	(418,409)
(12,917)	(14,885)	(16,599)	(18,060)	(19,267)	(20,220)	(20,920)
(20,667)	(23,816)	(26,558)	(28,896)	(30,827)	(32,353)	(33,473)
(291,919)	(336,395)	(375,139)	(408,152)	(435,433)	(456,983)	(472,802)
7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(21,895)	(23,959)	(25,921)	(28,109)	(30,945)	(33,485)	(36,151)
(313,814)	(360,353)	(401,060)	(436,261)	(466,378)	(490,468)	(508,953)
(4,107,208)	(4,467,561)	(4,868,621)	(5,304,882)	(5,771,260)	(6,261,728)	(6,770,681)

Minshull Street
100% Open Market Sales

Detailed Cash flow Phase 1

Page A 3

013:Oct 2026 (6,770,681)	014:Nov 2026 (7,293,066)	015:Dec 2026 (7,822,623)	016:Jan 2027 (8,353,647)	017:Feb 2027 (8,881,139)	018:Mar 2027 (9,398,586)	019:Apr 2027 (9,900,180)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(427,335)	(431,190)	(429,973)	(423,684)	(412,322)	(395,889)	(374,383)
(21,367)	(21,560)	(21,499)	(21,184)	(20,616)	(19,794)	(18,719)
(34,187)	(34,495)	(34,398)	(33,895)	(32,986)	(31,671)	(29,951)
(482,889)	(487,245)	(485,869)	(478,762)	(465,924)	(447,354)	(423,053)
7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(39,496)	(42,312)	(45,155)	(48,730)	(51,522)	(54,240)	(57,751)
(522,385)	(529,557)	(531,024)	(527,492)	(517,446)	(501,595)	(480,804)
(7,293,066)	(7,822,623)	(8,353,647)	(8,881,139)	(9,398,586)	(9,900,180)	(10,380,984)

Minshull Street
100% Open Market Sales

Detailed Cash flow Phase 1

Page A 4

020:May 2027 (10,380,984)	021:Jun 2027 (10,834,224)	022:Jul 2027 (11,253,992)	023:Aug 2027 (11,635,402)	024:Sep 2027 (11,971,427)	025:Oct 2027 (12,256,061)	026:Nov 2027 (12,484,442)
0	0	0	0	0	0	7,955,000
0	0	0	0	0	0	(238,650)
0	0	0	0	0	0	(29,250)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(347,806)	(316,157)	(279,435)	(237,641)	(190,776)	(138,838)	0
(17,390)	(15,808)	(13,972)	(11,882)	(9,539)	(6,942)	0
(27,824)	(25,293)	(22,355)	(19,011)	(15,262)	(11,107)	0
(393,021)	(357,257)	(315,762)	(268,535)	(215,577)	(156,887)	7,687,100
7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(60,219)	(62,511)	(65,648)	(67,490)	(69,057)	(71,494)	(26,005)
(453,240)	(419,768)	(381,410)	(336,025)	(284,633)	(228,381)	7,661,095
(10,834,224)	(11,253,992)	(11,635,402)	(11,971,427)	(12,256,061)	(12,484,442)	(4,823,347)

Minshull Street
100% Open Market Sales

Detailed Cash flow Phase 1

Page A 5

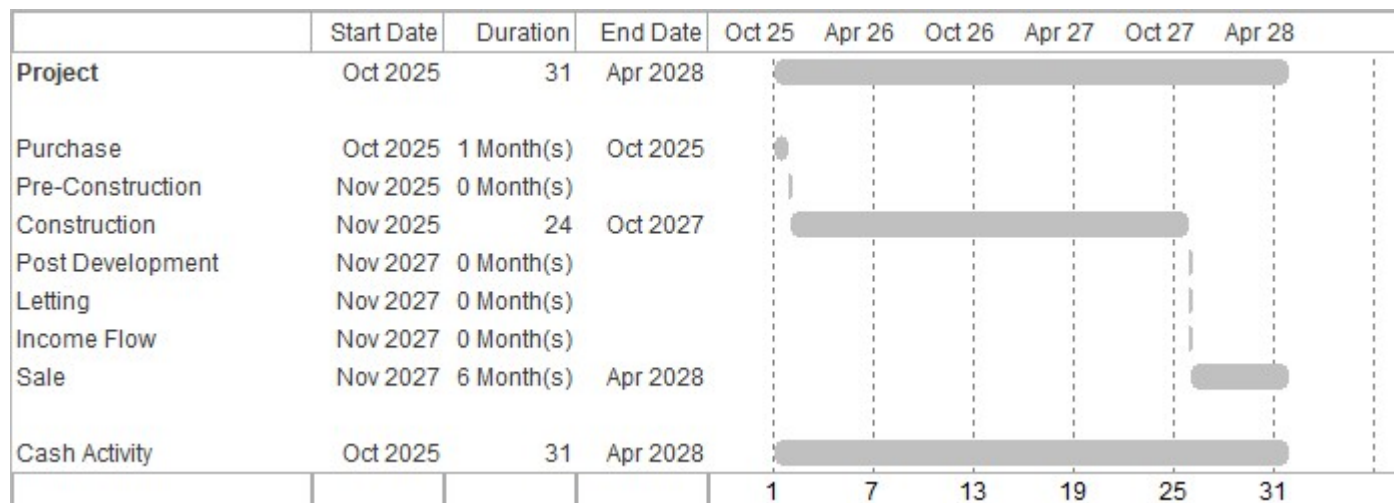
027:Dec 2027 (4,823,347)	028:Jan 2028 (3,298,363)	029:Feb 2028 (1,765,053)	030:Mar 2028 (222,740)	031:Apr 2028 1,320,530
1,591,000	1,591,000	1,591,000	1,591,000	1,591,000
(47,730)	(47,730)	(47,730)	(47,730)	(47,730)
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
1,543,270	1,543,270	1,543,270	1,543,270	1,543,270
7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(18,287)	(9,960)	(957)	0	0
1,524,983	1,533,310	1,542,313	1,543,270	1,543,270
(3,298,363)	(1,765,053)	(222,740)	1,320,530	2,863,800

Minshull Street
100% Open Market Sales

Project Timescale

Project Start Date	Oct 2025
Project End Date	Apr 2028
Project Duration (Inc Exit Period)	31 months

Phase 1



Minshull Street
20% Affordable

APPRAISAL SUMMARY**SAVILLS**

Minshull Street
20% Affordable

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
OMS Sales	31	23,380	548.55	413,710	12,825,000
Affordable Apartments	<u>8</u>	<u>5,640</u>	269.02	189,656	<u>1,517,250</u>
Totals	39	29,020			14,342,250

NET REALISATION**14,342,250****OUTLAY****ACQUISITION COSTS**

Residualised Price		2,045,031	
			2,045,031
Stamp Duty		91,752	
Effective Stamp Duty Rate	4.49%		
Agent Fee	1.00%	20,450	
Legal Fee	0.50%	10,225	
			122,427

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
OMS Sales	31,950	184.13	5,882,930
Affordable Apartments	<u>8,245</u>	184.13	<u>1,518,175</u>
Totals	40,195 ft²		7,401,105
Contingency		5.00%	370,055
			7,771,161

PROFESSIONAL FEES

Professional Fees	8.00%	592,088	
			592,088

DISPOSAL FEES

Sales Agent Fee and Marketing		3.00%	430,268
Sales Legal Fee	31 un	750.00 /un	23,250
			453,518

TOTAL COSTS BEFORE FINANCE**10,984,224****FINANCE**

Debit Rate 7.0000%, Credit Rate 0.0000% (Nominal)	
Total Finance Cost	925,580

TOTAL COSTS**11,909,804****PROFIT****2,432,446****Performance Measures**

Profit on Cost%	20.42%
Profit on GDV%	16.96%
Profit on NDV%	16.96%
IRR% (without Interest)	22.26%
Profit Erosion (finance rate 7.000)	2 yrs 8 mths

Minshull Street
20% Affordable

Detailed Cash flow Phase 1

Page A 1

	001:Oct 2025	002:Nov 2025	003:Dec 2025	004:Jan 2026	005:Feb 2026
Monthly B/F	0	(2,167,458)	(2,236,804)	(2,373,882)	(2,573,503)
Revenue					
Sale - OMS Sales	0	0	0	0	0
Sale - Affordable Apartments	0	0	0	0	0
Disposal Costs					
Sales Agent Fee and Marketing	0	0	0	0	0
Sales Legal Fee	0	0	0	0	0
Unit Information					
OMS Sales					
Affordable Apartments					
Acquisition Costs					
Residualised Price	(2,045,031)	0	0	0	0
Stamp Duty	(91,752)	0	0	0	0
Agent Fee	(20,450)	0	0	0	0
Legal Fee	(10,225)	0	0	0	0
Construction Costs					
Con. - OMS Sales	0	(39,886)	(87,298)	(130,678)	(170,027)
Con. - Affordable Apartments	0	(10,293)	(22,528)	(33,723)	(43,878)
Contingency	0	(2,509)	(5,491)	(8,220)	(10,695)
Professional Fees					
Professional Fees	0	(4,014)	(8,786)	(13,152)	(17,112)
Net Cash Flow Before Finance	(2,167,458)	(56,703)	(124,104)	(185,774)	(241,712)
Debit Rate 7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
Credit Rate 0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Finance Costs (All Sets)	0	(12,644)	(12,974)	(13,848)	(14,931)
Net Cash Flow After Finance	(2,167,458)	(69,346)	(137,078)	(199,621)	(256,643)
Cumulative Net Cash Flow Monthly	(2,167,458)	(2,236,804)	(2,373,882)	(2,573,503)	(2,830,146)

Minshull Street
20% Affordable

Detailed Cash flow Phase 1

Page A 2

006:Mar 2026 (2,830,146)	007:Apr 2026 (3,138,407)	008:May 2026 (3,493,109)	009:Jun 2026 (3,888,517)	010:Jul 2026 (4,319,127)	011:Aug 2026 (4,779,755)	012:Sep 2026 (5,264,473)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(205,343)	(236,629)	(263,883)	(287,105)	(306,295)	(321,454)	(332,581)
(52,992)	(61,066)	(68,099)	(74,092)	(79,044)	(82,956)	(85,827)
(12,917)	(14,885)	(16,599)	(18,060)	(19,267)	(20,220)	(20,920)
(20,667)	(23,816)	(26,558)	(28,896)	(30,827)	(32,353)	(33,473)
(291,919)	(336,395)	(375,139)	(408,152)	(435,433)	(456,983)	(472,802)
7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(16,341)	(18,307)	(20,270)	(22,458)	(25,195)	(27,735)	(30,401)
(308,260)	(354,702)	(395,408)	(430,610)	(460,628)	(484,718)	(503,202)
(3,138,407)	(3,493,109)	(3,888,517)	(4,319,127)	(4,779,755)	(5,264,473)	(5,767,675)

Page A 3

Minshull Street
20% Affordable

Detailed Cash flow Phase 1

Page A 4

020:May 2027 (9,336,509)	021:Jun 2027 (9,783,691)	022:Jul 2027 (10,197,402)	023:Aug 2027 (10,572,648)	024:Sep 2027 (10,902,510)	025:Oct 2027 (11,180,980)	026:Nov 2027 (11,403,089)
0	0	0	0	0	0	6,412,500
0	0	0	0	0	0	758,625
0	0	0	0	0	0	(215,134)
0	0	0	0	0	0	(23,250)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(276,461)	(251,304)	(222,115)	(188,895)	(151,642)	(110,359)	0
(71,345)	(64,853)	(57,320)	(48,747)	(39,134)	(28,480)	0
(17,390)	(15,808)	(13,972)	(11,882)	(9,539)	(6,942)	0
(27,824)	(25,293)	(22,355)	(19,011)	(15,262)	(11,107)	0
(393,021)	(357,257)	(315,762)	(268,535)	(215,577)	(156,887)	6,932,741
7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(54,161)	(56,454)	(59,485)	(61,327)	(62,893)	(65,222)	(24,306)
(447,182)	(413,711)	(375,246)	(329,862)	(278,470)	(222,110)	6,908,435
(9,783,691)	(10,197,402)	(10,572,648)	(10,902,510)	(11,180,980)	(11,403,089)	(4,494,654)

Minshull Street
20% Affordable

Detailed Cash flow Phase 1

Page A 5

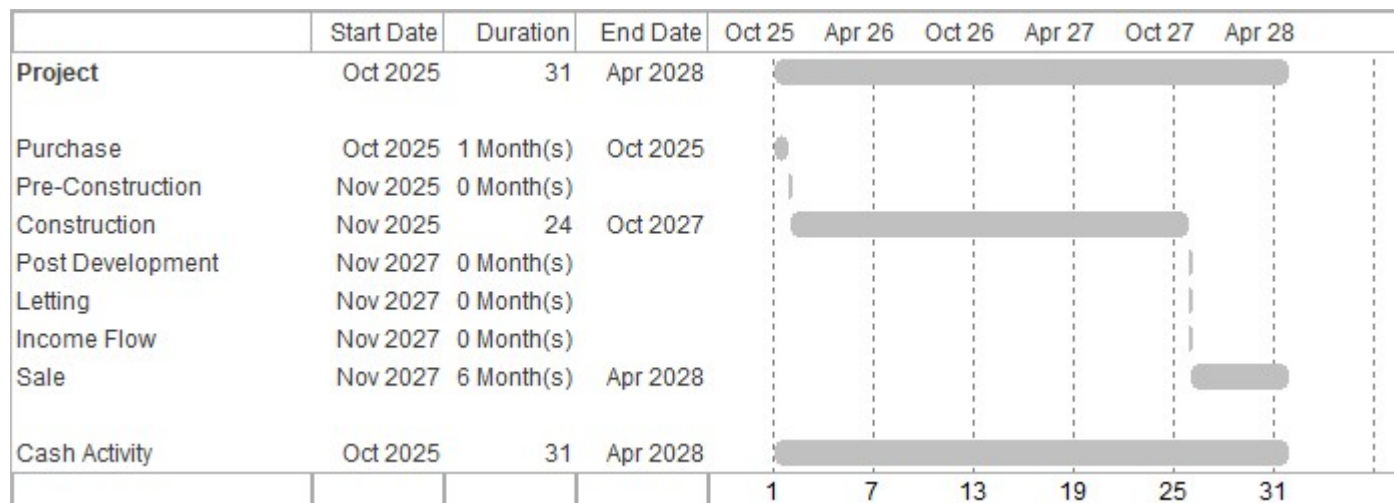
027:Dec 2027 (4,494,654)	028:Jan 2028 (3,120,786)	029:Feb 2028 (1,739,426)	030:Mar 2028 (349,951)	031:Apr 2028 1,041,247
1,282,500 151,725 (43,027) 0	1,282,500 151,725 (43,027) 0	1,282,500 151,725 (43,027) 0	1,282,500 151,725 (43,027) 0	1,282,500 151,725 (43,027) 0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
1,391,198	1,391,198	1,391,198	1,391,198	1,391,198
7.0000%	7.0000%	7.0000%	7.0000%	7.0000%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(17,330)	(9,838)	(1,723)	0	0
1,373,868	1,381,360	1,389,475	1,391,198	1,391,198
(3,120,786)	(1,739,426)	(349,951)	1,041,247	2,432,446

Minshull Street
20% Affordable

Project Timescale

Project Start Date	Oct 2025
Project End Date	Apr 2028
Project Duration (Inc Exit Period)	31 months

Phase 1



Contact

Robert Waterhouse

Associate

07870 973 351

robert.waterhouse@savills.com

Adam Mirley

Director

07967 347 620

adam.mirley@savills.com

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

Savills (UK) Limited. Chartered Surveyors. Regulated by RICS.

A subsidiary of Savills plc. Registered in England No. 2605138. Registered office: 33 Margaret Street, London, W1G 0JD

The Savills logo, consisting of the word "savills" in a lowercase, sans-serif font, with the 's' in a darker shade of red than the rest of the letters. It is positioned within a light yellow rectangular box.