

PRIVATE & CONFIDENTIAL

PROPOSED HOTEL EXTENSION AND RE-DEVELOPMENT OF SITE AT LONG DRIVE, SOUTH RUISLIP, HA4 0HG CURRENTLY ACCOMMODATING; HOTEL, CASH & CARRY, CONFERENCE CENTRE AND SMALL OFFICE BUILDING.

FINANCIAL VIABILITY ASSESSMENT ('FVA') OF TWO SCHEME OPTIONS.

November 2025



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Important Notice

This report has been prepared for planning input purposes.

The Planning Applicant,
c/o ROK Planning,
51-52 St John's Square,
London,
EC1V 4JL.

1/11/25

Dear Sirs,

**PROPOSED HOTEL EXTENSION AND RE-DEVELOPMENT OF SITE AT LONG DRIVE,
SOUTH RUISLIP, HA4 0HG CURRENTLY ACCOMMODATING; HOTEL, CASH & CARRY,
CONFERENCE CENTRE AND SMALL OFFICE BUILDING.**

FINANCIAL VIABILITY ASSESSMENT ('FVA').

1.0 EXECUTIVE SUMMARY

1.1 We have prepared this FVA based upon an assumed scheme comprising:-

- Extension to existing hotel to provide 22 rooms (in addition to the existing 78), 114 flats (of which 24 are affordable including grant funding on half of these at full grant rates) and no industrial space.

1.2 We have also assumed MCIL2 and CIL relief on 50% of that part of the scheme that accommodates the 22 hotel rooms and 90 private flats in connection with a likely inbound

1.3 Having appraised this scheme using a residual profit appraisal, we conclude that it drives a profit but falls short of a full and/or reasonably necessary profit.

1.4 We conclude that, allowing for some market improvement, the scheme might become deliverable over the next 3 years.

2.0 INSTRUCTIONS

- 2.1 We understand that you require a FVA for the assumed scheme.
- 2.2 We have agreed a fixed fee for this piece of work split between viability report and further discussions with the London Borough of Hillingdon ('LBH') and their advisors. No performance related or contingent fees have been agreed.
- 2.3 In preparing this report we can confirm that we have no conflicts of interest.
- 2.4 Our opinion is also:-
- Objective, and;
 - Impartial, and;
 - Without interference (notwithstanding NPPG and Mayoral guidance), and;
 - With reference to all appropriate sources of information (but limited to what NPPG and/or Mayoral guidance says is appropriate).

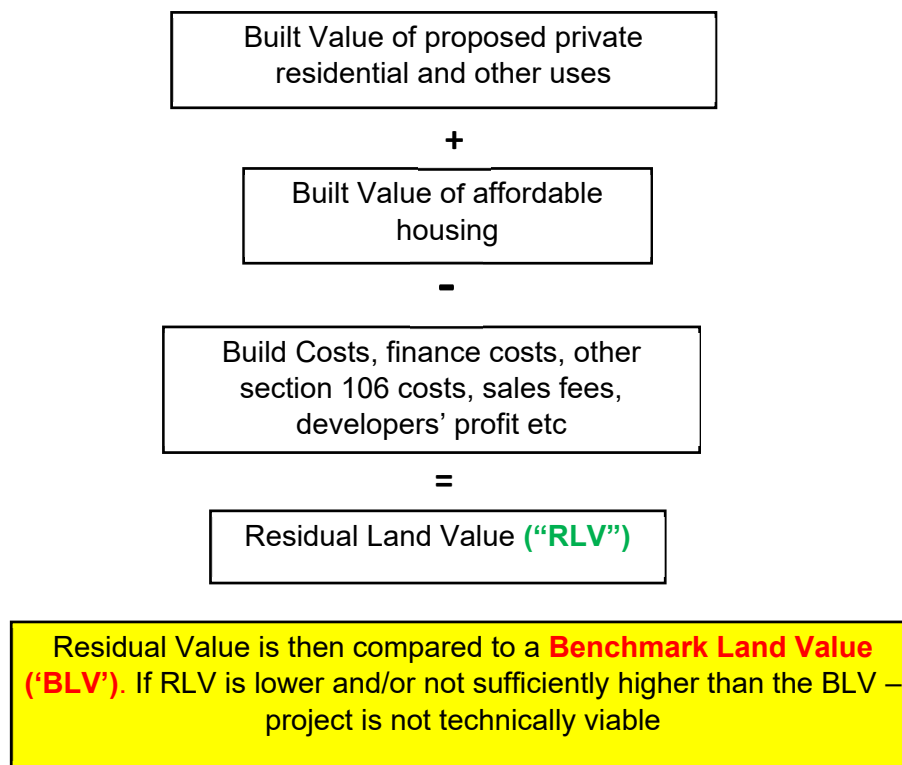
3.0 BASIS OF APPRAISALS HEREIN

- 3.1 This report is to assist planning discussions with LBH.
- 3.2 It is not an RICS (Royal Institution of Chartered Surveyors) "Red Book" compliant valuation report and the figures referred to herein are not formal valuations. However, detailed justification for the indicative values and/or component valuation inputs we have used are provided herein.

4.0 VIABILITY AND PLANNING

4.1 Scheme viability is assessed using residual valuation methodology.

4.2 A summary of the residual process is:-



4.3 If the RLV driven by a proposed scheme is reduced to significantly below an appropriate BLV, it follows that it is commercially unviable to pursue such a scheme, and the scheme is unlikely to proceed.

4.4 The 'land residual' approach (as summarised above) can be inverted so that it becomes a 'profit residual' based upon the insertion of a specific land cost/value (equivalent to the BLV) at the top. By doing this, the focus is moved onto the level of profit driven by a scheme and is how we have presented our viability analyses herein.

5.0 APPROACH TO BLV

5.1 We have considered guidance provided by:-

- National Planning Policy Framework (2024), and;
- National Planning Policy Guidance on Viability (updated 2024), and;
- The RICS's 'Guidance Note GN 94/2012 (1st edition)', and;
- The RICS's Professional Standard – 'Financial Viability in Planning: Conduct & Reporting (1st Edition – May 2019)', and;
- The RICS's Professional Standard - 'Assessing viability in planning under the National Planning Policy Framework 2019 for England – March 2021 – 1st edition', and;
- The London Plan, and;
- Recent Appeal cases, and;
- Our own professionally qualified judgement and obligation to provide an opinion that is: objective, impartial, without interference and with reference to all appropriate sources of information.

5.2 Without prejudice, we have considered the value of the existing site/property on a 'Existing Use Value plus land-owner's premium' ('EUV Plus') basis.

6.0 THE SITE

6.1 Please refer to the photographs below:-





6.2 Including the hotel, the site comprises 1.04 hectares (2.57 acres).

6.3 Excluding the hotel, the site comprises 0.87 hectares (2.15 acres).

6.4 The existing buildings and areas comprise:-

Site Element	Description	Use Class	GIA (sq.m.)	GIA (sq.ft.)
Savera Hotel (formerly The Ramada)	78 bed hotel with bar and dining/leisure areas	C2	3,056	32,894
Cash & Carry	Forming circa 60% of large warehouse building foot-print but single storey section with <u>very large floor to ceiling heights</u> facilitating high-stacked food and provisions storage.	Suis Generis	2,546	27,405
Conference/ Banqueting Centre	Other 40% of main warehouse type building but on ground and mezzanine	C2	1,100	11,840
Office	Strange building on columns/stilts above car parking	Class E	145	1,561
Car parking and/or surface storage areas			Surplus to uses on site and therefore added value.	Surplus to uses on site and therefore added value.
Total (including hotel)			6,847	73,700
Total (excluding hotel)			3,791	40,806

6.5 The buildings are all owner occupied and are mainly in good lettable and/or useable condition.

6.6 However, the office building is poorly specified.

7.0 APPROACH TO VIABILITY ASSESSMENT

7.1 We have financially appraised the proposed scheme using ARGUS, a widely used proprietary software package.

7.2 After inputting a hypothetical land cost (i.e. our BLV as justified in Section 8 below), we consider that the residual profit from the proposed scheme options need to be 22.5% on cost for it to be considered viable by normal measures (see S.15 below).

7.3 We have excluded the hotel extension from our main financial appraisal herein because this would confuse what we consider to be a necessary profit as it represents a relatively minor low risk part of the scheme which we consider to be financially neutral as explained later herein. It would confuse a reasonable 'blended' profit target (even more so if geared to a percentage of GDV).

8.0 BLV (AS HYPOTHETICAL LAND COST INPUT)

8.1 We have considered the following EUV comparables:-

  	<p><u>Open Storage Land (hard-standing), Station Yard, Ickenham Road, HA4 7DY:-</u></p> <p>0.835 acres and/or 37,198 sq.ft. Let via Colliers on 14/4/25 for £2.74 p.s.f. = £101,923 p.a.</p> <p>Although the subject site at Long Drive is not just open storage land, this comparable provides some guidance nonetheless as it indicates that the subject site must be worth significantly more than (say):-</p> <ul style="list-style-type: none">• <i>£101,923 capitalised into perpetuity @ 8% less purchaser costs = £1.19m which equates to £1.43m per acre.</i> <p>The subject site is 2.15 acres excluding the hotel and so 2.15 x £1.43m = £3.07m.</p> <p>This effectively disregards the value added by the existing buildings on the subject site but would/could apply if the existing buildings were demolished – albeit that would of course be illogical.</p> <p>Conclusion – the subject site at Long Drive (excluding the hotel) must command a reasonable EUV and/or BLV that is substantially higher than £3.07m.</p>
 	<p><u>8 Chancerygate Close, Stonefield Way, HA4 0JA:-</u></p> <p>B2 industrial. 7,953 sq.ft. Let on 18/10/24 for £13.83 p.s.f. by Forest Real Estate.</p> <p>Points to value of similar buildings (with high floor to ceiling heights and a roller door shutter access etc) of around:-</p> <p>100/8 x £13.83 less 6.8% = £162 per sq.ft.</p> <p>Therefore, this points to a reasonable EUV for the cash and carry building element on the subject site at Long Drive of around 27,405 sq.ft. x £162 = £4.44m alone.</p>



Braintree Industrial Estate, Braintree Road, HA4 0EJ:-

11,419 sq.ft. GIA.
B2.

Sold to prospective owner occupier via Telsar Ltd and JLL for £2.45m on 6/6/22 = £215 per sq.ft.

Therefore, this points to a reasonable EUV for the cash and carry building element on the subject site at Long Drive of around 27,405 sq.ft. x £215 = £5.89m alone. It looks to be of a similar quality if not inferior.



Mansard House, Brember Road, HA2 8AX:-

8,422 sq.ft.

Warehouses with offices and secure yard.

Sold to prospective owner-occupier for £2.3m on 26/5/22 = £273 per sq.ft.





Salvation Army Citadel & Hall, Roxeth Hill, Harrow:-

Suis generis hall/conference type facility.

4,535 sq.ft.

Current asking price via Newmark = £1.25m = £276 per sq.ft.



17a High Street, Ruislip:-

Office space on 1st floor above retail.

1,272 sq.ft.

Let on 21/12/.22 for £21.85 per sq.ft.



Unit 3, Carmine Court, 202 Imperial Drive, HA2 7HG:-

543 sq.ft. office unit.

For sale with v.p.

Asking price = £225k = £414 per sq.ft.



Unit 2, Carmine Court, 202 Imperial Drive, HA2 7HG:-

2,489 sq.ft. office unit.

For sale with v.p.

Asking price = £1.2m = £482 per sq.ft.

Source: www.EGi.co.uk

- 8.2 Considering the above, we have arrived at a reasonable EUV for the existing buildings/site excluding the existing hotel by applying a conservative blended average existing building value rate of £150 per sq.ft. on GIA = £6.12m.
- 8.3 We have added a land-owner's premium of 5% to our EUV of £6.12m to arrive at a BLV of £6.43m. Our land-owner's premium is below the very bottom of the range referred to by the RICS in their Financial Viability in Planning (1st Edition 2012) which remains valid guidance and where on page 45 it says:-

Existing use value (plus a premium)

Used by some practitioners for establishing Site Value. The basis is as with EUV but then adds a premium (usually 10% to 40%) as an incentive for the landowner to sell. However, it does not reflect the market and is both arbitrary and inconsistent in practical application.

- 8.4 We have therefore assumed a reasonable/conservative BLV of **£6.43m**.

9.0 PROPOSED SCHEME

9.1 Please see the proposed floorplans in **Appendix 1**.

9.2 The assumed scheme comprises:-

Block 1 / Existing Hotel

1B1P Studio	0	@ 39m ²
1B2P Apartment	0	@ 50m ²
2B3P Apartment	0	@ 61m ²
2B4P Apartment	0	@ 70m ²
3B5P Apartment	0	@ 86m ²
3B6P Apartment	0	@ 95m ²
3B6P Maisonette	0	@ 102m ²
Total	0no units	0.0m²
Hotel Room	22	@ 20m ²
Total	22no units	440.0m²

Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)
1b1p	2	0	Private	39	420	0	0
1b2p	2	14	Private	50	538	700	7,535
2b3p	2	3	Private	61	657	183	1,970
2b4p	2	17	Private	70	753	1,190	12,809
3b5p	2	0	Private	86	926	0	0
3b6p	2	0	Private	95	1,023	0	0
3b6p	2	8	Private	102	1,098	816	8,783
Sub Totals		42				2,889	31,097

Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)
1b1p	3.1	0	Private	39	420	0	0
1b2p	3.1	5	Private	50	538	250	2,691
2b3p	3.1	10	Private	61	657	610	6,566
2b4p	3.1	4	Private	70	753	280	3,014
3b5p	3.1	5	Private	86	926	430	4,628
3b6p	3.1	0	Private	95	1,023	0	0
3b6p	3.1	0	Private	102	1,098	0	0
Sub Totals		24				1,570	16,899

Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)
1b1p	3.2	0	Private	39	420	0	0
1b2p	3.2	5	Private	50	538	250	2,691
2b3p	3.2	10	Private	61	657	610	6,566
2b4p	3.2	4	Private	70	753	280	3,014
3b5p	3.2	5	Private	86	926	430	4,628
3b6p	3.2	0	Private	95	1,023	0	0
3b6p	3.2	0	Private	102	1,098	0	0
Sub Totals		24				1,570	16,899

Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)
1b1p	3.3	0	Flexi-Affordable (inc grant on half)	39	420	0	0
1b2p	3.3	5	Flexi-Affordable (inc grant on half)	50	538	250	2,691
2b3p	3.3	10	Flexi-Affordable (inc grant on half)	61	657	610	6,566
2b4p	3.3	4	Flexi-Affordable (inc grant on half)	70	753	280	3,014
3b5p	3.3	5	Flexi-Affordable (inc grant on half)	86	926	430	4,628
3b6p	3.3	0	Flexi-Affordable (inc grant on half)	95	1,023	0	0
3b6p	3.3	0	Flexi-Affordable (inc grant on half)	102	1,098	0	0
Sub Totals		24				1,570	16,899
Totals		114				7599	81,795

Company Number 09479391 (Companies Act 2006).

VAT Registration Number 211 3469 43.

Regulated by RICS.



9.3 We have assumed a total GIA for the residential element of the scheme of 9,115 sq.m. (98,113 sq.ft.).

10.0 PROPOSED PRIVATE RESIDENTIAL VALUES

10.1 We have considered the following private residential comparables:-



Greenford Quay, 891-995 Greenford Road, UB6 0HE:-

Latest asking prices include:-


Plot ref	Floor	Bed	Sq Ft	Most recent price	£PSF	Date of price
B016	1	1	598	£375,000	£627	Mar 2025
B017	1	1	603	£377,500	£626	Mar 2025
B029	2	1	603	£375,000	£622	Mar 2025
B030	3	2	870	£495,000	£569	Mar 2025
B036	3	1	604	£348,500	£577	Mar 2025
B059	5	1	598	£355,000	£594	Mar 2025
B068	6	2	802	£505,000	£630	Mar 2025
B081	7	2	850	£515,000	£606	Mar 2025
B088	8	2	802	£520,000	£648	Mar 2025
B104	10	2	802	£535,000	£667	Mar 2025
B105	10	2	850	£525,000	£618	Mar 2025
B113	11	2	850	£525,000	£618	Mar 2025
B120	12	2	802	£540,000	£673	Mar 2025
B129	13	2	850	£535,000	£629	Mar 2025
B135	14	2	802	£525,000	£655	Mar 2025
B155	16	3	1055	£680,000	£645	Mar 2025
B163	17	3	1055	£695,000	£659	Mar 2025

The most recent completions include:-

Unit	Address	Postcode	Unit Type	Tenure	Price Paid First Sale	Sale Completed	EPC Sq M	Sq Ft	£PSF
FLAT 210	COBALT HOUSE BAKERY WALK	UB6 0GJ	Flat	Leasehold	£355,000	01/11/2024	56.00	603	£588
FLAT 904	COBALT HOUSE BAKERY WALK	UB6 0GL	Flat	Leasehold	£504,400	23/10/2024	79.00	850	£593
FLAT 604	COBALT HOUSE BAKERY WALK	UB6 0GJ	Flat	Leasehold	£505,000	08/10/2024	79.00	850	£593
FLAT 1602	COBALT HOUSE BAKERY WALK	UB6 0GN	Flat	Leasehold	£521,750	02/10/2024			
FLAT 505	CERULEAN HOUSE, 450 OLDFIELD LANE NORTH	UB6 0GH	Flat	Leasehold	£357,500	31/07/2024			
FLAT 106	COBALT HOUSE BAKERY WALK	UB6 0GJ	Flat	Leasehold	£347,500	29/07/2024	55.00	592	£586
FLAT 202	COBALT HOUSE BAKERY WALK	UB6 0GJ	Flat	Leasehold	£485,000	30/05/2024	73.00	786	£617
FLAT 404	COBALT HOUSE BAKERY WALK	UB6 0GJ	Flat	Leasehold	£465,000	20/05/2024	79.00	850	£546

This scheme is in a better canal-side location.



	<p><u>Arla Place, HA4 0FF:-</u></p> <p><u>30 Fawn Court:-</u></p> <p>2 bed flat in block built in 2018. 775 sq.ft. Re-sold on 21/8/24 for £380k = £490 p.s.f.</p> <p><u>12 Aqua Court:-</u></p> <p>2 bed flat in block built in 2018. 764 sq.ft. Re-sold on 10/7/24 for £410k = £536 p.s.f.</p>
	<p><u>Field End Road, Eastcote, HA4:-</u></p> <p>3 bed duplex on market. 956 sq.ft. Asking price = £550k = £575 p.s.f. Been on market since at least 23/10/24 and not yet sold.</p>
	<p><u>Reservoir Road, HA4:-</u></p> <p>2 bed flat on ground floor. 764 sq.ft. Underground parking. Asking price = £325k = £425 p.s.f.</p>
	<p><u>Arla Place, HA4:-</u></p> <p><u>1 bed flat:-</u></p> <p>Ground floor. 694 sq.ft. Allocated parking space. Asking price = £350k = £504 p.s.f.</p> <p><u>2 bed flat:-</u></p> <p>First floor. 763 sq.ft. Allocated parking space. Asking price = £425k = £557 p.s.f.</p> <p><u>3 bed flat:-</u></p> <p>3 bed flat on ground floor. 947 sq.ft. Allocated parking. Asking price = £495k = £523 p.s.f.</p>

Source: www.Rightmove.co.uk & Land Registry

10.2 Having considered the above, we have assumed average achievable private residential value (net of incentives and inclusive of parking) if all of the units proposed were private as follows:-

Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)	Average Value per Unit (as per Tenure)	Total Value	Value per sq.ft.
1b1p	2	0	Private	39	420	0	0	£276,000	£0	£657.47
1b2p	2	14	Private	50	538	700	7,535	£353,000	£4,942,000	£655.90
2b3p	2	3	Private	61	657	183	1,970	£419,000	£1,257,000	£638.14
2b4p	2	17	Private	70	753	1,190	12,809	£474,000	£8,058,000	£629.09
3b5p	2	0	Private	86	926	0	0	£535,000	£0	£577.94
3b6p	2	0	Private	95	1,023	0	0	£563,000	£0	£550.57
3b6p	2	8	Private	102	1,098	816	8,783	£590,000	£4,720,000	£537.38
Sub Totals		42				2,889	31,097		£18,977,000	£610.25
Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)	Average Value per Unit (as per Tenure)	Total Value	Value per sq.ft.
1b1p	3.1	0	Private	39	420	0	0	£276,000	£0	£657.47
1b2p	3.1	5	Private	50	538	250	2,691	£353,000	£1,765,000	£655.90
2b3p	3.1	10	Private	61	657	610	6,566	£419,000	£4,190,000	£638.14
2b4p	3.1	4	Private	70	753	280	3,014	£474,000	£1,896,000	£629.09
3b5p	3.1	5	Private	86	926	430	4,628	£535,000	£2,675,000	£577.94
3b6p	3.1	0	Private	95	1,023	0	0	£563,000	£0	£550.57
3b6p	3.1	0	Private	102	1,098	0	0	£590,000	£0	£537.38
Sub Totals		24				1,570	16,899		£10,526,000	£622.87
Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)	Average Value per Unit (as per Tenure)	Total Value	Value per sq.ft.
1b1p	3.2	0	Private	39	420	0	0	£276,000	£0	£657.47
1b2p	3.2	5	Private	50	538	250	2,691	£353,000	£1,765,000	£655.90
2b3p	3.2	10	Private	61	657	610	6,566	£419,000	£4,190,000	£638.14
2b4p	3.2	4	Private	70	753	280	3,014	£474,000	£1,896,000	£629.09
3b5p	3.2	5	Private	86	926	430	4,628	£535,000	£2,675,000	£577.94
3b6p	3.2	0	Private	95	1,023	0	0	£563,000	£0	£550.57
3b6p	3.2	0	Private	102	1,098	0	0	£590,000	£0	£537.38
Sub Totals		24				1,570	16,899		£10,526,000	£622.87

11.0 PROPOSED AFFORDABLE HOUSING VALUES

11.1 We have assumed the following values:-

Type	Block	Nos	Tenure	Area per Type (sq.m.)	Area per Type (sq.ft.)	Total Area (sq.m.)	Total Area (sq.ft.)	Average Value per Unit (as per Tenure)	Total Value	Value per sq.ft.
1b1p	3.3	0	Flexi-Affordable (inc grant on half)	39	420	0	0	£125,938	£0	£300.00
1b2p	3.3	5	Flexi-Affordable (inc grant on half)	50	538	250	2,691	£161,459	£807,293	£300.00
2b3p	3.3	10	Flexi-Affordable (inc grant on half)	61	657	610	6,566	£196,979	£1,969,794	£300.00
2b4p	3.3	4	Flexi-Affordable (inc grant on half)	70	753	280	3,014	£226,042	£904,168	£300.00
3b5p	3.3	5	Flexi-Affordable (inc grant on half)	86	926	430	4,628	£277,709	£1,388,543	£300.00
3b6p	3.3	0	Flexi-Affordable (inc grant on half)	95	1,023	0	0	£306,771	£0	£300.00
3b6p	3.3	0	Flexi-Affordable (inc grant on half)	102	1,098	0	0	£329,375	£0	£300.00
Sub Totals		24				1,570	16,899		£5,069,797	£300.00

11.2 However, this is somewhat academic as Registered Providers are not seemingly interested in purchasing S.106 affordable housing in the current market.

12.0 BUILD COSTS, CONTINGENCY & PROFESSIONAL FEES

- 12.1 We strongly recommend that you obtain a site/scheme specific build cost assessment from a QS but, in the meantime, we have considered the following BCIS guidance:-



£/M2 STUDY

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 18-Oct-2025 07:36

Rebased to Hillingdon (111; sample 54)

MAXIMUM AGE OF RESULTS: DEFAULT PERIOD

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
276.1 Factories for textiles (35)	1,344	-	-	-	-	-	1
276.3 Factories for clothes, footwear (45)	2,338	-	-	-	-	-	1
277.2 Factories for timber, furniture (30)	1,342	-	-	-	-	-	1
277.3 Factories for paper, printing and publishing (30)	1,615	918	-	1,335	-	2,870	4
816. Flats (apartments)							
Generally (15)	2,093	1,092	1,720	1,969	2,377	7,013	722
1-2 storey (15)	2,013	1,194	1,682	1,877	2,309	3,936	150
3-5 storey (15)	2,060	1,092	1,706	1,946	2,329	4,290	486
6 storey or above (15)	2,420	1,489	1,951	2,316	2,692	7,013	85

12.2 We have assumed the following after considering the BCIS guidance above:-

Residential:-

9,115 sq.m. x £2,200 per sq.m. = £20,053,000

Plus externals @ 10% = £22,058,300

Plus contingency @ 5% = £23,161,215

12.3 We have relied upon this and have professional fees at 10%.

13.0 MAYORAL CIL2/CIL/S.106

13.1 We are not experts in assessing these costs but have assumed the following as a working assumption:-

Residential	-	9,115 sq.m. x £295 x 0.65 (affordable relief)	
		x 50% (Support for Housebuilding relief) =	£873,901
S.106 @ say	-		£850,000

			£1,723,901

14.0 EXTRAORDINARY COSTS

14.1 We have not accounted for any extraordinary costs at this stage.



15.0 DEVELOPMENT PROFIT & FINANCE RATE

15.1 With regard to profit, NPPG said the following in 2019:-

How should a return to developers be defined for the purpose of viability assessment?

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of fully complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. 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. Alternative figures may also be appropriate for different development types.


See related policy: National Planning Policy Framework [paragraph 57](#)

Paragraph: 018 Reference ID: 10-018-20190509

Revision date: 09 05 2019 See [previous version](#)

15.2 In our opinion, this could and should be read to mean that an overall blended return of between 15-20% is reasonable which would then reconcile with a much more detailed RICS study (written in the main by the University of Reading) dated September 2019 where they said:-

RICS:-

<p>Research</p>  <p>September 2019</p> <p>Performance metrics, required returns and achieved returns for UK real estate development</p>	<p>The review of published development appraisals and associated literature suggests that residential developers favour the use of cash-based target returns. From the survey, a figure of 20% profit on costs was mentioned regularly for sites without significant risks (for example, risks relating to planning permission), and 25% for those sites with higher levels of perceived risk. These levels of profit on cost imply a profit on gross development value (GDV) of around 15 to 20%. The larger developers, utilising cash-flow techniques and developing longer schemes, quoted target rates of return of around 10 to 12%, and this reconciles with higher cash returns that are typically required for longer projects. Inclusion of finance within development appraisals is common.</p>
--	--

- 15.3 Neither NPPG (viability) from 2019 or any other 'viability in planning' guidance states what must be used as a profit target and/or how profit targets must be geared and/or measured (i.e. whether geared to GDV, cost, IRR, return on capital employed etc) when preparing site/scheme specific FVAs.
- 15.4 Going back to what NPPG said in 2019 (see S.15.1 above), that relates/related to 'plan-making' which site/scheme specific FVAs are not.
- 15.5 Whether one focusses on 'guidance' within NPPG (viability) and/or the RICS research report, both of these emanate from 2019 at which time general development risk was substantially lower. It cannot logically be the case now that reasonable and necessary profit targets now are the same as they were in 2019 in connection with (for example):-
- Substantially higher mortgage rates.
 - Higher development finance costs.
 - The end of Help to Buy.
 - High build costs after substantial inflation in 2022/23.
 - Cost of living issues.
 - Increased Corporation Tax for developers since April 2023.
 - Gloomy house price predictions/sentiment.
 - Net Zero Carbon requirements (higher build costs over and above inflation).
 - Building Safety Act implications.
- 15.6 We note from a planning inquiry we were involved in (APP/V5570/W/21/3267951) that the Inspector was of the following opinion even as at 15/12/21:-
- Overall Residual Profit*
77. Using the Council's figures, the overall residual profit would be £2,293,791 which, on applying a 17% private residential gross development value (GDV) and 15% GDV on commercial, would result in a surplus of £500,493. The appellant's calculations would be £977,908 residual profit, and in applying an 18% allowance on overall GDV and/or 20% on costs, this would result in a shortfall of £834,403. This represents some £1.3 million difference between parties.
78. Profit target values supported by both parties fall within the advice of the PPG which specifies 15-20%. In general, 18-20% margin is standard. The Council's figures, which given the current risk factors around the economy, do seem to be overly low.
- 15.7 As the Inspector was of the opinion that a standard profit rate was 18-20% on GDV in that case (circa 22.5% on cost), a reasonable profit in a substantially higher risk market must now be higher.
- 15.8 We target profit on cost as most investments are measured this way. However, this can be translated into a return on GDV.
- 15.9 After considering all of the above, we have assumed a reasonable profit requirement to be 22.5% on cost for it to be considered viable by normal measures.

15.10 The UK Base Rate and SONIA (Sterling Overnight Index Average) have both increased substantially over the last 3 years:-

	UK Base Rate	SONIA
June 2022	1.25%	0.94%
October 2025	4%	3.97%

15.11 Although the UK Base Rate and SONIA do not ‘absolutely’ affect ‘all-in’ development finance rates, they strongly influence them.

15.12 Hypothetical finance costs now typically break down as follows (inclusive of arrangement, legal and in/out fees):-

60% Bank finance at 10% =	6%
20% equity finance at 12% =	2.4%
20% mezzanine finance at 18% =	3.6%

	12%

15.13 Please see **Appendices 2 & 3** (for example) which contain recent bank finance offer terms some of our clients have received on their proposed residential developments and/or letters from finance intermediaries which relate to all required development finance as opposed to just the bank finance element. This evidence indicates that all-in finance rates (i.e. include finance facility in/out fees or arrangement fees) are over 10%.

15.14 Despite the above, we have optimistically assumed an ‘all-in’ finance rate of 9%.

- 15.15 There is no valid evidence in support of a lower rate and LBH will be aware that in a recent appeal where I was Expert Witness for the Appellant, the Inspector decided this at the end of August 2025 notwithstanding that even 9% is very optimistic:-



Planning Inspectorate

Appeal Decision

Hearing held on 3 July 2025

Site visit made on 3 July 2025

by Paul Martinson BA (Hons) MSc MRTPI

an Inspector appointed by the Secretary of State

Decision date: 28 August 2025

Appeal Ref: APP/R5510/W/25/3360212

Paddington Packet Boat Public House, High Road, Uxbridge UB8 2HT

Finance Rate

30. CJ has supported their assumption of a 7.5% finance rate with evidence from numerous other viability assessments. The Council notes the importance of a standardised approach to viability and that all developers will be able to negotiate their own rates with banks which may differ from those provided in viability statements.
31. However, JRB has assumed a finance rate of 9%. I have been provided with examples of letters from banks and finance companies providing details of what are described as 'real world' finance rates. These vary but are generally higher than 7.5%. JRB argues that developers typically acquire 60 – 65% of funding from banks with the remainder being provided from equity and mezzanine finance, alongside other investors which generally seek much higher terms. This has the effect of increasing the real, overall finance rate. Based on the evidence considered at the Hearing, I am mindful that a higher finance rate can have a significant impact on the overall costs.
32. Moreover, I am directed to the 2019 Viability Appraisal at this site by CJ which assumed a finance rate of 7%. Given the significant increases to the Bank of England base rate since that period, albeit that the base rate now appears to be on a downward trend, one would expect the finance rate to be higher. I am therefore more convinced by the appellant's finance inputs than those of the Council.

16.0 OTHER ASSUMPTIONS

16.1 Our other viability assumptions are explicitly evident from our appraisal in **Appendix 4**.

17.0 CONCLUSION

17.1 Our residual profit appraisal drives a residual profit of 14.2% on cost and/or 12.44% on GDV. These both fall short of a full/reasonable profit requirement.

17.2 We conclude that, allowing for some market improvement, the assumed scheme might become deliverable over the next 3 years.

18.0 PROPOSED HOTEL EXTENSION

18.1 As indicated earlier in this report, we have excluded the hotel extension from our appraisals for Options 1 & 2 because we consider it to be financially neutral and would not warrant a substantial profit requirement.

18.2 To confirm in brief, we estimate the value of the added rooms to be around £2.75m based upon the comparables below:-

	<p><u>Kings Paget Hotel, West Drayton:-</u></p> <p>30 bedrooms and function rooms. Sold on 26/5/21 for £4m = £133,333 per key. Near Heathrow and therefore better hotel location. Also has greater function room space within.</p>
	<p><u>Tudor Lodge Hotel, 50 Field End Road, HA5 2QN:-</u></p> <p>44 keys/rooms. Sold on 24/11/22 for £5.5m = £125k per key.</p>

18.3 The GIA of the extension is 515 sq.m. (5,543 sq.ft.).

18.4 Hotel build cost guidance (GIA) is:-



£/M2 STUDY

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 18-Oct-2025 07:36

Rebased to Hillingdon (111; sample 54)

MAXIMUM AGE OF RESULTS: DEFAULT PERIOD

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
852. Hotels (15)	3,044	1,620	2,343	2,961	3,576	4,201	13

18.5 Considering the above, we consider a reasonable build cost for the 22 room extension to be around £1.66m.

18.6 We assume other costs (e.g. finance, fees, notional land cost) of around £500,000 are applicable.

18.7 Allowing for a reduced profit requirement of 10% (on cost) would therefore leave an insignificant amount in terms of a residual surplus which would be more than completely eroded by the residual loss from the main part of the proposed scheme anyway.

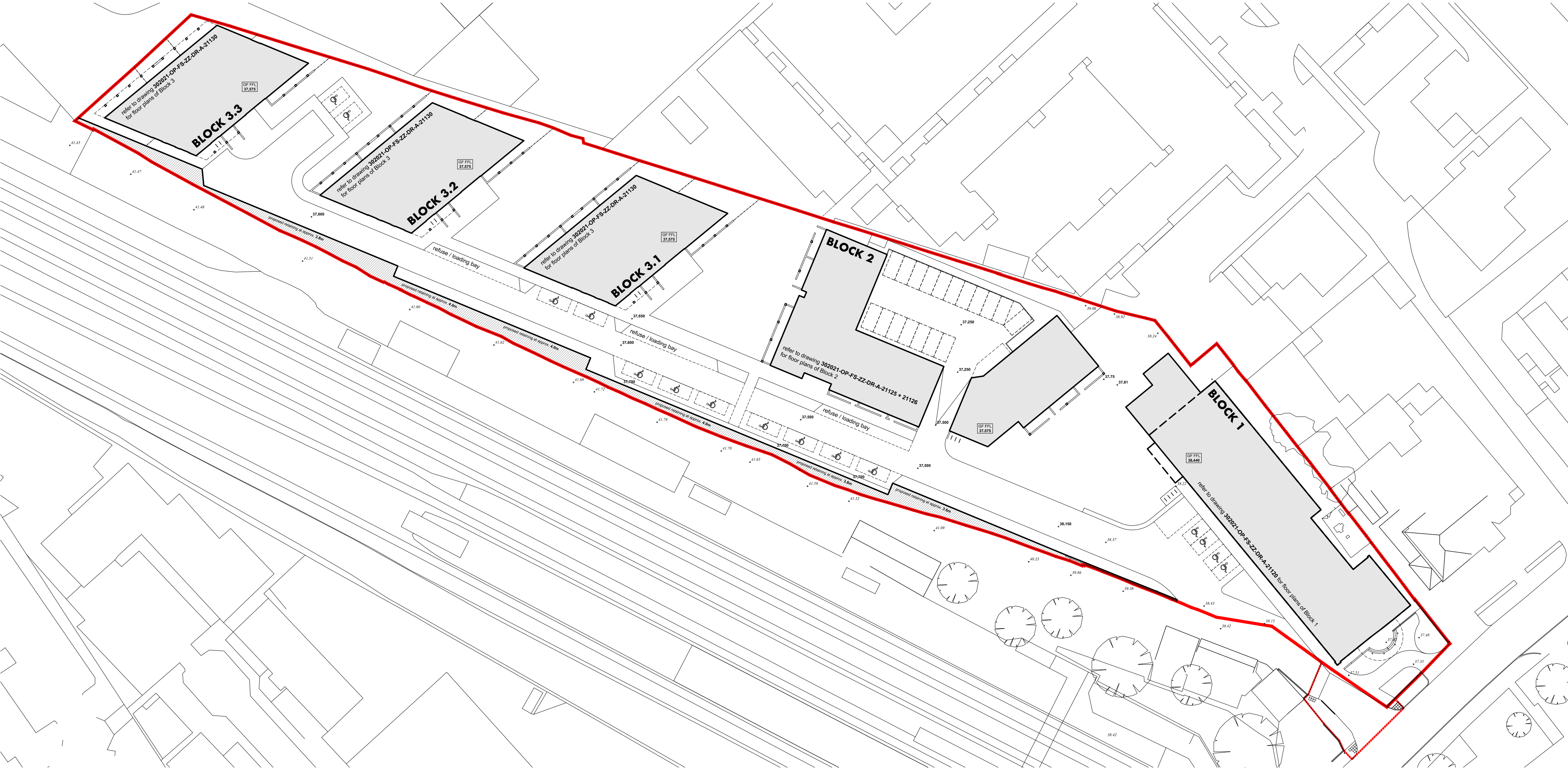
19.0 DISCLOSURE AND STATUS OF REPORT

19.1 We understand that you may provide a copy of this report to LBH and their advisors but that, beyond that, this report will remain confidential.

Yours faithfully,

James Brown BSc (Hons) MRICS
RICS Registered Valuer
Director

APPENDIX 1



Schedule of Accommodation

Block 1 / Existing Hotel			
1B1P Studio	0	@ 39m²	
1B2P Apartment	0	@ 50m²	
2B3P Apartment	0	@ 61m²	
2B4P Apartment	0	@ 70m²	
3B5P Apartment	0	@ 86m²	
3B6P Apartment	0	@ 95m²	
3B6P Maisonette	0	@ 102m²	
Total	0no units	0.0m²	
Hotel Room	22	@ 20m²	
Total	22no units	440.0m²	

The opportunity has been taken to extend the existing hotel through the inclusion of a new vertical extension above the second storey, to tie in with the third level, along with a modest side extension, creating 22no additional rooms. The applicant has identified the need for this extension to meet current demands of the business.

Block 2			
1B1P Studio	0	@ 39m²	
1B2P Apartment	14	@ 50m²	
2B3P Apartment	3	@ 61m²	
2B4P Apartment	17	@ 70m²	
3B5P Apartment	0	@ 86m²	
3B6P Apartment	0	@ 95m²	
3B6P Maisonette	8	@ 102m²	
Total	42no units	2,889.0m²	
Hotel Room	0	@ 20m²	
Total	0no units	0.0m²	

This feature residential block provides the largest individual portion of residential units on site. The layout has been developed to provide a large area of public realm between the hotel and residential units, with car parking beneath a podium deck. The podium terrace will be landscaped and will provide private amenity to residents surrounding the space.

Blocks 3.1 + 3.2 + 3.3			
1B1P Studio	0	@ 39m²	
1B2P Apartment	15	@ 50m²	
2B3P Apartment	30	@ 61m²	
2B4P Apartment	12	@ 70m²	
3B5P Apartment	15	@ 86m²	
3B6P Apartment	0	@ 95m²	
3B6P Maisonette	0	@ 102m²	
Total	72no units	4,710.0m²	
Hotel Room	0	@ 20m²	
Total	0no units	0.0m²	

Block 3.1, 3.2 and 3.3 are configured differently to that of Block 2 to vary the massing on site. Additional public realm is provided between the blocks to improve the landscaping of the area. Repetition has been used on Blocks 3, yet the external appearance of each block will vary slightly to assist in the overall streetscape and wayfinding.

Total			
1B1P Studio	0	@ 39m²	
1B2P Apartment	29	@ 50m²	
2B3P Apartment	33	@ 61m²	
2B4P Apartment	29	@ 70m²	
3B5P Apartment	15	@ 86m²	
3B6P Apartment	0	@ 95m²	
3B6P Maisonette	8	@ 102m²	
Total	114no units	7,599.0m²	
Hotel Room	22	@ 20m²	
Total	22no units	440.0m²	

The overall development seeks to provide 114no apartments along with a further 22no new hotel rooms through remodeling and extensions to the existing Ramada hotel. The arrangement of the blocks looks to respond to the site, providing circulation links to the neighbouring ARLA development, along with a streetway to the southern boundary.

P2	2025-10-06	Feedback from highways consultant incorporated	CY	CY
P1	2025-09-12	Initial issue	CY	CY
Rev	Date	Description	Dm	Chk

Do not measure from this drawing and use figured dimensions only. The associated bar indicated is to check the drawing has been printed to scale only. The contractor is to check all dimensions and report any discrepancies to Oak and Prosper Construction. Feasibility schemes may be based on plan data obtained by unknown sources and are subject to further surveys being commissioned. All proposals are subject to statutory approvals. Declared areas are liable to change over the course of the design process.
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Project

Ramada South Ruislip

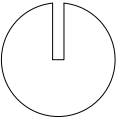
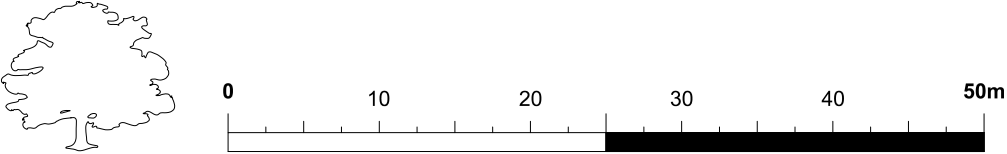
Long Drive / Station Approach / HA4 0HG

Johal

Drawing Title

Proposed Site Plan

Scale	1:500 @ A2
Date	September 2025
Purpose	Planning
Job No.	302021
Drawing Ref.	302021.OP.FS.ZZ.DR.A.21.110
Revision	P2



OAK & PROSPER

APPENDIX 2

18th May 2024

Heads of Terms

Dear Mr Chadda,

Site off Turners Mill Road, Haywards Heath, RH16 1NH.

Indicative Development Finance Request – Eastwood Investment Group.

We understand that, subject to securing planning permission, you wish to bank finance a residential property development comprising the following:-

House	Type	Nos Bedrooms	Area (sq.m.)	Area (sq.ft.)	Tenure
5	Detached	4	127.6	1,373	Private
6	Detached	4	127.6	1,373	Private
7	Detached	4	127.6	1,373	Private
8	Detached	4	127.6	1,373	Private
9	Detached	4	127.6	1,373	Private
10	Semi-Detached	3	95	1,023	Private
11	Semi-Detached	3	95	1,023	Private
12	Semi-Detached	3	95	1,023	Private
13	Semi-Detached	3	95	1,023	Private
14	Semi-Detached	3	95	1,023	Private
15	Semi-Detached	3	95	1,023	Private
16	Semi-Detached	3	95	1,023	Private
Totals				14,025	
Unit	Type	Nos Bedrooms	Area (sq.m.)	Area (sq.ft.)	Tenure
1	Maisonette	1	52.1	561	First Homes/Shared Ownership
2	Maisonette	1	58.6	631	First Homes/Shared Ownership
3	Semi-Detached	2	84.7	912	First Homes/Shared Ownership
4	Semi-Detached	2	84.7	912	First Homes/Shared Ownership
Totals				3,015	

The anticipated total borrowing cost is £4.56m which is 60% of total cost estimated at £7.6m.

As a condition precedent, the banks we envisage being willing to lend in principle would need to know how you would be financing the other 40% of total cost. The likely terms that we could secure for you as finance intermediary in the prevailing market would be:-

Gross Loan Amount	£4,560,000
Arrangement fee	2%
Interest Rate	10.5% p.a. which is BoE BR (variable) currently 5.25% p.a. (floor 0.75%) + 5.25% p.a.
Exit Fee	1%
PGs	20% on cost
Term	TBC
Timeframe to complete finance arrangement	6-8 weeks

Our lenders would typically impose the following conditions:-

- Monitoring – a QS nominated by the lender will need to prepare initial and regular reports at the expense of the borrower and to be funded by the Facility.
- Loan subject to RICS valuation of site and GDV.
- A projected minimum development profit on cost of 20%.
- Loan to Value ('LTV') ratio check – to be determined.
- Guarantee – the lender may require a personal guarantee from the individual directors of the Borrower.
- Report on Title – the Borrower is to be responsible for the Lender's legal costs.

- Security:-
 - i. A first legal charge over the Property;
 - ii. A debenture over the assets and undertakings of the Borrower;
 - iii. Evidence of suitable insurance including confirmation that the Lender's interest is noted,;
 - iv. A charge over the share capital of the Borrower.

Please note the information given is supplied to you as an indication only and should not be relied upon for any transactions you might wish to undertake. Any information given should not be treated as, a definitive statement, offer, promise or investment advice. It is important to also note that the information is not a legal mortgage offer and it does not oblige LDN Finance to provide you with finance as described.

I look forward to hearing from you in due course and if you have any questions please do not hesitate to contact me.

Yours sincerely,



Chris Oatway, CEO

APPENDIX 3

JH Property Finance Consultancy Ltd
101 Forest Road
Loughton
Essex
IG10 1EF
jill@jhpropertyfinance.co.uk
07712 872541

The Hollybush Partnership,
c/o Stockwool,
6 Orsman Road,
London,
N1 5QJ.

16th April 2025

Dear Sirs,

**TYPICAL BLENDED DEVELOPMENT FINANCE RATE FOR RESIDENTIAL LED DEVELOPMENT
AT 5 HOLLYBUSH PLACE, BETHNAL GREEN, E2 9QX**

As you are aware, I am an expert in procuring development finance and was a senior lender in the Investec Real Estate Finance team for over 20 years until 2012. I left Investec to set up my own debt consultancy and have since that time placed numerous development transactions with various Banks, including Investec, Close Brothers, Paragon, Cynergy and lending funds including Alpha Property Lending and Ask Partners.

I am also very familiar with the subject site and understand that the prospective GDV is round £40m with total development costs (excluding finance) expected to be around £34m.

To fund the £34m, a typical developer (of which you are perceived as such) would aim to secure bank finance. This might typically be available at a maximum of 60% of the prospective GDV in the current climate and would therefore equate to bank finance of £24m.

Expressed as an 'all-in' finance rate (i.e. inclusive of in/out facility fees, legal and intermediary fees), this finance would cost well over 10% per annum compound. During the past 3/4 years the cost of development funding has increased significantly due to the base rate increases after many years of sub 1% base rates. Typical margins above base rate are at 5/6% making the total rate at least 9.5% per annum with typical additional fees of 1.5% arrangement and exit fees of 1 to 1.5%.

The other £10m of total development costs would also need to be funded and this would be via equity and mezzanine finance. This finance is more expensive than bank finance and tends to be at around 15% - 20% per annum sometimes with a profit share or exit fee on top. Therefore, the overall blended finance cost expressed as an all-in rate would be significantly higher than 10% and probably more in the region of 15% per annum.

As previously mentioned, development finance was at a much lower cost 5 years ago so the increase in cost needs to be factored in. We do not see rates coming down significantly in the foreseeable future.

Yours faithfully



Jill Hagland

APPENDIX 4

South Ruislip on 1/11/25
Residual Profit Appraisal (exc. Hotel Extension)

Development Appraisal
Prepared by JRB
James R Brown & Company Ltd
28 October 2025

APPRAISAL SUMMARY**JAMES R BROWN & COMPANY LTD****South Ruislip on 1/11/25
Residual Profit Appraisal (exc. Hotel Extension)****Appraisal Summary for Phase 1****Currency in £****REVENUE**

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private Residential	90	64,895	616.83	444,767	40,029,000
Affordable Housing	<u>24</u>	<u>16,899</u>	300.01	211,242	<u>5,069,797</u>
Totals	114	81,794			45,098,797

NET REALISATION 45,098,797**OUTLAY****ACQUISITION COSTS**

Fixed Price	6,430,000			
Fixed Price		6,430,000		
			6,430,000	
Stamp Duty	5.00%	321,500		
Agent Fee	1.00%	64,300		
Legal Fee	0.80%	51,440		
			437,240	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Private Residential	78,000	224.82	17,536,294
Affordable Housing	<u>20,113</u>	224.83	<u>4,522,006</u>
Totals	98,113 ft²		22,058,300
Contingency		5.00%	1,102,915
MCIL2/CIL/S.106			1,723,901
			24,885,116

PROFESSIONAL FEES

Professionals	10.00%	2,205,830	
			2,205,830

MARKETING & LETTING

Marketing	1.00%	400,290	
			400,290

DISPOSAL FEES

Sales Agent Fee	1.50%	676,482	
Sales Legal Fee		80,000	
			756,482

TOTAL COSTS BEFORE FINANCE 35,114,958**FINANCE**

Debit Rate 9.000%, Credit Rate 2.500% (Nominal)			
Land		1,640,394	
Construction		1,921,312	
Other		812,805	
Total Finance Cost			4,374,511

TOTAL COSTS 39,489,469**PROFIT**

5,609,328

Performance Measures

Profit on Cost%	14.20%
Profit on GDV%	12.44%
Profit on NDV%	12.44%
IRR% (without Interest)	18.03%
Profit Erosion (finance rate 9.000)	1 yr 6 mths

This appraisal report does not constitute a formal valuation.

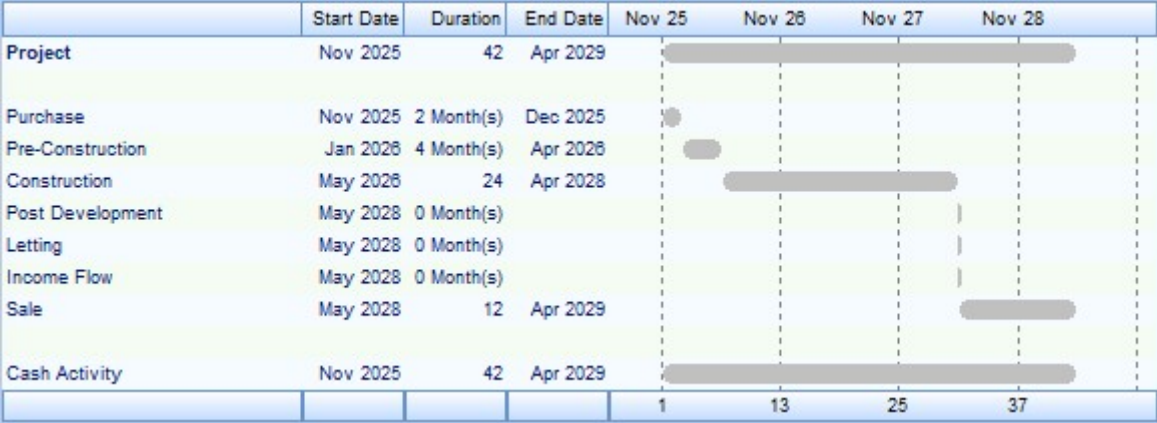
TIMESCALE AND PHASING CHART

JAMES R BROWN & COMPANY LTD

South Ruislip on 1/11/25
Residual Profit Appraisal (exc. Hotel Extension)

Project Timescale	
Project Start Date	Nov 2025
Project End Date	Apr 2029
Project Duration (Inc Exit Period)	42 months

Phase 1



This appraisal report does not constitute a formal valuation.

DETAILED CASH FLOW

JAMES R BROWN & COMPANY LTD

South Ruislip on 1/11/25 Residual Profit Appraisal (exc. Hotel Extension)

Detailed Cash flow Phase 1

Page A 1

Monthly B/F	001:Nov 2025	002:Dec 2025	003:Jan 2026	004:Feb 2026	005:Mar 2026	006:Apr 2026	007:May 2026	008:Jun 2026
	0	(6,867,240)	(6,918,744)	(6,970,249)	(7,022,525)	(7,074,802)	(7,127,079)	(7,818,478)
Revenue								
Sale - Affordable Housing	0	0	0	0	0	0	1,267,449	152,094
Sale - Private Residential	0	0	0	0	0	0	0	0
Disposal Costs								
Sales Agent Fee	0	0	0	0	0	0	(19,012)	(2,281)
Sales Legal Fee	0	0	0	0	0	0	0	0
Unit Information								
Private Residential								
Affordable Housing								
Acquisition Costs								
Fixed Price	(6,430,000)	0	0	0	0	0	0	0
Stamp Duty	(321,500)	0	0	0	0	0	0	0
Agent Fee	(64,300)	0	0	0	0	0	0	0
Legal Fee	(51,440)	0	0	0	0	0	0	0
Construction Costs								
MCIL2/CIL/S.106	0	0	0	0	0	0	(1,723,901)	0
Con. - Private Residential	0	0	0	0	0	0	(118,896)	(260,224)
Con. - Affordable Housing	0	0	0	0	0	0	(30,659)	(67,103)
Contingency	0	0	0	0	0	0	(7,478)	(16,366)
Professional Fees								
Professionals	0	0	0	0	0	0	(14,955)	(32,733)
Marketing/Letting								
Marketing	0	0	0	0	0	0	0	0
Net Cash Flow Before Finance	(6,867,240)	0	0	0	0	0	(647,451)	(226,614)
Debit Rate 9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%
Credit Rate 2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%
Finance Costs (All Sets)	0	(51,504)	(51,504)	(52,277)	(52,277)	(52,277)	(43,947)	(57,168)
Net Cash Flow After Finance	(6,867,240)	(51,504)	(51,504)	(52,277)	(52,277)	(52,277)	(691,399)	(283,782)
Cumulative Net Cash Flow Monthly	(6,867,240)	(6,918,744)	(6,970,249)	(7,022,525)	(7,074,802)	(7,127,079)	(7,818,478)	(8,102,260)

This appraisal report does not constitute a formal valuation.

DETAILED CASH FLOW

JAMES R BROWN & COMPANY LTD

South Ruislip on 1/11/25

Residual Profit Appraisal (exc. Hotel Extension)

Detailed Cash flow Phase 1

Page A 2

009:Jul 2026 (8,102,260)	010:Aug 2026 (8,574,795)	011:Sep 2026 (9,221,303)	012:Oct 2026 (10,024,472)	013:Nov 2026 (10,968,060)	014:Dec 2026 (12,037,222)	015:Jan 2027 (13,213,927)	016:Feb 2027 (14,481,542)	017:Mar 2027 (15,825,302)	018:Apr 2027 (17,226,314)
152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0
(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
(389,535)	(506,828)	(612,104)	(705,362)	(786,601)	(855,824)	(913,028)	(958,215)	(991,384)	(1,012,535)
(100,448)	(130,694)	(157,840)	(181,888)	(202,837)	(220,687)	(235,438)	(247,091)	(255,644)	(261,098)
(24,499)	(31,876)	(38,497)	(44,362)	(49,472)	(53,826)	(57,423)	(60,265)	(62,351)	(63,682)
(48,998)	(63,752)	(76,994)	(88,725)	(98,944)	(107,651)	(114,847)	(120,531)	(124,703)	(127,363)
0	0	0	0	0	0	0	0	0	0
(413,668)	(583,338)	(735,623)	(870,525)	(988,042)	(1,088,175)	(1,170,924)	(1,236,289)	(1,284,269)	(1,314,865)
9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%
2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%
(58,868)	(63,170)	(67,545)	(73,062)	(81,120)	(88,530)	(96,691)	(107,471)	(116,743)	(126,375)
(472,536)	(646,508)	(803,169)	(943,587)	(1,069,162)	(1,176,705)	(1,267,616)	(1,343,760)	(1,401,012)	(1,441,241)
(8,574,795)	(9,221,303)	(10,024,472)	(10,968,060)	(12,037,222)	(13,213,927)	(14,481,542)	(15,825,302)	(17,226,314)	(18,667,555)

This appraisal report does not constitute a formal valuation.

DETAILED CASH FLOW

JAMES R BROWN & COMPANY LTD

South Ruislip on 1/11/25
Residual Profit Appraisal (exc. Hotel Extension)

Detailed Cash flow Phase 1Page A 3

019:May 2027 (18,667,555)	020:Jun 2027 (20,134,498)	021:Jul 2027 (21,607,230)	022:Aug 2027 (23,068,335)	023:Sep 2027 (24,503,615)	024:Oct 2027 (25,892,045)	025:Nov 2027 (27,215,820)	026:Dec 2027 (28,461,079)	027:Jan 2028 (29,605,678)	028:Feb 2028 (30,631,418)
152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0	152,094 0
(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0	(2,281) 0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
(1,021,669)	(1,018,784)	(1,003,882)	(976,963)	(938,025)	(887,070)	(824,097)	(749,106)	(662,098)	(563,071)
(263,453)	(262,709)	(258,867)	(251,925)	(241,884)	(228,745)	(212,506)	(193,169)	(170,732)	(145,197)
(64,256)	(64,075)	(63,137)	(61,444)	(58,995)	(55,791)	(51,830)	(47,114)	(41,641)	(35,413)
(128,512)	(128,149)	(126,275)	(122,889)	(117,991)	(111,581)	(103,660)	(94,227)	(83,283)	(70,827)
0	0	0	0	0	0	0	0	0	0
(1,328,077)	(1,323,905)	(1,302,349)	(1,263,408)	(1,207,083)	(1,133,374)	(1,042,281)	(933,803)	(807,942)	(664,696)
9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%
2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%
(138,866)	(148,827)	(158,756)	(171,872)	(181,347)	(190,400)	(202,978)	(210,795)	(217,799)	(228,595)
(1,466,943)	(1,472,732)	(1,461,105)	(1,435,280)	(1,388,431)	(1,323,775)	(1,245,259)	(1,144,599)	(1,025,740)	(893,291)
(20,134,498)	(21,607,230)	(23,068,335)	(24,503,615)	(25,892,045)	(27,215,820)	(28,461,079)	(29,605,678)	(30,631,418)	(31,524,709)

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DETAILED CASH FLOW

JAMES R BROWN & COMPANY LTD

South Ruislip on 1/11/25 Residual Profit Appraisal (exc. Hotel Extension)

Detailed Cash flow Phase 1

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029:Mar 2028 (31,524,709)	030:Apr 2028 (32,262,355)	031:May 2028 (32,825,767)	032:Jun 2028 (21,353,412)	033:Jul 2028 (17,579,543)	034:Aug 2028 (15,742,826)	035:Sep 2028 (13,894,473)	036:Oct 2028 (12,031,484)	037:Nov 2028 (9,851,953)	038:Dec 2028 (7,959,418)
152,094	152,094	0	0	0	0	0	304,188	0	0
0	0	12,008,700	4,002,900	2,001,450	2,001,450	2,001,450	2,001,450	2,001,450	2,001,450
(2,281)	(2,281)	(180,131)	(60,044)	(30,022)	(30,022)	(30,022)	(34,585)	(30,022)	(30,022)
0	0	(80,000)	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
(452,027)	(328,966)	0	0	0	0	0	0	0	0
(116,562)	(84,829)	0	0	0	0	0	0	0	0
(28,429)	(20,690)	0	0	0	0	0	0	0	0
(56,859)	(41,379)	0	0	0	0	0	0	0	0
0	0	(120,087)	(40,029)	(20,015)	(20,015)	(20,015)	(20,015)	(20,015)	(20,015)
(504,066)	(326,051)	11,628,483	3,902,828	1,951,414	1,951,414	1,951,414	2,251,039	1,951,414	1,951,414
9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%	9.000%
2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%	2.500%
(233,580)	(237,361)	(156,128)	(128,958)	(114,698)	(103,060)	(88,425)	(71,508)	(58,879)	(44,243)
(737,646)	(563,412)	11,472,354	3,773,870	1,836,716	1,848,353	1,862,989	2,179,531	1,892,535	1,907,171
(32,262,355)	(32,825,767)	(21,353,412)	(17,579,543)	(15,742,826)	(13,894,473)	(12,031,484)	(9,851,953)	(7,959,418)	(6,052,247)

This appraisal report does not constitute a formal valuation.

South Ruislip on 1/11/25
Residual Profit Appraisal (exc. Hotel Extension)

Detailed Cash flow Phase 1

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039:Jan 2029	040:Feb 2029	041:Mar 2029	042:Apr 2029
(6,052,247)	(4,130,441)	(2,194,995)	(244,913)
0	0	0	0
2,001,450	2,001,450	2,001,450	6,004,350
(30,022)	(30,022)	(30,022)	(90,065)
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
(20,015)	(20,015)	(20,015)	(60,044)
1,951,414	1,951,414	1,951,414	5,854,241
9.000%	9.000%	9.000%	9.000%
2.500%	2.500%	2.500%	2.500%
(29,608)	(15,967)	(1,332)	0
1,921,806	1,935,446	1,950,082	5,854,241
(4,130,441)	(2,194,995)	(244,913)	5,609,328

This appraisal report does not constitute a formal valuation.