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Bradford Community Infrastructure Levy

Viability Evidence Addendum

CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL

December 2015 (amended September 2016)

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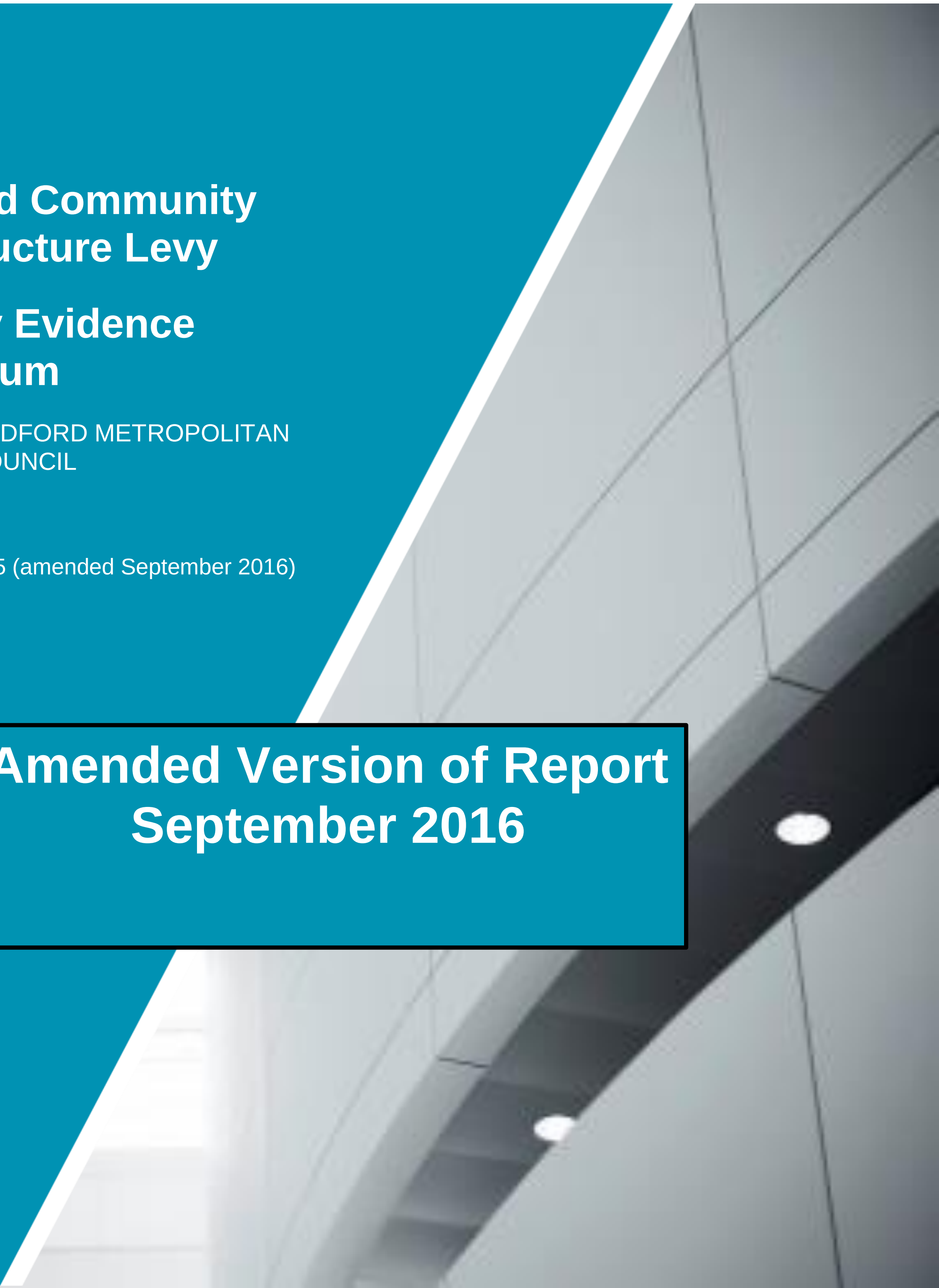


Amended Version of Report September 2016

Contents

Summary of Changes

This report has been amended in response to a request made by the Planning Inspector to ensure that all market viability evidence be presented in metric measurement. An additional appendix has also been added to provide further background information not presented in the earlier report on the average house price data informing the value area map.

The changes in this report from the original Viability Addendum dated December 2015 are as follows:

- Table 2.1 – Metric conversion
- Table 2.8 Crack Lane appraisal results table – net land area converted to metric measurement
- Appendix 1 – New build evidence converted to metric
- Appendix 2 – Appraisal summary converted to metric
- Appendix 3 – Land value benchmark table converted to metric and updated to source location where information available
- Appendix 4 – Retail rental evidence converted to metric
- Appendix 5 – Additional appendix inserted on average house data underpinning value areas

1. Introduction and Summary

This report provides an update to the economic viability evidence supporting Bradford Council's proposed Community Infrastructure Levy. It represents an addendum to the earlier economic viability report produced by DTZ[1] (dated June 2015), providing a revised assessment of economic viability. It takes into account changing market conditions since the earlier evidence base was collated and presents revised appraisals based on the most up to date new build sales evidence and build cost information. It also takes account of representations made to the consultation of the Preliminary Draft Charging Schedule relating to viability. The revised appraisals presented in this report provide updated results of the maximum CIL headroom across the property types and locations specified in the Council's Draft Charging Schedule.

Residential viability results

In respect of the residential sector, the results indicate the following headroom for CIL across the District:

	CIL charge rates in Preliminary Draft Charging Schedule	Review of evidence – maximum CIL headroom (average across sites tested £ per sq m)
Value area 1 (charging zone 1)	**£100 psm**	**£324**
Value area 2 (charging zone 2)	**£50 psm**	**£129**
Value area 3 (charging zone 3)	**£20 psm**	**£61**
Value area 4 (charging zone 4)	**£5 psm**	**£29**
Value area 5 (charging zone 4)	**£5 psm**	**£0**

As a result of this update we would not recommend any changes to the rates proposed for Charge Zones 1 and 2 (£100 per sq m and £50 per sq m respectively) with the analysis displaying that there remains a substantial viability buffer between the charge rate and the maximum CIL headroom in these locations. The residential rates in zone 3 are considered appropriate as they allow for a viability buffer in accordance with the National Planning Practice Guidance. However based on the updated viability evidence we consider that there is scope to make some small increases in the charge rate for Charging Zone 3, or alternatively to extend the geographical coverage of Zone 3 to include those parts of the District falling within the value area 4 as defined in the original economic viability evidence report. Alternatively there is potential for sub dividing charge Zone 4 into two separate zones to reflect the increased capacity for CIL in the higher of the two lower value areas.

Commercial viability results

In respect of retail warehousing rates, further evidence has been collated following representations made to the Preliminary Draft Charging Schedule consultation. As a result of the clear differentiation of viability performance between the City of Bradford and the rest of the District in this property classification it is recommended that the retail warehousing rate be amended and limited

[1] DTZ merged with Cushman and Wakefield in September 2015 and now operates under the brand of Cushman and Wakefield

geographically to Bradford City itself. A reduction in this rate to £85 psm is also recommended based on the updated viability appraisals taking into account the latest cost indices.

In respect of the supermarket rates, the well-publicised difficulties of the large supermarket sector has meant there has been limited if no growth in rental performance against a backdrop of rising build costs which has significantly eroded the headroom potential for CIL. The results suggest that viability of the proposed rate of £50 per sq m is sensitive to the level of site abnormal costs incurred.

2. Residential rates evidence review

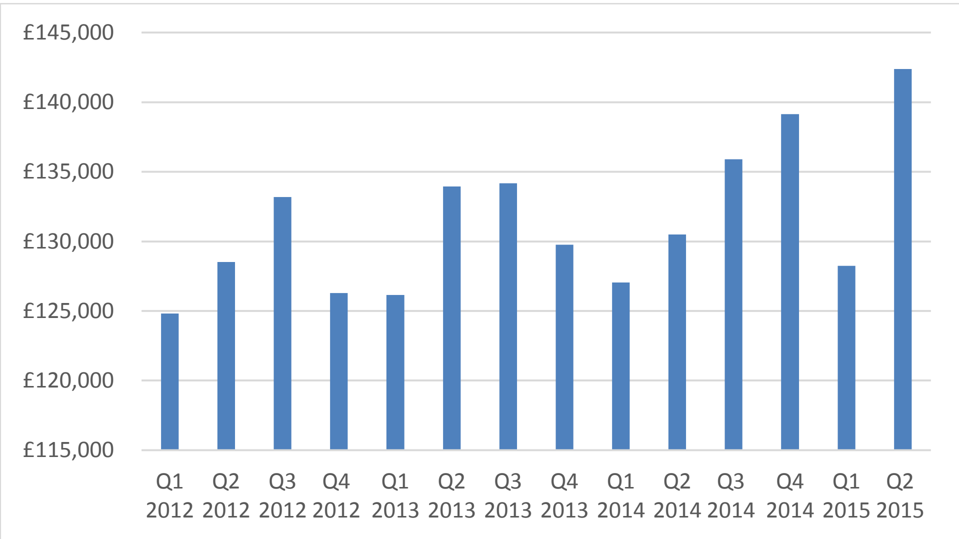
There are three key aspects of the residential viability evidence that have been reviewed:

- New build revenues
- Build costs
- House sizes

New build revenues

Market conditions have been improving in the residential sector across Bradford District over the last 24 months. Evidence of average house prices from the Land Registry shows a trend of growth in values:

Figure 2.1: Average house prices for Bradford District



Source: Land registry

In respect of new build sales evidence, primary research has been carried out by Cushman and Wakefield to identify the sales levels being achieved on new build schemes across the District. Consultation with developers and their sales agents has been undertaken to identify transactional evidence and whilst in some cases getting the actual sold prices has proven difficult, judgements have been made to allow for discounts for incentives and figures being agreed below asking prices.

Appendix 1 provides details of the new build evidence collected. The table below summarises the average sales rates across the various schemes in each Value Area:

Table 2.1: Summary of average new build sales by Value Area

Value area and CIL zone	Average sales revenue per sq m (sq ft)
Value area 1 (CIL charge zone 1)	£3057 (£284)
Value area 2 (CIL charge zone 2)	£2325 (£216)
Value area 3 (CIL charge zone 3)	£2260 (£210)
Value area 4 (CIL charge zone 4)	£2034 (£189)
Value area 5 (CIL charge zone 4)	£1636 (£152)

These averages suggest that in the higher value areas of the District (Value Areas 1 and 2) there has been little movement in sales values, but in the mid and lower mid areas (Value Areas 3 and 4) there has been significant improvement. The average figures recorded from the latest research have been used in the updated appraisals with the exception of a downwards adjustment to the average in Value Area 3 from £210 to £200 psf (£2153 psm) on account of a high value scheme in Apperley Bridge distorting the average. The revisions to the sales value assumptions are as follows:

Table 2.2 Revised sales value assumptions

	Sales values used in original EVA		Revised sales values October 2015	
	£psm	**£psf**	**£psm**	**£psf**
Value band 1	£3,100	£288	£3,057	£284
Value band 2	£2,300	£214	£2,325	£216
Value band 3	£2,000	£186	£2,153	£200
Value band 4	£1,750	£163	£2,034	£189
Value band 5	£1,500	£139	£1,636	£152

Build costs

Alongside house price growth there has also been significant build cost inflation taking place as a result of shortages in the capacity of the construction sector. The latest BCIS costs have therefore been used in the updated appraisals to allow for increases in costs. BCIS data is based on the median of general estate housing, rebased for Yorkshire. A 15% uplift for external works has been added together with a further 10% allowance for site abnormal development costs (25% uplift on BCIS altogether):

Table 2.3: Revised build cost assumptions

	Build costs in original EVA				Revised build costs October 2015			
	Build cost (BCIS)		Plus 15% uplift for external works		Build cost (BCIS)		Plus 15% uplift for external works	
	£psm	£psf	£psm	£psf	£psm	£psf	£psm	£psf
Houses	£844	£78	£971	£90	£918	£85	£1,056	£98
Flats	£1,008	£94	£1,159	£108	£1,091	£101	£1,255	£117

House sizes

Representations received on the consultation of the Preliminary Draft Charging Schedule asserted that certain of the house sizes used in the viability analysis were too large, particularly the 2 bed and 3 bed housing units. In response, additional research has been carried out of house sizes based on new build schemes across the District. Details are provided at Appendix 1. As a result of this research some adjustments have made to bring the unit sizes into line with the averages observed on these schemes. The result is a reduction in the two bed house size from 73 sq m to 65 sq m and three bed from 93 sq m to 85 sq m (both of which broadly accord with the representations made), and an increase in the size of a 4 bed unit from 115 sq m to 120 sq m and a five bed from 137 sq m to 145 sq m:

Table 2.4: Revised House Sizes

	Units sizes used in original EVA		Revised unit sizes 10/2015	
House type	Size (sq m)	Size (sq ft)	Size (sq m)	Size (sq ft)
1 bed flat	51	549	51	549
2 bed flat	65	700	60	646
2 bed house	73	786	65	700
3 bed house	93	1001	85	915
4 bed house	115	1238	120	1292
5 bed house	137	1475	145	1561

Whilst the actual unit sizes will vary from house builder to house builder, the adjusted assumptions used in the updated analysis are considered robust for the purposes of this assessment and together with the housing mix and density assumptions (35 dwellings per ha) drive a realistic site cover within the range of 14,000 to 16,000 sq ft per acre.

Other appraisal assumptions

Professional fees have been increased from 5% to 8% of costs. Fees are taken as a percentage of construction and abnormal site costs. Contingencies have been reduced from 5% to 3%, reflecting typical contingency levels and the fact that there are in-built viability buffers elsewhere in the appraisal.

A small adjustment to the house mix has been made on the large sites to ensure consistency in the mix of units across all sites which is: 50% 3 bed, 25% 4 bed, 20% 2 and 1 bed, 5% 5 bed. The appraisals have been modelled on the basis of five site sizes as in the previous study (0.5 ha, 1 ha, 2 ha, 5 ha and 10 ha).

All other appraisal assumptions remain consistent with those carried out in the original viability assessment as listed in Table 2.5 below:

Table 2.5: Other appraisal assumptions

Other development costs	
Allowance for abnormals	10% uplift on build costs
Site specific section 106	£1000 per unit
Professional fees (inc planning)	8% of construction costs
Contingencies	3% of construction costs
Marketing, sales agent and legal fees	3.5% of revenue
Purchaser's costs	5.8% on purchase price
Finance	6.5% on negative balance
Developer's profit	20% GDV (Market units)
	6% GDV (Affordable units)
Affordable housing	
Wharfedale	30% of units / transfer value 50% of OMV
Towns, suburbs and villages	20% of units / transfer value 65% of OMV
Inner Bradford and inner Keighley	15% of units / transfer value 65% of OMV
Site value benchmarks	**£ per ha**
Value band 1	£1,284,920
Value band 2	£741,300
Value band 3	£593,040
Value band 4	£444,780
Value band 5	£296,520

Delivery rates remain as set out in the previous viability report with a standard delivery rate of 30 units per delivery outlet which is doubled for the larger 10 ha site which is assumed to have at least two house builders developing out concurrently.

Results

Table 2.6 overleaf illustrates the results of the appraisals in terms of the maximum headroom for CIL. This figure is calculated by deducting the benchmark land value from the residual land value and dividing this sum by the total gross internal area of liable floor space (i.e. market floor space excluding affordable housing). For the avoidance of doubt, the results are drawn from Cushman and Wakefield's area wide CIL model which is based on an embedded cashflow with land and 'CIL headroom' effectively being costs incurred in a single instalment at the outset of the development programme.

The results indicate a reduction in the level of headroom in Value Areas 1 and 2 from the earlier study to £324 per sq m and £129 per sq m respectively. However there is still adequate headroom to allow for the proposed CIL rates of £100 psm and £50 psm in these locations incorporating a substantial buffer.

Conversely, the results indicate improved viability and a greater capacity for CIL in the mid and mid/low value areas (Value area 3 and Value area 4). The headroom in Value Area 3 increases from £50 psm in the original study to £61psm and Value Area 4 increases from zero to £29 psm. This is the result of the additional new build evidence showing improvements in sales values within these locations.

Value Area 5 which is effectively the inner Bradford and Keighley areas, remains unviable for a CIL tariff.

In terms of the implications for CIL it is considered that the proposed rates for charge zones 1, 2 and 3 remain fully justified and consistent with the evidence. However, there is also a justification for either extending the Charging Zone 3 to incorporate value area 4, or alternatively subdividing Charge Zone 4 into two zones which would enable different rates within this area.

Table 2.6: Results of updated appraisals

Value area 1 (Wharfedale)

	Site Size (ha)	Residual site value	Benchmark Site Value £ actual (at £1.28m per ha)	Headroom for CIL (£)	Size of development scheme (sq m)	Floor area of market housing (GIA sq m)	Amount available for CIL (£ per sq m)
30% AH	0.5	£1,216,866	£642,460	£574,406	1679	1386	414
	1	£2,136,006	£1,284,920	£851,086	3264	2471	344
	2	£4,368,370	£2,569,840	£1,798,530	6528	5138	350
	5	£9,674,566	£6,424,600	£3,249,966	16153	12768	255
	10	£19,443,876	£12,849,200	£6,594,676	32305	25658	257
						Average	£324

Value area 2 (higher value rural villages and towns)

	Site Size (ha)	Residual site value	Benchmark Site Value £ actual (at £741k per ha)	Headroom for CIL (£)	Size of development scheme (sq m)	Floor area of market housing (GIA sq m)	Amount available for CIL (£ per sq m)
20% AH	0.5	£601,112	£370,650	£230,462	1679	1486	£155
	1	£1,193,020	£741,300	£451,720	3264	2931	£154
	2	£2,325,417	£1,482,600	£842,817	6528	5838	£144
	5	£5,114,085	£3,706,500	£1,407,585	16153	14660	£96
	10	£10,219,111	£7,413,000	£2,806,111	32305	29286	£96
						Average	£129

Value area 3 (Lower value rural villages and towns)

	Site Size (ha)	Residual site value	Benchmark Site Value £ actual (at £593k per ha)	Headroom for CIL (£)	Size of development scheme (sq m)	Floor area of market housing (GIA sq m)	Amount available for CIL (£ per sq m)
20% AH	0.5	£412,428	£296,520	£115,908	1679	1486	£78
	1	£830,633	£593,040	£237,593	3264	2931	£81
	2	£1,619,118	£1,186,080	£433,038	6528	5838	£74
	5	£3,499,189	£2,965,200	£533,989	16153	14660	£36
	10	£6,989,462	£5,930,400	£1,059,062	32305	29286	£36
						Average	£61

Value area 4 (outer Bradford and other low value areas)

	Site Size (ha)	Residual site value	Benchmark Site Value £ actual (at £445k per ha)	Headroom for CIL (£)	Size of development scheme (sq m)	Floor area of market housing (GIA sq m)	Amount available for CIL (£ per sq m)
20% AH	0.5	£281,885	£222,390	£59,495	1679	1486	£40
	1	£577,099	£444,780	£132,319	3264	2931	£45
	2	£1,135,406	£889,560	£245,846	6528	5838	£42
	5	£2,360,313	£2,223,900	£136,413	16153	14660	£9
	10	£4,712,517	£4,447,800	£264,717	32305	29286	£9
						Average	£29

Value area 5 (inner Bradford and Keighley)

	Site Size (ha)	Site value	Benchmark Site Value £ actual	Headroom for CIL (£)	Size of development scheme (sq m)	Floor area of market housing (GIA sq m)	Amount available for CIL (£ per sq m)
15%	0.5	-£140,462	£148,260	-£288,722	1679	1586	-£182
	1	-£218,191	£296,520	-£514,711	3264	3166	-£163
	2	-£475,945	£593,040	-£2,363,085	6528	6138	-£385
	5	-£1,499,690	£1,482,600	-£7,309,858	16153	15583	-£469
	10	-£3,026,834	£2,965,200	-£3,441,145	32305	31078	-£111
						Average	**-261.90**

Site specific testing – Crack Lane Wilsden

A further iteration of the development appraisal relating to the site at Crack Lane, Wilsden, has also been carried-out taking into consideration the representations made by Wilsden Parish Council on the consultation of the Preliminary Draft Charging Schedule.

The main assertion of the representation was that the sales revenue assumptions in the testing of this site were too pessimistic and as a result the impact was to under-estimate the potential headroom for CIL in this location. The Parish Council provided additional evidence regarding sales revenues and dwelling mix for the subject site which we comment on below.

Housing mix

The Parish Council indicate that a revision to the scheme resulted in the size of units being redistributed with some 5 bed houses. Cushman and Wakefield has reviewed the scheme and consulted the house builder to confirm the final dwelling mix which has resulted in the following unit sizes being modelled in the updated appraisal:

Table 2.7: Crack Lane Housing Mix

	Dwelling mix in original EVA	Revised based on final scheme confirmed with Harron Homes sales office
2 bed (AH)	6	6
3 bed (AH)	6	6
3 bed (market)	8	0
4 bed (market)	62	54
5 bed (market)	0	16
Total	82	82

Sales revenues

The Parish Council cited what they referred to as ‘actual sales prices achieved’; however the figures quoted were not consistent with the research of sales values carried out by Cushman and Wakefield based on information supplied by Harron Homes (set out at Appendix 1 of this document under ‘Sycamore Chase, Wilsden’) and also review of the Land Registry website. It should be noted that sales prices achieved on new build property often conceal incentives that are offered to attract purchasers and as a result net sales values can be much lower in practice than recorded property prices. That said, the latest research indicates a higher level of sales values being achieved than that assumed in the earlier development appraisal and therefore the revenue assumption has been increased to £2153 per sq m (from £2000 per sq m in the original appraisal), which is consistent with our research of new build values on the Crack Lane site and of other sites sampled within the mid value zone (Value Area 3) as listed at Appendix 1.

Housing unit sizes have been adjusted in accordance with details of the actual sizes of units on site (also supplied by Harron Homes), and build costs have been increased to reflect the latest BCIS cost position as applied to the revised hypothetical schemes above. All other assumptions remain as per the original viability assessment.

The result shows an increase in the headroom for CIL from £36 per sq m to £72 per sq m, as detailed below:

Table 2.8: Crack Lane Appraisal Results

Site ref	Site name	Value area	Net site area (ha)	Floor area market units (sq m)	Residual site value	Threshold site value (per ha)	Threshold site value (actual)	Headroom (£)	Headroom (£per sq m)
16	Crack Lane, Wilsden (Original EVA)	3	3.40	7874	£2,300,793	£593,040	£2,016,000	£284,793	£36
16	Crack Lane, Wilsden (updated, October 2015)	3	3.40	9906	£2,733,975	£593,040	£2,016,000	£717,975	£72

The revision to this site specific appraisal supports the findings of the area wide viability analysis which indicate an increase in the headroom within Value Area 3 to an average of £63 per sq m, from £50 per sq m in the original viability assessment. Against the proposed CIL charge rate of £20 per sq m in this zone, the dual results of the area wide and site specific revision does indicate the potential for an increase in the charging rate in this location.

As a further comparison, the S106 agreement for this scheme included a total of £400,295 for off-site education and open space, which, divided against the total market floor area indicates an equivalent level of £40 per sq m, twice the proposed rate of CIL, further supporting the case for an increase in the rate in this location.

However, it should be noted that the appraisal of the Crack Lane site represents only one scheme and that even for this appraisal there are several unknowns such as site abnormal development costs, for which an indicative assumption was made of a 10% uplift on build cost. Given the potential for significant variation in sites across Value Area 3 it is considered that caution should be applied to any increase in the CIL rate to ensure that there is an adequate buffer retained to insulate development against the effects of variation in site costs and other appraisal factors.

3. Retail warehouse rates evidence review

This section addresses the representations that have been made to the Preliminary Draft Charging Schedule relating to retail warehousing charge rates. The key points that have been made in the representations are that the rents, yields and build costs are too optimistic and that the proposed rates do not reflect the diversity of retail warehousing characteristics across the District.

Scheme definition

Since the production of the original viability report, additional data has been provided of proposed retail schemes in the District and the scheme has been amended accordingly. A planning permission has recently been granted for the following scheme:

Former Hilmore House site, Thornton Road:

- A1- 3916 sq m
- A3- 412 sq m
- B2- 353 sq m
- Total GIA - 4681 sq m

The scheme tested in the appraisal has been amended to align with the retail warehousing elements of this proposal (i.e. excluding the A3 and B2 elements of the scheme). The GIA has been rounded to 4,000 sq m, and the prevailing site density of 40% has been applied to create a net site area of 1 ha. This compares with the viability evidence report assumption of 3000 sq m on a land area of 0.75 ha.

Review of rental evidence

A review of evidence of passing rents from retail warehouse parks across the District has been produced, outlined in Appendix 4. This shows details for the following retail warehouse parks:

- Forster Square
- Manningham Lane
- Manchester Road Trade Centre
- Otley Road, Shipley
- Alston Retail Park, Keighley
- Woodhall Retail Park, Thornbury
- The Avenue Retail Park, Bradford
- Other standalone units

The evidence indicates a marked geographical difference in performance between retail warehouse parks within the City of Bradford, and those elsewhere in the District. Within the City of Bradford, Forster Square averages passing rents of well over £25 psf (£269 psm) and Manningham Lane has two units one with a passing rent of £15 psf (£161 psm) and the other £13.50 psf (£145 psm). Elsewhere in the District there are a range of rents with a tone of £10-12psf (£107.64 psm to £129.17).

Therefore, further appraisals have been run with the following rental scenarios:

Central Bradford:

- Central Bradford Forster Square £25 psf (£269 psm)
- Central Bradford reduced £15 psf (£161 psm)

Rest of District:

- Rest of District high £12 psf (£129.17)
- Rest of District low £10 psf (107.64 psm)

A rent free incentive package of 12 months has been allowed for in all the appraisals.

Review of yield evidence

Review of recent investment transactions in the retail warehouse sector in Bradford shows the following:

- Wickes and KFC, Otley Road, Shipley, sold to Threads at £4.7million equating to a net initial yield of 7%
- Alston Retail Park, Keighley on the market for £13.35m, equivalent to a net initial yield of 7.25%

Wider regional and national perspectives from property investment agencies indicates an inward movement of yields. Savills research, Spotlight on UK Retail Warehousing indicates that yields for secondary restricted retail warehousing moved from 7.5% to 6% between December 2011 and September 2014 (secondary unrestricted retail warehouse yields moved from 6.5% to 5% for the same period). Notwithstanding the above trend in yield movement, the local evidence suggests a range of 7-8% to be appropriate to Bradford, therefore the following yields have been tested:

- Central Bradford 7-7.5%
- Rest of District 7.5-8%

Cost evidence

The latest BCIS data has been sampled and the appraisals updated accordingly. The median figure for ‘general retail warehousing’ rebased for Yorkshire and Humber as at 3rd October 2015, is £606 per sq m. An allowance for external works of 15% has been added and a further 10% for site abnormal development costs giving an overall build cost of £766.59 per sq m (£71.22 psf).

Other assumptions

Developer profit has been increased to 20% (from 15%) of total development costs to provide the upper end of the range of typical profit requirements reflecting the higher risk profile of a scheme with multiple tenants. Otherwise the appraisal assumptions remain as set out in the economic viability assessment:

- Professional fees 10% of build cost
- Contingencies 3% of build cost
- Site specific S106 costs £50 per sq m
- Letting costs 10% of rental value
- Letting legal costs 5% of rental value
- Sales costs 1% of investment value
- Sales legal costs 0.25% of investment value
- Finance 6.5% compounded quarterly
- Purchasers costs on investment and land 5.8%
- Incentive package allowance of 12 month’s rent free
- Land value benchmark £1,482,600 per ha (£600,000 per acre)
- Delivery programme is 2 quarters lead in, 4 quarters build, sale on practical completion

Results

The table below displays the results of these sensitivities:

Table 3.1: Retail warehousing results

Revised results							
Scheme	GIA (sq m)	Site Size (ha)	Residual site value	Site value threshold per ha	Site value threshold (actual)	Sum available for CIL	Maximum amount available for CIL (£ per sq m)
Central Bradford (Forster Square)							
£269 psm / 7%	4,000	1.00	£6,175,700	£1,482,600	£1,482,600	£4,693,100	£1,173
£269 psm / 7.5%	4,000	1.00	£5,484,866	£1,482,600	£1,482,600	£4,002,266	£1,001
Central Bradford (Reduced)							
£161 psm / 7%	4,000	1.00	£2,372,742	£1,482,600	£1,482,600	£890,142	£223
£161 psm / 7.5%	**4,000**	**1.00**	**£1,954,180**	**£1,482,600**	**£1,482,600**	**£471,580**	**£118**
Rest of District high							
£129.17 psm / 7.5%	4,000	1.00	£898,614	£1,482,600	£1,482,600	-£583,986	-£146
£129.17 / 8%	4,000	1.00	£607,053	£1,482,600	£1,482,600	-£875,547	-£219

It therefore indicates that the proposed charging rate of £100 per sq m is only viable within the central area of Bradford where rents of over £161 + (£15 psf) are averaged. Elsewhere within the district, the lower rents remove the headroom for CIL. It is therefore recommended that the Charging Schedule is amended such that a CIL charge on retail warehousing only applies to the City of Bradford. It is considered that the rate should be based on the lower of the range of scenarios tested and reduced to £85 psm to allow for a reasonable buffer (30%) to further insulate the effects on viability of changes to key variables.

The following definition of retail warehousing is recommended within the charging schedule:

“Retail warehouses are usually large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods. They can be stand-alone units, but are also often developed as part of retail parks. In either case, they are usually located outside of existing town centres and cater mainly for car-borne customers. As such, they usually have large adjacent, dedicated surface parking."

4. Supermarket rate evidence review

Alongside the updated modelling of the residential and retail warehousing property types an update to the supermarket schemes has been carried out based on changes to market conditions over the last 12 months. For the avoidance of doubt, the review is limited to the large supermarket class judged to be over 2,000 sq m Gross Internal Area (GIA).

The market for the foodstore sector in the last 12 months has been characterised by the continued retrenchment of the big four operators' acquisition programme. There has been limited development activity locally within Bradford within this period, and none in the large foodstore sub-sector where the proposed CIL levy applies.

There has been no recorded transactional activity locally against which to gauge these recent changes in the market and therefore we have had to rely on data of passing rents. According to the Trevor Wood database of retail warehousing rents, the large Sainsbury foodstore at Greengates, co-located alongside Homebase has a passing rent of £16.54 per sq ft (£178 per sq m), as listed at Appendix 4. Consultation with regional retail agents has confirmed that this is within the range of £15-20 per sq ft of rents typically observed for large stores at the regional level. A rent of £16.50 (£177.60 per sq m) has therefore been applied in the revised appraisal.

In respect of investment yields, whilst the general trend has been inward, there is limited evidence of any particular shifts in respect of food-store investment acquisitions locally and therefore the yield of 5.5% used in the original viability study has been retained in the updated appraisals below.

Build costs have significantly increased in the period since evidence was collected for the earlier study. The latest BCIS median cost for supermarkets 'generally' at October 2015, rebased for the Yorkshire region is £1240 per sq m. This compares with £1037 per sq m which was the equivalent figure sourced from BCIS in mid-2014. Adding an uplift of 15% for external works, this equates to a revised cost of £1426 per sq m.

In respect of an allowance for abnormal development costs, a sensitivity has been run with an additional 10% uplift on build cost. Although a sensitivity of 20% for abnormal costs was applied in the appraisals of the original viability study, it is considered that a lower allowance is reasonable as a sensitivity given the relatively high site value benchmark and associated tolerance within this figure to absorb any variations in site development costs.

All other appraisal assumptions are consistent with those used in the earlier viability study, summarised as follows:

- Allowance for site specific S106 obligation, £50 per sq m GIA
- Professional fees 10% of construction cost
- Contingencies 3% of construction cost
- Letting agent costs 10% of rental value
- Letting legal fees 5% of rental value
- Sales agent fees 1% of Net Development Value
- Sales legal fees 0.25% of Net Development Value
- Purchaser costs (on investment and land 5.8%)
- Finance costs 6.5%
- Incentive package allowance of 6 month's rent free
- Land value benchmark £1,482,600 per ha (£600,000 per acre)

- Developer's profit 15% on cost
- Delivery programme is 2 quarters lead in, 4 quarters build, sale on practical completion

Two scenarios have been modelled, the base appraisal and a scenario with a sensitivity of a further 10% uplift on build cost for abnormal site works. The results are summarised below:

Table 4.1: Supermarket appraisal results

Scheme	GIA (sq m)	Site Size (ha)	Site value	Residual site value per ha	Site value threshold (actual)	Sum available for CIL	Amount available for CIL (£ per sq m)
Base appraisal	£4,000	1.6	£2,719,555	£1,699,722	£2,372,160	£347,395	£87
Sensitivity - 10% uplift in build cost	£4,000	1.6	£2,131,030	£1,331,894	£2,372,160	-£241,130	-£60

The results indicate a reduction in the headroom for CIL on this scheme since the earlier viability report, attributable to build cost inflation over the last 12 months. The base appraisal indicates that the maximum headroom for CIL is £87 per sq m, and whilst this is above the CIL rate of £50 per sq m proposed in the Preliminary Draft Charging Schedule, the imposition of an additional uplift on cost for abnormal site costs removes the headroom for CIL entirely. However it should be noted that there is degree of tolerance for abnormal site costs in the premium land value benchmark applied and as such there is considered to be adequate insulation to cater for the effects of increased development costs within the base appraisal.

Appendix 1: Residential sales revenue

Developer	Number of Beds	Asking Price (£)	Discounted Asking Price (£)	Sales Price Achieved (£)	Area sq m	£ per sq m
Barratt/ David Wilson Homes, (Open Thursday 10:00am)	**Hewenden Ridge, Cullingworth. Total - 233 properties when scheme is completed. 3 Sold to date.**					
	Nugent 3 bed	£194,995	£185,245	Asking price	98	1883
	hadley 3 bed	£224,995	£213,745	£226,580	92	2474
	Bayswater 4 bed	£289,995	£275,495	Asking price	120	2299
	Millford 4 bed	£292,995	£278,345	Asking price	122	2277
	Millford 4 bed	£309,995	£294,495	Asking price	122	2409
	Cornell 4 bed	£319,995	£303,995	Asking price	126	2410
	Cornell 4 bed	£334,995	£318,245	Asking price	126	2523
	Layton 4 bed	£364,995	£346,745	Asking price	148	2346
	Holden 4 bed	£367,995	£349,595	Asking price	141	2477
	Irving 4 bed			£249,995	108	2306
					Ave	2340
	Vision, Keighley (Barratts) (NIA)					
	Newton 2 bed	£99,995	£94,995	Asking price	63	1510
	Newton 2 bed	£109,995	£104,495	£112,995	63	1797
	Finchley 3 bed	£129,995	£123,495	£124,195	76	1636
	Barwick 3 bed	£129,995	£123,495	£123,995	78	1597
	Barwick 3 bed	£129,995	£123,495	£124,495	78	1603
	Finchley 3 bed	£139,995	£132,995	Asking price	76	1752
	Morpeth 3 bed	£154,995	£147,245			
	Padstow 3 bed	£159,995	£151,995			
	Woodbridge 4 bed	£169,995	£161,495	Asking price	113	1505
	thornbury 4 bed	£199,995	£189,995	£184,195	110	1815
	tavistock	£179,995	£170,995	£164,395	103	1752
	Finchley 3 bed	£129,995	£123,495	Asking price	76	1713
					Ave	1672
	Bluebell Woods, Wyke (NIA) 50 on the development. 7 have sold					
	Holden 4 bed	£342,995	£325,845	£331,995	143	2327
	Winstone 4 bed	£419,995	£398,995	£419,995	165	2553
	Irving 4 bed	£277,995	£264,095	£270,746	108	2497
	Irving 4 bed	£279,995	£265,995	£274,096	108	2528
	Holden 4 bed	£339,995	£322,995	£338,995	143	2376
	Maddoc 5 bed	£389,995	£370,495			
	Maple 2 bed					
					Ave	2456
Bellway Homes	**Scalebor Grange, Burley-in-Wharfedale. (28 properties on the development**					
	Keswick 4 bed	£349,995	£332,495	Asking prices being achieved - 5% discount for incentives	107	3110
	Harewood 4 bed	£409,995	£389,495		123	3167
	Harewood special 4 bed	£439,995	£417,995		138	3030
	Linton	£375,000	£356,250		120	2970
	Spofforth	£460,000	£437,000		144	3035
	Linton	£380,000	£361,000		120	3010
					Ave	3054
	Queenshead park, Queensbury					
	Buckden 3 bed	£209,995	£199,495	Asking prices being achieved - 5% discount for incentives	105	1895
	Swinton 4 bed	£219,995	£208,995		98	2124
	Ilkley 4 bed	£249,995	£237,495		113	2102
	Settle 4 bed	£269,995	£256,495		130	1972
	Harrogate 4 bed detach	£279,995	£265,995		138	1928
	Knaresborough	£289,995	£275,495		164	1680
	Addingham 4 bed	£229,995	£218,495		101	2164
	Ilkley 4 bed	£254,995	£242,245		113	2144
	Knaresborough 4 bed	£339,995	£322,995		164	1970
					Ave	1961
Redrow Homes	**Manor Fields, Steeton - 250, 50% sold (100 sold) 13 house types (NIA)**					
	3 bed warwick	£245,950	£233,653	Sales agent reports all achieving asking price - assumed discount of 5% for incentives	98	2375
	4 bed Shrewsbury	£255,950	£243,153		105	2308
	4 bed Stratford	£257,950	£245,053		109	2249
	manor fuieldss	£282,950	£268,803		121	2226
					Ave	2289

Harron Homes	**Sycamore Chase, Wilsden. 82 on development, 81 sold. (NIA)**					
	The Aldingham 4 bed detached	£324,995	£292,495.50			
	The Portchester 5 bed detached	£314,995	£283,495.50		145	1954
	The Cheveley 4 bed detached	£284,995	£256,495.50			
	The Conisbrough 4 bed townhouse	£239,995	£215,995.50			1895
	The Dunstanburgh 5 bed detached	£374,995	£337,495.50	Sales agent reports all achieving asking price - assumed discount of 10% for incentives	117	2881
	The Edlingham 5 bed detached	£439,995	£395,995.50			
	The Kenilworth 5 bed detached	£309,995	£278,995.50			1760
	The Lydforth V0 4 bed detached	£269,995	£242,995.50		112	2176
	The Rochester V0 4 bed detached	£277,995	£250,195.50			
	The Salcombe V0 4 bed detached	£329,995	£296,995.50			
	The Salcombe 4 bed detached	£329,995	£296,995.50		143	2084
	The Tiverton 4 bed detached	£262,995	£236,695.50			
	Hadley 2 bed					
	Banburgh 3 bed					
					Ave	2133
	Queensbury Park, Queensbury. 114 properties completed (22 affordable) 41 sold					
	The Ashford 4 bed	£229,995	£218,495		96	2277
	The Jedburgh 4 bed	£213,995	£203,295		116	1753
	The Newark 4 bed	£247,995	£235,595		106	
	The Newark 4 bed	£249,995	£237,495	Sales agent reports values 'at or close to' asking price		
	The Tiverton 4 bed	£254,995	£242,245		113	2143
	The Tiverton 4 bed	£257,995	£245,095			
	Rochester	£259,995	£246,995			
	Settle 4 bed	£265,000	£251,750			
					Ave	2101
Ben Bailey Homes	**Apperley Green, Apperley Bridge. 69 in total, 31 sold. (NIA)**					
	The Ashbury 4 bed	£337,950	£321,053		113	2833
	The Thirston 3 bed	£279,950	£265,953		114	2341
	The Hanbury 4 bed	£339,950	£322,953		113	2868
	The Norbury 4 bed	£379,950	£360,953	Sales agent reports all achieving asking price - assumed discount of 5% for incentives	127	2840
	The Rosebury 4 bed	£400,000	£380,000		133	2860
	The Kirkham 5 bed	£500,000	£475,000		181	2623
	The Hamilton 3 bed	£237,000	£225,150		86	2603
	The Kilmington 3 bed	£234,950	£223,203		93	2410
	The Sailsbury 4 bed	£400,000	£380,000		132	2879
					Ave	2678
Yorplace	**Chesnut Gardens, Baildon (9 properties) none sold as of yet - Area's are GIA**					
	Plot 1	£459,950	£436,953		186	2352
	Plot 2	£455,000	£432,250		186	2326
	Plot 3	£439,950	£417,953		174	2406
	Plot 4	£439,000	£417,050	Sales agent reports all achieving asking price - assumed discount of 5% for incentives	174	2401
	Plot 5	£449,000	£426,550		186	2296
	Plot 6	£499,000	£474,050		237	2001
	Plot 7	£499,950	£474,953		237	2005
	Plot 8	£435,000	£413,250		168	2458
	Plot 9	£435,000	£413,250		168	2458
					Ave	2300
Persimmon Homes	**Rooley Park, Bradford. 109, 15 affordable.**					
	The Morley 2 bed	£114,950	£109,203		69	1591
	The Morley 2 bed	£117,950	£112,053		69	1632
	The Hanbury 3 bed	£139,950	£132,953		71	1881
	The Souter 3 bed	£139,950	£132,953		87	1536
	The Rufford 3 bed	£158,950	£151,003		81	1868
	The Rufford 3 bed	£164,950	£156,703	Sales agent reports all achieving asking price - assumed discount of 5% for incentives	81	1939
	The Rufford 3 bed	£169,950	£161,453		81	1998
	The Hatfield 3 bed	£189,950	£180,453		90	2005
	The Rosebury 4 bed	£209,950	£199,453		102	1959
	The Rosebury 4 bed	£214,950	£204,203		102	2006
	The Keating 4 bed	£214,950	£204,203		110	1863
	The Lumley 4 bed	£214,950	£204,203		113	1802
	The Keating 4 bed	£219,950	£208,953		110	1906
					Ave	1845
	Blossom Meadows, Buttershaw. 97 - no affordable. Nearly completed (9 left)					
	The Hanbury 3 bed	£134,950	£128,203		71	1813
	The Hanbury 3 bed	£142,950	£135,803		71	1921
	The Rufford 3 bed	£144,950	£137,703	Sales agent reports all achieving asking price - assumed discount of 5% for incentives	81	1702
	The Rufford 3 bed	£159,950	£151,953		81	1878
	The Hatfield 3 bed	£169,950	£161,453		89	1810
	rosebury	£185,000	£175,750		102	1726
	lumley 4 bed	£180,000	£171,000		113	1509
					Ave	1808

	Crossfield View (9 properties)					
Dacre Son & Hartley	Plot 1 detached 4 bed	£459,950	£436,953	Sales agent reports all achieving asking price - assumed discount of 5% for incentives	172	2541
	Plot 2 detached 4 bed	£317,500	£301,625		128	2360
	Plot 3 detached 4 bed	£317,500	£301,625		128	2360
	Plot 4 detached 4 bed	£317,500	£301,625		128	2360
	Plot 5 detached 4 bed	£317,500	£301,625		128	2360
	Plot 6 semi detached 4 bed	£339,950	£322,953		143	2259
	Plot 7 semi detached 4 bed	£339,950	£322,953		143	2259
	Plot 8 semi detached 4 bed	£329,950	£313,453		128	2452
	Plot 9 semi detached 4 bed	£329,950	£313,453		128	2452
					Ave	2341
	Low Bank Lane, Oakworth					
Bancroft Homes (Skipton) - Hunters Agents	3 bed terrace	£165,000	£156,750		77	2038

Appendix 2: Appraisal summaries

APPRAISAL SUMMARY **CUSHMAN & WAKEFIELD**

CBMDC
Site 16 Crack Lane wilsden

Summary Appraisal for Phase 1

Currency in £

REVENUE						
Sales Valuation	**Units**	**m²**	**Rate m²**	**Unit Price**	**Gross Sales**	
2 bed house AH	6	390.18	1,399.31	90,997	545,983	
5 bed house	16	2,229.60	2,152.78	299,990	4,799,838	
3 bed house AH	6	510.06	1,399.31	118,955	713,732	
4 bed house	54	6,626.88	2,152.78	264,189	14,266,215	
Totals	**82**	**9,756.72**			**20,325,768**	
NET REALISATION				**20,325,768**		
OUTLAY						
ACQUISITION COSTS						
Residualised Price (3.40 Ha 804,110.32 pHect)			2,733,975			
				2,733,975		
Stamp Duty		4.00%	109,359			
Agent Fee		1.00%	27,340			
Legal Fee		0.50%	13,670			
Town Planning			100,000			
				250,369		
CONSTRUCTION COSTS						
Construction	**m²**	**Rate m²**	**Cost**			
2 bed house AH	390.18 m²	1,054.86 pm²	411,585			
5 bed house	2,229.60 m²	1,054.86 pm²	2,351,916			
3 bed house AH	510.06 m²	1,054.86 pm²	538,042			
4 bed house	6,626.88 m²	1,054.86 pm²	6,990,431			
Totals	**9,756.72 m²**		**10,291,974**	**10,291,974**		
Contingency		3.00%	308,759			
				308,759		
Other Construction						
Abnormals		10.00%	1,029,197			
S106			82,000			
				1,111,197		
PROFESSIONAL FEES						
Professional fees		8.00%	823,358			
				823,358		
DISPOSAL FEES						
Sales Agent Fee		3.00%	571,982			
Sales Legal Fee		0.50%	101,629			
				673,610		
FINANCE						
Debit Rate 6.500%, Credit Rate 0.500% (Nominal)						
Land			396,216			
Construction			70,119			
Other			(578)			
Total Finance Cost				465,757		
TOTAL COSTS				**16,658,999**		
PROFIT						
				3,666,769		
Performance Measures						
Profit on Cost%		22.01%				
Profit on GDV%		18.04%				
Profit on NDV%		18.04%				

Appendix 3: Benchmark land value evidence

The site values listed below are based on recent planning viability cases with the District of Bradford. The data has been provided by Bradford Council's viability officer with the identity of the sites protected for reasons of commercial sensitivity.

Location	No Dwellings	Price paid	Price per plot	ha	£ per ha	Brownfield or greenfield	City centre / edge of centre / rural
Bradford west inner city	31	£100,000.00	£3,225.81	0.885714	£112,903		
Shipley			£5,452.00	0			
South Bradford	31	£210,000.00	£6,774.19	0.885714	£237,097		
West Bradford outer	179	£1,600,000.00	£8,938.55	5.114286	£312,849	Brownfield	Edge of centre
Steeton	21	£195,863.00	£9,326.81	0.6	£326,438		
Steeton			£10,000.00	0			
Thornton	15	£160,000.00	£10,666.67	0.428571	£373,333	Greenfield	Rural
Shipley	36	£900,000.00	£25,000.00	1.028571	£875,000	Brownfield	Edge of centre
Ilkley	56	£1,600,000.00	£28,571.43	1.6	£1,000,000		
Bingley	27	£840,000.00	£31,111.11	0.771429	£1,088,889		
Riddlesden	14	£600,000.00	£42,857.14	0.4	£1,500,000	Brownfield	Rural
Source: BMDC 2014							

Appendix 4: Bradford District Retail Warehousing Comparables - Rents

Alston Retail Park, Keighley

Tenant	Area (Sq m)	Lease Start	Lease Expiry	Term	Rent (p.a.)	Rent (£ psm)
Carpetright PLC	931	12/01/2015	11/01/2025	10	£110,000	£118.10
Dunelm	1,873	31/03/2014	30/03/2029	15	£170,910	£91.26
Angila Home Furnishings	1,407	28/01/2013	27/01/2023	10	£136,350	£96.88
B&Q	3,272	19/01/2015	18/01/2025	10	£317,070	£96.91
Home Bargains	995	17/12/1997	30/05/2016	18	£132,000	£132.62
Yorkshire Linen	302	02/02/1996	30/05/2016	18	£41,000	£135.80
Motosave Ltd	346	15/01/1990	14/012015	25	£28,000	£80.93

Source: Cushman and Wakefield Retail Investment Agents

Various

Tenant	**Size (Sq m)**	**Passing Rent (£)**	**Rent (£) psm**	**Date**	**Location**
Carphone Warehouse	194	£48,150	248	2012-2017	Forster Square (Bradford)
Halfords (Unit A)	512	£33,000	64	2012 onwards	Manchester Road Trade Centre (Bradford)
Wickes	1,997	£279,500	140	10/12/2014	Otley Road, Shipley
KFC	244	£59,085	242	26/12/2014	Otley Road, Shipley

Source: Cushman and Wakefield Retail Investment Agents

Forster Square

Location	Scheme	TradingFascia	Area Sq m	Planning - Unit	YearLet	Passing Rent	Rent per sq m	Start	Term	Review	Expiry
Bradford	Forster Square Retail Park	Argos Extra	929.93	Open A1 Non Food	2000	£280,600.00	£301.74	24-Jan-00	20	24-Jan-15	23-Jan-20
Bradford	Forster Square Retail Park	Asda Living	2,016.21	Open A1 Non Food	2009	£651,090.00	£322.93	17-Nov-08	15	17-Nov-18	16-Nov-23
Bradford	Forster Square Retail Park	Boots	703.44	Open A1 Non Food	2003	£215,500.00	£306.35	01-Apr-03	15	01-Apr-13	31-Mar-18
Bradford	Forster Square Retail Park	Clarks	498.22	Open A1 Non Food	2006	£166,385.00	£333.96	13-Feb-06	10		12-Feb-16
Bradford	Forster Square Retail Park	Costa Coffee	213.67	Leisure uses	2007	£90,000.00	£421.21	11-Apr-13	10	11-Apr-18	10-Apr-23
Bradford	Forster Square Retail Park	Currys	2,346.75	Open A1 Non Food	1998	£612,500.00	£261.00	29-Sep-98	25	29-Sep-13	28-Sep-23
Bradford	Forster Square Retail Park	dfs	1,923.40	Open A1 Non Food	2009	£462,000.00	£240.20	18-Sep-09	20	18-Sep-14	17-Sep-29
Bradford	Forster Square Retail Park	Discount UK	1,400.84	Open A1 Non Food	2011	£413,617.00	£295.26	21-Nov-11	10	21-Nov-16	20-Nov-21
Bradford	Forster Square Retail Park	First Choice	937.45	Open A1 Non Food	1999	£282,400.00	£301.24	24-Jun-99	25	24-Jun-14	23-Jun-24
Bradford	Forster Square Retail Park	Greggs	92.81	Open A1 including Food	2007	£45,000.00	£484.88	25-Mar-07	15	25-Mar-17	24-Mar-22

Bradford	Forster Square Retail Park	Harveys	935.69	Open A1 Non Food	2013	£304,678.00	£325.62	03-Jun-13	10	23-Mar-18	02-Jun-23
Bradford	Forster Square Retail Park	Home Bargains	934.39	Open A1 Non Food	2005	£271,458.00	£290.52	25-Dec-04	15	25-Dec-14	24-Dec-19
Bradford	Forster Square Retail Park	JD Sports	934.11	Open A1 Non Food	1996	£273,000.00	£292.26	29-Sep-96	25	29-Sep-11	28-Sep-21
Bradford	Forster Square Retail Park	McDonald's	204.38	Leisure uses	1997	£61,600.00	£301.40	25-Dec-96	25	25-Dec-11	24-Dec-21
Bradford	Forster Square Retail Park	Mothercare World / Early Learning Centre	1,310.17	Open A1 Non Food	2002	£370,000.00	£282.41	24-Jun-02	19	24-Jun-12	28-Sep-21
Bradford	Forster Square Retail Park	Next	1,397.12	Open A1 Non Food	2004	£391,000.00	£279.86	11-Aug-04	15		10-Aug-19
Bradford	Forster Square Retail Park	O2	92.71	Open A1 Non Food	2007	£47,505.00	£512.38	25-Mar-07	10	25-Mar-12	24-Mar-17
Bradford	Forster Square Retail Park	Outfit	970.34	Open A1 Non Food	2005	£300,000.00	£309.17	10-Jan-05	15	10-Jan-15	09-Jan-20
Bradford	Forster Square Retail Park	Peacocks	466.54	Open A1 Non Food	2007	£180,000.00	£385.82	23-Feb-07	10		22-Feb-17
Bradford	Forster Square Retail Park	Pets at Home	703.81	Open A1 Non Food	1996	£200,552.00	£284.95	29-Sep-96	25	29-Sep-11	28-Sep-21

Bradford	Forster Square Retail Park	ScS	937.18	Open A1 Non Food	2003	£297,596.00	£317.55	08-Sep-03	20	08-Sep-18	07-Sep-23
Bradford	Forster Square Retail Park	Sports Direct	936.15	Open A1 Non Food	2001	£262,000.00	£279.87	24-Jun-01	22		22-Dec-23
Bradford	Forster Square Retail Park	Subway	95.22	Leisure uses	2007	£48,267.00	£506.89	25-Mar-07	15	25-Mar-12	24-Mar-22
Bradford	Forster Square Retail Park	TK Maxx	1,876.58	Open A1 Non Food	2000	£464,600.00	£247.58	25-Dec-99	25	25-Dec-14	24-Dec-24

Woodhall Retail Park

Location	Scheme	TradingFascia	Area Sq m	Planning - Unit	YearLet	Passing Rent	Rent per sq m	Start	Term	Review	Expiry
Bradford - Thornbury	Woodhall Retail Park	B & M	934.11	Open A1 including Food	2009	£115,633.00	£123.79	25-Mar-09	15	25-Mar-14	24-Mar-24
Bradford - Thornbury	Woodhall Retail Park	B & Q with Garden Centre	4,816.96	Open A1 including Food		£522,000.00	£108.37	25-Dec-87	35	25-Dec-12	24-Dec-22
Bradford - Thornbury	Woodhall Retail Park	Carpetright	650.21	Open A1 including Food		£68,445.00	£105.27	29-Sep-94	25	29-Sep-09	28-Sep-19
Bradford - Thornbury	Woodhall Retail Park	Iceland	792.72	Open A1 including Food		£94,400.00	£119.08	24-Jun-93	31	24-Jun-13	23-Jun-24
Bradford - Thornbury	Woodhall Retail Park	Poundworld	742.92	Open A1 including Food	2014		£0.00				

Manningham Lane Retail Park

Location	Scheme	TradingFascia	Area Sq m	Planning - Unit	YearLet	Passing Rent	Rent per sq m	Start	Term	Review	Expiry
Bradford	Manningham Lane Retail Park	Brantano	490.98	Open A1 including Food	2011	£79,275.00	£161.46	04-Jul-11	10	04-Jul-16	03-Jul-21
Bradford	Manningham Lane Retail Park	Dreams	929.00	Open A1 Non Food	2014		£0.00				
Bradford	Manningham Lane Retail Park	Jollyes	735.95	Open A1 Non Food	2011		£0.00		11		
Bradford	Manningham Lane Retail Park	Toys "R" Us	2,023.64	Open A1 including Food	2010		£0.00				

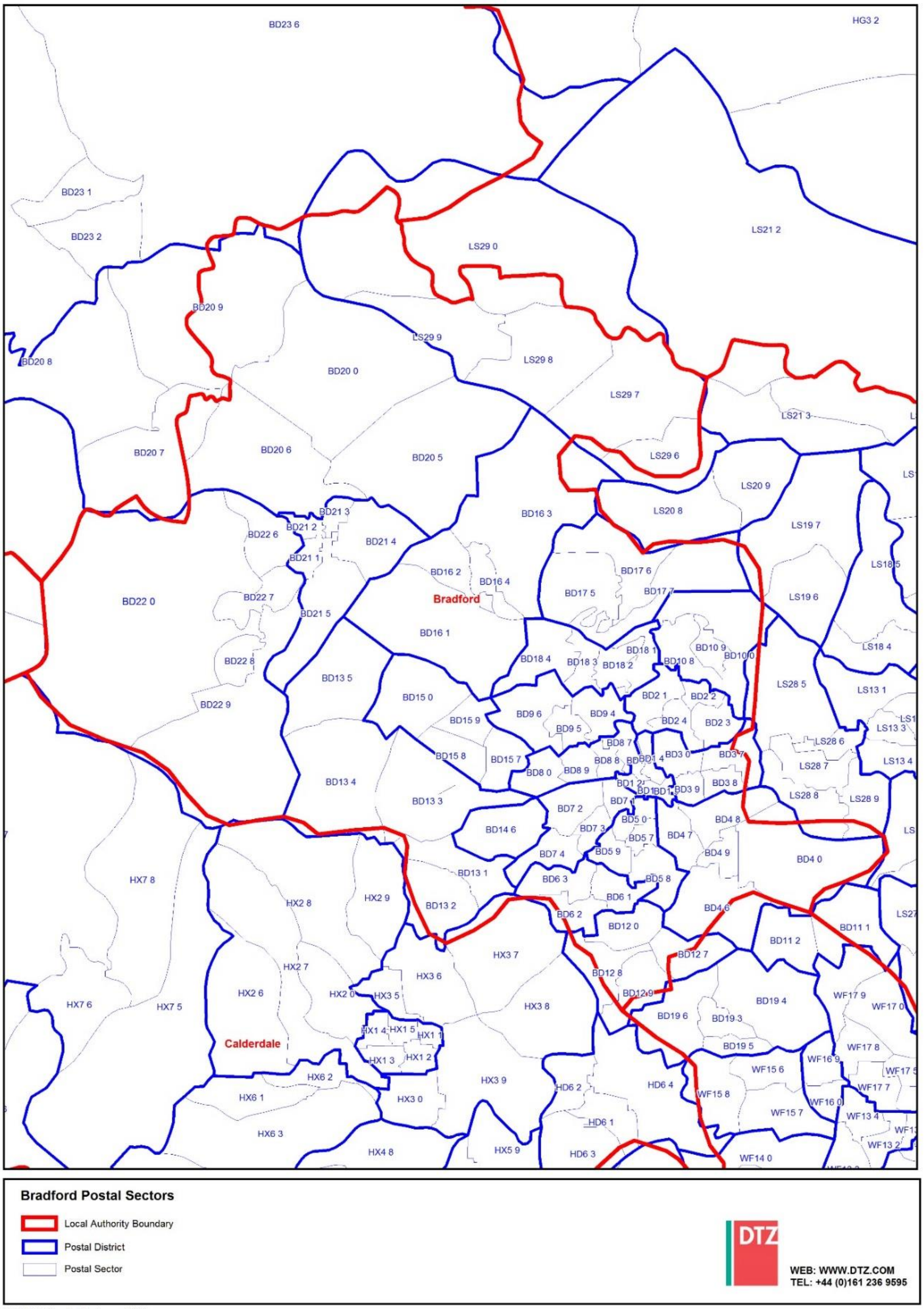
The Avenue Retail Park

Location	Scheme	TradingFascia	Area Sq m	Planning - Unit	YearLet	Passing Rent	Rent per sq m	Start	Term	Review	Expiry
Bradford	The Avenue Retail Park	Cash Converters	455.21	Open A1 including Food	2010	£40,000.00	£87.87	25-May-10	10	25-May-15	24-May-20
Bradford	The Avenue Retail Park	Iceland	793.27	Open A1 including Food		£63,500.00	£80.05	15-Sep-92	25	15-Sep-07	13-Sep-17
Bradford	The Avenue Retail Park	KFC Drive Thru	302.95	Leisure uses	2013		£0.00				
Bradford	The Avenue Retail Park	Pet City	561.67	Open A1 including Food	2010	£45,000.00	£80.12	25-Mar-10	10	25-Mar-15	24-Mar-20
Bradford	The Avenue Retail Park	Poundstretcher	560.19	Open A1 including Food		£45,000.00	£80.33	27-Mar-93	25	27-Mar-08	26-Mar-18
Bradford	The Avenue Retail Park	Superdrug	561.39	Open A1 including Food		£45,000.00	£80.16	29-Sep-92	25	29-Sep-07	28-Sep-17
Bradford	The Avenue Retail Park	Wynsors World of Shoes	696.75	Open A1 including Food	2007	£67,500.00	£96.88	27-Mar-07	10	27-Mar-12	26-Mar-17

Stand Alone Units

Location	Scheme	TradingFascia	Area Sq m	Planning - Unit	YearLet	Passing Rent	Rent per sq m	Start	Term	Review	Expiry
Bradford	B & M unit	B & M Homestore	2,799.26	Open A1 including Food with certain exceptions	2007	£245,000.00	£87.52	21-Aug-03	15	21-Aug-13	20-Aug-18
Bradford - Idle	E5 Retail Park	Card Factory	118.91		2015	£27,000.00	£227.06		5		
Bradford	Aldi / Farmfoods units	Farmfoods	403.00	Open A1 including Food	1998	£62,500.00	£155.09		15		
Bradford	Gala unit	Gala Bingo	3,016.37	Leisure uses		£206,650.00	£68.51	19-Sep-05	25	19-Sep-12	18-Sep-30
Bradford	Halfords / Maplin units	Maplin Electronics	366.96		1994	£79,180.00	£215.78	14-Nov-94	25	14-Nov-09	11-Nov-19
Bradford - Greengates	Matalan unit	Matalan	3,901.80		2003	£580,982.00	£148.90	29-Sep-03	25	29-Sep-13	28-Sep-28
Bradford	Morrisons unit	Morrisons	3,649.86	Open A1 including Food		£38,000.00	£10.41	18-Aug-69	125		17-Aug-94
Bradford - Greengates	Homebase / Sainsbury's units	Sainsbury's with Petrol Station	8,537.70	Open A1 including Food		£1,520,000.00	£178.03	25-Mar-90	35	25-Mar-15	24-Mar-25
Bradford	Carphone Warehouse unit	The Carphone Warehouse	195.09		2002	£45,000.00	£230.66		15		
Bradford - Thornton	Victoria Shopping Centre	The Range	6,915.75	Open A1 Non Food	2009	£297,772.00	£43.06	16-Apr-09	15	16-Apr-14	15-Apr-24
Bradford	Former Magnet unit	Vacant	1,300.69	Restricted Use		£91,000.00	£69.96	29-Sep-89	25	29-Sep-04	28-Sep-14
Bradford	Wickes unit	Wickes	2,079.94	Restricted Use	1982	£212,700.00	£102.26	25-Mar-92	39	15-Jun-15	24-Mar-30

Appendix 5 Average House Price and Value Areas



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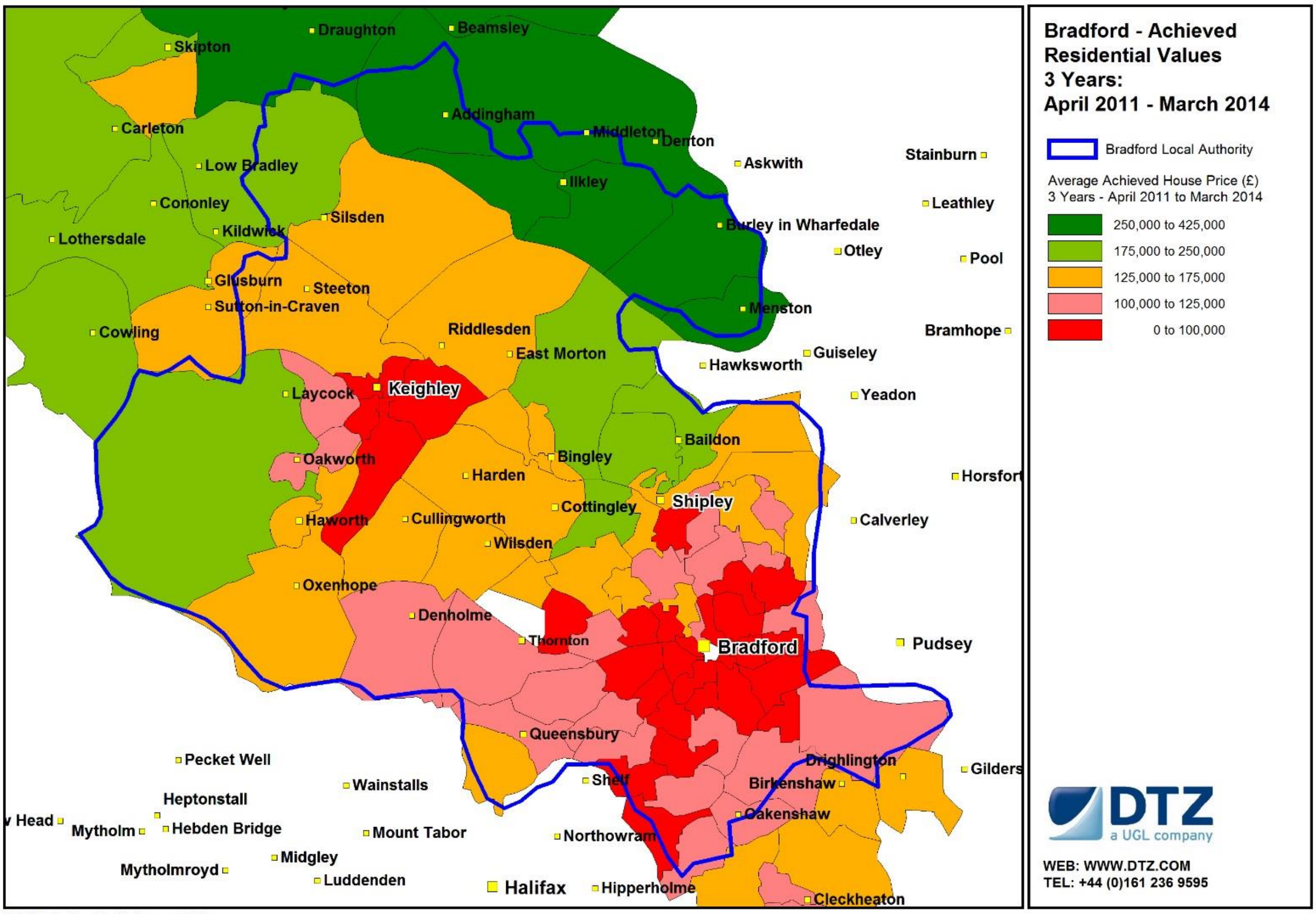
HM Land Registry - Average house prices over period April 2011 to March 2014

Postcode Sector	3 Yr Ave house price data April 2011-March 2014 (all transactions second hand and new). Source HM Land Registry	Sales value per sq m based on average house prices for all dwellings assuming average dwelling size of 88 sq m*	Average new build sales revenue evidence based on research carried out by Cushman and Wakefield (£ psm)	Sales revenue assumption applied in model (£ psm)
BD1 4	£47,929	£544.64	£1,636	£1,636
BD4 9	£57,076	£648.59		
BD5 7	£61,253	£696.06		
BD1 2	£61,311	£696.72		
BD1 5	£62,287	£707.81		
BD3 9	£65,896	£748.82		
BD7 3	£68,100	£773.86		
BD3 8	£68,321	£776.37		
BD4 7	£68,753	£781.28		
BD8 8	£70,672	£803.09		
BD21 2	£71,107	£808.03		
BD21 3	£71,285	£810.06		
BD5 0	£72,373	£822.42		
BD8 9	£73,406	£834.16		
BD5 9	£74,814	£850.16		
BD7 2	£76,316	£867.23		
BD21 1	£76,839	£873.17		
BD3 0	£80,028	£909.41		
BD4 8	£82,974	£942.89		
BD21 5	£89,944	£1,022.09		
BD2 3	£91,601	£1,040.92		
BD6 1	£91,816	£1,043.36		
BD12 8	£93,260	£1,059.77		
BD6 2	£94,462	£1,073.43		
BD7 1	£94,751	£1,076.71		
BD21 4	£95,207	£1,081.89		
BD18 2	£97,831	£1,111.71		
BD15 7	£98,267	£1,116.67		
BD2 4	£99,567	£1,131.44		
BD13 4	£100,691	£1,144.21	£2,034	£2,034
BD8 0	£102,495	£1,164.72		
BD7 4	£102,874	£1,169.02		
BD22 6	£104,299	£1,185.22		
BD12 9	£106,408	£1,209.18		
BD9 4	£106,746	£1,213.02		
BD3 7	£107,384	£1,220.27		
BD12 0	£108,671	£1,234.90		
BD6 3	£108,910	£1,237.62		
BD2 2	£109,305	£1,242.10		
BD12 7	£110,508	£1,255.77		

BD4 0	£110,822	£1,259.34		
BD18 1	£110,922	£1,260.48		
BD2 1	£111,170	£1,263.29		
BD19 3	£112,499	£1,278.40		
BD19 5	£114,047	£1,295.99		
BD4 6	£115,826	£1,316.20		
BD10 9	£116,320	£1,321.82		
BD13 1	£117,608	£1,336.45		
BD5 8	£117,852	£1,339.23		
BD13 3	£119,251	£1,355.13		
BD1 3	£119,833	£1,361.74		
BD14 6	£120,052	£1,364.23		
BD22 7	£121,984	£1,386.18		
BD22 8	£125,043	£1,420.95		
BD9 6	£127,934	£1,453.79		
BD16 2	£128,823	£1,463.90		
BD13 2	£130,828	£1,486.68		
BD18 3	£131,781	£1,497.51		
BD10 0	£132,985	£1,511.19		
BD9 5	£133,244	£1,514.13		
BD23 2	£134,414	£1,527.44		
BD10 8	£139,633	£1,586.74		
BD17 7	£142,115	£1,614.94		
BD11 1	£145,425	£1,652.56		
BD22 9	£147,533	£1,676.51		
BD20 7	£150,534	£1,710.61	£2,260	£2,153
BD20 6	£151,052	£1,716.50		
BD15 9	£151,280	£1,719.09		
BD13 5	£151,429	£1,720.79		
BD20 0	£151,824	£1,725.27		
BD8 7	£152,140	£1,728.87		
BD16 1	£152,429	£1,732.15		
BD16 4	£155,265	£1,764.37		
BD11 2	£161,175	£1,831.54		
BD15 0	£163,172	£1,854.22		
BD19 6	£163,265	£1,855.29		
BD20 5	£166,236	£1,889.05		
BD19 4	£173,414	£1,970.61		
BD18 4	£178,104	£2,023.91		
BD22 0	£179,821	£2,043.42		
BD17 6	£180,722	£2,053.66		
BD24 9	£184,058	£2,091.57		
BD17 5	£206,564	£2,347.31		
BD23 1	£207,593	£2,359.01	£2,325	£2,325
BD20 9	£212,611	£2,416.04		
BD20 8	£212,909	£2,419.42		
BD16 3	£219,763	£2,497.31		
BD24 0	£237,832	£2,702.64		
BD23 3	£239,096	£2,717.00		

BD23 4	£262,414	£2,981.98	£3,057	£3,057
LS29 8	£272,343	£3,094.81		
LS29 7	£276,735	£3,144.71		
LS29 6	£277,738	£3,156.11		
BD23 6	£294,184	£3,343.00		
BD23 5	£304,017	£3,454.74		
LS29 9	£333,341	£3,787.96		
LS29 0	£346,347	£3,935.76		

* 88 sq m is average house size across Bradford unit sizes applied in delivery model. Actual property sizes underpinning average house price transaction data will differ substantially therefore this represents only a very crude indicator in floor space terms.



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