

CARPENTERS ESTATE MASTERPLAN REVISED SUBMISSION

SD25: VIABILITY APPRAISAL

NOVEMBER 2023





Valuation Advisory

Financial Viability Assessment Update

Client: Populo Living Ltd

Property: Carpenters Estate, Stratford, Newham

October 2023



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1 Executive Summary

1.1 Instructions and Background

This report has been prepared by JLL on behalf of Populo Living Ltd (the “Client”/ “Populo”), who are acting on behalf of the Applicant, the London Borough of Newham (the “Applicant” / “LB of Newham”) in relation to the proposed planning application for the regeneration of the Carpenters Estate, Stratford, in the London Borough of Newham.

JLL provided the original Financial Viability Assessment (“initial FVA”) in July 2022. The GLA provided their response in April 2023 and the Viability Review on behalf of the Local Planning Authority (LPA) has not been provided at this stage. Due to the time passed since our initial advice there have been a number of changes within the scheme, coupled with updated policy (notably grant funding). Clarity has also been provided by the Applicant on a number of assumptions and so we have updated our viability advice to provide an up-to-date view of the scheme viability.

Additionally, within this report, we have provided a full response to the GLA’s Viability Team’s report, dated April 2023 (herein “the GLA”). We would therefore expect the GLA to respond to any updates within this report and that the borough’s viability review to be carried out on this updated advice, being based on the most recent information.

Outline planning permission has been submitted for the proposed re-development of the Carpenters Estate which will provide up to 2,022 (2,158 including James Riley Point) new, refurbished and replacement residential units, and circa 30,000 sqm of non-residential space.

The 2,158 residential units and non-residential space, including JRP is referred to as “the Site”/ “the Scheme”. The 2,022 residential units and non-residential space, excluding JRP will be referred to as “the Application Site”/ “the Application Scheme”.

The purpose of this report is to provide an independent assessment of the financial viability of providing the proposed regeneration and its ability to provide policy levels of affordable housing. This report and its contents have been prepared specifically to support discussions in respect of the proposed redevelopment of the Site.

1.2 Existing Site

The Carpenters Estate totals approximately 23 acres and currently comprises a 1970s housing estate, providing 711 homes. This includes a number of high-rise blocks as well as low-rise blocks and terrace housing. Non-residential land uses within the estate include a college, offices, community centre, public house, local stores and light industrial.

The masterplan comprises 711 existing homes which includes 132 homes within JRP (to be refurbished), and 14 homes at Biggerstaff Terrace. The Application Scheme for the outline planning permission therefore includes 565 existing homes excluding JRP Biggerstaff Terrace.

1.3 Proposed Development

The Applicant is seeking outline planning permission for the regeneration of the Carpenters Estate. The masterplan will provide up to 2,022 new, refurbished and replacement residential units, as part of this outline planning application, and circa 30,000 sqm of non-residential space including community, light industrial, and commercial space, and a hotel.

The scheme proposes 50% affordable housing on a habitable room basis, in the form of Social / low cost rent, with the remaining 50% delivered as private tenure for sale to cross subsidise the delivery of the affordable housing. Overall, there will be an uplift of 588 affordable units across the Site (when including JRP). Excluding JRP the uplift will be 456 units.

The red line application boundary for the masterplan includes James Riley Point tower (“JRP”). Although it is subject to a separate detailed planning application (21/00543/FUL), it is part of this outline application, and the Applicant is committed to delivering James Riley Point as a first phase of the masterplan in order to frontload the delivery of affordable homes and allow for the decant of later phases of the masterplan. We have therefore included JRP within the viability assessment.

In addition, within the Application boundary there are also 14 existing residential dwellings for continued residential use at Biggerstaff Road. These dwellings will not form part of the viability assessment and the proposed development quantum as there is either no or minor works being carried out to these properties, and they will remain in their existing use.

Overall, this Formal Viability Assessment will detail 2,158 residential units, including refurbished units at JRP and excluding the 14 units at Biggerstaff Road. Alongside residential, the proposed scheme will provide various commercial uses across the phases, with a hotel provided as part of the Dennison development parcel, a community centre provided as part of the JRP development parcel, and a college provided as part of the Jupp development parcel.

1.4 Methodology

This assessment follows standard viability methodology in accordance with planning and professional valuation guidance. The residual land value of the proposed development has been derived through a detailed assessment of comparable evidence and costs. This is then compared against the Benchmark Land Value of the wider existing site, against which it is considered whether the Site can viably provide the proposed accommodation.

The Residual Land Value derived through the detailed viability assessment is considered within the context of the appropriate Benchmark Land Value in accordance with the National Planning Policy Framework 2021 (“NPPF”) and the Planning Practice Guidance (PPG) on Viability.

For completeness, and for the reasons mentioned above, the Benchmark Land Value and the Residual Land Value of the proposed will consider the impact of the units at JRP.

Costs, values and timescales associated with the delivery of the development have been considered in detail and supported by specialist input from third party consultants where appropriate. Values and costs are current day and non-inflationary.

The development appraisal has been modelled using recognised residual appraisal software - Argus Developer.

1.5 Scenario Testing

Base

We have modelled two base scenarios as requested by the GLA – the first on the basis of self-delivery by the council / their delivery arm (i.e. Populo) (Scenario 1) and the second on the basis of a developer-led delivery or Joint Venture (“JV”) (Scenario 2). The main differences we have assumed are around profit requirement and funding costs.

Viable Position

As explained later in our report, both Scenarios 1 and 2 produce negative Residual Land Values. We have therefore run further scenarios to establish what level of affordable housing is considered ‘viable’. We have established these positions for both the self-delivery (Scenario 1a) and JV scenario (Scenario 2a).

Additionally, we have calculated to amount of grant needed in order to make Scenario 1 viable.

We provide further detail in Section 13 of this report.

Growth

As requested by the GLA, we have also tested the impact of growth modelling. We have tested this for the self-delivery scenario only, as the scenario which produces the better viability position to begin with. We have tested the impact of growth and inflation on the base scenario (Scenario 1) as well as testing what level of growth is needed to get to a viable position. We provide further detail of our growth modelling and outcome in Section 13 of this report.

1.6 Response to the GLA

We have been provided with the GLA's review, dated 4th April 2023. This report will set out JLL's response to the GLA's review of the initial FVA, dated July 2022, on behalf of Populo however this will also reflect the updated scheme now being submitted.

We detail the areas that GLA disagree with or require further information on JLL's assumptions below:

- Market housing sales values;
- Commercial values;
- Finance rates adopted in both the self-delivery and JV appraisal;
- Off-plan and post practical completion sales rates;
- Affordable housing disposal fees;
- Developer profit adopted in JV appraisal;

There are also requests for further information on the following:

- Affordable housing sales values;
- Education/re-provided college;
- Total construction cost;
- Buy back costs; and
- Development programme (construction periods per phase).

We have examined each and set out our response on the above points in the relevant sections within this report.

1.7 Conclusions

We have undertaken appraisals to demonstrate the Residual Land Value for the proposed scheme, examining the proposed scheme under both a self-delivery scenario and a developer led / JV scenario. Both self-delivery and developer led / JV scenarios, when compared to the Benchmark Land Value of £1, result in a deficit of -£115,298,000 and -£177,035,000 respectively (rounded).

On this basis the scheme is technically unviable and as a result the proposed level of affordable housing is in excess of the maximum reasonable amount. Notwithstanding this, the Applicant is committed to delivering the scheme as proposed. However, any further obligations, including additional affordable housing, may make the scheme undeliverable.

Our base appraisals, as is convention, appraise current day costs and values. Sensitivity testing has been undertaken on each scenario, modelling increases of cost and value. This testing indicates that a self-delivery model could potentially become viable with positive market movements over the lifetime of the development until the scheme is complete and fully sold.

Property: Carpenters Estate, Stratford, Newham

Self-Delivery Scenario (Scenario 1)

A summary of our appraisal is outlined below, including 50% Affordable Housing:

Appraisal Inputs	Amount
Gross Development Value (Total)	£944,252,406
Costs (Total)	£1,015,171,374
Profit / Risk Return	£44,093,665
Residual Land Value (Rounded)	-£115,298,000
Benchmark Land Value	£1
Surplus/Deficit	-£115,298,000

JV / Developer Led Scenario (Scenario 2)

A summary of our appraisal is outlined below, including 50% Affordable Housing:

Appraisal Inputs	Amount
Gross Development Value (Total)	£944,252,405
Costs (Total)	£1,008,941,774
Profit / Risk Return	£112,344,806
Residual Land Value (Rounded)	-£177,034,000
Benchmark Land Value	£1
Surplus/Deficit	-£177,034,000

A summary of the breakeven scenarios are below:

Self-Delivery 'Viable' Scenario (Scenario 1a)

A summary of our appraisal is outlined below which includes 6% Affordable Housing:

Appraisal Inputs	Amount
Gross Development Value (Total)	£1,156,588,548
Costs (Total)	£1,070,880,101
Profit / Risk Return	£67,135,853
Residual Land Value (Rounded)	£322,000
Benchmark Land Value	£1
Surplus/Deficit	£322,000

Property: Carpenters Estate, Stratford, Newham

JV / Developer Led ‘Viable’ Scenario (Scenario 2a)

A summary of our appraisal is outlined below which does not provide any Affordable Housing:

Appraisal Inputs	Amount
Gross Development Value (Total)	£1,185,447,992
Costs (Total)	£1,069,280,371
Profit / Risk Return	£207,029,538
Residual Land Value (Rounded)	-£90,862,000
Benchmark Land Value	£1
Surplus/Deficit	-£90,862,000

NB: This scenario is technically still unviable.

2 Introduction

2.1 Overview

This report has been prepared by JLL on behalf of Populo Living Ltd (the “Client”/ “Populo”), who are acting on behalf of the Applicant, the London Borough of Newham (the “Applicant” / “LB of Newham”) in relation to the proposed planning application for the regeneration of the Carpenters Estate, Stratford, in the London Borough of Newham.

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2.2 Key Information Relied Upon

We have been provided with, and relied upon, the following key information:

- Carpenters Planning Statement 22-7-2022;
- Carpenters Tenure Decant and Phasing Strategies May 2022 v2;
- CER00-JPM-XX-XX-SH-A-000005-EIA Quantum Schedule;
- Existing Tenants Breakdown;
- Schedule of Commercial Occupiers;
- Carpenters Estate - JLL Market Report June 2023
- Masterplan - Stage 4 Estimate (23.06.15)Issue;
- Carpenters Road Estate - New Build Commercial Valuation Update June 2023;
- 13504-CRH-XX-XX-FG-G-7184_P1_UpdatedPhasingPlan; and
- Carpenters Estate Map (002).

2.3 Status

This report complies with the RICS Professional Statement '*Financial viability in planning: conduct and reporting*' (1st Edition, May 2019). We can confirm that all RICS members inputting into this assessment have acted objectively, impartially, without interference and with reference to all appropriate available sources of information. JLL are not involved with area-wide assessments within the Borough. Furthermore, in preparing this report, no performance related or contingent fees have been agreed.

This report does not comprise a valuation and therefore has not been produced in accordance with the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors and the RICS Valuation – Global Standards – UK national supplement (The RICS Red Book UK National Supplement): effective 31 January 2022. The advice contained herein cannot be used for purposes other than those mentioned, including loan security purposes and may not be used or duplicated without the prior written consent of JLL.

The report is prepared in accordance with the National Planning Policy Framework 2021 ("NPPF"), the Planning Practice Guidance ("PPG") on Viability and the RICS Guidance on Assessing viability in planning 2021.

2.4 Market Conditions Explanatory Note

As at the date of valuation and at the time this report was drafted, the full extent of the war in Ukraine and its wider long-term implications were unknown. However, it is recognised that the conflict has contributed to significant volatility in global stock markets and to cost inflation and supply chain delays, particularly within Europe.

Significant sanctions have been imposed against Russia and there remains a potential risk that the war could escalate and directly involve NATO countries.

At the same time, the wider global economy is facing a number of additional negative factors that contribute to significant cost inflation and cause interest rates to increase. This is particularly acute in the UK, where recent Government tax-cutting announcements caused the pound to slide and unstable bond markets.

The market can be described as functioning, but there is evidence that transaction activity and the sentiment of buyers or sellers is changing in a number of markets and property sectors. There is a general perception of a changing real estate market and there is a risk that continued volatility coupled with rising interest rates will have a direct impact on pricing as yields are forced to increase.

The development market faces particular challenges due to the factors mentioned above that are significantly influencing costs of construction and construction programmes and this risk is causing significant volatility in value for some projects.

This explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly, especially if the situation in Ukraine escalates, we highlight the importance of the valuation date and advise you to keep the valuation under short term review.

3 Relevant Planning Policy

3.1 Relevant Documents

The following documents, set out in detail below, have informed the approach to viability:

- National Planning Policy Framework (“NPPF”) (adopted July 2018, updated July 2021);
- National Viability Planning Practice Guidance (adopted July 2018, updated September 2019);
- Assessing viability in planning under the National Planning Policy Framework 2019 (adopted July 2021);
- The London Plan (adopted in March 2021);
- ‘Homes for Londoners’ SPG (adopted August 2017);
- The Mayor’s Good Practice Guide to Estate Regeneration “Better Homes for Local People”;
- Local Planning Policy – London Legacy Development Corporation Local Plan 2020 - 2036 (adopted July 2020); and
- London Borough of Newham, Local Plan 2018.

Please see Appendix 1 for further detail.

3.2 National Planning Policy Framework (July 2018, updated July 2021)

In accordance with the London Plan and borough policy, the subject Site proposes to deliver 50% affordable housing.

In accordance with the Mayor’s Estate Regeneration policy, the Site proposes an increase in affordable housing and full rights to return or remain for social tenants as well as a fair deal for leaseholders and freeholders.

3.3 Planning Obligations

We detail our assumptions for Community Infrastructure Levy (“CIL”) and S106 contributions below.

4 Viability Methodology

4.1 Viability Context

In simple terms, the viability assessment process comprises a comparison of the Residual Land Value for the proposed development against an appropriate benchmark value for the existing Site or property.

The viability assessment process is undertaken to establish the appropriate level of planning obligations and affordable housing in the instance where a policy compliant level is economically unviable.

Development convention and guidance on assessing the viability of schemes states that where a development proposal generates a Residual Land Value which is greater than the appropriate benchmark, it is deemed financially viable and therefore likely to proceed. Conversely, if the residual value is lower than the benchmark, it is deemed financially unviable. This is based on the accepted assumption that a developer will always seek to bring forward the highest value scheme.

In summary, the viability assessment process is as follows:

NET DEVELOPMENT VALUE

less

COSTS

less

PLANNING CONTRIBUTIONS

less

PROFIT / RISK REQUIREMENT

equals

RESIDUAL LAND VALUE

compared to

BENCHMARK LAND VALUE

We have carried out this assessment of the proposed scheme to determine the viability against an appropriate Benchmark Land Value.

5 Existing Site

5.1 Immediate Location

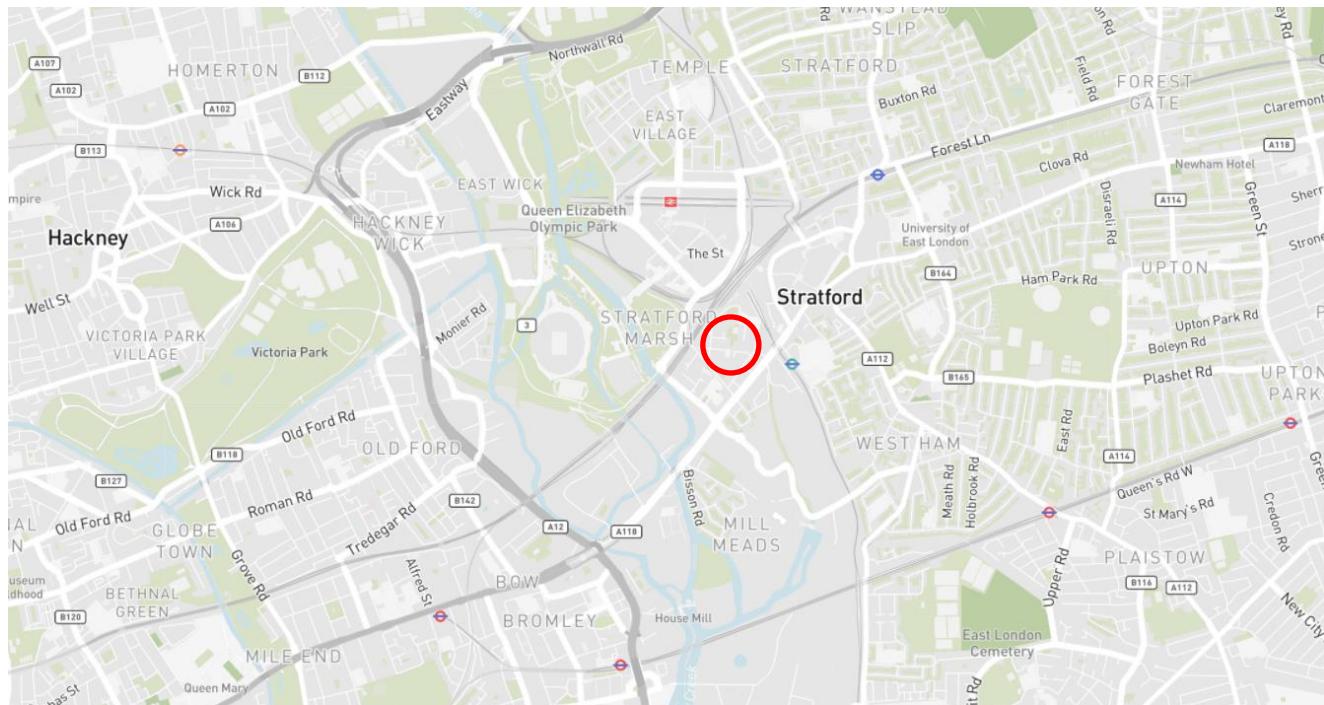
The Carpenters Estate is located in Stratford, northeast London, and falls within the administrative boundaries of the London Borough of Newham ("LBN") (and under the LLDC administration for the purposes of the planning application). The LLDC is a Mayoral Development Corporation responsible for delivering the physical legacy of the 2012 Olympic Games which includes the long-term planning, development, management and maintenance of the Queen Elizabeth Olympic Park and its surrounding area.

The surrounding area is mixed-use comprising a mix of new and old residential dwellings of varying archetypes, industrial, retail and commercial. The wider area is similarly mixed-use although much of the north east towards Leyton and Leytonstone, and west towards Mile End are predominantly residential.

Within the immediate area there has been catalysts for significant regeneration over the past decade. Notable new residential developments, in the immediate vicinity include Stratford Halo, Athena Court, Stratford City, and East Bank to name a few. We are also aware of planning applications for both the Bridgewater Triangle and Pudding Mill Lane schemes in the LLDC, submitted in August and December 2021 respectively.

There is a concentration of younger people living in the local area. The 1km radius of Carpenters Estate is made up by a large proportion of 'Rising Prosperity' households, accounting for 39% of all households broadly in line with the proportion across the wider borough. People in the Rising Prosperity group are usually highly educated young professionals, moving up the career ladder. Many are first time buyers whilst the rest have yet to raise the capital to purchase their first property.

A location plan is provided below:



5.2 Site Description

The Carpenters Estate totals approximately 23 acres (circa 10 hectares) and is rectangular in shape. It currently comprises a 1970s housing estate, providing 711 homes (please note that the application boundary includes 579 existing homes when JRP is removed). These 711 homes include three high-rise blocks (James

Property: Carpenters Estate, Stratford, Newham

Riley Point, Lund Point and Dennison Point), low-rise blocks and terrace housing. The non-residential land uses within the estate include a college, offices, community centre, public house, local stores, light industrial spaces, and car parking.

The Site is bounded by railway tracks to the north, east and west and the A118 (High Street) to the southeast. Waterworks River runs north to south along the western border of the Site.

We understand that since the beginning of the 2000's, the Site has been subject to refurbishment and redevelopment plans as the condition of many of the buildings has fallen into a state of disrepair and need significant improvement to take forward to a modern standard.

5.3 Residential Overview

The Carpenters Estate currently provides 711 homes. The residents include owner occupiers, private renters and both social and council tenants. The total residential floor space equates to 36,570 sqm (NIA), of which 27,728 sqm is affordable space (567 affordable units). We understand that vacant possession has been secured on over 400 properties and these are currently void.

The 711 total includes 132 units within JRP and 14 units Biggerstaff Terrace. JRP (along with Lund Point) will be refurbished and subject to a separate detailed planning application.

We provide an extract from the Planning Statement (July 2022). Please note that this also includes those units which are already vacant in preparation for the regeneration:

Existing tenure category	Proposed replacement tenure	No. of existing homes (including JRP)	No. of existing homes within planning application boundary (excluding JRP)
Secure tenant	Social rent	73	73
Non-secure tenants (council owned)	Social rent	69	69
Non-secure tenants (buy backs)	Private	4	4
Private owner (resident homeowner)	Intermediate (shared ownership)	69	65
Private renter (non-resident homeowner)	Private	71	71
Void (council owned)	Social rent	346	231
Void (buy-back)	Private	69	52
Other	Social rent	10	10
TOTAL:		711	579

Excluding Biggerstaff Terrace from this total, equates to 565 existing homes.

5.4 Non-Residential Overview

We have not been provided with full information of the commercial units and therefore do not have full details on size, condition, and tenancies however, we provide the details of what we are aware of below:

Phase	Plot	Type	Use Class	VOA Area (NIA sqm)
8 – Railway South	1A	Office/Store	E	583
8 – Railway South	1B	Workshop/Warehouse	E	363
8 – Railway South	1C	Office/Workshop	E	170
8 – Railway South	1D	Office/Workshop	E	1,496
19 – Gibbins	2A	Public House/Office	E	111

9 - Triangle	3A	Light Industrial/Warehouse	B2/B8	1,980
2 – Railway North	4A	Community Centre	F1/F2	749
21 - Kennard	4B	College	F1	*
21 - Kennard	3B	Light Industrial	B2/B8	662
12 - Exchange	4C	Commercial	E	*
17 – Central West	5	Retail	F2	106**
17 – Central West	6	Office	E	443

* no size information for the property.

** we are only aware of the partial size of the property.

We also note that this does not include car parking or additional land attached to parts of these sites.

5.5 Communications

The Site is well located, with a Public Transport Accessibility Level (PTAL) rating of 6b (the highest rating) covering much of the site. The Site is situated between travel Zone 2 and 3 and is only 0.3 miles (5-minute walk) south is Stratford Railway Station, which provides access to the overground, TFL Rail, Greater Anglia and DLR services with direct links into central London and north towards Epping and Brentwood. The underground line, also 0.3 miles south, provides both Central and Jubilee line services with access to central London and west London locations. Stratford International Station is also located 0.7 miles (15-minute walk) north of the Site.

We also note that Crossrail (Elizabeth Line) now runs through Stratford, providing direct access to Heathrow Airport to the southwest.

The A118 (High Road) borders the Site to the south and provides direct access to the North Circular, 3.4 miles to the north and the A12 to the south which provides direct access to Canary Wharf, Greenwich and the south.

In addition, we note that there are numerous bus stops along the A118 (High Road) and Carpenters Road providing alternative means of transport.

5.6 Amenities

The Queen Elizabeth Olympic Park is situated directly north, providing areas of green land along with Hackney Marshes further north and Victoria Park to the east. Stratford Shopping Centre (Westfield Stratford City) is a 5-minute walk to the north east, providing over 240,000 sq ft of retail, leisure facilities and eating establishments.

6 Benchmark Land Value

6.1 Establishing the Benchmark Land Value

An appropriate Benchmark Land Value (“BLV”) is the minimum price a landowner would accept to release a Site for development. In considering the Benchmark Land Value, against which the residual value of the proposed scheme is compared, we have had regard to the Government’s National Planning Policy Framework (NPPF) (2018, updated 2021), Viability Planning Practice Guidance (2018, updated September 2019) and the Mayor of London’s Affordable Housing and Viability Supplementary Planning Guidance (adopted August 2017).

6.2 Viability Planning Practice Guidance (September 2019)

Paragraph 13 of the Viability PPG states that the benchmark should be established on the basis of EUV+ approach. The principle of this approach is that a landowner should receive at least the value of the land in its ‘pre-permission’ use, which would normally be lost when bringing forward land for development. A premium is added to provide the landowner as an incentive to release the site, having regard to site circumstances, other options available and policy requirements. In practice the premium can vary from a minimum of 10% to a multiple (up to 20x) of the Existing Use Value, but this must reflect site specific circumstances.

Other methods that can be appropriate are the Alternative Use Value (AUV) and ‘Market Value’ (MV) approaches. An AUV reflects the RLV of the site for alternative development scenarios such as competing land uses. Such schemes must be policy compliant. An extant planning permission is often referred to as an AUV in that this requires but also constitutes its Existing Use Value; its use and the explicit planning permission having been firmly established. In such circumstances it is not appropriate to apply a landowner’s premium. A MV approach reflects the value of the site having regard to the cost of comparable development land. This is, however, subject to the requirement that this value reflects planning policy including an appropriate provision of affordable housing.

6.3 Benchmark Land Value

In valuing the existing Site, we have adopted the Existing Use Value Plus (“EUV+”) approach as the principal approach for establishing an appropriate BLV.

Based on this, we have calculated the existing use value of the estate to be in the range of **£100,000,000 and £150,000,000**. Please note that this is a high-level review of the value of the scheme due to the lack of information regarding the existing units, and we reserve the right to review our opinion of value with further information. The largest unknown is the condition and the likely cost to bring the properties up to a decent standard which accounts for the substantial range in value.

On the basis of the above, we have not been provided with the condition of the existing blocks and therefore cannot accurately provide for this in the value. With this in mind and noting the GLA’s position on estate regeneration (which can be found at Appendix 3), we have therefore tested the viability of the application against an assumed **BLV of £1 (One Pound)**.

We would however like to be clear that we believe the site does have a significant value, but the level of information required to assess an accurate value either isn’t available or hasn’t been provided.

6.4 GLA Response

The GLA have commented that,

“in the vast majority of cases it is inappropriate for an estate EUV to form a benchmark Land Value. This is because many existing estates coming forward for redevelopment, particularly older estates, are often unable to generate an income for a lengthy period of time before substantial capital expenditure is

Property: Carpenters Estate, Stratford, Newham

required to ensure that existing units meet required standards. An estate coming forward for redevelopment is therefore reflective of the fact that it is more economical to replace existing affordable housing stock with new-build affordable housing stock”.

The GLA therefore accept JLL's position for the benchmark.

7 Proposed Development

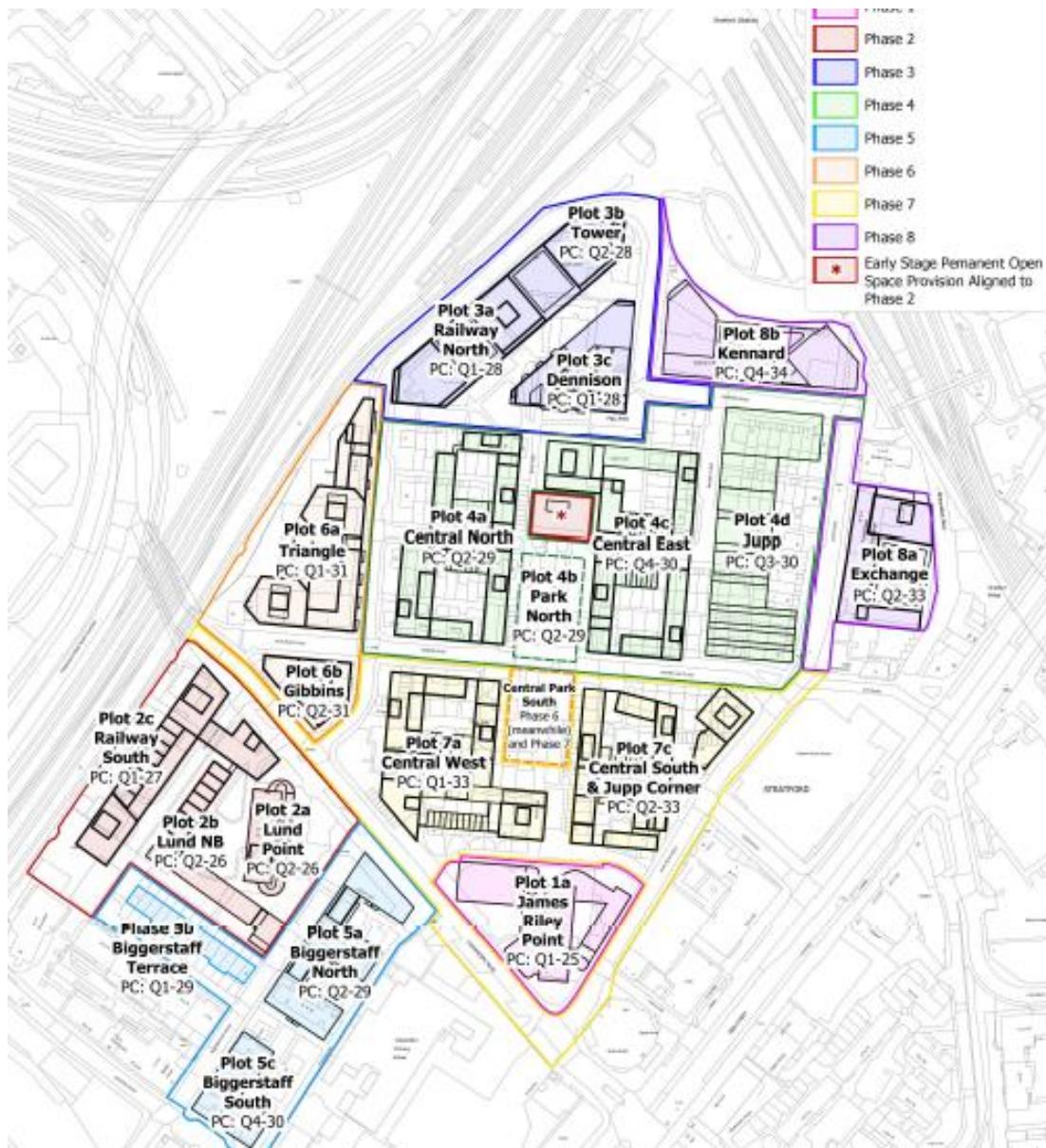
7.1 Proposed Development

The outline proposal relates to the entire regeneration of the estate and the proposed masterplan.

The masterplan will provide up to 2,022 new, refurbished and replacement residential units, as part of this outline planning application, and circa 30,000 sqm of non-residential space including community, light industrial, and commercial space, and a hotel and parking, all of which will be delivered across 8 phases.

We note that the unit mix remains the same as our previous report in 2022.

We provide a plan indicating the phases of the masterplan below. A further Site Plan and Masterplan can be found at Appendix 2:



JRP is not included within the Application Site. However, for the purposes of this viability, the costs and values associated with JRP have been considered for completeness. The residential units total 2,158 including JRP.

The refurbished affordable homes at JRP will be used for the decant of residents of the wider Carpenters Estate in accordance with the key principle that residents should only be required to move once. In addition, the JRP scheme will provide enhanced sport and community facilities designed to be used by residents of the wider Carpenters Estate. Consequently, although the JRP refurbishment scheme is capable of being delivered as a standalone development in accordance with the separate planning application(21/00543/FUL), the affordable homes and community facilities are relevant to the viability of the Carpenters Estate regeneration as a whole and to be delivered pursuant to the outline application. As such, JRP is included in the totals below.

Alongside residential, the proposed scheme will provide various commercial uses across the phases, with a hotel provided as part of the Dennison phase, a community centre provided as part of the James Riley Point (which has its own planning application) and a college provided as part of Jupp.

7.2 Overall Residential Provision

The scheme will provide 50% affordable housing on a habitable room basis, in the form of Social Rent, with the remaining 50% delivered as private tenure, for sale.

We have been provided with a summary of unit types and numbers by the Applicant, which we summarise below:

Parcel Name	Flats	Maisonettes	Houses	Affordable %	Open Market %
James Riley Point	136	0	0	97%	3%
Railway North	194	0	0	42%	58%
Lund Point	167	0	0	0%	100%
Lund New Build	22	24	10	100%	0%
Railway South	151	11	0	37%	63%
The Tower	201	0	0	0%	100%
Dennison	30	0	0	100%	0%
Biggerstaff North	77	19	0	100%	0%
Central North	74	26	3	56%	44%
Biggerstaff South	67	2	0	0%	100%
Triangle	150	0	0	60%	40%
Gibbins	75	0	0	100%	0%
Central West	97	20	8	67%	33%
Central East	98	44	6	40%	60%
Exchange	88	0	0	72%	28%
Central South & Jupp Corner	98	28	3	60%	40%
Kennard	229	0	0	53%	47%
Total	1,954	174	30	50%	50%
Grand Total			2,158		

The table below summarises the proposed residential units across the masterplan:

Phase	1B1P	1B2P	2B3P	2B4P	3B5P	3B6P	2B4P	3B5P	3B6P	4B7P/8P	3B5P	4B7P/8P	Total
JRP		30	46	28	32								136
Railway N	13	77	23	48	33								194
Lund	125	21	21										167
Lund New		9		8		5		17	7			10	56
Dennison		25	5										30
The Tower	32	69	28	57	15								201
Railway S		62	19	44	21	5		11					162
Biggerstaff N	36	0	28	5	8	17		0	2				96
Central N		21	10	33	7	3	4	10	11	1		3	103
Biggerstaff S	32	20	7		8			1	1				69
Triangle		55	14	49	28	4							150
Gibbins		29		35	11								75
Central W		59	14	12	3	9	5	3	11	1	5	3	125
Central	49	13	26		10	5	26	10	3		6		148
Jupp													0
Exchange		34	6	25	12	11							88
Jupp Corner & Central S	1	57	23	10	0	7	2	13	13			3	129
Kennard		90	31	93	15								229
Grand Total	171	755	273	503	182	70	33	80	53	8	5	25	2,158

7.3 Private Residential Units

The table below summarises details of the proposed private residential units which are situated in Railway North, Lund Point, Railway South, the Tower, Central North, Biggerstaff South, Triangle, Central West, Central East, Exchange, Central South and Jupp Corner and Kennard. The private element equates to 50% of the residential units on a habitable room basis.

Unit Type	Number of Units	Area Range Sq m	Area Range Sq Ft
1 bed 1P	165	41 - 46	436 - 494
1 bed 2P	360	53 - 60	570 - 646
2 bed 2P	21	60	646
2 bed 3P	122	63 - 69	681 - 747
2 bed 4P	230	74 - 79	794 - 850
2 bed 4P maisonette	8	81 - 86	874 - 920
3 bed 5P	76	84 - 98	904 - 1,060
3 bed 5P maisonette	33	94 - 96	1,013 - 1,033
3 bed 5P house	2	105	1,128
3 bed 6P	21	100 - 106	1,075 - 1,136
3 bed 6P flat	8	100	1,076
3 bed 6P maisonette	21	103 - 110	1,108 - 1,184
4 bed 7P maisonette	3	124 - 129	1,335 - 1,385
4 bed 8P house	7	130 - 135	1,396 - 1,455
Total	1,077	41 - 135	436 - 1,396

The above units are generally larger than the London Plan Minimum Space Standards, however, we understand that they are the result of the Resident's Charter and the LLDC's standards within their design guide.

We provide a detailed breakdown of the unit types per phase at Appendix 5. Please note, this is illustrative and may change when reserved matters applications are submitted.

7.4 Proposed Residential Specification

Given the nature of the outline planning application, we have not been provided with exact details of the proposed new build residential units specification. However, we have assumed that the specification will be commensurate to other new build schemes in the area.

7.5 Affordable Residential Units

The table below summarises details of the proposed affordable residential units which are situated in James Riley Point, Lund New Build, Railway South, The Tower, Dennison, Biggerstaff North, Central North, Triangle, Gibbins, Central West, Central East, Exchange, Central South and Jupp Corner and Kennard.

The affordable element equates to 50% of the residential units on a habitable room basis.

We summarise the affordable provision below:

Type	Beds	No. Council rented units	No. Social Rent units
Flat	1B1P	2	4
Flat	1B2P	32	363
Flat	2B3P	0	130
Flat	2B4P	8	265
Flat	3B5P	5	101
Flat	3B6P	3	38
Maisonette	2B4P	2	23
Maisonette	3B5P	16	31
Maisonette	3B6P	7	25
Maisonette	4B7P/8p	5	0
House	3B5P	3	0
House	4B7P/8p	18	0
Total		101	980

7.6 Community and Education Provision

We summarise the community/education provision below:

Property	Size (GIA sqm)	Size (GIA sqft)
Docklands Community Centre (JRP)	3,413	36,737
College (Jupp)	8,250	88,802

7.7 Commercial Provision (Retail/Other Non-Residential)

We summarise an extract from the Carpenters Planning Statement providing a summary of all other non-residential provisions below:

	Retail	Retail (Grocery Store)	Pub/Bar	Restaurant/ Café	Studio Maker Space	/	Indoor sport, recreation, fitness	Medical or health services	Office	Professional services	TOTAL - NIA	Notes	
	E(a)	Sui Generis	E(b)	E(g)(iii)	E(d)	E(e)	E(g) (i)	E(c)(ii)					
R1	Railway North	0	0	141	530	0	0	0	0	0	671		
T2	The Tower	0	0	245	120	180	0	0	0	0	545		
D1	Dennison	0	0	547	223	0	0	0	0	0	770	Cinema	
K1	Kennard	86	258	0	224	0	303	0	0	0	871		
E1	Exchange	0	0	0	0	589	0	0	0	0	589		
J1	Jupp											No commercial uses - Building Crafts College	
J2	Jupp Corner	0	168	0	0	0	0	0	0	0	168		
B1	Biggerstaff North	0	182	0	0	0	0	0	0	0	182		
B2	Biggerstaff South		0	0	0	0	0	0	0	310	310		
B3	Biggerstaff Terrace											No commercial uses	
L1	Lund Point (refurb)	0	0	0	0	357	0	0	0	0	357		
L2	Lund New Build	0	0	0	0	102	0	0	0	0	102		
R2	Railway South		0	0	0	915	0	0	0	271	1186		
G1	Gibbins	213	0	0	0	0	231	0	0	0	444		
T1	Triangle	0	0	0	133	1285	0	0	0	0	1418		
C1	Central North	530	0	0	0	0	0	0	0	0	530		
C2	Central East											No commercial uses	
C3	Central West	220	0	0	0	0	0	0	206	0	426	Carpenters Estate Management Office	
C4	Central South											No commercial uses	
		TOTAL	1049	608	933	1230	3428	534	0	206	581	8569	

(Source: Carpenters Estate Masterplan Outline Application, SD1 Planning Statement, July 2022)

8 Proposed Private Residential Unit Revenue

8.1 Accommodation

A thorough assessment of comparable evidence from schemes within the vicinity of the Site and a review of the market has been undertaken. For ease of reference, a summary of the comparable evidence on which we have based our opinion of value for the private residential units is attached at Appendix 4. Here we attached our previous detailed comparable evidence as well as our market reports dated 2022 and June 2023, providing a further summary of the evidence relied upon and the market and the change since our initial assessment.

As per our initial advice, we have not been provided with details of the proposed specification, so we have assumed the specification will be comparable to other new build private sale units / Populo schemes in the area.

Additionally, a full unit by unit schedule of accommodation detailing floor, arrangement, views etc has still not been produced for the outline application but we note that there are a range of low rise and high-rise buildings across the proposed scheme.

In order to differentiate values, we have opined separate values for low rise and high-rise units and multiplied out by the unit mix for each phase.

8.2 GLA Response

The GLA have disputed the values adopted by JLL's initial FVA which equated to £550,082,500 (£719 psf), although acknowledge "*that there is limited available evidence of recent new build transactions in the local area*". Much of the evidence they provide for the subject scheme, they admit is resale evidence.

The GLA comment that firstly;

"HMLR House Price Index indicates that the average price for new-build properties in the London Borough of Newham has increased by 14% between January 2022 and November 2022 (the latest available data at the time of writing)", and secondly that, "evident that the significant redevelopment of the local area in recent years has served to fuel considerable growth in local sales values; and it is considered likely that this trend will continue as further developments are delivered and as the wider area continues to evolve".

The GLA conclude that a minimum of 5% should be applied to the market housing values.

To begin with, we have reviewed the HMLR New Build House Prices for the period stated above which seems to only equate to a 9.9% increase, not 14%. Furthermore, the period detailed above, includes a period of artificially inflated growth with the end of Help to Buy, and moreover, does not consider the increasing market uncertainties impacting the housing market since the end of 2022 and throughout 2023 such as substantial rises in the cost of living and rising interest rates.

Reviewing the same HMLR data from July 2022 (previous advice) to March 2023 (the most recent data), new build house prices are still higher than July 2022 (circa 7.7%) however, the curve is starting to dip downwards and from experience of comparable property valuations between this period and today, we would expect this to keep falling. Additionally, we note that much of this data lags a few months behind what is being seen in the market at that time.

When reviewing other HMLR property data, existing property average prices have fallen by -5% (to May 2023 – the most recent data) and 'all property types' have remained flat.

The RICS UK Residential Market Survey (June 2023), supports this slowing/downturn in the market, stating that there is a 'renewed deterioration in sales market activity. It states that;

"the national net balance fell to -46% in June, declining from a figure of -30% beforehand. Having turned slightly less negative in both April and May, the latest feedback on house prices signals downward impetus is gaining traction once more. [...] Going forward, national house price expectations are now firmly negative at both the three and twelve month time horizons. Regarding the latter, the latest net balance fell to -49% compared to -3% returned in the previous iteration of the survey (marking the weakest price outlook since December 2022)."

JLL have considerable experience in the Stratford and wider LB of Newham area. We note more generally that house prices in Newham have remained relatively flat over the past five years but whilst we acknowledge there has been an uplift in areas, this has principally been witnessed in higher end second hand houses and therefore, less relevant to that of Carpenters.

When focusing on the comparable evidence which has informed our opinion of value, we stand by our opinion that resale evidence is more useful than much of the off-plan sales evidence. The resale evidence provided is of schemes which are far superior to the subject. Although the Carpenters estate is well located, the scheme will comprise 50% social rent dwellings, which is likely to bring down the capital values of the private sale units. Additionally, the private sale units do not benefit from the amenities, nor specification of much of the new build evidence provided.

Whilst we further agree the wider area has seen the benefit of regeneration uplift, it should be noted that JLL are forecasting a 4% reduction in Greater London house prices over the short term, one of the most optimistic house price forecasts in the market. Any uplift in regeneration effect will be negated by falls in house prices.

8.3 Revenue

In light of the above, we consider our original approach to values for the subject scheme to be reasonable. We detail the updated values assumed as at the date of this updated submission:

Unit Type	Type	Low rise av. Market Values	High rise av. Market Values
1 bed 1P	Flats	£321,250	£361,250
1 bed 2P	Flats	£375,000	£413,750
2 bed 2P	Flats	£402,500	£441,250
2 bed 3P	Flats	£473,750	£501,250
2 bed 4P	Flats	£551,250	£635,000
3 bed 4P	Flats	£627,500	£710,000
3 bed 5P	Flats	£703,750	£782,500
3 bed 6P	Flats	£733,750	£811,250
4 bed 7P	Flats	£775,000	£852,500
4 bed 8P	Flats	£806,250	£881,250
2 bed 4P	Maisonettes	£703,750	£782,500
3 bed 5P	Maisonettes	£733,750	£811,250
3 bed 6P	Maisonettes	£755,000	£832,500
4 bed 7P	Maisonettes	£831,250	£906,250
4 bed 8P	Maisonettes	£882,500	£956,250
4 bed 7P	Houses	£867,500	n/a
4 bed 8P	Houses	£917,500	n/a
Change from July 22		2%	-2%

As shown above, there have been small adjustments to both values although this equates to an overall relatively neutral position. The total revenue for the private sale accommodation is now **£541,445,000**, equating to circa £706 psf, compared to the £717 psf previously. Our workings are at Appendix 5.

We note that the size of the maisonettes and houses, all larger than minimum space standards, are distorting the average £ per sq ft above, which could look low when compared to comparable new build schemes which are predominantly flatted in nature.

8.4 Ground Rents

The Leasehold Reform (Ground Rent) Act 2022 received Royal Assent on the 8 February 2022 and came into force on 30 June 2022. As a result, ground rents in new leases cannot legally be charged for anything above “*one peppercorn per year*”. Accordingly, as any new leaseholds in the development cannot be created until after the Act came into force, there is no value obtainable for the sale of capitalised ground rents from the subject scheme.

Consequently, we have not included any capitalised ground rent income in our assessment.

This has not been contested by the GLA.

9 Affordable Housing Unit Revenue

9.1 Introduction

JLL are leading specialists in the affordable housing sector. We have undertaken a valuation of the proposed affordable housing using JLL's bespoke discounted cashflow (DCF) model to arrive at a 'package price' equating to the amount a Registered Provider would pay a developer for the delivery of the S106 units.

We note that since our previous advice, the units within JRP have been switched from London Affordable Rent to Social Rent. We therefore understand that the proposed scheme will provide a mixture of Social Rent and re-provided Council Rented units. We summarise the provision below:

Tenure	No. of Units	Social Rent	Council Rented
James Riley Point	132	132	-
Railway North	81	79	2
Lund New Build	56	22	34
Railway South	60	60	-
Dennison	30	15	15
Biggerstaff North	96	68	28
Central North	59	48	11
Triangle	89	89	-
Gibbins	75	75	-
Central West	83	77	6
Central East	58	55	3
Exchange	63	63	-
Central South & Jupp Corner	78	76	2
Kennard	121	121	-
Total	1,081	980	101

GLA Response

The GLA would like the cashflows to be provided for each tenure as well as sales values as a £ per sq ft. JLL's cashflow is a bespoke model which we are unable to share, however we provide further details on each tenure below. As stated in our initial advice in 2022, we have not reviewed the units on a £ per sq ft basis due to the high proportion of large / family units in many of the phases.

That said, the GLA state that there are many mix tenure blocks making it difficult to underpin the values for each tenure on this basis. We note that this is feasible for phases such as JRP, Railway South, Triangle, Gibbins, Exchange and Kennard.

9.2 Social Rent

The Applicant has proposed to deliver 980 units at Social Rents, across various phases.

In order to determine estimates of social rents, we have adopted the formula set out by Homes England which applies a 70% weighting to relative average county annual earnings and a 30% weighting to relative capital values (EUV, as at January 1999), with an adjustment factor for the number of bedrooms in the respective properties. We have ensured that the adopted social rents do not exceed target rent caps.

The value of Social Rent units is based upon capitalised rents at appropriate yields after deductions for major repairs, voids/bad debts, management, and maintenance.

Our valuation assumptions are detailed in more detail below:

	Social Rent
Passing Rent (per week)	1 Bed: £99 2 Bed: £123 3 Bed: £144 4 Bed: £158
Management, major repairs, and maintenance (pcm)	£1,600
Voids and Bad debts (%)	2%
Discount Rate (%)	5%

9.3 Re-provided Council Rents

We were previously provided with existing passing rents for the Council tenants. We have grown the rents provided by 7% to take account for the time since our last valuation (July 2022). We detail both below:

Unit Type	Rent per Week (2022)	Grown rent (2023)
1 Bedroom	£104	£111
2 Bedroom	£120	£128
3 Bedroom	£135	£144
4 Bedroom	£147	£157

The Applicant has proposed to deliver 101 units at the above grown passing rents, across various phases. We have adopted these rents and have considered management, maintenance and void costs and applied an appropriate discount rate to calculate the net present value of the rental income.

Our valuation assumptions are detailed in more detail below:

	Social Rent
Passing Rent (per week)	1 Bed: £111 2 Bed: £128 3 Bed: £144 4 Bed: £157
Management, major repairs, and maintenance (pcm)	£1,600
Voids and Bad debts (%)	2.25%
Discount Rate (%)	5%

We understand that the number of Council tenants to return to the Scheme is currently an estimate, adopted for the purposes of the viability. In reality, this number could be subject to change.

9.4 Values

In order to differentiate values, we have opined separate values for unit types within each tenure and multiplied out by the unit mix for each phase.

Based upon the above, we opine the following values per unit for the relevant tenures:

Tenure	1 bed	2 bed	3 bed	4 bed
Social Rent	£88,455	£119,411	£147,412	£165,303
Council Rent	£103,907	£126,198	£147,096	£163,814

Our total revenue for the affordable housing is **£126,950,000 (£117,500 per unit)**. This is circa £5,500,000 less than our previous advice although this is due to the change in tenure assumption of JRP from London Affordable Rent to Social Rent based on the most recent Affordable Homes Programme (2021-26). Excluding JRP, our valuation of the remaining affordable units has increased by circa £1,600,000 across both tenures.

A summary of the Affordable Housing values by phases is detailed at Appendix 5.

In the table below we provide the £ per sq ft rate for the solely Social Rented blocks and some of the Council only units with certain phases for review.

Phase	No. of Units	Social Rent Average £psf	Council Rent Average £psf
JRP	132	£159	-
Lund New Build	56	-	£136
Railway South	60	£153	-
Biggerstaff North	96	-	£155
Central North	59	-	£131
Triangle	89	£147	-
Gibbins	75	£150	-
Exchange	63	£150	-
Kennard	121	£170	-

We note that phases ‘Lund New Build’ and ‘Central North’ almost exclusively comprise only three- and four-bedroom, large maisonettes. As such, we would expect the £ per sq ft rate to be lower.

To conclude, we stand by our opinion of value and believe the values look reasonable in the current market.

Alternative affordability requirements could impact upon the viability of the scheme and/or the level of affordable housing. Accordingly, any requirements in terms of rental levels or affordability secured within the S106 agreement will need to be based upon the above or more favourable assumptions.

9.5 Grant Funding

We note that we previously assumed that grant funding was only available on the net additional affordable homes, at a rate of £180,000 per unit, and that a set sum had been agreed for the units within the JRP phase, (£100,000 per LAR unit).

However, due to more recent conversations with the GLA, and in light of updated Homes England guidance (2021-26), we understand that the Applicant will be able to secure grant funding against all affordable units within the Scheme. We have been provided with the table below by the Applicant which details the grant rates agreed for each unit type. The total grant equates to **£211,325,000** for 1,081 units.

	Replacement for secure tenants (Council Rented)	Right to Return (Council Rented)	Replacements for Non-Secure Tenants (Social Rented)	Remaining Affordable (Social Rented) (net additional affordable)	Total (no.)	Total (£)
Grant/unit	£175,000	£175,000	£175,000	£200,000		
JRP (Refurb)	20		46	66	132	£24,750,000
Railway North	2		12	67	81	£15,850,000
Lund (Refurb)						£0
Lund NB	34		3	19	56	£10,275,000
Dennison	15		5	10	30	£5,500,000
Railway North T					0	£0
Railway South			4	56	60	£11,900,000
Biggerstaff N	4	24		68	96	£18,500,000
Central North		11	4	44	59	£11,425,000
Biggerstaff S						£0
Triangle				89	89	£17,800,000
Gibbins				75	75	£15,000,000
Central West		6		77	83	£16,450,000
Central East		3		55	58	£11,525,000
Jupp						£0
Exchange				63	63	£12,600,000
Jupp & Central S		2		76	78	£15,550,000
Kennard				121	121	£24,200,000
	55	46	143	820	1,081	£211,325,000

Should this not be secured, the viability will be significantly negatively impacted.

In line with the most recent GLA guidance (2021- 2026), we have assumed that the GLA will pay 40% of grant at acquisition, 35% at start on site and 25% on completion, of each phase respectively.

We have separately tested the level of grant required for the scheme to be considered viable.

10 Non-Residential Revenue

10.1 Community Space

The proposal is set to re-provide the Carpenters and Docklands Centre community space at the ground floor of the JRP building. Residents will be able to use the space for free and attend free activities (as part of the children's play provision), and LB of Newham is the landlord.

GLA Response

The GLA have not disputed this rate, however comment that;

"In circumstances where replacement community floorspace is being provided within a development it is common for this to be provided at a peppercorn rent into perpetuity. If it is the case that the community floorspace in the James Riley Point building will be provided at a peppercorn rent into perpetuity, then this should be secured within the S106 Agreement, and it would be permissible for nil value for the floorspace to be assumed in the appraisal".

Although we understand that all the community space is to be gifted back to Docklands Community Centre in replacement for the existing facilities, we understand that this is to be on a commercial agreement with LB of Newham as their landlord. There is no written agreement yet and therefore, have attributed a notional rent of £60,000 per annum, capitalised at 7.5% NIY.

The Applicant has not yet agreed the position with the council although we are aware that preliminary discussions have been had assume 80% of the income would go to the council.

As this has not been finalised, and as the GLA have not disputed our assumptions, we have maintained our previous approach and applied a rent that is below market rent.

10.2 Education

The proposal is set to re-provide a college in the Jupp phase.

We understand that the college is to be gifted back in replacement for the existing facilities. No value, nor costs have been attributed to these spaces.

GLA Response

The GLA have requested that "*further information is provided in respect to the land swap and the extent to which this will be addressed in the S106 Agreement*". At this point in time, no further information can be provided as discussions are still ongoing.

We have therefore maintained our approach to this part of the scheme.

10.3 Commercial

For our initial advice the Applicants commercial advisors, Strettons, provided their assumptions of a rental range for the non-residential units at the Carpenters Estate, ranging between £15 psf and £25 psf, which we relied upon.

GLA Response

The GLA have made the following comments in relation to the commercial:

- “*Park North’ development parcel has not been included in the appraisal, resulting in no value being included for this element*”, and
- “*It is considered that employment floorspace falling within Class E(g) would be capable of achieving higher rental values and attracting sharper yields when compared to retail use*”.

The GLA conclude that they believe the commercial space is understated.

We firstly comment that Park North should not have been included in the summary table below. Park North and South are parkland and thus, there is no significant / revenue producing development here. We have now excluded this from the table.

Although we agree that retail and commercial spaces will attract different yields, we have been advised by the Applicant that at this point, there are too many unknowns with the commercial element to apply specific rates. For example, we understand that much of the commercial space is likely to be let at affordable rents by the council although it has not yet been agreed which commercial units or the quantum yet.

We have more recently been provided with an updated report by Strettons (dated June 2023), which dictates a range of £18 - £28psf for the subject units. This is £3 psf (12%) higher than the rents adopted in our initial assessment. They have however, also advised that yields have moved out by circa 100 bps since their initial advice to a blended rate of 7.5%.

In additional Stretton's advice, we have reviewed a number of yield guides to evidence further this assumption. All the evidence derived demonstrates that yields have moved out significantly since our initial advice, furthermore that it is the industrial yields which have softened the most. We have further evidenced this by collating yield data from some of the largest real estate firms below:

Asset Type	Date	JLL (Aug-23)	Savills (Q2-23)	Knight Frank (Q2-23)	CBRE (Q1/Q2-23)	Cushman (Q2-23)	Average
Retail	2022	6.25%	6.25%	6.25%	6.00%	-	
High Street Prime	2023	6.75%	6.50%	6.75%	6.75%	-	6.50% - 6.75%
	Diff.	0.50%	0.25%	0.50%	0.75%	-	
Office	2022	5.25%	-	-	4.50%	-	
(Greater London / east)	2023	6.00%	-	-	5.50%	-	5.50% - 6.00%
	Diff.	0.75%	-	-	1.00%	-	
Industrial (Prime London)	2022	3.50%	3.25%	3.75%	4.50%	-	
	2023	4.75%	4.75%	5.25%	5.50%	4.50%	4.50% - 5.50%
	Diff.	1.25%	1.50%	1.50%	1.00%	-	
Leisure (Prime)	2022	7.25%	6.75%	7.00%	-	-	
	2023	9.00%	7.00%	7.50%	-	-	7.00% - 9.00%
	Diff.	1.75%	0.25%	0.50%	-	-	
Pub	2022	-	5.25%	-	-	-	
	2023	-	5.75%	-	-	-	5.75%
	Diff.	-	0.50%	-	-	-	

When comparing the yield assumptions for 2022 and 2023, yields across all sectors have moved out significantly. Additionally, the yields above are for prime areas for each asset class, and we would comment

that there has been a flight to quality over the last year, with secondary stock achieving far higher yields than that stated above.

Our commercial colleagues have commented that they would anticipate at least yields 100 - 200 bps further out than the prime evidence above. This, coupled with both Strettons and JLL commercial colleagues opinions of a blended rate, indicates that a blended yield should be much higher than the 6.5% originally assumed and with this in mind, we are of the opinion that a 7.5% yield is reasonable for a blended rate.

Furthermore, the Planning Statement only provides the overall NIA for each phase and not a breakdown of the number of units likely to occupy each phase. We would either expect large spaces to achieve a lower £psf rate than those adopted, or that it would take a considerable time to let all the individual units within each phase.

With the above in mind, we have adopted the rental advice provided by Strettons for the purposes of our updated advice. However, despite the yield evidence and sentiment, we have maintained our previous blended yield assumption of 6.5%, although stress that if this was to be considered in more detail for each asset type, we would expect this yield assumption to be much higher.

We have applied the following rents to the proposed provision, as detailed below:

Property	Rent (per sq ft)	Yield	Rent Free
Railway North	£28	6.50%	18 months
Lund Point	£18	6.50%	18 months
Lund New Build	£18	6.50%	18 months
Dennison	£28	6.50%	18 months
Railway South	£18	6.50%	18 months
The Tower	£18	6.50%	18 months
Biggerstaff North	£18	6.50%	18 months
Park North	£18	6.50%	18 months
Central North	£18	6.50%	18 months
Biggerstaff South	£18	6.50%	18 months
Triangle	£18	6.50%	18 months
Gibbins	£18	6.50%	18 months
Central West	£18	6.50%	18 months
Exchange	£18	6.50%	18 months
Central South & Jupp Corner	£18	6.50%	18 months
Kennard	£18	6.50%	18 months

10.4 Hotel

The hotel as proposed will be mid-range, providing 221 beds. We have regard to the following comparable evidence:

Property	Date Sold	Rooms	Star rating	Sales Price	Price per Room	Yield
Holiday Inn London Bloomsbury	Jan-20	316		£90,000,000	£284,810	
Premier Inn London Docklands	Jan-20	400		£106,000,000	£265,000	4.00%
Days Hotel London Waterloo	Oct-19	162	1 star	£55,000,000	£339,506	
Travelodge Portfolio 2019	Sep-19	255		£22,800,000	£89,412	5.60%
Premier Inn London Romford Central	Sep-19	85	2 star	£8,700,000	£102,353	5.00%
Holiday Inn Express London Ealing	Aug-19	80	3 star	£13,100,000	£163,750	4.77%
Travelodge London Central Southwark	Mar-19	202	2 star	£56,300,000	£278,713	3.30%
Travelodge London Brent Cross	Feb-19	128	1 star	£16,000,000	£125,000	4.93%
Travelodge London Kingston Upon Thames	Sep-18	72	2 star	£13,000,000	£180,556	4.19%
Travelodge London Portfolio (4 properties)	Aug-18	395	2.5 star	£72,500,000	£183,544	

Having reviewed the available evidence above, along with consulting with our specialist hotel team, we are of the opinion that that value per room for the subject is in the region of £180,000.

GLA Response

The GLA consider JLL's assumptions to be reasonable.

10.5 Car Parking

We understand the Applicants are meeting planning policy requirements on the amount of parking spaces for disabled residents; we have not attributed any value to these parking spaces.

We also understand they are providing spaces for existing residents who currently have a space (i.e., for the right to return units). As these spaces are being re-provided, we have not attributed any value to these spaces.

There are no other parking spaces provided.

GLA Response

The GLA consider JLL's assumptions to be reasonable.

11 Construction Costs and Development Programme

11.1 Build Costs

We have been provided with Stage 4 cost summary, produced by Mott Macdonald, dated 15th June 2023.

The cost plan is broken out into the development parcels and includes the following:

- Enabling works;
- Residential Accommodation;
- ONR – Other Non-Residential;
- Hotel;
- Community;
- Education;
- Meanwhile Use;
- External Works;
- Utilities;
- Phasing;
- Property Buy Backs; and
- Contingency

From the above the following have been excluded from our appraisal:

- The ‘Carpenters School’ falls outside the boundary of this application and consequently, has been excluded.
- The Meanwhile Uses as these are unrelated to the proposed development and are not income generating.
- The buy backs detailed within the cost plan are historic and therefore these have been updated and detailed in our appraisal separately.
- Biggerstaff Terrace has also been excluded as this does not form part of this advice.

We detail the costs below net of the excluded elements stated above:

Construction Costs	Enabling	Construction Costs	Total cost (excluding the school, Biggerstaff Terrace and buy back costs)
JRP	-	£57,573,377	£57,573,377
Lund Point	-	£37,265,892	£37,265,892
Lund New Build	£137,500	£21,594,745	£21,732,245
Railway South	£1,348,600	£60,688,043	£62,036,643
Railway North	£253,004	£77,259,876	£77,512,880
The Tower	£759,492	£78,898,492	£79,657,984
Dennison	£1,789,132	£43,640,086	£45,429,218
Biggerstaff North	£363,000	£29,884,429	£30,247,429
Central North	£456,500	£36,010,320	£36,466,820
Park North	£55,404	£1,115,305	£1,170,709
Central East	£488,400	£44,651,510	£45,139,910
Jupp	£541,552	£3,511,356	£4,052,908
Biggerstaff South	£363,000	£24,436,820	£24,799,820
Triangle	£1,924,175	£61,461,169	£63,385,344
Gibbins	£171,765	£25,396,281	£25,568,046

Central West	£342,375	£36,454,554	£36,796,929
Park South	£50,436	£892,867	£943,303
Central South & Jupp Corner	£690,800	£44,320,937	£45,011,737
Exchange	£496,100	£31,345,304	£31,841,404
Kennard	£1,086,360	£75,714,157	£76,800,517
	£11,317,595	£800,912,520	£803,433,115

Ignoring the excluded elements above, the total scheme costs equate to £323psf. Excluding enabling works the rate is £318psf. We note that this includes an allowance for contingency, equating to circa £44 million. Excluding contingency also, the £psf for the build equates to circa £302 psf.

GLA Response

The GLA do not dispute the construction costs assumed, however they do request full details that underpin the construction cost are made available for an independent cost consultant to review. We therefore provide the updated cost plan at Appendix 5.

We also provide a summary the rates of two other, smaller Populo schemes recently submitted for planning below.

Scheme	Build Cost Rate	Comment
Cyprus (April 2023)	£312	Including £6 psf of enabling costs and excluding contingency
Pier Road (July 2023)	£292	Excluding any demolition/enabling and contingency

We note no costs have been provided by the GLA's advisors and therefore we have reflected the updated costs above within our appraisals.

11.2 Buy-back Costs

We have been provided with the buy backs costs per development parcel, including landlord offers, buy back costs and commercial acquisition costs. We are aware that these sums have been reviewed and updated since our initial valuation.

We detail the acquisition and compensation cost estimates by parcel below:

Construction Costs	Landlord Offer & Buy Back Costs	Commercial Acquisition Costs
JRP	£1,643,408	
Lund Point	£1,923,720	
Lund New Build	-	-
Railway South		£4,356,000
Railway North		£200,000
The Tower		£200,000
Dennison	£4,646,528	
Central North	£12,993,405	
Biggerstaff North	£2,776,009	
Biggerstaff South	£1,472,099	
Park North	-	-
Central East	£12,123,259	
Jupp	£14,172,634	
Triangle		£10,260,000

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Gibbins		£3,750,000
Central West	£5,851,637	£150,000
Park South	-	-
Central South & Jupp Corner	£10,105,759	
Exchange	-	-
Kennard	-	-
Total	£67,708,458	£18,916,000
Grand Total		£86,624,458

GLA Response

We note that the GLA commented that the unit numbers of each residential type didn't match the planning statement. These have been reviewed and are reflected in the total costs at above.

The GLA further commented at paragraph 6.101 that, the allowances outlined in the table appear '*broadly reasonable*' for the residential element, however they have requested further information supporting the commercial acquisition costs. The Applicant has explained that these rates have come from LB of Newham and due to the early stages of this application, they have adopted the rates provided.

We have been provided with the assumptions made by LB of Newham which make up both the commercial and residential cost estimates which we include at Appendix 7. We would advise that any queries with the costs associated with the buy backs be directed to the Council.

11.3 Contingency

A reasonable allowance for contingency has been included within the cost plan and therefore we have not allowed for anything additional. The build costs adopted include contingency of between 5% for residential elements only and 10% and on non-residential elements only. The total contingency equates to 5.2% excluding buy back costs.

GLA Response

The GLA have not contested the assumption.

11.4 Professional Fees

We have applied professional fees of 10% to the net build cost stated above.

The GLA have not contested the assumption.

11.5 Development Programme

We have been provided with and have adopted the following construction programme below for each development parcel. We note that there have been small adjustments in the order of the phasing since our initial advice.

Parcel	Start on Site	Practical Completion
James Riley Point	Oct-23	Apr-26
Lund Point	Jul-25	Jul-27
Lund New Build	Oct-25	Jul-27
Railway South	Oct-25	Apr-28
Railway North	Oct-26	Apr-28
The Tower	Jan-27	Oct-29
Dennison	Jan-27	Apr-29
Central North	Apr-28	Jul-30

Biggerstaff North	Apr-28	Jul-30
Biggerstaff South	Jan-29	Jan-31
Park North	Jan-30	Jul-30
Central East	Jan-29	Apr-31
Jupp	Jan-29	Oct-31
Triangle	Apr-30	Oct-31
Gibbins	Jan-30	Jan-32
Central West	Jan-31	Apr-33
Park South	Oct-32	Apr-33
Central South & Jupp Corner	Jul-31	Oct-33
Exchange	Apr-32	Apr-34
Kennard	Apr-34	Jan-35
Meanwhile Use	May-24	Oct-33
	Oct-23	Jan-35

The total construction time equates to 147 months (circa 12 years). We have assumed 3 months pre-construction for each block in addition to the timings above.

GLA Response

The GLA have not disputed the timescales adopted, however comment that the proposed phasing programme should be provided for review. We have included the updated programme at Appendix 8.

The GLA also comment that JLL's initial report is silent on the sales programme for the non-residential floor space and affordable housing. In turn, the GLA state;

"It is considered reasonable to assume that the unit would be pre-let during the construction period with the sale of the commercial unit occurring upon practical completion. In respect to the proposed hotel use, it is considered appropriate to assume that the sale would occur upon practical completion. [...] It is considered that a reasonable approach would be to profile the affordable housing income on a quarterly basis over the construction period for each phase".

In light of the above and as stated in the previous section of this report, there are far too many unknowns, such as the number of units within each phase, to assume when the commercial units would be pre-let. For consistency we have assumed the commercial revenue at completion of each phase.

In relation to the affordable, we have assumed a golden brick payment structure in which the revenue is cash flowed over the construction period, in line with the GLA's assumptions and the likely approach of the incoming RP.

11.6 Sales Programme

GLA Response

The GLA states that they consider 60% off-plan sales followed by a sales rate of 5 units per month post practical completion to be reasonable for the proposed scheme.

The GLA have provided no evidence for this assumption and based on the evidence appended at Appendix 4, and our understanding of market conditions, we deem this to be an extremely keen assumption.

Firstly, as detailed in the JLL Residential Market Report (June 2023) appended, sales rates have been between on average circa 3 and 4 units per month across schemes in the local area. We stress that additionally, these

Property: Carpenters Estate, Stratford, Newham

sales rates have been achieved during more positive times for the private sale market, with lower interest rates, buying schemes available such as Help to Buy and Government incentives such as the Stamp Duty Land Tax holiday.

In the current market, which is more reliant on cash buyers and those with large deposits, we do not consider a sales rate of over five per month to be realistic and have no recent evidence to demonstrate this rate. Additionally, we have gathered opinions of agents and marketing suite across London who have commented that it is taking longer to agree sales since the rise in mortgage rates. Our recent conversations with local agents have echoed this sentiment, noting that first time buyers, who are typically a key buyer group in the area, have been particularly impacted by recent market turbulence.

Nonetheless, in the interest of narrowing the points of difference, we have accepted the 60% off plan sales rate but retain our opinion of a 4 units per month sales rate thereafter.

12 Other Appraisal Assumptions

12.1 Acquisition Costs

We have assumed standard SDLT (at the prevailing rate), agents (1%) and legal fees (0.5%) on any positive residual land value. Our analysis of the proposed includes a fixed land value of £1, and therefore these costs are negligible within Argus.

12.2 Planning Obligations

Community Infrastructure Levy (CIL)

In accordance with the Planning Act 2008, it is assumed that the Applicant will obtain Social Housing Relief based on the level of affordable housing that is provided.

Commencement of development in regard to CIL is in accordance with Section 56(4) of the Town and Country Planning Act 1990, which asserts that commencement is any material operations on the site. In this case, we have assumed that commencement of development is at commencement of construction.

The London Borough of Newham's CIL charging schedule first came into effect on 1 January 2014. Mayoral CIL first took effect on 1 April 2012 and is referred to as MCIL1. A revised Mayoral CIL charging schedule subsequently took effect on 1 April 2019 and is referred to as MCIL2. The London Borough of Newham is located within Zone 3 for the MCIL2 charges.

We have adopted the following CIL estimates per development parcel, provided by Populo Living, which we assume incorporates both Borough and Mayoral CIL costs.

We have not been provided with an updated estimate since our initial advice and therefore reflect these costs.

CIL estimate costs per development parcel	(£)
CIL estimate (Railway North)	826,133
CIL estimate (Lund)	567,271
CIL estimate (Lund NB)	39,519
CIL estimate (Dennison)	355,339
CIL estimate (Railway N Tower)	326,783
CIL estimate (Railway South)	409,842
CIL estimate (Biggerstaff N)	310,267
CIL estimate (Central North)	265,500
CIL estimate (Kennard)	254,897
CIL estimate (Jupp Cen S)	312,667
CIL estimate (Biggerstaff South)	310,267
CIL estimate (Triangle)	293,313
CIL estimate (Gibbins)	343,677
CIL estimate (Central West)	116,082
CIL estimate (Exchange)	261,922
CIL estimate (Central East)	256,051

Section 106 contributions

We have been provided with an estimate of the Section 106 contributions per development parcel constituting £5,000 per private unit, which we summarise below.

However, as JRP is a refurbishment, we have been provided with a total Section 106 estimate, as opposed to a cost per unit.

Section 106 cost estimates	No. units	Cost per unit	Total contribution assumed (£)
Section 106 Costs (Railway North)	113 un	5,000.00 /un	565,000
Section 106 Costs (Lund)	167 un	5,000.00 /un	835,000
Section 106 Costs (Lund NB)	56 un	5,000.00 /un	280,000
Section 106 Costs (Dennison)	30 un	5,000.00 /un	150,000
Section 106 Costs (JRP)	-	Fixed	100,000
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un	1,005,000
Section 106 Costs (Railway South)	162 un	5,000.00 /un	810,000
Section 106 Costs (Biggerstaff N)	99 un	5,000.00 /un	495,000
Section 106 Costs (Central North)	103 un	5,000.00 /un	515,000
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
Section 106 Costs (Jupp Cen S)	69 un	5,000.00 /un	345,000
Section 106 Costs (Triangle)	150 un	5,000.00 /un	750,000
Section 106 Costs (Gibbins)	75 un	5,000.00 /un	375,000
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
Section 106 Costs (Central East)	148 un	5,000.00 /un	740,000

GLA Response

The GLA have not disputed these sums, however comment that the total CIL and financial S106 contributions should be checked and verified by the LPA.

12.3 Disposal Costs

GLA Response

The GLA in the round confirm that most assumptions above are in line with expectations. However, they believe that the sales agent fees and the sales legal fees adopted for the affordable housing should be revised to reflect an appropriate fixed sum. In our initial report, we assumed 1% sales agent and 0.5% sales legal fees for the affordable element.

JLL's Affordable Housing Development Consultancy are active in the sale of S106 affordable housing packages, and our fees are always on a percentage basis. This is typical in the S106 market, which operates in a similar way to any other capital market. Agents are incentivised to obtain the best result related to financial performance. Fees usually range between 0.5% - 1.5% depending on scope, number of units, and value of the disposal.

Due to the range of sizes of each phase, a fixed fee would vary substantially across each phase to commensurate to the work involved with dealing each transaction.

In relation to the legal fee, we note that JLL have also been involved in viability discussion relating the Populo's proposed scheme at Pier Road, in which the GLA did not dispute legal fees at 0.5%. In addition, we have been involved with numerous other viability assessments in which the affordable housing sales legal fee has been agreed at 0.5%.

That said, due to the scale of the Carpenters Estate, we have reduced our assumptions to reflect a total fee which we would deem reasonable for the scale of the subject scheme. We would assume that a fee of circa £350,000 for the sale agent fee and £200,000 for the sales legal fee is reasonable. As a percentage, this equates to roughly 0.28% and 0.16%. We have rounded these down to 0.25% for the sales agent fee and 0.15% sales legal fee, which due to the scale of the development, and from our experience, we believe is a relatively conservative assumption.

Updated Assumptions

The assumed disposal costs for the private residential units comprise the following which reflects the need for a representative sample of completed show homes and an onsite sales presence and marketing campaign for a significant duration.

- 1% marketing costs,
- 1% sales agent fee, and
- £1,000 per unit sales legal fees.

For the affordable units we have assumed the following which reflects bulk disposals to a single RP purchaser for each tranche/parcel.

- 0.25% sales agent (reflecting roughly a £320,000 total fee), and
- 0.15% sales legal fees (reflecting roughly a £200,000 total fee).

For the non-residential units we have assumed:

- 1% marketing costs,
- 1% sales agent, and
- 0.25% sales legal fees.

12.4 Finance

The level of finance adopted within our appraisals has been adopted to reflect the delivery route as the Applicant intends to wholly self-deliver the proposed scheme.

However, we have also assessed the proposed scheme on the assumption that it is delivered by the Applicant and a joint venture partner.

Where we have assumed the scheme is wholly delivered by the Applicant, we have adopted a finance rate of 5% debt inclusive of fees, monitoring costs, interest payments, equity charges etc.

Where we have assumed the scheme is delivered by a developer led / JV partner we have adopted a finance rate of 6.5%, which we consider to be reasonable. The JV approach is a commercial agreement, and a JV venture would not be able to borrow at the same level as a public body.

GLA Response

The GLA have asked that 4% finance is also tested for the self-delivery scenario due to the revised borrowing rates introduced in the government's Spring Statement (effective June 2023). We firstly comment that this rate assumes an interest rate of the gilt yield plus 40 basis points (0.40%). Based on current Gilts which are between circa 4.4% - 4.9%, the borrowing rate would be circa 4.9% - 5.3%. Additionally, this rate is only applicable to Social Housing.

Furthermore, we understand that Populo have agreed a rate of 5.5% with the LB of Newham. We therefore believe the 5% finance rate we have applied is conservative. Nonetheless, in the interest of moving forward we have also modelled a scenario with 4% finance rate which still shows a deficit of **-£112,573,000** based on the self-delivery option and as such makes no difference to our conclusions.

12.5 Developer Return

For a commercially acceptable development to proceed an acceptable level of developer's return is required from the project (as is explicitly detailed with the NPPF). Profit requirements extended significantly following the 2008 global downturn. Since the revival in the development market these margins narrowed but have more recently extended again as risk appetite worsens given a number of reasons in the last few years such as the political uncertainty following the EU Referendum, the COVID-19 pandemic, and more recently the war in Ukraine and rising costs.

Any expected return reflects the risks to the developer and their funder's capital together with their liabilities. Accordingly, it should reflect the proposed uses, scale of development, site issues and market (both macro and micro). Currently adopted profit requirements have been under pressure from viability assessors who have sought to impose a fixed profit assumption irrespective of the market and, importantly, the scheme being considered. Notwithstanding this, the PPG on viability sets out a guide of between 15% and 20% of GDV though alternative figures can be applied '*according to the type, scale and risk profile of planned development.*'

At this time the uncertainty following the 23 September 2022 'mini Budget' has seen significant increases in interest rates. Development funding costs have already been affected and this is reflected in the assumptions we have adopted. Likewise, residential mortgage costs have risen to levels unseen for over a decade. The MPC raised Bank Rate by 25bps to 4.25%, another 25bps to 4.5% at its March and May meeting, at the end of June this was again increased to 5% and it now currently sits at 5.25%. It is expected that the first cut could come in early-2024 rather than this year.

At this current time, we have seen that this has negatively impacted residential sales, with data showing a drop in house prices during 2023, although rental values continue to rise. We are yet to see noteworthy movement on profit margins expected by developers or funding institutions. These factors will have to be kept under review going forwards.

With respect to the subject development, we have had regard to a number of matters in our consideration of an appropriate profit requirement. The scheme itself is well located, close to the extensive amenities and transport links of Stratford. However, due to the high level of development around the Olympic Park, the proposed scheme will be subject to a lot of competition from other large schemes in the local vicinity. It is evident that appropriate pricing, and subsequent sales rate, will be critical to success of the scheme. As the scheme comprises 50% affordable housing a significant proportion of the development will be de-risked through a forward sale to a registered provider. This will however expose the developer to greater inflationary pressure which cannot be absorbed from expected price rises.

In the case of public sector investment, it is usually accepted that a lower development return can be anticipated so long as appropriate risk contingency allowances are made which can be reflected in a return. As such, when assuming the proposed scheme is self-delivered by the Applicant, we have adopted a 6% return on revenue across the private residential units, the affordable units and the ‘other non-residential’ uses, i.e. commercial.

When assuming the proposed scheme is delivered by the Applicant and JV partner, we feel it appropriate to increase this return, to reflect a 17.5% return on revenue for the residential units, 15% on ONR and 6% for the affordable units, the latter reflecting a single bulk sale to a registered provider prior to commencement. This demonstrates how a private JV partner would need to be incentivised by profit, in order to partake in the scheme, and that this higher rate would help justify the risks involved with bringing the scheme forward.

GLA Response

The GLA believe that 17.5% would be appropriate for the JV scenario, and that 4% on the affordable housing should be assumed. The GLA state that this is to reflect “*the position that the RP/local authority as the joint partner is already in place to acquire the affordable housing units*”.

The GLA provide no evidence justification for the change in assumptions. For the private sale element, 15-20% is considered reasonable range, however we would stress that larger sites can carry more risk where they take a long time to build out and an increased profit margin is usually required. Coupled with the large number of unknowns due to this being an outline permission and the uncertainties in the market surrounding interest rates and rising build costs, we would consider 20% to be reasonable.

In relation to the affordable assumption, we note that the GLA have previously agreed with a 6% profit for the affordable housing at the High Lane Estate in Hanwell. 6% profit is a widely agreed level to adopt which primarily takes into account contractors’ risk and little else. 4% we believe to be unjustified.

To move forward, we have accepted the 17.5% profit assumption for the private sale element but remain at 6% on GDV for the affordable housing.

12.6 Appraisal

The appraisals have been undertaken using Argus Developer. Please refer to Appendices 9 and 11 for a copy of the appraisal summaries.

13 Scenario Testing

13.1 Base Scenarios

We have modelled two base scenarios as requested by the GLA – the first on the basis of self-delivery by the council / their delivery arm (Scenario 1) and the second on the basis of a developer-led delivery or JV (Scenario 2). The main differences we have assumed are around profit requirement and funding costs.

We detail our findings below:

Scenario	No. affordable	No. private	RLV (rounded)
Base Self-Delivery (5% finance)	1,081 (50%)	1,077 (50%)	-£115,298,000
Base Joint Venture	1,081 (50%)	1,077 (50%)	-£177,034,000

Our appraisal summaries are appended at Appendix 9.

13.2 'Viable' Level of Affordable Housing Scenarios

As shown above, the two base scenarios produce substantial negative RLV's. We have therefore established what level of affordable housing produces a 'viable' position. We have established these positions for both the self-delivery and JV scenarios. Our full summaries are appended at Appendix 11.

We detail our findings below:

Scenario	No. affordable	No. private	RLV (rounded)
Self-Delivery Breakeven	130 (6%)	2,028 (94%)	£323,000
Joint Venture	0 (0%)	2,158 (100%)	-£90,862,000

This modelling demonstrates that the proposed scheme, on a JV basis, even with 100% private residential tenure, would remain unviable and would continue to produce a negative Residual Land Value.

13.3 Base Scenarios with Growth

Viability testing reflects costs and values at the present day, however as requested by the GLA, we have also tested the impact of growth modelling. We have tested the impact of growth and inflation on the base scenario (Scenario 1) as well as testing what level of growth is needed to get to a viable (breakeven) position. The GLA have requested that this be undertaken again since revisiting the recommendations and responses to the viability report.

In doing so, we have had regard to various updated residential consultant forecasts (JLL, CBRE, Knight Frank and Savills) predicting growth over the next five years. As we are already in Q3 of 2023, we have assumed only -2% for year 1, we have applied an average rate across years 2 to 4 (2.3%) and assumed the average rate for year 2027 (5%) for the remaining lifetime of the development. This equates to an average of 2% growth over the first 5 years.

JLL are one of the largest providers of portfolio valuations of RPs stock in the UK. We have reviewed the data from one RP's social rent portfolio to analyse the value increase in the portfolio from years 2012 to 2021. The London portfolio averaged at 2.7% growth across the years. Lower levels of growth have been achieved across the UK. We note however that build cost inflation, the cost of living and therefore the costs of management have increased substantially over the last few years and the data here only goes up to 2021. We would therefore assume that this would impact the value of these portfolios. Additionally, the government have introduced a price cap on social rent increases until 2024.

For the purposes of this appraisal, we have assumed 0% growth for year one, based on the fact that the first package price for phase 1 will be purchased at the beginning of construction. We have then assumed 2.5% across the lifetime of the development.

For the non-residential rental growth, we have assumed 2% for the lifetime of the development.

We provide the residential forecasts from the professionals relied upon below:

Company	2022	2023	2024	2025	2026	2027	Average
CBRE (London)	5.9%	3.0%	3.1%	2.8%	-	-	2.9%
Savills (London) (Nov 22)	-	-12.5%	-1.0%	2.0%	6.0%	5.0%	-0.1%
JLL (Mar 23)	-	-6.0%	1.0%	4.0%	5.0%	5.0%	1.8%
Knight Frank Greater London (Mar 23)	-	-6.0%	-4.0%	3.0%	5.0%	5.0%	0.6%

To establish our inflation rate, we have had regard to the BCIS General Building Cost Index forecast which to August 2024, this is forecast at 3.40% and 2.60% on average for the remaining years. On average this equates to 2.76% over the next 5 years. We comment that this is marginally higher than previously assumed (2.68%). We have applied 3.40% for year 1 and then 2.60% for the remaining lifetime of the development. This equates to an average of 2.8% inflation over the first 5 years.

Although still negative, this results in an improved residual land value, of circa **-£44 million**. As such, we have tested at what level the residential growth would need to be in order to reach a breakeven point over the construction timescales of the development and have found that an average of 5.95% growth per annum, after year 1, is required to get to this point (2.73% above the assumed growth rate for the first 5 years).

Although this is almost double the estimated growth rate forecasted by some of the leading property professionals, it is seen that regeneration projects can greatly improve an immediate and surrounding area and can see growth levels higher than that of the rest of the local market.

Our full summary is appended at Appendix 11.

13.4 Base Scenarios with/without grant funding

Finally, we have analysed the impact of grant funding on the base scenario (Scenario 1) and have calculated the amount of grant needed in order to meet a breakeven point.

As discussed above, the Applicant will be intending to secure grant funding against the net additional affordable units within the scheme. A grant level of between £175,000 and £200,000 has been applied to every affordable unit. This equates to £211,325,000.

In order to reach a breakeven position, we have then applied an additional circa £108,000 worth of grant each unit. This totals £341,596,000 of grant funding and equates to £316,000 per unit.

Our full summaries are appended at Appendix 11.

13.5 Results

Overall, we conclude (focussing on the self-delivery model):

- The scheme as proposed with 50% affordable housing is not viable when compared to the Benchmark Land Value, at current day costs and values;
- We have calculated the ‘viable’ amount of affordable housing to be 6% by unit numbers;
- Based on house price growth forecasts and build cost inflation predictions, the viability position remains in a deficit;
- However, should private values outperform the market forecasts and achieve c.3% growth per annum during the lifetime of the scheme, 50% affordable housing may be deliverable.
- On this basis the applicant is committed to bringing forward the scheme as proposed, subject to receiving grant funding, at least the levels included within the base scenarios.

14 Land Comparables

14.1 London Land Comparables

We have obtained a cross section of land transactions across London in order to cross-check our opinion of land value. Where possible, we have sought to place most weight on those transactions of a similar size, number of units or achievable pounds per sq ft.

We have listed some of the more pertinent evidence below:

Address	Planning status	Transaction Date	Acreage	Total Units	% affordable	Land Price	£ per plot	£ per acre	GDV £ psf (approx)
Abbey Quay, Abbey Road, IG11 7AX Phase 2, Stratford Mill, 10-12 Marshgate Lane, E15	Consented	Dec-20	5.1	1,089	32%	£54.2m	£49.8k	£10.6m	£560
Lorry Park, Boord Street, SE10 Victoria Works, Osiers Road, Wandsworth	Unconsented	Mar-23	2	245	-	£20m	£81.6k	£10m	-
Polymex House, Southwark	Consented	Jan-20	1	168	100%	£12.4m	£73.8k	£12.4m	£800
Acton Lane, Park Royal, NW10	Resolution to grant	Jan-20	1.1	181	34%	£26.4m	£146k	£24.2m	£650
Morrisons, Brentford Vista, Croydon, CR9	Consented	Oct-19	0.7	105	31%	£9.6m	£91k	£14.3m	£650
Access / Clock House, Imperial St, Bromley by Bow, E3 3EA	Consented	Mar-19	1.6	221	65%	£28.4 m	£129 k	£17.8 m	£800
Haslemere Industrial Estate, Isleworth	Consented	Jun-18	0.5	184	24%	£15.3m	£83k	£29.4m	£650
Pelican Wharf, Imperial St, Bromley by Bow, E3 3ED	Consented	Jun-18	2.4	491	22%	£47.5m	£98k	£19.8m	£750
	Consented	Jun-18	1.8	129	19%	£19.6 m	£152 k	£10.7 m	£850
	Consented	Jun-18	2.87	407	20%	£43.3m	£106k	£14.2m	£750

Property: Carpenters Estate, Stratford, Newham

Addiscombe Road, Croydon	Consented	May-18	0.8	137	50%	£9m	£66k	£11.25m	£625
Harrow One, Cumberland Hotel	Consented	Mar-18	0.7	204	40%	£12.6m	£62k	£18m	£620

14.2 Land Comparables surrounding the scheme

We have also had regard to comparables surrounding the scheme, predominantly within the London Borough of Newham and London Borough of Tower Hamlets.

We detail these below:

Developer	Location	Total Homes	Private	Aff. Housing	AH %	FH or Long LH	Land Price	£ / home	Transaction Date
Watkin Jones	Newham	150	105	45	30%	FH	£21,000,000	£140,000	Oct-21
EG Property Consultants	Newham	24	15	9	38%	FH	£1,929,600	£80,400	Jun-21
Populo Living (Red Door Ventures)	Newham	98	70	28	29%	LLH	£10	£0	Apr-21
Lanesra Capital	Newham	38	38	0	0%	FH	£5,100,000	£134,211	Feb-21
London Square	Newham	457	316	141	31%	FH	£27,450,000	£60,066	Jan-21
Taylor Wimpey	Tower Hamlets	530	376	154	29%	FH	£42,399,000	£79,998	Jan-21
Ballymore Group	Newham	116	96	20	17%	FH	£1	£0	Dec-20
TJR Bathrooms	Newham	28	19	9	32%	FH	£3,100,000	£110,714	Sep-20
Vistry Partnerships	Newham	241	146	95	39%	LLH	£3,569,900	£14,813	Jul-20
Linkcity	Newham	620	421	199	32%	LLH	£8,150,000	£13,145	Jun-20
Bellway Homes	Newham	411	274	137	33%	FH	£15,000,000	£36,496	Apr-20
Thames Gateway Aberdeen Standard Investments	Newham	158	158	0	0%	FH	£22,446,000	£142,063	Apr-20
Hadley Property Group	Newham	700	500	200	29%	FH	£22,355,772	£31,937	Apr-20
Hadley Property Group	Tower Hamlets	898	635	263	29%	FH	£41,347,558	£46,044	Apr-20
Higgins Homes	Newham	36	23	13	36%	FH	£3,000,000	£83,333	Mar-20

From the evidence above it is clear that schemes with a higher affordable housing provision produce a lower per plot value. The proposed scheme is providing 50% affordable housing, of which all is to be provided at

Property: Carpenters Estate, Stratford, Newham

Social Rent levels; as such it is not directly comparable with the sites lifted above. Whilst a number of the comparables do provide 50% affordable housing or more, these units are not solely Social Rent tenure.

In addition, the subject scheme is an estate regeneration, meaning it is subject to a number of additional costs and considerations, such as buy back costs. We have not been able to provide a regeneration comparable in the above table, as these are rare and subject to their own complexities which make for an unfair comparison.

Overall, we would anticipate lower per plot values for the subject scheme to reflect the site's complexities and the higher-than-average amount of affordable housing at Social Rent levels.

15 Viability Results and Conclusion

15.1 Viability Results

We have undertaken a Residual appraisal using Argus Developer to test the financial viability of the proposed development. Our appraisal is attached at Appendix 9.

15.2 Summary

A summary breakdown is provided below:

Appraisal Inputs	Inputs	Amount
Revenue		
Private Accommodation	Equating to £719psf	£541,445,000
Affordable Accommodation	Equating to £177psf	£126,949,783
Grant Funding	£180,000 per Social Rent/ Council Rent unit and £13,200,000 for JRP	£211,325,000
Hotel	£180,000 per room	£39,780,000
ONR	£15 - £25psf at a 6.5% yield	£24,752,623
Costs		
Benchmark Land Value	Nil Value	£1
Acquisition Costs	SDLT, Legal fees and Agent fees	N/A
Construction Costs	Equating to £273 psf (inc enabling)	£803,433,115
Contingency	Included in construction costs	N/A
Professional Fees	10% (on construction costs)	£80,343,311
Financial Planning Contributions	MCIL2 - provided by the applicant S106 - £5,000 per unit PS Marketing and Sales Agents – 2% PS Sales Legal – 0.5% AH Sales Agents 1% AH Sales Legal – 0.5% ONR Marketing and Sales Agents – 2% ONR Sales Legal – 0.5% ONR Letting Agent – 10% ONR Letting Legal – 5%	£15,459,530 £13,976,312
Disposal Costs		
Finance	<u>Self-Delivery</u> 5% Debit Rate assuming JV partner 6.5% Debit Rate assuming Applicant delivers with a <u>Self-delivery scenario:</u> Private – 6% on GDV Affordable – 6% on GDV ONR – 6% on GDV	£15,620,082 £9,105,048 £44,093,665
Profit / Risk Return	<u>Applicant and JV partner scenario:</u> Private – 17.5% on GDV Affordable – 6% on GDV ONR – 15% on GDV	£112,379,806

Appraisal Inputs	Inputs	Amount
=		
Difference (Surplus / Deficit) (Rounded)	Self-delivery scenario: Applicant and JV scenario:	-£115,298,000 -£177,034,000

15.3 GLA Response Conclusion

Below we summarise the areas of agreement, those which we have accepted, provided further information on, or contest.

Input	JLL 2022	GLA Review	JLL 2023 Response	Revised Status
Private GDV	£719 psf	5% Higher (£755 psf)	£717 psf	Disagree / Updated
Affordable Housing GDV	£131,836,022	Info Requested	£126,949,783	Info Provided / Updated
Grant Funding	£161,340,000	Info Requested	£224,615,000	Info Provided / Updated
Community Space	£923,077	Info Requested	£923,077	
Education	-	Info Requested	-	
Commercial	£15 – £25 psf 6.5%	Keener yield – not specified	£18 - £28psf 6.5%	Updated
Construction Costs	-	Info Requested	-	Info Provided / Updated
Contingency	5% - 9%	5%	5.2%	Agree
Professional Fees	10%	10%	10%	Agree
Section 106	£5,000 / unit	£5,000 / unit	£5,000 / unit	Agree
CIL & MCIL2	£15,459,590	£15,459,590	£15,459,590	Agree
Private Disposal Fees	1% Marketing 1% Sales Agent 0.5% Sales Legal	1% Marketing 1% Sales Agent 0.5% Sales Legal	1% Marketing 1% Sales Agent £1,000 Sales Legal	Agree
Affordable Disposal Fee	1%: Sales Agent 0.5%: Sales Legal	Fixed Fee: Sales Agent Fixed Fee: Sales Legal	0.25%: Sales Agent 0.15%: Sales Legal	Accepted
Non-residential Disposal Fees	1% Marketing 1% Sales Agent 0.5% Sales Legal 6.8% Purchaser's Costs 10% Letting Agent 5% Letting Legal	1% Marketing 1% Sales Agent 0.5% Sales Legal 6.8% Purchaser's Costs 10% Letting Agent 5% Letting Legal	1% Marketing 1% Sales Agent 0.25% Sales Legal 6.8% Purchaser's Costs 10% Letting Agent 5% Letting Legal	Agree
Finance Costs	6.5% JV Scenario 5% Self Delivery	6.5% JV Scenario 4% Self Delivery	6.5% JV Scenario 5% Self Delivery	Disagree (Self Delivery)
Profit on GDV (Private)	20%	17.5%	17.5%	Accepted
Profit on GDV (Affordable)	6%	4%	6%	Disagree
Construction Period	See report	Info Requested	See Appendix	Info Provided
Sales Period	40% off-plan	60% off-plan	60% off-plan	Accepted
Sales Rate	4 units per month	5 units per month	4 units per month	Disagree
Conclusion	Unviable	Unviable	Unviable	Agree

15.4 Conclusion

As can be seen in the table above the scheme as proposed by the Applicant is in a deficit. On this basis the scheme is technically unviable and as a result the proposed level of affordable housing is the maximum reasonable amount which can possibly be provided. Notwithstanding this, the Applicant is committed to delivering the scheme as proposed and should the required market growth over the lifetime of the project not be sufficient to erode the deficit then the Council is willing to invest in the additional affordable housing

Property: Carpenters Estate, Stratford, Newham

that would otherwise not be viable, in order to address the Borough's considerable housing waiting list. However, any further unanticipated obligations may make the scheme undeliverable.

15.5 Sensitivity analysis

Sensitivity testing was undertaken on each base scenario, which indicated that a self-delivery model is potentially viable with market movements over the lifetime of the development, whilst the JV approach would require substantial movements or additional funding.

A sensitivity analysis testing +/- steps in private values and costs is included at Appendix 10.



Sarah Potter MRICS
Associate

Matthew Haycox
Director

**Valuation Advisory**

30 Warwick Street
London W1B 5NH

Sarah Potter
Associate

07928 525998
Sarah.Potter@jll.com

Valuation Advisory

30 Warwick Street
London W1B 5NH

Matthew Haycox
Director

07834 529 441
Matthew.haycox@jll.com

Appendix 1

Relevant Planning Policy

1 Relevant Planning Policy

1.1 Relevant Documents

The following documents, set out in detail below, have informed the approach to viability:

- National Planning Policy Framework (“NPPF”) (adopted July 2018, updated July 2021);
- National Viability Planning Practice Guidance (adopted July 2018, updated September 2019);
- Assessing viability in planning under the National Planning Policy Framework 2019 (adopted July 2021);
- The London Plan (adopted in March 2021);
- ‘Homes for Londoners’ SPG (adopted August 2017);
- The Mayor’s Good Practice Guide to Estate Regeneration “Better Homes for Local People”;
- Local Planning Policy – London Legacy Development Corporation Local Plan 2020 - 2036 (adopted July 2020); and
- London Borough of Newham, Local Plan 2018.

1.2 National Planning Policy Framework (July 2018, updated July 2021)

The NPPF sets out the Government’s overarching economic, environmental and social planning policies in England and how these are expected to be applied.

Paragraph 55 states “*local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition.*”

Paragraph 58 states “*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.*”

Paragraph 64 states “*Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.*”

1.3 National Viability Planning Practice Guidance (July 2018, updated September 2019)

The Planning Guidance sets out the government’s recommended approach to viability assessment for planning.

We set out the pertinent points below:

- **Gross Development Value** - For viability assessment of a specific site or development, market evidence (rather than average figures) from the actual site or from existing developments can be used. Any market evidence used should be adjusted to consider variations in use, form, scale, location, rents and yields, disregarding outliers.
- **Development Costs** – Build costs based on appropriate date, abnormal costs, site-specific infrastructure costs, the total costs of all relevant policy requirements (including CIL), finance costs, professional fees, disposal costs (including sales, marketing and legal costs) and project contingency costs.

- **Developer Return** – An assumption of 15-20% of GDV may be considered a suitable return to developers. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk.
- **Benchmark Land Value** – A Benchmark Land Value should be established on the basis of the existing use value (“EUV”) of the land plus a premium for the landowner. The premium for the landowners should reflect the minimum return at which it is considered reasonable landowners would be willing to sell their land. The Benchmark Land Value may reflect Alternative Use Values and in such cases the premium should not be double counted. A Market Value approach may be appropriate in justifying an appropriate premium subject to policy compliance.

1.4 Assessing viability in planning under the National Planning Policy Framework 2019 (for England), RICS Guidance Note, 1st edit

This guidance was published in March 2021 and is effective from 1st July 2021. This is a long overdue update on the 2012 Guidance Note and has been drafted to align with the 2018/2018 NPPF and PPG.

The Guidance sets out the RICS' recommended approach to viability assessment for planning.

We set out the pertinent points below:

- **Viability at Plan Making Stage Versus Application Stage** - in line with the PPG, this Guidance places the importance of viability at the plan-making stage.
- **Onus on the Applicant** – the guidance puts the onus on the Applicant to set out the circumstances that have changed since the plan-wide viability assessment that justify a financial viability assessment (FVA) being submitted at the application stage.
- **Transparency** - the guidance re-iterates the PPG's transparency requirements that all FVAs should be prepared on the basis that they will be made publicly available in full. However, there is a concession that commercially sensitive data can be “aggregated in a published FVA in order to avoid disclosure of this sensitive material”.

Benchmark Land Value (BLV) - the preferred approach remains Existing Use Value Plus (EUV+), or, where appropriate, Alternative Use Value (AUV). A policy compliant site value based on suitably adjusted comparable land sales evidence can be used to justify the premium. Land sales evidence is only to be used as a sense-check for BLVs. It cannot form the basis of the BLV itself. Evidence for premiums can include those adopted in other FVAs if from the same locality.

The guidance is clear that when assessing the Benchmark Land Value, a repair versus an alteration will be determined by professional judgement in order to determine whether the works bring the building up to standard within the existing use, or whether they go beyond that and fall into the category of refurbishment. Each case needs to be considered on its merits, but the guidance makes clear that a building or site in need of substantial repair would be expected to have a lower EUV than a building or site in good repair. The intention of this guidance is to ensure that a landowner should not profit from their failure to maintain the building or site.

1.5 The London Plan (March 2021)

Affordable housing policy is set out within Policy H4 of the London Plan. The strategic target is for 50% of all new homes delivered across London to be affordable. Measures to achieve this aim include:

- All residential and mixed-use developments are to provide affordable housing through the threshold approach;

- Grant should be utilised to increase affordable housing delivery beyond the level that would otherwise be provided;
- Affordable housing providers with agreements with the Mayor should deliver at least 50 per cent affordable housing across their portfolio;
- Public sector land should deliver at least 50% affordable housing across its portfolio; and
- Strategic partners with agreements with the Mayor should deliver at least 60% affordable housing across their portfolio.

Policy H5 of the London Plan details the threshold approach, with the threshold level of affordable housing initially set at:

- A minimum of 35%;
- 50% for public sector land; and
- 50% for Strategic Industrial Locations, Locally Significant Industrial Sites and other industrial sites deemed appropriate to release for other uses.

Policy H8 specifically relates to estate regeneration schemes and requires all housing to be replaced at existing or higher densities, with at least the equivalent level of floorspace. This policy states that the loss of existing affordable housing should be replaced by equivalent or better quality accommodation, providing at least an equivalent level of affordable housing floorspace on an identical or equivalent basis. All such schemes are required to follow the Viability Tested Route and should produce an uplift in affordable housing provision where viable.

1.6 Affordable Housing and Viability Supplementary Planning Guidance (August 2017) “Homes for Londoners”

Homes for Londoners is supplementary planning guidance focussing on affordable housing and viability. The SPG introduces a threshold approach, whereby schemes meeting or exceeding 35% affordable housing without public subsidy (or 50% where on public land, without grant) can follow a ‘Fast Track Route’, meaning that applicants are not required to submit a viability assessment at the planning application stage. Where these thresholds are not met, applicants are required to meet the ‘Viability Tested Route’ and detailed viability information must be submitted at the planning application stage.

Homes for Londoners states that the appropriate level of profit is scheme specific and evidence should be provided by applicants to justify proposed rates of profit taking account of the individual characteristics of the scheme, the risks related to the scheme, and comparable schemes. The document states that factors that may be relevant when assessing scheme specific profit levels include the scheme’s development programme, and whether it is speculative or provides pre-sold / pre-let accommodation. Market forecasts and stock market trends may also provide an indication of perceived market wide risk. Homes for Londoners states that profit requirements for affordable housing should reflect significantly lower levels of risk when compared to private residential units. Lower levels of return will normally be expected for commercial accommodation.

1.7 The Mayor’s Good Practice Guide to Estate Regeneration “Better Homes for Local People”

Better Homes for Local People wants to ensure that any proposals include the delivery of better homes for local people and therefore any estate regeneration schemes which involve the demolition of existing homes should provide:

- an increase in affordable housing;
- full rights to return or remain for social tenants; and

- a fair deal for leaseholders and freeholders.

The guidance has been provided to ensure that estate regeneration schemes are used to increase the amount of affordable housing, particularly homes based on social rent levels, wherever possible. The guidance states: “as a minimum, plans that involve the demolition of existing homes must ensure that affordable homes demolished are replaced on a like-for-like basis”.

1.8 Local Planning Policy – London Legacy Development Corporation Local Plan (adopted July 2020)

The subject Site is located within the jurisdiction of the London Legacy Development Corporation. The Legacy Corporation Local Plan (July 2020) sets out the Legacy Corporation’s strategy for the future of its area and includes the policies that will be used to direct development and determine applications for planning permission.

Strategic Policy SP2 states that, in line with the London Plan, the LLDC seeks to maximise affordable housing delivery through a minimum 35 per cent target across the area and by applying the Mayor’s threshold levels of 35 per cent and 50 per cent on a habitable room basis.

However, we understand that powers will be transferred to the London Borough of Newham in the future, and as such we have detailed current LB Newham policy below.

1.9 Local Planning Policy – London Borough of Newham (Newham Local Plan 2018)

The LB Newham Local Plan 2018 which is a combination of the previous core strategy (2012) and Detailed Site and Policies DPD (2016). The plan is for 15 years until 2033.

Policy H2 1.a states that 50% of the number of all new homes built over the plan period are affordable units providing more than 10 units. The Local Planning Authorities policy text requires a tenure split in favour of social/affordable rented unit, with 60% provided as social/affordable rent and 40% intermediate provision. These requirements would be reduced if the proposed development cannot viably meet them.

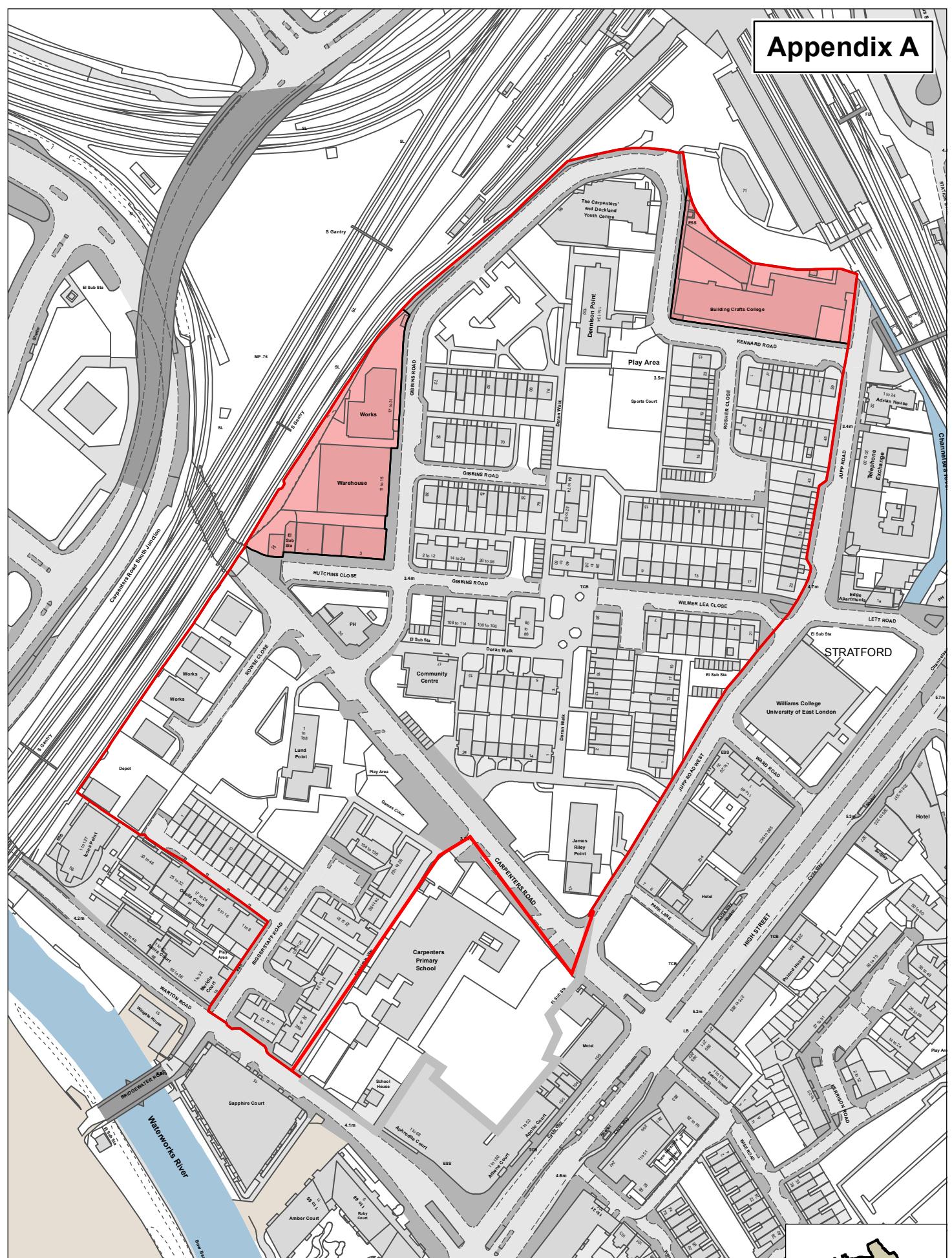
1.10 Planning Obligations

We detail our assumptions for Community Infrastructure Levy (“CIL”) and S106 contributions in the main body of the report.

Appendix 2

Site Plan

Appendix A



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Site Boundary

Worshipful Company
of Carpenters

Scale 1:2,500 @ A4

0 20 40 60 80 100
Metres



Masterplan Strategies - Storey Heights



Appendix 3

Benchmark Land Value

1 Benchmark Land Value

1.1 Establishing the Benchmark Land Value

An appropriate Benchmark Land Value (“BLV”) is the minimum price a landowner would accept to release a Site for development. In considering the Benchmark Land Value, against which the residual value of the proposed scheme is compared, we have had regard to the Government’s National Planning Policy Framework (NPPF) (2018, updated 2021), Viability Planning Practice Guidance (2018, updated September 2019) and the Mayor of London’s Affordable Housing and Viability Supplementary Planning Guidance (adopted August 2017).

1.2 Viability Planning Practice Guidance (September 2019)

Paragraph 13 of the Viability PPG states that the benchmark should be established on the basis of EUV+ approach. The principle of this approach is that a landowner should receive at least the value of the land in its ‘pre-permission’ use, which would normally be lost when bringing forward land for development. A premium is added to provide the landowner as an incentive to release the site, having regard to site circumstances, other options available and policy requirements. In practice the premium can vary from a minimum of 10% to a multiple (up to 20x) of the Existing Use Value, but this must reflect site specific circumstances and will vary.

Other methods that can be appropriate are the Alternative Use Value (AUV) and ‘Market Value’ (MV) approaches. An AUV reflects the RLV of the site for alternative development scenarios such as competing land uses. Such schemes must be policy compliant. An extant planning permission is often referred to as an AUV in that this requires but also constitutes its Existing Use Value; its use and the explicit planning permission having been firmly established. In such circumstances it is not appropriate to apply a landowner’s premium. A MV approach reflects the value of the site having regard to the cost of comparable development land. This is, however, subject to the requirement that this value reflects planning policy including appropriate affordable housing.

1.3 Existing Use Value

In valuing the existing Site, we have adopted the Existing Use Value (“EUV”) approach as the principal approach for establishing an appropriate BLV.

As stated above, the existing Site comprises 711 residential dwellings and over 6,550 sqm of non-residential space (excluding unknown site areas, car parking and additional land). In order to calculate the Existing Use Value of the Site we have individually valued the residential and non-residential elements.

For the purpose of this valuation, we have excluded the 4x refurbishment units in JRP and 3x in Lund Point as well as the 14x houses in Biggerstaff Terrace as these will remain as is and do not form part of the Scheme. On this basis, the total number of residential units, subject to our valuation, is 697.

We have been provided with limited information on unit types, sizes, specification, and condition for both the residential and commercial elements of the existing properties. For this reason, we have provided a possible range for the EUV based on a potential ‘worst’ and ‘best’ case scenario.

We have not currently included additional value for the residential car parking spaces within our valuation as we have assumed these are allocated to the properties.

Residential Element

The Site comprises 493 Social Rent and Council Rent units as well as 204 private rented or owned properties which includes one, two and three bedroom apartments and three, four and five bedroom houses.

We have indicatively valued the rented properties on the basis of the Existing Use Value for Social Housing (“EUV-SH”). The basis of EUV-SH is defined in UK VPGA 7 of the RICS Valuation Global Standards – UK National Supplement 2019.

At the date of our initial report (July 2022), we were provided with the rental levels for the Social and Council rent tenants which range between £104 and £190 per week depending on unit type and tenure.

As stated above, we are unaware of the condition of these properties and have not been provided with details surrounding maintenance, cyclical, day to day and major repair costs. We have therefore had to make our own reasonable assumptions as to the above.

We have undertaken our valuation of the portfolio using fully explicit discounted cashflow models, over a 50-year period, with the net income in the final year capitalised into perpetuity. Against the income receivable, we have made reasonable allowances for voids and bad debts; the costs of management and administration; major repairs; cyclical maintenance; day-to-day repairs. We have assumed an appropriate level of future growth in these costs (expenditure inflation).

In order to value the private rented and owner-occupied properties we have included the value for acquiring both void and occupied units. We have been provided with the assumed market value for the existing units by the Applicant and have applied these capital values to each unit type.

Commercial Element

We have valued the non-residential element using the investment method, whereby an assumed rental value of the property has been capitalised by an appropriate yield to arrive at its capital value.

Range

Based on this, we have calculated the existing use value of the estate to be in the range of **£100,000,000 and £150,000,000**. The largest unknown is the condition and the likely cost to bring the properties up to a decent standard which is why the range is so wide.

Please note that this is a high-level review of the value of the scheme, and we reserve the right to review our opinion of value with further information.

1.4 Benchmark Land Value

Although the EUV+ approach is the principal approach for establishing the benchmark and we recognise that the Site has a monetary value, the Site is coming forward in partnership with the Council. Prior to providing our initial assessment, JLL had conversations with the GLA who have provided the following statement in regard to FVA's for estate regeneration schemes:

“The majority of FVA’s for Estate Regeneration schemes referred to the Mayor contain BLV’s at a nil value (see Clapham Park Estate, Acton Gardens, Woodberry Down, Westhorpe Gardens and Mill Grove Estate, Fosters Estate, amongst others), for the following reasons:

- *Policy H8C of the Publication London Plan requires authorities to consider all other options before demolition and so it should be assumed that there is an economic benefit in bringing forward redevelopment. It therefore follows that it is unlikely the existing blocks will have a significant existing use value. If that was the case a refurbishment is likely to be a more appropriate route.*
- *Many estates that are to be the subject of regeneration (and particularly older ones such as this one) are often unable to generate an income for a lengthy period of time before substantial capital expenditure is required to ensure existing units meet required standards.*

Where an FVA seeks to establish a positive existing use value then the condition of these existing blocks should be clearly stated and accounted for in the value. If the valuation is based on capitalising a rental

income for, say, 30 years, then there should be a detailed cost plan setting out the works required to ensure the blocks meet required standards and can generate an income for that period.

Costs relating to gaining vacant possession of the site (including buy back costs) should be reflected as a cost to the scheme as opposed to in the BLV”.

On the basis of the above, we have not been provided with the condition of the existing blocks and therefore cannot accurately provide for this in the value. With this in mind and noting the GLA's position on estate regeneration detailed above, we have therefore tested the viability of the application against an assumed **BLV of £1 (One Pound)**.

We would however like to be clear that we believe the site does have a significant value, but the level of information required to assess an accurate value either isn't available or hasn't been provided.

1.5 GLA Response

The GLA have commented that,

“in the vast majority of cases it is inappropriate for an estate EUV to form a benchmark Land Value. This is because many existing estates coming forward for redevelopment, particularly older estates, are often unable to generate an income for a lengthy period of time before substantial capital expenditure is required to ensure that existing units meet required standards. An estate coming forward for redevelopment is therefore reflective of the fact that it is more economical to replace existing affordable housing stock with new-build affordable housing stock”.

The GLA therefore accept JLL's position for the benchmark. As such, our assumption remains the same.

Appendix 1

Relevant Planning Policy

Appendix 2

Site Plan

Appendix 3

Benchmark Land Value

Appendix 4

Comparable Evidence and Market Report

Appendix 5

Private Sale Schedule of Accommodation and Values

Appendix 6

Cost Plan

Appendix 7

LB of Newham Buy Back Assumptions

Appendix 8

Build Programme

Appendix 9

Argus Appraisal Summaries

Appendix 10

Sensitivity Analysis

Appendix 11

Additional Scenario Appraisal Summaries

Residential Comparable Evidence

We have carried out research into recent property sales in the local area as at March 2022. Our research comprises evidence gathered from new-build and modern developments in the area and local agent's opinions. We have had regard to new build and purpose built schemes within close proximity to the subject scheme.

We have sought to obtain detailed information on each transaction referred to herewith but are not in a position to guarantee that we have obtained a full disclosure of information from the respective sources.

For Sale Comparable Evidence

Anthology Stratford Mill, E15 (Site 1)



- Developer: Lifestory (Anthology)
- 209 private sale units, 45 intermediate units
- Construction completed during Q3 2021
- 67 sold

Stratford Mill (Site 1) is a new build development by Lifestory (Anthology), located 0.8 miles south of the subject Site comprising one, two, and three bedroom apartments and a selection of townhouses. The development also comprises circa 2,900 sqm of business floor space.

The apartments have been finished to a good, modern standard of specification, with composite stone worktops, integrated Siemens appliances in the kitchens including dishwashers and vinyl flooring throughout living spaces. The seven blocks extend between two and 12 storeys. The residents benefit from landscaped gardens, cycle storage and balcony provision.

The development launched in September 2019 overseas where 25 units were sold between 2019 and 2020. The scheme launched in the UK in March 2021 and an additional 20 units were sold. We understand there are now 67 sold units.

The scheme has achieved £693psf and all sales have been at asking price.

We detail below a summary of all initial sales to date:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Av. Size Sq Ft	Min Achieved Price	Max Achieved Price	Av. Achieved Price	Min £psf	Max £psf	Av. £psf
1	564	579	572	£420,000	£476,000	£435,250	£725	£822	£762
2	813	816	815	£535,000	£620,000	£565,000	£656	£763	£693
3	1,197	1,197	1,197	£675,000	£675,000	£675,000	£564	£564	£564
Total	564	1,197	741	£420,000	£675,000	£513,875	£564	£822	£693

We also detail a selection of recent individual sales:

Unit Number	Floor	Beds	Size Sq Ft	Asking/Purchase Price	£psf	Exchange Date
2	4	1	564	£425,000	£754	03/09/2021
12	6	2	816	£540,000	£662	18/08/2021
10	5	1	579	£420,000	£725	30/07/2021
9	5	2	813	£620,000	£763	22/06/2021
6	5	2	816	£535,000	£656	14/06/2021
19	7	1	564	£420,000	£745	09/06/2021
						£713

We further detail the current list of asking prices:

Unit Type	Floor	Baths	Size Sq Ft	Asking Price	£psf
3B6P	5	2	1,198	£705,000	£588
3B5P	6	2	990	£675,000	£682
3B5P	7	2	990	£680,000	£687
3B5P	9	2	990	£690,000	£697
3B5P	10	2	990	£695,000	£702
£668					

Although a much smaller scheme, Anthology is situated close to the subject site and provides a useful comparable for subject scheme. Anthology includes high rise elements and a more standard specification and limited amenities compared to other new build schemes in the area.

Bow River Village, Bolinder Way, E3



- Developer: Southern Housing Group
- 667 private sale units, 74 intermediate units
- Construction of Phase 1 completed in A3 2016 and of Phase 2 in Q1 2020
- Phase 1 sold out/rented, Phase 2 sold out during Q1 2020.

Bow River Village is a new build development by Southern Housing Group, located 1 mile south of the subject Site, comprising one, two, and three bedroom apartments. Outline permission has been sought for a total of 565 residential units and approximately 9,448 sqm of commercial floor space including B1, sui generis and A3/A4 space. Phase 1 comprises 41 BTR units, 67 affordable and 37 private sale, totally 145 units. Phase 2 comprises 112 units, of which 73 will be private.

The apartments have been finished to a good, modern standard of specification and residents will benefit from landscaped community gardens and balcony provision.

Phase 1 of the development sold out at the end of 2017. Phase 2 launched in April 2018 and subsequently sold out in Q1 of 2020. 449 private units have yet to commence in future phases; phase 3 is subject to an application for 435 units, including 224 private, which has yet to be decided.

We detail below a summary of all sales to date overleaf:

Unit Type	Average Size Sq Ft	Average Achieved Price	Average £psf
1	569	£382,667	£677
2	791	£521,120	£665
3	1018	£590,500	£580

We further detail a selection of initial individual sales:

Unit Number	Beds	Size Sq Ft	Purchase Price	£psf	Completion Date
FLAT 108 Vallans Court	1	549	£379,000	£690	Jul-20
FLAT 501 Grattan Court	2	786	£500,000	£636	Jun-20
FLAT 205 Vallans Court	1	538	£383,000	£711	Apr-20
4 Anderson Square	3	1,044	£570,000	£545	Mar-20
FLAT 701 Metcalfe Court	2	818	£600,000	£733	Mar-20
FLAT 401 Grattan Court	2	786	£500,000	£636	Feb-20
9 Anderson Square	3	1,033	£565,000	£546	Feb-20
FLAT G01 Vallans Court	2	861	£435,000	£505	Dec-19
FLAT 402 Vallans Court	3	1,012	£622,000	£614	Dec-19
FLAT 601 Grattan Court	3	936	£600,000	£640	Dec-19
				£616	

We are also aware of the current units on the market and recent resales:

Unit Type	Bath	Floor	Size Sq Ft	Asking Price	Achieved Price	£psf	Comment	Sold Date
1B2P	1	7	600	-	£335,000	£558		Feb-22
1B2P	1	6	557	-	£400,000	£718	2x balconies, river views	Jan-22
1B2P	2	-	557	£400,000		£718	Parking, 2x balconies	
2B4P	2	6	845	£460,000		£544		
3B5P	2	5	1,042	£550,000		£528		
						£577		

Although Bow River Village is situated further from the centre of Stratford, we believe the scheme is more comparable in specification than a number of the new build schemes in the locality, and comparable in the amenity provision. We believe this is a useful comparable for the subject scheme.

Legacy Wharf, Cook's Road, E15 (Phase 1)



- Developer: Bellway Homes
- 144 private sale units, 50 intermediate units
- Construction completed Q4 2019
- Sold 124 by Q2 2019, remaining 20 subject to Grampain condition

Legacy Wharf is a new build development by Bellway Homes, located 1 mile south of the subject Site, comprising one, two, and three bedroom apartments. Phase 1 comprises 195 residential units and 2,126 sqm of commercial floorspace.

The apartments have been finished to a high standard of specification and residents will benefit from landscaped community gardens, gym and balcony provision to all apartments.

Construction began in Q4 2016 and completed in Q2 2019. The scheme launched in March 2018 and to date 124 units have sold, which all sold prior Q4 2019, equating to roughly 5 units per month sales rate. There are currently 20 units which are still left to sell however, these were held off the market in compliance with a Grampian condition until the end of November 2021. We understand there has been one sales in December but we have been unable to obtain the details of this unit.

We detail the average price transacted for each unit type below:

Unit Type	Average Size	Average Transacted Price	Average £psf
1 Bed	567	£378,907	£668
2 Bed	760	£463,301	£610
3 Bed	998	£578,050	£579
			£630

We are aware of the one resale from the scheme which we detail below:

Unit Number	Floor	Beds	Size Sq Ft	Purchase Price	£psf	Exchange Date
63	6	1	549	£375,500	£651	May-21
24	4	1	-	£342,000		Aug-21

We also provide the asking prices for the remaining new build units:

Plot	Unit Type	Baths	Asking Price
LW11	1B2P	1	£399,995
LW27	2B4P	2	£499,995
LW36	2B4P	2	£520,000
LW37	2B4P	2	£525,000
LW35	2B4P	2	£530,000
LW34	2B4P	2	£535,000
LW39	2B4P	2	£650,000
LW32	2B4P	2	£650,000
LW35	2B4P	2	£650,000
LW46	3B5P	2	£655,000
LW50	3B5P	2	£670,000
LW48	3B5P	2	£670,000

Legacy Wharf is located further from the centre of Stratford and the Olympic Park. That said, it is likely to benefit from a superior specification and amenity provision. On balance, we believe this is a useful comparable.

Lock No.19, Bream Street, E3



- Developer: L&Q
- 152 private sale units, 50 intermediate units
- Construction of the private sale block completed between Q1/Q2 of 2021, but the affordable units are still under construction.
- 5 units remaining

Lock No.19 is a new build development by L&Q, located 1 mile west of the subject Site, comprising one, two, and three bedroom apartments. The scheme will comprise a total of 202 residential units, across 7 buildings. The scheme will also include a number of employment, retail and leisure spaces.

The apartments have been finished to a high standard of specification with integrated Grundig appliances, underfloor heating, engineered hardwood flooring and fitted wardrobes to master bedrooms. Residents will benefit from landscaped community garden, balcony provision for all apartments and views over Queen Elizabeth Olympic Park.

Lock 19 launched in July 2020 and sold 45 units in the first month, a large proportion of which were via Help to Buy, with some sales also occurring overseas.

At the end of Q3 2021 the private units are all complete, but a block of affordable units remains under construction. We are told 29 units sold during Q3 2021, mostly Help to Buy units from the final release. The five remaining units are all 3-bed units priced from £695,000 (reduced from £700,000) to £760,000. We understand that an average discount of 4% has been accepted.

We detail below a summary of all sales to date:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Av. Size Sq Ft	Min Achieved Price	Max Achieved Price	Av. Achieved Price	Min £psf	Max £psf	Av. £psf
1	549	660	577	£400,000	£550,777	£464,618	£729	£874	£805
2	703	969	789	£570,000	£635,000	£599,541	£619	£847	£759
3	961	1,076	1,001	£700,000	£795,000	£751,844	£715	£796	£751
Total	549	1,076	719	£400,000	£795,000	£555,870	£619	£874	£773

We also detail a selection of recent individual sales:

Unit Number	Floor	Beds	Size Sq Ft	Purchase Price	£psf	Exchange Date
C.02.09	2	2	764	£595,000	£779	Sep-21
C.05.08	5	3	961	£700,000	£728	Sep-21
C.02.01	2	3	961	£721,600	£751	Sep-21
C.03.09	3	2	764	£599,950	£785	Aug-21
C.05.02	5	3	992	£750,000	£756	Jun-21
C.05.01	5	3	997	£750,000	£752	Jun-21
C.02.10	2	2	764	£599,950	£785	Jun-21
C.04.09	4	2	764	£599,950	£785	Jun-21
C.01.03	1	2	759	£600,000	£791	Jun-21
C.00.02	0	1	607	£460,000	£758	Jun-21
C.04.10	4	2	764	£577,150	£755	Jun-21
C.05.07	5	3	984	£720,000	£732	Jun-21
C.00.04	0	2	759	£600,000	£791	Jun-21
						£763

We further detail the current list of asking prices for both Shared Ownership and private sale apartments:

Unit Type	Plot No.	Tenure	Floor	Baths	Size Sq Ft	Asking Price	£psf
2B4P	F.02.05	Shared Ownership	2	1	737	£530,000	£719
2B4P	B.01.02	Shared Ownership	1	1	946	£565,000	£597
2B4P	B.03.04	Shared Ownership	3	1	811	£565,000	£697

Unit	Plot Type	Plot No.	Tenure	Floor	Baths	Size Sq Ft	Asking Price	£psf
2B4P	B.04.02		Shared Ownership	4	1	777	£565,000	£727
2B4P	B.02.04		Shared Ownership	2	1	906	£570,000	£629
3B5P	C.00.10		Private Sale	G	2	951	£675,000	£710
3B5P	-		Private Sale	1	2	961	£655,000	£682
3B5P	-		Private Sale	2	2	961	£660,000	£687

Lock 19 is located in a superior location, situated next to the River Lea with views of the Olympic Park. Nonetheless we believe this is a useful comparable for the subject development.

Three Waters, Gillender Street, E3



- Developer: Mount Anvil
- 327 private sale units, 123 intermediate units
- Construction completed in two tranches between Q3 2021 and Q1/2 2022.
- Sold out in Q3 2020.

Phase 1 Three Waters is a Mount Anvil scheme, located 1.4 miles south of the subject Site. The scheme launched in October 2018 and we understand that the private units sold out in Q3 2020. Construction is progressing with completions due to run across Q4 2021, although some may fall into Q1 2022.

The private units are completed to a good modern specification including fitted kitchens with handle-less wall and base cabinets, a natural oak-effect laminate feature to worktop and splash back and integrated SMEG oven, hob and microwave oven. In addition, private flats benefit from timber and concrete-effect flooring with herringbone pattern to open-plan entrance hall, kitchen, living room and dining areas and a carpet finish to bedrooms.

The private units benefit from a 24-hour concierge service, cinema room and adjacent social room with entertaining kitchen. The completed scheme will also benefit from landscaped gardens, a roof terrace and a riverside café.

There has been no further sales information to obtain from this development having sold out in Q3 of 2020. We were provided with the final sales information for the scheme as at July 2020; at the time all of the units had exchanged.

Building	Beds	Floor	Asking Price	GIA sqft	Net Achieved	£psf	Actual Exchange Date	Difference from asking
A.08.08	1	8	£409,500	541	£389,025	£719	20/04/2020	-5%
A.18.08	1	18	£453,000	541	£429,150	£793	30/01/2020	-5%
A.19.08	1	19	£461,000	541	£437,560	£808	03/03/2020	-5%
C.01.03	1	1	£422,500	537	£404,400	£753	27/02/2020	-4%
C.02.04	1	2	£430,000	570	£407,300	£715	04/03/2020	-5%
C.03.07	1	3	£407,500	550	£383,888	£698	09/04/2020	-6%
C.04.02	1	4	£420,000	539	£397,800	£738	14/07/2020	-5%
C.04.03	1	4	£430,000	533	£407,300	£764	05/02/2020	-5%
C.05.02	1	5	£422,500	539	£392,925	£729	01/06/2020	-7%
C.06.02	1	6	£425,000	539	£406,800	£755	04/05/2020	-4%

Building	Beds	Floor	Asking Price	GIA sqft	Net Achieved	£psf	Actual Exchange Date	Difference from asking
C.06.03	1	6	£435,000	533	£412,050	£773	22/01/2020	-5%
C.06.07	1	6	£415,000	550	£392,800	£714	07/01/2020	-5%
C.07.07	1	7	£417,500	550	£390,000	£709	17/01/2020	-7%
£743								

We note that the average discount detailed above for one bedroom units in 2020 was approximately 5%. We believe this scheme is likely to provide greater amenity provision and be finished to a higher specification than the proposed subject site.

New Stratford Works, Stratford, E15



- Developer: Higgins Homes
- 100 private sale units, 54 intermediate units
- Construction completed during April 2021
- Sold out December 2020

New Stratford Works is a new build development by Higgins Homes, located 0.9 miles north of the subject Site, comprising one, two, and three bedroom apartments, and three and four bedroom villas. The development also comprises circa 300 sqm of commercial space including A1-A3 use class and workspace.

The apartments have been finished to a high standard of specification, all with integrated appliances, fitted kitchens and balconies. The apartment blocks extend up to seven storeys and the villa properties to four storeys.

The development launched in September 2018 and sold out in December 2020, indicating a 3.7 unit sales rate. Construction of the scheme completed in April 2021.

We understand the minimum and maximum range of asking prices were as below:

Unit Type	Min. Price	Max. Price	Av. Price	Av. sqft	Av. £ psf
One Bed	£425,000	£469,950	£451,208	554	£816
Two Bed	£587,500	£627,500	£612,500	799	£766
Three Bed	£666,500	£800,000	£719,303	996	£713

New Stratford Works is located in a comparable location, close to central Stratford amenities. That said, the scheme has been finished to a higher standard of specification.

Resale Comparable Evidence

Glasshouse Gardens, Montfichet Road, E20



- Developer: Lendlease
- 313 private sale units, 20 intermediate units
- Construction completed Q1 2017
- Sold out Q3 2014

Glasshouse Gardens is a purpose built development by Lendlease, located 0.4 miles north of the subject Site. The scheme comprises one, two, and three bedroom apartments across two buildings to a maximum of 30 storeys as well as associated car parking and landscaped open spaces.

The apartments have been finished to a high standard of specification and residents will benefit from concierge, gym, delivery storage, landscaped community gardens, and balcony provision.

The scheme was initially launched by Lendlease and LCR in 2014, with 90% of the scheme sold off plan by the end of Q3 2014, as piling works commenced.

We are aware of the following resales:

Unit Number	Floor	Beds	Size Sq Ft	Purchase Price	£psf	Exchange Date
801	8	1	538	£483,000	£897	Mar-21
606	6	2	764	£655,000	£857	Jan-21
2107	21	2	807	£720,000	£891	Aug-20
504	5	1	538	£450,000	£836	Aug-20
1006	10	2	753	£633,000	£840	Jul-20
105	1	2	807	£590,000	£730	Jul-20
1107	11	2	807	£666,665	£825	May-20
1906	19	2	764	£723,000	£946	May-20
203	2	2	689	£600,000	£870	May-20
1005	10	1	560	£500,000	£893	Mar-20
708	7	1	517	£450,000	£870	Mar-20
						£858

We are aware of the following resale units currently on the market:

Unit Type	Floor	Baths	Size Sq Ft	Asking Price	£psf	Balcony	Status	Comment
1B2P		1	538	£450,000	£836		Available	
1B2P	10	1		£495,000			Available	
1B2P	23	1	540	£520,000	£963		Available	Reduced from £550,000
1B2P	23	1	501	£520,000	£1,038		Available	Reduced from £550,000
1B2P	Top	1		£535,000			Available	
2B4P	9	2	818	£675,000	£825		Available	Reduced from £700,000 in October
2B4P	10	2	800	£700,000	£875		Sold STC	
2B4P	27	2	786	£780,000	£992	2x balconies	Available	

£915

Glasshouse Gardens is now a more historic scheme and doesn't benefit from a new build premium. That said the scheme is located in an arguably superior location, on the boarder, of and with views of, the Olympic Park. The scheme also benefits from substantial amenity provision and therefore we would anticipate lower values for the subject.

Stratosphere, Great Eastern Road, E15



- Developer: Telford Homes
- 308 private sale units, 34 intermediate units
- Construction completed Q2 2018
- Sold out Q4 2016

Stratosphere is a purpose built development by Telford Homes, located directly north (0.4 miles) of the subject Site. The scheme comprises a 36-storey tower comprising 342 residential apartments. The apartments have been finished to a high standard of specification with underfloor heating and Smeg appliances. Residents will benefit from concierge, gym, and two roof gardens.

The scheme was initially launched in 2014, with the launch evening reserving 200 out of 308 units, with over half going to UK buyers. The remaining 33 units held off the market until the first completions in Autumn 2017.

We are aware of the following resales:

Unit Number	Floor	Beds	Size Sq Ft	Purchase Price	£psf	Exchange Date
57	-	1	581	£465,000	£799	09/04/2021
203	24	2	788	£610,000	£774	31/03/2021
250	30	3	1160	£820,000	£707	15/03/2021
117	14	1	565	£432,000	£765	26/02/2021
126	17	2	788	£617,000	£783	24/11/2020
2	-	2	786	£558,000	£710	15/05/2020
68	-	1	592	£426,000	£719	13/03/2020
60	-	1	549	£435,000	£792	11/02/2020
						£751

We are also aware of those currently on the market and one resale:

Unit Type	Floor	Baths	Size Sq Ft	Asking Price	Achieved Price	£psf	Balcony	Status
Studio	6	1	376	£350,000	-	£931	Winter Garden	Available
Studio	5	1	360	£375,000	-	£1,042	Winter Garden	Available
1B2P		1	534	£415,000	-	£777	Winter Garden	Available
1B2P	6	1	621	£450,000	£450,000	£725	Winter Garden	Dec-21
1B2P	3	1	609	£450,000	-	£739	Winter Garden	Available
2B4P	28	2	788	£650,000	-	£825	Winter Garden	Available

The Stratosphere development longer benefits from a new build premium and is located close to the subject development, Stratosphere benefits from superior amenity provision and specification. We therefore would anticipate lower capital values.

Stratford Plaza (Unex Tower), E15



- Developer: Telford Homes
- 198 private sale units, 22 intermediate units
- Construction completed Q1 2016
- Sold out Q4 2012

Unex Tower is a purpose built development by Telford Homes, located directly north (0.3 miles) of the subject Site. The scheme comprises a 23-storey tower comprising 220 residential apartments and commercial space to the ground floor. The apartments were finished to a high standard of specification with underfloor heating and engineered stone worktops within kitchens, and residents will benefit from concierge, cycle storage and roof terrace.

The scheme launched in Asia in Q3 2012 and by mid November 182 units had sold out. These sales were achieved in Singapore (56 units), Hong Kong (57 units), KL (25 units) and the UK (44 units).

We are aware of the recent resale transactions:

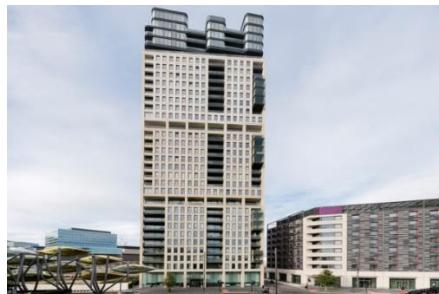
Unit Number	Floor	Beds	Size Sq Ft	Purchase Price	£psf	Exchange Date
68	12	1	714	£453,000	£634	Nov-21
3	6	1	709	£430,000	£606	Jun-21
2	6	1	716	£450,000	£628	Sep-20
151	19	2	837	£615,000	£735	May-21
152	19	2	932	£620,000	£665	Apr-21
213	25	2	932	£602,500	£646	Mar-21
						£655

We are aware of those currently on the market:

Unit Type	Floor	Baths	Size Sq Ft	Asking Price	£psf	Balcony
1B2P	23	1	709	£500,000	£705	Winter Garden
2B4P	22	2	903	£650,000	£720	Winter Garden
2B4P	17	2	964	£600,000	£622	Winter Garden
						£679

The units above are situated on the higher floors of the tower block and oversized for their unit type. This evidence is therefore more comparable to the tower blocks and larger units within the subject scheme.

Stratford Central (Legacy Tower), Great Eastern Road, E15



- Developer: Telford Homes
- 157 private sale units, 24 intermediate units
- Construction completed Q3 2018
- Sold out 2017-2018

Stratford Central is a purpose built development by Telford Homes, located 0.5 miles of the subject Site. The scheme comprises a 33-storey tower comprising 181 residential apartments and commercial on the ground floor. The apartments were finished to a high standard of specification and residents will benefit from concierge, gym, and communal gardens.

The scheme initially launched in April 2014. However, Telford didn't begin works on site until October 2014 following major works completed by Thames Water. By this time the scheme had sold out bar the penthouses which were released closer to completion.

Unit Number	Floor	Beds	Size Sq Ft	Purchase Price	£psf	Exchange Date
131	17	2	905	£655,000	£724	15/02/2021
164	-	2	818	£582,000	£711	12/08/2020
159	-	3	990	£655,168	£661	24/07/2020
					£697	

We are aware of those currently on the market:

Unit Type	Floor	Baths	Size Sq Ft	Asking Price	£psf	Balcony
1B2P	20	1	539	£450,000	£835	Winter Garden
1B2P	22	1	580	£450,000	£776	Winter Garden
3B6P	9	2	952	£765,000	£804	Winter Garden
3B6P	15	2	1,035	£775,000	£749	Winter Garden
					£786	

Stratford Central longer benefits from a new build premium and is located close to the subject development, Stratosphere benefits from superior amenity provision and specification. We therefore would anticipate lower capital values.

New Garden Quarter, Leyton Road, E15



- Developer: Telford Homes
- 297 private sale units (including 102 BTR units), 174 intermediate units
- Construction completed Q3 2019
- Sold out Q3 2020

New Garden Quarter is a purpose built development by Telford Homes, located 0.8 miles north of the subject Site. The scheme is a 23-storey tower comprising 220 residential apartments and commercial space to the ground floor. The apartments were finished to a high standard of

specification with underfloor heating and engineered stone worktops within kitchens, and residents will benefit from concierge, gym, cycle storage and roof terrace.

The scheme launched in Asia in Q3 2012 and by mid November 182 units had sold out. These sales were achieved in Singapore (56 units), Hong Kong (57 units), KL (25 units) and the UK (44 units).

We are aware of the following resales:

Unit Number	Floor	Beds	Size Sq Ft	Purchase Price	£psf	Exchange Date
501	5	3	1,056	£692,500	£656	04/03/2021
G02	GF	3	1,144	£685,000	£599	24/11/2020

We are aware of those resale units currently on the market:

Unit Type	Floor	Baths	Size Sq Ft	Asking Price	£psf	Balcony	Status
3B6P	2	2	1,101	£710,000	£645	Balcony x2	Available
3B6P	6/7	3	1,060	£800,000	£755	Terrace	Available
3B5P		2	1,042	£700,000	£672	Balcony	Available
£690							

Conclusion

Rightmove Sold Prices indicate that over the last year, properties around Stratford had an overall average price of £485,240 over the last year. The majority of sales around Stratford during the last year were terraced properties, selling for an average price of £552,566. Flats sold for an average of £409,448, with semi-detached properties fetching £575,153.

Overall, sold prices around Stratford over the last year were 4% upon the previous year and similar to the 2019 peak of £480,588.

The UK House Price Index currently only provides data to December 2021. Over the period of this year (December 2020 to December 2021), property prices have remained relatively flat for the area (London Borough of Newham). Prices across all property types have increased by 4.6% and flats show a price increase of 6.9%.

We have also had regard to the RICS' Residential Survey, dated December 2021. The December 2021 RICS UK Residential Survey results show that patterns have remained similar over the last few months, such as new buyer enquiries rising at a modest rate, but a lack of new listings preventing this from translating into sales volumes. Furthermore, the shortage of inventory available at present is reinforcing house price inflation that shows little signs of easing as of yet.

On a national level, a net balance of +9% of respondents cited an increase in new buyer demand during December. This marks the fourth successive positive monthly reading for the buyer enquiries indicator, albeit feedback points to only marginal growth throughout this stretch which is not altogether surprising in the wake of the ending of the stamp duty break.

Nevertheless, even this modest pick-up in demand is enough to outstrip the flow of new instructions coming onto the sales market. Indeed, during December, a headline net balance of -14% of contributors noted a decline in new listings, thereby extending a sequence of negative readings for this metric into a ninth consecutive month. Moreover, new instructions either fell or remained stagnant across all parts of the UK according to the latest data points.

The lack of stock continues to be highlighted by contributors as a factor holding back sales at this moment in time. Despite the slightly positive demand trends seen over the past four months, agreed

sales dipped once again, with the latest net balance standing at -13% (compared with a reading of -9% returned previously). Going forward however, a net balance of +14% of respondents foresees sales volumes returning to growth over the next three months. At the twelve month time horizon, a net balance of +16% of survey participants expects sales to increase, up slightly on a figure of +12% posted last month.

Based upon the evidence outlined above we have undertaken a valuation of each type of property for the subject scheme.

Market Report
Jones Lang LaSalle Incorporated

Populo

Carpenters Estate, Stratford

Contents

Market Report: Carpenters Estate Regeneration, Stratford

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Introduction

Overview

JLL have been instructed by Populo to provide consultancy advice relating to the proposed redevelopment of the Carpenters Estate in Stratford.

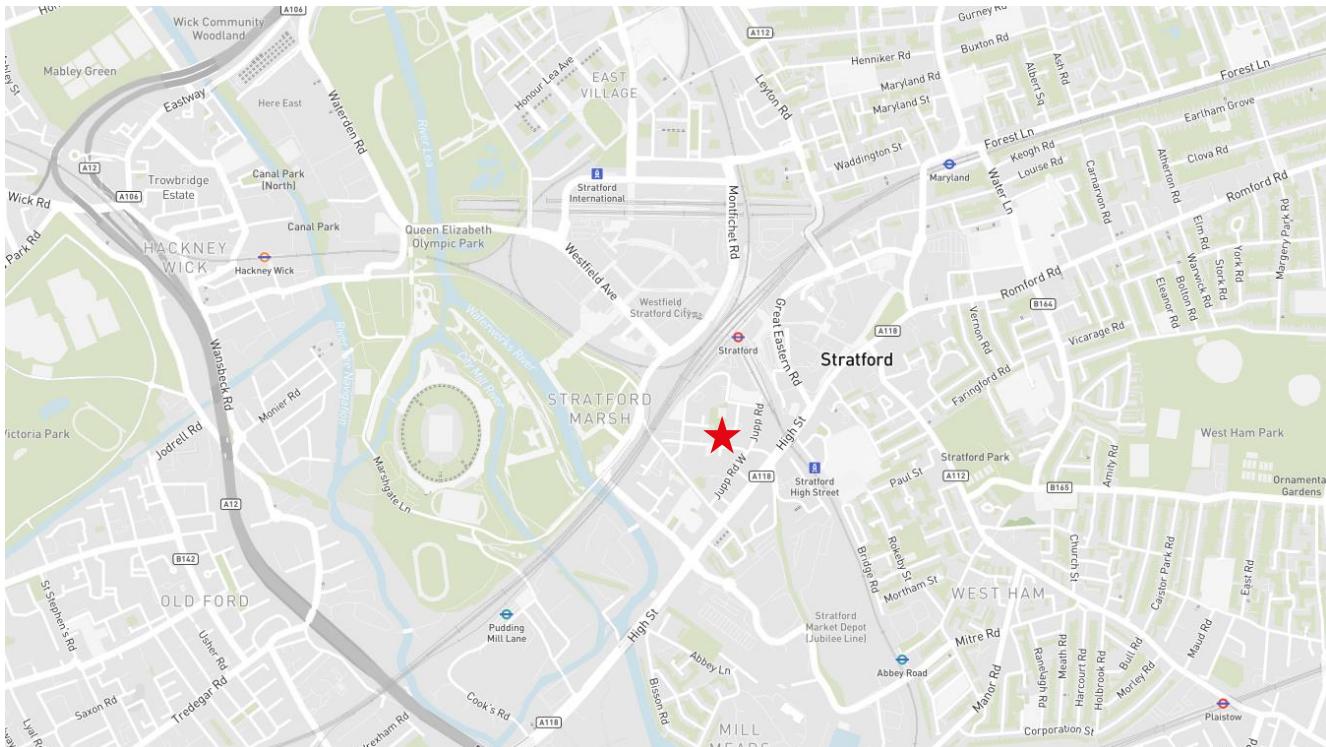
The report will comment on the following areas:

- Market forecasts
- Demographic analysis
- Rental supply/demand
- Target market
- Sales comparables
- Rental comparables
- Residential supply pipeline in the area
- Amenity analysis
- Opinion of value

Executive Summary

Location

Carpenters Estate is located in the centre of Stratford in the London Borough of Newham. The site extends to 23 acres and is positioned adjacent to Stratford Station, ensuring excellent national and international transport connections. Stratford has recently benefitted from the opening of Crossrail services which provides rapid services into central London. Westfield Stratford City shopping centre which opened in 2011 and the Queen Elizabeth Olympic Park are both within easy reach.



Unit Type	Unit Type	No. of Units
Flats	1 bed 1P	131
Flats	1 bed 2P	759
Flats	2 bed 2P	42
Flats	2 bed 3P	269
Flats	2 bed 4P	611
Flats	3 bed 4P	58
Flats	3 bed 5P	146
Flats	3 bed 6P	104
Flats	4 bed 7P	8
Flats	4 bed 8P	9
Maisonettes	2 bed 4P	15
Maisonettes	3 bed 5P	76
Maisonettes	3 bed 6P	49
Maisonettes	4 bed 7P	16
Maisonettes	4 bed 8P	12
Houses	4 bed 7P	4
Houses	4 bed 8P	37
		2,346



The Comparables

The below schemes are the most comparable to the site and have informed the pricing:

Key	Development	Developer	Private Units	Launch Date	Average £PSF
1	New Stratford Works - Phase 2	Higgins Homes	100	Sep-18	£705 (Achieved)
	New Stratford Works (Phase 3)	Higgins Homes	23	June-22	£805 (Asking)
2	Fish Island Village	Hill	386	Sep-17	£770 (Achieved)
3	Stone Studios	Telford Homes	110	Sep-20	£775 (Achieved)
4	Chobham Manor	L&Q	140	Oct-20	£850 (Asking in 2022)
5	Stratford Mill – Phase 1	Anthology	209	Sep-19	£735 (Achieved)
6	Twelve Trees Park	Berkeley Homes	2,466	Feb-2020	£815 (Asking)
7	Lock No. 19	L&Q	125	Jul-20	£770 (Achieved)
8	Aspext	Taylor Wimpey	122	Sep-19	£730 (Achieved)
9	Copper Yard at Union Bridge	Taylor Wimpey	95	Sep-22	£865 (Asking in 2022)

Future Supply

Despite there being a large number of units in the supply pipeline, many of these are multi-phased and will be delivered over a number of years. Carefully considered phasing and release strategy will be key to ensuring the market is not over supplied at any one time.

Anticipated Values

We have summarised our view on anticipated values at Carpenters for both rental and sales for each unit type below:

Unit Type	No. Units.	Average (m ²)	Low Rise ERVs (pcm)	High Rise ERVs (pcm)	Sales Net Values (Low Rise)	Sales Net Values (High Rise)
Flats	1 bed 1P	131	£1,620 - £1,674	£1,674 - £1,782	£300,000 - £342,500	£300,000 - £422,500
Flats	1 bed 2P	759	£1,836 - £1,890	£1,890 - £1,944	£355,000 - £395,000	£355,000 - £472,500
Flats	2 bed 2P	42	£1,944 - £1,998	£1,998 - £2,052	£382,500 - £422,500	£382,500 - £500,000
Flats	2 bed 3P	269	£2,052 - £2,160	£2,160 - £2,268	£432,500 - £515,000	£432,500 - £570,000
Flats	2 bed 4P	611	£2,376 - £2,484	£2,484 - £2,592	£510,000 - £592,500	£510,000 - £760,000
Flats	3 bed 4P	58	£2,484 - £2,592	£2,592 - £2,700	£587,500 - £667,500	£587,500 - £832,500
Flats	3 bed 5P	146	£2,808 - £2,916	£2,916 - £3,024	£662,500 - £745,000	£662,500 - £902,500
Flats	3 bed 6P	104	£3,024 - £3,132	£3,132 - £3,240	£692,500 - £775,000	£692,500 - £930,000
Flats	4 bed 7P	8	£3,240 - £3,348	£3,348 - £3,456	£735,000 - £815,000	£735,000 - £970,000
Flats	4 bed 8P	9	£3,294 - £3,402	£3,402 - £3,510	£765,000 - £847,500	£765,000 - £997,500
Maisonettes	2 bed 4P	15	£2,592 - £2,700	£2,700 - £2,808	£662,500 - £745,000	£662,500 - £902,500
Maisonettes	3 bed 5P	76	£2,916 - £3,024	£3,024 - £3,132	£692,500 - £775,000	£692,500 - £930,000
Maisonettes	3 bed 6P	49	£3,132 - £3,240	£3,240 - £3,348	£715,000 - £795,000	£715,000 - £950,000
Maisonettes	4 bed 7P	16	£3,348 - £3,456	£3,456 - £3,564	£790,000 - £872,500	£790,000 - £1,022,500
Maisonettes	4 bed 8P	12	£3,402 - £3,510	£3,510 - £3,618	£842,500 - £922,500	£842,500 - £1,070,000
Houses	4 bed 7P	4	£3,510	n/a	£867,500	n/a
Houses	4 bed 8P	37	£3,618	n/a	£917,500	n/a

We have priced the below values based on limited information. The values do not account for aspect, specification and location within the site in relation to views, and variation of specific unit sizes and size of balconies/terraces. As the design of the development proposal is progressed the pricing should be reviewed to ensure values accurately reflect all aspects of the scheme, including unit sizes, mix, affordable housing allocation/strategy and residents' amenity.

Purchaser Profile

We have analysed the likely buyers for Carpenters Estate and believe that the target buyers will include mostly first time buyers and local buyers, however we may also see some interest from overseas buyers (foreign nationals living in the UK and investors).

First Time Buyers

- Young professionals
- Bank of Mum and Dad
-

Overseas Buyers

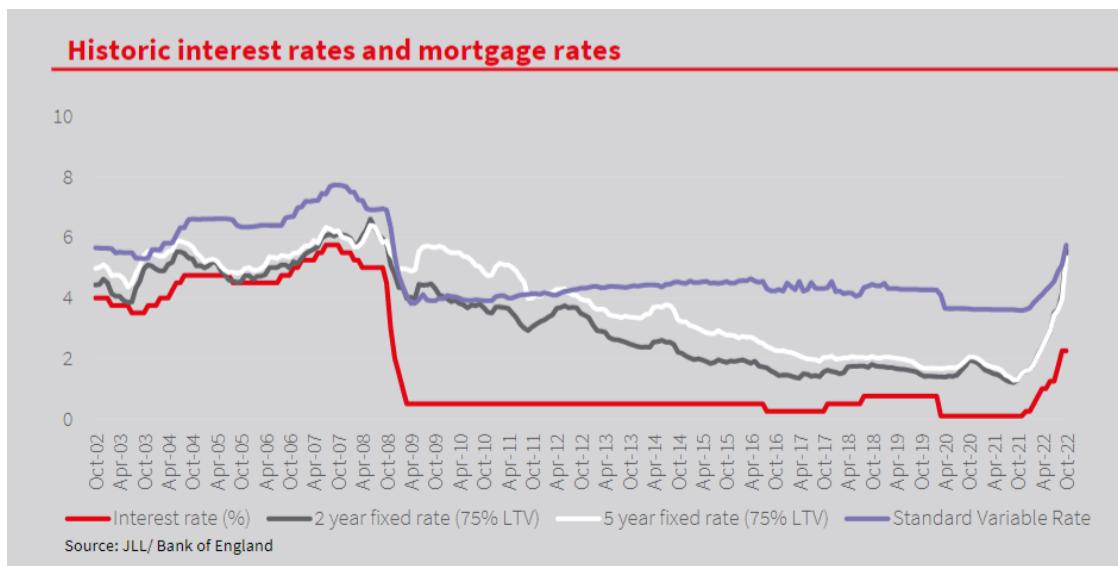
- Foreign nationals living in the UK
- Investors

Housing Market Analysis

The last 15 years have seen UK house prices reach new highs on the back of a period of record low borrowing costs. Never prior to 2008 had the UK base interest rate dipped below 2%. But in the period since the Global Financial Crisis (GFC) it has averaged 0.5% and hit a low of 0.1% during Covid. A spike in borrowing costs –and an anticipated further steep rise in mortgage rates –alongside continued high inflation and a rising cost-of-living have prompted predictions from the most bearish forecasters of 20%-30% falls in UK house prices.

But UK house prices have never fallen by more than 20%. And this prompts a question of whether the underlying market prospects are now truly worse than the early 90s recession where house prices fell 20% cumulatively between 1989 and 1993; and the GFC where prices fell by 15% between January 2008 and May 2009.

In the early 90s, inflation was high (like today) and GDP was low (also like today). But a key differentiator was that unemployment was extremely high at circa 10% in the early 1990s –today, it is at a record low of 3.5%. And while unemployment is expected to rise in the coming 18 months, it is expected to reach only 4.9%, below the average of 6.7% since 1971 and the past 10-year average of circa 5.2%.



Lack Of Distress

JLL analysis of the Bank of England Mortgage and Lending Report found that 62% of the UK's 8.4m mortgaged owner occupier households have at least 25% equity in their home. Another 34% have between 10-25% equity and 4% have between 5% and 10% equity.

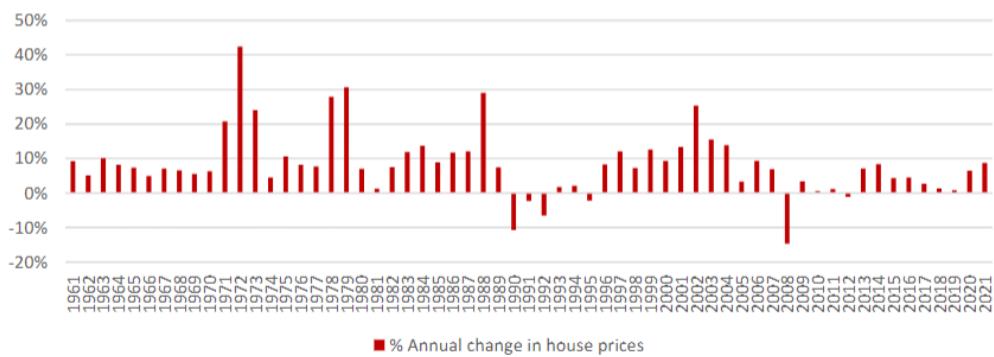
Just 0.2% or circa 17,000 owner occupied households in the UK have less than 5% equity –and, statistically at least, there are no households with zero equity. Meanwhile, more than 95% of the circa 3m UK buy to let landlords who own with a mortgage, own at least 20% in their property.

But ultimately the amount of equity the UK's homeowners possess tells only half of the story. An era of cheap borrowing is ending, and mortgage affordability is about to become squeezed. However, mortgaged households in

the UK have the highest incomes by tenure –averaging £80,000 per annum. Before the recent rise in UK interest rates, the proportion of average household income spent on a UK mortgage was equivalent to 18%. With the average two-year fixed rate mortgage cost having risen to circa 6%, that income to mortgage expenditure percentage has, in theory, risen to circa 27% -the level it was around the time of the Global Financial Crisis. And if mortgage rates hit 7%, the average household income to mortgage cost ratio would hit 30% -the rate it was in the early 1990s. But merely spending 30% of a household income on housing costs is not a reason to assume a collapse into distress. With low unemployment and the highest average incomes, the UK's mortgaged households are on a far more stable financial footing than in either the GFC or the early 1990s recession.

Circa 1.1m households were on a standard variable rate mortgage coming into this recent rate rise. Another 1.2m households will come to the end of their fixed term over the next year. JLL calculates that those 2.3m households combined will be spending an additional £8bn on mortgages by Q4 2023. This could ease some of the current high inflation, but it could also hamper GDP growth. The customers spending that extra on their mortgage would perhaps most likely be transferring that from their previous savings/investment allocations or from their typical discretionary spend on food, leisure and entertainment.

House price crashes have been rare in the UK



Source: ONS, Nationwide

Low Risk of Possession

Furthermore, banks currently have a low appetite for repossession. In the early 1990s, banks repossessed circa 100,000 homes per annum. In the GFC, the rate was about 50,000 per annum. Currently there are about 4,000 repossession per annum which out of the UK's circa 11m mortgaged properties represents a rate of about 0.04% per year. It takes two years to repossess a home –and in the current cost of living crisis, it could be a difficult public profile position to be seen to be adopting a repossession strategy.

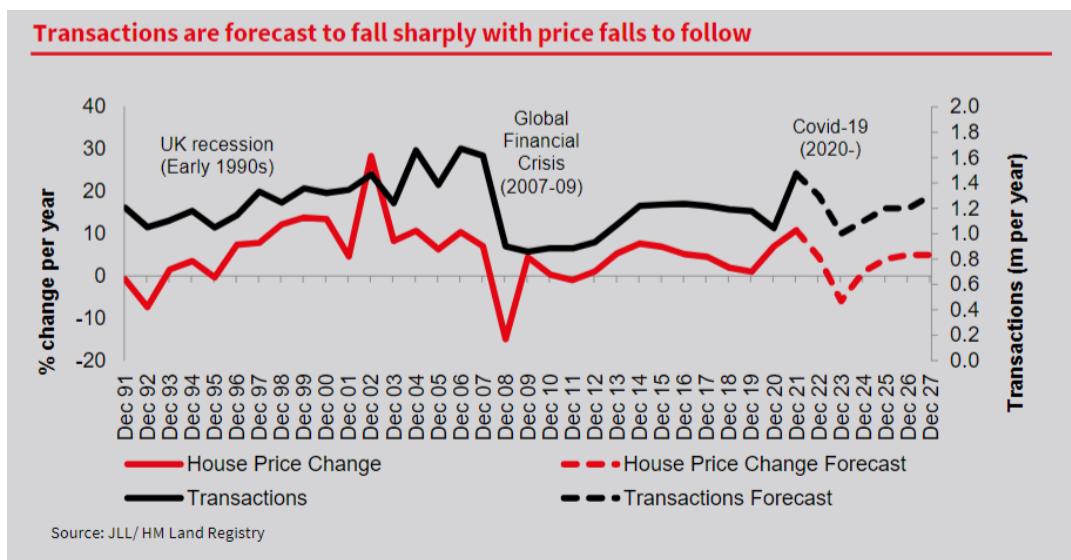
However, banks are regulated entities, so they cannot turn a blind eye to customer defaults. But there are other options that can be explored such as tracker rates or interest only periods and it is highly likely that banks will exhaust all these options before pursuing a route of foreclosure.

Ultimately, we expect that there will be far less distress in the market than there was in previous housing market downturns—as long as there is no sharp rise in unemployment. But JLL predicts there will be a steep fall in UK housing transactions.

The number of first time buyers (FTBs) before the GFC typically totalled 400,000 per annum out of a total of circa 1.5m annual transactions.

Post GFC, FTBs fell to 325,000 and total transactions to 1.2m. JLL predicts there will now be circa 200,000 viable FTBs with sentiment among aspiring homeowners taking a hit, mortgage affordability becoming stretched to new homeowners and the ending of Help to Buy, which typically helped circa 50,000 FTBs onto the ladder per annum. This cocktail of transactional headwinds will see overall transactions fall to circa 1m in 2023.

The transactions that do occur will be dominated by slightly more motivated sellers (but not financially distressed) faced with a higher proportion of ‘opportunistic’ buyers (such as cash buyers who will account for about 25% of all transactions, up from the current 18%). These opportunistic buyers will not expect to pay asking price. But the vendors who are not distressed will only accept a fall in values to a certain level –i.e. more of a discount than a fully blown house price correction.



New Homes in Short Supply

JLL expects a sluggish market to emerge in which buyers and vendors haggle over price, and ultimately less transactional activity occurs with the supply of new homes for sale gradually becoming constrained.

Against this backdrop, JLL is forecasting that UK house prices will fall in value in 2023 by 6%, which equates to an average discount of £17,500 from the average UK house price of circa £290,000.

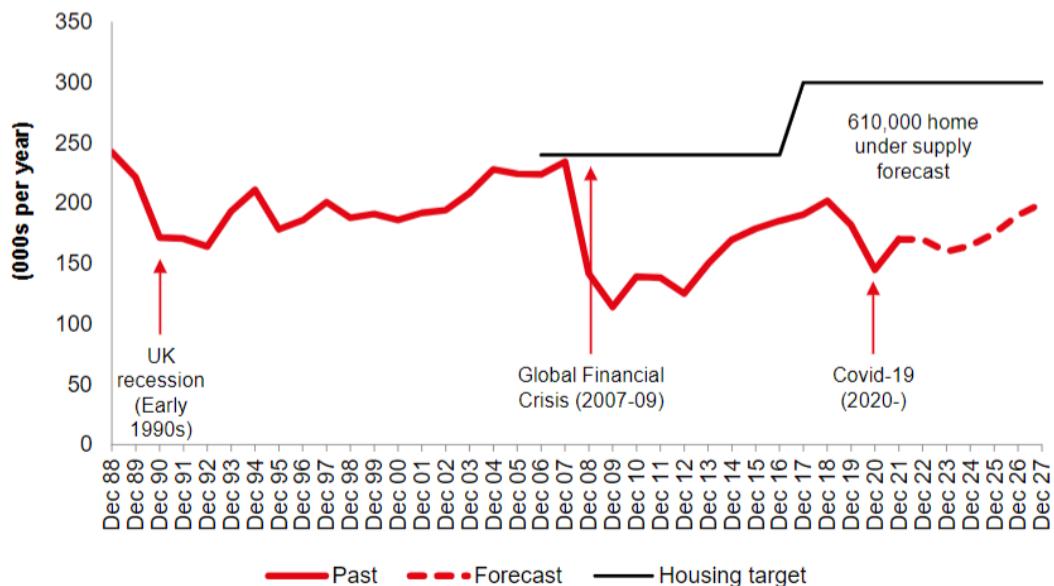
Of course, as in any market, there will be winners and losers. Not all types of home, cities or regions will be impacted to same level.

On a regional level JLL’s forecasts falls ranging from circa 4% across Greater London to around 8% in Wales, the North East and Yorkshire & The Humber.

However, in many of the housing supply constrained UK city centres, where there is a greater concentration of equity rich buyers, price growth is still expected.

Ultimately, new housing supply is expected to fall even further behind target as a result of the tightening market conditions.

JLL forecasts that there will be a national shortfall of 610,000 homes over the next five years alone –up from JLL’s previous expectations for an already stark shortfall of 500,000 homes. In London private new home starts are forecast to average circa 16,000 per annum –well below the Greater London Authority target for 52,000 new homes per annum.



Source: JLL

JLL Residential Forecasts 2023-2027

House Price Forecasts

Price Growth % pa	2023	2024	2025	2026	2027	Cumulative 2023 -27	Average pa 2023-27
UK	-6.0	1.0	4.0	5.0	5.0	8.9	1.7
Central London	2.5	3.0	3.5	4.0	5.0	19.3	3.6
Greater London	-4.0	2.5	4.0	5.0	6.0	13.9	2.6

UK and London rental forecast

Rental Growth % pa	2023	2024	2025	2026	2027	Cumulative 2023 -27	Average pa 2023-27
UK	4.0	3.5	2.5	2.5	2.5	15.9	3.0
Central London	6.0	4.5	3.0	2.5	2.5	19.9	3.7
Greater London	4.5	4.0	3.0	2.5	2.5	17.6	3.3

Housing Starts and Transactions

	2023	2024	2025	2026	2027
Greater London	15,000	16,000	17,000	17,000	18,000
UK	170,000	160,000	175,000	190,000	200,000

Forecast disclaimer - Forecasting is a complex task at the best of times, but with so many moving parts making predictions in the past six months has been made all the more difficult. As always, we at JLL will continue to revisit our forecasts on a regular basis.

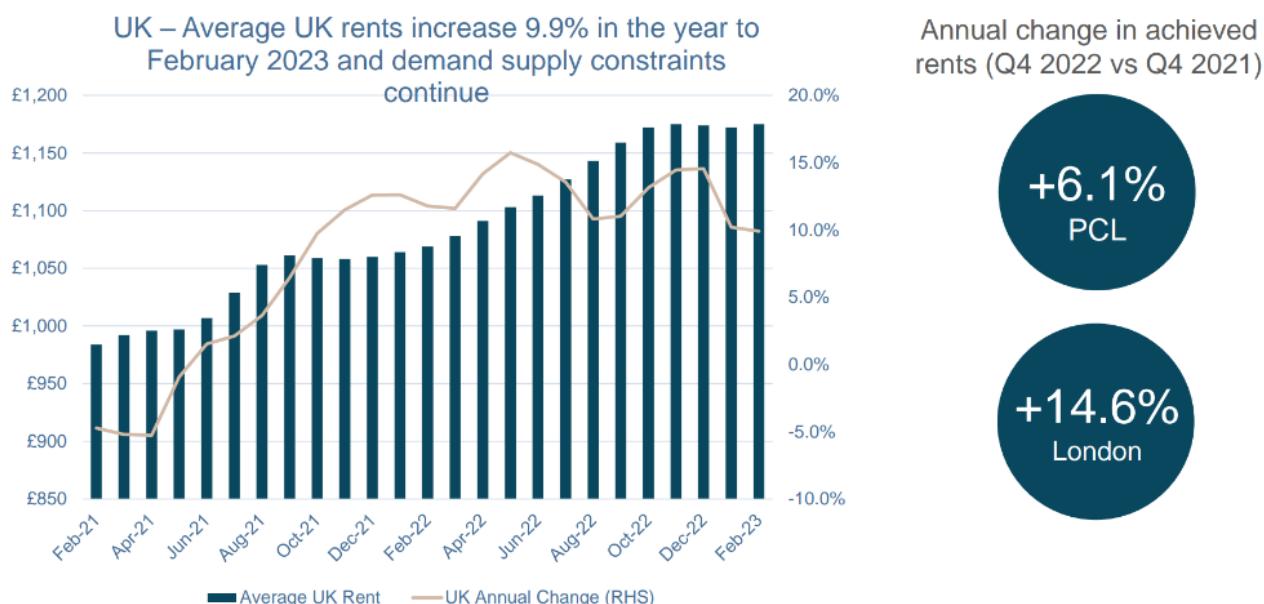
Rental market

Rents are still rising nationally. The latest figures from Homelet show all UK regions saw rents rise both annually and month-on-month. UK rents rose to a new high of £1,184 per month, up 0.8% on February 2023 and 9.8% on March 2022. London recorded the highest annual increase of any UK region, with rents up 0.2% monthly and 11.8% annually in March.

Tenant demand nationally continues to be strong. The non-seasonally adjusted net balance is at a five months high of +46%, while landlord instructions still lag, with more agents reporting landlord instructions falling in the last three months. In London, market conditions are similar, with more agents reporting an increase in tenants registering (the net balance increased from +31% to +40% month-on-month) and landlord instructions failing to keep pace with demand, with a net balance of -20% in March. A shortage of stock combined with strong demand is expected to put additional pressure on rents. The near-term rent expectations balance (those expecting them to rise) increased from +45% to +59% month-on-month.

Rents are forecast to rise in all markets this year, supported by increases in wages and supply shortages.

Rental Market Recovers Quickly



(Source: JLL, HomeLet)

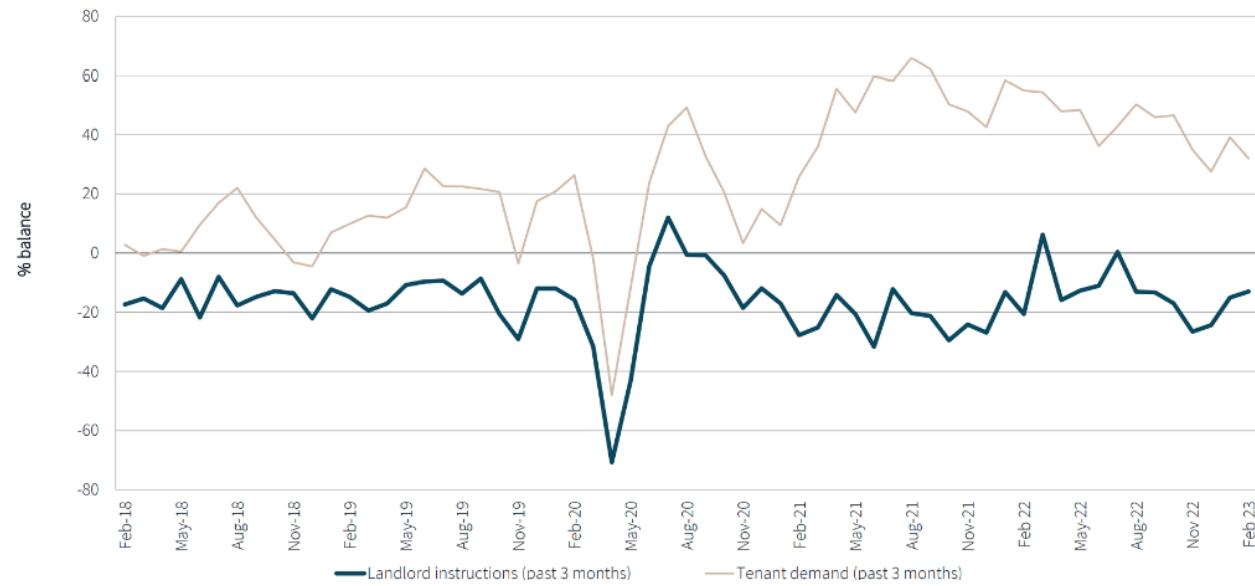
Annual change in achieved rents (Q4 2022 vs Q4 2021)

+6.1%
PCL

+14.6%
London

RICS Lettings Market – UK

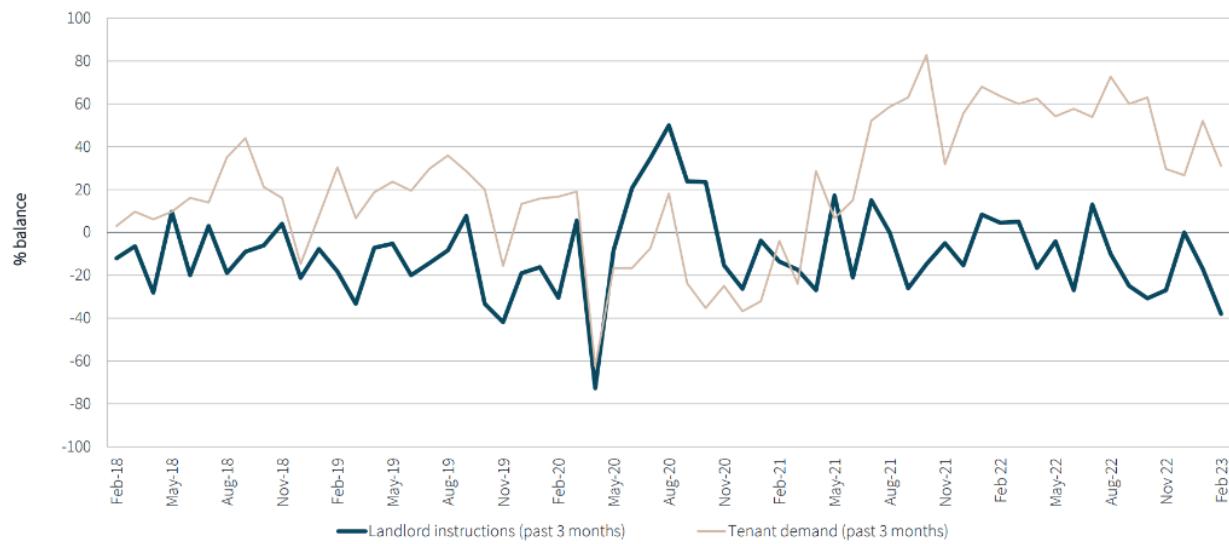
Greater than 0 means an increase in the last 3 months, less than 0 means a fall, NSA



(Source: JLL, RICS)

RICS Lettings Market – London

Greater than 0 means an increase in the last 3 months, less than 0 means a fall, NSA



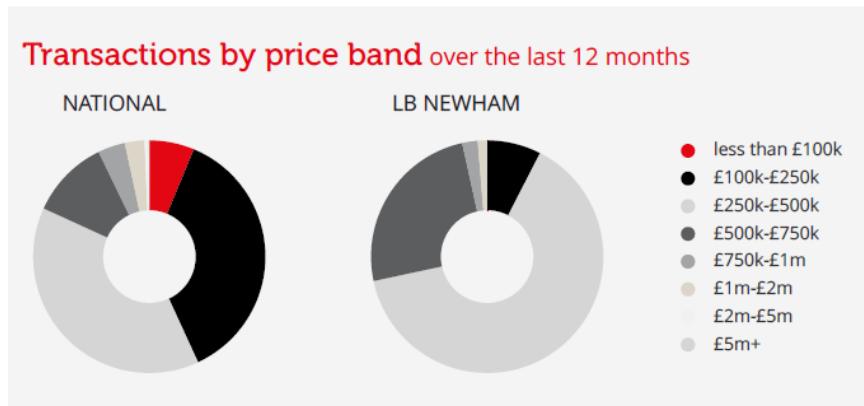
(Source: JLL, RICS)

London Borough of Newham Market Overview

The average sales price in the last 12 months was **£417,287 (£516 psf)** for re-sales and **£490,775 (£617 psf)** for new homes sales.

Prices in the London Borough of Newham have remained flat over the last 5 years but have increased by 87% in the last 10 years.

Transactions by price band over the last 12 months:



Percentage of sales by property type over the last 12 months:



Average values over the last 12 months compared to Greater London and England & Wales:

Average property values over last 12 months

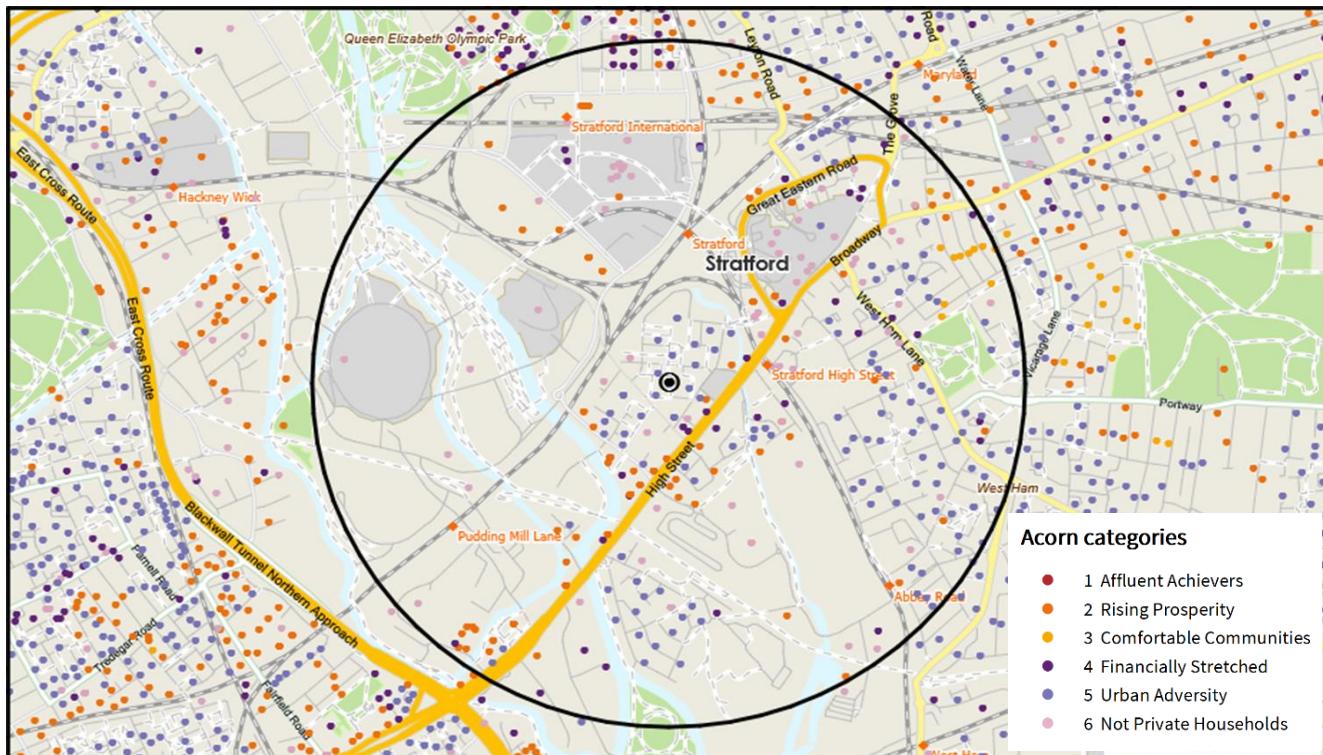
	DETACHED	SEMI-DETACHED	TERRACED	FLAT/APARTMENT
LB NEWHAM	£865,959	£519,685	£463,514	£354,250
GREATER LONDON	£1,071,390	£691,306	£668,239	£446,186
ENGLAND & WALES	£459,157	£274,066	£222,869	£230,723

Demographic Analysis

Acorn Analysis

This section draws upon published demographic data using CACI Acorn analysis of households. Data has been gathered for 1km of Carpenters Estate and benchmarked against the rest of the UK.

The map below shows the dominant acorn groupings by postcode.



Demographic classification of households

% of total households	No. of households within 1km of Carpenters Estate	% of households within 1km of Carpenters Estate	% of households within base (UK)
Affluent Achievers	0	0.0	22.0
Rising Prosperity	3,629	39.0	10.3
Comfortable Communities	375	4.0	26.3
Financially Stretched	1,158	12.4	23.7
Urban Adversity	4,126	44.3	17.4
Not Private Households	18	0.2	0.3
Total	9,306	100.0	100.0

The 1km radius of Carpenters Estate is made up by a large proportion of Rising Prosperity households, accounting for 39% of all households broadly in line with the proportion across the wider borough. People in the Rising Prosperity group are usually highly educated young professionals, moving up the career ladder. Many are first time buyers whilst the rest have yet to raise the capital to purchase their first property. The high proportion of such

households in the local area is positive for the development of Carpenters Estate as these households are likely to make up a large proportion on the demand pool.

Age profile

Population (2022)	Population within 1km of Carpenters Estate aged between	% of population within 1km of Carpenters Estate aged between	% of households within base (UK)
0 - 14	3,115	13.5	17.6
15 - 24	3,825	16.7	11.6
25 - 34	7,705	33.6	13.3
35 - 44	3,896	17.0	12.9
45 - 54	1,918	8.4	12.7
55 - 64	1,331	5.8	12.8
65 - 74	708	3.1	9.9
75 - 84	319	1.4	6.7
85+	125	0.5	2.6
Total Population	22,942	100.0	100.0

The data shows that there is a high proportion of potential first-time buyers aged between 25-34 in the 1km radius of Carpenters estate, 33.6%. This is higher compared across the UK. This would suggest that there is likely to be good demand from this traditionally first time buyer group for entry level accommodation at Carpenters Estate, i.e. 1 and 2 bedroom apartments.

Tenure Profile

Tenure	No. of households within 1km of Carpenters Estate	% of households within 1km of Carpenters Estate	% of households within base (UK)
Owned	2,504	26.9	64.2
Outright	680	7.3	31.6
With Mortgage or Loan	1,424	15.3	31.8
Shared Ownership	400	4.3	0.7
Social Rented	3,463	37.2	17.5
Local Authority	1,995	21.4	9.4
Housing Association or other provider	1,468	15.8	8.1
Private Renting	3,107	33.4	15.5
Rent-free or Other	232	2.5	2.8
Total	9,306	100.0	100.0

The tenure data shows that there is a significantly higher proportion of private rented households within 1km of the site than the rest of the UK; 33.4% of households within 1km of the site are privately rented, compared to the UK average of 15.5%. The data also shows that in the 1 km radius of the site, there is a significantly lower percentage of households who own their property than across the rest of the UK. This may be due to the relative unaffordability of the area compared to other areas of the UK. The development of Carpenters Estate therefore has the potential therefore to capitalise on this home ownership and renting imbalance. This is due to the scheme representing a relatively more realistic and affordable option than most of the recent new build developments in the area.

Affluence

Population (2022)	No. of households within 1km of Carpenters Estate	% of households within 1km of Carpenters Estate	% of households within base (UK)
More than £50K	2,835	30.0	34.0
£45 - £50K	519	5.6	5.2
£40 - £45K	637	6.8	6.2
£35 - £40K	663	7.1	6.4
£30 - £35K	716	7.7	6.9
£25 - £30K	833	8.9	8.0
£20 - £25K	871	9.4	8.5
£15 - £20	911	9.8	9.2
Less than £15K	1,322	14.2	15.2

Data from CACI reveals a more granular understanding of the household incomes in the area. 30% of all households earn in excess of £50,000pa. Although this is below the proportion across the rest of the UK, there is a significant percentage of households who have sufficient funds to purchase at the subject scheme and must be considered when attributing values to the subject developments.

Rental Market Demographics

Stratford is heavily a sharer market and offers value for couples. The age range of our applicants is typically 20-35, employed in Canary Wharf and the City, as well as for tech-based offerings and groups of lower income professionals either at the start of their career or working in the retail and hospitality industries.

JLL has looked at all our referencing data from 2016 -2020, these stats are from applications made by applicants letting property through JLL and gives an indication of the split between students and employed. The affordability of these applicants is the biggest driver to the area and also indicates the need for co-habitable living as a cost saving exercise.

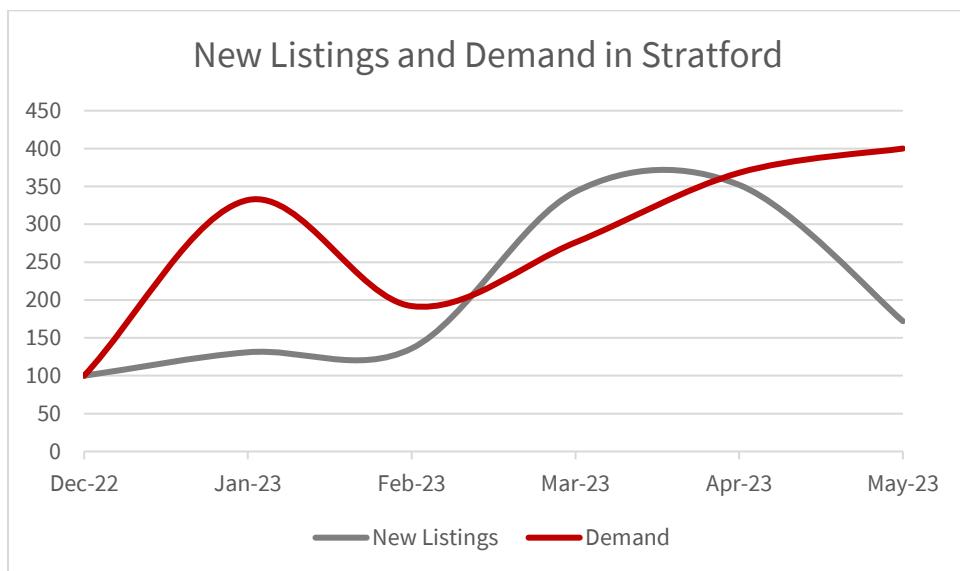
Rental Supply/Demand in Stratford

The rental market in Stratford is very much in line with the wider trends of rental increases, a strong tenant demand and a lag in landlord instructions. A stock shortage combined with strong demand is expected to put additional pressure on rents with forecasted continued rises in prices.

Comparable data from Stratford from the beginning of 2023, shows a rental increase of c. 8% within the new build rental market.

New Listings and Demand in Stratford

As is displayed in the graph below, on an indexed basis, using a base of 100, demand has generally outstripped supply in Stratford in the first half of 2023. After the post-covid recovery of the rental market, we are now seeing a return to the seasonal market cycles which were typical of the pre-covid market. Whilst demand dipped slightly in Q1 2023, demand in April and May once again outstripped supply with this expected to continue through the summer months with the incoming student traffic.



Source: Rightmove

Target Market

We have analysed the likely buyers for the development at Carpenters Estate and believe that the target buyers will include mostly first time buyers, however we may also see some interest from overseas buyers (foreign nationals living in the UK and investors).

First Time Buyers

- Young professionals
- Bank of Mum and Dad

Overseas Buyers

- Foreign nationals living in the UK
- Investors

We have detailed the buyer type, what they are ideally looking for and how we will target them in the table below:

Buyer type	Their story	What they want	How we will target them
First Time Buyers • Young professionals • BOMAD (Bank of Mum and Dad)	<ul style="list-style-type: none"> • Living or working locally to Carpenters Estate <p>Renting in the area and looking to upsize or step onto the housing ladder.</p> <ul style="list-style-type: none"> • May come from across London or further afield but attracted by the good transport links. <ul style="list-style-type: none"> • Less driven by specific location and are more focused on proximity to busy urban areas, nightlife and connections. 	<ul style="list-style-type: none"> • Would be interested in the one bed or potentially two beds if buying with a sibling or friend. • Less discerning in their considerations but may look for equally proportioned rooms and communal living space that are ideal for sharers. • Interested in amenity like outside space that can enjoy for socialising. 	<ul style="list-style-type: none"> • Non-area specific marketing, but active online so social channels may be utilised e.g. Instagram. • Incentives are essential to increase affordability, and can be creatively used e.g. on trend furniture brand vouchers etc.
Overseas buyers • Foreign nationals living in the UK • Investors	<ul style="list-style-type: none"> • Mid to long term permanent residents in UK for work or study at London Universities. <ul style="list-style-type: none"> • Attracted by the central location but not micro location focused. • Looking for assured quality for their money. <ul style="list-style-type: none"> • Investors looking for good yield and capital growth. 	<ul style="list-style-type: none"> • Interested in both one and two beds, either to live in and benefit from long-term capital growth or to derive a short-term yield by letting to tenants. 	<ul style="list-style-type: none"> • Proximity to central London is a key marketing message, as well as attractiveness to University level students and young professionals as future tenants.

Please note that whilst these are the buyer types we would expect to see, these will very much depend on how the marketing is targeted, what the general tone of the market is at the time of launch, what values the scheme is launched at, what government incentives exist at launch.

Target Rental Market

Based on the applicants through our Stratford office the target market is likely to be young professionals looking for convenience, easy access to transport and amenities Stratford has to offer. The master plan gives the lifestyle choices we see from applicants looking in E20 as well as offering the close proximity of transport. We would expect a small number of families driven by the Primary School, typically small families with less than 2 children looking for an apartment over a large family looking to take a 4 bedroom house as affordability is a big factor. Students will factor in as they like to be very close to transport but based on our demographic figures this will be outweighed by working professionals. We expect a place making scheme like the carpenter estate to build velocity over time our experience with build to rent always indicates as the site becomes occupied there is a stronger sense of community especially if you take on resident engagement. In terms of a target market it would be wise to take the lead from the referencing data supplied to target the correct demographic when picking the tone of marketing and advertising.

Likely demand for parking

Demand for parking in Stratford has increased since the pandemic however it is not the biggest request from applicants looking for a new home. To be competitive with neighbouring schemes an offering of parking would be desirable and can be charged at an additional price.

Amenity Offering

Amenities are usually something tenants' factor into their initial search criteria as aspirations of lifestyle rather than actually using when in situ, you will be looking to take a tenant on a journey rather than just a viewing. This is a factor to bear in mind, if you want to be competitive against the neighbouring developments driving the occupancy through desirability is key to adding the overall benefit of applicant attraction. Aspiration also builds community.

Concierge is one of the most desirable amenities and with a site as large as carpenters it should be a must, parcel management and key holding is a large factor of applicant searches with a specific price range, applicants with a lower price range will waive the desirable.

A gym offering is also desirable but only if it meets the needs of the applicant, a fully equipped spacious gym with weights is preferable. Commercial gyms rely on only around 20% of their members to use the gym one or more times a week. Our gym figures form 2018 showed that usage was around 30-40%. We do not feel a pool would add value specifically in this area.

Multi-function spaces that can be adapted for use have been a key element to many BTR providers going forward. For example, a space that can be used for Yoga in the morning and then a coffee morning in the afternoon, this may be an aspect that will feed through from the community centre.

Co-working lounges have seen a rise in popularity, the ability to have a co-worker visit with a space to work together outside of your home is appealing. JLL undertook a survey of our staff to assess the change of housing needs due to the pandemic. There were more than 1,300 respondents to the JLL Living Survey at the time of writing, including just under 200 in the UK. Respondents in the UK range in age from 20 to 65 and live right across the UK.

Analysing the results of our UK respondents, our survey reveals two significant findings about the relationship between our staff and their homes.

- 1) There is a dramatic shift in our staff's appetite to work from home more in the future
- 2) There has been an increase in the number of staff saying they now want to move home and their most important housing priorities have shifted – private outside space, faster broadband and a private home working area have significantly risen in importance.

There has been an increase from tenants wanting to have a pet for wellbeing and company while at home, we have found pet friendly sites popular and key going forward. Considering the split of pet friendly units will be important further down the line.

Storage, either within the property or externally accessible should be factored in to any site. With most staying at home for longer periods of time having a tidy space fits in to the wellbeing of tenants.

Outdoor accessible space for a 10 minute walk on your doorstep when most are time poor and do not have time to travel has also been on the agenda for tenants looking to move.

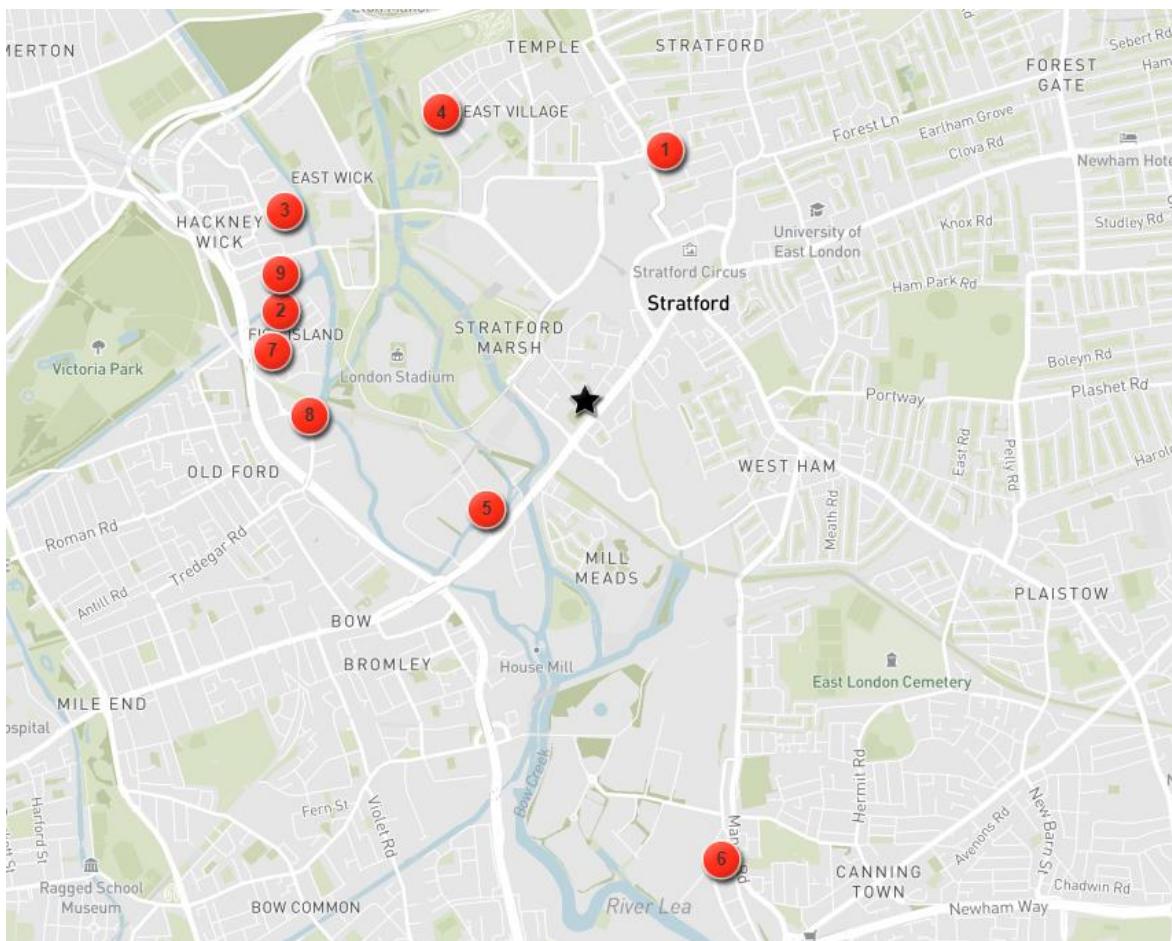
Live work and play are the biggest factors for moves, the ability to combine all three aspects will set you apart from the competition. Be prepared to focus on specification, you can have the greatest amenities but without good design and space tenants will not move. Storage, goods lift, reasonable specification, good windows, LVT flooring throughout and in bathrooms should be taken in to consideration.

Furnishings

95% of apartments let from our Stratford office are furnished, the demographic of occupants being transient young professionals usually means they do not have their own items of furniture and will require this as a part of their move criteria. Based on our recent letting of built to rent in Stratford, all lets agreed were furnished within a specific development.

Sales Comparables

We have undertaken an analysis of the new build comparables within the vicinity of Carpenters Estate. A summary of the relevant schemes is detailed below, and each scheme is discussed individually overleaf.



Key	Development	Developer	Private Units	Launch Date	Average £PSF
1	New Stratford Works – Phase 1	Higgins Homes	100	Sep-18	£705 (Achieved)
	New Stratford Works – Phase 2	Higgins Homes	23	June-22	£805 (Asking)
2	Fish Island Village	Hill	386	Sep-17	£770 (Achieved)
3	Stone Studios	Telford Homes	110	Sep-20	£775 (Achieved)
4	Chobham Manor	L&Q	140	Oct-20	£850 (Asking in 2022)
5	Stratford Mill – Phase 1	Anthology	209	Sep-19	£735 (Achieved)
6	Twelve Trees Park	Berkeley Homes	2,466	Feb-20	£815 (Asking)
7	Lock No. 19	L&Q	125	Jul-20	£770 (Achieved)
8	Aspext	Taylor Wimpey	122	Sep-19	£730 (Achieved)
9	Copper Yard at Union Bridge	Taylor Wimpey	95	Sep-22	£865 (Asking in 2022)

Development	New Stratford Works	
Developer	Higgins Homes	
Address	Penny Brookes Street, E15 1QA	
Number of private units	Phase 2 – 100 Phase 3 - 23	
Units Sold	Phase 2 – 100 Phase 3 - 2	
Units remaining	0	
Sales rate	c. 3 per month	
Distance from site	0.8 miles North	
Amenity Provision	Communal gardens	
Average £psf	Phase 2 - £705 psf (Achieved) Phase 3 - £805 psf (Asking)	
Launch Date	Phase 2 - September 2018 Phase 3 – June 2023	
Completion Date	Phase 2 - April 2021 Phase 3 – Q1 2024	
Comments	Phase 2 sold out during Q4 2020 Phase 3 was launched on 13 th June 2023 and 2 units have sold leaving 21 remaining. Higgins launched the scheme in the UK via CBRE. The price list shows 1-beds from £477,500, 2-beds from £647,500, 3-beds from £725,000 and an average of £820 psf. First completions are due during Q1 2024.	
Comparison to subject site	<ul style="list-style-type: none"> - The scheme is located 0.8 miles north of the subject site and as such is in a comparable location. - Given the close proximity to the subject site, they benefit from the same transport connections. - New Stratford Works is far smaller than the subject development both in total units and in height. - The development has a basic level of amenity offering at the site in comparison to other schemes in the area. - There is more placemaking potential at the subject site in comparison to New Stratford Works. - A railway line runs on one side of the site and as such some of the flats may have sold at discounted price points. <p>On the basis of the above, we would expect the subject development to achieve higher sales values on a £PSF basis than Phase 2, and similar sales values £PSF to Phase 3.</p>	

Summary of achieved prices at New Stratford Works – Phase 2:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Achieved Price	Max Achieved Price	Avg. Achieved Price	Min £PSF	Max £PSF	Avg. £PSF
1	541	672	556	£417,000	£451,500	£437,157	£640	£831	£786
2	773	833	787	£558,700	£605,000	£579,992	£686	£783	£737
3	935	1254	1139	£650,000	£736,000	£701,935	£571	£716	£616
Average	541	1254	762	£417,000	£736,000	£536,356	£571	£831	£704

Summary of asking prices at New Stratford Works - Phase 3:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Achieved Price	Max Achieved Price	Avg. Achieved Price	Min £PSF	Max £PSF	Avg. £PSF
1	539	539	£539	£477,500	£492,500	£485,000	£886	£914	£900
2	785	1017	£864	£647,500	£770,000	£693,333	£757	£839	£802
3	968	968	£968	£725,000	£740,000	£732,500	£749	£764	£757
Average	539	1017	£801	£477,500	£770,000	£645,000	£749	£914	£805

Individual Asking Prices – Phase 3:

Plot	Floor	Beds	Sqft	Price	£PSF
2.1.2	2	1	539	£477,500	£886
5.1.2	5	1	539	£492,500	£914
2.1.3	2	2	785	£647,500	£825
5.1.5	5	2	790	£662,500	£839
0.1.3	G	2	1017	£770,000	£757
2.1.1	2	3	968	£725,000	£749
5.1.1	5	3	968	£740,000	£764

Development	Fish Island Village (Neptune Wharf)	
Developer	Peabody and Hill	
Address	Monier Road, E3 2PL	
Number of private units	386 Phase 1 and 2 – 293 Phase 3 - 93	
Units Sold	Phase 1 and 2– 293 Phase 3 – 93	
Units remaining	0	
Sales rate	c. 3 per month blended since launch (phase 3 only)	
Distance from site	1 mile west	
Amenity Provision	Concierge Gym Residents Gardens Residents' play area Car parking Cycle storage	
Average £psf	£770 psf (Achieved)	
Launch Date	Phase 1: June 2017 Phase 2: July 2019 Phase 3: June 2020	
Completion Date	Phase 1: Q4 2019 Phase 2: Q1 2020 Phase 3: Q4 2021	
Comments	The scheme sold out during Q4 2022, having completed during Q4 2021. The most recent sales were mainly via Help to Buy. The developer was offering 2-year service-charge holidays and free furniture packages on all 3-beds.	
Comparison to subject site	<ul style="list-style-type: none"> - The development is located on the opposite side of the Olympic park and is in a less central area of Stratford and as such is slightly less comparable. - It is positioned in an area with poorer transport connections than the subject development. - Fish Island Village is smaller in size than the subject development both in size and massing. - However, the development has good placemaking potential given its relative large size in comparison with other developments in the locality. - Units have been finished to a high standard. - Comprehensive amenity offering at the site which is more extensive than that at the subject site. <p>On balance, we would expect the subject development to achieve higher sales values in comparison to Fish Island Village.</p>	

We summarise below the achieved prices at Fish Island Village:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Achieved Price	Max Achieved Price	Avg. Achieved Price	Min £PSF	Max £PSF	Avg. £PSF
1	517	614	551	£426,500	£705,000	£473,184	£760	£1,309	£858
2	624	904	806	£440,000	£797,500	£591,663	£544	£892	£734
3	926	1173	1015	£600,000	£875,000	£673,879	£562	£821	£664
Average	517	1173	708	£426,500	£875,000	£544,598	£544	£1,309	£769

Development	Stone Studios	
Developer	Telford Homes	
Address	80-88 Wallis Road, E9 5LN	
Number of private units	110	
Units Sold	110	
Units remaining	0	
Sales rate	c. 4-5 per month blended since launch	
Distance from site	1.2 miles north west	
Amenity Provision	12h concierge, courtyard, creative workspace, on site café / restaurant, bicycle storage	
Average £psf	£775 psf (Achieved)	
Launch Date	September 2020	
Completion Date	December 2021	
Comments	Telford launched the scheme in September 2020 and 34 units had sold by the end of Q4 2020, mostly through HTB. We understand that they have had to offer marginally higher discounts here than other developers have locally to get the sales moving.	
Comparison to subject site	<ul style="list-style-type: none"> - The development is located slightly further away in Hackney Wick and is therefore less directly comparable to the subject site. - Although Hackney Wick Station is located in very close proximity to the scheme, in comparison to the subject development, the site has poorer transport connections. - Stone Studios is significantly smaller both in total number of units and massing in comparison to the subject development. - Due to the smaller scale of the development it also has inferior placemaking potential. - The units in the development have been finished to a good standard. - Poorer amenity offering in comparison to other competing schemes in the area. <p>On the basis of the above, we would expect the subject development to achieve higher sales values £PSF.</p>	

We summarise below the achieved prices at Stone Studios:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Achieved Price	Max Achieved Price	Avg. Achieved Price	Min £PSF	Max £PSF	Avg. £PSF
1	495	£570	£535	£430,000	£520,000	£479,855	£783	£947	£896
2	667	£958	£770	£565,000	£720,000	£605,295	£626	£899	£786
3	1087	£1,798	£1,300	£695,000	£1,100,000	£830,500	£610	£680	£639
Average	495	£1,798	£766	£430,000	£1,100,000	£595,588	£610	£947	£777

Development	Chobham Manor (Phase 4)	
Developer	L&Q / Taylor Wimpey	
Address	Olympic Park Avenue, E20 1HD	
Number of private units	140	
Units Sold	140	
Units remaining	0	
Sales rate	14 units sold after the October 2020 launch A further 54 and 63 units sold in 2021 and 2022 respectively c. 4 units per month on average	
Distance from site	1.2 north west	
Amenity Provision	Landscaped gardens, balcony / terrace to all apartments, cycle storage, parking	
Average £psf	£850 (Asking in 2022)	
Launch Date	October 2020	
Completion Date	June 2022	
Comments	The scheme sold out during Q2 2023, having completed during Q2 2022.	
Comparison to subject site	<ul style="list-style-type: none"> - The development is located slightly north of Stratford and as such is in a less comparable location. - Poorer transport links in comparison to the subject. - The development is significantly smaller in size in comparison to the subject scheme and only extends to seven storeys at its tallest point. - The scheme forms part four of the wider Chobham Manor site and therefore has good placemaking potential. - Units have been finished to a high standard. - Amenity offering at the site is basic in comparison to other competing schemes in the area. <p>On the basis of the above, and given the prices are asking prices, we would expect the subject development to achieve lower sales values £PSF.</p>	

We summarise below the asking prices at Chobham Manor (Phase 4):

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Asking Price	Max Asking Price	Avg. Asking Price	Min £PSF	Max £PSF	Avg. £PSF
1	526	634	£563	£425,000	£520,000	£483,200	£789	£920	£858
2	719	719	£719	£577,000	£577,000	£577,000	£803	£803	£803
3	825	825	£825	£700,000	£700,000	£700,000	£848	£848	£848
Average	526	825	£598	£425,000	£700,000	£509,083	£789	£920	£851

Development	Stratford Mill – Phase 1	
Developer	Anthology	
Address	10-12 Marshgate Lane, E15 2NH	
Number of private units	257 (75 first phase)	
Units Sold	75	
Units remaining	182	
Sales rate	c. 2 per month	
Distance from site	0.6 miles south west	
Amenity Provision	Landscaped Gardens	
Average £psf	£735 psf (Achieved)	
Launch Date	September 2019	
Completion Date	June 2021	
Comments	Phase 1 is 75 units, which completed and sold out during Q2 2022. 179 further units, including 134 private, are permitted but some of them are on the site next door so they will not be implemented in their current form. Application 21/00455/FUL was successful at committee on 26/04/2022, which supersedes the 179 units with 245, including 182 private.	
Comparison to subject site	<ul style="list-style-type: none"> - The development is located slightly further away in Hackney Wick and is therefore less directly comparable to the subject site. - Although Pudding Mill Lane is located in very close proximity to the subject development, the subject development has better transport links and positioned more centrally in Stratford. - The development is smaller in both total number of units as well as massing. - Although the scheme is significantly smaller, we would expect the development to have good placemaking potential given its being delivered over multiple phases. - The units have been finished to a good standard. <p>On the basis of the above, we would expect the subject development to achieve higher sales values £PSF.</p>	

We summarise below the achieved prices at Stratford Mill:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Achieved Price	Max Achieved Price	Avg. Achieved Price	Min £PSF	Max £PSF	Avg. £PSF
1	560	614	585	£420,000	£538,000	£459,824	£684	£892	£785
2	807	969	877	£530,000	£706,800	£625,749	£639	£828	£713
3	1,001	1,292	1,130	£600,000	£776,700	£710,900	£599	£688	£629
Average	560	1,292	732	£420,000	£776,700	£539,080	£599	£892	£736

Development	Twelve Trees Park	
Developer	Berkeley Homes	
Address	Stephenson Street, Newham, E16 4SA	
Number of private units	2,466	
Units Sold	170	
Completed	205	
Units remaining	35	
Sales rate	c. 11 per month	
Distance from site	1 mile south west	
Amenity Provision	24 hour concierge, gym, cinema room, residents lounge, business room	
Average £psf	£815 psf (Asking)	
Launch Date	February 2020 (ongoing)	
Completion Date	Q3 / Q4 2025	
Comments	<p>Three blocks are currently under construction (two affordable and one private). Evergreen Point is the first building to launch, it is 205 private sale units and will complete during Q3/Q4 2025.</p> <p>The exact sales position is unknown but we gather that the building is pretty much sold out up to the 27th floor, leaving around 35 units to go higher up. That would mean the tower is just over 80% sold but has not been confirmed by Berkeley.</p> <ul style="list-style-type: none"> - The development is located in West Ham as opposed to central Stratford making it slightly less comparable. - West Ham Station which offers good transport links but not as good as at the subject development. - Twelve Trees Park is larger than the subject development and benefits from greater placemaking, with over 1000 additional units, more blocks, slightly taller storeys, and is surrounded by more than 12 acres of landscaped parks and gardens. and benefits from a greater emphasis on placemaking. - A range of high-quality amenities are provided above the standard of amenities provided at the subject development. - The units at Twelve Trees Park are finished to a high specification. 	
Comparison to subject site	<p>On balance we would expect values at the subject development to achieve lower values.</p>	

We summarise below the asking prices at Twelve Trees Park:

Unit Type	Min Price	Max Price	Avg. Price	Avg. Sqft	Avg. £PSF
Studio	£378,550	£483,800	£426,340	478	£893
1	£438,250	£626,982	£530,718	643	£825
2	£580,500	£767,625	£675,170	882	£767
3	£691,670	£873,145	£776,732	1018	£763
Penthouse	£1,119,123	£1,195,000	£1,157,062	1253	£924
Average	£378,550	£873,145	£589,362	732	£814

Development	Lock 19	
Developer	L&Q	
Address	2-28 Bream Street, E3 2NP	
Number of private units	125	
Units Sold	125	
Units remaining	0	
Sales rate	c. 3.78 per month	
Distance from site	1 mile west	
Amenity Provision	Communal gardens	
Average £psf	£770 psf (Achieved)	
Launch Date	July 2020	
Completion Date	June 2021	
Comments	The scheme sold out during Q1 2022 having completed during Q3 2021.	
Comparison to subject site	<ul style="list-style-type: none"> - The development is located in Hackney Wick, on the opposite side of the Olympic Park and is in a less central area of Stratford and as such is less comparable. - It is positioned in an area with poorer transport connections than the subject development. - The development is much smaller than the subject development both in total units and the massing of the scheme. - The development has a basic level of amenity offering at the site in comparison to other schemes in the area. - There is inferior place making potential at Lock 19 in comparison with the subject site. - Some units have views overlooking the River Lea and the Olympic Park which are better views than some units at the subject development have. - Units at the development have been finished to a high standard. <p>On the basis of the above, we would expect the subject development to achieve higher sales values £PSF in comparison to this.</p>	

We summarise below the achieved prices at Lock 19:

Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Achieved Price	Max Achieved Price	Avg. Achieved Price	Min £PSF	Max £PSF	Avg. £PSF
1	549	660	577	£400,000	£550,777	£464,618	£729	£874	£805
2	703	969	789	£570,000	£635,000	£599,219	£619	£847	£759
3	950	1,076	990	£630,000	£795,000	£722,633	£661	£796	£730
Average	549	1,076	724	£400,000	£795,000	£557,638	£619	£874	£770

Development	Aspext	
Developer	Taylor Wimpey	
Address	411-415 Wick Lane, E3 2JG	
Number of private units	122	
Units Sold	122	
Units remaining	0	
Sales rate	c. 4.3 per month	
Distance from site	1 mile west	
Amenity Provision	None	
Average £psf	£730 psf (Achieved)	
Launch Date	September 2019	
Completion Date	December 2021	
Comments	The scheme sold out during Q1 2022, having completed during Q4 2021. <ul style="list-style-type: none"> - The development is located west of Stratford towards Bow, and as such is in a less comparable location in comparison to the subject. - Poorer transport connections with the closest station being located approximately 15 minutes walk from the site. - More boutique scheme, significantly smaller than the subject development both in total number of units and massing. - Smaller and therefore less placemaking potential. - Units finished to a slightly poorer standard than others in the locality. - No amenity offering at the site, which makes it less desirable than competing schemes in the locality. <p>On the basis of the above, we would expect the subject development to achieve significantly higher sales values £PSF.</p>	
Comparison to subject site		

We summarise below the achieved prices at Aspext:

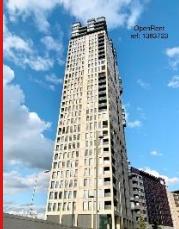
Unit Type	Min Size Sq Ft	Max Size Sq Ft	Avg. Sq Ft	Min Achieved Price	Max Achieved Price	Avg. Achieved Price	Min £PSF	Max £PSF	Avg. £PSF
1	527	592	544	£398,050	£455,000	£434,463	£739	£838	£799
2	657	980	780	£545,000	£584,000	£567,043	£596	£830	£727
3	1,227	1,259	1,241	£600,000	£600,000	£600,000	£476	£488	£483
Average	527	1,259	694	£398,050	£600,000	£505,382	£476	£838	£728

Development	Copper Yard at Union Bridge	
Developer	Taylor Wimpey	
Address	Hepscott Road, E9 5HH	
Number of private units	95	
Units Sold	0	
Units remaining	95	
Sales rate	n/a	
Distance from site	1.2 miles north west	
Amenity Provision	Communal Gardens	
Average £psf	£865 psf (Asking in 2022)	
Launch Date	September 2022	
Completion Date	March 2024 (but currently on hold)	
Comments	Construction was put on hold during Q4 2022. It is believed that nothing has sold and other agents marketing the project have been stood down. It is suspected that certain elements of the project are under review.	
Comparison to subject site	<ul style="list-style-type: none"> - Located in an inferior location towards Hackney Wick and therefore less directly comparable. Poorer transport links in comparison with the subject development with only Hackney Wick station located nearby. - Inferior resident amenity offering in comparison to other developments in the locality. - Units are to be finished to a good standard with a moderate specification. - The development is significantly smaller in scale and therefore there is less place making potential. - Copper Yard only extends to 5 stories and therefore will have no significant views. 	

Asking prices at launch in September 2022:

Unit No.	Floor	Beds	Size Sq Ft	Asking Price	£psf
7	1	1	544	£502,000	£923
9	5	2	684	£584,500	£855
30	1	2	787	£635,500	£807
31	4	3	830	£682,000	£822
42	5	1	539	£522,995	£970
3384			£2,926,995	£865	

Rental Comparables

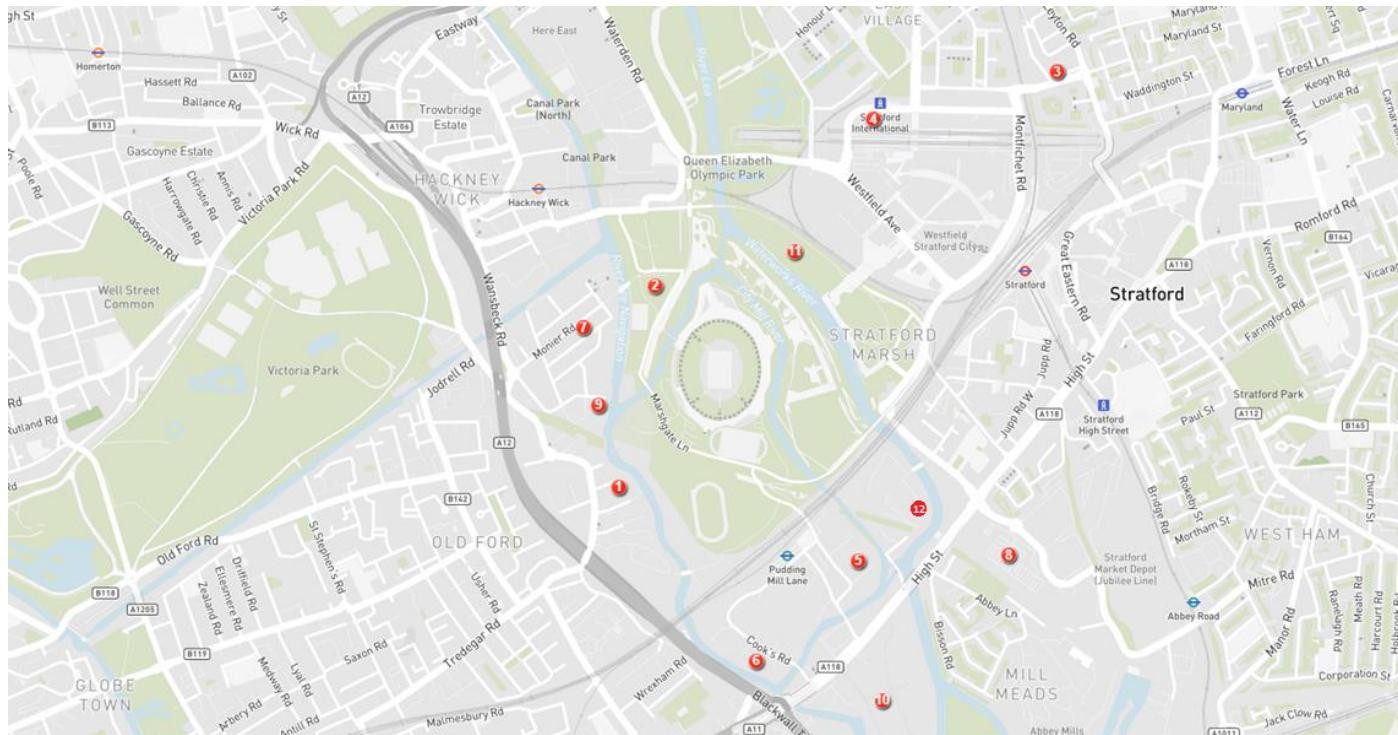
	East Village	Glasshouse Gardens	Legacy Tower	Legacy Wharf	New Garden Quarter	New Stratford Works
						
Height (Storeys)	Ranging up to 31 storeys	30	33	8	5	6
Amenity Offering	Gardens, concierge, residents lounge, gym	Gardens, residents lounge, gym, Parking (available to purchase)	Concierge, Gym	Gardens, concierge, gym	Gardens, concierge, gym, Parking (available to purchase)	Gardens
Distance from Subject	1 mile north west	0.3 miles north west	1.1 miles north	0.7 miles south west	0.7 miles north	0.7 miles north
1B 1P (Rent PCM)	£1,900	n/a	£1,800	n/a	n/a	n/a
1B 2P (Rent PCM)	£2,350	£2,200	£2,150	£1,850	£2,150	£2,000
2B 3P (Rent PCM)	£2,518	£2,470	£2,518	£2,233	£2,280	£2,280
2B 4P (Rent PCM)	£2,650	£2,600	£2,650	£2,350	£2,400	£2,400
3B 5P (Rent PCM)	£3,135	£3,135	£3,135	n/a	£3,040	£2,945
3B 6P (Rent PCM)	£3,300	£3,300	£3,300	n/a	£3,200	£3,100
4B 7P (Rent PCM)	£4,250	n/a	n/a	n/a	n/a	n/a

Carpenters Estate: Populo

	One Eighty	River Heights	Sugar House Island	Stratford Studios	Stratosphere Tower	Unex Tower
						
Height (Storeys)	26	27	13	2	36	26
Amenity Offering	Gardens, residents lounge, concierge	Gardens, gym, parking (available to purchase)	Concierge	Gardens, residents lounge	Gardens, resident's lounge, gym, concierge services	Garden, concierge
Distance from Subject	0.2 miles south	0.3 miles south west	0.5 miles south	0.4 miles north east	0.2 miles north east	0.2 miles north
1B 1P (Rent PCM)	n/a	n/a	£1,600	£1,300	£1,700	n/a
1B 2P (Rent PCM)	£1,750	£1,850	£2,000	n/a	£2,100	£2,150
2B 3P (Rent PCM)	£2,280	£2,280	£2,375	n/a	£2,423	£2,470
2B 4P (Rent PCM)	£2,400	£2,400	£2,500	n/a	£2,550	£2,600
3B 5P (Rent PCM)	£2,660	£2,898	£2,850	n/a	£2,993	£2,993
3B 6P (Rent PCM)	£2,800	£3,050	£3,000	n/a	£3,150	£3,150
4B 7P (Rent PCM)	n/a	n/a	£3,700	n/a	n/a	n/a

Supply Pipeline

We are aware of the following sites within the vicinity of Carpenters Estate which are either fully consented or currently undergoing planning. We have focussed on schemes of 30 units or more.



Key	Development	Postcode	Developer	Status	No. Of Units
1	Iceland Wharf	E3 2JP	Sanctuary Homes	Full Planning Permission	120
2	East Wick + Sweetwater	E20 1ST	Places for People	Full Planning Permission	1844
3	Chobham Farm	E15 1BZ	Higgins Homes	Full Planning Permission	36
4	Stratford International Bus Layover	E20 1YY	Telford Homes	Full Planning Permission	380
5	Pudding Mill Lane	E15 2PJ	London Legacy DC	Full Planning Permission	948
6	Vulcan Wharf	E15 2PW	London Square	Full Planning Permission	457
7	90 Monier Road	E3 2ND	Taylor Wimpey	Under Construction	148
8	Rick Roberts Way	E20 1ST	London Legacy DC	Full Planning Permission	400
9	Fish Island - Swan Wharf	E3 2NQ	The Anderson Group	Full Planning Permission	42
10	Sugar House Island	E15 2QN	Vastint	Full Planning Permission/Part Under Construction	1200
11	East Bank - Stratford Waterfront North	E20 1ST	Ballymore	Full Planning Permission	600
12	Bridgewater Triangle	E15 2JY	Ballymore	Full Planning Permission	575

Despite there being a large number of units in the supply pipeline, many of these are multi-phased and will be delivered over a number of years. Carefully considered phasing and release strategy will be key to ensuring the market is not over supplied at any one time.

Amenity Analysis

We have carried out a specification benchmarking exercise against the comparable schemes in the area. This is detailed in the table below:

Development		New Stratford Works	Lock No. 19	Fish Island Village	Aspext	Stratford Mill	Stone Studios	Chobham Manor (Phase 4)	Twelve Trees Park
Amenities	Development Details	Higgins Homes	L&Q	Hill	Taylor Wimpey	Anthology	Telford Homes	L&Q/ Taylor Wimpey	Berkeley Homes
	No. Units Concierge	100	125	386	122	209	110	140	2,466
	Gardens	-	-	12H	-	-	12H	-	24H
	Gym	Landscaped Gardens / Balcony	Landscaped Gardens / Balcony	Landscaped Gardens / Balcony	Landscaped Gardens / Balcony	Landscaped Gardens / Balcony	Courtyard	-	Landscaped Gardens / Balcony
	Parking	-	-	Yes	-	-	-	-	Yes
	Other	-	Underground (Available to purchase)	Underground (Available to purchase)	Underground (Available to purchase)	-	-	(Available to purchase) (Available to purchase)	
	General	Commodore / Zenuno stainless steel sink unit with mobile drainer and Abode mixer tap	Contemporary handleless kitchen units with soft close doors and drawers/ Silestone work surfaces	White solid composite worktops / Blanco sink with contemporary Blanco mixer tap	Matt lacquer contemporary handleless kitchen / Composite stone worktop and splash/back	Onyx grey finish, handle-less fitted units with edged doors from London designer Urban Myth	Marble solid composite worktops/ Blanco sink with contemporary mixer tap	Quartz worktops and splashbacks / stainless steel sink with single-lever mixer tap set	
	Appliances	SMEG	Grundig	Bosch / Zanussi	Siemens	Siemens	Bosch	Miele	Bosch
	Flooring	Engineered hardwood	Oak engineered hardwood	Amtico	-	Karndean	Ter Huerne Avatar	Engineered hardwood	Engineered flooring, porcelain tiles
Kitchen Spec	General	Duravit with Hansgrohe mixer taps	Modern white sanitary ware	Duravit with Hansgrohe mixer taps	-	Enamelled white steel bath/ Composite stone vanity top	Traditional Victorian style taps and chrome mixers	-	White ceramic semi-recessed wash basin
	Tiling	European wall tiling with 50 mm thick solid wood countertop	Porcelain floor and wall tiles	Large format wall and floor tiles with Timber effect vanity top	-	Large format porcelain floor and wall tiles	Contemporary ceramic tiling	Contemporary ceramic tiling	Porcelain tiled walls and flooring in a choice of colour palettes
	Underfloor Heating Comfort Cooling	-	Yes	Yes	-	No	Yes	-	No
General Spec		-	-	-	-	No	Yes	-	No

Opinion of Value

We have priced based on current market conditions, factoring in demand and sales/rents currently being achieved.

Given that comparable rental data from Stratford since the beginning of 2023 shows a rental increase of c. 8% within the new build rental market, we have reflected this increase within our rental values.

In terms of the sales values, we have taken into consideration the anticipated further steep rises in mortgage rates, alongside continued high inflation and a rising cost-of-living. As such, we have reviewed individual unit types and reflected a slight softening of activity towards the lower end of the market impacting studios and one beds.

As there will be a high level of volume and sales/let up over time, we have given a range of values below and also provided low and high rise figures.

JLL consider the following values below to be appropriate values for units within the scheme:

Unit Type	No. Units.	Average (m²)	Low Rise ERVs (pcm)	High Rise ERVs (pcm)	Sales Net Values (Low Rise)	Sales Net Values (High Rise)
Flats	1 bed 1P	131	£1,620 - £1,674	£1,674 - £1,782	£300,000 - £342,500	£300,000 - £422,500
Flats	1 bed 2P	759	£1,836 - £1,890	£1,890 - £1,944	£355,000 - £395,000	£355,000 - £472,500
Flats	2 bed 2P	42	£1,944 - £1,998	£1,998 - £2,052	£382,500 - £422,500	£382,500 - £500,000
Flats	2 bed 3P	269	£2,052 - £2,160	£2,160 - £2,268	£432,500 - £515,000	£432,500 - £570,000
Flats	2 bed 4P	611	£2,376 - £2,484	£2,484 - £2,592	£510,000 - £592,500	£510,000 - £760,000
Flats	3 bed 4P	58	£2,484 - £2,592	£2,592 - £2,700	£587,500 - £667,500	£587,500 - £832,500
Flats	3 bed 5P	146	£2,808 - £2,916	£2,916 - £3,024	£662,500 - £745,000	£662,500 - £902,500
Flats	3 bed 6P	104	£3,024 - £3,132	£3,132 - £3,240	£692,500 - £775,000	£692,500 - £930,000
Flats	4 bed 7P	8	£3,240 - £3,348	£3,348 - £3,456	£735,000 - £815,000	£735,000 - £970,000
Flats	4 bed 8P	9	£3,294 - £3,402	£3,402 - £3,510	£765,000 - £847,500	£765,000 - £997,500
Maisonettes	2 bed 4P	15	£2,592 - £2,700	£2,700 - £2,808	£662,500 - £745,000	£662,500 - £902,500
Maisonettes	3 bed 5P	76	£2,916 - £3,024	£3,024 - £3,132	£692,500 - £775,000	£692,500 - £930,000
Maisonettes	3 bed 6P	49	£3,132 - £3,240	£3,240 - £3,348	£715,000 - £795,000	£715,000 - £950,000
Maisonettes	4 bed 7P	16	£3,348 - £3,456	£3,456 - £3,564	£790,000 - £872,500	£790,000 - £1,022,500
Maisonettes	4 bed 8P	12	£3,402 - £3,510	£3,510 - £3,618	£842,500 - £922,500	£842,500 - £1,070,000
Houses	4 bed 7P	4	£3,510	n/a	£867,500	n/a
Houses	4 bed 8P	37	£3,618	n/a	£917,500	n/a

We have priced the below values based on limited information. For the low rise blocks we have averaged 8 storeys to allow for the range of low-mid level blocks, with the high rise values based on the 31 storey tower. The values do not account for aspect, spec and location within the site in relation to views, and variation in specific unit sizes and size of balconies/terraces. As the design of the development proposal is progressed the pricing should be reviewed to ensure values accurately reflect all aspects of the scheme, including unit sizes, mix, affordable housing allocation/strategy and residents' amenity.

**JLL**

30 Warwick Street
London
W1B 5NH

David Jubb
Director

+44 (0)207 087 5290

David.Jubb@eu.jll.com

JLL

30 Warwick Street
London
W1B 5NH

Holly-Anne Hall
Associate Director

+44 0771 0860262

HollyAnne.Hall@jll.com

JLL

30 Warwick Street
London
W1B 5NH

Oliver Taylor
Graduate Surveyor

+44 7843 819192

Oliver.taylor1@jll.com

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Appendix 5

Private Sale Schedule of Accommodation and Values

Private Sale Summary

JRP - High Rise

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
3 bed 5P f	4	84	904	3616	£782,500	£3,130,000
Total	4			3616		£3,130,000
						£866

Railway North - High Rise

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 1P	8	44	472	3776	£361,250	£2,890,000
1 bed 2P	45	54	580	26100	£413,750	£18,618,750
2 bed 3P	13	65	702	9126	£501,250	£6,516,250
2 bed 4P	28	74	799	22372	£635,000	£17,780,000
3 bed 5P	19	96	1034	19646	£782,500	£14,867,500
Total	113			81020		£60,672,500
						£749

Lund Point - High Rise

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 1P	125	46	494	61750	£361,250	£45,156,250
1 bed 2P	21	60	646	13566	£413,750	£8,688,750
2 bed 2P	21	60	646	13566	£441,250	£9,266,250
Total	167			88882		£63,111,250
						£710

Railway South - High Rise

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	39	53	572	22308	£413,750	£16,136,250
2 bed 3P	12	65	702	8424	£501,250	£6,015,000
2 bed 4P	28	75	809	22652	£635,000	£17,780,000
3 bed 5P	13	90	968	12584	£782,500	£10,172,500
3 bed 5P maisonette	7	95	1025	7175	£811,250	£5,678,750
3 bed 6P	3	103	1113	3339	£832,500	£2,497,500
Total	102			76482		£58,280,000
						£762

The Tower - High Rise

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 1P	32	41	436	13952	£361,250	£11,560,000
1 bed 2P	69	54	579	39951	£413,750	£28,548,750
2 bed 3P	28	69	747	20916	£501,250	£14,035,000
2 bed 4P	57	74	794	45258	£635,000	£36,195,000
3 bed 5P	15	98	1060	15900	£782,500	£11,737,500
Total	201			135977		£102,076,250
						£751

Biggerstaff Terrace - Low Rise

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
4 bed 8P house	10	135	1455	14550	£882,500	£8,825,000
Total	10			14550		£8,825,000
						£607

Central North - Low rise

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	9	57	613	5517	£375,000	£3,375,000
2 bed 3P	4	65	703	2812	£473,750	£1,895,000
2 bed 4P	15	78	844	12660	£551,250	£8,268,750
2 bed 4P maisonette	2	86	920	1840	£703,750	£1,407,500
3 bed 5P	3	91	975	2925	£733,750	£2,201,250

3 bed 5P maisonette	4	96	1030	4120	£733,750	£2,935,000
3 bed 6P	1	104	1116	1116	£733,750	£733,750
3 bed 6P maisonette	5	103	1108	5540	£715,000	£3,575,000
4 bed 8p house	1	130	1396	1396	£917,500	£917,500
Total	44			37926		£25,308,750
						£667

Biggerstaff South - low

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	32	53	570	18240	£375,000	£12,000,000
2 bed 3P	20	64	691	13820	£473,750	£9,475,000
2 bed 4P	7	74	797	5579	£551,250	£3,858,750
3 bed 6P flat	8	100	1076	8608	£733,750	£5,870,000
3 bed 6P maisonette	1	108	1163	1163	£755,000	£755,000
4 bed 7P maisonette	1	124	1335	1335	£831,250	£831,250
Total	69			48745		£32,790,000
						£673

Triangle - low

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	22	55	588	12936	£375,000	£8,250,000
2 bed 3P	6	66	708	4248	£473,750	£2,842,500
2 bed 4P	20	79	850	17000	£551,250	£11,025,000
3 bed 5P	11	93	996	10956	£703,750	£7,741,250
3 bed 6P	2	100	1076	2152	£733,750	£1,467,500
Total	61			47292		£31,326,250
						£662

Central West - low

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	19	55	595	11308	£375,000	£7,125,000
2 bed 3P	5	64	691	3454	£473,750	£2,368,750
2 bed 4P	4	79	849	3395	£551,250	£2,205,000
2 bed 4P maisonette	2	82	879	1758	£703,750	£1,407,500
3 bed 5P	1	96	1035	1035	£703,750	£703,750
3 bed 5P maisonette	1	96	1033	1033	£733,750	£733,750
3 bed 5P house	2	105	1128	2256	£733,750	£1,467,500
3 bed 6P	3	106	1136	3409	£733,750	£2,201,250
3 bed 6P maisonette	4	110	1184	4736	£755,000	£3,020,000
4 bed 8P house	1	130	1396	1396	£882,500	£882,500
Total	42			33781		£22,115,000
						£655

Central East - low

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	29	56	605	17545	£375,000	£10,875,000
2 bed 3P	8	69	743	5944	£473,750	£3,790,000
2 bed 4P	16	76	817	13072	£551,250	£8,820,000
2 bed 4P maisonette	3	81	874	2622	£703,750	£2,111,250
3 bed 5P maisonette	16	94	1013	16208	£733,750	£11,740,000
3 bed 6P	6	104	1121	6726	£733,750	£4,402,500
3 bed 6P maisonette	6	108	1164	6984	£755,000	£4,530,000
4 bed 7P maisonette	2	129	1385	2770	£831,250	£1,662,500
4 bed 8P house	4	130	1396	5584	£917,500	£3,670,000
Total	90			77455		£51,601,250
						£666

Exchange - low

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	10	54	584	5840	£375,000	£3,750,000
2 bed 3P	5	64	689	3445	£473,750	£2,368,750
2 bed 4P	4	75	805	3220	£551,250	£2,205,000
3 bed 5P	3	90	969	2907	£703,750	£2,111,250
3 bed 6P	3	103	1104	3312	£733,750	£2,201,250
Total	25			18724		£12,636,250

Central South - low

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sq.ft	Unit Value	GDV
1 bed 2P	23	56	601	13823	£375,000	£8,625,000
2 bed 3P	9	65	697	6273	£473,750	£4,263,750
2 bed 4P	4	78	844	3376	£551,250	£2,205,000
2 bed 4P maisonette	1	82	877	877	£703,750	£703,750
3 bed 5P maisonette	5	96	1029	5145	£733,750	£3,668,750
3 bed 6P	3	100	1075	3225	£733,750	£2,201,250
3 bed 6P maisonette	5	106	1143	5715	£755,000	£3,775,000
4 bed 8P house	1	130	1396	1396	£917,500	£917,500
Total	51			39830		£26,360,000

£662

Kennard - low

Unit Type	Number of Units	Av.Area Sq m	Av.Area Sq Ft	Total sqft	Unit Value	GDV
1 bed 2P	42	53	570	23940	£375,000	£15,750,000
2 bed 3P	15	63	681	10215	£473,750	£7,106,250
2 bed 4P	44	75	805	35420	£551,250	£24,255,000
3 bed 5P	7	97	1046	7322	£703,750	£4,926,250
Total	108			76897		£52,037,500

£677

Appendix 6

Cost Plan

EXECUTIVE SUMMARY

Parcel No.	Parcel Name	Financials				Number of Units								
		Cost Estimate (excluding inflation)	Cost per Unit	Cost per M2	Cost per FT2	Residential Net to Gross %	Flats	Maisonettes	Houses	Affordable %	Open Market %	Affordable	Open Market	Total
1	JRP (Phase 1a)	£57,650,377	£423,900	£3,617	£336	77%	136	0	0	97%	3%	132	4	136
2	Lund Point	£38,798,892	£232,329	£3,419	£318	75%	167	0	0	0%	100%	0	167	167
3	Lund New Build	£21,732,245	£388,076	£3,246	£302	81%	22	24	10	100%	0%	56	0	56
4	Railway South	£64,536,643	£398,374	£3,906	£363	74%	151	11	0	37%	63%	60	102	162
5	Railway North	£77,512,880	£399,551	£3,901	£362	70%	194	0	0	42%	58%	81	113	194
6	The Tower	£79,657,984	£396,308	£4,176	£388	71%	201	0	0	0%	100%	0	201	201
7	Dennison	£49,638,218	£224,607	£4,299	£399	83%	30	0	0	100%	0%	30	0	30
8	Biggerstaff North	£33,613,429	£350,140	£3,484	£324	75%	77	19	0	100%	0%	96	0	96
10	Central North	£47,733,820	£463,435	£4,343	£404	81%	74	26	3	57%	43%	59	44	103
11	Park North	£1,170,709	N/A	N/A	N/A	N/A	0	0	0	0%	0%	0	0	0
12	Central East	£53,357,910	£360,526	£3,876	£360	85%	98	44	6	39%	61%	58	90	148
13	Jupp	£17,946,908	N/A	N/A	N/A	N/A	0	0	0	0%	0%	0	0	0
14	Biggerstaff South & Terr.	£27,064,634	£392,241	£3,867	£359	68%	67	2	0	0%	100%	0	69	69
15		£69,810,344	£465,402	£4,134	£384	70%	150	0	0	59%	41%	89	62	150
16	Gibbins	£27,568,046	£367,574	£3,675	£341	74%	75	0	0	100%	0%	75	0	75
17	Central West	£42,799,929	£342,399	£3,851	£358	88%	97	20	8	66%	34%	83	42	125
18	Park South	£943,303	N/A	N/A	N/A	N/A	0	0	0	0%	0%	0	0	0
19	Central South & Jupp Corner	£53,351,737	£413,579	£4,261	£396	79%	98	28	3	61%	40%	78	51	129
20		£34,541,404	£392,516	£3,761	£349	74%	88	0	0	72%	28%	63	25	88
21		£76,800,517	£335,373	£3,663	£340	76%	229	0	0	53%	47%	121	108	229
22	Carpenters School	£55,718,505	£493,084	£4,345	£404	79%	108	5	0	0%	100%	0	113	113
23	Meanwhile Use	£8,797,000	N/A	N/A	N/A	N/A	0	0	0	0%	0%	0	0	0
TOTAL		£940,745,433	£414,243	£3,920	£364	76%	2,062	179	30	48%	52%	1,081	1,191	2,271

Key Metrics	
Residential Cost per Unit (incl. Enabling Works)	£310,960
Infrastructure Cost per Unit	£103,282
Total Cost per Residential Unit	£414,243
Residential Cost per M2 (incl. Enabling Works)	£3,410
ONR Cost per M2	£3,179
Community Cost per M2	£4,213
Education Cost per M2	£1,209
Hotel Cost per M2	£3,431
Total Cost per M2 (GIA)	£3,920
Residential Net to Gross	76%
Average Unit Size (M2)	69.83

Work Category	Preferred Masterplan
Enabling Works	£12,287,218
Residential Accommodation	£659,690,805
Hotel	£27,776,935
ONR	£32,932,656
Community	£14,379,000
Education	£13,353,743
Meanwhile Use	£8,797,000
External Works	£32,384,934
Utilities	£20,586,281
Phasing	£2,477,173
Property Buy Backs	£72,509,000
Contingency	£43,570,690
TOTAL	£940,745,433

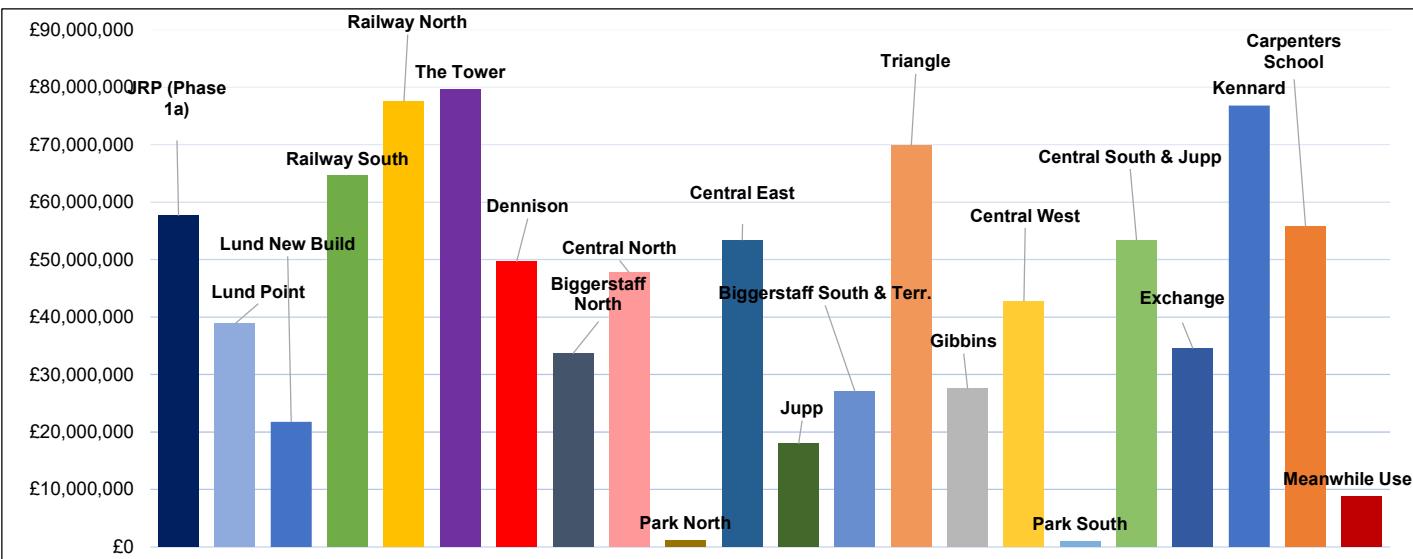
£868,236,433

799749060.4

£140,996,372

ESTIMATE SUMMARY

MASTERPLAN Costs					MASTERPLAN Area Schedule				
	Total	%	£/ft2	£/m2	Residential	GIA m2	GIA ft2	NIA m2	NIA ft2
1 JRP (Phase 1a)	£57,650,377	6.1%	£336	£3,617	Flats	182,545	1,964,896	136,110	1,465,074
2 Lund Point	£38,798,892	4.1%	£318	£3,419	Maisonettes	20,293	218,432	17,563	189,046
3 Lund New Build	£21,732,245	2.3%	£302	£3,246	Houses	4,241	45,650	3,765	40,526
4 Railway South	£64,536,643	6.9%	£363	£3,906	Mixed Use				
5 Railway North	£77,512,880	8.2%	£362	£3,901	Community	3,413	36,737	3,072	33,063
6 The Tower	£79,657,984	8.5%	£388	£4,176	Education	11,043	118,866	9,939	106,979
7 Dennison	£49,638,218	5.3%	£399	£4,299	Hotel	8,095	87,134	4,837	52,065
8 Biggerstaff North	£33,613,429	3.6%	£324	£3,484	ONR	10,359	111,503	9,323	100,353
10 Central North	£47,733,820	5%	£404	£4,343					
11 Park North	£1,170,709	0.1%	N/A	N/A					
12 Central East	£53,357,910	5.7%	£360	£3,876					
13 Jupp	£17,946,908	1.9%	N/A	N/A					
14 Biggerstaff South & Terr.	£27,064,634	2.9%	£359	£3,867					
15 Triangle	£69,810,344	7.4%	£384	£4,134					
16 Gibbins	£27,568,046	2.9%	£341	£3,675					
17 Central West	£42,799,929	4.5%	£358	£3,851					
18 Park South	£943,303	0.1%	N/A	N/A					
19 Central South & Jupp	£53,351,737	5.7%	£396	£4,261					
20 Exchange	£34,541,404	3.7%	£349	£3,761					
21 Kennard	£76,800,517	8.2%	£340	£3,663					
22 Carpenters School	£55,718,505	5.9%	£404	£4,345					
23 Meanwhile Use	£8,797,000	0.9%	N/A	N/A					
Total	£940,745,433				Total	239,989	2,583,218	184,609	1,987,106



£/sqft GIA

£364

£/sqft NIA

£473

Residential NIA:GIA

76%

£/Unit

£414,243

ASSUMPTIONS, NOTES, BASIS & EXCLUSIONS**Project Assumptions & Notes**

- 1 Residential tenure split is as advised by Populo Living.
- 2 It is assumed that generally each block is subject to the advised tenure split. Adjustments to accommodation rates have been made in line with building height, massing, and complexity. For the purposes of this exercise, the advised tenure splits have generally been applied to the GIA however it is assumed that different tenure types will be in separate blocks to maintain building efficiency.
- 3 The scheme is assumed to be competitively tendered on a plot by plot basis via a main contractor.
- 4 Allowances for removal of ground contamination and diversion of existing services are currently included where these occurrences are known. Further surveys are required to ascertain the true extent of works required and are therefore a cost risk.
- 5 Allowances for site clearance works and site preparation is generally included.
- 6 Additional allowances have been included where plots are adjacent to live railways to reflect increased costs associated with; enclosed balconies, upgraded windows, MVHR units, and line blockages.
- 7 The Other Non Residential (ONR) areas are assumed to be provided to a shell & core specification.
- 8 The hotel on Dennison is assumed to be built to a 3 star mid-range specification. It is assumed to have 221 rooms for £/Unit calculations.
- 9 It is assumed that Populo Living will not contribute to the cost of building the Building Crafts College.
- 10 An allowance has been included for upgrade only (new railings, lights, painting) of the existing pedestrian bridge over the railway lines at Jupp Road.
- 11 General allowances have been included for external site furniture, external lighting and site-wide drainage.
- 12 A general allowance has been included for new utilities. These works are subject to high levels of cost fluctuation, and therefore engagement with statutory providers is advisable should the scheme be progressed to the next stage.
- 13 A general allowance has been included for cross site services. These works are subject to high levels of cost fluctuation, and therefore engagement with statutory providers is advisable should the scheme be progressed to the next stage.
- 14 A new district heating main system has been included and the cost has been apportioned to each plot. This system is subject to high levels of cost fluctuation, and therefore engagement with statutory providers is advisable should the scheme be progressed to the next stage.
- 15 Allowance for an offsite power upgrade and connection has been included and the cost has been apportioned to each plot. This system is subject to high levels of cost fluctuation, and therefore engagement with statutory providers is advisable should the scheme be progressed to the next stage.
- 16 An allowance for phasing costs has generally been included for each plot. This allowance is for items such as temporary works, temporary roads & footpaths, and temporary diversions.
- 17 Residential and commercial property buy-backs are included as advised by Populo Living.
- 18 Generally design development & construction risk contingency is included at 5% on new build accommodation and 10% on all other works (excludes property buy backs). It is assumed that Development / Project contingency is included separately within the Viability Appraisal.
- 19 Costs assume achieving a BREEAM 'Excellent' rating although the Masterplan Sustainability strategy is still being developed and this is subject to change.
- 20 All rates utilised are inclusive of main contractor's preliminaries, and overheads and profit.
- 21 Rates are based upon benchmark information from similar schemes in the Greater London area.
- 22 Costs are provided at Q2 2023 rates. Summary costs do not include for construction inflation. In Appendix 3 inflation has been forecasted to construction mid point based upon the phasing programme issued by Nick Clugh on 14/09/2022.
- 23 Costs have been based on the provided accommodation schedules from PMA & MetWorks and no independent verification of areas has been undertaken.
- 24 Where noted sub-totals are rounded up to the nearest £100,000.
- 25 Costs relating to JRP are based upon Mott MacDonald's RIBA Stage 3+ Cost Plan as per the last estimate. These works are currently in the tender process and revised costs are yet to have been received from Wilmott Dixon.
- 26 Due to the high level of information provided, estimates should be considered with a +/-15% estimating tolerance.
- 27 Further notes and assumptions are included within the estimate breakdowns.
- 28 For the purpose of this estimate, it is assumed that no commercial/property buybacks are to be included for Carpenters School/Meanwhile Use.

Basis & Exclusions**Basis:**

- 1 CER00-JPM-ZZ-ZZ-RP-A-005202-PlotTesting-S4
- 2 CER00-MMD-ZZ-ZZ-SH-A-400001-MP Accommodation Schedule
- 3 CER00-JPM-00-01-DR-A-101000-GeneralArrangementPlans-S4
- 4 CER00-JPM-00-03-DR-A-101001-GeneralArrangementPlans-S4
- 5 CER00-JPM-00-RF-DR-A-101002-GeneralArrangementPlans-S4
- 6 CER00-JPM-00-00-DR-A-101029-C
- 7 7747_PPA_Strategic_Diagrams_210809_REV_B_Play_Extract
- 8 7747_Soft_Landscape_Sketch_210812
- 9 7447_UGF_Sketchbook_210812_extract
- 10 13504-CRH-XX-XX-FG-G-7076_P1_Parking+Servicing-AlternativeLayout
- 11 Populo property buy back schedule

Exclusions:

- 1 Value Added Tax
- 2 Professional fees / Main Contractor pre-construction fees
- 3 Any works outside the footprint of the site unless stated
- 4 Land purchase costs / CPO etc.
- 5 Client administration / project management costs
- 6 Payments to third parties - e.g. TfL etc.
- 7 Remedial works in connection with flood prevention
- 8 Working capital, marketing, legal, pre-launch fees
- 9 Any section 106 or 278 works; CIL contributions, NHBC etc.
- 10 New pedestrian bridge over railway lines at Jupp Road
- 11 Project insurances
- 12 Asbestos removal works (unless specifically stated)
- 13 Feature hoardings / viewing platforms
- 14 Out of hours working
- 15 Loose FF&E; internal plants, artwork etc.
- 16 Meanwhile uses
- 17 Marketing suites / advertising
- 18 Client risk allowance
- 19 Third party compensation costs e.g. Train Operating Companies
- 20 Relocation or removal of any rail infrastructure equipment unless stated
- 21 Project bonds
- 22 Inflation - costs are current day

POPULO LIVING
STAGE 4 COST ESTIMATE
CARPENTERS ESTATE



APPENDIX 1 - PREFERRED MASTERPLAN COST BREAKDOWN

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 1 - JAMES RILEY POINT (Phase 1a)					
Enabling works / strip out	1	item	Included	Included	As per MM RIBA Stage 3+ Cost Plan
Site clearance & site works	1	item	Included	Included	As per MM RIBA Stage 3+ Cost Plan
Flats (reprovided in tower)	12,526	m2	3,230	40,457,000	As per MM RIBA Stage 3+ Cost Plan
Community	3,413	m2	4,213	14,379,000	As per MM RIBA Stage 3+ Cost Plan
External Works	1	item	1,057,377	1,057,377	As per MM RIBA Stage 3+ Cost Plan
Utilities		nr		Included	Included above
District heating main		nr		Excluded	
Cross site services		nr		Included	Included above
Gas connection		item		Included	Included above
Revision of existing substations		item		Included	Included above
Phasing costs		nr		Included	Included above
SUB TOTAL				£55,893,377	
Contingency			3%	1,680,000	
TOTAL (Excluding property buy backs)				£57,573,377	
Residential buy backs	1	item	77,000	77,000	
Commercial buy backs		item		£0	
TOTAL (Including property buy backs)				£57,650,377	

Costs to be verified. Figure above captures current discussions surrounding VE in relation to the façade.



MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 2 - LUND POINT					
Enabling works / strip out	10,952	m2	Included	Included	
Site clearance & site works	1,000	m2	Included	Included	
Flats (reprovided in tower); open market	10,952	m2	2,967	32,494,584	Rate as per JRP refurb plus uplift for 100% open market tenure
ONR	397	m2	2,272	901,984	Shell and core
Extra over for adjusting levels	397	m2	1,097	435,509	Allowance only
Roof garden to top floor	615	m2	549	337,635	
Hard Landscaping	2,518	m2	219	551,442	Split 50/50 with Lund NB
Highways	232	m2	165	38,280	Split 50/50 with Lund NB
Soft Landscaping	783	m2	82	64,206	Split 50/50 with Lund NB
New trees	27	nr	2,744	74,088	Provisional quantity
Site furniture	167	nr	549	91,683	Allowance only
External lighting	3,365	m2	49	164,885	Allowance only
Site drainage	3,365	m2	33	111,045	Allowance only
Attenuation tanks	278	m3	604	167,912	Split 50/50 with Lund NB
Utilities		nr	Included	Included	Included above
District heating main	167	nr	2,963	Excluded	Assumed to be excluded as per JRP
Off site power upgrade	167	nr	3,073	513,191	
Cross site services	167	nr	549	91,683	Allowance only
Phasing costs	167	nr	1,097	183,199	Allowance only
SUB TOTAL				£36,221,326	
Contingency			5%	1,811,066	Reduced to 5% as build rate based upon JRP
TOTAL (Excluding property buy backs)				£38,032,392	
Residential buy backs	1	item	766,500	766,500	Split 50/50 with new build
Commercial buy backs		item		0	
TOTAL (Including property buy backs)				£38,798,892	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 3 - LUND NEW BUILD					
Demolition		m3		0	Not applicable
Site clearance & site works	1,000	m2	55	55,000	Provisional quantity
Contamination	500	m2	165	82,500	Allowance only. No details
Flats (open market)	0	m2	3,007	0	Assumed 0%
Extra over for PV panels	0	m2	329	0	Provisional quantity
Flats (affordable)	2,138	m2	2,729	5,834,602	Assumed 100%
Extra over for PV panels	1,065	m2	329	350,385	Provisional quantity
Maisonettes (open market)	0	m2	2,562	0	Assumed 0%
Extra over for external deck	0	m2	549	0	Assumed 0%
Maisonettes (affordable)	2,927	m2	2,339	6,846,253	Assumed 100%
Extra over for external deck	220	m2	549	120,780	
Houses (open market)	0	m2	2,562	0	Assumed 0%
Houses (affordable)	1,516	m2	2,339	3,545,924	Assumed 100%
ONR	114	m2	2,272	259,008	Shell and core
Landscaping to roof terraces	165	m2	549	90,585	
Hard Landscaping	2,518	m2	219	551,442	Split 50/50 with Lund Point
Highways	232	m2	165	38,280	Split 50/50 with Lund Point
Allowance for signalised crossing	1	item	164,613	164,613	Allowance only
Soft Landscaping	783	m2	82	64,206	Split 50/50 with Lund Point
New trees	27	nr	2,744	74,088	Provisional quantity
Site furniture	56	nr	549	30,744	Allowance only
External lighting	2,915	m2	49	142,835	Allowance only
Site drainage	2,915	m2	33	96,195	Allowance only
Attenuation tanks	278	m3	604	167,912	
Utilities	56	nr	1,646	92,176	Allowance only
District heating main	56	nr	2,963	165,928	
Off site power upgrade	56	nr	3,073	172,088	
Cross site services	56	nr	549	30,744	Allowance only
HV cable re-routed around edge of plot	195	m	1,097	213,915	Provisional quantity
Gas pipe diversion	1	item	137,178	137,178	As per Cadent budget
Substation re-provided	2	item	164,613	329,226	Budget quote obtained
Phasing costs	56	nr	1,097	61,432	Allowance only
SUB TOTAL				£19,718,039	
Contingency on accommodation			5%	847,848	
Contingency on other			10%	399,859	
TOTAL (Excluding property buy backs)				£20,965,745	
Residential buy backs	1	item	766,500	766,500	Split 50/50 with refurb
Commercial buy backs		item		0	
TOTAL (Including property buy backs)				£21,732,245	

POPULO LIVING

STAGE 4 COST ESTIMATE

CARPENTERS ESTATE



MOTT
MACDONALD
MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 4 - RAILWAY SOUTH					
Demolition	14,400	m3	44	633,600	
Site clearance & site works	5,200	m2	55	286,000	
Removal of ground contamination	2,600	m2	165	429,000	Allowance only. No details
Flats (open market)	8,752	m2	3,333	29,170,416	Assumed 63%
Extra over for PV panels	808	m2	329	265,832	Provisional quantity
Extra over for link bridge transfer structure	145	m2	1,646	238,670	Allowance only
Extra over for building by live railway line	102	nr	1,097	111,894	Allowance only
Extra over for enclosed balconies to railway elevations	43	nr	5,487	235,941	Allowance only
Extra over for upgraded windows to railway elevations	391	m2	219	85,629	Allowance only
Extra over for MVHR units at levels G to 8 to railway	11	nr	3,292	36,212	Allowance only
Flats (affordable)	5,140	m2	2,977	15,301,780	Assumed 37%
Extra over for PV panels	475	m2	329	156,275	Provisional quantity
Extra over for building by live railway line	60	nr	1,097	65,820	Allowance only
Extra over for enclosed balconies to railway elevations	25	nr	5,487	137,175	Allowance only
Extra over for upgraded windows to railway elevations	230	m2	219	50,370	Allowance only
Extra over for MVHR units at levels G to 8 to railway	7	nr	3,292	23,044	Allowance only
Maisonettes (open market)	827	m2	2,562	2,118,774	Assumed 63%
Extra over for external deck	90	m2	549	49,410	
Maisonettes (affordable)	486	m2	2,339	1,136,754	Assumed 37%
Extra over for external deck	90	m2	549	49,410	
Podium over parking area	302	m2	1,646	497,092	Allowance only
ONR	1,318	m2	2,954	3,893,372	Shell and core. Premium for colonnade structure
Extra over for building by live railway line	1	item	109,742	109,742	Allowance only
Landscaping to roof terraces	1,055	m2	549	579,195	
Hard Landscaping	1,461	m2	219	319,959	
Highways	1,150	m2	165	189,750	
Allowance for signalised crossing	1	item	164,613	164,613	Allowance only
Soft Landscaping	662	m2	82	54,284	
New trees	40	nr	2,744	109,760	Provisional quantity
Site furniture	162	nr	549	88,938	Allowance only
External lighting	3,666	m2	49	179,634	Allowance only
Site drainage	3,666	m2	33	120,978	Allowance only
Utilities	162	nr	1,646	266,652	Allowance only
District heating main	162	nr	2,963	480,006	
Off site power upgrade	162	nr	3,073	497,826	
Substation re-provided	2	item	164,613	329,226	Allowance only
Diversion of Thames Water pipework	100	m	1,097	109,700	Allowance only
Cross site services	162	nr	549	88,938	Allowance only
Phasing costs	162	nr	1,097	177,714	Allowance only
SUB TOTAL				£58,839,385	
Contingency on accommodation			5%	2,686,681	
Contingency on other			10%	510,577	
TOTAL (Excluding property buy backs)				£62,036,643	
Residential buy backs		item		0	
Commercial buy backs	1	item	2,500,000	2,500,000	
TOTAL (Including property buy backs)				£64,536,643	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 5 - RAILWAY NORTH					
Demolition		m3	0	0	Not applicable
Site clearance & site works	3,329	m2	76	253,004	As per MM Stage 2 Estimate
Flats (open market); including basement	18,489	m2	3,798	70,221,222	As per MM Stage 2 Estimate
Notional adjustment for 42% affordable	5,424	m2	-219	-1,187,856	
ONR	746	m2	3,183	2,374,518	As per MM Stage 2 Estimate
External works	1	item	1,240,086	1,240,086	As per MM Stage 2 Estimate
Attenuation tanks	605	m3	604	365,420	As per MM Stage 2 Estimate
Utilities					
District heating main				Included	Included above
Cross site services				Included	Included above
Thames Water diversion				Included	Included above
Diversion of Thames Water sewer				Included	Included above
Substation re-provided				Included	Included above
Phasing costs				Included	Included above
SUB TOTAL					
Contingency			5.25%	3,846,486	
Allowance for working next to live railway line				200,000	Allowance only for BAPAs etc
Allowance for temporary works				200,000	Allowance only
TOTAL (Excluding property buy backs)					
Residential buy backs		item		0	
Commercial buy backs		item		0	
TOTAL (Including property buy backs)					
				£77,512,880	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 6 - THE TOWER					
Demolition	12,648	m3	44	556,512	Docklands Centre demolition
Site clearance & site works	3,383	m2	60	202,980	
Flats (open market)	17,896	m2	3,709	66,376,264	Assumed 100%
Extra over for building by live railway line	201	nr	1,097	220,497	Allowance only
Extra over for enclosed balconies to railway elevations	84	nr	5,487	460,908	Allowance only
Extra over for upgraded windows to railway elevations	500	m2	219	109,500	Allowance only
Extra over for MVHR units at levels G to 8 to railway	20	nr	3,292	65,840	Allowance only
Extra over for PV panels	520	m2	329	171,080	Provisional quantity
Flats (affordable)	0	m2	3,253	0	Assumed 0%
Extra over for building by live railway line	0	nr	1,097	0	Allowance only
Extra over for enclosed balconies to railway elevations	0	nr	5,487	0	Allowance only
Extra over for upgraded windows to railway elevations	0	m2	219	0	Allowance only
Extra over for MVHR units at levels G to 8 to railway	0	nr	3,292	0	Allowance only
Extra over for PV panels	0	m2	329	0	Provisional quantity
Podium over vaults area	335	m2	1,646	551,410	
ONR; double height	606	m2	3,292	1,994,952	Shell and core. Premium for double height
Extra over for colonnade structure	95	m	11,523	1,094,685	Allowance only
Landscaping to roof terraces	1,390	m2	549	763,110	
Hard Landscaping	1,341	m2	219	293,679	
Highways	341	m2	165	56,265	
Soft Landscaping	291	m2	82	23,862	
New trees	37	nr	2,744	101,528	Provisional quantity
Site furniture	201	nr	549	110,349	Allowance only
External lighting	3,072	m2	49	150,528	Allowance only
Site drainage	3,072	m2	33	101,376	Allowance only
Attenuation tanks	605	m3	604	365,420	
Utilities	201	nr	1,646	330,846	Allowance only
District heating main	201	nr	2,963	595,563	
Off site power upgrade	201	nr	3,073	617,673	
Cross site services	201	nr	549	110,349	Allowance only
Thames Water diversion	185	m	1,097	Excluded	Included under Phase 1b
HV cable diversion				Excluded	
Diversion of Thames Water sewer	185	m	1,646	Excluded	Included under Phase 1b
Substation re-provided	2	item	164,613	Excluded	Included under Phase 1b
Phasing costs	201	nr	1,097	220,497	Allowance only
SUB TOTAL					
Contingency on accommodation			5%	3,552,257	
Contingency on other			10%	460,054	
TOTAL (Excluding property buy backs)					
Residential buy backs		item		0	
Commercial buy backs		item		0	
TOTAL (Including property buy backs)					
				£79,657,984	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 7 - DENNISON					
Demolition	1	item	1,646,132	1,646,132	Demolition of tower
Site clearance & site works	2,600	m2	55	143,000	
Flats (open market)	0	m2	3,007	-	Assumed 0%
Extra over for green roof	0	m2	165	-	
Extra over for external deck	0	m2	549	-	
Flats (affordable)	2,041	m2	2,729	5,569,889	Assumed 100%
Extra over for green roof	300	m2	165	49,500	
Extra over for external deck	120	m2	549	65,880	
Basement	500	m2	2,414	1,207,000	Assumed required
Hotel; mid-range	8,095	m2	3,408	27,587,760	Assumed 3 star mid-range hotel
Extra over for PV panels	575	m2	329	189,175	Provisional quantity
ONR; double height	910	m2	3,292	2,995,720	Shell and core. Premium for double height
Extra over for colonnade structure	100	m	11,523	1,152,300	
Landscaping to roof terraces	1,235	m2	549	678,015	
Hard Landscaping	670	m2	219	146,730	
Highways	344	m2	165	56,760	
Allowance for informal crossing	1	item	21,948	21,948	Allowance only
Soft Landscaping	0	m2	82	-	
New trees	34	nr	2,744	93,296	Provisional quantity
Site furniture	30	nr	549	16,470	Allowance only
External lighting	2,249	m2	49	110,201	Allowance only
Site drainage	2,249	m2	33	74,217	Allowance only
Utilities	221	nr	1,646	363,766	Allowance only
District heating main	30	nr	2,963	88,890	Residential units only
Off site power upgrade	30	nr	3,073	92,190	Residential units only
Cross site services	221	nr	549	121,329	Allowance only
Diversion of Thames Water sewer	110	m	1,097	120,670	Provisional quantity
HV cable re-routed around edge of plot	60	m	1,097	65,820	Provisional quantity
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Phasing costs	221	nr	1,097	242,437	Allowance only
SUB TOTAL					£43,063,708
Contingency on accommodation			5%	1,940,861	
Contingency on other			10%	424,648	
TOTAL (Excluding property buy backs)					£45,429,218
Residential buy backs	1	item	4,209,000	4,209,000	
Commercial buy backs		item		0	
TOTAL (Including property buy backs)					£49,638,218

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 8 - BIGGERSTAFF NORTH					
Demolition	3,250	m3	44	143,000	
Site clearance & site works	4,000	m2	55	220,000	
Flats (open market)	0	m2	3,007	0	Assumed 0%
Extra over for PV panels	0	m2	329	0	Provisional quantity
Flats (affordable)	7,190	m2	2,729	19,621,510	Assumed 100%
Extra over for PV panels	1,352	m2	329	444,808	Provisional quantity
Maisonettes (open market)	0	m2	2,562	0	Assumed 0%
Maisonettes (affordable)	2,135	m2	2,339	4,993,765	Assumed 100%
Extra over for external deck	100	m2	549	54,900	Provisional quantity
ONR	322	m2	2,272	731,584	Shell and core
Hard Landscaping	2,182	m2	219	477,858	
Highways	1,287	m2	165	212,355	
Allowance for signalised crossing	1	item	164,613	164,613	Allowance only
Soft Landscaping	390	m2	82	31,980	
New trees	40	nr	2,744	109,760	Provisional quantity
Site furniture	96	nr	549	52,704	Allowance only
External lighting	3,469	m2	49	169,981	Allowance only
Site drainage	3,469	m2	33	114,477	Allowance only
Utilities	96	nr	1,646	158,016	Allowance only
District heating main	96	nr	2,963	284,448	
Off site power upgrade	96	nr	3,073	295,008	
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Gas pipe diversion	1	item	460,917	Excluded	As per Cadent budget
Diversion of Thames Water pipework	63	m	1,097	69,111	Allowance only. Split 50/50 with Biggerstaff South
Cross site services	96	nr	549	52,704	Allowance only
Phasing costs	96	nr	1,097	105,312	Allowance only
SUB TOTAL				£28,672,507	
Contingency on accommodation			5%	1,292,328	
Contingency on other			10%	282,594	
TOTAL (Excluding property buy backs)				£30,247,429	
Residential buy backs	1	item	3,366,000	3,366,000	
Commercial buy backs		item		0	
TOTAL (Including property buy backs)				£33,613,429	

POPULO LIVING

STAGE 4 COST ESTIMATE

CARPENTERS ESTATE



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MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 10 - CENTRAL NORTH					
Demolition	6,000	m3	44	264,000	
Site clearance & site works	3,500	m2	55	192,500	
Flats (open market)	2,932	m2	3,122	9,153,704	Assumed 43%
Extra over for green roof	821	m2	329	270,109	Provisional quantity
Flats (affordable)	3,887	m2	2,826	10,984,662	Assumed 57%
Extra over for green roof	1,089	m2	329	358,281	Provisional quantity
Maisonettes (open market)	1,313	m2	2,562	3,363,906	Assumed 43%
Extra over for external deck	71	m2	549	38,979	
Maisonettes (affordable)	1,741	m2	2,339	4,072,199	Assumed 57%
Extra over for external deck	94	m2	549	51,606	
Houses (open market)	192	m2	2,562	491,904	Assumed 43%
Houses (affordable)	255	m2	2,339	596,445	Assumed 57%
Arches linking buildings	3	nr	219,484	658,452	Allowance only
ONR	670	m2	2,272	1,522,240	Shell and core
Landscaping to roof terraces	245	m2	549	134,505	
Hard Landscaping	2,428	m2	219	531,732	
Highways	951	m2	165	156,915	
Allowance for informal crossing	1	item	21,948	21,948	Allowance only
Soft Landscaping	1,292	m2	82	105,944	
New trees	30	nr	2,744	82,320	Provisional quantity
Site furniture	103	nr	549	56,547	Allowance only
External lighting	3,624	m2	49	177,576	Allowance only
Site drainage	3,624	m2	33	119,592	Allowance only
Utilities	103	nr	1,646	169,538	Allowance only
District heating main	103	nr	2,963	305,189	
Off site power upgrade	103	nr	3,073	316,519	
Cross site services	103	nr	549	56,547	Allowance only
Diversion of Thames Water pipework	50	m	1,097	54,850	Allowance only
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Phasing costs	103	nr	1,097	112,991	Allowance only
SUB TOTAL				£34,586,313	
Contingency on accommodation			5%	1,578,124	
Contingency on other			10%	302,383	
TOTAL (Excluding property buy backs)				£36,466,820	
Residential buy backs	1	item	11,267,000	11,267,000	
Commercial buy backs		item		-	
TOTAL (Including property buy backs)				£47,733,820	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 11 - PARK NORTH					
Demolition		m3	44	-	
Site clearance & site works	2,052	m2	27	55,404	
Community Café Kiosk structure; assumed one storey	51	m2	3,841	195,891	
Hard Landscaping	892	m2	219	195,348	
Highways	78	m2	165	12,870	
Soft Landscaping	1,082	m2	82	88,724	
New trees	50	nr	2,744	137,200	Provisional quantity
Site furniture	1	item	164,613	164,613	Allowance only
External lighting	2,052	m2	49	100,548	Allowance only
Site drainage	2,052	m2	33	67,716	Allowance only
Utilities		nr	3,292	-	
Cross site services		nr	549	-	
Phasing costs	1	item	54,871	54,871	Allowance only
SUB TOTAL					
Contingency on accommodation			5%	9,795	
Contingency on other			10%	87,729	
TOTAL (Excluding property buy backs)					
Residential buy backs		item		-	
Commercial buy backs		item		-	
TOTAL (Including property buy backs)					
				£1,170,709	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 12 - CENTRAL EAST					
Demolition	3,600	item	44	158,400	
Site clearance & site works	6,000	m2	55	330,000	
Flats (open market)	4,874	m2	3,019	14,714,606	Assumed 61%
Extra over for green roof	1,192	m2	329	392,168	Provisional quantity
Flats (affordable)	3,116	m2	2,735	8,522,260	Assumed 39%
Extra over for green roof	762	m2	329	250,698	Provisional quantity
Maisonettes (open market)	2,999	m2	2,562	7,683,438	Assumed 61%
Extra over for external deck	173	m2	549	94,977	
Maisonettes (affordable)	1,917	m2	2,339	4,483,863	Assumed 39%
Extra over for external deck	110	m2	549	60,390	
Houses (open market)	524	m2	2,562	1,342,488	Assumed 61%
Houses (affordable)	335	m2	2,339	783,565	Assumed 39%
Arches linking buildings	4	nr	219,484	877,936	Allowance only
Landscaping to roof terraces	110	m2	549	60,390	
Hard Landscaping	3,160	m2	219	692,040	
Highways	1,185	m2	165	195,525	
Soft Landscaping	1,775	m2	82	145,550	
New trees	30	nr	2,744	82,320	Provisional quantity
Site furniture	148	nr	549	81,252	Allowance only
External lighting	4,455	m2	49	218,295	Allowance only
Site drainage	4,455	m2	33	147,015	Allowance only
Utilities	148	nr	1,646	243,608	Allowance only
District heating main	148	nr	2,963	438,524	
Off site power upgrade	148	nr	3,073	454,804	
Cross site services	148	nr	549	81,252	Allowance only
HV cable re-routed around edge of plot	110	m	1,097	120,670	Provisional quantity
Phasing costs	148	nr	1,097	162,356	Allowance only
SUB TOTAL				£42,818,390	
Contingency on accommodation			5%	1,960,319	
Contingency on other			10%	361,200	
TOTAL (Excluding property buy backs)				£45,139,910	
Residential buy backs	1	item	8,218,000	8,218,000	
Commercial buy backs		item		-	
TOTAL (Including property buy backs)				£53,357,910	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 13 - JUPP					
Demolition	7,308	m3	44	321,552	
Site clearance & site works	4,000	m2	55	220,000	
College	8,250	m2	3,676	Excluded	Excluded
Extra over for green roof / PV	3,250	m3	329	Excluded	Excluded
College 50% contribution adjustment	8,250	m2	-1,838	Excluded	Excluded
Landscaping to roof terraces	1,400	m2	549	768,600	
Hard Landscaping	1,393	m2	219	305,067	
Highways	788	m2	165	130,020	
Soft Landscaping	597	m2	82	48,954	
New trees	24	nr	2,744	65,856	Provisional quantity
Upgrade of pedestrian bridge over railway lines	1	item	329,226	329,226	Allowance only. Upgrade only
Site furniture	1	item	109,742	109,742	Allowance only
External lighting	3,581	m2	49	175,469	Allowance only
Site drainage	3,581	m2	33	118,173	Allowance only
Attenuation tanks	445	m3	604	268,780	
Utilities				Included	Included above
District heating main connection	1	item	274,355	274,355	Allowance only
Off site power upgrade		nr	3,073	0	
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Thames Water diversion	100	m	1,097	109,700	Allowance only
Cross site services		nr	549	0	Included above
Phasing costs	1	item	274,355	274,355	Allowance only
SUB TOTAL				£3,684,462	
Contingency on accommodation			5%	0	
Contingency on other			10%	368,446	
TOTAL (Excluding property buy backs)				£4,052,908	
Residential buy backs	1	item	13,894,000	13,894,000	
Commercial buy backs		item	0	0	
TOTAL (Including property buy backs)				£17,946,908	

POPULO LIVING

STAGE 4 COST ESTIMATE

CARPENTERS ESTATE

**MASTERPLAN**

Quantity	Unit	Rate £	Total £	Notes
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COST BREAKDOWN**PLOT 14 - BIGGERSTAFF SOUTH & TERRACE**

Demolition	3,250	m3	44	143,000	
Site clearance & site works	4,000	m2	55	220,000	
Flats (open market)	6,360	m2	3,007	19,124,520	Assumed 100%
Extra over for PV panels	460	m2	329	151,340	Provisional quantity
Flats (affordable)	0	m2	2,729	0	Assumed 0%
Extra over for PV panels	0	m2	329	0	Provisional quantity
Maisonettes (open market)	293	m2	2,562	750,666	Assumed 100%
Extra over for external deck	50	m2	549	27,450	Provisional quantity
Maisonettes (affordable)	0	m2	2,339	0	Assumed 0%
Extra over for external deck	0	m2	549	0	
ONR; double height	345	m2	3,292	1,135,740	Shell and core. Premium for double height
Landscaping to roof terraces	430	m2	549	236,070	
Hard Landscaping	1,165	m2	219	255,135	
Highways	420	m2	165	69,300	
Allowance for signalled crossing	1	item	164,613	164,613	Allowance for crossing on Warton Road
Soft Landscaping	709	m2	82	58,138	
New trees	24	nr	2,744	65,856	Provisional quantity
Site furniture	69	nr	549	37,881	Allowance only
External lighting	2,015	m2	49	98,735	Allowance only
Site drainage	2,015	m2	33	66,495	Allowance only
Utilities	69	nr	1,646	113,574	Allowance only
District heating main	69	nr	2,963	204,447	
Off site power upgrade	69	nr	3,073	212,037	
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Gas pipe diversion	1	item	460,917	Excluded	As per Cadent budget
Diversion of Thames Water pipework	63	m	1,097	69,111	Allowance only. Split 50/50 with Biggerstaff North
Cross site services	69	nr	549	37,881	Allowance only
Phasing costs	69	nr	1,097	75,693	Allowance only
Hard Landscaping (Biggerstaff Terrace)	189	m2	219	41,391	
Highways (Biggerstaff Terrace)	575	m2	165	94,875	
Soft Landscaping (Biggerstaff Terrace)	0	m2	82	0	
New trees (Biggerstaff Terrace)	24	nr	2,744	65,856	Provisional quantity
Site furniture (Biggerstaff Terrace)	14	nr	549	7,686	Allowance only
External lighting (Biggerstaff Terrace)	764	m2	49	37,436	Allowance only
Site drainage (Biggerstaff Terrace)	764	m2	33	25,212	Allowance only
Utilities (Biggerstaff Terrace)	0	nr	3,292	Excluded	
District heating main (Biggerstaff Terrace)	0	nr	2,963	Excluded	
Cross site services (Biggerstaff Terrace)	0	nr	549	Excluded	
Phasing costs (Biggerstaff Terrace)	14	nr	1,097	15,358	Allowance only
SUB TOTAL				£23,770,109	
Contingency on accommodation			5%	1,059,486	
Contingency on other			10%	258,039	
TOTAL (Excluding property buy backs)				£25,087,634	
Residential buy backs	1	item	1,977,000	1,977,000	
Commercial buy backs		item		0	
TOTAL (Including property buy backs)				£27,064,634	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 15 - TRIANGLE					
Demolition	22,200	m3	44	976,800	
Site clearance & site works	5,300	m2	55	291,500	
Removal of ground contamination	3,975	m2	165	655,875	Allowance only. No details
Flats (open market)	6,207	m2	3,105	19,272,735	Assumed 40.5%
Extra over for PV panels	429	m2	329	141,141	Provisional quantity
Extra over for building by live railway line	61	nr	1,097	66,917	Allowance only
Extra over for enclosed balconies to railway elevations	13	nr	5,487	71,331	Allowance only
Extra over for upgraded windows to railway elevations	183	m2	219	40,077	Allowance only
Extra over for MVHR units at levels G to 8 to railway	8	nr	3,292	26,336	Allowance only
Flats (affordable)	9,043	m2	2,818	25,483,174	Assumed 59%
Extra over for PV panels	625	m2	329	205,625	Provisional quantity
Extra over for building by live railway line	89	nr	1,097	97,633	Allowance only
Extra over for enclosed balconies to railway elevations	19	nr	5,487	104,253	Allowance only
Extra over for upgraded windows to railway elevations	267	m2	219	58,473	Allowance only
Extra over for MVHR units at levels G to 8 to railway	11	nr	3,292	36,212	Allowance only
Podium over vaults area	910	m2	1,646	1,497,860	
ONR; double height	1,558	m2	3,292	5,128,936	Shell and core. Premium for double height
Extra over for colonnade structure	180	m	11,523	2,074,140	Allowance only
Extra over for building by live railway line	1	item	109,742	109,742	Allowance only
Landscaping to roof terraces	1,120	m2	549	614,880	
Hard Landscaping	2,632	m2	219	576,408	
Highways	1,399	m2	165	230,835	
Soft Landscaping	123	m2	82	10,086	
New trees	24	nr	2,744	65,856	Provisional quantity
Site furniture	150	nr	549	82,350	Allowance only
External lighting	5,151	m2	49	252,399	Allowance only
Site drainage	5,151	m2	33	169,983	Allowance only
Attenuation tanks	280	m3	604	169,120	
Utilities	150	nr	1,646	246,900	Allowance only
District heating main	150	nr	2,963	444,450	
Off site power upgrade	150	nr	3,073	460,950	
Cross site services	150	nr	549	82,350	Allowance only
HV cable re-routed around edge of plot	20	m	1,097	21,940	Provisional quantity
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Phasing costs	150	item	1,097	164,550	Allowance only
SUB TOTAL					
Contingency on accommodation			5%	2,720,729	
Contingency on other			10%	568,185	
TOTAL (Excluding property buy backs)					
Residential buy backs		item	0	0	
Commercial buy backs	1	item	6,425,000	6,425,000	
TOTAL (Including property buy backs)					
				£69,810,344	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 16 - GIBBINS					
Demolition	2,680	m3	44	117,920	
Site clearance & site works	979	m2	55	53,845	
Flats (open market)	0	m2	3,202	0	Assumed 0%
Extra over for PV panels	0	m2	329	0	Provisional quantity
Flats (affordable)	7,008	m2	2,907	20,372,256	Assumed 100%
Extra over for PV panels	645	m2	329	212,205	Provisional quantity
ONR; double height	493	m2	3,292	1,622,956	Shell and core. Premium for double height
Landscaping to roof terraces	304	m2	549	166,896	
Hard Landscaping	1,180	m2	219	258,420	
Highways	793	m2	165	130,845	
Soft Landscaping	373	m2	82	30,586	
New trees	24	nr	2,744	65,856	Provisional quantity
Site furniture	75	nr	549	41,175	Allowance only
External lighting	2,277	m2	49	111,573	Allowance only
Site drainage	2,277	m2	33	75,141	Allowance only
Attenuation tanks	105	m3	604	63,420	
Utilities	75	nr	1,646	123,450	Allowance only
District heating main	75	nr	2,963	222,225	
Off site power upgrade	75	nr	3,073	230,475	
Cross site services	75	nr	549	41,175	Allowance only
Services connection with Triangle	1	item	109,742	109,742	Allowance only
Relocation of existing substation	1	item	164,613	Excluded	Assume remains in current location
HV cable re-routed around edge of plot	110	m	1,097	120,670	Provisional quantity
Phasing costs	75	nr	1,097	82,275	Allowance only
SUB TOTAL				£24,253,106	
Contingency on accommodation			5%	1,110,371	
Contingency on other			10%	204,569	
TOTAL (Excluding property buy backs)				£25,568,046	
Residential buy backs		item	0	0	
Commercial buy backs	1	item	2,000,000	2,000,000	
TOTAL (Including property buy backs)				£27,568,046	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
COST BREAKDOWN					
PLOT 17 - CENTRAL WEST					
Demolition	4,500	m3	44	198,000	
Site clearance & site works	2,625	m2	55	144,375	
Flats (open market)	1,617	m2	3,105	5,020,785	Assumed 33.5%
Extra over for green roof	614	m2	329	202,006	Provisional quantity
Flats (affordable)	3,185	m2	2,818	8,975,330	Assumed 66%
Extra over for green roof	1,210	m2	329	398,090	Provisional quantity
Flats (Later Living)	2,842	m2	2,868	8,150,856	
Extra over for residents lounge	58	m2	549	31,842	Specification TBC
Maisonettes (open market)	664	m2	2,562	1,701,168	Assumed 33.5%
Extra over for external deck	27	m2	549	14,823	
Maisonettes (affordable)	1,309	m2	2,339	3,061,751	Assumed 66%
Extra over for external deck	53	m2	549	29,097	
Houses (open market)	334	m2	2,562	855,708	Assumed 33.5%
Houses (affordable)	657	m2	2,339	1,536,723	Assumed 66%
Arches linking buildings	4	nr	219,484	877,936	Allowance only
ONR	467	m2	2,272	1,061,024	Shell and core
Landscaping to roof terraces	400	m2	549	219,600	
Hard Landscaping	2,489	m2	219	545,091	
Highways	863	m2	165	142,395	
Allowance for informal crossing	1	item	21,948	21,948	Allowance only
Soft Landscaping	1,244	m2	82	102,008	
New trees	30	nr	2,744	82,320	Provisional quantity
Site furniture	125	nr	549	68,625	Allowance only
External lighting	3,752	m2	49	183,848	Allowance only
Site drainage	3,752	m2	33	123,816	Allowance only
Attenuation tanks	50	m3	604	30,200	
Utilities	13	nr	1,646	21,398	Allowance only
District heating main	125	nr	2,963	370,375	
Off site power upgrade	125	nr	3,073	384,125	
Cross site services	13	nr	549	7,137	Allowance only
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Thames Water diversions	50	m	1,097	54,850	Allowance only
HV cable re-routed around edge of plot	110	m	1,097	120,670	Provisional quantity
Phasing costs	0	nr	1,097	0	Allowance only
SUB TOTAL				£34,902,533	
Contingency on accommodation			5%	1,595,857	
Contingency on other			10%	298,539	
TOTAL (Excluding property buy backs)				£36,796,929	
Residential buy backs	1	item	6,003,000	6,003,000	
Commercial buy backs		item	0	0	
TOTAL (Including property buy backs)				£42,799,929	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 18 - PARK SOUTH					
Demolition		m3	44	0	
Site clearance & site works	1,868	m2	27	50,436	
ONR	0	m2	2,272	0	
Hard Landscaping	1,005	m2	219	220,095	
Highways	77	m2	165	12,705	
Soft Landscaping	786	m2	82	64,452	
New trees	50	nr	2,744	137,200	Provisional quantity
Site furniture	1	item	164,613	164,613	Allowance only
External lighting	1,868	m2	49	91,532	Allowance only
Site drainage	1,868	m2	33	61,644	Allowance only
Utilities		nr	3,292	0	
Cross site services		nr	549	0	
Phasing costs	1	item	54,871	54,871	Allowance only
SUB TOTAL				£857,548	
Contingency on accommodation			5%	0	
Contingency on other			10%	85,755	
TOTAL (Excluding property buy backs)				£943,303	
Residential buy backs		item			
Commercial buy backs		item			
TOTAL (Including property buy backs)				£943,303	

POPULO LIVING

STAGE 4 COST ESTIMATE

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	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 19 - CENTRAL SOUTH & JUPP CORNER					
Demolition	8,700	m3	44	382,800	
Site clearance & site works	5,600	m2	55	308,000	
Flats (open market)	1,245	m2	3,007	3,743,715	Assumed 39.5%
Extra over for green roof / PV	486	m2	329	159,894	Provisional quantity
Flats (affordable)	1,907	m2	2,729	5,204,203	Assumed 61.5%
Extra over for green roof / PV	745	m2	329	245,105	Provisional quantity
Flats (Later Living)	5,489	m2	3,255	17,866,695	Specification TBC
Extra over for residents lounge	50	m2	549	27,450	Specification TBC
Extra over for basement	360	m2	2,414	869,040	
Extra over for PV panels	410	m2	329	134,890	Provisional quantity
Maisonettes (open market)	1,242	m2	2,562	3,182,004	Assumed 39.5%
Extra over for external deck	85	m2	549	46,665	
Maisonettes (affordable)	1,903	m2	2,339	4,451,117	Assumed 61.5%
Extra over for external deck	130	m2	549	71,370	
Houses (open market)	169	m2	2,562	432,978	Assumed 39.5%
Houses (affordable)	259	m2	2,339	605,801	Assumed 61.5%
Arches linking buildings	3	nr	219,484	658,452	Allowance only
ONR	308	m2	2,272	699,776	Shell and core
Landscaping to roof terraces	560	m2	549	307,440	
Hard Landscaping	3,037	m2	219	665,103	
Highways	1,974	m2	165	325,710	
Soft Landscaping	1,540	m2	82	126,280	
New trees	24	nr	2,744	65,856	Provisional quantity
Site furniture	129	nr	549	70,821	Allowance only
External lighting	5,571	m2	49	272,979	Allowance only
Site drainage	5,571	m2	33	183,843	Allowance only
Attenuation tanks	50	m3	604	30,200	
Utilities	129	nr	1,646	212,334	Allowance only
District heating main	129	nr	2,963	382,227	
Off site power upgrade	129	nr	3,073	396,417	
Cross site services	129	nr	549	70,821	Allowance only
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Diversion of Thames Water pipework	95	m	1,097	104,215	Allowance only
HV cable re-routed around edge of plot	50	m	1,097	54,850	Provisional quantity
Phasing costs	129	nr	1,097	141,513	Allowance only
SUB TOTAL				£42,665,177	
Contingency on accommodation			5%	1,919,958	
Contingency on other			10%	£426,602	
TOTAL (Excluding property buy backs)				£45,011,737	
Residential buy backs	1	item	8,340,000	8,340,000	
Commercial buy backs		item	0	0	
TOTAL (Including property buy backs)				£53,351,737	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
PLOT 20 - EXCHANGE					
Demolition	10,400	m3	44	457,600	
Site clearance & site works	700	m2	55	38,500	
Flats (open market)	2,367	m2	3,019	7,145,973	Assumed 28%
Extra over for PV panels	414	m2	329	136,206	Provisional quantity
Flats (affordable)	6,087	m2	2,735	16,647,945	Assumed 72%
Extra over for PV panels	1,066	m2	329	350,714	Provisional quantity
Podium over parking area	896	m2	1,646	1,474,816	Allowance only
ONR	729	m2	2,272	1,656,288	Shell and core
Landscaping to roof terraces / podium	840	m2	549	461,160	
Hard Landscaping	1,171	m2	219	256,449	
Highways	567	m2	165	93,555	
Soft Landscaping	345	m2	82	28,290	
New trees	24	nr	2,744	65,856	Provisional quantity
Site furniture	88	nr	549	48,312	Allowance only
External lighting	2,578	m2	49	126,322	Allowance only
Site drainage	2,578	m2	33	85,074	Allowance only
Attenuation tanks	95	m3	604	57,380	
Utilities	88	nr	1,646	144,848	Allowance only
District heating main	88	nr	2,963	260,744	
Off site power upgrade	88	nr	3,073	270,424	
Cross site services	88	nr	549	48,312	Allowance only
HV cable re-routed around edge of plot	20	m	1,097	21,940	Provisional quantity
Substation re-provided	1	item	164,613	164,613	Budget quote obtained
Allowance to re-route BT infrastructure	1	item	54,871	54,871	Allowance only
Phasing costs	88	nr	1,097	96,536	Allowance only
SUB TOTAL				£30,192,728	
Contingency on accommodation			5%	1,370,597	
Contingency on other			10%	278,079	
TOTAL (Excluding property buy backs)				£31,841,404	
Residential buy backs		item	0	0	
Commercial buy backs	1	item	2,700,000	2,700,000	
TOTAL (Including property buy backs)				£34,541,404	

POPULO LIVING

STAGE 4 COST ESTIMATE

CARPENTERS ESTATE

**MASTERPLAN**

Quantity	Unit	Rate £	Total £	Notes
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COST BREAKDOWN**PLOT 21 - KENNARD**

Demolition	13,440	m3	44	591,360	
Site clearance & site works	3,600	m2	55	198,000	
Removal of ground contamination	1,800	m2	165	297,000	Allowance only. No details
Flats (open market)	9,380	m2	3,333	31,263,540	Assumed 47%
Extra over for PV panels	477	m2	329	156,933	Provisional quantity
Extra over for external deck	100	m2	549	54,900	
Flats (affordable)	10,578	m2	2,977	31,490,706	Assumed 53%
Extra over for PV panels	538	m2	329	177,002	Provisional quantity
Podium over parking area	765	m2	1,646	1,259,190	Allowance only
ONR	1,011	m2	2,272	2,296,992	Shell and core
Extra over for façade treatment	150	m	5,487	823,050	Allowance only for upgraded façade
Landscaping to roof terraces / podium	1,420	m2	549	779,580	
Hard Landscaping	1,190	m2	219	260,610	
Highways	343	m2	165	56,595	
Allowance for informal crossing	1	item	21,948	21,948	Allowance only
Soft Landscaping	738	m2	82	60,516	
New trees	24	nr	2,744	65,856	Provisional quantity
Site furniture	229	nr	549	125,721	Allowance only
External lighting	2,953	m2	49	144,697	Allowance only
Site drainage	2,953	m2	33	97,449	Allowance only
Attenuation tanks	120	m3	604	72,480	
Utilities	229	nr	1,646	376,934	Allowance only
New substation	1	item	164,613	164,613	Budget quote obtained
District heating main	229	nr	2,963	678,527	
Off site power upgrade	229	nr	3,073	703,717	
Diversion of gas pipes	1	item	128,398	128,398	As per Cadent budget
Diversion of Thames Water sewer	100	m	1,646	164,600	Allowance only
Cross site services	229	nr	549	125,721	Allowance only
Phasing costs	229	nr	1,097	251,213	Allowance only
SUB TOTAL				£72,887,848	
Contingency on accommodation			5%	3,376,116	
Contingency on other			10%	536,554	
TOTAL (Excluding property buy backs)				£76,800,517	
Residential buy backs		item		0	
Commercial buy backs		item		0	
TOTAL (Including property buy backs)				£76,800,517	

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
CARPENTERS SCHOOL					
Enabling Works (Residential)	1	item	74,865	74,865	As per OCE; issued 01.06.2023
Enabling Works (School)	1	item	894,758	894,758	As per OCE; issued 01.06.2023
Residential Works	1	item	33,219,533	33,219,533	As per OCE; issued 01.06.2023
School Works	1	item	13,353,743	13,353,743	As per OCE; issued 01.06.2023
External Works (Residential)	1	item	858,533	858,533	As per OCE; issued 01.06.2023
External Works (School)	1	item	2,829,173	2,829,173	As per OCE; issued 01.06.2023
Utilities (Residential)	1	item	1,124,183	1,124,183	As per OCE; issued 01.06.2023
Utilities (School)	1	item	405,720	405,720	As per OCE; issued 01.06.2023
SUB TOTAL				£52,760,505	
Contingency on accommodation	1	item	2,318,000	2,318,000	As per OCE; issued 01.06.2023
Contingency on other	1	item	640,000	640,000	As per OCE; issued 01.06.2023
TOTAL (Excluding property buy backs)				£55,718,505	
Residential buy backs	1	item		excl.	assumed to be excluded
Commercial buy backs		item		excl.	assumed to be excluded
TOTAL (Including property buy backs)				£55,718,505	

POPULO LIVING
STAGE 4 COST ESTIMATE
CARPENTERS ESTATE

M M
MOTT MACDONALD

MASTERPLAN

	Quantity	Unit	Rate £	Total £	Notes
<u>COST BREAKDOWN</u>					
MEANWHILE USE					
Phase 1	1	item	635,000	635,000	As per OCE; issued 07.06.2023
Phase 2	1	item	1,784,000	1,784,000	As per OCE; issued 07.06.2023
Phase 3	1	item	4,735,000	4,735,000	As per OCE; issued 07.06.2023
Phase 4	1	item	112,000	112,000	As per OCE; issued 07.06.2023
Phase 5	1	item	63,000	63,000	As per OCE; issued 07.06.2023
SUB TOTAL					
Contingency on other	1	item	640,000	1,468,000	As per OCE; issued 07.06.2023
TOTAL (Excluding property buy backs)					
Residential buy backs	1	item		excl.	assumed to be excluded
Commercial buy backs		item		excl.	assumed to be excluded
TOTAL (Including property buy backs)					
				£8,797,000	

POPULO LIVING
STAGE 4 COST ESTIMATE
CARPENTERS ESTATE



APPENDIX 2 - PLOT MAP

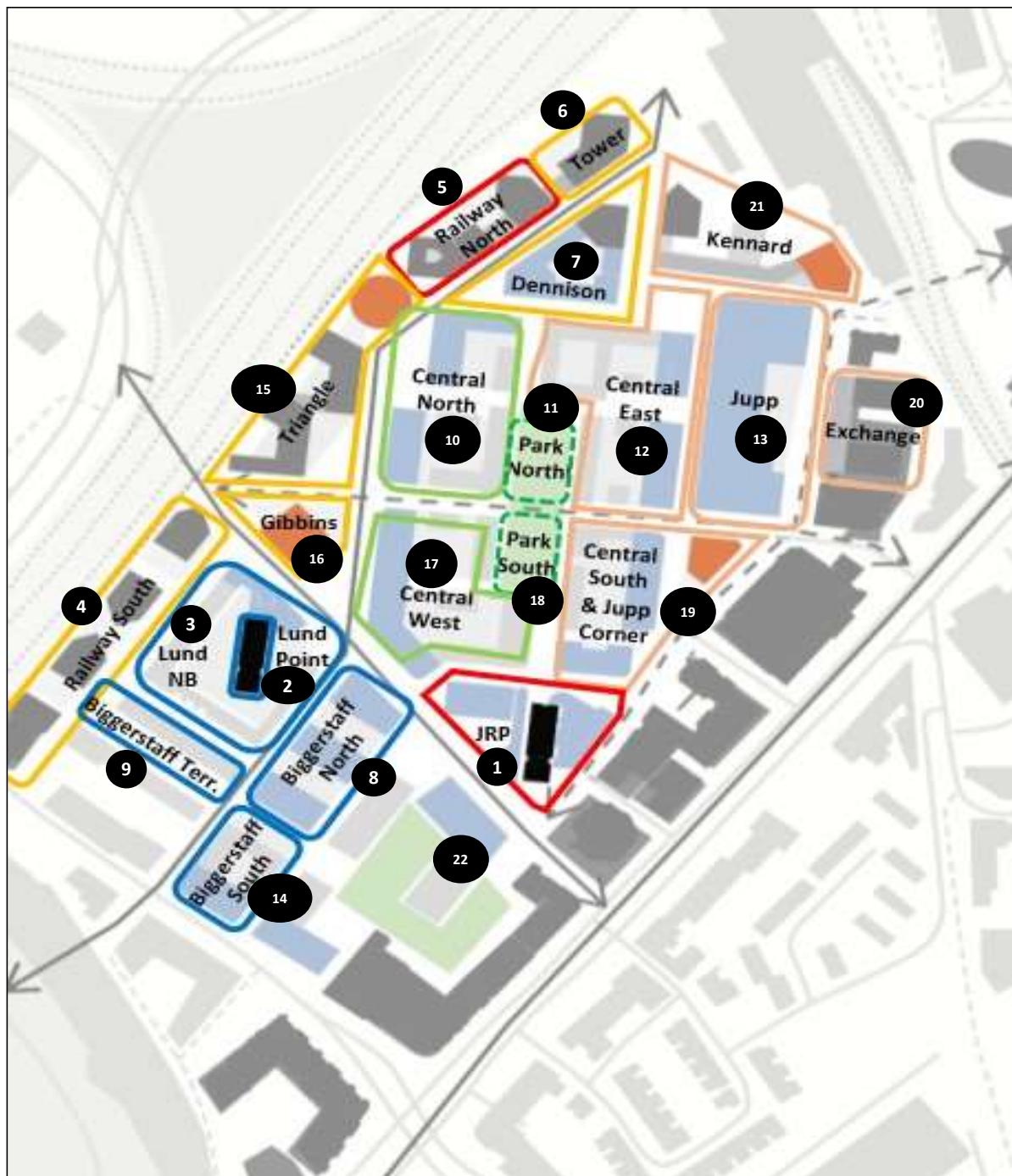
POPULO LIVING

STAGE 4 COST ESTIMATE

CARPENTERS ESTATE

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MACDONALD

PLOT MAP



POPULO LIVING
STAGE 4 COST ESTIMATE
CARPENTERS ESTATE



APPENDIX 3 - INFLATION CALCULATION

Preferred Masterplan

Plot	Estimated Mid-Point of Construction	Estimated Cost as of 2Q 2023 (Excludes Property Buy Backs)	Inflation Index (Construction midpoint)	Inflation Adjustment	Total Estimated Cost Including Inflation	Estimated Inflation
JRP	4Q 2024	£57,573,377	399	1.042	£59,978,531	£2,405,154
Lund Point	3Q 2026	£38,032,392	418	1.091	£41,507,937	£3,475,545
Lund New Build	3Q 2026	£20,965,745	418	1.091	£22,881,675	£1,915,930
Railway South	4Q 2026	£62,036,643	422	1.102	£68,353,690	£6,317,047
Railway North	4Q 2027	£77,512,880	436	1.138	£88,239,205	£10,726,325
The Tower	2Q 2028	£79,657,984	448	1.170	£93,176,962	£13,518,979
Dennison	1Q 2028	£45,429,218	445	1.162	£52,783,295	£7,354,077
Biggerstaff North	2Q 2029	£30,247,429	466	1.217	£36,802,355	£6,554,926
Central North	2Q 2029	£36,466,820	466	1.217	£44,369,551	£7,902,731
Park North	2Q 2030	£1,170,709	485	1.266	£1,482,490	£311,781
Central East	1Q 2030	£45,139,910	482	1.258	£56,807,928	£11,668,018
Jupp	2Q 2030	£4,052,908	485	1.266	£5,132,273	£1,079,365
Biggerstaff South & Terr	1Q 2030	£25,087,634	482	1.258	£31,572,427	£6,484,793
Triangle	3Q 2030	£63,385,344	487	1.272	£80,597,030	£17,211,686
Gibbins	1Q 2031	£25,568,046	501	1.308	£33,445,407	£7,877,361
Central West	1Q 2032	£36,796,929	521	1.360	£50,055,353	£13,258,424
Park South	4Q 2032	£943,303	530	1.384	£1,305,354	£362,051
Central South & Jupp Corner	3Q 2032	£45,011,737	526	1.373	£61,817,686	£16,805,949
Exchange	2Q 2033	£31,841,404	545	1.423	£45,309,569	£13,468,166
Kennard	3Q 2033	£76,800,517	547	1.428	£109,686,378	£32,885,861
Carpenters School	Q4 2028	£55,718,505	453	1.183	£64,811,000	£9,092,495
Meanwhile Use	3Q 2033	£8,797,000	547	1.428	£9,053,000	£256,000
Total		£868,236,433			£1,059,169,097	£190,932,665

Notes:

- As per 'phasing plan revised - June 2023' programme; issued by David Chalmers 13/06/2023
- Index from BCIS All-In TPI
- JRP Costs as per RIBA Stage 3 + Cost Plan - August 2022
- MM forecast beyond 4Q 2027 are based upon a 4% straight line increase assumption
- JRP Costs to be verified through ongoing discussions with Wilmott Dixon.
- Carpenters School is expected to be delivered in two stages; with a construction midpoint for the residential works in Q4 2028 and construction inflation for the school in Q3 2027. For the purpose of this estimate, the inflation costs have been carried through from the estimate issued on 01.06.2023. The above table includes the later midpoint.
- For the purposes of the meanwhile use inflation calculations, costs have been taken directly from OCE Rev A, issued 07.06.2023.

POPULO LIVING
STAGE 4 COST ESTIMATE
CARPENTERS ESTATE



APPENDIX 4 - PHASING PLAN

Phasing Plan - Revised September 22

Phasing Plan - Revised June 2023

Appendix 7

LB of Newham Buy Back Assumptions

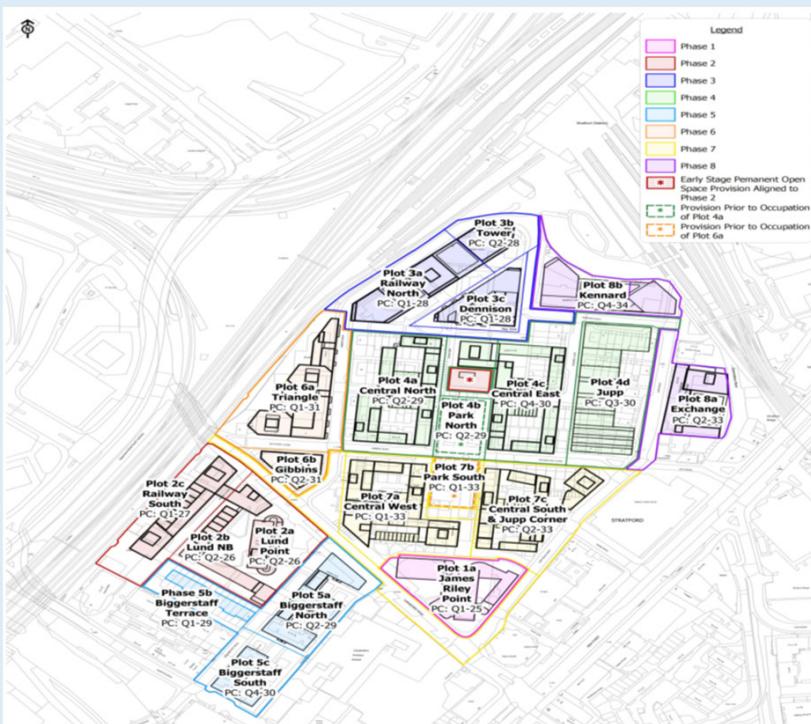
Acquisition & Buy Backs Report

Acquisition & Buybacks - August 2023				
Phases/ Sub-phases	Parcel Name	Residential (including LLO)	Commercial	Total
1	James Riley Point	1,643,408		1,643,408
2a	Lund Point	1,923,720		1,923,720
2b	Lund New Build			-
2c	Railway South	4,356,000	4,356,000	
3a	Railway North	200,000	200,000	
3b	The Tower	200,000.00	200,000	
3c	Dennison	4,646,528	4,646,528	
5a	Biggerstaff North	2,776,009	2,776,009	
4a	Central North	12,993,405	12,993,405	
4b	Park North			-
4c	Central East	12,123,259	12,123,259	
4d	Jupp	14,172,634	14,172,634	
5c	Biggerstaff South	1,472,099	1,472,099	
6a	Triangle	10,260,000	10,260,000	
6b	Gibbins	3,750,000	3,750,000	
7a	Central West	5,851,637	150,000	6,001,637
7b	Park South			-
7c	Central South & Jupp Corner	10,105,759		10,105,759
8a	Exchange			-
8b	Kennard			-
N/A	GLA Services Tunnel	£100,000		100,000
5b	Biggerstaff terrace			
Total Budget		67,708,459	19,016,000	86,724,459

Residential	Buy backs	Not Applicable
1	1,643,408	
2a	1,923,720	
3c	4,646,528	
4a	12,993,405	
4c	12,123,259	
4d	14,172,634	
5a	2,776,009	
5b	1,472,099	
5c	1,472,099	2,192,400
6a	10,260,000	
6b	3,750,000	
GLA	100,000	
7a	150,000	
7c	200,000	
4b	67,708,459	
		18,816,000

Commercial	Buy backs
2c	4,356,000
6b	3,750,000
GLA	100,000
7a	150,000
3a	200,000
	18,816,000

Commercial			
Phase	Estimated cost	Name	Area
2c	2,250,000	8 Rowse Close, Stratford, London, E15 2HX	Rowse Close
2c	240,000	3,4,5, Rowse Close, Stratford, London, E15 2HX	Rowse Close
2c	1,746,000	2 Rowse Close, Stratford, London, E15 2HX	Rowse Close
2c	120,000	1 & 3a Rowse Close, Stratford, London, E15 2HX	Rowse Close
6b	3,750,000	Carpenters Arms	Carpenters Arms
6a	10,260,000	1-3 Hutchins Close & 11-15 Gibbons Road, Stratford, London, E15 2EX	Hutchins Close & Gibbons Road
GLA	100,000	GLA Services tunnel	Services Tunnel
7a		22 Doran's Walk, Carpenters Estate, London	Dorans Walk
7a	150,000	24-26 Doran's Walk, Carpenters Estate, London	Dorans Walk
3c	200,000	Carpenters Youth Centre	Carpenters Youth Centre
	18,816,000		



London Borough of Newham Buy Back Assumptions

Phase	Phase	Name	Area	Tenure	Cost	Other costs*	Total Costs	Total Cost
2c	Railway South	6 Rowse Close, Stratford, London, E15 2HX	Rowse Close	LBN Freehold with L/LH in situ	£3.00	£0.20	£3.20	£2,250,000
2c	Railway South	3,4,5, Rowse Close, Stratford, London, E15 2HX	Rowse Close	LBN Freehold with tenancies	£0.30	£0.30	£0.60	£240,000
2c	Railway South	2 Rowse Close, Stratford, London, E15 2HX	Rowse Close	LBN Freehold with L/LH in situ	£1.50	£0.20	£1.70	£1,746,000
2c	Railway South	1 Rowse Close, Stratford, London, E15 2HX	Rowse Close	LBN Freehold with tenancies	£0.20	£0.10	£0.30	£120,000
6b	Gibbins	Carpenters Arms	Carpenters Arms	LBN Freehold with L/LH in situ	£3.00	£0.20	£3.20	£3,750,000
6a	Triangle	1-3 Hutchins Close & 11-15 Gibbins Road,	Hutchins Close & Gibbons Road	LBN/PA Finley	£5.00	£0.50	£5.50	£10,260,000
GLA		GLA Services tunnel	Services Tunnel	GLA	£0.25	£0.10	£0.35	£100,000
7a	Central West	22 Doran's Walk, Carpenters Estate, London	Dorans Walk	LBN Freehold	£0.00	£0.00	£0.00	
7a	Central West	24-26 Doran's Walk, Carpenters Estate, London	Dorans Walk	LBN with tenancies	£0.15	£0.05	£0.20	£150,000
3c	Dennison	Carpenters Youth Centre	Carpenters Youth Centre	LBN with L/LH in situ	£0.00	£0.20	£0.20	£200,000
		BT data Centre (Exchange)		WCC	Not known			
		Part of college		WCC	Unknown			

£68,478,100 £5,887,131 £1,145,499 £156,545 £688,797 £2,851,158 £75,510,730 £308,000 £41,580 £3,982,155 TOTALS £321,450 £2,894,394 £1,112,617 £2,912,627 £3,966,863 £2,452,778 £333,107

Appendix 8

Build Programme

Phasing Plan - Revised June 2023																								
Homes	Plot	Name	m's	SoS	PC	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034							
136	1a	JRP	36	Oct-23	Apr-26	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4	Q1 Q2 Q3 Q4							
167	2a	Lund Point	24	Jul-25	Jul-27																			
56	2b	Lund NB	21	Oct 25	Jul-27																			
162	2c	Railway South	30	Oct-25	Apr-28																			
194	3a	Railway North	30	Oct-26	Apr-29																			
201	3b	Tower	33	Jan-27	Oct-29																			
30	3c	Dennison	27	Jan-27	Apr-29																			
103	4a	Central North	27	Apr-28	Jul-30																			
99	5a	Biggerstaff North	27	Apr-28	Jul-30																			
69	5c	Biggerstaff S. & Terr.	24	Jan-29	Jan-31	Active & Passive Buyback Policy																		
0	4b	Park North	6	Jan-30	Jul-30																			
148	4c	Central East	27	Jan-29	Apr-31																			
0	4d	Jupp	33	Jan-29	Oct-31																			
150	6a	Triangle	30	Apr-29	Oct-31																			
75	6b	Gibbins	24	Jan-30	Jan-32																			
125	7a	Central West	27	Jan-31	Apr-33																			
0	7b	Park South	6	Oct-32	Apr-33																			
129	7c	Cen. S. & Jupp C.	27	Jul-31	Oct-33																			
88	8a	Exchange	24	Apr-32	Apr-34																			
229	8b	Kennard	33	Apr-34	Jan-35																			
0	9a	School & 2 S106	30	Jul-26	Jan-29																			
94	9b	Supporting PRS	30	Apr-28	Oct-30																			
6	10	Meanwhile Projects	9	Jul-23	Oct-25	Implementation				In operation														

UGF MUGA

In operation

Jupp BCC commences on completion of Lund

Triangle able to come forward following Lund commercial decants

Pub moves to Railway North, providing site storage

New College Site

PC of new college releases Kennard site

Later Living

Active & Passive Buyback Policy

PC @ Lund provides housing for central areas

Important for delivery of houses

Low leaseholder ownership at Biggerstaff

PC @ JRP enables SOS Station Quarter

Masterplan Approved RM

LLO enables Lund SoS

VP

PC at JRP enables decant of Community Centre & Dennison

PC at Lund NB provides Houses & Maisonettes to decant Central North & Biggerstaff North

PC at Railway South provides commercial decant for Triangle & rest of Biggerstaff

PC at Railway South provides commercial decant for Triangle & rest of Biggerstaff

PC at Lund NB provides Houses & Maisonettes to decant Central North & Biggerstaff North

PC at JRP enables decant of Community Centre & Dennison

PC at Lund NB provides Houses & Maisonettes to decant Central North & Biggerstaff North

PC at Railway South provides commercial decant for Triangle & rest of Biggerstaff

PC at Railway South provides commercial decant for Triangle & rest of Biggerstaff

PC at Lund NB provides Houses & Maisonettes to decant Central North & Biggerstaff North

PC at JRP enables decant of Community Centre & Dennison

Appendix 9

Argus Appraisal Summaries

**Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery**

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration 50% Affordable Housing, 50% Sale Scenario 1: Self Delivery

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Affordable Housing (JRP)	132	99,760	156.55	118,315	15,617,636
Private sale (JRP)	4	3,617	865.36	782,500	3,130,000
Private sale (Lund)	167	88,824	710.52	377,912	63,111,250
Affordable units (Lund NB)	56	57,555	135.50	139,265	7,798,814
Affordable units (Railway South)	60	44,849	152.62	114,078	6,844,699
Private Sale (Railway South)	102	76,469	762.14	571,373	58,280,000
Private Sale (Railway North)	113	81,308	746.21	536,925	60,672,500
Affordable (Railway North)	81	58,396	153.26	110,492	8,949,853
Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250
Affordable units (Dennison)	30	18,137	167.62	101,340	3,040,213
Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000
Affordable units (Central North)	59	50,418	144.96	123,873	7,308,491
Private Sale (Central North)	44	37,463	675.57	575,199	25,308,750
Affordable units (Biggerstaff North)	96	75,573	145.43	114,488	10,990,836
Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000
Affordable units (Central East)	58	50,651	137.09	119,723	6,943,959
Private sale (Central East)	90	75,976	679.18	573,347	51,601,250
Affordable units (Triangle)	89	68,799	147.36	113,911	10,138,070
Private Sale (Triangle)	61	47,290	662.43	513,545	31,326,250
Affordable units (Gibbins)	75	55,918	149.61	111,548	8,366,129
Affordable units (Central West)	83	67,416	150.02	121,851	10,113,612
Private sale (Central West)	42	34,015	650.16	526,548	22,115,000
Affordable units (Jupp Corner Cen S)	78	62,032	143.14	113,839	8,879,440
Private sale (Jupp Corner Cen S)	51	39,831	661.80	516,863	26,360,000
Affordable units (Exchange)	63	48,455	149.75	115,174	7,255,980
Private sale (Exchange)	25	18,724	674.87	505,450	12,636,250
Affordable units (Kennard)	121	86,097	170.76	121,505	14,702,051
Private sale (Kennard)	108	76,922	676.50	481,829	52,037,500
Totals	2,159	1,609,257			708,174,783

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community Centre (JRP)	1			60,000	60,000	60,000
Retail/ ONR (Lund)	1	3,846	18.00	69,228	69,228	69,228
Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	19,764	19,764
Retail/ONR (Railway South)	1	12,768	18.00	229,824	229,824	229,824
Retail/ ONR (Railway North)	1	7,227	28.00	202,356	202,356	202,356
Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	105,678	105,678
Retail /ONR (Dennison)	1	9,257	28.00	259,196	259,196	259,196
Retail/ ONR (Central North)	1	5,705	18.00	102,690	102,690	102,690
Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	35,262	35,262
Retail / ONR (Biggerstaff S)	1	3,342	18.00	60,156	60,156	60,156
Retail /ONR (Triangle)	1	15,258	18.00	274,644	274,644	274,644
Retail /ONR (Gibbins)	1	4,776	18.00	85,968	85,968	85,968
Retail / ONR (Central West)	1	4,592	18.00	82,656	82,656	82,656
Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	32,616	32,616
Retail / ONR (Exchange)	1	6,336	18.00	114,048	114,048	114,048
Retail / ONR (Kennard)	1	9,378	18.00	168,804	168,804	168,804
Totals	16	93,225			1,902,890	1,902,890

Investment Valuation

Community Centre (JRP)						
Current Rent	60,000	YP @	6.5000%	15.3846	923,077	
Retail/ ONR (Lund)						
Market Rent	69,228	YP @	6.5000%	15.3846		
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.5000%	0.9099	969,045	
Retail/ ONR (Lund NB)						
Market Rent	19,764	YP @	6.5000%	15.3846		
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.5000%	0.9099	276,654	

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery

Retail/ONR (Railway South)

Market Rent (1yr 6mths Rent Free)	229,824	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,217,049
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Retail/ ONR (Railway North)

Market Rent (1yr 6mths Rent Free)	202,356	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,832,555
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Retail / ONR (Railway N Tower)

Market Rent (1yr 6mths Rent Free)	105,678	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,479,268
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Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	259,196	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,628,194
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Retail/ ONR (Central North)

Market Rent (1yr 6mths Rent Free)	102,690	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,437,442
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Retail /ONR (Biggerstaff N)

Market Rent (1yr 6mths Rent Free)	35,262	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	493,593
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Retail / ONR (Biggerstaff S)

Market Rent (1yr 6mths Rent Free)	60,156	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	842,056
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Retail / ONR (Triangle)

Market Rent (1yr 6mths Rent Free)	274,644	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,844,433
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Retail /ONR (Gibbins)

Market Rent (1yr 6mths Rent Free)	85,968	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,203,370
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Retail / ONR (Central West)

Market Rent (1yr 6mths Rent Free)	82,656	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,157,009
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Retail / ONR (Jupp Corner Cen S)

Market Rent (1yr 6mths Rent Free)	32,616	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	456,555
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Retail / ONR (Exchange)

Market Rent (1yr 6mths Rent Free)	114,048	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,596,430
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Retail / ONR (Kennard)

Market Rent (1yr 6mths Rent Free)	168,804	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,362,898
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Total Investment Valuation

26,719,628

GROSS DEVELOPMENT VALUE

734,894,411

Purchaser's Costs	(1,967,005)
Effective Purchaser's Costs Rate	7.36%

(1,967,005)

NET DEVELOPMENT VALUE

732,927,405

Additional Revenue

Grant funding (JRP)	24,750,000
Grant funding (Lund NB)	10,275,000
Grant funding (Railway South)	11,900,000
Grant funding (Railway North)	15,850,000
Grant funding (Dennison)	5,500,000
Grant funding (Central North)	11,425,000
Grant Funding (Biggerstaff North)	18,500,000

Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery

Grant funding (Central East)	11,525,000
Grant funding (Triangle)	17,800,000
Grant funding (Gibbins)	15,000,000
Grant funding (Central West)	16,450,000
Grant funding (Jupp Centr South)	15,550,000
Grant funding (Exchange)	12,600,000
Grant funding (Kennard)	24,200,000
	211,325,000

NEGATIVE LAND ALLOWANCE

Residualised Price	115,298,067
	115,298,067

NET REALISATION

OUTLAY

ACQUISITION COSTS

Negative Land Allowance	(115,298,067)
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CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Park cost (Park North)	1 un	1,115,305	1,115,305
Park costs (Park South)	1 un	892,867	<u>892,867</u>
Totals			2,008,172
	ft ²	Build Rate ft ²	Cost
Construction Cost (JRP)	171,566	335.58	57,573,377
Construction cost (Lund)	122,160	305.06	37,265,892
Construction costs (Lund NB)	72,064	299.66	21,594,745
Construction costs (Railway South)	177,841	341.25	60,688,043
Construction cost (Railway North)	213,900	361.20	77,259,876
Construction cost (Railway North Tower)	205,300	384.31	78,898,492
Construction costs (Dennison)	124,280	351.14	43,640,086
Construction costs (Central North)	118,295	304.41	36,010,320
Construction costs (Biggerstaff North)	103,839	287.80	29,884,429
Construction costs (Biggerstaff South)	75,326	324.41	24,436,820
Construction cost (Central East)	148,165	301.36	44,651,510
Construction cost (Jupp)	88,802	39.54	3,511,356
Construction costs (Triangle)	181,748	338.17	61,461,169
Construction cost (Gibbins)	80,740	314.54	25,396,281
Construction costs (Central West)	119,641	304.70	36,454,554
Construction cost (JuppC CenS)	134,786	328.82	44,320,937
Construction cost (Exchange)	98,845	317.12	31,345,304
Construction cost (Kennard)	<u>225,708</u>	335.45	<u>75,714,157</u>
Totals	2,463,006 ft²		790,107,348
			792,115,520

Other Construction Costs

Enabling works (Lund NB)	137,500
Enabling works (Railway South)	1,348,600
Enabling works (Railway North)	253,004
Enabling works (Railway N Tower)	759,492
Enabling works (Dennison)	1,789,132
Enabling (Central North)	456,500
Enabling (Park North)	55,404
Enabling works (Biggerstaff North)	363,000
Enabling Works (Biggerstaff South)	363,000
Enabling works (Central East)	488,400
Enabling works (Jupp)	541,552
Enabling works (Triangle)	1,924,175
Enabling works (Gibbins)	171,765
Enabling works (Central West)	342,375
Enabling work (Park South)	50,436
Enabling works (Jupp Corner Cen S)	690,800
Enabling works (Exchange)	496,100
Enabling Works (Kennard)	1,086,360
	11,317,595

Section 106 Costs

Section 106 Costs (JRP)	100,000
Section 106 Costs (Lund)	835,000

Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Self Delivery**

CIL estimate (Lund)			567,271
Section 106 Costs (Lund NB)	56 un	5,000.00 /un	280,000
CIL estimate (Lund NB)			39,519
Section 106 Costs (Railway South)	162 un	5,000.00 /un	810,000
CIL estimate (Railway South)			409,842
Section 106 Costs (Railway North)	194 un	5,000.00 /un	970,000
CIL estimate (Railway North)			826,133
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un	1,005,000
CIL estimate (Railway N Tower)			326,783
Section 106 Costs (Dennison)	30 un	5,000.00 /un	150,000
CIL estimate (Dennison)			355,339
Section 106 Costs (Central North)	103 un	5,000.00 /un	515,000
CIL estimate (Central North)			265,500
Section 106 Costs (Biggerstaff N)	96 un	5,000.00 /un	480,000
CIL estimate (Biggerstaff N)			310,267
Section 106 Costs	69 un	5,000.00 /un	345,000
CIL estimate (Biggerstaff South)			310,267
Section 106 Costs (Central East)	148 un	5,000.00 /un	740,000
CIL estimate (Central East)			256,051
Section 106 Costs (Triangle)	150 un	5,000.00 /un	750,000
CIL estimate (Triangle)			293,313
Section 106 Costs (Gibbins)	75 un	5,000.00 /un	375,000
CIL estimate (Gibbins)			343,677
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
CIL estimate (Central West)			116,082
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
CIL estimate (Jupp Cen S)			312,667
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
CIL estimate (Exchange)			261,922
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
CIL estimate			254,897
			15,459,530

PROFESSIONAL FEES

Professional Fees		10.00%	80,343,311
			80,343,311

MARKETING & LETTING

Letting Agent Fee		10.00%	190,289
Letting Legal Fee		5.00%	95,145
			285,434

DISPOSAL FEES

Sales Agent Fee - PS and Non-resi		1.00%	6,059,776
Marketing - PS		1.00%	5,239,644
Marketing - Non-resi		1.00%	645,326
Sales Agent Fee - AH		0.25%	317,374
Sales Legal Fee - Non-resi		0.25%	161,332
Sales Legal Fee - PS	1,077 un	1,000.00 /un	1,077,000
Sales Legal Fee - AH		0.15%	190,425
			13,690,878

Additional Costs

Buy back costs			1,643,408
Buy back costs			1,923,720
Buy back costs			4,356,000
Buy back costs			200,000
Buy back costs			200,000
Buy back costs			4,646,528
Buy back costs			12,993,405
Buy back costs			2,776,009
Buy back costs			1,472,099
Buy back costs			12,123,259
Buy back costs			14,172,634
Buy back costs			10,260,000
Buy back costs			3,750,000
Buy back costs			6,001,637
Buy back costs			10,105,759
			86,624,458

MISCELLANEOUS FEES

Profit on Private Housing		6.00%	187,800
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Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Self Delivery**

Profit on Affordable Housing	6.00%	937,058
Profit on ONR	6.00%	55,385
Profit on Private Housing	6.00%	3,786,675
Profit on ONR	6.00%	58,143
Profit on Affordable Housing	6.00%	467,929
Profit on ONR	6.00%	16,599
Profit on Private Housing	6.00%	3,496,800
Profit on Affordable Housing	6.00%	410,682
Profit on ONR	6.00%	193,023
Profit on ONR	6.00%	169,953
Profit on Affordable Housing	6.00%	536,991
Profit on Private Housing	6.00%	3,640,350
Profit on Private Housing	6.00%	6,124,575
Profit on ONR	6.00%	88,756
Profit on Affordable Housing	6.00%	182,413
Profit on ONR	6.00%	2,604,492
Profit on Private Housing	6.00%	1,518,525
Profit on Affordable Housing	6.00%	438,509
Profit on ONR	6.00%	86,247
Profit on Affordable Housing	6.00%	659,450
Profit on ONR	6.00%	29,616
Profit on Private Housing	6.00%	1,967,400
Profit on ONR	6.00%	50,523
Profit on Private Housing	6.00%	3,096,075
Profit on Affordable Housing	6.00%	416,638
Profit on Private Housing	6.00%	1,879,575
Profit on Affordable Housing	6.00%	608,284
Profit on ONR	6.00%	230,666
Profit on Affordable Housing	6.00%	501,968
Profit on ONR	6.00%	72,202
Profit on Private Housing	6.00%	1,326,900
Profit on Affordable Housing	6.00%	606,817
Profit on ONR	6.00%	69,421
Profit on Private Housing	6.00%	1,581,600
Profit on Affordable Housing	6.00%	532,766
Profit on ONR	6.00%	27,393
Profit on Private Housing	6.00%	758,175
Profit on Affordable Housing	6.00%	435,359
Profit on ONR	6.00%	95,786
Profit on Private Housing	6.00%	3,122,250
Profit on Affordable Housing	6.00%	882,123
Profit on ONR	6.00%	141,774
		44,093,665

TOTAL COSTS BEFORE FINANCE **1,043,930,390**

FINANCE

Debit Rate 5.000%, Credit Rate 0.000% (Nominal)
Total Finance Cost

15,620,082

TOTAL COSTS **1,059,550,473**

PROFIT

0

Performance Measures

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.18%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%

IRR% (without Interest) N/A

Profit Erosion (finance rate 5.000%) N/A

**Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Joint Venture Base**

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration 50% Affordable Housing, 50% Sale Scenario 1: Joint Venture Base

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Affordable Housing (JRP)	132	99,760	156.55	118,315	15,617,636
Private sale (JRP)	4	3,617	865.36	782,500	3,130,000
Private sale (Lund)	167	88,824	710.52	377,912	63,111,250
Affordable units (Lund NB)	56	57,555	135.50	139,265	7,798,814
Affordable units (Railway South)	60	44,849	152.62	114,078	6,844,699
Private Sale (Railway South)	102	76,469	762.14	571,373	58,280,000
Private Sale (Railway North)	113	81,308	746.21	536,925	60,672,500
Affordable (Railway North)	81	58,396	153.26	110,492	8,949,853
Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250
Affordable units (Dennison)	30	18,137	167.62	101,340	3,040,213
Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000
Affordable units (Central North)	59	50,418	144.96	123,873	7,308,491
Private Sale (Central North)	44	37,463	675.57	575,199	25,308,750
Affordable units (Biggerstaff North)	96	75,573	145.43	114,488	10,990,836
Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000
Affordable units (Central East)	58	50,651	137.09	119,723	6,943,959
Private sale (Central East)	90	75,976	679.18	573,347	51,601,250
Affordable units (Triangle)	89	68,799	147.36	113,911	10,138,070
Private Sale (Triangle)	61	47,290	662.43	513,545	31,326,250
Affordable units (Gibbins)	75	55,918	149.61	111,548	8,366,129
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Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	19,764	19,764
Retail/ONR (Railway South)	1	12,768	18.00	229,824	229,824	229,824
Retail/ ONR (Railway North)	1	7,227	28.00	202,356	202,356	202,356
Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	105,678	105,678
Retail /ONR (Dennison)	1	9,257	28.00	259,196	259,196	259,196
Retail/ ONR (Central North)	1	5,705	18.00	102,690	102,690	102,690
Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	35,262	35,262
Retail /ONR (Biggerstaff S)	1	3,342	18.00	60,156	60,156	60,156
Retail /ONR (Triangle)	1	15,258	18.00	274,644	274,644	274,644
Retail /ONR (Gibbins)	1	4,776	18.00	85,968	85,968	85,968
Retail / ONR (Central West)	1	4,592	18.00	82,656	82,656	82,656
Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	32,616	32,616
Retail / ONR (Exchange)	1	6,336	18.00	114,048	114,048	114,048
Retail / ONR (Kennard)	1	9,378	18.00	168,804	168,804	168,804
Totals	16	93,225			1,902,890	1,902,890

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Market Rent	19,764	YP @	6.5000%	15.3846		
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.5000%	0.9099	276,654	

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Joint Venture Base

Retail/ONR (Railway South)

Market Rent (1yr 6mths Rent Free)	229,824	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,217,049
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Retail/ ONR (Railway North)

Market Rent (1yr 6mths Rent Free)	202,356	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,832,555
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Retail / ONR (Railway N Tower)

Market Rent (1yr 6mths Rent Free)	105,678	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,479,268
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Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	259,196	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,628,194
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Market Rent (1yr 6mths Rent Free)	102,690	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,437,442
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Retail /ONR (Biggerstaff N)

Market Rent (1yr 6mths Rent Free)	35,262	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	493,593
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Retail / ONR (Triangle)

Market Rent (1yr 6mths Rent Free)	274,644	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,844,433
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Retail /ONR (Gibbins)

Market Rent (1yr 6mths Rent Free)	85,968	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,203,370
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Retail / ONR (Central West)

Market Rent (1yr 6mths Rent Free)	82,656	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,157,009
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Retail / ONR (Jupp Corner Cen S)

Market Rent (1yr 6mths Rent Free)	32,616	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	456,555
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Retail / ONR (Exchange)

Market Rent (1yr 6mths Rent Free)	114,048	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,596,430
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Retail / ONR (Kennard)

Market Rent (1yr 6mths Rent Free)	168,804	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,362,898
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Total Investment Valuation

26,719,628

GROSS DEVELOPMENT VALUE

734,894,411

Purchaser's Costs (1,967,005)

Effective Purchaser's Costs Rate 7.36%

(1,967,005)

NET DEVELOPMENT VALUE

732,927,405

Additional Revenue

Grant funding (JRP)	24,750,000
Grant funding (Lund NB)	10,275,000
Grant funding (Railway South)	11,900,000
Grant funding (Railway North)	15,850,000
Grant funding (Dennison)	5,500,000
Grant funding (Central North)	11,425,000
Grant Funding (Biggerstaff North)	18,500,000

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Joint Venture Base

Grant funding (Central East)	11,525,000
Grant funding (Triangle)	17,800,000
Grant funding (Gibbins)	15,000,000
Grant funding (Central West)	16,450,000
Grant funding (Jupp Centr South)	15,550,000
Grant funding (Exchange)	12,600,000
Grant funding (Kennard)	24,200,000
	211,325,000

NEGATIVE LAND ALLOWANCE

Residualised Price	177,034,174
	177,034,174

NET REALISATION

1,121,286,580

OUTLAY

ACQUISITION COSTS

Negative Land Allowance	(177,034,174)
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CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Park cost (Park North)	1 un	1,115,305	1,115,305
Park costs (Park South)	1 un	892,867	<u>892,867</u>
Totals			2,008,172

	ft ²	Build Rate ft ²	Cost
Construction Cost (JRP)	171,566	335.58	57,573,377
Construction cost (Lund)	122,160	305.06	37,265,892
Construction costs (Lund NB)	72,064	299.66	21,594,745
Construction costs (Railway South)	177,841	341.25	60,688,043
Construction cost (Railway North)	213,900	361.20	77,259,876
Construction cost (Railway North Tower)	205,300	384.31	78,898,492
Construction costs (Dennison)	124,280	351.14	43,640,086
Construction costs (Central North)	118,295	304.41	36,010,320
Construction costs (Biggerstaff North)	103,839	287.80	29,884,429
Construction costs (Biggerstaff South)	75,326	324.41	24,436,820
Construction cost (Central East)	148,165	301.36	44,651,510
Construction cost (Jupp)	88,802	39.54	3,511,356
Construction costs (Triangle)	181,748	338.17	61,461,169
Construction cost (Gibbins)	80,740	314.54	25,396,281
Construction costs (Central West)	119,641	304.70	36,454,554
Construction cost (JuppC CenS)	134,786	328.82	44,320,937
Construction cost (Exchange)	98,845	317.12	31,345,304
Construction cost (Kennard)	<u>225,708</u>	335.45	<u>75,714,157</u>
Totals	2,463,006 ft²		790,107,348
			792,115,520

Other Construction Costs

Enabling works (Lund NB)	137,500
Enabling works (Railway South)	1,348,600
Enabling works (Railway North)	253,004
Enabling works (Railway N Tower)	759,492
Enabling works (Dennison)	1,789,132
Enabling (Central North)	456,500
Enabling (Park North)	55,404
Enabling works (Biggerstaff North)	363,000
Enabling Works (Biggerstaff South)	363,000
Enabling works (Central East)	488,400
Enabling works (Jupp)	541,552
Enabling works (Triangle)	1,924,175
Enabling works (Gibbins)	171,765
Enabling works (Central West)	342,375
Enabling work (Park South)	50,436
Enabling works (Jupp Corner Cen S)	690,800
Enabling works (Exchange)	496,100
Enabling Works (Kennard)	1,086,360
	11,317,595

Section 106 Costs

Section 106 Costs (JRP)	100,000
Section 106 Costs (Lund)	835,000

Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Joint Venture Base**

CIL estimate (Lund)			567,271
Section 106 Costs (Lund NB)	56 un	5,000.00 /un	280,000
CIL estimate (Lund NB)			39,519
Section 106 Costs (Railway South)	162 un	5,000.00 /un	810,000
CIL estimate (Railway South)			409,842
Section 106 Costs (Railway North)	194 un	5,000.00 /un	970,000
CIL estimate (Railway North)			826,133
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un	1,005,000
CIL estimate (Railway N Tower)			326,783
Section 106 Costs (Dennison)	30 un	5,000.00 /un	150,000
CIL estimate (Dennison)			355,339
Section 106 Costs (Central North)	103 un	5,000.00 /un	515,000
CIL estimate (Central North)			265,500
Section 106 Costs (Biggerstaff N)	96 un	5,000.00 /un	480,000
CIL estimate (Biggerstaff N)			310,267
Section 106 Costs	69 un	5,000.00 /un	345,000
CIL estimate (Biggerstaff South)			310,267
Section 106 Costs (Central East)	148 un	5,000.00 /un	740,000
CIL estimate (Central East)			256,051
Section 106 Costs (Triangle)	150 un	5,000.00 /un	750,000
CIL estimate (Triangle)			293,313
Section 106 Costs (Gibbins)	75 un	5,000.00 /un	375,000
CIL estimate (Gibbins)			343,677
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
CIL estimate (Central West)			116,082
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
CIL estimate (Jupp Cen S)			312,667
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
CIL estimate (Exchange)			261,922
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
CIL estimate			254,897
			15,459,530

PROFESSIONAL FEES

Professional Fees		10.00%	80,343,311
			80,343,311

MARKETING & LETTING

Letting Agent Fee		10.00%	190,289
Letting Legal Fee		5.00%	95,145
			285,434

DISPOSAL FEES

Sales Agent Fee - PS and Non-resi		1.00%	6,059,776
Marketing - PS		1.00%	5,239,644
Marketing - Non-resi		1.00%	645,326
Sales Agent Fee - AH		0.25%	317,374
Sales Legal Fee - Non-resi		0.25%	161,332
Sales Legal Fee - PS	1,077 un	1,000.00 /un	1,077,000
Sales Legal Fee - AH		0.15%	190,425
			13,690,878

Additional Costs

Buy back costs			1,643,408
Buy back costs			1,923,720
Buy back costs			4,356,000
Buy back costs			200,000
Buy back costs			200,000
Buy back costs			4,646,528
Buy back costs			12,993,405
Buy back costs			2,776,009
Buy back costs			1,472,099
Buy back costs			12,123,259
Buy back costs			14,172,634
Buy back costs			10,260,000
Buy back costs			3,750,000
Buy back costs			6,001,637
Buy back costs			10,105,759
			86,624,458

MISCELLANEOUS FEES

Profit on Private Housing		17.50%	547,750
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Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Joint Venture Base**

Profit on Affordable Housing	6.00%	937,058
Profit on ONR	15.00%	138,462
Profit on Private Housing	17.50%	11,044,469
Profit on ONR	15.00%	145,357
Profit on Affordable Housing	6.00%	467,929
Profit on ONR	15.00%	41,498
Profit on Private Housing	17.50%	10,199,000
Profit on Affordable Housing	6.00%	410,682
Profit on ONR	15.00%	482,557
Profit on ONR	15.00%	424,883
Profit on Affordable Housing	6.00%	536,991
Profit on Private Housing	17.50%	10,617,688
Profit on Private Housing	17.50%	17,863,344
Profit on ONR	15.00%	221,890
Profit on Affordable Housing	6.00%	182,413
Profit on ONR	15.00%	6,511,229
Profit on Private Housing	17.50%	4,429,031
Profit on Affordable Housing	6.00%	438,509
Profit on ONR	15.00%	215,616
Profit on Affordable Housing	6.00%	659,450
Profit on ONR	15.00%	74,039
Profit on Private Housing	17.50%	5,738,250
Profit on ONR	15.00%	126,308
Profit on Private Housing	17.50%	9,030,219
Profit on Affordable Housing	6.00%	416,638
Profit on Private Housing	17.50%	5,482,094
Profit on Affordable Housing	6.00%	608,284
Profit on ONR	15.00%	576,665
Profit on Affordable Housing	6.00%	501,968
Profit on ONR	15.00%	180,505
Profit on Private Housing	17.50%	3,870,125
Profit on Affordable Housing	6.00%	606,817
Profit on ONR	15.00%	173,551
Profit on Private Housing	17.50%	4,613,000
Profit on Affordable Housing	6.00%	532,766
Profit on ONR	15.00%	68,483
Profit on Private Housing	17.50%	2,211,344
Profit on Affordable Housing	6.00%	435,359
Profit on ONR	15.00%	239,465
Profit on Private Housing	17.50%	9,106,562
Profit on Affordable Housing	6.00%	882,123
Profit on ONR	15.00%	354,435
		112,344,806
TOTAL COSTS BEFORE FINANCE		1,112,181,532
FINANCE		
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)		
Total Finance Cost		9,105,048
TOTAL COSTS		1,121,286,580
PROFIT		0
Performance Measures		
Profit on Cost%	0.00%	
Profit on GDV%	0.00%	
Profit on NDV%	0.00%	
Development Yield% (on Rent)	0.17%	
Equivalent Yield% (Nominal)	6.50%	
Equivalent Yield% (True)	6.77%	
IRR% (without Interest)	-2.20%	
Profit Erosion (finance rate 6.500)	N/A	

Appendix 10

Sensitivity Analysis

**Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery**

Development Appraisal
JLL
31 October 2023

Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery

Table of Land Cost and Profit on Cost%

Construction: Rate /ft ²					
Sales: Rate /ft ²	-10.000%	-5.000%	0.000%	+5.000%	+10.000%
-10.000%	£80,031,815 0.000%	£119,069,246 0.000%	£159,122,097 0.000%	£199,898,756 0.000%	£241,174,818 0.000%
-5.000%	£59,250,175 0.000%	£97,616,173 0.000%	£136,985,774 0.000%	£177,233,846 0.000%	£218,186,094 0.000%
0.000%	£38,841,239 0.000%	£76,637,225 0.000%	£115,298,067 0.000%	£154,953,007 0.000%	£195,425,684 0.000%
+5.000%	£18,944,550 0.000%	£56,030,062 0.000%	£94,117,390 0.000%	£133,074,441 0.000%	£173,000,384 0.000%
+10.000%	-£130,978 0.000%	£35,774,199 0.000%	£73,318,365 0.000%	£111,692,826 0.000%	£150,944,208 0.000%

Sensitivity Analysis : Assumptions for Calculation

Construction: Rate /ft²

Original Values are varied by Steps of 5.000%.

Heading	Phase	Rate	No. of Steps
Construction cost (Railway North)	5	£361.20	2.00 Up & Down
Construction costs (Dennison)	7	£351.14	2.00 Up & Down
Construction cost (JuppC CenS)	16	£328.82	2.00 Up & Down
Construction cost (Exchange)	17	£317.12	2.00 Up & Down
Construction costs (Biggerstaff North)	9	£287.80	2.00 Up & Down
Construction Cost (JRP)	1	£335.58	2.00 Up & Down
Construction cost (Lund)	2	£305.06	2.00 Up & Down
Construction costs (Lund NB)	3	£299.66	2.00 Up & Down
Construction costs (Railway South)	4	£341.25	2.00 Up & Down
Construction cost (Railway North Tower)	6	£384.31	2.00 Up & Down
Construction costs (Central North)	8	£304.41	2.00 Up & Down
Construction costs (Biggerstaff South)	10	£324.41	2.00 Up & Down
Construction cost (Central East)	11	£301.36	2.00 Up & Down
Construction cost (Jupp)	12	£39.54	2.00 Up & Down
Construction costs (Triangle)	13	£338.17	2.00 Up & Down
Construction cost (Gibbins)	14	£314.54	2.00 Up & Down
Construction costs (Central West)	15	£304.70	2.00 Up & Down
Construction cost (Kennard)	18	£335.45	2.00 Up & Down

Sales: Rate /ft²

Original Values are varied by Steps of 5.000%.

Heading	Phase	Rate	No. of Steps
Private Sale (Railway North)	5	£746.21	2.00 Up & Down
Private sale (Jupp Corner Cen S)	16	£661.80	2.00 Up & Down
Private sale (Exchange)	17	£674.87	2.00 Up & Down
Private sale (JRP)	1	£865.36	2.00 Up & Down
Private sale (Lund)	2	£710.52	2.00 Up & Down
Private Sale (Railway South)	4	£762.14	2.00 Up & Down
Private Sale (Railway Tower North)	6	£750.55	2.00 Up & Down
Private Sale (Central North)	8	£675.57	2.00 Up & Down
Private Sale (Biggerstaff South)	10	£672.48	2.00 Up & Down
Private sale (Central East)	11	£679.18	2.00 Up & Down
Private Sale (Triangle)	13	£662.43	2.00 Up & Down
Private sale (Central West)	15	£650.16	2.00 Up & Down
Private sale (Kennard)	18	£676.50	2.00 Up & Down

**Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Joint Venture Base**

Development Appraisal
JLL
31 October 2023

Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Joint Venture Base

Table of Land Cost and Profit on Cost%

Construction: Rate /ft ²					
Sales: Rate /ft ²	-10.000%	-5.000%	0.000%	+5.000%	+10.000%
-10.000%	£135,389,912 0.000%	£175,642,148 0.000%	£216,560,876 0.000%	£258,335,769 0.000%	£300,972,342 0.000%
-5.000%	£116,459,368 0.000%	£156,141,101 0.000%	£196,642,942 0.000%	£237,824,590 0.000%	£279,882,800 0.000%
0.000%	£97,891,505 0.000%	£137,000,555 0.000%	£177,034,174 0.000%	£217,741,617 0.000%	£259,168,453 0.000%
+5.000%	£80,017,929 0.000%	£118,163,558 0.000%	£157,647,909 0.000%	£198,015,955 0.000%	£238,929,036 0.000%
+10.000%	£62,574,763 0.000%	£99,839,252 0.000%	£138,641,248 0.000%	£178,469,858 0.000%	£219,014,589 0.000%

Sensitivity Analysis : Assumptions for Calculation

Construction: Rate /ft²

Original Values are varied by Steps of 5.000%.

Heading	Phase	Rate	No. of Steps
Construction cost (Railway North)	5	£361.20	2.00 Up & Down
Construction costs (Dennison)	7	£351.14	2.00 Up & Down
Construction cost (JuppC CenS)	16	£328.82	2.00 Up & Down
Construction cost (Exchange)	17	£317.12	2.00 Up & Down
Construction costs (Biggerstaff North)	9	£287.80	2.00 Up & Down
Construction Cost (JRP)	1	£335.58	2.00 Up & Down
Construction cost (Lund)	2	£305.06	2.00 Up & Down
Construction costs (Lund NB)	3	£299.66	2.00 Up & Down
Construction costs (Railway South)	4	£341.25	2.00 Up & Down
Construction cost (Railway North Tower)	6	£384.31	2.00 Up & Down
Construction costs (Central North)	8	£304.41	2.00 Up & Down
Construction costs (Biggerstaff South)	10	£324.41	2.00 Up & Down
Construction cost (Central East)	11	£301.36	2.00 Up & Down
Construction cost (Jupp)	12	£39.54	2.00 Up & Down
Construction costs (Triangle)	13	£338.17	2.00 Up & Down
Construction cost (Gibbins)	14	£314.54	2.00 Up & Down
Construction costs (Central West)	15	£304.70	2.00 Up & Down
Construction cost (Kennard)	18	£335.45	2.00 Up & Down

Sales: Rate /ft²

Original Values are varied by Steps of 5.000%.

Heading	Phase	Rate	No. of Steps
Private Sale (Railway North)	5	£746.21	2.00 Up & Down
Private sale (Jupp Corner Cen S)	16	£661.80	2.00 Up & Down
Private sale (Exchange)	17	£674.87	2.00 Up & Down
Private sale (JRP)	1	£865.36	2.00 Up & Down
Private sale (Lund)	2	£710.52	2.00 Up & Down
Private Sale (Railway South)	4	£762.14	2.00 Up & Down
Private Sale (Railway Tower North)	6	£750.55	2.00 Up & Down
Private Sale (Central North)	8	£675.57	2.00 Up & Down
Private Sale (Biggerstaff South)	10	£672.48	2.00 Up & Down
Private sale (Central East)	11	£679.18	2.00 Up & Down
Private Sale (Triangle)	13	£662.43	2.00 Up & Down
Private sale (Central West)	15	£650.16	2.00 Up & Down
Private sale (Kennard)	18	£676.50	2.00 Up & Down

Appendix 11

Additional Scenario Appraisal Summaries

**Proposed Carpenters Estate Regeneration
Scenario 2: Self Delivery Breakeven
6% Affordable**

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration Scenario 2: Self Delivery Breakeven 6% Affordable

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Affordable Housing (JRP)	130	98,248	156.55	118,315	15,381,005
Private sale (JRP)	6	5,426	865.36	782,500	4,695,000
Private sale (Lund)	167	88,824	710.52	377,912	63,111,250
Private Sale (Lund NB)	56	57,555	730.45	750,737	42,041,250
Private Sale (Railway South)	162	121,546	761.19	571,111	92,520,000
Private Sale (Railway North)	194	139,446	748.58	538,073	104,386,250
Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250
Private Sale (Dennison)	30	18,137	647.50	391,458	11,743,750
Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000
Private Sale (Central North)	103	89,545	669.48	582,027	59,948,750
Private Sale (Biggerstaff North)	96	75,573	687.41	541,146	51,950,000
Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000
Private sale (Central East)	148	126,627	666.12	569,924	84,348,750
Private Sale (Triangle)	150	116,089	662.50	512,725	76,908,750
Private Sale (Gibbins)	75	55,918	677.96	505,467	37,910,000
Private sale (Central West)	125	99,986	653.39	522,640	65,330,000
Private sale (Jupp Corner Cen S)	129	102,246	652.89	517,481	66,755,000
Private sale (Exchange)	88	67,522	676.19	518,835	45,657,500
Private sale (Kennard)	229	163,019	676.36	481,479	110,258,750
Totals	2,159	1,610,469			1,107,592,255

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community Centre (JRP)	1			60,000	60,000	60,000
Retail/ ONR (Lund)	1	3,846	18.00	69,228	69,228	69,228
Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	19,764	19,764
Retail/ONR (Railway South)	1	12,768	18.00	229,824	229,824	229,824
Retail/ ONR (Railway North)	1	7,227	28.00	202,356	202,356	202,356
Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	105,678	105,678
Retail /ONR (Dennison)	1	9,257	28.00	259,196	259,196	259,196
Retail/ ONR (Central North)	1	5,705	18.00	102,690	102,690	102,690
Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	35,262	35,262
Retail / ONR (Biggerstaff S)	1	3,342	18.00	60,156	60,156	60,156
Retail / ONR (Triangle)	1	15,258	18.00	274,644	274,644	274,644
Retail /ONR (Gibbins)	1	4,776	18.00	85,968	85,968	85,968
Retail / ONR (Central West)	1	4,592	18.00	82,656	82,656	82,656
Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	32,616	32,616
Retail / ONR (Exchange)	1	6,336	18.00	114,048	114,048	114,048
Retail / ONR (Kennard)	1	9,378	18.00	168,804	168,804	168,804
Totals	16	93,225			1,902,890	1,902,890

Investment Valuation

Community Centre (JRP)	Market Rent	60,000	YP @	6.5000%	15.3846	923,077
Retail/ ONR (Lund)	Market Rent	69,228	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	969,045
Retail/ ONR (Lund NB)	Market Rent	19,764	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	276,654
Retail/ONR (Railway South)	Market Rent	229,824	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	3,217,049
Retail/ ONR (Railway North)	Market Rent	202,356	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	2,832,555
Retail / ONR (Railway N Tower)						

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

Scenario 2: Self Delivery Breakeven

6% Affordable

Market Rent (1yr 6mths Rent Free)	105,678	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	1,479,268

Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	259,196	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	3,628,194

Retail/ ONR (Central North)

Market Rent (1yr 6mths Rent Free)	102,690	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	1,437,442

Retail /ONR (Biggerstaff N)

Market Rent (1yr 6mths Rent Free)	35,262	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	493,593

Retail / ONR (Biggerstaff S)

Market Rent (1yr 6mths Rent Free)	60,156	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	842,056

Retail / ONR (Triangle)

Market Rent (1yr 6mths Rent Free)	274,644	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	3,844,433

Retail /ONR (Gibbins)

Market Rent (1yr 6mths Rent Free)	85,968	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	1,203,370

Retail / ONR (Central West)

Market Rent (1yr 6mths Rent Free)	82,656	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	1,157,009

Retail / ONR (Jupp Corner Cen S)

Market Rent (1yr 6mths Rent Free)	32,616	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	456,555

Retail / ONR (Exchange)

Market Rent (1yr 6mths Rent Free)	114,048	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	1,596,430

Retail / ONR (Kennard)

Market Rent (1yr 6mths Rent Free)	168,804	YP @ PV 1yr 6mths @	6.5000%	15.3846	
			6.5000%	0.9099	2,362,898

Total Investment Valuation

26,719,628

GROSS DEVELOPMENT VALUE

1,134,311,883

Purchaser's Costs		(2,073,425)
Effective Purchaser's Costs Rate	7.76%	(2,073,425)

NET DEVELOPMENT VALUE

1,132,238,458

Additional Revenue

Grant funding (JRP)		24,350,000
		24,350,000

NEGATIVE LAND ALLOWANCE

Residualised Price		322,755
		322,755

NET REALISATION

1,156,911,213

OUTLAY

ACQUISITION COSTS

Negative Land Allowance		(322,755)
		(322,755)

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
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Proposed Carpenters Estate Regeneration**Scenario 2: Self Delivery Breakeven****6% Affordable**

Park cost (Park North)	1 un	1,115,305	1,115,305
Park costs (Park South)	<u>1 un</u>	892,867	<u>892,867</u>
Totals			2,008,172

	ft ²	Build Rate ft ²	Cost
Construction Cost (JRP)	171,566	335.58	57,573,377
Construction cost (Lund)	122,160	305.06	37,265,892
Construction costs (Lund NB)	72,064	299.66	21,594,745
Construction costs (Railway South)	177,841	341.25	60,688,043
Construction cost (Railway North)	213,900	361.20	77,259,876
Construction cost (Railway North Tower)	205,300	384.31	78,898,492
Construction costs (Dennison)	124,280	351.14	43,640,086
Construction costs (Central North)	118,295	304.41	36,010,320
Construction costs (Biggerstaff North)	103,839	287.80	29,884,429
Construction costs (Biggerstaff South)	75,326	324.41	24,436,820
Construction cost (Central East)	148,165	301.36	44,651,510
Construction cost (Jupp)	88,802	39.54	3,511,356
Construction costs (Triangle)	181,748	338.17	61,461,169
Construction cost (Gibbins)	80,740	314.54	25,396,281
Construction costs (Central West)	119,641	304.70	36,454,554
Construction cost (JuppC CenS)	134,786	328.82	44,320,937
Construction cost (Exchange)	98,845	317.12	31,345,304
Construction cost (Kennard)	<u>225,708</u>	335.45	<u>75,714,157</u>
Totals	2,463,006 ft²		790,107,348
			792,115,520

Other Construction Costs

Enabling works (Lund NB)	137,500
Enabling works (Railway South)	1,348,600
Enabling works (Railway North)	253,004
Enabling works (Railway N Tower)	759,492
Enabling works (Dennison)	1,789,132
Enabling (Park North)	55,404
Enabling (Central North)	456,500
Enabling works (Biggerstaff North)	363,000
Enabling Works (Biggerstaff South)	363,000
Enabling works (Central East)	488,400
Enabling works (Jupp)	541,552
Enabling works (Triangle)	1,924,175
Enabling works (Gibbins)	171,765
Enabling work (Park South)	50,436
Enabling works (Central West)	342,375
Enabling works (Jupp Corner Cen S)	690,800
Enabling works (Exchange)	496,100
Enabling Works (Kennard)	1,086,360
	11,317,595

Section 106 Costs

Section 106 Costs (JRP)		100,000
Section 106 Costs (Lund)	167 un	5,000.00 /un
CIL estimate (Lund)	167 un	3,397.00 /un
Section 106 Costs (Lund NB)	56 un	5,000.00 /un
CIL estimate (Lund NB)	56 un	706.00 /un
Section 106 Costs (Railway South)	162 un	5,000.00 /un
CIL estimate (Railway South)	162 un	4,018.00 /un
Section 106 Costs (Railway North)	194 un	5,000.00 /un
CIL estimate (Railway North)	194 un	7,311.00 /un
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un
CIL estimate (Railway N Tower)		1,005,000
Section 106 Costs (Dennison)	30 un	5,000.00 /un
CIL estimate (Dennison)		326,783
Section 106 Costs (Central North)	103 un	5,000.00 /un
CIL estimate (Central North)	103 un	6,034.00 /un
Section 106 Costs (Biggerstaff N)	96 un	5,000.00 /un
CIL estimate (Biggerstaff N)		480,000
Section 106 Costs	69 un	5,000.00 /un
CIL estimate (Biggerstaff South)		310,267
Section 106 Costs (Central East)	148 un	5,000.00 /un
CIL estimate (Central East)	148 un	2,845.00 /un
Section 106 Costs (Triangle)	150 un	5,000.00 /un
CIL estimate (Triangle)	150 un	4,808.00 /un
Section 106 Costs (Gibbins)	75 un	5,000.00 /un

Proposed Carpenters Estate Regeneration**Scenario 2: Self Delivery Breakeven****6% Affordable**

CIL estimate (Gibbins)			343,677
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
CIL estimate (Central West)	125 un	2,764.00 /un	345,500
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
CIL estimate (Jupp Cen S)	129 un	6,131.00 /un	790,899
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
CIL estimate (Exchange)	88 un	10,480.00 /un	922,240
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
CIL estimate	229 un	2,360.00 /un	540,440
			18,895,259

PROFESSIONAL FEES

Professional Fees		10.00%	80,343,311
			80,343,311

MARKETING & LETTING

Letting Agent Fee		10.00%	190,289
Letting Legal Fee		5.00%	95,145
			285,434

DISPOSAL FEES

Sales Agent Fee - PS and Non-resi		1.00%	11,168,575
Marketing - PS		1.00%	9,087,862
Marketing - Non-resi		1.00%	646,816
Sales Agent Fee - AH		0.25%	38,453
Sales Legal Fee - AH		0.15%	23,072
Sales Legal Fee - PS	1,998 un	1,000.00 /un	1,998,000
Sales Legal Fee - Non-resi		0.25%	325,029
			23,287,806

Additional Costs

Buy back costs			1,643,408
Buy back costs			1,923,720
Buy back costs			4,356,000
Buy back costs			200,000
Buy back costs			200,000
Buy back costs			4,646,528
Buy back costs			12,993,405
Buy back costs			2,776,009
Buy back costs			1,472,099
Buy back costs			12,123,259
Buy back costs			14,172,634
Buy back costs			10,260,000
Buy back costs			3,750,000
Buy back costs			6,001,637
Buy back costs			10,105,759
			86,624,458

MISCELLANEOUS FEES

Profit on ONR		6.00%	55,385
Profit on Private Housing		6.00%	281,700
Profit on ONR		6.00%	58,143
Profit on Private Housing		6.00%	3,786,675
Profit on ONR		6.00%	16,599
Profit on Private Housing		6.00%	2,522,475
Profit on ONR		6.00%	193,023
Profit on Private Housing		6.00%	5,551,200
Profit on Private Housing		6.00%	6,263,175
Profit on ONR		6.00%	169,953
Profit on ONR		6.00%	88,756
Profit on Private Housing		6.00%	6,124,575
Profit on ONR		6.00%	2,604,492
Profit on Private Housing		6.00%	704,625
Profit on ONR		6.00%	86,247
Profit on Private Housing		6.00%	3,596,925
Profit on ONR		6.00%	29,616
Profit on Private Housing		6.00%	3,117,000
Profit on ONR		6.00%	50,523
Profit on Private Housing		6.00%	1,967,400
Profit on Private Housing		6.00%	5,060,925
Profit on ONR		6.00%	230,666
Profit on Private Housing		6.00%	4,614,525

Proposed Carpenters Estate Regeneration**Scenario 2: Self Delivery Breakeven****6% Affordable**

Profit on ONR	6.00%	72,202
Profit on Private Housing	6.00%	2,274,600
Profit on ONR	6.00%	69,421
Profit on Private Housing	6.00%	3,919,800
Profit on ONR	6.00%	27,393
Profit on Private Housing	6.00%	4,005,300
Profit on ONR	6.00%	95,786
Profit on Private Housing	6.00%	2,739,450
Profit on ONR	6.00%	141,774
Profit on Private Housing	6.00%	6,615,525
		67,135,853

TOTAL COSTS BEFORE FINANCE **1,080,005,236**

FINANCE

Debit Rate 5.000%, Credit Rate 0.000% (Nominal)
Total Finance Cost

76,905,977

TOTAL COSTS **1,156,911,213**

PROFIT

0

Performance Measures

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.16%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR% (without Interest)	4.87%
Profit Erosion (finance rate 5.000)	N/A

Proposed Carpenters Estate Regeneration

Scenario 2: Joint Venture Breakeven

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration Scenario 2: Joint Venture Breakeven

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Private sale (JRP)	136	103,376	757.33	575,662	78,290,000
Private sale (Lund)	167	88,824	710.52	377,912	63,111,250
Private Sale (Lund NB)	56	57,555	730.45	750,737	42,041,250
Private Sale (Railway South)	162	121,546	761.19	571,111	92,520,000
Private Sale (Railway North)	194	139,446	748.58	538,073	104,386,250
Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250
Private Sale (Dennison)	30	18,137	647.50	391,458	11,743,750
Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000
Private Sale (Central North)	103	89,545	669.48	582,027	59,948,750
Private Sale (Biggerstaff North)	96	75,573	687.41	541,146	51,950,000
Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000
Private sale (Central East)	148	126,627	666.12	569,924	84,348,750
Private Sale (Triangle)	150	116,089	662.50	512,725	76,908,750
Private Sale (Gibbins)	75	55,918	677.96	505,467	37,910,000
Private sale (Central West)	125	99,986	653.39	522,640	65,330,000
Private sale (Jupp Corner Cen S)	129	102,246	652.89	517,481	66,755,000
Private sale (Exchange)	88	67,522	676.19	518,835	45,657,500
Private sale (Kennard)	229	163,019	676.36	481,479	110,258,750
Totals	2,159	1,610,171			1,165,806,250

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community Centre (JRP)	1			60,000	60,000	60,000
Retail/ ONR (Lund)	1	3,846	18.00	69,228	69,228	69,228
Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	19,764	19,764
Retail/ONR (Railway South)	1	12,768	18.00	229,824	229,824	229,824
Retail/ ONR (Railway North)	1	7,227	28.00	202,356	202,356	202,356
Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	105,678	105,678
Retail /ONR (Dennison)	1	9,257	28.00	259,196	259,196	259,196
Retail/ ONR (Central North)	1	5,705	18.00	102,690	102,690	102,690
Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	35,262	35,262
Retail / ONR (Biggerstaff S)	1	3,342	18.00	60,156	60,156	60,156
Retail / ONR (Triangle)	1	15,258	18.00	274,644	274,644	274,644
Retail /ONR (Gibbins)	1	4,776	18.00	85,968	85,968	85,968
Retail / ONR (Central West)	1	4,592	18.00	82,656	82,656	82,656
Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	32,616	32,616
Retail / ONR (Exchange)	1	6,336	18.00	114,048	114,048	114,048
Retail / ONR (Kennard)	1	9,378	18.00	168,804	168,804	168,804
Totals	16	93,225			1,902,890	1,902,890

Investment Valuation

Community Centre (JRP)	Market Rent	60,000	YP @	6.5000%	15.3846	923,077
Retail/ ONR (Lund)	Market Rent	69,228	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	969,045
Retail/ ONR (Lund NB)	Market Rent	19,764	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	276,654
Retail/ONR (Railway South)	Market Rent	229,824	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	3,217,049
Retail/ ONR (Railway North)	Market Rent	202,356	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	2,832,555
Retail / ONR (Railway N Tower)	Market Rent	105,678	YP @	6.5000%	15.3846	
(1yr 6mths Rent Free)			PV 1yr 6mths @	6.5000%	0.9099	1,479,268

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

Scenario 2: Joint Venture Breakeven

Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	259,196	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,628,194
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Retail/ ONR (Central North)

Market Rent (1yr 6mths Rent Free)	102,690	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,437,442
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Retail /ONR (Biggerstaff N)

Market Rent (1yr 6mths Rent Free)	35,262	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	493,593
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Retail / ONR (Biggerstaff S)

Market Rent (1yr 6mths Rent Free)	60,156	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	842,056
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Retail / ONR (Triangle)

Market Rent (1yr 6mths Rent Free)	274,644	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,844,433
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Retail /ONR (Gibbins)

Market Rent (1yr 6mths Rent Free)	85,968	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,203,370
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Retail / ONR (Central West)

Market Rent (1yr 6mths Rent Free)	82,656	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,157,009
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Retail / ONR (Jupp Corner Cen S)

Market Rent (1yr 6mths Rent Free)	32,616	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	456,555
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Retail / ONR (Exchange)

Market Rent (1yr 6mths Rent Free)	114,048	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,596,430
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Retail / ONR (Kennard)

Market Rent (1yr 6mths Rent Free)	168,804	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,362,898
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Total Investment Valuation

26,719,628

GROSS DEVELOPMENT VALUE

1,192,525,878

Purchaser's Costs

Effective Purchaser's Costs Rate	26.49%	(7,077,885)
		(7,077,885)

NET DEVELOPMENT VALUE

1,185,447,992

NEGATIVE LAND ALLOWANCE

Residualised Price	90,861,916	90,861,916
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NET REALISATION

1,276,309,909

OUTLAY

ACQUISITION COSTS

Negative Land Allowance	(90,861,916)
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CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Park cost (Park North)	1 un	1,115,305	1,115,305
Park costs (Park South)	1 un	892,867	892,867
Totals			2,008,172

	ft ²	Build Rate ft ²	Cost
Construction Cost (JRP)	171,566	335.58	57,573,377
Construction cost (Lund)	122,160	305.06	37,265,892

Proposed Carpenters Estate Regeneration**Scenario 2: Joint Venture Breakeven**

Construction costs (Lund NB)	72,064	299.66	21,594,745
Construction costs (Railway South)	177,841	341.25	60,688,043
Construction cost (Railway North)	213,900	361.20	77,259,876
Construction cost (Railway North Tower)	205,300	384.31	78,898,492
Construction costs (Dennison)	124,280	351.14	43,640,086
Construction costs (Central North)	118,295	304.41	36,010,320
Construction costs (Biggerstaff North)	103,839	287.80	29,884,429
Construction costs (Biggerstaff South)	75,326	324.41	24,436,820
Construction cost (Central East)	148,165	301.36	44,651,510
Construction cost (Jupp)	88,802	39.54	3,511,356
Construction costs (Triangle)	181,748	338.17	61,461,169
Construction cost (Gibbins)	80,740	314.54	25,396,281
Construction costs (Central West)	119,641	304.70	36,454,554
Construction cost (JuppC CenS)	134,786	328.82	44,320,937
Construction cost (Exchange)	98,845	317.12	31,345,304
Construction cost (Kennard)	<u>225,708</u>	335.45	<u>75,714,157</u>
Totals	2,463,006 ft²		790,107,348 792,115,520

Other Construction Costs

Enabling works (Lund NB)	137,500
Enabling works (Railway South)	1,348,600
Enabling works (Railway North)	253,004
Enabling works (Railway N Tower)	759,492
Enabling works (Dennison)	1,789,132
Enabling (Central North)	456,500
Enabling (Park North)	55,404
Enabling works (Biggerstaff North)	363,000
Enabling Works (Biggerstaff South)	363,000
Enabling works (Central East)	488,400
Enabling works (Jupp)	541,552
Enabling works (Triangle)	1,924,175
Enabling works (Gibbins)	171,765
Enabling works (Central West)	342,375
Enabling work (Park South)	50,436
Enabling works (Jupp Corner Cen S)	690,800
Enabling works (Exchange)	496,100
Enabling Works (Kennard)	1,086,360
	11,317,595

Section 106 Costs

Section 106 Costs (JRP)	100,000
Section 106 Costs (Lund)	167 un 5,000.00 /un
CIL estimate (Lund)	167 un 3,397.00 /un
Section 106 Costs (Lund NB)	56 un 5,000.00 /un
CIL estimate (Lund NB)	56 un 706.00 /un
Section 106 Costs (Railway South)	162 un 5,000.00 /un
CIL estimate (Railway South)	162 un 4,018.00 /un
Section 106 Costs (Railway North)	194 un 5,000.00 /un
CIL estimate (Railway North)	194 un 7,311.00 /un
Section 106 Costs (Railway N Tower)	201 un 5,000.00 /un
CIL estimate (Railway N Tower)	
Section 106 Costs (Dennison)	30 un 5,000.00 /un
CIL estimate (Dennison)	
Section 106 Costs (Central North)	103 un 5,000.00 /un
CIL estimate (Central North)	103 un 6,034.00 /un
Section 106 Costs (Biggerstaff N)	96 un 5,000.00 /un
CIL estimate (Biggerstaff N)	
Section 106 Costs	69 un 5,000.00 /un
CIL estimate (Biggerstaff South)	
Section 106 Costs (Central East)	148 un 5,000.00 /un
CIL estimate (Central East)	148 un 2,845.00 /un
Section 106 Costs (Triangle)	150 un 5,000.00 /un
CIL estimate (Triangle)	150 un 4,808.00 /un
Section 106 Costs (Gibbins)	75 un 5,000.00 /un
CIL estimate (Gibbins)	
Section 106 Costs (Central West)	125 un 5,000.00 /un
CIL estimate (Central West)	125 un 2,764.00 /un
Section 106 Costs (Jupp Cen S)	129 un 5,000.00 /un
CIL estimate (Jupp Cen S)	129 un 6,131.00 /un
Section 106 Costs (Exchange)	88 un 5,000.00 /un
CIL estimate (Exchange)	88 un 10,480.00 /un
Section 106 Costs (Kennard)	229 un 5,000.00 /un

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

Scenario 2: Joint Venture Breakeven

CIL estimate	229 un	2,360.00 /un	540,440	
				18,895,259
PROFESSIONAL FEES				
Professional Fees		10.00%	80,343,311	80,343,311
MARKETING & LETTING				
Letting Agent Fee		10.00%	190,289	
Letting Legal Fee		5.00%	95,145	285,434
DISPOSAL FEES				
Sales Agent Fee - PS and Non-resi		1.00%	11,854,480	
Marketing - PS		1.00%	11,260,263	
Marketing - Non-resi		1.00%	682,230	
Sales Legal Fee - Non-resi		0.25%	333,883	
Sales Legal Fee - PS	2,158 un	1,000.00 /un	2,158,000	26,288,855
Additional Costs				
Buy back costs			1,643,408	
Buy back costs			1,923,720	
Buy back costs			4,356,000	
Buy back costs			200,000	
Buy back costs			200,000	
Buy back costs			4,646,528	
Buy back costs			12,993,405	
Buy back costs			2,776,009	
Buy back costs			1,472,099	
Buy back costs			12,123,259	
Buy back costs			14,172,634	
Buy back costs			10,260,000	
Buy back costs			3,750,000	
Buy back costs			6,001,637	
Buy back costs			10,105,759	86,624,458
MISCELLANEOUS FEES				
Profit on Private Housing		17.50%	13,700,750	
Profit on ONR		15.00%	138,462	
Profit on Private Housing		17.50%	11,044,469	
Profit on ONR		15.00%	145,357	
Profit on Private Housing		17.50%	7,357,219	
Profit on ONR		15.00%	41,498	
Profit on Private Housing		17.50%	16,191,000	
Profit on ONR		15.00%	482,557	
Profit on ONR		15.00%	424,883	
Profit on Private Housing		17.50%	18,267,594	
Profit on Private Housing		17.50%	17,863,344	
Profit on ONR		15.00%	221,890	
Profit on Private Housing		17.50%	2,055,156	
Profit on ONR		15.00%	6,511,229	
Profit on Private Housing		17.50%	10,491,031	
Profit on ONR		15.00%	215,616	
Profit on Private Housing		17.50%	9,091,250	
Profit on ONR		15.00%	74,039	
Profit on Private Housing		17.50%	5,738,250	
Profit on ONR		15.00%	126,308	
Profit on Private Housing		17.50%	14,761,031	
Profit on Private Housing		17.50%	13,459,031	
Profit on ONR		15.00%	576,665	
Profit on Private Housing		17.50%	6,634,250	
Profit on ONR		15.00%	180,505	
Profit on Private Housing		17.50%	11,432,750	
Profit on ONR		15.00%	173,551	
Profit on Private Housing		17.50%	11,682,125	
Profit on ONR		15.00%	68,483	
Profit on Private Housing		17.50%	7,990,062	
Profit on ONR		15.00%	239,465	
Profit on Private Housing		17.50%	19,295,281	
Profit on ONR		15.00%	354,435	207,029,538

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration Scenario 2: Joint Venture Breakeven

TOTAL COSTS BEFORE FINANCE **1,222,899,970**

FINANCE

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)
Total Finance Cost **53,409,939**

TOTAL COSTS **1,276,309,909**

PROFIT

0

Performance Measures

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.15%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR% (without Interest)	8.91%
Profit Erosion (finance rate 6.500)	N/A

**Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery (4% finance)**

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration 50% Affordable Housing, 50% Sale Scenario 1: Self Delivery (4% finance)

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Affordable Housing (JRP)	132	99,760	156.55	118,315	15,617,636
Private sale (JRP)	4	3,617	865.36	782,500	3,130,000
Private sale (Lund)	167	88,824	710.52	377,912	63,111,250
Affordable units (Lund NB)	56	57,555	135.50	139,265	7,798,814
Affordable units (Railway South)	60	44,849	152.62	114,078	6,844,699
Private Sale (Railway South)	102	76,469	762.14	571,373	58,280,000
Private Sale (Railway North)	113	81,308	746.21	536,925	60,672,500
Affordable (Railway North)	81	58,396	153.26	110,492	8,949,853
Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250
Affordable units (Dennison)	30	18,137	167.62	101,340	3,040,213
Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000
Affordable units (Central North)	59	50,418	144.96	123,873	7,308,491
Private Sale (Central North)	44	37,463	675.57	575,199	25,308,750
Affordable units (Biggerstaff North)	96	75,573	145.43	114,488	10,990,836
Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000
Affordable units (Central East)	58	50,651	137.09	119,723	6,943,959
Private sale (Central East)	90	75,976	679.18	573,347	51,601,250
Affordable units (Triangle)	89	68,799	147.36	113,911	10,138,070
Private Sale (Triangle)	61	47,290	662.43	513,545	31,326,250
Affordable units (Gibbins)	75	55,918	149.61	111,548	8,366,129
Affordable units (Central West)	83	67,416	150.02	121,851	10,113,612
Private sale (Central West)	42	34,015	650.16	526,548	22,115,000
Affordable units (Jupp Corner Cen S)	78	62,032	143.14	113,839	8,879,440
Private sale (Jupp Corner Cen S)	51	39,831	661.80	516,863	26,360,000
Affordable units (Exchange)	63	48,455	149.75	115,174	7,255,980
Private sale (Exchange)	25	18,724	674.87	505,450	12,636,250
Affordable units (Kennard)	121	86,097	170.76	121,505	14,702,051
Private sale (Kennard)	108	76,922	676.50	481,829	52,037,500
Totals	2,159	1,609,257			708,174,783

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community Centre (JRP)	1			60,000	60,000	60,000
Retail/ ONR (Lund)	1	3,846	18.00	69,228	69,228	69,228
Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	19,764	19,764
Retail/ONR (Railway South)	1	12,768	18.00	229,824	229,824	229,824
Retail/ ONR (Railway North)	1	7,227	28.00	202,356	202,356	202,356
Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	105,678	105,678
Retail /ONR (Dennison)	1	9,257	28.00	259,196	259,196	259,196
Retail/ ONR (Central North)	1	5,705	18.00	102,690	102,690	102,690
Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	35,262	35,262
Retail /ONR (Biggerstaff S)	1	3,342	18.00	60,156	60,156	60,156
Retail /ONR (Triangle)	1	15,258	18.00	274,644	274,644	274,644
Retail /ONR (Gibbins)	1	4,776	18.00	85,968	85,968	85,968
Retail / ONR (Central West)	1	4,592	18.00	82,656	82,656	82,656
Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	32,616	32,616
Retail / ONR (Exchange)	1	6,336	18.00	114,048	114,048	114,048
Retail / ONR (Kennard)	1	9,378	18.00	168,804	168,804	168,804
Totals	16	93,225			1,902,890	1,902,890

Investment Valuation

Community Centre (JRP)						
Current Rent	60,000	YP @	6.5000%	15.3846	923,077	
Retail/ ONR (Lund)						
Market Rent	69,228	YP @	6.5000%	15.3846		
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.5000%	0.9099	969,045	
Retail/ ONR (Lund NB)						
Market Rent	19,764	YP @	6.5000%	15.3846		
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.5000%	0.9099	276,654	

Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Self Delivery (4% finance)****Retail/ONR (Railway South)**

Market Rent (1yr 6mths Rent Free)	229,824	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,217,049
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Retail/ ONR (Railway North)

Market Rent (1yr 6mths Rent Free)	202,356	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,832,555
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Retail / ONR (Railway N Tower)

Market Rent (1yr 6mths Rent Free)	105,678	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,479,268
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Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	259,196	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,628,194
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Retail/ ONR (Central North)

Market Rent (1yr 6mths Rent Free)	102,690	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,437,442
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Retail /ONR (Biggerstaff N)

Market Rent (1yr 6mths Rent Free)	35,262	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	493,593
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Retail / ONR (Biggerstaff S)

Market Rent (1yr 6mths Rent Free)	60,156	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	842,056
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Retail / ONR (Triangle)

Market Rent (1yr 6mths Rent Free)	274,644	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,844,433
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Retail /ONR (Gibbins)

Market Rent (1yr 6mths Rent Free)	85,968	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,203,370
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Retail / ONR (Central West)

Market Rent (1yr 6mths Rent Free)	82,656	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,157,009
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Retail / ONR (Jupp Corner Cen S)

Market Rent (1yr 6mths Rent Free)	32,616	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	456,555
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Retail / ONR (Exchange)

Market Rent (1yr 6mths Rent Free)	114,048	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,596,430
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Retail / ONR (Kennard)

Market Rent (1yr 6mths Rent Free)	168,804	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,362,898
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Total Investment Valuation**26,719,628****GROSS DEVELOPMENT VALUE****734,894,411**

Purchaser's Costs	(1,967,005)
Effective Purchaser's Costs Rate	7.36%

(1,967,005)

NET DEVELOPMENT VALUE**732,927,405****Additional Revenue**

Grant funding (JRP)	24,750,000
Grant funding (Lund NB)	10,275,000
Grant funding (Railway South)	11,900,000
Grant funding (Railway North)	15,850,000
Grant funding (Dennison)	5,500,000
Grant funding (Central North)	11,425,000
Grant Funding (Biggerstaff North)	18,500,000

Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Self Delivery (4% finance)**

Grant funding (Central East)	11,525,000
Grant funding (Triangle)	17,800,000
Grant funding (Gibbins)	15,000,000
Grant funding (Central West)	16,450,000
Grant funding (Jupp Centr South)	15,550,000
Grant funding (Exchange)	12,600,000
Grant funding (Kennard)	24,200,000
	211,325,000

NEGATIVE LAND ALLOWANCE

Residualised Price	112,573,332
	112,573,332

NET REALISATION **1,056,825,737****OUTLAY****ACQUISITION COSTS**

Negative Land Allowance	(112,573,332)
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CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Park cost (Park North)	1 un	1,115,305	1,115,305
Park costs (Park South)	1 un	892,867	<u>892,867</u>
Totals			2,008,172

	ft ²	Build Rate ft ²	Cost
Construction Cost (JRP)	171,566	335.58	57,573,377
Construction cost (Lund)	122,160	305.06	37,265,892
Construction costs (Lund NB)	72,064	299.66	21,594,745
Construction costs (Railway South)	177,841	341.25	60,688,043
Construction cost (Railway North)	213,900	361.20	77,259,876
Construction cost (Railway North Tower)	205,300	384.31	78,898,492
Construction costs (Dennison)	124,280	351.14	43,640,086
Construction costs (Central North)	118,295	304.41	36,010,320
Construction costs (Biggerstaff North)	103,839	287.80	29,884,429
Construction costs (Biggerstaff South)	75,326	324.41	24,436,820
Construction cost (Central East)	148,165	301.36	44,651,510
Construction cost (Jupp)	88,802	39.54	3,511,356
Construction costs (Triangle)	181,748	338.17	61,461,169
Construction cost (Gibbins)	80,740	314.54	25,396,281
Construction costs (Central West)	119,641	304.70	36,454,554
Construction cost (JuppC CenS)	134,786	328.82	44,320,937
Construction cost (Exchange)	98,845	317.12	31,345,304
Construction cost (Kennard)	<u>225,708</u>	335.45	<u>75,714,157</u>
Totals	2,463,006 ft²		790,107,348
			792,115,520

Other Construction Costs

Enabling works (Lund NB)	137,500
Enabling works (Railway South)	1,348,600
Enabling works (Railway North)	253,004
Enabling works (Railway N Tower)	759,492
Enabling works (Dennison)	1,789,132
Enabling (Central North)	456,500
Enabling (Park North)	55,404
Enabling works (Biggerstaff North)	363,000
Enabling Works (Biggerstaff South)	363,000
Enabling works (Central East)	488,400
Enabling works (Jupp)	541,552
Enabling works (Triangle)	1,924,175
Enabling works (Gibbins)	171,765
Enabling works (Central West)	342,375
Enabling work (Park South)	50,436
Enabling works (Jupp Corner Cen S)	690,800
Enabling works (Exchange)	496,100
Enabling Works (Kennard)	1,086,360
	11,317,595

Section 106 Costs

Section 106 Costs (JRP)	100,000
Section 106 Costs (Lund)	835,000

Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Self Delivery (4% finance)**

CIL estimate (Lund)			567,271
Section 106 Costs (Lund NB)	56 un	5,000.00 /un	280,000
CIL estimate (Lund NB)			39,519
Section 106 Costs (Railway South)	162 un	5,000.00 /un	810,000
CIL estimate (Railway South)			409,842
Section 106 Costs (Railway North)	194 un	5,000.00 /un	970,000
CIL estimate (Railway North)			826,133
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un	1,005,000
CIL estimate (Railway N Tower)			326,783
Section 106 Costs (Dennison)	30 un	5,000.00 /un	150,000
CIL estimate (Dennison)			355,339
Section 106 Costs (Central North)	103 un	5,000.00 /un	515,000
CIL estimate (Central North)			265,500
Section 106 Costs (Biggerstaff N)	96 un	5,000.00 /un	480,000
CIL estimate (Biggerstaff N)			310,267
Section 106 Costs	69 un	5,000.00 /un	345,000
CIL estimate (Biggerstaff South)			310,267
Section 106 Costs (Central East)	148 un	5,000.00 /un	740,000
CIL estimate (Central East)			256,051
Section 106 Costs (Triangle)	150 un	5,000.00 /un	750,000
CIL estimate (Triangle)			293,313
Section 106 Costs (Gibbins)	75 un	5,000.00 /un	375,000
CIL estimate (Gibbins)			343,677
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
CIL estimate (Central West)			116,082
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
CIL estimate (Jupp Cen S)			312,667
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
CIL estimate (Exchange)			261,922
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
CIL estimate			254,897
			15,459,530

PROFESSIONAL FEES

Professional Fees		10.00%	80,343,311
			80,343,311

MARKETING & LETTING

Letting Agent Fee		10.00%	190,289
Letting Legal Fee		5.00%	95,145
			285,434

DISPOSAL FEES

Sales Agent Fee - PS and Non-resi		1.00%	6,059,776
Marketing - PS		1.00%	5,239,644
Marketing - Non-resi		1.00%	645,326
Sales Agent Fee - AH		0.25%	317,374
Sales Legal Fee - Non-resi		0.25%	161,332
Sales Legal Fee - PS	1,077 un	1,000.00 /un	1,077,000
Sales Legal Fee - AH		0.15%	190,425
			13,690,878

Additional Costs

Buy back costs			1,643,408
Buy back costs			1,923,720
Buy back costs			4,356,000
Buy back costs			200,000
Buy back costs			200,000
Buy back costs			4,646,528
Buy back costs			12,993,405
Buy back costs			2,776,009
Buy back costs			1,472,099
Buy back costs			12,123,259
Buy back costs			14,172,634
Buy back costs			10,260,000
Buy back costs			3,750,000
Buy back costs			6,001,637
Buy back costs			10,105,759
			86,624,458

MISCELLANEOUS FEES

Profit on Private Housing		6.00%	187,800
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Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Self Delivery (4% finance)**

Profit on Affordable Housing	6.00%	937,058
Profit on ONR	6.00%	55,385
Profit on Private Housing	6.00%	3,786,675
Profit on ONR	6.00%	58,143
Profit on Affordable Housing	6.00%	467,929
Profit on ONR	6.00%	16,599
Profit on Private Housing	6.00%	3,496,800
Profit on Affordable Housing	6.00%	410,682
Profit on ONR	6.00%	193,023
Profit on ONR	6.00%	169,953
Profit on Affordable Housing	6.00%	536,991
Profit on Private Housing	6.00%	3,640,350
Profit on Private Housing	6.00%	6,124,575
Profit on ONR	6.00%	88,756
Profit on Affordable Housing	6.00%	182,413
Profit on ONR	6.00%	2,604,492
Profit on Private Housing	6.00%	1,518,525
Profit on Affordable Housing	6.00%	438,509
Profit on ONR	6.00%	86,247
Profit on Affordable Housing	6.00%	659,450
Profit on ONR	6.00%	29,616
Profit on Private Housing	6.00%	1,967,400
Profit on ONR	6.00%	50,523
Profit on Private Housing	6.00%	3,096,075
Profit on Affordable Housing	6.00%	416,638
Profit on Private Housing	6.00%	1,879,575
Profit on Affordable Housing	6.00%	608,284
Profit on ONR	6.00%	230,666
Profit on Affordable Housing	6.00%	501,968
Profit on ONR	6.00%	72,202
Profit on Private Housing	6.00%	1,326,900
Profit on Affordable Housing	6.00%	606,817
Profit on ONR	6.00%	69,421
Profit on Private Housing	6.00%	1,581,600
Profit on Affordable Housing	6.00%	532,766
Profit on ONR	6.00%	27,393
Profit on Private Housing	6.00%	758,175
Profit on Affordable Housing	6.00%	435,359
Profit on ONR	6.00%	95,786
Profit on Private Housing	6.00%	3,122,250
Profit on Affordable Housing	6.00%	882,123
Profit on ONR	6.00%	141,774
		44,093,665

TOTAL COSTS BEFORE FINANCE **1,043,930,390**

FINANCE

Debit Rate 4.000%, Credit Rate 0.000% (Nominal)
Total Finance Cost

12,895,347

TOTAL COSTS **1,056,825,737**

PROFIT

0

Performance Measures

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.18%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%

IRR% (without Interest) N/A

Profit Erosion (finance rate 4.000) N/A

Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery Growth

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration 50% Affordable Housing, 50% Sale Scenario 1: Self Delivery Growth

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation

	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales	Adjustment	Net Sales
Affordable Housing (JRP)	132	99,760	156.55	118,315	15,617,636	524,995	16,142,631
‡ Private sale (JRP)	4	3,617	865.36	782,500	3,130,000	434,685	3,564,685
‡ Private sale (Lund)	167	88,824	710.52	377,912	63,111,250	14,890,621	78,001,871
Affordable units (Lund NB)	56	57,555	135.50	139,265	7,798,814	601,408	8,400,222
Affordable units (Railway South)	60	44,849	152.62	114,078	6,844,699	578,652	7,423,351
‡ Private Sale (Railway South)	102	76,469	762.14	571,373	58,280,000	15,807,434	74,087,434
‡ Private Sale (Railway North)	113	81,308	746.21	536,925	60,672,500	22,451,872	83,124,372
Affordable (Railway North)	81	58,396	153.26	110,492	8,949,853	1,045,208	9,995,061
‡ Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250	39,326,382	141,402,632
Affordable units (Dennison)	30	18,137	167.62	101,340	3,040,213	352,582	3,392,795
‡ Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000	4,944,874	44,724,874
Affordable units (Central North)	59	50,418	144.96	123,873	7,308,491	1,103,255	8,411,746
‡ Private Sale (Central North)	44	37,463	680.91	579,744	25,508,750	10,441,949	35,950,699
Affordable units (Biggerstaff North)	96	75,573	145.43	114,488	10,990,836	1,659,124	12,649,960
‡ Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000	14,681,195	47,471,195
Affordable units (Central East)	58	50,651	137.09	119,723	6,943,959	1,197,617	8,141,576
‡ Private sale (Central East)	90	75,976	679.18	573,347	51,601,250	24,272,299	75,873,549
Affordable units (Triangle)	89	68,799	147.36	113,911	10,138,070	1,849,591	11,987,661
‡ Private Sale (Triangle)	61	47,290	662.43	513,545	31,326,250	15,677,208	47,003,458
Affordable units (Gibbins)	75	55,918	149.61	111,548	8,366,129	1,665,123	10,031,252
Affordable units (Central West)	83	67,416	150.02	121,851	10,113,612	2,334,078	12,447,690
‡ Private sale (Central West)	42	34,015	650.16	526,548	22,115,000	13,585,909	35,700,909
Affordable units (Jupp Corner Cen S)	78	62,032	143.14	113,839	8,879,440	2,194,357	11,073,797
‡ Private sale (Jupp Corner Cen S)	51	39,831	661.80	516,863	26,360,000	17,209,920	43,569,920
Affordable units (Exchange)	63	48,455	149.75	115,174	7,255,980	1,939,252	9,195,232
‡ Private sale (Exchange)	25	18,724	674.87	505,450	12,636,250	8,695,496	21,331,746
Affordable units (Kennard)	121	86,097	170.76	121,505	14,702,051	5,037,437	19,739,488
‡ Private sale (Kennard)	108	76,922	676.50	481,829	52,037,500	49,426,323	101,463,823
Totals	2,159	1,609,257			708,374,783	273,928,846	982,303,629

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
‡ Community Centre (JRP)	1			60,000	63,567	60,000
‡ Retail/ ONR (Lund)	1	3,846	18.00	69,228	75,182	69,228
‡ Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	21,464	19,764
‡ Retail/ONR (Railway South)	1	12,768	18.00	229,824	253,326	229,824
‡ Retail/ ONR (Railway North)	1	7,227	28.00	202,356	229,774	202,356

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

‡ Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	119,997	105,678	119,997
‡ Retail /ONR (Dennison)	1	9,257	28.00	259,196	291,415	259,196	291,415
‡ Retail/ ONR (Central North)	1	5,705	18.00	102,690	118,348	102,690	118,348
‡ Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	40,639	35,262	40,639
‡ Retail /ONR (Biggerstaff S)	1	3,342	18.00	60,156	70,019	60,156	70,019
‡ Retail / ONR (Triangle)	1	15,258	18.00	274,644	324,455	274,644	324,455
‡ Retail /ONR (Gibbins)	1	4,776	18.00	85,968	102,064	85,968	102,064
‡ Retail / ONR (Central West)	1	4,592	18.00	82,656	100,591	82,656	100,591
‡ Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	40,088	32,616	40,088
‡ Retail / ONR (Exchange)	1	6,336	18.00	114,048	141,571	114,048	141,571
‡ Retail / ONR (Kennard)	1	9,378	18.00	168,804	<u>221,268</u>	<u>168,804</u>	<u>221,268</u>
Totals	16	93,225			2,213,768	1,902,890	

Investment Valuation

Community Centre (JRP)

Current Rent	63,567	YP @	6.5000%	15.3846	977,961
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Retail/ ONR (Lund)

Market Rent (1yr 6mths Rent Free)	75,182	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,052,393
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Retail/ ONR (Lund NB)

Market Rent (1yr 6mths Rent Free)	21,464	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	300,449
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Retail/ONR (Railway South)

Market Rent (1yr 6mths Rent Free)	253,326	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,546,025
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Retail/ ONR (Railway North)

Market Rent (1yr 6mths Rent Free)	229,774	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,216,346
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Retail / ONR (Railway N Tower)

Market Rent (1yr 6mths Rent Free)	119,997	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,679,698
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Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	291,415	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	4,079,199
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Retail/ ONR (Central North)

Market Rent	118,348	YP @	6.5000%	15.3846
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APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

(1yr 6mths Rent Free)	PV 1yr 6mths @	6.5000%	0.9099	1,656,628
Retail /ONR (Biggerstaff N)				
Market Rent (1yr 6mths Rent Free)	40,639	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 568,858
Retail / ONR (Biggerstaff S)				
Market Rent (1yr 6mths Rent Free)	70,019	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 980,112
Retail / ONR (Triangle)				
Market Rent (1yr 6mths Rent Free)	324,455	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 4,541,686
Retail /ONR (Gibbins)				
Market Rent (1yr 6mths Rent Free)	102,064	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 1,428,676
Retail / ONR (Central West)				
Market Rent (1yr 6mths Rent Free)	100,591	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 1,408,062
Retail / ONR (Jupp Corner Cen S)				
Market Rent (1yr 6mths Rent Free)	40,088	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 561,149
Retail / ONR (Exchange)				
Market Rent (1yr 6mths Rent Free)	141,571	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 1,981,687
Retail / ONR (Kennard)				
Market Rent (1yr 6mths Rent Free)	221,268	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 3,097,281
Total Investment Valuation				31,076,211
GROSS DEVELOPMENT VALUE				1,013,379,840
Purchaser's Costs Effective Purchaser's Costs Rate		(2,289,080) 7.37%		(2,289,080)
NET DEVELOPMENT VALUE				1,011,090,761

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

Additional Revenue

Grant funding (JRP)	24,750,000
Grant funding (Lund NB)	10,275,000
Grant funding (Railway South)	11,900,000
Grant funding (Railway North)	15,850,000
Grant funding (Dennison)	5,500,000
Grant funding (Central North)	11,425,000
Grant Funding (Biggerstaff North)	18,500,000
Grant funding (Central East)	11,525,000
Grant funding (Triangle)	17,800,000
Grant funding (Gibbins)	15,000,000
Grant funding (Central West)	16,450,000
Grant funding (Jupp Centr South)	15,550,000
Grant funding (Exchange)	12,600,000
Grant funding (Kennard)	24,200,000
	211,325,000

NEGATIVE LAND ALLOWANCE

Residualised Price	43,616,022
	43,616,022

NET REALISATION

1,266,031,782

OUTLAY

ACQUISITION COSTS

Negative Land Allowance	(43,616,022)
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CONSTRUCTION COSTS

Construction

	Units	Unit Amount	Cost
‡ Park cost (Park North)	1 un	1,115,305	1,302,530
‡ Park costs (Park South)	1 un	892,867	1,119,016
Totals			2,421,546

	ft ²	Build Rate ft ²	Cost
‡ Construction Cost (JRP)	171,566	335.58	60,107,111
‡ Construction cost (Lund)	122,160	305.06	40,418,330
‡ Construction costs (Lund NB)	72,064	299.66	23,492,577
‡ Construction costs (Railway South)	177,841	341.25	66,696,340
‡ Construction cost (Railway North)	213,900	361.20	87,710,057
‡ Construction cost (Railway North Tower)	205,300	384.31	89,841,264
‡ Construction costs (Dennison)	124,280	351.14	49,356,640
‡ Construction costs (Central North)	118,295	304.41	42,055,342
‡ Construction costs (Biggerstaff North)	103,839	287.80	34,901,103

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

‡ Construction costs (Biggerstaff South)	75,326	324.41	28,995,280
‡ Construction cost (Central East)	148,165	301.36	53,160,720
‡ Construction cost (Jupp)	88,802	39.54	4,208,979
‡ Construction costs (Triangle)	181,748	338.17	73,895,067
‡ Construction cost (Gibbins)	80,740	314.54	30,917,196
‡ Construction costs (Central West)	119,641	304.70	45,687,902
‡ Construction cost (JuppC CenS)	134,786	328.82	56,264,186
‡ Construction cost (Exchange)	98,845	317.12	40,428,164
‡ Construction cost (Kennard)	<u>225,708</u>	335.45	<u>103,849,069</u>
Totals	2,463,006 ft²	931,985,327	934,406,873

Other Construction Costs

Enabling works (Lund NB)		137,500	
Enabling works (Railway South)		1,348,600	
Enabling works (Railway North)		253,004	
Enabling works (Railway N Tower)		759,492	
Enabling works (Dennison)		1,789,132	
Enabling (Central North)		456,500	
Enabling (Park North)		55,404	
Enabling works (Biggerstaff North)		363,000	
Enabling Works (Biggerstaff South)		363,000	
Enabling works (Central East)		488,400	
Enabling works (Jupp)		541,552	
Enabling works (Triangle)		1,924,175	
Enabling works (Gibbins)		171,765	
Enabling works (Central West)		342,375	
Enabling work (Park South)		50,436	
Enabling works (Jupp Corner Cen S)		690,800	
Enabling works (Exchange)		496,100	
Enabling Works (Kennard)		1,086,360	
		11,317,595	

Section 106 Costs

Section 106 Costs (JRP)		100,000	
Section 106 Costs (Lund)	167 un	5,000.00 /un	835,000
CIL estimate (Lund)			567,271
Section 106 Costs (Lund NB)	56 un	5,000.00 /un	280,000
CIL estimate (Lund NB)			39,519
Section 106 Costs (Railway South)	162 un	5,000.00 /un	810,000
CIL estimate (Railway South)			409,842
Section 106 Costs (Railway North)	194 un	5,000.00 /un	970,000
CIL estimate (Railway North)			826,133
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un	1,005,000
CIL estimate (Railway N Tower)			326,783
Section 106 Costs (Dennison)	30 un	5,000.00 /un	150,000

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

CIL estimate (Dennison)			355,339
Section 106 Costs (Central North)	103 un	5,000.00 /un	515,000
CIL estimate (Central North)			265,500
Section 106 Costs (Biggerstaff N)	96 un	5,000.00 /un	480,000
CIL estimate (Biggerstaff N)			310,267
Section 106 Costs	69 un	5,000.00 /un	345,000
CIL estimate (Biggerstaff South)			310,267
Section 106 Costs (Central East)	148 un	5,000.00 /un	740,000
CIL estimate (Central East)			256,051
Section 106 Costs (Triangle)	150 un	5,000.00 /un	750,000
CIL estimate (Triangle)			293,313
Section 106 Costs (Gibbins)	75 un	5,000.00 /un	375,000
CIL estimate (Gibbins)			343,677
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
CIL estimate (Central West)			116,082
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
CIL estimate (Jupp Cen S)			312,667
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
CIL estimate (Exchange)			261,922
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
CIL estimate			254,897
			15,459,530

PROFESSIONAL FEES

Professional Fees	10.00%	94,572,447	94,572,447
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MARKETING & LETTING

Letting Agent Fee	10.00%	221,377	
Letting Legal Fee	5.00%	110,688	
			332,065

DISPOSAL FEES

Sales Agent Fee - PS and Non-resi	1.00%	8,620,583	
Marketing - PS	1.00%	7,885,463	
Marketing - Non-resi	1.00%	735,120	
Sales Agent Fee - AH	0.25%	372,581	
Sales Legal Fee - Non-resi	0.25%	183,780	
Sales Legal Fee - PS	1,077 un	1,000.00 /un	1,077,000
Sales Legal Fee - AH		0.15%	223,549
			19,098,076

Additional Costs

Buy back costs		1,643,408	
Buy back costs		1,923,720	
Buy back costs		4,356,000	

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

Buy back costs	200,000
Buy back costs	200,000
Buy back costs	4,646,528
Buy back costs	12,993,405
Buy back costs	2,776,009
Buy back costs	1,472,099
Buy back costs	12,123,259
Buy back costs	14,172,634
Buy back costs	10,260,000
Buy back costs	3,750,000
Buy back costs	6,001,637
Buy back costs	10,105,759
	86,624,458

MISCELLANEOUS FEES

Profit on Private Housing	6.00%	213,881
Profit on Affordable Housing	6.00%	968,558
Profit on ONR	6.00%	58,678
Profit on Private Housing	6.00%	4,680,112
Profit on ONR	6.00%	63,144
Profit on Affordable Housing	6.00%	504,013
Profit on ONR	6.00%	18,027
Profit on Private Housing	6.00%	4,445,246
Profit on Affordable Housing	6.00%	445,401
Profit on ONR	6.00%	212,761
Profit on ONR	6.00%	192,981
Profit on Affordable Housing	6.00%	599,704
Profit on Private Housing	6.00%	4,987,462
Profit on Private Housing	6.00%	8,484,158
Profit on ONR	6.00%	100,782
Profit on Affordable Housing	6.00%	203,568
Profit on ONR	6.00%	2,928,244
Profit on Private Housing	6.00%	2,157,042
Profit on Affordable Housing	6.00%	504,705
Profit on ONR	6.00%	99,398
Profit on Affordable Housing	6.00%	758,998
Profit on ONR	6.00%	34,131
Profit on Private Housing	6.00%	2,848,272
Profit on ONR	6.00%	58,807
Profit on Private Housing	6.00%	4,552,413
Profit on Affordable Housing	6.00%	488,495
Profit on Private Housing	6.00%	2,820,207
Profit on Affordable Housing	6.00%	719,260
Profit on ONR	6.00%	272,501

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

Profit on Affordable Housing	6.00%	601,875
Profit on ONR	6.00%	85,721
Profit on Private Housing	6.00%	2,142,055
Profit on Affordable Housing	6.00%	746,861
Profit on ONR	6.00%	84,484
Profit on Private Housing	6.00%	2,614,195
Profit on Affordable Housing	6.00%	664,428
Profit on ONR	6.00%	33,669
Profit on Private Housing	6.00%	1,279,905
Profit on Affordable Housing	6.00%	551,714
Profit on ONR	6.00%	118,901
Profit on Private Housing	6.00%	6,087,829
Profit on Affordable Housing	6.00%	1,184,369
Profit on ONR	6.00%	185,837
		60,802,790

TOTAL COSTS BEFORE FINANCE

1,222,613,834

FINANCE

Debit Rate 5.000%, Credit Rate 0.000% (Nominal)

Total Finance Cost

43,417,948

TOTAL COSTS

1,266,031,782

PROFIT

0

Performance Measures

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.17%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR% (without Interest)	5.47%
Profit Erosion (finance rate 5.000)	N/A

‡ Inflation/Growth applied

Growth on Sales

Affordable Housing (JRP)

	Ungrown	Growth	Total
Affordable Housing (JRP)	15,617,636	524,995	16,142,631

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

Private sale (JRP)	Private Sale Growth at -2.000% var.	3,130,000	434,685	3,564,685
Private sale (Lund)	Private Sale Growth at -2.000% var.	63,111,250	14,890,621	78,001,871
Affordable units (Lund NB)		7,798,814	601,408	8,400,222
Affordable units (Railway South)		6,844,699	578,652	7,423,351
Private Sale (Railway South)	Private Sale Growth at -2.000% var.	58,280,000	15,807,434	74,087,434
Private Sale (Railway North)	Private Sale Growth at -2.000% var.	60,672,500	22,451,872	83,124,372
Affordable (Railway North)		8,949,853	1,045,208	9,995,061
Private Sale (Railway Tower North)	Private Sale Growth at -2.000% var.	102,076,250	39,326,382	141,402,632
Affordable units (Dennison)		3,040,213	352,582	3,392,795
Hotel (Dennison)	Non-resi Growth at 2.000%	39,780,000	4,944,874	44,724,874
Affordable units (Central North)		7,308,491	1,103,255	8,411,746
Private Sale (Central North)	Private Sale Growth at -2.000% var.	25,508,750	10,441,949	35,950,699
Affordable units (Biggerstaff North)		10,990,836	1,659,124	12,649,960
Private Sale (Biggerstaff South)	Private Sale Growth at -2.000% var.	32,790,000	14,681,195	47,471,195
Affordable units (Central East)		6,943,959	1,197,617	8,141,576
Private sale (Central East)	Private Sale Growth at -2.000% var.	51,601,250	24,272,299	75,873,549
Affordable units (Triangle)		10,138,070	1,849,591	11,987,661
Private Sale (Triangle)	Private Sale Growth at -2.000% var.	31,326,250	15,677,208	47,003,458
Affordable units (Gibbins)		8,366,129	1,665,123	10,031,252
Affordable units (Central West)		10,113,612	2,334,078	12,447,690
Private sale (Central West)	Private Sale Growth at -2.000% var.	22,115,000	13,585,909	35,700,909
Affordable units (Jupp Corner Cen S)		8,879,440	2,194,357	11,073,797
Private sale (Jupp Corner Cen S)	Private Sale Growth at -2.000% var.	26,360,000	17,209,920	43,569,920
Affordable units (Exchange)		7,255,980	1,939,252	9,195,232
Private sale (Exchange)	Private Sale Growth at -2.000% var.	12,636,250	8,695,496	21,331,746
Affordable units (Kennard)		14,702,051	5,037,437	19,739,488
Private sale (Kennard)	Private Sale Growth at -2.000% var.	52,037,500	49,426,323	101,463,823

Growth on Capitalised Rent

	Ungrown	Growth	Total
Community Centre (JRP)	Non-resi Growth at 2.000%	923,077	54,885
Retail/ ONR (Lund)	Non-resi Growth at 2.000%	969,045	83,348
Retail/ ONR (Lund NB)	Non-resi Growth at 2.000%	276,654	23,795
Retail/ONR (Railway South)	Non-resi Growth at 2.000%	3,217,049	328,976
Retail/ ONR (Railway North)	Non-resi Growth at 2.000%	2,832,555	383,791
Retail / ONR (Railway N Tower)	Non-resi Growth at 2.000%	1,479,268	200,430
Retail /ONR (Dennison)	Non-resi Growth at 2.000%	3,628,194	451,005
Retail/ ONR (Central North)	Non-resi Growth at 2.000%	1,437,442	219,186
Retail /ONR (Biggerstaff N)	Non-resi Growth at 2.000%	493,593	75,265
Retail / ONR (Biggerstaff S)	Non-resi Growth at 2.000%	842,056	138,056
Retail / ONR (Triangle)	Non-resi Growth at 2.000%	3,844,433	697,253
Retail /ONR (Gibbins)	Non-resi Growth at 2.000%	1,203,370	225,307
Retail / ONR (Central West)	Non-resi Growth at 2.000%	1,157,009	251,053
Retail / ONR (Jupp Corner Cen S)	Non-resi Growth at 2.000%	456,555	104,594
Retail / ONR (Exchange)	Non-resi Growth at 2.000%	1,596,430	385,257

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth

Retail / ONR (Kennard)	Non-resi Growth at 2.000%	2,362,898	734,383	3,097,281
Inflation on Construction Costs				
Construction Cost (JRP)	Inflation Set 1 at 3.400% var.	57,573,377	2,533,734	60,107,111
Construction cost (Lund)	Inflation Set 1 at 3.400% var.	37,265,892	3,152,438	40,418,330
Construction costs (Lund NB)	Inflation Set 1 at 3.400% var.	21,594,745	1,897,832	23,492,577
Construction costs (Railway South)	Inflation Set 1 at 3.400% var.	60,688,043	6,008,297	66,696,340
Construction cost (Railway North)	Inflation Set 1 at 3.400% var.	77,259,876	10,450,181	87,710,057
Construction cost (Railway North Tower)	Inflation Set 1 at 3.400% var.	78,898,492	10,942,772	89,841,264
Construction costs (Dennison)	Inflation Set 1 at 3.400% var.	43,640,086	5,716,554	49,356,640
Construction costs (Central North)	Inflation Set 1 at 3.400% var.	36,010,320	6,045,022	42,055,342
Park cost (Park North)	Inflation Set 1 at 3.400% var.	1,115,305	187,225	1,302,530
Construction costs (Biggerstaff North)	Inflation Set 1 at 3.400% var.	29,884,429	5,016,674	34,901,103
Construction costs (Biggerstaff South)	Inflation Set 1 at 3.400% var.	24,436,820	4,558,460	28,995,280
Construction cost (Central East)	Inflation Set 1 at 3.400% var.	44,651,510	8,509,210	53,160,720
Construction cost (Jupp)	Inflation Set 1 at 3.400% var.	3,511,356	697,623	4,208,979
Construction costs (Triangle)	Inflation Set 1 at 3.400% var.	61,461,169	12,433,898	73,895,067
Construction cost (Gibbins)	Inflation Set 1 at 3.400% var.	25,396,281	5,520,915	30,917,196
Construction costs (Central West)	Inflation Set 1 at 3.400% var.	36,454,554	9,233,348	45,687,902
Park costs (Park South)	Inflation Set 1 at 3.400% var.	892,867	226,149	1,119,016
Construction cost (JuppC CenS)	Inflation Set 1 at 3.400% var.	44,320,937	11,943,249	56,264,186
Construction cost (Exchange)	Inflation Set 1 at 3.400% var.	31,345,304	9,082,860	40,428,164
Construction cost (Kennard)	Inflation Set 1 at 3.400% var.	75,714,157	28,134,912	103,849,069

Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery Growth Breakeven

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration 50% Affordable Housing, 50% Sale Scenario 1: Self Delivery Growth Breakeven

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation

	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales	Adjustment	Net Sales
Affordable Housing (JRP)	132	99,760	156.55	118,315	15,617,636	524,995	16,142,631
‡ Private sale (JRP)	4	3,617	865.36	782,500	3,130,000	550,718	3,680,718
‡ Private sale (Lund)	167	88,824	710.52	377,912	63,111,250	18,663,579	81,774,829
Affordable units (Lund NB)	56	57,555	135.50	139,265	7,798,814	601,408	8,400,222
Affordable units (Railway South)	60	44,849	152.62	114,078	6,844,699	578,652	7,423,351
‡ Private Sale (Railway South)	102	76,469	762.14	571,373	58,280,000	19,790,427	78,070,427
‡ Private Sale (Railway North)	113	81,308	746.21	536,925	60,672,500	28,140,569	88,813,069
Affordable (Railway North)	81	58,396	153.26	110,492	8,949,853	1,045,208	9,995,061
‡ Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250	49,327,722	151,403,972
Affordable units (Dennison)	30	18,137	167.62	101,340	3,040,213	352,582	3,392,795
‡ Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000	4,944,874	44,724,874
Affordable units (Central North)	59	50,418	144.96	123,873	7,308,491	1,103,255	8,411,746
‡ Private Sale (Central North)	44	37,463	680.91	579,744	25,508,750	13,101,774	38,610,524
Affordable units (Biggerstaff North)	96	75,573	145.43	114,488	10,990,836	1,659,124	12,649,960
‡ Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000	18,447,343	51,237,343
Affordable units (Central East)	58	50,651	137.09	119,723	6,943,959	1,197,617	8,141,576
‡ Private sale (Central East)	90	75,976	679.18	573,347	51,601,250	30,528,084	82,129,334
Affordable units (Triangle)	89	68,799	147.36	113,911	10,138,070	1,849,591	11,987,661
‡ Private Sale (Triangle)	61	47,290	662.43	513,545	31,326,250	19,742,156	51,068,406
Affordable units (Gibbins)	75	55,918	149.61	111,548	8,366,129	1,665,123	10,031,252
Affordable units (Central West)	83	67,416	150.02	121,851	10,113,612	2,334,078	12,447,690
‡ Private sale (Central West)	42	34,015	650.16	526,548	22,115,000	17,200,517	39,315,517
Affordable units (Jupp Corner Cen S)	78	62,032	143.14	113,839	8,879,440	2,194,357	11,073,797
‡ Private sale (Jupp Corner Cen S)	51	39,831	661.80	516,863	26,360,000	21,830,914	48,190,914
Affordable units (Exchange)	63	48,455	149.75	115,174	7,255,980	1,939,252	9,195,232
‡ Private sale (Exchange)	25	18,724	674.87	505,450	12,636,250	11,049,859	23,686,109
Affordable units (Kennard)	121	86,097	170.76	121,505	14,702,051	5,037,437	19,739,488
‡ Private sale (Kennard)	108	76,922	676.50	481,829	52,037,500	63,666,834	115,704,334
Totals	2,159	1,609,257			708,374,783	339,068,049	1,047,442,832

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
‡ Community Centre (JRP)	1			60,000	63,567	60,000
‡ Retail/ ONR (Lund)	1	3,846	18.00	69,228	75,182	69,228
‡ Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	21,464	19,764
‡ Retail/ONR (Railway South)	1	12,768	18.00	229,824	253,326	229,824
‡ Retail/ ONR (Railway North)	1	7,227	28.00	202,356	229,774	202,356

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

‡ Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	119,997	105,678	119,997
‡ Retail /ONR (Dennison)	1	9,257	28.00	259,196	291,415	259,196	291,415
‡ Retail/ ONR (Central North)	1	5,705	18.00	102,690	118,348	102,690	118,348
‡ Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	40,639	35,262	40,639
‡ Retail /ONR (Biggerstaff S)	1	3,342	18.00	60,156	70,019	60,156	70,019
‡ Retail / ONR (Triangle)	1	15,258	18.00	274,644	324,455	274,644	324,455
‡ Retail /ONR (Gibbins)	1	4,776	18.00	85,968	102,064	85,968	102,064
‡ Retail / ONR (Central West)	1	4,592	18.00	82,656	100,591	82,656	100,591
‡ Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	40,088	32,616	40,088
‡ Retail / ONR (Exchange)	1	6,336	18.00	114,048	141,571	114,048	141,571
‡ Retail / ONR (Kennard)	1	9,378	18.00	168,804	221,268	168,804	221,268
Totals	16	93,225		2,213,768	2,213,768	1,902,890	1,902,890

Investment Valuation

Community Centre (JRP)

Current Rent	63,567	YP @	6.5000%	15.3846	977,961
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Retail/ ONR (Lund)

Market Rent (1yr 6mths Rent Free)	75,182	YP @	6.5000%	15.3846	
		PV 1yr 6mths @	6.5000%	0.9099	1,052,393

Retail/ ONR (Lund NB)

Market Rent (1yr 6mths Rent Free)	21,464	YP @	6.5000%	15.3846	
		PV 1yr 6mths @	6.5000%	0.9099	300,449

Retail/ONR (Railway South)

Market Rent (1yr 6mths Rent Free)	253,326	YP @	6.5000%	15.3846	
		PV 1yr 6mths @	6.5000%	0.9099	3,546,025

Retail/ ONR (Railway North)

Market Rent (1yr 6mths Rent Free)	229,774	YP @	6.5000%	15.3846	
		PV 1yr 6mths @	6.5000%	0.9099	3,216,346

Retail / ONR (Railway N Tower)

Market Rent (1yr 6mths Rent Free)	119,997	YP @	6.5000%	15.3846	
		PV 1yr 6mths @	6.5000%	0.9099	1,679,698

Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	291,415	YP @	6.5000%	15.3846	
		PV 1yr 6mths @	6.5000%	0.9099	4,079,199

Retail/ ONR (Central North)

Market Rent	118,348	YP @	6.5000%	15.3846	
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APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

(1yr 6mths Rent Free)	PV 1yr 6mths @	6.5000%	0.9099	1,656,628
Retail /ONR (Biggerstaff N)				
Market Rent (1yr 6mths Rent Free)	40,639	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 568,858
Retail / ONR (Biggerstaff S)				
Market Rent (1yr 6mths Rent Free)	70,019	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 980,112
Retail / ONR (Triangle)				
Market Rent (1yr 6mths Rent Free)	324,455	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 4,541,686
Retail /ONR (Gibbins)				
Market Rent (1yr 6mths Rent Free)	102,064	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 1,428,676
Retail / ONR (Central West)				
Market Rent (1yr 6mths Rent Free)	100,591	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 1,408,062
Retail / ONR (Jupp Corner Cen S)				
Market Rent (1yr 6mths Rent Free)	40,088	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 561,149
Retail / ONR (Exchange)				
Market Rent (1yr 6mths Rent Free)	141,571	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 1,981,687
Retail / ONR (Kennard)				
Market Rent (1yr 6mths Rent Free)	221,268	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099 3,097,281
Total Investment Valuation				31,076,211

GROSS DEVELOPMENT VALUE **1,078,519,043**

Purchaser's Costs	(2,296,970)
Effective Purchaser's Costs Rate	7.39% (2,296,970)

NET DEVELOPMENT VALUE **1,076,222,073**

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

Additional Revenue

Grant funding (JRP)	24,750,000
Grant funding (Lund NB)	10,275,000
Grant funding (Railway South)	11,900,000
Grant funding (Railway North)	15,850,000
Grant funding (Dennison)	5,500,000
Grant funding (Central North)	11,425,000
Grant Funding (Biggerstaff North)	18,500,000
Grant funding (Central East)	11,525,000
Grant funding (Triangle)	17,800,000
Grant funding (Gibbins)	15,000,000
Grant funding (Central West)	16,450,000
Grant funding (Jupp Centr South)	15,550,000
Grant funding (Exchange)	12,600,000
Grant funding (Kennard)	24,200,000
	211,325,000

NEGATIVE LAND ALLOWANCE

Residualised Price	250,451
	250,451

NET REALISATION

1,287,797,525

OUTLAY

ACQUISITION COSTS

Negative Land Allowance	(250,451)
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CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
‡ Park cost (Park North)	1 un	1,115,305	1,302,530
‡ Park costs (Park South)	1 un	892,867	<u>1,119,016</u>
Totals			2,421,546

	ft ²	Build Rate ft ²	Cost
‡ Construction Cost (JRP)	171,566	335.58	60,107,111
‡ Construction cost (Lund)	122,160	305.06	40,418,330
‡ Construction costs (Lund NB)	72,064	299.66	23,492,577
‡ Construction costs (Railway South)	177,841	341.25	66,696,340
‡ Construction cost (Railway North)	213,900	361.20	87,710,057
‡ Construction cost (Railway North Tower)	205,300	384.31	89,841,264
‡ Construction costs (Dennison)	124,280	351.14	49,356,640
‡ Construction costs (Central North)	118,295	304.41	42,055,342
‡ Construction costs (Biggerstaff North)	103,839	287.80	34,901,103

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

‡ Construction costs (Biggerstaff South)	75,326	324.41	28,995,280
‡ Construction cost (Central East)	148,165	301.36	53,160,720
‡ Construction cost (Jupp)	88,802	39.54	4,208,979
‡ Construction costs (Triangle)	181,748	338.17	73,895,067
‡ Construction cost (Gibbins)	80,740	314.54	30,917,196
‡ Construction costs (Central West)	119,641	304.70	45,687,902
‡ Construction cost (JuppC CenS)	134,786	328.82	56,264,186
‡ Construction cost (Exchange)	98,845	317.12	40,428,164
‡ Construction cost (Kennard)	<u>225,708</u>	335.45	<u>103,849,069</u>
Totals	2,463,006 ft²	931,985,327	934,406,873

Other Construction Costs

Enabling works (Lund NB)		137,500
Enabling works (Railway South)		1,348,600
Enabling works (Railway North)		253,004
Enabling works (Railway N Tower)		759,492
Enabling works (Dennison)		1,789,132
Enabling (Central North)		456,500
Enabling (Park North)		55,404
Enabling works (Biggerstaff North)		363,000
Enabling Works (Biggerstaff South)		363,000
Enabling works (Central East)		488,400
Enabling works (Jupp)		541,552
Enabling works (Triangle)		1,924,175
Enabling works (Gibbins)		171,765
Enabling works (Central West)		342,375
Enabling work (Park South)		50,436
Enabling works (Jupp Corner Cen S)		690,800
Enabling works (Exchange)		496,100
Enabling Works (Kennard)		1,086,360
		11,317,595

Section 106 Costs

Section 106 Costs (JRP)		100,000
Section 106 Costs (Lund)	167 un	5,000.00 /un
CIL estimate (Lund)		835,000
		567,271
Section 106 Costs (Lund NB)	56 un	5,000.00 /un
CIL estimate (Lund NB)		280,000
		39,519
Section 106 Costs (Railway South)	162 un	5,000.00 /un
CIL estimate (Railway South)		810,000
		409,842
Section 106 Costs (Railway North)	194 un	5,000.00 /un
CIL estimate (Railway North)		970,000
		826,133
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un
CIL estimate (Railway N Tower)		1,005,000
		326,783
Section 106 Costs (Dennison)	30 un	5,000.00 /un
		150,000

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

CIL estimate (Dennison)			355,339
Section 106 Costs (Central North)	103 un	5,000.00 /un	515,000
CIL estimate (Central North)			265,500
Section 106 Costs (Biggerstaff N)	96 un	5,000.00 /un	480,000
CIL estimate (Biggerstaff N)			310,267
Section 106 Costs	69 un	5,000.00 /un	345,000
CIL estimate (Biggerstaff South)			310,267
Section 106 Costs (Central East)	148 un	5,000.00 /un	740,000
CIL estimate (Central East)			256,051
Section 106 Costs (Triangle)	150 un	5,000.00 /un	750,000
CIL estimate (Triangle)			293,313
Section 106 Costs (Gibbins)	75 un	5,000.00 /un	375,000
CIL estimate (Gibbins)			343,677
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
CIL estimate (Central West)			116,082
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
CIL estimate (Jupp Cen S)			312,667
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
CIL estimate (Exchange)			261,922
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
CIL estimate			254,897
			15,459,530

PROFESSIONAL FEES

Professional Fees	10.00%	94,572,447	94,572,447
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MARKETING & LETTING

Letting Agent Fee	10.00%	221,377	
Letting Legal Fee	5.00%	110,688	
			332,065

DISPOSAL FEES

Sales Agent Fee - PS and Non-resi	1.00%	9,271,896	
Marketing - PS	1.00%	8,536,855	
Marketing - Non-resi	1.00%	735,041	
Sales Agent Fee - AH	0.25%	372,581	
Sales Legal Fee - Non-resi	0.25%	183,760	
Sales Legal Fee - PS	1,077 un	1,000.00 /un	1,077,000
Sales Legal Fee - AH		0.15%	223,549
			20,400,682

Additional Costs

Buy back costs		1,643,408	
Buy back costs		1,923,720	
Buy back costs		4,356,000	

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

Buy back costs	200,000
Buy back costs	200,000
Buy back costs	4,646,528
Buy back costs	12,993,405
Buy back costs	2,776,009
Buy back costs	1,472,099
Buy back costs	12,123,259
Buy back costs	14,172,634
Buy back costs	10,260,000
Buy back costs	3,750,000
Buy back costs	6,001,637
Buy back costs	10,105,759
	86,624,458

MISCELLANEOUS FEES

Profit on Private Housing	6.00%	220,843
Profit on Affordable Housing	6.00%	968,558
Profit on ONR	6.00%	58,678
Profit on Private Housing	6.00%	4,906,490
Profit on ONR	6.00%	63,144
Profit on Affordable Housing	6.00%	504,013
Profit on ONR	6.00%	18,027
Profit on Private Housing	6.00%	4,684,226
Profit on Affordable Housing	6.00%	445,401
Profit on ONR	6.00%	212,761
Profit on ONR	6.00%	192,981
Profit on Affordable Housing	6.00%	599,704
Profit on Private Housing	6.00%	5,328,784
Profit on Private Housing	6.00%	9,084,238
Profit on ONR	6.00%	100,782
Profit on Affordable Housing	6.00%	203,568
Profit on ONR	6.00%	2,928,244
Profit on Private Housing	6.00%	2,316,631
Profit on Affordable Housing	6.00%	504,705
Profit on ONR	6.00%	99,398
Profit on Affordable Housing	6.00%	758,998
Profit on ONR	6.00%	34,131
Profit on Private Housing	6.00%	3,074,241
Profit on ONR	6.00%	58,807
Profit on Private Housing	6.00%	4,927,760
Profit on Affordable Housing	6.00%	488,495
Profit on Private Housing	6.00%	3,064,104
Profit on Affordable Housing	6.00%	719,260
Profit on ONR	6.00%	272,501

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

Profit on Affordable Housing	6.00%	601,875
Profit on ONR	6.00%	85,721
Profit on Private Housing	6.00%	2,358,931
Profit on Affordable Housing	6.00%	746,861
Profit on ONR	6.00%	84,484
Profit on Private Housing	6.00%	2,891,455
Profit on Affordable Housing	6.00%	664,428
Profit on ONR	6.00%	33,669
Profit on Private Housing	6.00%	1,421,167
Profit on Affordable Housing	6.00%	551,714
Profit on ONR	6.00%	118,901
Profit on Private Housing	6.00%	6,942,260
Profit on Affordable Housing	6.00%	1,184,369
Profit on ONR	6.00%	185,837
		64,711,143

TOTAL COSTS BEFORE FINANCE

1,227,824,793

FINANCE

Debit Rate 5.000%, Credit Rate 0.000% (Nominal)

Total Finance Cost

59,972,732

TOTAL COSTS

1,287,797,525

PROFIT

0

Performance Measures

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.17%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR% (without Interest)	4.77%
Profit Erosion (finance rate 5.000)	0 mths

‡ Inflation/Growth applied

Growth on Sales

Affordable Housing (JRP)

	Ungrown	Growth	Total
Affordable Housing (JRP)	15,617,636	524,995	16,142,631

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

Private sale (JRP)	Private Sale Growth at -2.000% var.	3,130,000	550,718	3,680,718
Private sale (Lund)	Private Sale Growth at -2.000% var.	63,111,250	18,663,579	81,774,829
Affordable units (Lund NB)		7,798,814	601,408	8,400,222
Affordable units (Railway South)		6,844,699	578,652	7,423,351
Private Sale (Railway South)	Private Sale Growth at -2.000% var.	58,280,000	19,790,427	78,070,427
Private Sale (Railway North)	Private Sale Growth at -2.000% var.	60,672,500	28,140,569	88,813,069
Affordable (Railway North)		8,949,853	1,045,208	9,995,061
Private Sale (Railway Tower North)	Private Sale Growth at -2.000% var.	102,076,250	49,327,722	151,403,972
Affordable units (Dennison)		3,040,213	352,582	3,392,795
Hotel (Dennison)	Non-resi Growth at 2.000%	39,780,000	4,944,874	44,724,874
Affordable units (Central North)		7,308,491	1,103,255	8,411,746
Private Sale (Central North)	Private Sale Growth at -2.000% var.	25,508,750	13,101,774	38,610,524
Affordable units (Biggerstaff North)		10,990,836	1,659,124	12,649,960
Private Sale (Biggerstaff South)	Private Sale Growth at -2.000% var.	32,790,000	18,447,343	51,237,343
Affordable units (Central East)		6,943,959	1,197,617	8,141,576
Private sale (Central East)	Private Sale Growth at -2.000% var.	51,601,250	30,528,084	82,129,334
Affordable units (Triangle)		10,138,070	1,849,591	11,987,661
Private Sale (Triangle)	Private Sale Growth at -2.000% var.	31,326,250	19,742,156	51,068,406
Affordable units (Gibbins)		8,366,129	1,665,123	10,031,252
Affordable units (Central West)		10,113,612	2,334,078	12,447,690
Private sale (Central West)	Private Sale Growth at -2.000% var.	22,115,000	17,200,517	39,315,517
Affordable units (Jupp Corner Cen S)		8,879,440	2,194,357	11,073,797
Private sale (Jupp Corner Cen S)	Private Sale Growth at -2.000% var.	26,360,000	21,830,914	48,190,914
Affordable units (Exchange)		7,255,980	1,939,252	9,195,232
Private sale (Exchange)	Private Sale Growth at -2.000% var.	12,636,250	11,049,859	23,686,109
Affordable units (Kennard)		14,702,051	5,037,437	19,739,488
Private sale (Kennard)	Private Sale Growth at -2.000% var.	52,037,500	63,666,834	115,704,334

Growth on Capitalised Rent

		Ungrown	Growth	Total
Community Centre (JRP)	Non-resi Growth at 2.000%	923,077	54,885	977,961
Retail/ ONR (Lund)	Non-resi Growth at 2.000%	969,045	83,348	1,052,393
Retail/ ONR (Lund NB)	Non-resi Growth at 2.000%	276,654	23,795	300,449
Retail/ONR (Railway South)	Non-resi Growth at 2.000%	3,217,049	328,976	3,546,025
Retail/ ONR (Railway North)	Non-resi Growth at 2.000%	2,832,555	383,791	3,216,346
Retail / ONR (Railway N Tower)	Non-resi Growth at 2.000%	1,479,268	200,430	1,679,698
Retail /ONR (Dennison)	Non-resi Growth at 2.000%	3,628,194	451,005	4,079,199
Retail/ ONR (Central North)	Non-resi Growth at 2.000%	1,437,442	219,186	1,656,628
Retail /ONR (Biggerstaff N)	Non-resi Growth at 2.000%	493,593	75,265	568,858
Retail / ONR (Biggerstaff S)	Non-resi Growth at 2.000%	842,056	138,056	980,112
Retail / ONR (Triangle)	Non-resi Growth at 2.000%	3,844,433	697,253	4,541,686
Retail /ONR (Gibbins)	Non-resi Growth at 2.000%	1,203,370	225,307	1,428,676
Retail / ONR (Central West)	Non-resi Growth at 2.000%	1,157,009	251,053	1,408,062
Retail / ONR (Jupp Corner Cen S)	Non-resi Growth at 2.000%	456,555	104,594	561,149
Retail / ONR (Exchange)	Non-resi Growth at 2.000%	1,596,430	385,257	1,981,687

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Growth Breakeven

Retail / ONR (Kennard)	Non-resi Growth at 2.000%	2,362,898	734,383	3,097,281
Inflation on Construction Costs				
Construction Cost (JRP)	Inflation Set 1 at 3.400% var.	57,573,377	2,533,734	60,107,111
Construction cost (Lund)	Inflation Set 1 at 3.400% var.	37,265,892	3,152,438	40,418,330
Construction costs (Lund NB)	Inflation Set 1 at 3.400% var.	21,594,745	1,897,832	23,492,577
Construction costs (Railway South)	Inflation Set 1 at 3.400% var.	60,688,043	6,008,297	66,696,340
Construction cost (Railway North)	Inflation Set 1 at 3.400% var.	77,259,876	10,450,181	87,710,057
Construction cost (Railway North Tower)	Inflation Set 1 at 3.400% var.	78,898,492	10,942,772	89,841,264
Construction costs (Dennison)	Inflation Set 1 at 3.400% var.	43,640,086	5,716,554	49,356,640
Construction costs (Central North)	Inflation Set 1 at 3.400% var.	36,010,320	6,045,022	42,055,342
Park cost (Park North)	Inflation Set 1 at 3.400% var.	1,115,305	187,225	1,302,530
Construction costs (Biggerstaff North)	Inflation Set 1 at 3.400% var.	29,884,429	5,016,674	34,901,103
Construction costs (Biggerstaff South)	Inflation Set 1 at 3.400% var.	24,436,820	4,558,460	28,995,280
Construction cost (Central East)	Inflation Set 1 at 3.400% var.	44,651,510	8,509,210	53,160,720
Construction cost (Jupp)	Inflation Set 1 at 3.400% var.	3,511,356	697,623	4,208,979
Construction costs (Triangle)	Inflation Set 1 at 3.400% var.	61,461,169	12,433,898	73,895,067
Construction cost (Gibbins)	Inflation Set 1 at 3.400% var.	25,396,281	5,520,915	30,917,196
Construction costs (Central West)	Inflation Set 1 at 3.400% var.	36,454,554	9,233,348	45,687,902
Park costs (Park South)	Inflation Set 1 at 3.400% var.	892,867	226,149	1,119,016
Construction cost (JuppC CenS)	Inflation Set 1 at 3.400% var.	44,320,937	11,943,249	56,264,186
Construction cost (Exchange)	Inflation Set 1 at 3.400% var.	31,345,304	9,082,860	40,428,164
Construction cost (Kennard)	Inflation Set 1 at 3.400% var.	75,714,157	28,134,912	103,849,069

**Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery Grant Breakeven**

Development Appraisal
JLL
01 November 2023

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration 50% Affordable Housing, 50% Sale Scenario 1: Self Delivery Grant Breakeven

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Affordable Housing (JRP)	132	99,760	156.55	118,315	15,617,636
Private sale (JRP)	4	3,617	865.36	782,500	3,130,000
Private sale (Lund)	167	88,824	710.52	377,912	63,111,250
Affordable units (Lund NB)	56	57,555	135.50	139,265	7,798,814
Affordable units (Railway South)	60	44,849	152.62	114,078	6,844,699
Private Sale (Railway South)	102	76,469	762.14	571,373	58,280,000
Private Sale (Railway North)	113	81,308	746.21	536,925	60,672,500
Affordable (Railway North)	81	58,396	153.26	110,492	8,949,853
Private Sale (Railway Tower North)	201	136,002	750.55	507,842	102,076,250
Affordable units (Dennison)	30	18,137	167.62	101,340	3,040,213
Hotel (Dennison)	1	0	0.00	39,780,000	39,780,000
Affordable units (Central North)	59	50,418	144.96	123,873	7,308,491
Private Sale (Central North)	44	37,463	680.91	579,744	25,508,750
Affordable units (Biggerstaff North)	96	75,573	145.43	114,488	10,990,836
Private Sale (Biggerstaff South)	69	48,760	672.48	475,217	32,790,000
Affordable units (Central East)	58	50,651	137.09	119,723	6,943,959
Private sale (Central East)	90	75,976	679.18	573,347	51,601,250
Affordable units (Triangle)	89	68,799	147.36	113,911	10,138,070
Private Sale (Triangle)	61	47,290	662.43	513,545	31,326,250
Affordable units (Gibbins)	75	55,918	149.61	111,548	8,366,129
Affordable units (Central West)	83	67,416	150.02	121,851	10,113,612
Private sale (Central West)	42	34,015	650.16	526,548	22,115,000
Affordable units (Jupp Corner Cen S)	78	62,032	143.14	113,839	8,879,440
Private sale (Jupp Corner Cen S)	51	39,831	661.80	516,863	26,360,000
Affordable units (Exchange)	63	48,455	149.75	115,174	7,255,980
Private sale (Exchange)	25	18,724	674.87	505,450	12,636,250
Affordable units (Kennard)	121	86,097	170.76	121,505	14,702,051
Private sale (Kennard)	108	76,922	676.50	481,829	52,037,500
Totals	2,159	1,609,257			708,374,783

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Community Centre (JRP)	1			60,000	60,000	60,000
Retail/ ONR (Lund)	1	3,846	18.00	69,228	69,228	69,228
Retail/ ONR (Lund NB)	1	1,098	18.00	19,764	19,764	19,764
Retail/ONR (Railway South)	1	12,768	18.00	229,824	229,824	229,824
Retail/ ONR (Railway North)	1	7,227	28.00	202,356	202,356	202,356
Retail / ONR (Railway N Tower)	1	5,871	18.00	105,678	105,678	105,678
Retail /ONR (Dennison)	1	9,257	28.00	259,196	259,196	259,196
Retail/ ONR (Central North)	1	5,705	18.00	102,690	102,690	102,690
Retail /ONR (Biggerstaff N)	1	1,959	18.00	35,262	35,262	35,262
Retail /ONR (Biggerstaff S)	1	3,342	18.00	60,156	60,156	60,156
Retail /ONR (Triangle)	1	15,258	18.00	274,644	274,644	274,644
Retail /ONR (Gibbins)	1	4,776	18.00	85,968	85,968	85,968
Retail / ONR (Central West)	1	4,592	18.00	82,656	82,656	82,656
Retail / ONR (Jupp Corner Cen S)	1	1,812	18.00	32,616	32,616	32,616
Retail / ONR (Exchange)	1	6,336	18.00	114,048	114,048	114,048
Retail / ONR (Kennard)	1	9,378	18.00	168,804	168,804	168,804
Totals	16	93,225			1,902,890	1,902,890

Investment Valuation

Community Centre (JRP)						
Current Rent	60,000	YP @	6.5000%	15.3846	923,077	
Retail/ ONR (Lund)						
Market Rent	69,228	YP @	6.5000%	15.3846		
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.5000%	0.9099	969,045	
Retail/ ONR (Lund NB)						
Market Rent	19,764	YP @	6.5000%	15.3846		
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.5000%	0.9099	276,654	

APPRAISAL SUMMARY

JLL

Proposed Carpenters Estate Regeneration

50% Affordable Housing, 50% Sale

Scenario 1: Self Delivery Grant Breakeven

Retail/ONR (Railway South)

Market Rent (1yr 6mths Rent Free)	229,824	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,217,049
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Retail/ ONR (Railway North)

Market Rent (1yr 6mths Rent Free)	202,356	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,832,555
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Retail / ONR (Railway N Tower)

Market Rent (1yr 6mths Rent Free)	105,678	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,479,268
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Retail /ONR (Dennison)

Market Rent (1yr 6mths Rent Free)	259,196	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,628,194
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Retail/ ONR (Central North)

Market Rent (1yr 6mths Rent Free)	102,690	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,437,442
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Retail /ONR (Biggerstaff N)

Market Rent (1yr 6mths Rent Free)	35,262	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	493,593
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Retail / ONR (Biggerstaff S)

Market Rent (1yr 6mths Rent Free)	60,156	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	842,056
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Retail / ONR (Triangle)

Market Rent (1yr 6mths Rent Free)	274,644	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	3,844,433
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Retail /ONR (Gibbins)

Market Rent (1yr 6mths Rent Free)	85,968	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,203,370
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Retail / ONR (Central West)

Market Rent (1yr 6mths Rent Free)	82,656	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,157,009
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Retail / ONR (Jupp Corner Cen S)

Market Rent (1yr 6mths Rent Free)	32,616	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	456,555
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Retail / ONR (Exchange)

Market Rent (1yr 6mths Rent Free)	114,048	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	1,596,430
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Retail / ONR (Kennard)

Market Rent (1yr 6mths Rent Free)	168,804	YP @ PV 1yr 6mths @	6.5000% 6.5000%	15.3846 0.9099	2,362,898
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Total Investment Valuation

26,719,628

GROSS DEVELOPMENT VALUE

735,094,411

Purchaser's Costs	(1,967,005)
Effective Purchaser's Costs Rate	7.36%

(1,967,005)

NET DEVELOPMENT VALUE

733,127,405

Additional Revenue

Grant funding (JRP)	41,712,000
Grant funding (Lund NB)	17,696,000
Grant funding (Railway South)	18,960,000
Grant funding (Railway North)	25,596,000
Grant funding (Dennison)	9,480,000
Grant funding (Central North)	18,644,000
Grant Funding (Biggerstaff North)	30,336,000

Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery Grant Breakeven

Grant funding (Central East)	18,328,000
Grant funding (Triangle)	28,124,000
Grant funding (Gibbins)	23,700,000
Grant funding (Central West)	26,228,000
Grant funding (Jupp Centr South)	24,648,000
Grant funding (Exchange)	19,908,000
Grant funding (Kennard)	38,236,000
	341,596,000

NEGATIVE LAND ALLOWANCE

Residualised Price	484,535
	484,535

NET REALISATION **1,075,207,941****OUTLAY****ACQUISITION COSTS**

Negative Land Allowance	(484,535)
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CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Park cost (Park North)	1 un	1,115,305	1,115,305
Park costs (Park South)	1 un	892,867	<u>892,867</u>
Totals			2,008,172

	ft ²	Build Rate ft ²	Cost
Construction Cost (JRP)	171,566	335.58	57,573,377
Construction cost (Lund)	122,160	305.06	37,265,892
Construction costs (Lund NB)	72,064	299.66	21,594,745
Construction costs (Railway South)	177,841	341.25	60,688,043
Construction cost (Railway North)	213,900	361.20	77,259,876
Construction cost (Railway North Tower)	205,300	384.31	78,898,492
Construction costs (Dennison)	124,280	351.14	43,640,086
Construction costs (Central North)	118,295	304.41	36,010,320
Construction costs (Biggerstaff North)	103,839	287.80	29,884,429
Construction costs (Biggerstaff South)	75,326	324.41	24,436,820
Construction cost (Central East)	148,165	301.36	44,651,510
Construction cost (Jupp)	88,802	39.54	3,511,356
Construction costs (Triangle)	181,748	338.17	61,461,169
Construction cost (Gibbins)	80,740	314.54	25,396,281
Construction costs (Central West)	119,641	304.70	36,454,554
Construction cost (JuppC CenS)	134,786	328.82	44,320,937
Construction cost (Exchange)	98,845	317.12	31,345,304
Construction cost (Kennard)	<u>225,708</u>	335.45	<u>75,714,157</u>
Totals	2,463,006 ft²		790,107,348
			792,115,520

Other Construction Costs

Enabling works (Lund NB)	137,500
Enabling works (Railway South)	1,348,600
Enabling works (Railway North)	253,004
Enabling works (Railway N Tower)	759,492
Enabling works (Dennison)	1,789,132
Enabling (Central North)	456,500
Enabling (Park North)	55,404
Enabling works (Biggerstaff North)	363,000
Enabling Works (Biggerstaff South)	363,000
Enabling works (Central East)	488,400
Enabling works (Jupp)	541,552
Enabling works (Triangle)	1,924,175
Enabling works (Gibbins)	171,765
Enabling works (Central West)	342,375
Enabling work (Park South)	50,436
Enabling works (Jupp Corner Cen S)	690,800
Enabling works (Exchange)	496,100
Enabling Works (Kennard)	1,086,360
	11,317,595

Section 106 Costs

Section 106 Costs (JRP)	100,000
Section 106 Costs (Lund)	835,000

Proposed Carpenters Estate Regeneration**50% Affordable Housing, 50% Sale****Scenario 1: Self Delivery Grant Breakeven**

CIL estimate (Lund)			567,271
Section 106 Costs (Lund NB)	56 un	5,000.00 /un	280,000
CIL estimate (Lund NB)			39,519
Section 106 Costs (Railway South)	162 un	5,000.00 /un	810,000
CIL estimate (Railway South)			409,842
Section 106 Costs (Railway North)	194 un	5,000.00 /un	970,000
CIL estimate (Railway North)			826,133
Section 106 Costs (Railway N Tower)	201 un	5,000.00 /un	1,005,000
CIL estimate (Railway N Tower)			326,783
Section 106 Costs (Dennison)	30 un	5,000.00 /un	150,000
CIL estimate (Dennison)			355,339
Section 106 Costs (Central North)	103 un	5,000.00 /un	515,000
CIL estimate (Central North)			265,500
Section 106 Costs (Biggerstaff N)	96 un	5,000.00 /un	480,000
CIL estimate (Biggerstaff N)			310,267
Section 106 Costs	69 un	5,000.00 /un	345,000
CIL estimate (Biggerstaff South)			310,267
Section 106 Costs (Central East)	148 un	5,000.00 /un	740,000
CIL estimate (Central East)			256,051
Section 106 Costs (Triangle)	150 un	5,000.00 /un	750,000
CIL estimate (Triangle)			293,313
Section 106 Costs (Gibbins)	75 un	5,000.00 /un	375,000
CIL estimate (Gibbins)			343,677
Section 106 Costs (Central West)	125 un	5,000.00 /un	625,000
CIL estimate (Central West)			116,082
Section 106 Costs (Jupp Cen S)	129 un	5,000.00 /un	645,000
CIL estimate (Jupp Cen S)			312,667
Section 106 Costs (Exchange)	88 un	5,000.00 /un	440,000
CIL estimate (Exchange)			261,922
Section 106 Costs (Kennard)	229 un	5,000.00 /un	1,145,000
CIL estimate			254,897
			15,459,530

PROFESSIONAL FEES

Professional Fees	10.00%	80,343,311
		80,343,311

MARKETING & LETTING

Letting Agent Fee	10.00%	190,289
Letting Legal Fee	5.00%	95,145
		285,434

DISPOSAL FEES

Sales Agent Fee - PS and Non-resi	1.00%	6,061,776
Marketing - PS	1.00%	5,241,644
Marketing - Non-resi	1.00%	645,326
Sales Agent Fee - AH	0.25%	317,374
Sales Legal Fee - Non-resi	0.25%	161,332
Sales Legal Fee - PS	1,077 un	1,000.00 /un
Sales Legal Fee - AH		0.15%
		1,077,000
		190,425
		13,694,878

Additional Costs

Buy back costs		1,643,408
Buy back costs		1,923,720
Buy back costs		4,356,000
Buy back costs		200,000
Buy back costs		200,000
Buy back costs		4,646,528
Buy back costs		12,993,405
Buy back costs		2,776,009
Buy back costs		1,472,099
Buy back costs		12,123,259
Buy back costs		14,172,634
Buy back costs		10,260,000
Buy back costs		3,750,000
Buy back costs		6,001,637
Buy back costs		10,105,759
		86,624,458

MISCELLANEOUS FEES

Profit on Private Housing	6.00%	187,800
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Proposed Carpenters Estate Regeneration
50% Affordable Housing, 50% Sale
Scenario 1: Self Delivery Grant Breakeven

Profit on Affordable Housing	6.00%	937,058
Profit on ONR	6.00%	55,385
Profit on Private Housing	6.00%	3,786,675
Profit on ONR	6.00%	58,143
Profit on Affordable Housing	6.00%	467,929
Profit on ONR	6.00%	16,599
Profit on Private Housing	6.00%	3,496,800
Profit on Affordable Housing	6.00%	410,682
Profit on ONR	6.00%	193,023
Profit on ONR	6.00%	169,953
Profit on Affordable Housing	6.00%	536,991
Profit on Private Housing	6.00%	3,640,350
Profit on Private Housing	6.00%	6,124,575
Profit on ONR	6.00%	88,756
Profit on Affordable Housing	6.00%	182,413
Profit on ONR	6.00%	2,604,492
Profit on Private Housing	6.00%	1,530,525
Profit on Affordable Housing	6.00%	438,509
Profit on ONR	6.00%	86,247
Profit on Affordable Housing	6.00%	659,450
Profit on ONR	6.00%	29,616
Profit on Private Housing	6.00%	1,967,400
Profit on ONR	6.00%	50,523
Profit on Private Housing	6.00%	3,096,075
Profit on Affordable Housing	6.00%	416,638
Profit on Private Housing	6.00%	1,879,575
Profit on Affordable Housing	6.00%	608,284
Profit on ONR	6.00%	230,666
Profit on Affordable Housing	6.00%	501,968
Profit on ONR	6.00%	72,202
Profit on Private Housing	6.00%	1,326,900
Profit on Affordable Housing	6.00%	606,817
Profit on ONR	6.00%	69,421
Profit on Private Housing	6.00%	1,581,600
Profit on Affordable Housing	6.00%	532,766
Profit on ONR	6.00%	27,393
Profit on Private Housing	6.00%	758,175
Profit on Affordable Housing	6.00%	435,359
Profit on ONR	6.00%	95,786
Profit on Private Housing	6.00%	3,122,250
Profit on Affordable Housing	6.00%	882,123
Profit on ONR	6.00%	141,774
		44,105,665
TOTAL COSTS BEFORE FINANCE		1,043,946,390
FINANCE		
Debit Rate 5.000%, Credit Rate 0.000% (Nominal)		
Total Finance Cost		31,261,550
TOTAL COSTS		1,075,207,941
PROFIT		0
Performance Measures		
Profit on Cost%	0.00%	
Profit on GDV%	0.00%	
Profit on NDV%	0.00%	
Development Yield% (on Rent)	0.18%	
Equivalent Yield% (Nominal)	6.50%	
Equivalent Yield% (True)	6.77%	
IRR% (without Interest)	4.87%	
Profit Erosion (finance rate 5.000)	N/A	