Hanover Court & Princess Court, Coronation Street, Cambridge CB2 1HJ

Financial Viability Assessment

Prepared for

Cambridge Investment Partnership

Confirmation of Instructions

This Financial Viability Assessment (FVA) is submitted to Cambridge City Council in its capacity as Local Planning Authority ('the LPA') to accompany a planning application for the proposed re-development of the Hanover Court & Princess Court housing estate at Coronation Street, Cambridge, CB2 1HJ ('the Site').

- Planning application (ref: 25/04187/FUL) proposes "demolition of existing buildings and erection of 165 new homes, landscaping, community room, parking and associated works" ("the application").
- The FVA has been prepared on behalf of Cambridge Investment Partnership ('the Applicant').
- The Site is owned by Cambridge City Council ("the Council").

Our terms of engagement are included at **Appendix 1**. We confirm that, in preparing the report, no performance related or contingent fees have been agreed.

Objectivity, impartiality and reasonableness statement

In producing this FVA we can confirm that all those involved, including sub-consultants, have acted objectively, impartially and without interference. Additionally, all those involved have given full consideration to how the proposed development will be delivered and the associated performance metrics. The conclusions of this assessment have been made with reference to all the appropriate guidance / policy including:

- National Planning Policy Framework (updated Feb 2025);
- Planning Practice Guidance (PPG) – Viability (updated Dec 2025);
- RICS Guidance Note "Assessing viability in planning under the National Planning Policy Framework for England", 1st Edition (March 2021), reissued in April 2023 as a Professional Standard;
- RICS Professional Statement 'Financial Viability in Planning: Conduct and Reporting (May 2019) reissued in April 2023 as a Professional Standard.

This FVA has been carried out with regard to the Professional and Ethical standards set out within PS2 of the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2025 together, where applicable, with the UK National Supplement effective 1 May 2024, together the ''Red Book''.

We confirm that this report and all subsequent engagement with the LPA and their reviewer has and will be conducted in a reasonable and transparent manner.

Conflicts of Interest

We disclose that Savills has the following current / previous involvement with the Applicant and Landowner.

- Savills has previously provided Consultancy and Valuation Services on behalf of the Applicant;
- Savills has previously provided Consultancy and Valuation Services on behalf of the Landowner in relation to the Site and other residential and commercial developments in Cambridge, including schemes being delivered by the Applicant;

Notwithstanding the above involvement, we confirm that Savills has acted with objectivity, impartiality, without inference and with reference to all available sources of information.

We are proposing to manage the above potential conflicts of interest through informed consent and we therefore ask that the LPA carefully considers Savills' involvement with both the Applicant and the Landowner as set out above and confirm that they are happy to accept this report in light of this.

Confidentiality

We understand that the report will be submitted to the Council as a supporting document to the application. The report must not be recited or referred to in any document (save the consultants instructed by the Council to review the report) without our express prior written consent.

Report Limitations

Please note that the advice provided on values is informal and given purely as guidance. Our views on price are not intended as a formal valuation and should not be relied upon as such. No liability is given to any third party and the figures suggested are not in accordance with the RICS Valuation – Global Standards (incorporating the IVSC International Valuation Standards) effective from 31 January 2025 together, where applicable, with the UK National Supplement effective 1 May 2024, together the ''Red Book'', and neither Savills nor the author can accept any responsibility to any third party who may seek to rely upon it, as a whole or any part as such.

Date of Appraisal

The date of the Appraisal is the date of this FVA.

Confirmation of Reporting Timescales

We can confirm that an adequate amount of time has been allowed for in the preparation of this report and the timeframes stated within our Terms of Engagement were not extended.

Signatures to the Report

Prepared by:

[redacted]

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Associate Director and RICS Registered Valuer

Reviewed by:

[redacted]

Jonathan Phelps BSc (Hons) MRICS
Director and RICS Registered Valuer

Contents

1. Executive Summary

1.1. Introduction

1.1.1. Hanover Court & Princess Court comprises 127 apartments that were constructed in 1967 and over the years since then, the condition of the estate has deteriorated. The 1960s construction materials have decayed, leading to structural issues, poor energy efficiency, and living spaces that no longer meet contemporary space standards.

1.1.2. The freehold to the estate is owned by Cambridge City Council ("Council"). In 2021, officers at the Council began exploring options for the future of the estate with residents and key stakeholders. Options included re-proposals for complete redevelopment of the estate. In March 2023, Cambridge City Council's Housing Standards Committee reviewed the concerns, concluding that Hanover and Princess Court are no longer fit for purpose. The Council embarked on a decanting and buy-back programme to secure vacant possession of the site. Over 90% of the apartments are now vacant and it is expected they will be empty by late 2026.

1.1.3. The Applicant has now submitted a planning application for a proposed development of 165 homes, including 72 affordable homes. However, the combined costs of construction of the proposed development are higher than the value that the new scheme generates, creating viability issues which threaten to prevent the release of this council owned brownfield site.

1.1.4. We have assessed the development economics of the proposed scheme in order to identify the level of planning obligations the scheme can sustain. We have appraised the Residual Land Value (RLV) of the proposed scheme using proprietary software Argus Developer and have based our appraisal upon the planning application drawings and schedule of accommodation. The assumptions adopted within our appraisal have been informed by market evidence and input from experts, where appropriate.

1.1.5. The RLV is calculated by subtracting all associated development costs and a market-facing level of developer profit from the Gross Development Value (GDV) of the proposed development, which is assessed by calculating all revenues and capital receipts realised by the developer.

1.1.6. We have compared the RLV to our Site Value Benchmark (SVB) to ascertain whether there is a deficit or surplus against our SVB. In this case our SVB has been determined by giving consideration to the Existing Use Value (EUV) of the Site plus a suitable landowner premium.

1.1.7. We have appraised the proposed scheme and have found that when a market-facing profit margin is applied in our appraisal of the policy compliant scheme a **negative RLV** is generated and the Applicant would incur a **financial loss** if the scheme were to go ahead.

1.1.8. **Given that the 40% affordable scheme does not generate a profit return, it is not considered commercially viable in planning viability terms.** A financial loss is unacceptable to the Applicant who would not be prepared to implement the scheme on that basis.

1.1.9. However, the Applicant has instructed us to conduct further financial modelling to determine the maximum level of affordable housing provision the scheme could support. We have found that a scheme with **2 (two) social rented units** would generate a RLV that is very similar to the SVB and on that basis, the scheme would be financially viable and the Applicant would be prepared to implement the scheme on that basis.

2. Introduction

2.1. Client Instruction

2.1.1. We have been instructed by the Applicant to examine the economic viability of this residential led scheme, to determine the level of planning obligations that the proposed development can support whilst remaining viable. A copy of our Terms of Engagement can be found attached at **Appendix 1**.

2.2. Information

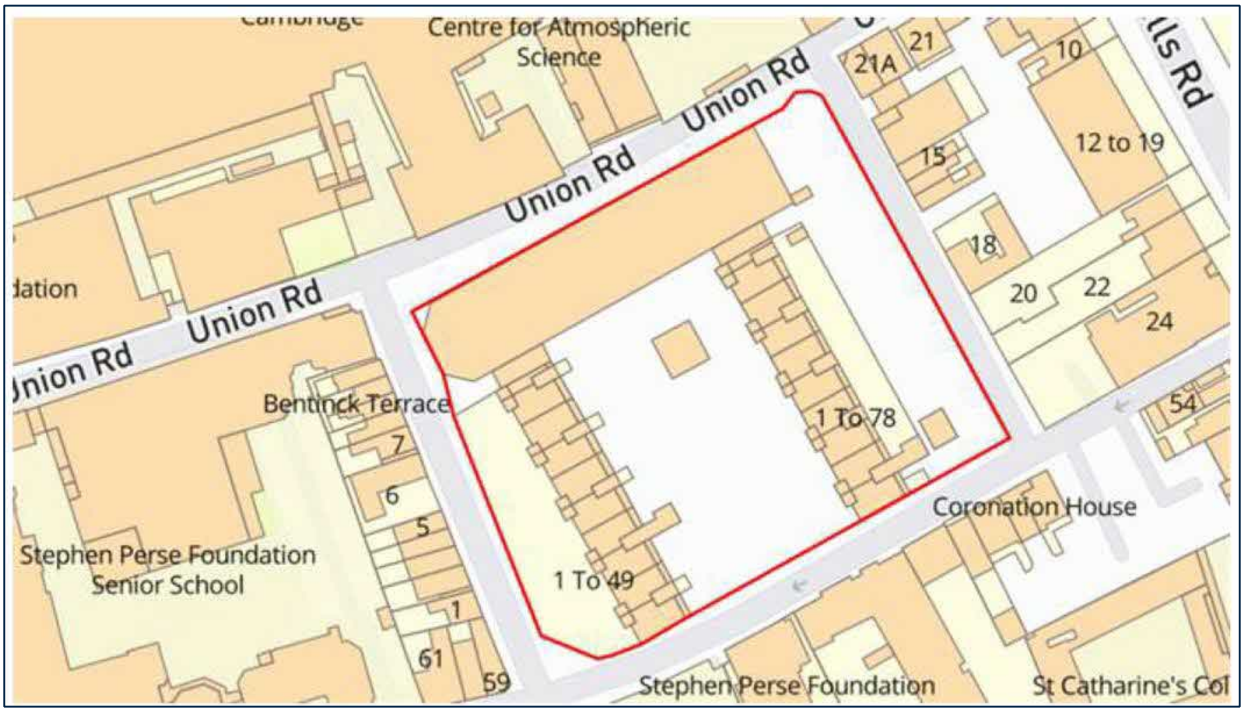
2.2.1. We have been provided with, and have relied upon, the following information from the Applicant:

a) Planning application drawings as attached at **Appendix 2**
b) Schedule of proposed accommodation as attached at **Appendix 3**;
c) Draft Section 106 Deed and estimates of Section 106 costs, Building Safety Levy and costs associated with Biodiversity Net Gain;
d) Cost Estimate produced by Hill Group as attached at **Appendix 4**.
e) High-level development programme dated 03/09/25;

3. Site Description

3.1. Site Location

3.1.1. The Site is a rectangular parcel of land located approximately 1.0km (0.6 miles) to the south of Cambridge City Centre. The Site's boundaries are delineated by Union Road to the North, George IV Street to the East, Coronation Street to the South and Bentinck Street to the West. The Site is 0.76 hectares and is shown outlined red on the plan below.



Site Location Plan

3.2. Site Description

3.2.1. The Site is currently occupied by two linear residential blocks orientated North-South containing 127 flats and a three-storey garage block oriented East-West, which together form a "n" shape building aligning with the eastern, northern and western boundaries of the site. An area of open space with detached single storey community building occupies the centre of the Site. The Site includes several mature trees within its centre, as well as along the boundaries of Bentinck Street and George IV Street. The boundary of George IV Street is used for surface car parking. The two existing blocks are 5 and 8 storeys and include one-, two- and three-bedroom flats.

3.2.2. Photographs of the property are provided below.


Hanover Court viewed from George IV Street

Princess Court viewed from Coronation Street

Princess Court viewed from Bentinck Street (looking North)

Entrance to garage block from George IV Street (left) and Bentinck Street (right)

3.3. Existing Housing Stock

3.3.1. The existing housing stock within the Site comprises 127 residential flats (10 of which are held by leaseholders) across two separate purpose-built blocks (Hanover Court and Princess Court).

3.3.2. We have not inspected the properties, however Cambridge City Council has provided a moribund report. The moribund report considers how Hanover Court and Princess Court can be considered 'moribund housing' and therefore it is assumed that the blocks are to be demolished and that no remediation works will be required in any event. We understand that the buildings have significant fire safety risks arising from the lack of compartmentation and that there is a 'waking watch' in place to safeguard any residents. In addition, we understand from the moribund report that the buildings have various issues including cracking and movement in structure, concrete deterioration, instability and brickwork failures.

3.3.3. In 2023 the Council embarked on a decanting and buy-back programme to secure vacant possession of the Site. Over 90% of the apartments are now vacant and it is expected they will all be empty by late 2026.

3.3.4. Further information about the existing stock, including details of units types, tenures and rents is contained in the Savills Indicative Desktop Valuation dated 09 December 2025 that is included at **Appendix 5**.

3.4. Planning History

3.4.1. Until submission of the current planning application (ref 25/01487/FUL) the planning history of the Site reflects the current use that has been continuous since the buildings were constructed in the 1960's.

3.4.2. Details of the previous applications are set out below:

- Construction of a mono-pitch canopy roof over ten individual external stairwells at the front of each block of flats.
  Ref. No: 16/1847/FUL | Status: Application Withdrawn
- Demolition of existing buildings and erection of 165 new homes, landscaping, community room, parking and associated works
  Ref. No: 25/04187/FUL | Status: Pending Consideration
- Residential development
  Ref. No: C/65/0321 | Status: Approved Subject to conditions
- Residents Laundry
  Ref. No: C/68/0598 | Status: Application Permitted
- Use of land as a car park
  Ref. No: C/67/0534 | Status: Application Permitted
- Erection of 2 blocks of flats and a 3-storey garage block - New Town Redevelopment
  Ref. No: C/66/0250 | Status: Application Permitted

Planning history – Source Cambridge City Council Planning Portal (extracted on 31/12/25)

3.5. Proposed Development

3.5.1. A planning application (ref: 25/04187/FUL) was submitted on 15th October 2025 and validated on the 28th October 2025 for *Demolition of existing buildings and erection of 165 new homes, landscaping, community room, parking and associated works.*

3.5.2. Planning application drawings and schedule of proposed accommodation are attached at **Appendices 2 and 3**, and further detail of the proposals are contained within our Residential Comparable report, attached at **Appendix 6**.

4. Methodology

4.1. Financial Viability Assessments

4.1.1. In line with the NPPF, site-specific financial viabilities may be a material consideration in determining how much and what type of affordable housing should be required in residential and mixed-use developments.

4.1.2. As such, viability appraisals can and should be used to analyse and justify planning obligations to ensure that Section 106 requirements do not make a scheme unviable.

4.1.3. The RICS define financial appraisals for planning purposes as:

> *"An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations whilst ensuring an appropriate Site value for the landowner and a market risk adjusted return to a developer in delivering a project."*

4.1.4. The logic is that, if the residual value of a proposed scheme is reduced to significantly below an appropriate viability Site Value Benchmark (SVB), it follows that it is unviable to pursue such a scheme, and the scheme is unlikely to proceed.

4.1.5. If a scheme is being rendered unviable because of Section 106 requirements, such as the provision of affordable housing, it may be appropriate to look at reducing the burden of those requirements in order to facilitate viability.

4.2. Residual

4.2.1. The financial viability of development proposals is determined using the residual land valuation method. A summary of this valuation process can be seen below;

Built value of proposed private residential and other uses	**+**	**Built value of affordable housing**	**=**	**GDV**
GDV	-	Build costs, finance costs, Section 106 costs, CIL, sales fees, developers profit, etc	=	Residual Land Value

4.2.2. The Residual Land Value (RLV) is then compared to the SVB. If the RLV is lower and / or not sufficiently higher than the SVB the project is not technically viable.

5. Site Value Benchmark

5.1. Introduction

5.1.1. Identifying an appropriate SVB requires judgement bearing in mind that national planning guidance indicates that appropriate land for housing should be 'encouraged' to come forward for development.

5.1.2. We have assessed the Site Value Benchmark (SVB) using the Existing Use Value (EUV) of the Site, plus a suitable Landowner Premium in line with the relevant Guidance from Government and the RICS.

5.1.3. In the latest Guidance Existing Use Value (EUV) is sometimes referred to as Current Use Value (CUV), and these two terms are interchangeable when used for Financial Viability in planning.

5.1.4. The Guidance also requires us to consider the Alternative Use Value (AUV) of the Site where an existing planning consent may already exist or where the Site may benefit from being converted to an alternative lawful planning use.

5.2. Existing Use Value

5.2.1. Our conclusions of the EUV of the Site are summarised below and a detailed analysis of the assumptions adopted to establish the EUV can be found in the Savills Indicative Desktop Valuation Report (Report) dated 9th December 2025 attached at **Appendix 5.**

5.2.2. The Report has considered the condition of the existing stock as set out in the Cambridge City Council Moribund Housing Report dated 31.10.25 and values the 117 vacant apartments owned by the Council on the assumption that the current voids could be re-let at Cambridge City Council Rents. The report states an Existing Use Value – Social Housing (EUV-SH) for these 117 rented properties at £1,819,000 (One Million, Eight Hundred and Nineteen Thousand Pounds).

5.3. Alternative Use Value

5.3.1. The Site does not have planning permission for any alternative lawful planning use. As such we have not appraised the AUV of the Site at this stage.

5.4. Landowner premium

5.4.1. Our conclusions regarding the landowner premium that is appropriate to be applied to the EUV of the Site can be found below.

5.4.2. National Planning Policy Guidance on Viability states:

The premium (or the ‘plus’ in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a landowner to bring forward land for development while allowing sufficient contribution to fully comply with policy requirements

Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. Market evidence can include benchmark land values from other viability assessments. Land transactions can be used but only as a cross check to the other evidence. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners. Policy compliance means that the development complies fully with up to date plan policies including any policy requirements for contributions towards affordable housing requirements at the relevant levels set out in the plan. A decision maker can give appropriate weight to emerging policies. Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).

(Paragraph: 016 Reference ID: 10-016-20190509 Revision date: 09 05 2019)

5.4.3. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. A standard level of premium does not exist but given the available guidance, and our own professional experience of application in practice of brownfield premiums, where the % uplift over EUV ranged between 10% and 45%, we consider that a 30% premium is appropriate for this Site, given the level of abnormal costs that are associated with bringing the site forward for development.

5.5. Site Value Benchmark

5.5.1. We have adopted a Site Value Benchmark (SVB) for the Site across the 0.76 ha (1.88 acres) based on the following calculation:

EUV	£1,819,000
Plus Premium (30%)	£ 545,700
	£2,364,700

5.5.2. We have rounded our SVB to £2,350,000, equating to £3,092,000 / ha or £1,250,000 / acre.

5.5.3. In line with the guidance, as a cross-check, we have reviewed recent land transactions within the City to assess how our SVB relates to Market Values achieved from sales of development sites as listed in the table below.

Site	Planning Status / Valuation approach	Consented Unit	Affordabl	Sold Dat	£/Acre
Travis Perkins Depot Devonshire Road	BTR scheme approved	70	14	Dec-23	£8,458,778
Mackay's Site, East Road	None	None		Oct-23	£17,901,235
Logic House and adjoining land, 143-147 & 149 Newmarket Road	Approved at appeal	10	0%	Jan-23	£10,526,316
Atrium Site, Severn Place, Newmarket Road	None	None		Oct-22	£15,625,000
211-213 Newmarket Road	Breached planning permission for a hotel	None		Sep-22	£11,764,706
Queen Ediths Way	Unconsented (positive pre app)	9	0%	Sep-22	£3,846,154
230 Newmarket Road & Henley Way	Identified in Newmarket Road Development Plan			Oct-21	£6,593,407
Cheddars Lane	Unconsented - was part of a wider student scheme that fell away	0	0%	Sep-21	£4,024,390
212-215 Newmarket Road	Consent (resi flats & commercial unit at ground floor)	13	25%	Aug-21	£6,479,418
63 New Street Cambridge CB1 2QT	Consented	10	0%	Jul-20	£18,285,714
The Former Cambridge Squash Club, 295-301 Histon Road	Consented (Subject to planning deal)	27	37%	Apr-20	£2,083,333
Swiss Laundry, Cherry Hinton Road	Allocated for Resi (sold for commercial)	0	0%	Nov-19	£4,000,000
29 High Street Chesterton	Unconsented	5	0%	Jun-19	£2,079,545
Chartwell House, 620-622 Newmarket Road	Unconsented	6	0%	May-19	£6,371,063
Former Ridgeon Site, Cromwell Road	Consented	295	40%	Apr-19	£3,409,091
185-189 Newmarket Road	Unconsented	12	0%	May-18	£8,333,333

Development land transactions – Cambridge City 2018 - 2024

5.5.4. It is clear from the above that there have been relatively few transactions that have completed in recent years and some of the transaction are now quite historic. Additionally, none of these directly reflect the specific circumstances of the Site in terms of housing density, site area, policy requirements. However all of the transaction do show land sales taking place at significantly higher levels (on a £ per acre basis) than our SVB. This provides further justification for our selection of a Landowner Premium that is toward the upper end of the range stated in 5.4.3.

6. Development Revenues

6.1. Market Sale Residential Values

6.1.1. We have assessed comparable open market residential sale transactional evidence from the area to form an opinion of value for the 93 Market Sale apartments in the proposed development, taking into account the quality of the site location, the unit size, and expected build specification. The market sale homes are expected to be delivered within Blocks B, C and E of the development.

6.1.2. Based on our research (attached at **Appendix 6**) we have adopted a Gross Development Value (GDV) for the open market dwellings in the proposed scheme of **£37,700,000** equating to **£629 per sq ft**.

6.2. Affordable Housing Values

6.2.1. We have modelled the scheme based on the Council's affordable housing policies with 40% of the units within the scheme being delivered as affordable tenures in Blocks A and D.

6.2.2. **Appendix 6** contains a detailed explanation of our approach to valuation of the 72 Affordable Homes in the proposed development and our expectation of the market facing package price that would be paid by a Registered Provider (RP) to acquire the properties from the site developer. The value (package price) that we have assumed in our appraisal is **£13,247,500**, equating to **£277 per sq ft**.

6.2.3. We have assumed that the transaction with the RP would be via a "Golden Brick" Development Agreement, with 20% of the price being paid at the Golden Brick milestone and the balance of the payment being paid during construction of the properties based on monthly valuations.

6.3. Car Parking

6.3.1. Our adopted residential sales values assume that there is no on-site parking provision for any of the homes proposed in the development, with the exception of the Category M4(3) affordable homes. We understand that a car club will be available to both new residents of the scheme and existing residents from surrounding streets, offering flexible access to a shared vehicle without the need for private car ownership.

7. Development Costs

7.1. Introduction

7.1.1. The following assumptions have been adopted in assessing the costs of the proposed scheme.

7.2. Build Costs

7.2.1. The Applicant has provided us with a Budget Estimate Summary (BES) produced by the Hill Group dated 08 April 2025 as attached at **Appendix 4**. The BES is based on costs to build at that date and does not include for contingencies or cost inflation during the project. It also assumes that the works will be procured using a competitive single stage competitive tender process via a design and build contract.

Base Build Cost

7.2.2. A base build cost of £36,670,126 is included in the BES for the 165 no. dwellings (13,570 sq.m or 146,067 sq.ft Gross GIA) in the scheme, equating to £2,702/m² (£251/ft²).

7.2.3. When indexation is applied to the above cost, to adjust the figures from the Apr 2025 base date to January 2026, using the BCIS General Building Cost Index and applying a factor of 102.3 the cost is adjusted to £37,513,539, equating to £2,764/m² (£257/ft²).

7.2.4. The estimated cost for the apartments is based on a detailed assessment of the planning application drawings, building the affordable units to the ‘Cam Standard’ specification and the private apartments to meet the requirements of the latest building regulations.

7.2.5. The ‘Cam Standard’ specification was adopted by Cambridge City Council as part of its Sustainable Housing Design Guide in 2021 and the subsequent amendments made to that document in 2024. The Cam Standard provides a robust baseline maintaining low-energy and climate change resilience requirements which all our housing developments must either meet or exceed. It is seen a stepping stone to increasingly sustainable outcomes. All council developments should prioritise lowering their energy targets and by 2030 all proposed council homes will be expected to target Net Zero Carbon.

7.2.6. Examples of the design features that are included in the Cam Standard are:

- Green roofs and PV Panels included on both affordable blocks
- Mechanical ventilation heat recovery installed in every flat
- High building fabric thermal insulation levels
- Advanced air tightness (aero barrier system) to achieve less than 0.1 air changes per hour
- Energy saving exhaust air heat pumps

7.2.7. The Base Build Cost included in the BES includes allowances for Prelims and Contractor Overheads and Profit. This means that it can be directly compared with BCIS rates which are calculated on the same basis.

7.2.8. The latest (27 Dec 2025) Upper Quartile BCIS £/m² rates Apartment construction in Cambridge District drawn from projects within the last 5 years show £/m² and £/sq ft gross internal floor area as follows:

- 3-5 storey apartments £2,468/m² (£229/ft²)
- 6 storey and above £2,984/m² (£277/ft²)

7.2.9. On the above basis, we would expect the Base Build Cost for the scheme, calculated using BCIS Upper Quartile rates, to be **£37,305,309** for the 165 no. dwellings in the scheme, equating to **£2,749/m² (£255/ft²).** This figure is very similar to the indexed Cost included in the Hill Group BES.

7.2.10. It should be noted that there is no differential provided between Affordable and Private units in the BCIS analysis so our calculations are based on the height of the prosed blocks, rather than the proposed tenures.

7.2.11. Based on our own experience of similar schemes in the city delivered by the applicant and other private sector developers, we consider that it is appropriate to adopt the BCIS Upper Quartile housing rates in our analysis rather than the lower Mean or Median rates, particularly given that they will be built to meet the 'Cam Standard'.

7.2.12. Cambridge City Council planning and building control teams are known for their demanding approach to sustainable housing design and high quality, contemporary architecture. Coupled with this, in this edge of city centre location, it will be critical to deliver high specification properties to align with buyer expectations and maximise value for the completed dwellings.

7.2.13. There is no reason to suggest that the proposed 'Cam Standard' specification would not be adopted by any private sector developer (other than the applicant) for a market-facing scheme and so we have confidence that the use of the BCIS Upper Quartile rate is appropriate.

Other construction costs

7.2.14. The BES also contains estimates of other construction costs that are based on the submitted planning drawings and additional technical information on the planning portal that we have reviewed. Considering each of these in turn:

Site Abnormal Costs and Demolition Costs

7.2.15. Total allowances of **£70,000** are included in the BES for Site Abnormal Costs which include boundary treatments and retaining walls, provision of a play area, electricity substation and pumping station enclosure. We have no reason to dispute this allowance and have included this cost in our appraisal.

7.2.16. An allowance of **£945,000** is included in the BES for Demolition. This figure is based on a Budget Quotation provide by Demcom Contractors on 04 August 2021, to which indexation has been applied. Again, we have no reason to dispute this allowance and have included this cost in our appraisal.

External Works, Drainage and Building Work in Connection (BWIC) with Services

7.2.17. Total allowances of **£1,701,133** are included in the BES for the above items and together, these equate to around **4.6%** of the BCIS Upper Quartile Build Cost. In our appraisals of comparable developments we would normally apply higher allowances of 8 – 12% for these items. However, we recognise that the development proposals are at an advanced stage and the designs have been costed directly by Hill Group from the planning application drawings. A muti-storey development will have a lower footprint than a low-rise development and the proportion of external works per m² will be by definition reduced. The proposed apartment blocks also benefit from direct access off existing roads which again will reduce the external works.

7.2.18. We therefore have no reason to dispute the above allowance and have included this cost in our appraisal.

Contingency, Post-Planning Consultant Fees, Inspection Fees and Insurances

7.2.19. Total allowances of £1,062,598 are included in the BES for Contingencies, equating to just 2.9% of the BES Base Build Cost. We consider this allowance to be too low considering the risks associated with a development of this nature and have applied an allowance of **5.0%** of the BCIS Upper Quartile Build Cost in our appraisal, arriving at a total contingency of **£1,838,631**.

7.2.20. An allowance of **£1,939,902** is included in the BES for Post-Planning Consultant Fees Inspection Fees and Insurances (including building warranties). We have reviewed the detailed calculation of these costs included in the BES and have no reason to dispute this allowance. We have therefore included this cost in our appraisal.

Total Build Costs

7.2.21. The total Build Cost of the scheme (including all of the above) that we have adopted in our FVA is therefore **£43,799,975**, equating to **£265,454** per unit or **£3,227/m²** (**£300/ft²).**

7.3. Disposal and Marketing

7.3.1. We have assumed that when the Site is developed the developer will construct and operate a sales complex to secure sales of the Market Sale dwellings. We have therefore included a **1.5%** allowance for marketing costs associated with the sale of these units, giving a total marketing budget of **£565,500.**

7.3.2. Additionally, we have assumed that a local selling agent will be appointed as part of the Marketing campaign to introduce potential buyers. We have included an allowance of **1.5%** for agent's selling fees associated with the Market Sale Units, equating to **£565,500.**

7.3.3. For legal fees associated with sales of all of the units in the scheme, including the affordable units which we expect to be sold as a package to a Registered Provider via a Golden Brick Development Agreement, we have included the following allowances in our Residual Valuation.

- Private Residential sales – Legal Fees: **0.5%** of sales value (total **£188,500**);
- Affordable Units – Legal fees (Development Agreement): **0.25%** of the package sale price (total **£33,569**).

The above generates a total cost for disposal and marketing of **£1,353,069**, equating to **2.65%** of Total GDV.

7.4. Purchaser's Costs

7.4.1. We have deducted Stamp Duty Land Tax **(SDLT)** at the prevailing rate in our appraisal. In addition, we have included an allowance of **£50,000** towards legal costs associated with the site acquisition.

7.5. Planning Obligations

7.5.1. The following allowances have been used in assessing the planning obligations that are relevant for the proposed scheme.

Section 106 obligations

7.7.4 We have been able to review a draft section 106 deed for the development and note that financial contributions are expected for the following items:

- Open space, Indoor and Outdoor Sport, Indoor swimming and Play Facilities
- Household Waste
- Health (Surgery)
- Transport (walking, cycling, bus improvements)
- Secondary Education and SEND Provision

7.5.2. We are advised that the section 106 financial contributions is expected to total around **£600,000** and so we have adopted this figure in our appraisal. We have also included a further **£30,000** allowance for indexation of some of the contributions. We have assumed that the contributions will become due on commencement of development.

7.5.3. The section 106 is drafted to provide 40% of the total number of units as Affordable Housing.

Other planning-related costs

7.5.4. The development is expected to incur a Building Safety Levy payable on grant of Building Regulations Approval. Based on the Table of Rates on the www.gov.uk website, as previously developed land in Cambridge, the site would attract a charge of £25.44 per gross GIA m². We have calculated the total charge as **£345,220** and have included this figure in our appraisal.

7.5.5. The development is also expected to generate a requirement to purchase Bio-diversity Net Gain (BNG) units to off-set the loss of ecological diversity. We have not seen a calculation to confirm this cost but have been told by the applicant that it would be reasonable to allow a budget of **£100,000** in the appraisal.

7.6. Finance

7.6.1. In accordance with RICS guidance we have assumed that the development will be 100% debt financed, and have adopted the a debit rate of **7.25% per annum,** 3.5% above the current Bank of England Base Rate. This allowance is expected to cover the total costs of obtaining development finance, including interest, arrangement fees, monitoring costs etc.

7.6.2. We consider this to be an appropriate rate of interest, given the nature of the scheme which is likely to be developed by a regional housebuilder or private SME developer.

7.7. Programme

7.7.1. We have made the following key assumptions in relation to the development programme:

Date	Activity	Duration
May 2026	Site mobilisation	2 months
Jul 2026	Demolition and enabling works	4 months
Oct 2026	Construction – Affordable	18 months
Oct 2026	Construction – Market Sale	33 months
Mar 2027	Affordable Housing Golden Brick achieved	-
Mar 2028	1st market sale unit occupied	-
Oct 2030	Final market sale unit occupied	-

7.8. Profit

7.8.1. In assessing what constitutes an acceptable level of developer's return in the current market we have consulted with specialist colleagues within the Loan Security Valuation and Capital Markets departments of Savills, as well as applying our own development experience.

7.8.2. In the current market if a private sector developer was buying this Site we would expect them to apply a profit return of **20.0%** against the Market Sales GDV and **6.0%** against the Affordable Housing Costs in order to justify the risk of delivering the scheme.

7.8.3. We have adopted the above target profit margins in our appraisal and calculated the scheme target profit as **£8,819,056.**

8. Conclusions

8.1. Results

8.1.1. We have appraised the proposed scheme against our SVB in order to fully understand the economics of the development and to establish the maximum level of planning obligations, including affordable housing, that the scheme can reasonably support.

8.1.2. A summary of our Argus Developer Appraisal results is set out below. Please see **Appendix 7** for the full appraisals.

Viability Appraisal Results

Residual Land Value (RLV)	Site Value Benchmark (SVB)	Land Value Surplus / (Deficit)
(£5,913,390)	£2,350,000	(£8,263,390)

8.1.3. When the required developer return is applied to the appraisal of the 40% affordable scheme a negative land value is generated.

8.1.4. An alternative way to consider the viability of the site is to apply the stated SVB of £2,350,000 to the appraisal as a fixed land cost. When this is done, the development makes a loss of (£2,219,527).

8.1.5. **Given that the 40% affordable scheme does not generate the required developer profit return, it is not considered commercially viable in planning viability terms**.

8.2. Sensitivity Analysis

8.2.1. The value of development sites can be volatile, and the residual approach adopted within this report is sensitive to changes in key variables. It is therefore useful to provide a sensitivity analysis, showing the effect on the RLV through small changes in key variables such as private sales values, low cost affordable homes ownership values and build cost. We set out below a sensitivity analysis showing the effect of increasing and decreasing the private sales price (including affordable shared ownership) and the build costs by 10% increments.

Sensitivity Analysis		Market Sales Values				
		-20%	-10%	0%	+10%	+20%
Gross Costs	-20%	-£3,377,789	-£1,021,265	£1,335,254	£3,691,783	£6,048,304
	-10%	-£6,994,032	-£4,637,509	-£2,280,985	£75,535	£2,432,063
	0%	-£10,709,058	-£8,269,913	**- £5,913,390**	-£3,556,865	-£1,200,344
	+10%	-£14,485,881	-£11,965,730	- £9,546,506	-£7,189,983	-£4,833,458
	+20%	-£18,288,821	-£15,732,918	-£13,224,661	-£10,823,113	-£8,466,590

8.2.2. The table demonstrates that for the scheme to become economically viable in planning terms, where the RLV is equal to or greater than the SVB, there would need to be an increase in market housing sales values of **20%** coupled with a reduction in gross scheme costs of **10%**. Based on historic market trends, such circumstances seem extremely unlikely during the life of the planning permission.

8.2.3. Notwithstanding the above, as the 40% affordable scheme is unable to generate the required developer profit return at the date of this FVA, we are of the opinion that the proposed development is unviable.

8.3. Alternative Scenario: 2 affordable units

8.3.1. We have concluded above that a 40% affordable scheme is not commercially viable. However, the Applicant has instructed us to conduct further financial modelling to determine the maximum level of affordable housing provision the scheme could support.

8.3.2. We have found that a scheme with two affordable units (for social rent) and 163 market sale units, would generate a Residual Land Value (RLV) of £2,387,752 when the required developer return is applied to the appraisal. This figure is very similar to the Site Value Benchmark (SBV) of £2,350,000.

8.3.3. **If the LPA is minded to agree a lower affordable housing provision of just two social rent units (or alternatively, a financial contribution of equivalent value in lieu of the two units to be used to support the delivery of affordable housing on an alternative site) the Applicant would be prepared to proceed with the scheme as it delivers a market facing profit return.**

Appendices

Appendix 1
Terms of Engagement

13 November 2025

Simone Marsberg
Cambridge Investment Partnership
Mill Road Depot
Cambridge
CB1 2AZ

Phil Rose Mr

E: phil.rose@savills.com
DL: +44 (0) 1223 347237

Unex House
132 - 134 Hills Road
Cambridge CB2 8PA
savills.com

Dear Simone

Fee Proposal: Hanover & Princess Court, Cambridge –Financial Viability Assessment

Following on from recent correspondence with Ross Jones at the City Council, we now write to you to confirm the terms upon which Savills (UK) Limited (Savills, we or us) will provide you with a Financial Viability Assessment (FVA) to support your planning application in respect of the development of Hanover & Princess Court (the Subject).

Scope of Services

Please see below our proposed scope of services for providing a Financial Viability Assessment to accompany your planning application for the proposed re-development of the Subject to create 165 new homes, including seventy-two affordable homes.

Financial Viability Assessment

Policy 45 "Affordable housing and dwelling mix" of the Cambridge Local Plan (adopted October 2018) outlines that Cambridge City Council (LPA) will seek affordable housing provision from developments where fifteen homes or more are proposed. Where this threshold has been met, a 40% affordable housing provision by units requirement will be triggered.

Where it can be proven that the above target is not viable due to specific site conditions or other material considerations affecting development of the site an alternative dwelling or tenure mix or a lower level of provision may be supported.

Considering the development costs and planning obligations that are expected to be sought by the LPA from the proposed re-development of the Subject, you require Savills to provide a Financial Viability Assessment on the following bases:

a) Site Assessment –to assess the development economics of the proposed development via the preparation of a Financial Viability Assessment Report using Argus Developer, including.

- Establishing the Site Value Benchmark, though determination of the existing use value and a suitable landowner premium.
- Assessment of market sale values, market rents and affordable housing pricing (including input from Savills Affordable Housing team where appropriate) to be included within separate appendices; and
- Economic modelling, including development appraisals using Argus Developer software.

b) Post Submission Advice –to agree the final planning obligations with the LPA / their appointed assessor and you during the Review Process.

savills

Information Sources

To complete the above we will be relying on site plans, accommodation schedules, technical and cost information for the proposed development to be provided by you.

Timescales

Following receipt of a signed copy of these terms of business we would aim to complete our initial assessment and financial modelling and share these with you within 3 weeks. At this point we would arrange an online review meeting with you to discuss our findings and agree the best approach to be taken for final drafting of the report. We would expect to be able to issue a draft report for final approval by you within 2 weeks of the review meeting. Any extensions to these timeframes will be communicated and agreed with you prior to the issuance of our report and highlighted within, along with the reasons for why such an extension was needed.

Conflicts of Interest

We can confirm that there are no conflicts of interest between Savills and either the Applicant, the Council or the Subject.

Fees

Our fee for the Site Assessment Stage and production of the FVA will be as follows:

- Initial assessment and financial modelling: [redacted] plus VAT.
- Completion of the final FVA report for submission to the LPA following the review meeting: plus VAT.

Any Post Submission Advice will be charged at our hourly rates as set out below.

Role	Hourly Rate (plus VAT)
Director	
Associate Director	
Associate	
Senior Surveyor	
Surveyor	
Graduate Surveyor	

Fee Statement

We can confirm that in-line with the latest RICS Guidance our agreed fee for undertaking the above work is not performance related nor do we have any contingent fees agreed between Savills (UK) Limited and Cambridge Investment Partnership.

Terms of Business

We attach our standard terms of business as Appendix 1 which, together with this letter, constitute the terms of our engagement with respect to this instruction. To the extent that there is any conflict or inconsistency between the attached terms of business and the terms of this letter, the terms of this letter shall prevail.

Please confirm your acceptance of the terms set out in this letter by signing where shown below. If you fail to return the signed copy of the letter to us or acknowledge your acceptance in writing (including by email), you will be deemed to have accepted the terms of business and the conditions set out in this letter.

Yours sincerely

[redacted]

Phil Rose MA (HONS) MRICS
Associate Director and RICS Registered Valuer

Client Acceptance

I confirm Cambridge Investment Partnership's agreement to this letter and the attached terms of business are acknowledged, considered reasonable and accepted:

Signed by Cambridge Investment Partnership, by its duly authorised signatory.

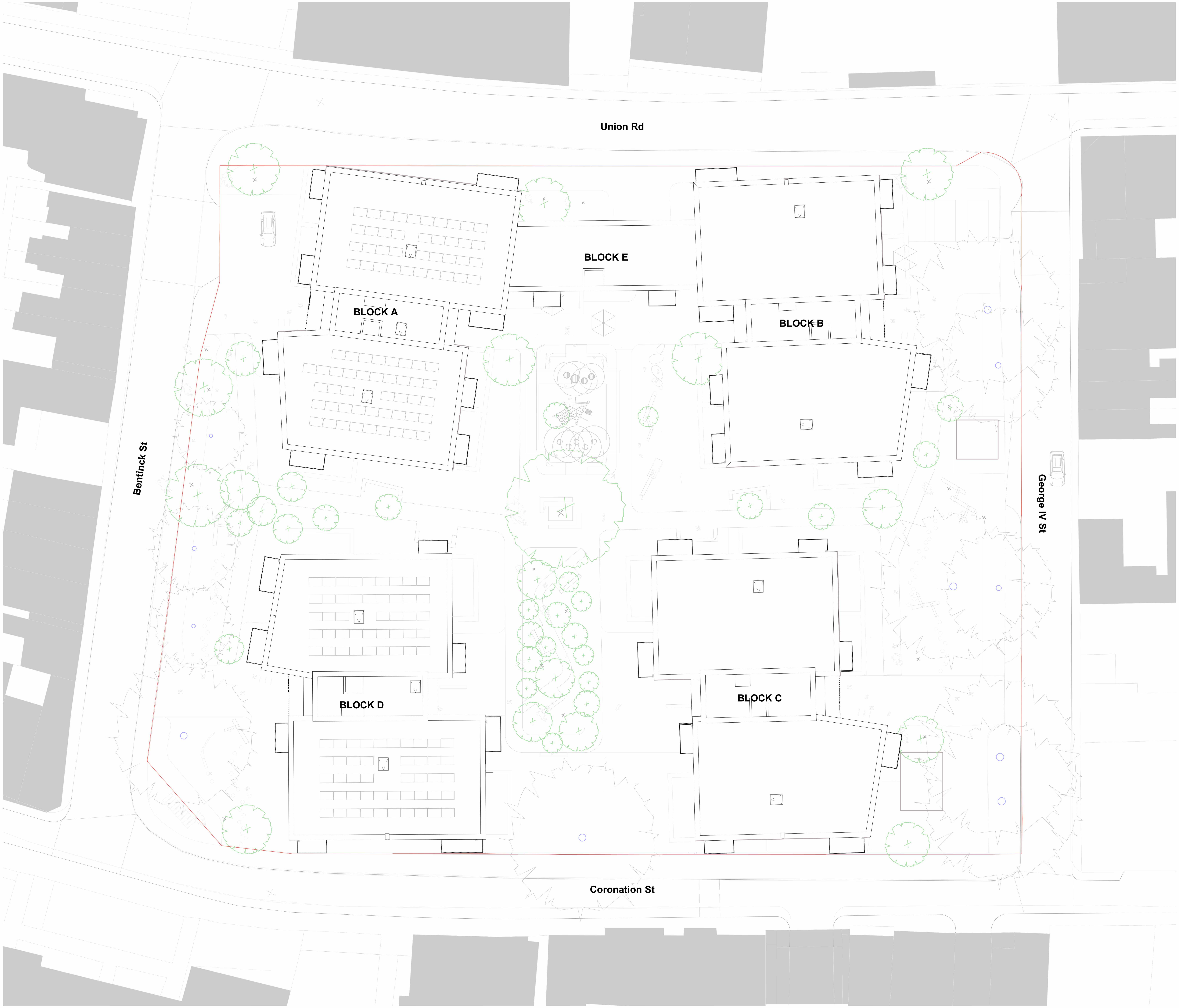
Signature --

Name (in capitals) --

Position --

Date --

Appendix 2
Planning Application Drawings



GENERAL NOTES:
This drawing is © 2019 Pollard Thomas Edwards LLP (PTE).
Use figured dimensions only. **DO NOT SCALE**.

All dimensions are in millimetres unless noted otherwise.

This drawing must be read in conjunction with all other relevant drawings and specifications from the Architect and other consultants.

If in doubt, ask.

SETTING OUT NOTES:
All setting out to be confirmed on site prior to construction - any discrepancy must be immediately reported to the Architect.

All setting out to face of structure or to grid. All partitions set out to studwork or structure.

For setting out and specification of M&E services refer to M&E Consultants documents.

For setting out and specification of structure refer to Structural Engineer's documents.

2 0 2 4 10 m
Metres 1:200

N

rev	date	description	drawn	audited
P01	23.05.2025	Issued for Planning	RL	DO

drawing status

PLANNING

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Pollard Thomas Edwards

project	job number	drawn	scale	date created
Hanover & Princess Court	21-026	RL	1 : 200@A1	May'25

drawing title	drawing number	revision	Suitability
Proposed Site Plan	**HPC- PTE- ZZ-XX-D-A-10005**	**P01**	**A3**

GENERAL NOTES:
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2 0 2 4 10 m
Metres 1:200

N

Key

Red line boundary

rev	date	description	drawn	audited
P01	23.05.2025	Issued for Planning	RL	DO

drawing status

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Pollard Thomas Edwards

project	job number	drawn	scale	date created
Hanover & Princess Court	21-026	RL	1 : 200@A1	May '25

drawing title	drawing number	revision	Suitability
Typical Floor Plan	HPC- PTE- ZZ-XX-D-A-10013	P01	A3

Appendix 3
Schedule of Accommodation

Appendix 3 –Schedule of Accommodation
Hanover Court & Princess Court, Coronation Street, Cambridge CB2 1HJ

Schedule of Accommodation							
Block	Units	Type	Accessibility	NIA Sq ft per Unit	NIA Sq m per Unit	Total Sq ft	Total Sq m
A	19	1B2P	M(4)2	543	50.4	10,308	957.6
A	1	1B2P	M(4)3	763	70.9	763	70.9
A	4	2B4P	M(4)2	733	68.1	2,932	272.4
A	4	2B4P	M(4)2	749	69.6	2,996	278.4
A	4	2B4P	M(4)2	772	71.7	3,088	286.8
A	1	2B4P	M(4)3	845	78.5	845	78.5
A	4	3B5P	M(4)2	927	86.1	3,707	344.4
Block A (Total / Avg)	**37**			**666**	**61.9**	**24,639**	**2,289**
B	22	1B2P	M(4)2	542	50.4	11,924	1,108.8
B	4	2B4P	M(4)2	757	70.3	3,028	281.2
B	4	2B4P	M(4)2	765	71.1	3,060	284.4
B	6	2B4P	M(4)2	778	72.3	4,668	433.8
B	5	2B4P	M(4)2	812	75.5	4,060	377.5
Block B (Total / Avg)	**41**			**652**	**60.6**	**26,740**	**2,486**
C	24	1B2P	M(4)2	543	50.4	13,032	1209.6
C	5	2B4P	M(4)2	758	70.4	3,790	352
C	5	2B4P	M(4)2	765	71.1	3825	355.5
C	6	2B4P	M(4)2	777	72.2	4,662	433.2
C	4	2B4P	M(4)2	812	75.4	3,248	301.6
C	1	2B4P	M(4)2	823	76.5	823	76.5
Block C (Total / Avg)	**45**			**653**	**60.6**	**29,380**	**2,728**
D	9	1B2P	M(4)2	543	50.5	4,887	454.5
D	8	1B2P	M(4)2	577	53.6	4,616	428.8
D	1	1B2P	M(4)3	763	70.9	763	70.9
D	4	2B4P	M(4)2	733	68.1	2,932	272.4
D	4	2B4P	M(4)2	749	69.6	2,996	278.4
D	5	2B4P	M(4)2	772	71.7	3,860	358.5
D	4	3B5P	M(4)2	927	86.1	3,708	344.4
Block D (Total / Avg)	**35**			**679**	**63.1**	**23,762**	**2,208**
E	3	1B2P		539	50.1	1,617	150
E	4	1B2P		549	51	2,196	204
Block E (Total / Avg)	**7**			**545**	**50.6**	**3,813**	**354**
SCHEME (TOTAL / AVG)	165			657	61.0	108,334	10,065

Appendix 4
Budget Estimate Summary – Hill Group (Dated Apr 2025)

PRE01 Budget Estimate Summary

		Author:	CW
Project Name:	Hanover Court	Date:	08/04/25
		Revision	0
Site Location:	Hanover Court Union Road Cambridge	Budget Ref:	M T20-008
Brief Description of Project:	78 Affordable flats to 'Cam-Spec' standard and 78 private flats to building regs standard	Plots	165
		Net Area	10,079.30
		Gross Area	13,570.00

										Affordable		Private				
									Demo	Block A	Block D	Block B	Block C	Block E	Total	check
								Plots		37.00	35.00	41.00	45.00	7.00	165	0
Number of Dwellings / net m2 / gross m2		**165**	**10,079.30**	**Budget Totals**	**13,570.00**	**146,066.26**	**Final Totals**	**GIFA**		**3,054.00**	**3,054.00**	**3,319.00**	**3,579.00**	**564.00**	13,570.00	-
		per plot	**per m2 net**		**per m2 gross**	**per ft2 gross**										
Site clearance & demolition	a	5,727.27	93.76	945,000.00	69.64	6.47	945,000.00		945,000.00						945,000.00	-
Substructures	b	13,050.00	213.63	2,153,250.00	158.68	14.74	2,153,250.00			507,750.00	498,750.00	512,250.00	507,000.00	127,500.00	2,153,250.00	-
Superstructures	c	157,312.00	2,575.23	25,956,480.38	1,912.78	177.70	25,956,480.38			5,578,920.76	5,578,920.76	6,582,517.07	7,097,974.87	1,118,146.92	25,956,480.38	-
External works	d	5,849.50	95.76	965,167.00	71.13	6.61	965,167.00			217,215.92	217,215.92	236,064.06	254,556.57	40,114.53	965,167.00	-
Drainage	e	3,818.46	62.51	630,046.00	46.43	4.31	630,046.00			141,795.17	141,795.17	154,098.94	166,170.57	26,186.14	630,046.00	-
BWIC services	f	641.94	10.51	105,920.00	7.81	0.73	105,920.00			23,837.85	23,837.85	25,906.30	27,935.72	4,402.28	105,920.00	-
Abnormals	g	424.24	6.94	70,000.00	5.16	0.48	70,000.00			15,753.87	15,753.87	17,120.85	18,462.05	2,909.36	70,000.00	-
Prelims - % of net build	h	28,296.24	463.21	4,668,879.51	344.06	31.96	4,668,879.51		143,129.52	982,258.32	980,895.19	1,140,182.99	1,222,598.72	199,814.76	4,668,879.51	-
Management Costs	i	-	-	-	-	-	-			-	-	-	-	-	-	-
Pre-planning design fees Excluded - in appr	j	-	-	-	-	-	-			-	-	-	-	-	-	-
Post planning design development fees	k	5,398.36	88.37	890,730.00	65.64	6.10	890,730.00		27,306.29	187,395.49	187,135.43	217,524.40	233,247.69	38,120.71	890,730.00	-
Planning, Inspection fees and insurances	l	3,544.85	58.03	584,899.89	43.10	4.00	584,899.89		17,930.74	123,053.68	122,882.91	142,837.89	153,162.63	25,032.05	584,899.89	-
Statutory authorities	m	2,813.77	46.06	464,272.42	34.21	3.18	464,272.42		14,232.77	97,675.57	97,540.02	113,379.56	121,574.97	19,869.54	464,272.42	-
Provisional sums	n	1,818.18	29.76	300,000.00	22.11	2.05	300,000.00			67,516.58	67,516.58	73,375.09	79,123.07	12,468.68	300,000.00	-
Construction prime cost		228,694.82	3,743.78	37,734,645.20	2,780.74	258.34	**37,734,645.20**		1,147,599.32	7,943,173.21	7,932,243.69	9,215,257.17	9,881,806.85	1,614,564.96	37,734,645.20	-
						SUB TOTAL	**37,734,645.20**		**1,147,599.32**	**7,943,173.21**	**7,932,243.69**	**9,215,257.17**	**9,881,806.85**	**1,614,564.96**	**37,734,645.20**	**-**
Fixed Price Addition		**5.00%**					**648,077.36**			**324,263.68**	**323,813.68**				**648,077.36**	**-**
						SUB TOTAL	**38,382,722.56**		**1,147,599.32**	**8,267,436.89**	**8,256,057.37**	**9,215,257.17**	**9,881,806.85**	**1,614,564.96**	**38,382,722.56**	**-**
Design and Build Risk		**5.00%**	4,869,383.00	Ground Risk		243,469.15										
		2.00%	25,956,480.38	Design Development Risk		519,129.61										
		0.00%	30,825,863.38	Quantities Risk a-d		-										
				Total Risk		762,598.76	**762,598.76**		**22,800.83**	**164,259.77**	**164,033.68**	**183,091.33**	**196,334.53**	**32,078.63**	**762,598.76**	**-**
						SUB TOTAL	**39,145,321.32**		**1,170,400.14**	**8,431,696.66**	**8,420,091.05**	**9,398,348.50**	**10,078,141.38**	**1,646,643.59**	**39,145,321.32**	**-**
Overhead Recovery		**6.00%**	0.00	months @	#DIV/0!	#DIV/0!	**2,581,010.20**		**77,169.24**	**555,936.04**	**555,170.84**	**619,671.33**	**664,492.84**	**108,569.91**	**2,581,010.20**	**-**
Subtotal						**SUB TOTAL**	**41,726,331.51**		**1,247,569.38**	**8,987,632.70**	**8,975,261.89**	**10,018,019.83**	**10,742,634.22**	**1,755,213.50**	**41,726,331.51**	**-**
Profit		**3.00%**					**1,290,505.10**		**38,584.62**	**277,968.02**	**277,585.42**	**309,835.66**	**332,246.42**	**54,284.95**	**1,290,505.10**	**-**
Subtotal						**SUB TOTAL**	**43,016,836.61**		**1,286,154.00**	**9,265,600.72**	**9,252,847.30**	**10,327,855.49**	**11,074,880.64**	**1,809,498.46**	**43,016,836.61**	**-**
Management Fee		**3.00%**		0.00	0.00		**1,290,505.10**		**38,584.62**	**277,968.02**	**277,585.42**	**309,835.66**	**332,246.42**	**54,284.95**	**1,290,505.10**	**-**
Subtotal		**0.00%**					**44,307,341.71**		**1,324,738.62**	**9,543,568.74**	**9,530,432.72**	**10,637,691.15**	**11,407,127.06**	**1,863,783.41**	**44,307,341.71**	**-**
CIP Risk		**2.00%**					**407,974.80**		**26,494.77**	**190,871.37**	**190,608.65**				**407,974.80**	**-**
Budget Estimate							**44,715,316.51**		**1,351,233.40**	**9,734,440.12**	**9,721,041.38**	**10,637,691.15**	**11,407,127.06**	**1,863,783.41**	**44,715,316.51**	**-**

Site statistics :

All In Build Cost/Plot		**271,001.92**	**Superstructure cost m2 gross**	**1,912.78**
	sqft		(Excludes substructure and basement)	
All In Build Cost/Sq.m net	**412.15**	**4,436.35**	**Excl Abnormals & Fees Net**	**4,429.41**
All In Build Cost/Sq.m gross	**306.13**	**3,295.16**	**Excl Abnormals & Fees Gross**	**3,290.00**
All In Build Cost Excl Pre-Planning Fees	**25,176.89**	**271,001.92**	**Excl Pre-Planning Fees Net**	**4,436.35**
			Excl Pre-Planning Fees Gross	**3,295.16**

Site statistics :

	Demo	Block A	Block D	Block B	Block C	Block E	Total	check
All In Build Cost/Plot		**263,092.98**	**277,744.04**	**259,455.88**	**253,491.71**	**266,254.77**	**271,001.92**	
All In Build Cost/Sq.m gross		**3,187.44**	**3,183.05**	**3,205.09**	**3,187.24**	**3,304.58**	**3,295.16**	
Tenure Supers Cost/m2 gross		**1,826.76**	**1,826.76**	**1,983.28**	**1,983.23**	**1,982.53**	**1,912.78**	

Appendix 5
Indicative Desktop Valuation – Existing Housing

127 Properties at Hanover and Princess Court, Coronation Street, Cambridge CB2 1JH

Indicative Desktop Valuation

9 December 2025

savills.co.uk/valuations

savills

Contents

1. Instructions and Terms of Reference

1.1. Property

Hanover and Princess Court, Coronation Street, Cambridge CB2 1JH comprising of 127 flats.

1.2. Instructions and Basis of Indicative Valuation

We have been instructed to provide a report setting out an indicative opinion of value with respect to the above property. Our indicative opinion is provided to help aid the Savills Development team in providing a Financial Viability Assessment. As a desktop instruction, we have not inspected nor measured the Property for the purposes of this indicative valuation.

You have instructed us to provide our opinions of value on the following bases:

Existing Use Value for Social Housing ("EUV-SH") of the properties on the assumption that the void properties can be re-let

1.3. Definition of Indicative Valuation Basis

Existing Use Value for Social Housing is defined by the Royal Institution of Chartered Surveyors ("RICS") at UK VPGA 7 as:

"Existing use value for social housing (EUV-SH) is an opinion of the best price at which the sale of an interest in a property would have been completed unconditionally for a cash consideration on the valuation date, assuming:

- *a) a willing seller*
- *b) that prior to the valuation date there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest for the agreement of the price in terms and for the completion of the sale*
- *c) that the state of the market, level of values and other circumstances were on any earlier assumed date of exchange of contracts, the same as on the date of valuation*
- *d) that no account is taken of any additional bid by a prospective purchaser with a special interest*
- *e) that both parties to the transaction had acted knowledgeably, prudently and without compulsion*
- *f) that the property will continue to be let by a body pursuant to delivery of a service for the existing use*
- *g) that the vendor would only be able to dispose of the property to organisations intending to manage their housing stock in accordance with the regulatory body's requirements*
- *h) that properties temporarily vacant pending re-letting should be valued, if there is a letting demand, on the basis that the prospective purchaser intends to re-let them, rather than with vacant possession and*
- *i) that any subsequent sale would be subject to all the same assumptions above"*

1.4. Date of Indicative Valuation

Our indicative opinions of value are as at 09 December 2025. The importance of the date of indicative valuation must be stressed as property values can change over a relatively short period.

1.5. Purpose of Report

We understand that our indicative valuation is required for internal purposes to assess the viability of a potential estate regeneration.

1.6. Liability Cap

The advice set out in this Report is indicative only and is not a substitute for a valuation undertaken in accordance with the RICS Red Book. The Report is provided to you for your information only on a strictly non-reliance and without liability basis. You agree not to use the Report for any other purpose and the Report may not be relied upon as the basis for any binding decision. Savills (UK) Limited does not accept responsibility for the consequence of any binding decision that may be made on the basis of the advice set out in the Report.

1.7. Extent of Due Diligence Enquiries and Information Sources

Where possible in the time available, we have verified, and supplemented information provided to us. However, if further information becomes available of which we are not currently aware, we reserve the right to amend our valuation accordingly to take this into account.

The extent of the due diligence enquiries we have undertaken and the sources of the information we have relied upon for the purpose of our valuation are stated in the relevant sections of the report below.

In summary Cambridge City Council has provided the following:

- Stocklist including address, property types and bedroom numbers
- 2023 Rents on a 52 Week basis (net of Service Charges) for 90 properties
- 2025/26 Rents on a 52 week basis (net of Service Charges) for 2 properties
- Moribund Report

We have relied on the net rents provided by Cambridge City Council. We have not undertaken any independent verification of this data and have relied on Cambridge City Council's information.

1.8. Market Conditions

The UK political and economic environment continues to evolve rapidly, creating a complex landscape. Moreover, ongoing geopolitical tensions worldwide add to the uncertainty, with the possibility of sudden escalation that could significantly affect global trade, economies, and property values.

For the housing market, the Autumn budget created further disruption with the introduction of a High Value Council Tax Surcharge (HVCTS). This is a new charge on owners of residential property in England worth £2m or more (in 2026) and takes effect from April 2028. Moreover, the imposition of higher income tax charges on rental income from April 2027, coupled with the enactment of the Renters Rights Act, is also likely to hasten the restructuring of the rental market in favour of larger wealthier landlords.

The outlook for the UK housing market continues to evolve, and it is therefore important to recognise that our valuation has been prepared against the backdrop outlined above. Moreover, investor behaviour can change quickly during such periods of volatility. As such the conclusions set out in this report are only valid at the valuation date and we would recommend that the value of the property is kept under regular review. For the avoidance of doubt, our valuation is not reported as being subject to "material valuation uncertainty" as defined in the RICS valuation – Global standards.

2. The Property

2.1. Description and Location

The stock comprises 127 residential flats (10 of which are held by leaseholders) across two separate purpose-built blocks (Hanover Court and Princess Court) dating from the 1960's, and both with brick elevations. Hanover Court is 8- storeys in height and has 0, 1, 2 and 3 bedroom flats; and Princess Court is 5- storeys in height, with 0, 1 and 2 bedroom flats.

We have not inspected the properties, however Cambridge City Council has provided a moribund report. The moribund report considers how Hanover Court and Princess Court can be considered 'moribund housing' and therefore it is assumed that the blocks are to be demolished and that no remediation works will be required in any event. We understand that the buildings have significant fire safety risks arising from the lack of compartmentation and that there is a 'waking watch' in place to safeguard any residents. In addition, we understand from the moribund report that the buildings have various issues including cracking and movement in structure, concrete deterioration, instability and brickwork failures.

The blocks are situated in Cambridge and the site is bound by Union Road to the north, Geroge IV Street to the east, Coronation Street to the south and Bentinck Street to the west. The surrounding area is predominantly characterised by residential housing, educational facilities and a care home, but there is also a range of shops, services and amenities nearby. The residential blocks are parallel to each other (orientated north/south), with Hanover Court located to the east of the site and Princess Court located to the west. There is a central communal area between the two buildings. Although the residential blocks are parallel to each other, there is a garage block connected to the north end of the buildings, forming a U shape between all three buildings overall. The blocks are located around (0.7 miles) south east of Cambridge City Centre. The stock is within good proximity of reasonable transport links and amenities.

2.2. Stock Types

The portfolio to be valued comprise 127 properties in two blocks detailed in the table below.

Table 1: Portfolio Breakdown

Scheme	Flats
Hanover Court	78
Princess Court	49
Total	**127**

Source: CCC

The properties can be summarised by type and letting category as follows:

Table 1: Property Schemes and Letting Category

Scheme	Flats - Rented	Flats - Voids	Flats - Leaseholders
Hanover Court	2	70	6
Princess Court	-	45	4
Total	**2**	**115**	**10**

Source: CCC

2.3. Rental Income

Cambridge City Council has provided us with the following:

2023 net rents for 55 properties at Hanover Court and 35 properties at Princess Court. We understand that these rents are from when the blocks were still mostly occupied.

2025/26 current net rents for 2 properties at Hanover Court only, which we understand are currently tenanted.

We have relied on the net rents provided by Cambridge City Council. We have not undertaken any independent verification of this data and have relied on Cambridge City Council's information. We have been provided with limited rental information from Cambridge City Council and have therefore relied on the 2023 rents at face value, and have indexed the rents by CPI +1% (at September each year), in line with the Rent Standard and Guidance. This has enabled an indication of the current rent which would be expected for 2025/26 if the properties were to be let.

There are 25 void properties where no rents have been provided (but not leaseholder). In this case, we have adopted a similar/average 2023 rent of neighbouring properties of the same type, floor area etc. We have therefore assumed rents for 15 properties at Hanover Court and 10 properties at Princess Court.

The table below details the net annual rental income and average weekly rent (52-week basis), broken down by scheme and letting category. These rents are those which we have assumed to be a current rent (2023 rents indexed by CPI 1%, as above). However, we have also reflected the current 2025/26 rents of two properties at Hanover Court which are currently let and which we have been provided with by Cambridge City Council.

Table 3: Annual and Weekly Rental Income

Scheme | Letting Category	Unit Count	Net Annual Rental Income £	Net Average Weekly Rent £
Hanover Court – currently let	2	£13,589	£130.67
Hanover Court – voids	70	£421,303	£115.74
Princess Court – voids	45	£264,685	£113.11
Total	**117**	**£699,117**	**£114.91**

3. Desktop Valuation

In accordance with your instructions, we have provided an assessment of the Existing Use Value for Social Housing (“EUV-SH”) of the properties.

3.1. Approach to EUV-SH

We consider that the appropriate method of valuation is to use a discounted cash flow (“DCF”). The DCF allows us to project rental income and expenditure over the term of the cash flow to arrive at an annual surplus or deficit, which is then discounted to a net present value. Within the DCF we are able to reflect appropriate management costs, catch up repair costs, voids and bad debts, cyclical and responsive management costs and programmed maintenance costs. We are also able to reflect projected inflation to the rents, maintenance and programmed costs based on research and current economic data.

The DCF assumptions that are used within are models are derived from information received from Cambridge City Council and economic data.

3.1.1. Principal DCF Variables

The DCF assumptions are derived from information received from Cambridge City Council and our specialist sector knowledge. The table below sets out our principal assumptions. More detailed discussion on discount rate, adopted rent levels and rental growth is contained in the following sections.

Table 4: DCF Variables

EUV-SH DCF Variable	Assumption	Year	Variable Amount	Source
Average Current rent	£114.91	2025/26	Average £ Per Week	CCC / Savills
Voids and Bad Debts	2.50%	2025/26	% Real	Savills
Catch up repairs	£5,000	Yrs 1 & 2	Average per unit/pa	Savills
Management costs	£1,200	2025/26	Average per unit/pa	Savills
Cyclical, Void & Responsive Maintenance	£1,500	2025/26	Average per unit/pa	Savills
Programmed Maintenance	£2,000	30 Yr Avg	Average per unit/pa	Savills
Discount rate	5.75%	All Years	% pa Real	Savills

We are limited to the information provided by Cambridge City Council and have not been provided with *formal* remediation costs. We have however been provided with the Moribund Report, and note that the council has spent approximately £2.5 million between 2011 and 2021 on repairs to the existing buildings to facilitate continued occupation. We have analysed the costs which amount to £1,215,091 over 10 years for Hanover Court and £1,231,452 for Princess Court. This amounts to around £20,000 per unit over the 10 years or around £2,000 per unit per annum over the 10 years. We would be happy to review our valuation when any necessary information is available.

3.2. Discount Rate

The discount rate is probably the most important variable in the model since it determines the net present value of future predicted income and expenditure cashflows. There is no fixed rule for determining the most appropriate rate to be adopted in a discounted cash flow, but the rate will consider two elements; the cost of funds to acquire the stock and risk/reward appetite of the bidder. The market for this stock will be within the RP sector.

The discount rate is a combination of an expression of the long-term cost of borrowing for an acquiring organisation, the availability of free funds for purchase purposes and the risks implicit in the property portfolio concerned, along with the return requirements of the purchaser. The average cost of long-term borrowing in the RP sector has been relatively stable over the last ten years or so, moving from 4.50% to 4.10%, as reported in accounts and reflecting borrowing from a range of sources at various rates. The accounts of RPs give us a useful benchmark for costs of funds, but we must also acknowledge market practices, particularly for smaller and more attractive acquisitions. In such circumstances, where strategic acquisition of stock is weighed against factors such as cost of construction and the aims and objectives of the provider, implied discount rates are significantly below average costs of borrowing.

In addition to considering the cost of funds, we also need to make an allowance for the risk which attaches to our cashflow assumptions – some of which may be subject to a higher degree of risk than those generally made in the business plans. The trend in the risk profile is considered on a case-by-case basis, having regard to the attractiveness of the stock for investment purposes.

Risk is factored in two principal areas; the market and the individual cashflows. The market element will reflect the macro-economic landscape, the market for social housing stock to be traded and the availability of housing stock at the rents being charged, whereas the individual cashflow element will reflect the confidence the valuer has in the assumptions adopted.

Having regard to the above, our view is that a discount rate in the range of 4.75% - 5.75% real is generally appropriate, +/- 0.50% for particularly risky or attractive acquisitions respectively.

We have adopted a discount rate of 5.75% real over an assumed CPI inflation rate of 2.0% (Long Term Bank Of England Target Rate). This is the rate applied over the cashflow run in perpetuity.

3.3. Indicative Valuation

We have provided a indicative valuation of the Existing Use Value - Social Housing (EUV-SH) for the 117 units on the basis that the current voids units can be re-let.

Assumption – On the assumption that current void units can be re-let

Existing Use Value – Social Housing (EUV-SH) – Rented Properties

The aggregate EUV-SH of the freehold or Long Leasehold interest in the 117 properties for internal purposes on the assumption that current voids can be re-let is:

£1,819,000

(One Million, Eight Hundred and Nineteen Thousand Pounds)

4. Property Specific Risks, Verification and Confidentiality

4.1. Property Specific Risks & Recommendations

The specific property risks in this instance include:

We have been provided with a Moribund Report which highlights various issues including cracking and movement in structure, concrete deterioration, instability and brickwork failures. From the Moribund Report, we understand that the buildings are in poor general condition and are approaching the end of their design life, and ongoing deterioration is likely without major intervention. We have not been provided with *formal* remediation costs but have analysed the best information available to us, being the repairs undertaken between 2011-2021. We would be happy to review our valuation when any necessary information is available.

Please refer to Section 2.1 and 3.1.1 of our Report where we make further comments.

4.2. Verification

This report contains many assumptions, some of a general and some of a specific nature. Our valuations are based upon certain information supplied to us by others. Some information we consider material may not have been provided to us. All of these matters are referred to in the relevant sections of this report.

We recommend that You satisfy yourself on all these points, either by verification of individual points or by judgement of the relevance of each particular point in the context of the purposes of our valuations. Our Valuations should not be relied upon pending this verification process.

4.3. Confidentiality

We highlight the advice set out in the Report is indicative only and is not a substitute for a valuation undertaken in accordance with the RICS Red Book. The valuations herein are provided for you for internal purposes in connection with a potential viability proposal for an estate regeneration. They **cannot be relied upon for any other purpose**, including accounts valuations, disposal, loan security, stock swap, calculation of 1999 valuations for rent restructuring purposes.

The Report shall be provided to you for your information only on a strictly non-reliance and without liability basis. You agree not to use the Report for any other purpose and the Report may not be relied upon as the basis for any binding decision. Savills (UK) Limited does not accept responsibility for the consequence of any binding decision that may be made on the basis of the advice set out in the Report.

We trust the above is acceptable for your purposes, should you have any queries, please do not hesitate to contact us.

Appendix 6
Residential Comparable Report

Viability Assessment
Appendix 6
Residential Comparable Report

Hanover Court & Princess Court,
Coronation Street,
Cambridge
CB2 1HJ

savills

Gross Development Value

1.1 Residential New Build Comparable Evidence

In arriving at our opinion of the GDV of the proposed dwellings in the redevelopment of Hanover & Princess Court (“the Site”), we have had regard to the following recent new build developments that have been completed or are in the process of construction in the local area:

Edington, Huntingdon Road, Cambridge

Eddington is a new district of Cambridge on University land including educational uses, dwellings and a district centre. It is located on Huntingdon Road. The residential developments to date have been built out by Hill Residential and feature a high specification.

We consider the transactions at Eddington to provide good evidence of demand for premium one bed apartments in wider Cambridge.

Although located around 2.5km from the city centre, the development is highly regarded and well located for the University facilities on the West Cambridge site. As a consequence, around one third of the sales have been to overseas purchasers, working or studying at the University. The proposed apartments at the subject property are located within walking distance (approximately 1 km) from the city centre / Station and proximity to shopping, cultural, leisure facilities however we would still expect the values achieved at Eddington to be higher than the values at the subject property.

We have reviewed the publicly available transactional evidence for Eddington at HM Land Registry and established that the most recent transactions currently listed date from 2023, comprising 30 one-bed flats and 39 two-bed flats as follows:

- 1-bed flats ranged in value from £317,000 to £440,000 (£599 per sq ft to £801 per sq ft)
- 2-bed flats ranged in value from £361,000 to £660,000 (£493 per sq ft to £839 per sq ft)

Since that date, the developer at Eddington has completed further sales which have yet to be recorded at HM Land Registry. We have spoken to the developer and understand that values achieved on these more recent sales, comprising 39 one-bed flats and 107 two-bed flats are very similar as follows:

- 1-bed flats ranged in value from £389,000 to £480,000 (£639 per sq ft to £805 per sq ft)
- 2-bed flats ranged in value from £441,000 to £871,000 (£591 per sq ft to £840 per sq ft)

Darwin Green, Huntingdon Road, Cambridge

Darwin Green is a development of 1,593 dwellings being delivered by BDW. The development is located between Huntingdon Road and Histon Road on the northern fringe of Cambridge.

The majority of this development comprises traditional two and three-storey houses with a limited number of apartments. Many of the apartments are provided to satisfy the section 106 affordable housing requirement for the site, and other blocks have been sold to rental investors.

We consider this development to provide strong evidence of new build values on the outskirts of Cambridge. We highlight that Darwin Green is a less desirable location than Hanover & Princess Court and we would therefore expect prices to be comparatively lower.

We have obtained Land Registry data from 5 sale transactions that have completed since 01 January 2024 and established that the prices achieved have been as follows:

- 1no one-bed flat achieved £330,000 (£697 per sq ft)
- 4no two-bed flats ranged in value from £318,000 to £400,000 (£484 per sq ft to £601 per sq ft)

Marleigh, Newmarket Road, Cambridge

We have also had regard to exchanged prices at Marleigh, which is a new development of 1,300 dwellings on the eastern side of Cambridge. The development is being constructed by Hill. The development comprises a mixture of apartments and houses and features a new primary school and shops.

We highlight that Marleigh is located on the eastern edge of Cambridge, which is generally a less desirable location than Hanover & Princess Court and we would therefore expect prices to be comparatively lower.

We have reviewed the publicly available transactional evidence for Marleigh at HM Land Registry and established that the most recent transactions currently listed date from 2024, comprising 5 one-bed flats and 6 two-bed flats as follows:

1-bed flats ranged in value from £295,000 to £330,000 (£534 per sq ft to £613 per sq ft)
2-bed flats ranged in value from £335,000 to £440,000 (£472 per sq ft to £569 per sq ft)

Warkworth Lodge, Warkworth Street, Cambridge - 9 apartments

A small development comprising high-specification renovation of Warkworth Lodge, located on one of the most desirable streets in the City, close to Parker's Piece.

Nine, 1 & 2-bedroom apartments were refurbished by Blues Property to retain many original Victorian features, such has large sash windows, high ceilings and deep skirtings, all coupled with superior finishes and fixtures.

We consider this development to provide strong evidence of new build values in the centre of Cambridge, although as a smaller development we would expect it to achieve higher values that the proposed development at Hanover & Princess Court.

Information from HM Land Registry is included below:

- Flat 3 –One-bed flat of 452 sq ft sold for £395,000 (£874 / sq ft) on 28/11/24
- Flat 6 –One-bed flat bf 452 sq ft sold for £395,000 (£874 / sq ft) on 01/06/24

Two bed flats sold in this development ranged in price from £525,000 to £615,000 (£690 per sq ft to £797 per sq ft).

The final flat to be sold in this development went under offer in May 2025. A one-bed apartment at 520 sq ft achieved a sale price of £369,000 equating to £710 per sq ft.

1.2 Second hand transactions

Accordia, Brooklands Avenue, Cambridge

A development of 378 dwellings in a mixture of flats and houses which won the prestigious Stirling Prize, awarded by the Royal Institute of British Architects (RIBA) in 2008. Constructed by Countryside Properties and Redeham Homes in three phases designed by Feilden Clegg Bradley Studios, Maccreanor Lavington, and Alison Brooks Architects.

The scheme is designed around a series of communal gardens, intended to bring residents together. Private outside space was delivered through terraces and internal courtyards, and a range of floorplans and property sizes ensured the development attracted a mix of demographics for the mixed-tenure properties.

We consider this development to provide strong evidence of prime new build values in the centre of Cambridge, on a site located close to the subject Site. We would expect it to achieve higher values than the proposed development at Hanover & Princess Court.

Recent re-sale transactions involving two-bed flats at Accordia have been confirmed by HM Land Registry as follows:.

- 5 The Glass Building –Two-bed flat at 840sq ft sold for £620,000 (£738 / sq ft) on 19/09/24
- 2 The Glass Building –Two-bed flat at 786sq ft sold for £599,950 (£764 / sq ft) on 03/10/24
- 2 The Steel Building –Two-bed flat at 762sq ft sold for £640,000 (£762 / sq ft) on 09/02/23

Savills Research team has calculated the median residential transaction value per square feet for each postcode district and each postcode sector in the UK based on the 12 months to the latest release of HM Land Registry Price Paid data.

The median sq ft. price for the postcode sector where the subject property is located (CB2 1) taken from 15 sale transactions in the past 12 months is **£690 per sq ft.** However, only two of those transactions involved apartments.

We have therefore widened our area of search to 1.0 mile of the site and have noted that marketed sale transactions for 22 one-bed or two-bed apartments have been registered at HM Land Registry since 01 January 2025. We include these transactions in the list below and note the following:

Type	Transactions	Avg unit size (sq ft)	Avg price achieved (£)	Avg price achieved (£/sq ft)
1 bed flat	9	518	£286,000	£551
2 bed flat	13	705	£398,500	£566

Recent transactions from the full list below that we consider to be of particular relevance for the Site are:

- **150 Eagle Street** –a one-bed flat of 570 sq ft that is located in the 'Ironworks' Development, off Mill Road, Cambridge. Constructed by Cambridge Investment Partnership to a very similar specification as the proposed development at the Site. The flat was sold for £390,000 (£684 per sq ft) in March 2025.
- **24 Watson House, Mill Park** - a one-bed flat of 506 sq ft in the Station Square development and constructed to a very similar specification as the proposed development at the Site. The flat was sold for £335,000 (£662 per sq ft) in February 2025.
- **10 Flamsteed Close** –a two-bed flat of 570 sq ft that is located in the 'Ironworks' Development, off Mill Road, Cambridge. Constructed by Cambridge Investment Partnership to a very similar specification as the proposed development at the Site. The flat was sold for £475,000 (£669 per sq ft) in January 2025.
- **10 Clara Rackham Street** –a two-bed flat of 786 sq ft also located in the 'Timberworks' Development. The flat was sold for £415,000 (£528 per sq ft) in March 2025.
- **370 Clara Rackham Street** –a two-bed flat of 764 sq ft also located in the 'Timberworks' Development off Cromwell Road. The flat was sold for £458,000 (£599 per sq ft) in March 2025.
- **5 Watson House, Mill Park** - a two-bed flat of 678 sq ft that is located in the Station Square development. The flat was sold for £465,000 (£686 per sq ft) in January 2025.

address	postcode	Sqft	EPC	date	value	type	Beds	ps
351, Glenalmond Avenue	CB2 8DT	657	B	12/06/2025	365,000	Flat	2 bed flat	556
68, Ravensworth Gardens	CB1 2XN	592	C	30/05/2025	345,000	Flat	1 bed flat	583
5 Applecourt, Newton Road	CB2 8AN	753	D	29/05/2025	415,000	Flat	2 bed flat	551
Flat 17 Millcroft Court, Mill Road	CB1 3PE	484	C	22/05/2025	192,500	Flat	1 bed flat	397
360, Glenalmond Avenue	CB2 8DT	657	B	15/05/2025	373,500	Flat	2 bed flat	568
Flat 5 Epworth Court, King Street	CB1 1LR	452	C	03/04/2025	225,000	Flat	1 bed flat	498
58 Winstanley Court, Cromwell Road	CB1 3UR	581	C	31/03/2025	280,000	Flat	1 bed flat	482
353, Glenalmond Avenue	CB2 8DT	657	B	28/03/2025	350,000	Flat	2 bed flat	533
148 St. Matthews Gardens	CB1 2PT	764	B	28/03/2025	320,000	Flat	2 bed flat	419
370 Clara Rackham Street	CB1 3FN	764	B	28/03/2025	458,000	Flat	2 bed flat	599
6, Ravensworth Gardens	CB1 2XL	545	C	26/03/2025	330,001	Flat	1 bed flat	605
23 Applecourt, Newton Road	CB2 8AN	764	E	24/03/2025	410,000	Flat	2 bed flat	536
150 Eagle Street	CB1 2GL	570	B	21/03/2025	390,000	Flat	1 bed flat	684
19, St. Pauls Walk	CB1 2EX	614	D	20/03/2025	340,000	Flat	2 bed flat	554
Flat 2, 29 Occupation Road	CB1 2LQ	635	B	14/03/2025	390,000	Flat	2 bed flat	614
10 Clara Rackham Street	CB1 3FJ	786	B	06/03/2025	415,000	Flat	2 bed flat	528
24 Watson House, 4 Mill Park	CB1 2FH	506	B	19/02/2025	335,000	Flat	1 bed flat	662
Flat 5, 164 Coleridge Road	CB1 3PR	732	C	19/02/2025	405,000	Flat	2 bed flat	553
Flat 32, Millcroft Court, Mill Road	CB1 3PE	506	D	14/02/2025	180,000	Flat	1 bed flat	356
182 Glenalmond Avenue	CB2 8DH	431	B	14/02/2025	300,000	Flat	1 bed flat	697
5 Watson House, 4 Mill Park	CB1 2FH	678	B	31/01/2025	465,000	Flat	2 bed flat	686
10, Flamsteed Close	CB1 3FD	710	B	06/01/2025	475,000	Flat	2 bed flat	669

Full list of Land Registry Apartment Transactions (1.0mile, Jan 2025 – Dec 2025)

1.3 Summary of Comparable evidence

Having reviewed the above we consider that the proposed development at Hanover & Princess Court will achieve values that are higher than the new-build and re-sale values achieved at Darwin Green, Marleigh, Timberworks but lower than the new build and re-sale values achieved at Eddington, Warkworth Lodge and Accordia. The values are likely to be more closely correlated to those achieved at Station Square and the Ironworks developments.

However, we note that in Cambridge, 2025 was a year of lower than normal transactional activity (around 30% lower), particularly in the apartment market. The HM Land Registry data shows the average price of an apartment in the City falling by around 5% between Oct 2024 and October 2025 and it is reasonable to assume that if the same properties listed above were offered to the market now, they would achieve a lower price.

1.4 Residential Market Conditions

The UK political and economic environment continues to evolve rapidly, creating a complex landscape. Moreover, ongoing geopolitical tensions worldwide add to the uncertainty, with the possibility of sudden escalation that could significantly affect global trade, economies, and property values.

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

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

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

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

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

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

Supply remains constrained and this is likely to continue, with the Budget further reducing the profitability of being a landlord. The 2% increase to tax on property income introduced in the Budget will further erode the returns of buy to let investors, which is likely to lead to fewer homes being available to rent. Timings have also been confirmed for the abolition of Section 21 notice, coming into effect on 1st May 2026. How well this transition works for landlords will be a further determinant of future rental supply.ose across England and Wales in Q3, suggesting there is greater commitment from those remaining in the market.

The outlook for the UK housing market continues to evolve, and it is therefore important to recognise that our report has been prepared against the backdrop outlined above. Moreover, investor behaviour can change quickly during such periods of volatility. As such the conclusions set out in this report are only valid at the date of the report and we would recommend that the value of the Site is kept under regular review.

1.5 Proposed Development - Market Sale Housing Values

In light of the above evidence, we have valued the proposed open market dwellings as follows:

Market Sale Housing								
Block	Units	Type	Accessibility	NIA Sq ft per Unit	Total Sq ft	Unit Price (£)	Unit Price (£ / sq ft)	GDV (£)
B	22	1B2P	M(4)2	542	11,924	£ 350,000	£ 646	£ 7,700,000
B	4	2B4P	M(4)2	757	3,028	£ 475,000	£ 627	£ 1,900,000
B	4	2B4P	M(4)2	765	3,060	£ 475,000	£ 621	£ 1,900,000
B	6	2B4P	M(4)2	778	4,668	£ 475,000	£ 611	£ 2,850,000
B	5	2B4P	M(4)2	812	4,060	£ 490,000	£ 603	£ 2,450,000
Block B (Total / Avg)	**41**			**652**	**26,740**	**£ 409,756**	**£ 628**	**£ 16,800,000**
C	24	1B2P	M(4)2	543	13,032	£ 350,000	£ 645	£ 8,400,000
C	5	2B4P	M(4)2	758	3,790	£ 475,000	£ 627	£ 2,375,000
C	5	2B4P	M(4)2	765	3,825	£ 475,000	£ 621	£ 2,375,000
C	6	2B4P	M(4)2	777	4,662	£ 475,000	£ 611	£ 2,850,000
C	4	2B4P	M(4)2	812	3,248	£ 490,000	£ 603	£ 1,960,000
C	1	2B4P	M(4)2	823	823	£ 490,000	£ 595	£ 490,000
Block C (Total / Avg)	**45**			**653**	**29,380**	**£ 410,000**	**£ 628**	**£ 18,450,000**
E	3	1B2P		539	1,617	£ 350,000	£ 649	£ 1,050,000
E	4	1B2P		549	2,196	£ 350,000	£ 638	£ 1,400,000
Block E (Total / Avg)	**7**			**545**	**3,813**	**£ 350,000**	**£ 643**	**£ 2,450,000**
SCHEME (TOTAL / AVG)	93			644	59,933	£ 405,376	£ 629	£ 37,700,000

Our opinion of total value of the Market Sale Housing is **£37,700,000**. Our opinion of the GDV of the open market dwellings equates to an average sale price of **£629 per sq ft.** This is higher than the most recent sales achieved at the Darwin Green, Marleigh and Timberworks developments, but lower than the most recent sales in the developments at Eddington, Warkworth Lodge and Accordia. It is very similar to the values achieved on the completed developments at Station Square and Ironworks.

1.6 Proposed Development –Affordable Housing Values

In preparing our appraisal of a scheme of 40% affordable housing, as instructed by the Applicant we have assumed a policy compliant tenure split that aligns with the Greater Cambridge Housing Strategy 2024-2029.

The Council's preferred tenure mix is set out in paragraph 2.6 of Annexe 2 as follows:

2.6 Taking into account the viability of a scheme, we are looking to address this by seeking the following tenure split on new developments:

- 75% of the 40% affordable housing requirement to be Affordable/Social Rent. On S.106 sites above 15 homes at least 10% (of the 75%) to be allocated for Social Rent.
- 25% of the 40% affordable housing requirement will typically be for shared ownership where it is sufficiently affordable to meet local needs, although other types of tenure may be considered on individual schemes on a case-by-case basis.

Annexe 4 goes on to explain the Council's Affordable Rents Policy with "Affordable Rent" defined as rent that does not exceeding 60% Market Rent or the LHA, whichever is the lower and "Intermediate Rent" defined as rent that does not exceed 80% of Market Rent.

In order to arrive at the Market Value of the Investment Value (package price) of the affordable units we have undertaken an investment valuation based on the assumed affordable tenure of the homes.

In our assessment, we have assumed that the affordable units are split as follows:

- 8 units (11% of the affordable units) let at Social Rent;
- 46 units (64% of the affordable units) let at rents (inclusive of any applicable scheme service charges) that do not exceed 60% of the Gross Median Market Rent, capped at Local Housing Allowance;
- 18 units (25% of the affordable units) let at Affordable Rents (inclusive of any applicable scheme service charges) that do not exceed 80% of the Gross Median Market Rent.[1]

[1] Although the Council's housing strategy refers to 25% of the requirement typically being for shared ownership, in this instance, that would not be practical and an RP would not want to deliver a housing block that comprises a mix of shared ownership and rented housing. For this reason, we have assumed that 18 units will be delivered at Affordable Rent (capped at 80% of Gross Median Market Rent) which is also a form of Intermediate tenure and would therefore be acceptable to the Council.

We have assumed the following unit tenure mix and Open Market Values and Market Rents:

Affordable Housing														
Block	Units	Type	Tenure	Cap	Accessibility	NIA Sq ft per Unit	NIA Sq m per Unit	Total Sq ft	Total Sq m	MV-VP (£/ Unit)	MV-VP (£/sq ft)	MV-VP (Total £)	MR (£/pcm)	Total MR (£/pa)
A	19	1B2P	Aff Rent	LHA	M(4)2	543	50.4	10,317	957.6	£350,000	£ 645	£ 6,650,000	£ 1,650	£ 376,200
A	1	1B2P	Social Rent		M(4)3	763	70.9	763	70.9	£425,000	£ 557	£ 425,000	£ 1,650	£ 19,800
A	4	2B4P	Aff Rent	LHA	M(4)2	733	68.1	2,932	272.4	£475,000	£ 648	£ 1,900,000	£ 2,150	£ 103,200
A	4	2B4P	Aff Rent	LHA	M(4)2	749	69.6	2,996	278.4	£475,000	£ 634	£ 1,900,000	£ 2,150	£ 103,200
A	4	2B4P	Aff Rent	80% MR	M(4)2	772	71.7	3,088	286.8	£490,000	£ 635	£ 1,960,000	£ 2,150	£ 103,200
A	1	2B4P	Social Rent		M(4)3	845	78.5	845	78.5	£490,000	£ 580	£ 490,000	£ 2,150	£ 25,800
A	1	3B5P	Aff Rent	LHA	M(4)2	927	86.1	927	86.1	£550,000	£ 593	£ 550,000	£ 2,500	£ 30,000
A	2	3B5P	Social Rent		M(4)2	927	86.1	1,854	172.2	£550,000	£ 593	£ 1,100,000	£ 2,500	£ 60,000
A	1	3B5P	Aff Rent	80% MR	M(4)2	927	86.1	927	86.1	£550,000	£ 593	£ 550,000	£ 2,500	£ 30,000
Block A (Total / Avg)	**37**							**24,649**	**2,289**	**£419,595**	**£ 630**	**£ 15,525,000**	**£ 1,918**	**£ 851,400**
D	9	1B2P	Aff Rent	LHA	M(4)2	543	50.5	4,887	454.5	£350,000	£ 645	£ 3,150,000	£ 1,650	£ 178,200
D	8	1B2P	Aff Rent	80% MR	M(4)2	577	53.6	4,616	428.8	£350,000	£ 607	£ 2,800,000	£ 1,650	£ 158,400
D	1	1B2P	Social Rent		M(4)2	763	70.9	763	70.9	£425,000	£ 557	£ 425,000	£ 1,650	£ 19,800
D	2	2B4P	Aff Rent	LHA	M(4)2	733	68.1	1,466	136.2	£475,000	£ 648	£ 950,000	£ 2,150	£ 51,600
D	2	2B4P	Aff Rent	80% MR	M(4)2	733	68.1	1,466	136.2	£475,000	£ 648	£ 950,000	£ 2,150	£ 51,600
D	2	2B4P	Aff Rent	LHA	M(4)2	749	69.6	1,498	139.2	£475,000	£ 634	£ 950,000	£ 2,150	£ 51,600
D	2	2B4P	Aff Rent	80% MR	M(4)2	749	69.6	1,498	139.2	£475,000	£ 634	£ 950,000	£ 2,150	£ 51,600
D	1	2B4P	Social Rent		M(4)2	770	71.6	770	71.6	£475,000	£ 617	£ 475,000	£ 2,150	£ 25,800
D	4	2B4P	Aff Rent	LHA	M(4)2	770	71.6	3,080	286.4	£475,000	£ 617	£ 1,900,000	£ 2,150	£ 103,200
D	1	3B5P	Aff Rent	LHA	M(4)2	927	86.1	927	86.1	£550,000	£ 593	£ 550,000	£ 2,500	£ 30,000
D	2	3B5P	Social Rent		M(4)2	927	86.1	1,854	172.2	£550,000	£ 593	£ 1,100,000	£ 2,500	£ 60,000
D	1	3B5P	Aff Rent	80% MR	M(4)2	927	86.1	927	86.1	£550,000	£ 593	£ 550,000	£ 2,500	£ 30,000
Block D (Total / Avg)	**35**							**23,752**	**2,207**	**£421,429**	**£ 621**	**£ 14,750,000**	**£ 1,933**	**£ 811,800**
SCHEME (TOTAL / AVG)	72							48,401	4,496	£420,486	£ 626	£ 30,275,000	£ 1,925	£1,663,200

1.6.1 Investment Value and Package Price

In order to arrive at a Market Value of the Investment Value (package price) of affordable units we have undertaken an investment valuation based on the tenure of the homes. We detail our approach to valuation below.

Social Rent –Existing Use Value (Social Housing)

Social Rent is low cost rental social housing that is made available at rent levels based on a formula set by the government, which calculates a 'formula rent' for each property using property values and local earnings. Formula rents are exclusive of any service charges. An aim of this formula-based approach is to ensure that similar rents are charged for similar social rent properties. With the linkage to local incomes, Social Rent homes are the most affordable homes in most areas across the country.

In terms of rental growth, government policy has linked rents to changes in inflation. Up to 2014/2015, rents were permitted to grow by the Retail Price Index (RPI) plus 0.5% every year. During the 2013 Spending Round, the Coalition Government announced that from 2015/2016 rents would rise by the Consumer Price Index (CPI) plus 1% each year, with this formula to be applicable for 10 years.

The certainty of the 10-year settlement was short-lived. On 8 July 2015 the Chancellor announced that rents in social housing would be reduced by 1% a year for four years. The measure was forecast to save £1.4 billion by 2020-21, primarily in reduced Housing Benefit expenditure. Around 1.2 million tenants not in receipt of Housing Benefit in the social rented sector were expected to benefit by £700 per year (2015 prices).

This policy change was unexpected and greeted with some dismay by social landlords who had to model the impact on their business plans. The Office for Budget Responsibility (OBR) predicted an overall reduction in housing investment as a direct result of the policy. The measure was implemented through provisions contained in the Welfare Reform and Work Act 2016.

On 4 October 2017, DCLG announced “increases to social housing rents will be limited to the Consumer Price Index plus 1% for 5 years from 2020.” This marked a return to the rent setting approach which was to apply for ten years from 2015 before being replaced with rent reductions from April 2016.

The sector had been lobbying for a return to an inflation-linked settlement, so the announcement was welcomed. The Policy statement on rents for social housing (PDF) set out the Government’s policy on rents for social housing from 1 April 2020 onwards.

The government announced in the 2025 Spring statement a 10-year rent settlement which will see social housing rents rise by Consumer Price Index (CPI) plus 1% a year. We have therefore applied CPI +1 in our models into perpetuity.

Indicative Existing Use Value (EUV) as at January 1999

Social Rented stock is valued on the basis of Existing Use Value (Social Housing) (“EUV-SH”), which is calculated through an assessment of the net rental income from the properties making allowances for management, maintenance and major repair costs.

Rental levels are calculated as Target Rents in line with Housing Corporation Rent Restructuring advice and on the basis of January 1999 Market Values (subject to Vacant Possession).

January 1999 Market Values can be calculated using a variety of methods. Indices such as Land Registry, Nationwide and Halifax provide price growth at different regional and local authority levels to current day values. Using comparable transactions at an individual unit level is also a method used, albeit this is not always possible in areas where new neighbourhoods have been established where once there may have been open undeveloped land or alternative non-residential uses (e.g. industrial).

To understand the indicative EUV as at January 1999 we have analysed current market values and then discounted them by an appropriate rate to provide an estimate of value of the same unit if provided in January 1999.

The discount rate we applied has been derived from:

- An assessment of all dwelling values generated by Land Registry and Nationwide data within the District at January 1999, relative to current figures. We have also considered actual comparables from the local area. Based on these indices we believe that a divisor of 4.2 is appropriate for the flats.

The January 1999 values are provided on an indicative basis and solely for the calculation of rental levels for social housing, as set out in the Housing Corporation’s Rent Influencing Regime: Implementing the rent restructuring framework (October 2001).

1.6.2 Investment Methodology –Social Rent

The basis of value for the social rent units is Existing Use Value –Social Housing ("EUV-SH") using the rents derived using the target rent formula. This value is then used to calculate the net rental income from the properties making allowances for management, maintenance and major repair costs. The net cashflow is then discounted back to present day to provide the value of the properties.

Our assumptions in calculating EUV-SH for the SR units are as follows:

Rental growth

Year	Assumption	Nominal Rate Applied
1	CPI + 1%	4.80%
2	CPI + 1%	3.30%
3	CPI + 1%	3.20%
4	CPI + 1%	3.20%
5 and Long Term	CPI + 1%	3.00%

Other Assumptions

Cash Flow Input	Element
Voids and Bad Debts	2%
Maintenance Per Unit (pa)	£1,000
Management Per Unit (pa)	£600
Programmed Repair Costs (average pa across cashflow)	£780
Service Charge (assumed as revenue deduction)	Cost / Revenue
Discount Rate (real)	4.70%

Net Income Summary

Item	Rent pa (£)
Units	8
Gross Rent	£75,026
Gross Rent after voids	£73,272
Minus Yr 1 Operating Costs	
Maintenance	£8,000
Management	£4,800
Net Rental	**£60,472**

Existing Use Value (Social Housing) ("EUV-SH") of the freehold interest in the 8 Social Rent units is summarised below:

No. of Units	EUV-SH	Per unit	% OMV	NIY
8	£1,355,000	£169,545	34%	4.46%

It should be noted that these are not the figure that a Registered Provider would pay for the units as they would deduct their own internal costs for elements such as their own professional, marketing and letting fees, as well as other associated management and other costs to arrive at a price they would be willing to pay for the units (the 'package price'). These costs are referred to as on-costs and the standard industry assumption for a development of this nature is a deduction of between 5-10% from the total Net Present Value of the units.

In the case of these site we consider that the level of on-cost would be akin to the range quoted above. This is typical for a package of this nature. We have adopted on costs of 8%, which indicates the investment value (package price) in the region of:

No. of Units	Rounded Investment Value (Package Price)
8	£1,247,500

1.6.3 Investment Methodology –Affordable Rent

Affordable Rent stock is valued on the basis of Existing Use Value (Social Housing) ("EUV-SH"), which is calculated through an assessment of the net rental income from the properties making allowances for management, maintenance and major repair costs.

We have assumed 64% of the affordable units, which equates to 46 units, will be capped at Local Housing Allowance. We have assumed 25% of the affordable units, which equates to 18 units, will be let at Affordable Rents that do not exceed 80% of the Gross Median Market Rent.

Affordable Rent Units Capped at LHA

The scheme is located within Cambridge. We have adopted the LHAs as at December 2025 and include these below:

- One bedroom rate: £207.12 pw
- Two bedroom rate: £218.63 pw
- Three bedroom rate: £258.90 pw

Affordable Rent is inclusive of service charges. We have assumed a service charge of £3 per sqft. We have deducted this service charge from the LHA rates provided above.

Our assumptions in calculating EUV-SH for the Affordable Rent units capped at LHA are as follows:

Rental Growth

Year	Assumption	Nominal Rate Applied
1	CPI + 1%	4.80%
2	CPI + 1%	3.30%
3	CPI + 1%	3.20%
4	CPI + 1%	3.20%
5 and Long Term	CPI + 1%	3.00%

Other Assumptions

Cash Flow Input	Assumptions
Voids and Bad Debts	2.0%
Maintenance Per Unit (pa)	£1,000
Management Per Unit (pa)	£600
Programmed Repair Costs (average pa across cashflow)	£780
Service Charge (assumed as revenue deduction)	Cost / Revenue neutral
Discount Rate (real)	4.70%

Net Income Summary

Item	Rent pa (£)
Gross Rent	£424,761
Gross Rent after voids	£414,829
Minus Year 1 Operating Costs	
Maintenance	£46,000
Management	£27,600
Net Rental	**£341,229**

Existing Use Value (Social Housing) (‘EUV-SH’) of the freehold interest in the 43 Affordable Rent units capped at LHA is summarised below:

No. of Units	EUV-SH	Per unit	% OMV	NIY
46	£7,640,000	£166,087	41%	4.47%

Affordable Rent Units Capped at 80% of Market Rent

We have adopted the Market Rents as detailed in the report, which we have then capped at 80% of Market Rent. Affordable Rent is inclusive of service charges. We have assumed a service charge of £3 per sqft. We have deducted this service charge from the 80% Market Rents provided above.

Our assumptions on rental growth and other assumptions are as detailed above, with the net income summary as follows:

Net Income Summary

Item	Rent pa (£)
Gross Rent	£299,470
Gross Rent after voids	£292,468
Minus Year 1 Operating Costs	
Maintenance	£18,000
Management	£10,800
Net Rental	**£263,668**

Existing Use Value (Social Housing) ('EUV-SH') of the freehold interest in the 18 Affordable Rent units capped at 80% of Market Rent is summarised below:

No. of Units	EUV-SH	Per unit	% OMV	NIY
18	£5,597,500	£310,972	73%	4.71%

It should be noted that these are not the figures that a Registered Provider would pay for the units as they would deduct their own internal costs for elements such as their own professional, marketing and letting fees, as well as other associated management and other costs to arrive at a price they would be willing to pay for the units (the 'package price'). These costs are referred to as on-costs and the standard industry assumption for a development of this nature is a deduction of between 5-10% from the total Net Present Value of the units.

In the case of this site we consider that the level of on-cost would be akin to the range quoted above. This is typical for a package of this nature. We have adopted on costs of 8%, which indicates the package prices in the region of:

Tenure	No. of Units	Rounded Investment Value (Package Price)
Affordable Rent Units Capped at LHA	46	£7,030,000
Affordable Rent Units Capped at 80% of Market Rent	18	£5,150,000

1.6.4 Summary of Affordable Housing Values for the Proposed Development

We provide a summary below of the Market Value of the Investment Value (Package Price) below:

Element	Number of Units	Total
Market Value of the Investment Value (Package Price) of Social Rent units	8	£1,247,500
Market Value of the Investment Value (Package Price) of Affordable Rent units capped at LHA	46	£7,030,000
Market Value of the Investment Value (Package Price) of Affordable Rent units capped at 80% of Market Rent	18	£5,150,000
Total	72	**£13,427,500**

The value (package price) that we have assumed in our appraisal of the 72 units is **£13,427,500.** This reflects **£277 per sq.ft** blended between the tenures or **44.4% MV-VP.**

1.6.5 Affordable Housing Market Commentary

Section 106 Market Conditions

Registered providers across the UK face an extremely uncertain operating environment, as a consequence of ongoing macroeconomic shocks over the past three years, including Brexit, Covid-19, and Russia's invasion of Ukraine. Presently, high inflation, a tight labour market, and the residual impact of the pandemic on supply chains have increased costs for RPs. Borrowing costs have also increased, both from substantially rising interest rates and from widening spreads on debt. At the same time, income streams are facing greater than usual uncertainty. There are also continued headwinds in the housing market and the government are currently consulting on capping social housing rent increases.

Many registered providers are looking towards undertaking substantial investment into their existing stock to improve quality, building safety, and decarbonisation commitments, as well as continuing to invest in much needed new housing supply. As a result many registered providers are faced with reduced financial headroom which will undoubtedly reduce their capacity to cope with further financial shock if they are to continue to meet their requirements set out in legislation and regulatory standard for fiscal responsibility.

The challenges faced by registered providers have had a knock on effect on their growth programmes and therefore Section 106 activity. Two key trends are evident:

- RPs have less cash allocated for growth due to funding requirements in other parts of their business.
- Increased long term funding costs have resulted in RP's having to review their investment return parameters.

The above does not mean RPs are no longer in the market. However we are in a period of uncertainty where RPs are being more selective on the opportunities they pursue. Where RPs are more financially stretched, new debt raises are being delayed until funding rates improve, which has had a knock on effect on new business activity.

The financial pressures for RPs has meant housebuilders across the country are consistently seeing fewer offers for s106 packages. Where offers have been submitted, they are often being reviewed downwards on the back of revised investment parameters, as a result of the higher rate funding environment.

New entrant For Profit Registered Providers (FPRPs) have continued to be active, and there are a combination of new investment raises and further activity with new entrant investors. However, they are focussed on larger lot sizes and have not been able to fill the gap from the drop off from the Traditional RP market, particularly in regions where there historically have been a small number of dominant RPs active.

In some situations, housebuilders are receiving no offers for their Section 106 housing, forcing them to discuss off site payments with the respective local authorities. There have also been instances of developers entering dialogue with Local Authorities to look instead at providing at first homes, or discounted market houses in lieu of traditional tenures.

In summary the above issues are presenting viability challenges in developments, where previously assumed s106 valuations are not being achieved. The Section 106 market volatility will most likely remain whilst the higher interest rate environment remains. Greater liquidity may only come about when long term funding costs start to drop, and RPs go back at scale to the funding markets for new long-term debt.

In light of the above we are expecting the current conditions to remain for at least the next 12 months. Whilst we have used all reasonable endeavours to ascertain the value of the S106 affordable housing package as at the valuation date, it is reported against a backdrop of market uncertainty and we recommend that this is kept under constant review.

Appendix 7
Argus Developer Appraisals

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Development Appraisal
Licensed Copy
16 January 2026

APPRAISAL SUMMARY	LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Appraisal Summary for Merged Phases 1 2 3

Currency in £

REVENUE					
Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
Social Rent	8	6,850	182.12	155,938	1,247,500
AR Capped at LHA	46	29,033	242.14	152,826	7,030,000
AR Capped at 80% of MR	18	12,521	411.31	286,111	5,150,000
Market Sale Units	93	59,955	628.80	405,376	37,700,000
Totals	**165**	**108,359**			**51,127,500**
NET REALISATION				**51,127,500**	

OUTLAY				
ACQUISITION COSTS				
Residualised Price			3,043,197	
Residualised Price (Negative land)			(8,956,586)	
				(5,913,390)
Legal Fee			50,000	
Building Safety Levy			345,220	
BNG Units			100,000	
				495,220
CONSTRUCTION COSTS				
Construction	**ft²**	**Build Rate ft²**	**Cost**	
Social Rent	9,305	229.00	2,130,739	
AR Capped at LHA	39,436	229.00	9,030,911	
AR Capped at 80% of MR	17,008	229.00	3,894,742	
Market Sale Units	80,321	277.00	22,248,917	
Totals	**146,069 ft²**		**37,305,309**	
Contingency		5.00%	1,865,265	
Site clearance & Demolition			945,000	
				40,115,575
Other Construction Costs				
Abnormals			70,000	
External Works			965,167	
Drainage			630,046	
BWIC Services			105,920	
				1,771,133
Section 106 Costs				
Section 106 Costs			600,000	
Section 106 Costs - Indexation			30,000	
				630,000
PROFESSIONAL FEES				
Planning, design fees & insurance			1,939,902	
				1,939,902
DISPOSAL FEES				
Sales Agent Fee		1.50%	565,500	
Marketing costs		1.50%	565,500	
Sales Legal Fee - Affordable		0.25%	33,569	
Sales Legal Fee - Market Sale		0.50%	188,500	
				1,353,069
TOTAL COSTS BEFORE FINANCE				**40,391,509**

FINANCE
Debit Rate 7.2500%, Credit Rate 0.0000% (Nominal)

Total Finance Cost		1,916,935
TOTAL COSTS		**42,308,444**
PROFIT		
		8,819,056
Performance Measures		
Profit on Cost%	20.84%	
Profit on GDV%	17.25%	

ASSUMPTIONS AND DEFAULTS LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Assumptions

Expenditure

Professional Fees are based on Construction
(Manual relations applied to some Professional Fees)
Purchaser's Costs are based on Gross Capitalisation
Purchaser's Costs Deducted from Sale (Not added to Cost)
Sales Fees are based on Net Capitalisation
Sales Fees Added to Cost (Not deducted from Sale)
Purchaser's Costs exclude sales

Receipts

Show tenant's true income stream	On
Offset income against development costs	Off
Rent payment cycle	Quarterly (Adv)
Apply rent payment cycle to all tenants	On
Renewal Void and Rent Free apply to first renewal only	Off
Growth starts from lease start date	Off
Deduct Ground Rent from Stepped Rent,	On
Initial Yield Valuation Method	Off
Default Capitalisation Yield	0.0000%
Apply Default Capitalisation to All Tenants	Off
Default stage for Sale Date	Off
Align end of income stream to Sale Date	Off
Apply align end of income stream to all tenants	On
When the Capital Value is modified in the cash flow	Recalculate the Yield
Valuation Tables are	Annually in Arrears
Deduct Post-Sale TI Costs & Lease Comm. from Cap. Value	Off
Rent Free method	Defer start of Tenant's Rent

Finance

Financing Method	Basic (Interest Sets)
Interest Compounding Period	Quarterly
Interest Charging Period	Monthly
Nominal rates of interest used	
Calculate interest on Payments/Receipts in final period	Off
Include interest and Finance Fees in IRR Calculations	Off
Automatic Inter-account transfers	Off
Manual Finance Rate for Profit Erosion	Off

Calculation

Site Payments	In Arrears
Other Payments	In Arrears
Negative Land	In Arrears
Receipts	In Advance
IRR Basis	Annual - calculated monthly
Initial IRR Guess Rate	8.00%
Manual Discount Rate	Off
Minimum IRR	-100%
Maximum IRR	99999%
IRR Tolerance	0.001000
IRR Iterations	35
Land Residual Calculation Function	Interpolation method
Stop residual calculation when solution oscillates	Off
Letting and Rent Review Fees are calculated on	Net of Deductions
Development Yield and Rent Cover are calculated on	Rent at Sale Date(s)
Include Tenants with no Capital Value	On

Hanover Court & Princess Court
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Policy Compliant Scheme - Residual Land Value

Assumptions

Include Turnover Rent	Off
Net of Non-Recoverable costs	On
Net of Ground Rent deductions	On
Net of Rent Additions/Costs	On
Leasing Commissions are calculated	After Non-Recoverable cost deductions For the First Term of the lease only

Value Added Tax

Global VAT Rate	0.00%
Global Recovery Rate	0.00%
Recovery Cycle every	2 months
1st Recovery Month	2 (Feb 2026)
VAT Calculations in Cash Flow	On
GST Margin Calculations in Cash Flow	Off

Residual

Land Cost Mode	Residualised Land Value
Multi-Phasing	Separate Land Residual for each phase
Target Type	Profit on Cost

Phase Number	Target Value	Locked Value	Treat Neg Land as Revenue
1. Enabling Works	0.00%	No	No
2. Affordable Blocks A & D	6.00%	No	No
3. Market Sale Blocks B, C and E	25.00%	No	No

Distribution

Construction Payments are paid on	S-Curve
Sales Receipts are paid on	Single curve
Sales Deposits are paid on	Monthly curve

Interest Sets

Interest Set 1

Debit Rate	Credit Rate	Months	Start Date
7.2500%	0.0000%	Perpetuity	Jan 2026

Loan Set 1

Debit Rate	Credit Rate	Months	Start Date
0.0000%	0.0000%	Perpetuity	Jan 2026

Inflation and Growth

Growth Sets

Growth Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.0000%	Perpetuity	Jan 2026

ASSUMPTIONS AND DEFAULTS LICENSED COPY

Hanover Court & Princess Court
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Policy Compliant Scheme - Residual Land Value

Assumptions

Inflation Sets

Inflation Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.0000%	Perpetuity	Jan 2026

Hanover Court & Princess Court
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Policy Compliant Scheme - Residual Land Value

Detailed Cash flow (Merged Phases)

	001:Jan 2026	002:Feb 2026	003:Mar 2026	004:Apr 2026	005:May 2026
Monthly B/F	0	5,631,255	5,631,255	5,631,255	5,631,255
Phase 2 - Revenue					
Sale - AR Capped at 80% of MR	0	0	0	0	0
Sale - AR Capped at LHA	0	0	0	0	0
Sale - Social Rent	0	0	0	0	0
Phase 3 - Revenue					
Sale - Market Sale Units	0	0	0	0	0
Phase 2 - Disposal Costs					
Sales Legal Fee - Affordable	0	0	0	0	0
Phase 3 - Disposal Costs					
Sales Agent Fee	0	0	0	0	0
Marketing costs	0	0	0	0	0
Sales Legal Fee - Market Sale	0	0	0	0	0
Phase 2 - Unit Information					
Social Rent					
AR Capped at LHA					
AR Capped at 80% of MR					
Phase 3 - Unit Information					
Market Sale Units					
Phase 1 - Acquisition Costs					
Residualised Price	5,781,255	0	0	0	0
Legal Fee	(50,000)	0	0	0	0
Building Safety Levy	0	0	0	0	(345,220)
BNG Units	(100,000)	0	0	0	0
Phase 2 - Acquisition Costs					
Residualised Price	0	0	0	0	3,175,331
Phase 3 - Acquisition Costs					
Residualised Price	0	0	0	0	(3,043,197)
Phase 1 - Construction Costs					
Site clearance & Demolition	0	0	0	0	0
Abnormals	0	0	0	0	0
External Works	0	0	0	0	0
Drainage	0	0	0	0	0
BWIC Services	0	0	0	0	0
Section 106 Costs	0	0	0	0	0
Section 106 Costs - Indexation	0	0	0	0	0
Phase 2 - Construction Costs					
Con. - Social Rent	0	0	0	0	0
Con. - AR Capped at LHA	0	0	0	0	0
Con. - AR Capped at 80% of MR	0	0	0	0	0
Contingency	0	0	0	0	0
Phase 3 - Construction Costs					
Con. - Market Sale Units	0	0	0	0	0
Contingency	0	0	0	0	0
Phase 1 - Professional Fees					
Planning, design fees & insurance	0	0	0	0	0
Net Cash Flow Before Finance	**5,631,255**	**0**	**0**	**0**	**(213,085)**
Debit Rate 7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
Credit Rate 0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Finance Costs (All Sets)	0	0	0	0	0
Net Cash Flow After Finance	**5,631,255**	**0**	**0**	**0**	**(213,085)**
Cumulative Net Cash Flow Monthly	5,631,255	5,631,255	5,631,255	5,631,255	5,418,170

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

006:Jun 2026	007:Jul 2026	008:Aug 2026	009:Sep 2026	010:Oct 2026	011:Nov 2026	012:Dec 2026
5,418,170	5,418,170	3,394,855	2,430,494	1,374,407	383,302	(373,841)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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	(945,000)	0	0	0	0	0
0	(10,350)	(22,025)	(23,337)	(14,288)	0	0
0	(42,305)	(100,406)	(140,648)	(163,031)	(167,555)	(154,220)
0	(93,160)	(198,237)	(210,050)	(128,600)	0	0
0	(15,662)	(33,326)	(35,312)	(21,620)	0	0
0	(600,000)	0	0	0	0	0
0	(30,000)	0	0	0	0	0
0	0	0	0	(23,150)	(52,813)	(79,014)
0	0	0	0	(98,118)	(223,841)	(334,894)
0	0	0	0	(42,315)	(96,536)	(144,429)
0	0	0	0	(8,179)	(18,659)	(27,917)
0	0	0	0	(91,283)	(188,323)	(279,498)
0	0	0	0	(4,564)	(9,416)	(13,975)
0	(286,837)	(610,367)	(646,740)	(395,957)	0	0
0	**(2,023,315)**	**(964,361)**	**(1,056,088)**	**(991,105)**	**(757,143)**	**(1,033,948)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
0	0	0	0	0	0	(2,259)
0	**(2,023,315)**	**(964,361)**	**(1,056,088)**	**(991,105)**	**(757,143)**	**(1,036,206)**
5,418,170	3,394,855	2,430,494	1,374,407	383,302	(373,841)	(1,410,047)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Detailed Cash flow (Merged Phases)

013:Jan 2027	014:Feb 2027	015:Mar 2027	016:Apr 2027	017:May 2027	018:Jun 2027	019:Jul 2027
(1,410,047)	(2,679,620)	(4,134,220)	(3,023,144)	(3,815,906)	(4,668,393)	(5,574,555)
0	0	1,030,000	332,673	371,886	399,918	416,766
0	0	1,406,000	519,235	550,190	569,101	575,967
0	0	249,500	92,140	97,633	100,989	102,207
0	0	0	0	0	0	0
0	0	(6,714)	(2,360)	(2,549)	(2,675)	(2,737)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(123,027)	(73,975)	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
(101,755)	(121,034)	(136,852)	(149,208)	(158,104)	(163,538)	(165,511)
(431,276)	(512,989)	(580,031)	(632,403)	(670,106)	(693,138)	(701,500)
(185,996)	(221,236)	(250,149)	(272,735)	(288,995)	(298,928)	(302,534)
(35,951)	(42,763)	(48,352)	(52,717)	(55,860)	(57,780)	(58,477)
(364,808)	(444,253)	(517,832)	(585,547)	(647,396)	(703,379)	(753,498)
(18,240)	(22,213)	(25,892)	(29,277)	(32,370)	(35,169)	(37,675)
0	0	0	0	0	0	0
(1,261,054)	**(1,438,462)**	**1,119,679**	**(780,201)**	**(835,669)**	**(884,599)**	**(926,992)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(8,519)	(16,138)	(8,604)	(12,561)	(16,818)	(21,563)	(27,064)
(1,269,573)	**(1,454,600)**	**1,111,075**	**(792,762)**	**(852,487)**	**(906,162)**	**(954,056)**
(2,679,620)	(4,134,220)	(3,023,144)	(3,815,906)	(4,668,393)	(5,574,555)	(6,528,611)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Detailed Cash flow (Merged Phases)

020:Aug 2027	021:Sep 2027	022:Oct 2027	023:Nov 2027	024:Dec 2027	025:Jan 2028	026:Feb 2028
(6,528,611)	(7,524,124)	(8,554,927)	(9,615,407)	(10,698,722)	(11,798,585)	(12,909,617)
422,432	416,915	400,216	372,334	333,269	283,021	221,591
570,787	553,563	524,294	482,980	429,621	364,217	286,769
101,288	98,232	93,038	85,707	76,238	64,632	50,888
0	0	0	0	0	0	0
(2,736)	(2,672)	(2,544)	(2,353)	(2,098)	(1,780)	(1,398)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(164,022)	(159,073)	(150,662)	(138,790)	(123,457)	(104,662)	(82,406)
(695,191)	(674,213)	(638,565)	(588,246)	(523,258)	(443,599)	(349,271)
(299,814)	(290,766)	(275,393)	(253,692)	(225,664)	(191,310)	(150,629)
(57,951)	(56,203)	(53,231)	(49,036)	(43,619)	(36,979)	(29,115)
(797,751)	(836,139)	(868,662)	(895,319)	(916,112)	(931,039)	(940,101)
(39,888)	(41,807)	(43,433)	(44,766)	(45,806)	(46,552)	(47,005)
0	0	0	0	0	0	0
(962,846)	**(992,163)**	**(1,014,941)**	**(1,031,182)**	**(1,040,885)**	**(1,044,050)**	**(1,040,677)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(32,668)	(38,641)	(45,538)	(52,133)	(58,978)	(66,982)	(74,212)
(995,514)	**(1,030,803)**	**(1,060,480)**	**(1,083,315)**	**(1,099,863)**	**(1,111,032)**	**(1,114,889)**
(7,524,124)	(8,554,927)	(9,615,407)	(10,698,722)	(11,798,585)	(12,909,617)	(14,024,506)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Detailed Cash flow (Merged Phases)

027:Mar 2028	028:Apr 2028	029:May 2028	030:Jun 2028	031:Jul 2028	032:Aug 2028	033:Sep 2028
(14,024,506)	(13,562,298)	(13,844,622)	(14,512,863)	(15,563,172)	(16,599,502)	(17,614,089)
148,978	0	0	0	0	0	0
197,275	0	0	0	0	0	0
35,007	0	0	0	0	0	0
1,621,505	810,753	405,376	0	0	0	0
(953)	0	0	0	0	0	0
(24,323)	(12,161)	(6,081)	0	0	0	0
(24,323)	(12,161)	(6,081)	0	0	0	0
(8,108)	(4,054)	(2,027)	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
(56,689)	0	0	0	0	0	0
(240,272)	0	0	0	0	0	0
(103,621)	0	0	0	0	0	0
(20,029)	0	0	0	0	0	0
(943,297)	(940,628)	(932,095)	(917,695)	(897,431)	(871,301)	(839,306)
(47,165)	(47,031)	(46,605)	(45,885)	(44,872)	(43,565)	(41,965)
0	0	0	0	0	0	0
533,987	**(205,284)**	**(587,511)**	**(963,580)**	**(942,303)**	**(914,866)**	**(881,272)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(71,778)	(77,041)	(80,730)	(86,729)	(94,027)	(99,721)	(105,248)
462,208	**(282,324)**	**(668,241)**	**(1,050,309)**	**(1,036,330)**	**(1,014,587)**	**(986,520)**
(13,562,298)	(13,844,622)	(14,512,863)	(15,563,172)	(16,599,502)	(17,614,089)	(18,600,609)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Detailed Cash flow (Merged Phases)

034:Oct 2028	035:Nov 2028	036:Dec 2028	037:Jan 2029	038:Feb 2029	039:Mar 2029	040:Apr 2029
(18,600,609)	(13,649,946)	(13,346,653)	(12,989,005)	(12,571,877)	(12,087,411)	(11,529,061)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
6,080,645	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0	0	0	0
(91,210)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(91,210)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(30,403)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(801,446)	(757,721)	(708,130)	(652,674)	(591,353)	(524,167)	(451,115)
(40,072)	(37,886)	(35,407)	(32,634)	(29,568)	(26,208)	(22,556)
0	0	0	0	0	0	0
5,026,304	**377,958**	**430,028**	**488,256**	**552,644**	**623,189**	**699,893**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(75,641)	(74,664)	(72,380)	(71,128)	(68,178)	(64,839)	(62,307)
4,950,663	**303,294**	**357,647**	**417,129**	**484,466**	**558,350**	**637,586**
(13,649,946)	(13,346,653)	(12,989,005)	(12,571,877)	(12,087,411)	(11,529,061)	(10,891,475)

DETAILED CASH FLOW LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Detailed Cash flow (Merged Phases)

041:May 2029	042:Jun 2029	043:Jul 2029	044:Aug 2029	045:Sep 2029	046:Oct 2029	047:Nov 2029
(10,891,475)	(10,166,797)	(9,348,370)	(8,617,575)	(7,488,416)	(6,352,166)	(5,209,632)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,216,129	1,216,129	810,753	1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0	0	0	0
(18,242)	(18,242)	(12,161)	(18,242)	(18,242)	(18,242)	(18,242)
(18,242)	(18,242)	(12,161)	(18,242)	(18,242)	(18,242)	(18,242)
(6,081)	(6,081)	(4,054)	(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(372,199)	(287,416)	0	0	0	0	0
(18,610)	(14,371)	0	0	0	0	0
0	0	0	0	0	0	0
782,756	**871,777**	**782,376**	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(58,079)	(53,350)	(51,581)	(44,405)	(37,315)	(31,030)	(23,940)
724,677	**818,428**	**730,795**	**1,129,159**	**1,136,249**	**1,142,534**	**1,149,625**
(10,166,797)	(9,348,370)	(8,617,575)	(7,488,416)	(6,352,166)	(5,209,632)	(4,060,008)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

048:Dec 2029	049:Jan 2030	050:Feb 2030	051:Mar 2030	052:Apr 2030	053:May 2030	054:Jun 2030
(4,060,008)	(2,903,293)	(1,739,921)	(569,460)	604,105	1,777,669	2,951,234
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,216,129	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0	0	0	0
(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(6,081)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
1,173,565	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(16,850)	(10,193)	(3,103)	0	0	0	0
1,156,715	**1,163,371**	**1,170,462**	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**
(2,903,293)	(1,739,921)	(569,460)	604,105	1,777,669	2,951,234	4,124,798

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1hJ
Policy Compliant Scheme - Residual Land Value

Detailed Cash flow (Merged Phases)

055:Jul 2030	056:Aug 2030	057:Sep 2030	058:Oct 2030
4,124,798	5,298,363	6,471,927	7,645,492
0	0	0	0
0	0	0	0
0	0	0	0
1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0
(18,242)	(18,242)	(18,242)	(18,242)
(18,242)	(18,242)	(18,242)	(18,242)
(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
1,173,565	**1,173,565**	**1,173,565**	**1,173,565**
7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%
0	0	0	0
1,173,565	**1,173,565**	**1,173,565**	**1,173,565**
5,298,363	6,471,927	7,645,492	8,819,056

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Development Appraisal
Licensed Copy
16 January 2026

APPRAISAL SUMMARY	LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Appraisal Summary for Merged Phases 1 2 3

Currency in £

REVENUE					
Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
Social Rent	8	6,850	182.12	155,938	1,247,500
AR Capped at LHA	46	29,033	242.14	152,826	7,030,000
AR Capped at 80% of MR	18	12,521	411.31	286,111	5,150,000
Market Sale Units	93	59,955	628.80	405,376	37,700,000
Totals	**165**	**108,359**			**51,127,500**
NET REALISATION				**51,127,500**	
OUTLAY					
ACQUISITION COSTS					
Fixed Price		2,350,000			
Fixed Price (1.87 Acres @ 1,256,684.49 /Acre)			2,350,000		
				2,350,000	
Legal Fee			50,000		
Building Safety Levy			345,220		
BNG Units			100,000		
				495,220	
CONSTRUCTION COSTS					
Construction	**ft²**	**Build Rate ft²**	**Cost**		
Social Rent	9,305	229.00	2,130,739		
AR Capped at LHA	39,436	229.00	9,030,911		
AR Capped at 80% of MR	17,008	229.00	3,894,742		
Market Sale Units	80,321	277.00	22,248,917		
Totals	**146,069 ft²**		**37,305,309**		
Contingency		5.00%	1,865,265		
Site clearance & Demolition			945,000		
				40,115,575	
Other Construction Costs					
Abnormals			70,000		
External Works			965,167		
Drainage			630,046		
BWIC Services			105,920		
				1,771,133	
Section 106 Costs					
Section 106 Costs			600,000		
Section 106 Costs - Indexation			30,000		
				630,000	
PROFESSIONAL FEES					
Planning, design fees & insurance			1,939,902		
				1,939,902	
DISPOSAL FEES					
Sales Agent Fee		1.50%	565,500		
Marketing costs		1.50%	565,500		
Sales Legal Fee - Affordable		0.25%	33,569		
Sales Legal Fee - Market Sale		0.50%	188,500		
				1,353,069	
TOTAL COSTS BEFORE FINANCE				**48,654,898**	
FINANCE					
Debit Rate 7.2500%, Credit Rate 0.0000% (Nominal)					
Total Finance Cost				4,692,128	

APPRAISAL SUMMARY	LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

TOTAL COSTS		**53,347,027**
PROFIT		
		(2,219,527)
Performance Measures		
Profit on Cost%	-4.16%	
Profit on GDV%	-4.34%	

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Assumptions

Expenditure

Professional Fees are based on Construction
(Manual relations applied to some Professional Fees)
Purchaser's Costs are based on Gross Capitalisation
Purchaser's Costs Deducted from Sale (Not added to Cost)
Sales Fees are based on Net Capitalisation
Sales Fees Added to Cost (Not deducted from Sale)
Purchaser's Costs exclude sales

Receipts

Show tenant's true income stream	On
Offset income against development costs	Off
Rent payment cycle	Quarterly (Adv)
Apply rent payment cycle to all tenants	On
Renewal Void and Rent Free apply to first renewal only	Off
Growth starts from lease start date	Off
Deduct Ground Rent from Stepped Rent,	On
Initial Yield Valuation Method	Off
Default Capitalisation Yield	0.0000%
Apply Default Capitalisation to All Tenants	Off
Default stage for Sale Date	Off
Align end of income stream to Sale Date	Off
Apply align end of income stream to all tenants	On
When the Capital Value is modified in the cash flow	Recalculate the Yield
Valuation Tables are	Annually in Arrears
Deduct Post-Sale TI Costs & Lease Comm. from Cap. Value	Off
Rent Free method	Defer start of Tenant's Rent

Finance

Financing Method	Basic (Interest Sets)
Interest Compounding Period	Quarterly
Interest Charging Period	Monthly
Nominal rates of interest used	
Calculate interest on Payments/Receipts in final period	Off
Include interest and Finance Fees in IRR Calculations	Off
Automatic Inter-account transfers	Off
Manual Finance Rate for Profit Erosion	Off

Calculation

Site Payments	In Arrears
Other Payments	In Arrears
Negative Land	In Arrears
Receipts	In Advance
IRR Basis	Annual - calculated monthly
Initial IRR Guess Rate	8.00%
Manual Discount Rate	Off
Minimum IRR	-100%
Maximum IRR	99999%
IRR Tolerance	0.001000
IRR Iterations	35
Land Residual Calculation Function	Interpolation method
Stop residual calculation when solution oscillates	Off
Letting and Rent Review Fees are calculated on	Net of Deductions
Development Yield and Rent Cover are calculated on	Rent at Sale Date(s)
Include Tenants with no Capital Value	On

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Assumptions

Include Turnover Rent	Off
Net of Non-Recoverable costs	On
Net of Ground Rent deductions	On
Net of Rent Additions/Costs	On
Leasing Commissions are calculated	After Non-Recoverable cost deductions For the First Term of the lease only

Value Added Tax

Global VAT Rate	0.00%
Global Recovery Rate	0.00%
Recovery Cycle every	2 months
1st Recovery Month	2 (Feb 2026)
VAT Calculations in Cash Flow	On
GST Margin Calculations in Cash Flow	Off

Residual

Land Cost Mode	Fixed Land Value

Distribution

Construction Payments are paid on	S-Curve
Sales Receipts are paid on	Single curve
Sales Deposits are paid on	Monthly curve

Interest Sets

Interest Set 1

Debit Rate	Credit Rate	Months	Start Date
7.2500%	0.0000%	Perpetuity	Jan 2026

Loan Set 1

Debit Rate	Credit Rate	Months	Start Date
0.0000%	0.0000%	Perpetuity	Jan 2026

Inflation and Growth

Growth Sets

Growth Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.0000%	Perpetuity	Jan 2026

Inflation Sets

Inflation Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.0000%	Perpetuity	Jan 2026

DETAILED CASH FLOW LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Detailed Cash flow (Merged Phases)

	001:Jan 2026	002:Feb 2026	003:Mar 2026	004:Apr 2026	005:May 2026
Monthly B/F	0	(2,500,000)	(2,515,104)	(2,530,208)	(2,545,495)
Phase 2 - Revenue					
Sale - AR Capped at 80% of MR	0	0	0	0	0
Sale - AR Capped at LHA	0	0	0	0	0
Sale - Social Rent	0	0	0	0	0
Phase 3 - Revenue					
Sale - Market Sale Units	0	0	0	0	0
Phase 2 - Disposal Costs					
Sales Legal Fee - Affordable	0	0	0	0	0
Phase 3 - Disposal Costs					
Sales Agent Fee	0	0	0	0	0
Marketing costs	0	0	0	0	0
Sales Legal Fee - Market Sale	0	0	0	0	0
Phase 2 - Unit Information					
Social Rent					
AR Capped at LHA					
AR Capped at 80% of MR					
Phase 3 - Unit Information					
Market Sale Units					
Phase 1 - Acquisition Costs					
Fixed Price	(2,350,000)	0	0	0	0
Legal Fee	(50,000)	0	0	0	0
Building Safety Levy	0	0	0	0	(345,220)
BNG Units	(100,000)	0	0	0	0
Phase 1 - Construction Costs					
Site clearance & Demolition	0	0	0	0	0
Abnormals	0	0	0	0	0
External Works	0	0	0	0	0
Drainage	0	0	0	0	0
BWIC Services	0	0	0	0	0
Section 106 Costs	0	0	0	0	0
Section 106 Costs - Indexation	0	0	0	0	0
Phase 2 - Construction Costs					
Con. - Social Rent	0	0	0	0	0
Con. - AR Capped at LHA	0	0	0	0	0
Con. - AR Capped at 80% of MR	0	0	0	0	0
Contingency	0	0	0	0	0
Phase 3 - Construction Costs					
Con. - Market Sale Units	0	0	0	0	0
Contingency	0	0	0	0	0
Phase 1 - Professional Fees					
Planning, design fees & insurance	0	0	0	0	0
Net Cash Flow Before Finance	**(2,500,000)**	**0**	**0**	**0**	**(345,220)**
Debit Rate 7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
Credit Rate 0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Finance Costs (All Sets)	0	(15,104)	(15,104)	(15,287)	(15,287)
Net Cash Flow After Finance	**(2,500,000)**	**(15,104)**	**(15,104)**	**(15,287)**	**(360,507)**
Cumulative Net Cash Flow Monthly	(2,500,000)	(2,515,104)	(2,530,208)	(2,545,495)	(2,906,002)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Detailed Cash flow (Merged Phases)

006:Jun 2026	007:Jul 2026	008:Aug 2026	009:Sep 2026	010:Oct 2026	011:Nov 2026	012:Dec 2026
(2,906,002)	(2,923,374)	(4,964,351)	(5,958,598)	(7,050,398)	(8,084,099)	(8,889,826)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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	(945,000)	0	0	0	0	0
0	(10,350)	(22,025)	(23,337)	(14,288)	0	0
0	(42,305)	(100,406)	(140,648)	(163,031)	(167,555)	(154,220)
0	(93,160)	(198,237)	(210,050)	(128,600)	0	0
0	(15,662)	(33,326)	(35,312)	(21,620)	0	0
0	(600,000)	0	0	0	0	0
0	(30,000)	0	0	0	0	0
0	0	0	0	(23,150)	(52,813)	(79,014)
0	0	0	0	(98,118)	(223,841)	(334,894)
0	0	0	0	(42,315)	(96,536)	(144,429)
0	0	0	0	(8,179)	(18,659)	(27,917)
0	0	0	0	(91,283)	(188,323)	(279,498)
0	0	0	0	(4,564)	(9,416)	(13,975)
0	(286,837)	(610,367)	(646,740)	(395,957)	0	0
0	**(2,023,315)**	**(964,361)**	**(1,056,088)**	**(991,105)**	**(757,143)**	**(1,033,948)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(17,372)	(17,662)	(29,886)	(35,713)	(42,596)	(48,584)	(53,158)
(17,372)	**(2,040,977)**	**(994,247)**	**(1,091,800)**	**(1,033,701)**	**(805,727)**	**(1,087,106)**
(2,923,374)	(4,964,351)	(5,958,598)	(7,050,398)	(8,084,099)	(8,889,826)	(9,976,932)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Detailed Cash flow (Merged Phases)

013:Jan 2027	014:Feb 2027	015:Mar 2027	016:Apr 2027	017:May 2027	018:Jun 2027	019:Jul 2027
(9,976,932)	(11,298,263)	(12,804,621)	(11,745,304)	(12,590,762)	(13,495,945)	(14,454,803)
0	0	1,030,000	332,673	371,886	399,918	416,766
0	0	1,406,000	519,235	550,190	569,101	575,967
0	0	249,500	92,140	97,633	100,989	102,207
0	0	0	0	0	0	0
0	0	(6,714)	(2,360)	(2,549)	(2,675)	(2,737)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(123,027)	(73,975)	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
(101,755)	(121,034)	(136,852)	(149,208)	(158,104)	(163,538)	(165,511)
(431,276)	(512,989)	(580,031)	(632,403)	(670,106)	(693,138)	(701,500)
(185,996)	(221,236)	(250,149)	(272,735)	(288,995)	(298,928)	(302,534)
(35,951)	(42,763)	(48,352)	(52,717)	(55,860)	(57,780)	(58,477)
(364,808)	(444,253)	(517,832)	(585,547)	(647,396)	(703,379)	(753,498)
(18,240)	(22,213)	(25,892)	(29,277)	(32,370)	(35,169)	(37,675)
0	0	0	0	0	0	0
(1,261,054)	**(1,438,462)**	**1,119,679**	**(780,201)**	**(835,669)**	**(884,599)**	**(926,992)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(60,277)	(67,896)	(60,362)	(65,258)	(69,514)	(74,259)	(80,716)
(1,321,331)	**(1,506,358)**	**1,059,317**	**(845,458)**	**(905,183)**	**(958,858)**	**(1,007,707)**
(11,298,263)	(12,804,621)	(11,745,304)	(12,590,762)	(13,495,945)	(14,454,803)	(15,462,511)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Detailed Cash flow (Merged Phases)

020:Aug 2027	021:Sep 2027	022:Oct 2027	023:Nov 2027	024:Dec 2027	025:Jan 2028	026:Feb 2028
(15,462,511)	(16,511,676)	(17,596,131)	(18,711,234)	(19,849,173)	(21,003,660)	(22,170,306)
422,432	416,915	400,216	372,334	333,269	283,021	221,591
570,787	553,563	524,294	482,980	429,621	364,217	286,769
101,288	98,232	93,038	85,707	76,238	64,632	50,888
0	0	0	0	0	0	0
(2,736)	(2,672)	(2,544)	(2,353)	(2,098)	(1,780)	(1,398)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
(164,022)	(159,073)	(150,662)	(138,790)	(123,457)	(104,662)	(82,406)
(695,191)	(674,213)	(638,565)	(588,246)	(523,258)	(443,599)	(349,271)
(299,814)	(290,766)	(275,393)	(253,692)	(225,664)	(191,310)	(150,629)
(57,951)	(56,203)	(53,231)	(49,036)	(43,619)	(36,979)	(29,115)
(797,751)	(836,139)	(868,662)	(895,319)	(916,112)	(931,039)	(940,101)
(39,888)	(41,807)	(43,433)	(44,766)	(45,806)	(46,552)	(47,005)
0	0	0	0	0	0	0
(962,846)	**(992,163)**	**(1,014,941)**	**(1,031,182)**	**(1,040,885)**	**(1,044,050)**	**(1,040,677)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(86,319)	(92,292)	(100,162)	(106,757)	(113,602)	(122,596)	(129,826)
(1,049,165)	**(1,084,455)**	**(1,115,104)**	**(1,137,939)**	**(1,154,487)**	**(1,166,646)**	**(1,170,503)**
(16,511,676)	(17,596,131)	(18,711,234)	(19,849,173)	(21,003,660)	(22,170,306)	(23,340,809)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Detailed Cash flow (Merged Phases)

027:Mar 2028	028:Apr 2028	029:May 2028	030:Jun 2028	031:Jul 2028	032:Aug 2028	033:Sep 2028
(23,340,809)	(22,934,215)	(23,273,161)	(23,998,024)	(25,104,955)	(26,198,933)	(27,271,169)
148,978	0	0	0	0	0	0
197,275	0	0	0	0	0	0
35,007	0	0	0	0	0	0
1,621,505	810,753	405,376	0	0	0	0
(953)	0	0	0	0	0	0
(24,323)	(12,161)	(6,081)	0	0	0	0
(24,323)	(12,161)	(6,081)	0	0	0	0
(8,108)	(4,054)	(2,027)	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
(56,689)	0	0	0	0	0	0
(240,272)	0	0	0	0	0	0
(103,621)	0	0	0	0	0	0
(20,029)	0	0	0	0	0	0
(943,297)	(940,628)	(932,095)	(917,695)	(897,431)	(871,301)	(839,306)
(47,165)	(47,031)	(46,605)	(45,885)	(44,872)	(43,565)	(41,965)
0	0	0	0	0	0	0
533,987	**(205,284)**	**(587,511)**	**(963,580)**	**(942,303)**	**(914,866)**	**(881,272)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(127,392)	(133,663)	(137,352)	(143,351)	(151,676)	(157,369)	(162,896)
406,594	**(338,946)**	**(724,863)**	**(1,106,931)**	**(1,093,978)**	**(1,072,235)**	**(1,044,168)**
(22,934,215)	(23,273,161)	(23,998,024)	(25,104,955)	(26,198,933)	(27,271,169)	(28,315,337)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Detailed Cash flow (Merged Phases)

034:Oct 2028	035:Nov 2028	036:Dec 2028	037:Jan 2029	038:Feb 2029	039:Mar 2029	040:Apr 2029
(28,315,337)	(23,423,367)	(23,178,767)	(22,879,813)	(22,522,441)	(22,097,732)	(21,599,139)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
6,080,645	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0	0	0	0
(91,210)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(91,210)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(30,403)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
(801,446)	(757,721)	(708,130)	(652,674)	(591,353)	(524,167)	(451,115)
(40,072)	(37,886)	(35,407)	(32,634)	(29,568)	(26,208)	(22,556)
0	0	0	0	0	0	0
5,026,304	**377,958**	**430,028**	**488,256**	**552,644**	**623,189**	**699,893**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(134,335)	(133,357)	(131,074)	(130,885)	(127,935)	(124,596)	(123,147)
4,891,969	**244,600**	**298,954**	**357,372**	**424,709**	**498,593**	**576,746**
(23,423,367)	(23,178,767)	(22,879,813)	(22,522,441)	(22,097,732)	(21,599,139)	(21,022,393)

DETAILED CASH FLOW LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

041:May 2029	042:Jun 2029	043:Jul 2029	044:Aug 2029	045:Sep 2029	046:Oct 2029	047:Nov 2029
(21,022,393)	(20,358,556)	(19,600,968)	(18,932,116)	(17,864,900)	(16,790,593)	(15,711,124)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,216,129	1,216,129	810,753	1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0	0	0	0
(18,242)	(18,242)	(12,161)	(18,242)	(18,242)	(18,242)	(18,242)
(18,242)	(18,242)	(12,161)	(18,242)	(18,242)	(18,242)	(18,242)
(6,081)	(6,081)	(4,054)	(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
(372,199)	(287,416)	0	0	0	0	0
(18,610)	(14,371)	0	0	0	0	0
0	0	0	0	0	0	0
782,756	**871,777**	**782,376**	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(118,919)	(114,190)	(113,524)	(106,348)	(99,258)	(94,096)	(87,005)
663,837	**757,588**	**668,852**	**1,067,216**	**1,074,307**	**1,079,469**	**1,086,559**
(20,358,556)	(19,600,968)	(18,932,116)	(17,864,900)	(16,790,593)	(15,711,124)	(14,624,565)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

Detailed Cash flow (Merged Phases)

048:Dec 2029	049:Jan 2030	050:Feb 2030	051:Mar 2030	052:Apr 2030	053:May 2030	054:Jun 2030
(14,624,565)	(13,530,916)	(12,431,753)	(11,325,500)	(10,212,157)	(9,092,943)	(7,966,640)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,216,129	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0	0	0	0
(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)	(18,242)
(6,081)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,173,565	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**	**1,173,565**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(79,915)	(74,402)	(67,312)	(60,221)	(54,351)	(47,261)	(40,170)
1,093,649	**1,099,163**	**1,106,253**	**1,113,343**	**1,119,214**	**1,126,304**	**1,133,394**
(13,530,916)	(12,431,753)	(11,325,500)	(10,212,157)	(9,092,943)	(7,966,640)	(6,833,246)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
Policy Compliant Scheme - Benchmark Land Value

055:Jul 2030	056:Aug 2030	057:Sep 2030	058:Oct 2030
(6,833,246)	(5,693,618)	(4,546,900)	(3,393,091)
0	0	0	0
0	0	0	0
0	0	0	0
1,216,129	1,216,129	1,216,129	1,216,129
0	0	0	0
(18,242)	(18,242)	(18,242)	(18,242)
(18,242)	(18,242)	(18,242)	(18,242)
(6,081)	(6,081)	(6,081)	(6,081)
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
1,173,565	**1,173,565**	**1,173,565**	**1,173,565**
7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%
(33,937)	(26,846)	(19,756)	0
1,139,628	**1,146,718**	**1,153,808**	**1,173,565**
(5,693,618)	(4,546,900)	(3,393,091)	(2,219,527)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Development Appraisal
Licensed Copy
16 January 2026

APPRAISAL SUMMARY — LICENSED COPY

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Appraisal Summary for Merged Phases 1 2 3

Currency in £

REVENUE

Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
Social Rent	2	1,713	182.12	155,938	311,875
Market Sale	163	106,646	627.98	410,867	66,971,250
Totals	**165**	**108,359**			**67,283,125**

NET REALISATION		**67,283,125**
OUTLAY		
ACQUISITION COSTS		
Residualised Price	8,417,470	
Residualised Price (Negative land)	(6,029,718)	
		2,387,752
Legal Fee	50,000	
Building Safety Levy	345,220	
BNG Units	100,000	
		495,220

CONSTRUCTION COSTS

Construction	**ft²**	**Build Rate ft²**	**Cost**	
Social Rent	2,326	229.00	532,685	
Market Sale	143,743	255.82	36,772,624	
Totals	**146,069 ft²**		**37,305,309**	
Contingency		5.00%	1,838,631	
Site clearance & Demolition			945,000	
				40,088,940
Other Construction Costs				
Abnormals			70,000	
External Works			965,167	
Drainage			630,046	
BWIC Services			105,920	
				1,771,133
Section 106 Costs				
Section 106 Costs			600,000	
Section 106 Costs - Indexation			30,000	
				630,000
PROFESSIONAL FEES				
Planning, design fees & insurance			1,939,902	
				1,939,902
DISPOSAL FEES				
Sales Agent Fee		1.50%	1,004,569	
Marketing costs		1.50%	1,004,569	
Sales Legal Fee - Affordable			10,000	
Sales Legal Fee - Market Sale		0.50%	334,856	
				2,353,994
TOTAL COSTS BEFORE FINANCE				**49,666,941**

FINANCE

Debit Rate 7.2500%, Credit Rate 0.0000% (Nominal)	
Total Finance Cost	4,021,997
TOTAL COSTS	**53,688,938**

PROFIT

APPRAISAL SUMMARY **LICENSED COPY**

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

13,594,187

Performance Measures

Profit on Cost%	25.32%
Profit on GDV%	20.20%

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Assumptions

Expenditure

Professional Fees are based on Construction
(Manual relations applied to some Professional Fees)
Purchaser's Costs are based on Gross Capitalisation
Purchaser's Costs Deducted from Sale (Not added to Cost)
Sales Fees are based on Net Capitalisation
Sales Fees Added to Cost (Not deducted from Sale)
Purchaser's Costs exclude sales

Receipts

Show tenant's true income stream	On
Offset income against development costs	Off
Rent payment cycle	Quarterly (Adv)
Apply rent payment cycle to all tenants	On
Renewal Void and Rent Free apply to first renewal only	Off
Growth starts from lease start date	Off
Deduct Ground Rent from Stepped Rent,	On
Initial Yield Valuation Method	Off
Default Capitalisation Yield	0.0000%
Apply Default Capitalisation to All Tenants	Off
Default stage for Sale Date	Off
Align end of income stream to Sale Date	Off
Apply align end of income stream to all tenants	On
When the Capital Value is modified in the cash flow	Recalculate the Yield
Valuation Tables are	Annually in Arrears
Deduct Post-Sale TI Costs & Lease Comm. from Cap. Value	Off
Rent Free method	Defer start of Tenant's Rent

Finance

Financing Method	Basic (Interest Sets)
Interest Compounding Period	Quarterly
Interest Charging Period	Monthly
Nominal rates of interest used	
Calculate interest on Payments/Receipts in final period	Off
Include interest and Finance Fees in IRR Calculations	Off
Automatic Inter-account transfers	Off
Manual Finance Rate for Profit Erosion	Off

Calculation

Site Payments	In Arrears
Other Payments	In Arrears
Negative Land	In Arrears
Receipts	In Advance
IRR Basis	Annual - calculated monthly
Initial IRR Guess Rate	8.00%
Manual Discount Rate	Off
Minimum IRR	-100%
Maximum IRR	99999%
IRR Tolerance	0.001000
IRR Iterations	35
Land Residual Calculation Function	Interpolation method
Stop residual calculation when solution oscillates	Off
Letting and Rent Review Fees are calculated on	Net of Deductions
Development Yield and Rent Cover are calculated on	Rent at Sale Date(s)
Include Tenants with no Capital Value	On

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Assumptions

Include Turnover Rent	Off
Net of Non-Recoverable costs	On
Net of Ground Rent deductions	On
Net of Rent Additions/Costs	On
Leasing Commissions are calculated	After Non-Recoverable cost deductions For the First Term of the lease only

Value Added Tax

Global VAT Rate	0.00%
Global Recovery Rate	0.00%
Recovery Cycle every	2 months
1st Recovery Month	2 (Feb 2026)
VAT Calculations in Cash Flow	On
GST Margin Calculations in Cash Flow	Off

Residual

Land Cost Mode	Residualised Land Value
Multi-Phasing	Separate Land Residual for each phase
Target Type	Profit on Cost

Phase Number	Target Value	Locked Value	Treat Neg Land as Revenue
1. Enabling Works	0.00%	No	No
2. Affordable	6.00%	No	No
3. Market Sale	25.00%	No	No

Distribution

Construction Payments are paid on	S-Curve
Sales Receipts are paid on	Single curve
Sales Deposits are paid on	Monthly curve

Interest Sets

Interest Set 1

Debit Rate	Credit Rate	Months	Start Date
7.2500%	0.0000%	Perpetuity	Jan 2026

Loan Set 1

Debit Rate	Credit Rate	Months	Start Date
0.0000%	0.0000%	Perpetuity	Jan 2026

Inflation and Growth

Growth Sets

Growth Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.0000%	Perpetuity	Jan 2026

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Assumptions

Inflation Sets

Inflation Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.0000%	Perpetuity	Jan 2026

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Detailed Cash flow (Merged Phases)

	001:Jan 2026	002:Feb 2026	003:Mar 2026	004:Apr 2026	005:May 2026
Monthly B/F	0	5,631,255	5,631,255	5,631,255	5,631,255
Phase 2 - Revenue					
Sale - Social Rent	0	0	0	0	0
Phase 3 - Revenue					
Sale - Market Sale	0	0	0	0	0
Phase 2 - Disposal Costs					
Sales Legal Fee - Affordable	0	0	0	0	0
Phase 3 - Disposal Costs					
Sales Agent Fee	0	0	0	0	0
Marketing costs	0	0	0	0	0
Sales Legal Fee - Market Sale	0	0	0	0	0
Phase 2 - Unit Information					
Social Rent					
Phase 3 - Unit Information					
Market Sale					
Phase 1 - Acquisition Costs					
Residualised Price	5,781,255	0	0	0	0
Legal Fee	(50,000)	0	0	0	0
Building Safety Levy	0	0	0	0	(345,220)
BNG Units	(100,000)	0	0	0	0
Phase 2 - Acquisition Costs					
Residualised Price	0	0	0	0	248,463
Phase 3 - Acquisition Costs					
Residualised Price	0	0	0	0	(8,417,470)
Phase 1 - Construction Costs					
Site clearance & Demolition	0	0	0	0	0
Abnormals	0	0	0	0	0
External Works	0	0	0	0	0
Drainage	0	0	0	0	0
BWIC Services	0	0	0	0	0
Section 106 Costs	0	0	0	0	0
Section 106 Costs - Indexation	0	0	0	0	0
Phase 2 - Construction Costs					
Con. - Social Rent	0	0	0	0	0
Phase 3 - Construction Costs					
Con. - Market Sale	0	0	0	0	0
Contingency	0	0	0	0	0
Phase 1 - Professional Fees					
Planning, design fees & insurance	0	0	0	0	0
Net Cash Flow Before Finance	**5,631,255**	**0**	**0**	**0**	**(8,514,227)**
Debit Rate 7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
Credit Rate 0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Finance Costs (All Sets)	0	0	0	0	0
Net Cash Flow After Finance	**5,631,255**	**0**	**0**	**0**	**(8,514,227)**
Cumulative Net Cash Flow Monthly	5,631,255	5,631,255	5,631,255	5,631,255	(2,882,972)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Detailed Cash flow (Merged Phases)

006:Jun 2026	007:Jul 2026	008:Aug 2026	009:Sep 2026	010:Oct 2026	011:Nov 2026	012:Dec 2026
(2,882,972)	(2,900,390)	(4,941,228)	(5,935,336)	(7,026,997)	(7,967,149)	(8,522,605)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	(10,000)	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	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	(945,000)	0	0	0	0	0
0	(10,350)	(22,025)	(23,337)	(14,288)	0	0
0	(42,305)	(100,406)	(140,648)	(163,031)	(167,555)	(154,220)
0	(93,160)	(198,237)	(210,050)	(128,600)	0	0
0	(15,662)	(33,326)	(35,312)	(21,620)	0	0
0	(600,000)	0	0	0	0	0
0	(30,000)	0	0	0	0	0
0	0	0	0	(5,787)	(13,203)	(19,754)
0	0	0	0	(150,870)	(311,257)	(461,950)
0	0	0	0	(7,544)	(15,563)	(23,098)
0	(286,837)	(610,367)	(646,740)	(395,957)	0	0
0	**(2,023,315)**	**(964,361)**	**(1,056,088)**	**(897,696)**	**(507,578)**	**(659,021)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(17,418)	(17,523)	(29,747)	(35,574)	(42,455)	(47,878)	(50,945)
(17,418)	**(2,040,838)**	**(994,108)**	**(1,091,661)**	**(940,151)**	**(555,457)**	**(709,966)**
(2,900,390)	(4,941,228)	(5,935,336)	(7,026,997)	(7,967,149)	(8,522,605)	(9,232,572)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Detailed Cash flow (Merged Phases)

013:Jan 2027	014:Feb 2027	015:Mar 2027	016:Apr 2027	017:May 2027	018:Jun 2027	019:Jul 2027
(9,232,572)	(10,069,914)	(11,005,615)	(11,690,517)	(12,814,619)	(14,054,645)	(15,400,211)
0	0	311,875	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	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
(123,027)	(73,975)	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
(25,439)	(30,258)	(34,213)	(37,302)	(39,526)	(40,884)	(41,378)
(602,949)	(734,254)	(855,865)	(967,781)	(1,070,004)	(1,162,533)	(1,245,368)
(30,147)	(36,713)	(42,793)	(48,389)	(53,500)	(58,127)	(62,268)
0	0	0	0	0	0	0
(781,562)	**(875,200)**	**(620,996)**	**(1,053,473)**	**(1,163,030)**	**(1,261,544)**	**(1,349,014)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(55,780)	(60,502)	(63,905)	(70,630)	(76,995)	(84,022)	(93,043)
(837,342)	**(935,702)**	**(684,901)**	**(1,124,103)**	**(1,240,025)**	**(1,345,566)**	**(1,442,057)**
(10,069,914)	(11,005,615)	(11,690,517)	(12,814,619)	(14,054,645)	(15,400,211)	(16,842,268)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

020:Aug 2027	021:Sep 2027	022:Oct 2027	023:Nov 2027	024:Dec 2027	025:Jan 2028	026:Feb 2028
(16,842,268)	(18,368,902)	(19,969,529)	(21,635,339)	(23,353,778)	(25,114,064)	(26,907,705)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(41,006)	(39,768)	(37,665)	(34,697)	(30,864)	(26,166)	(20,602)
(1,318,509)	(1,381,956)	(1,435,709)	(1,479,768)	(1,514,134)	(1,538,805)	(1,553,782)
(65,925)	(69,098)	(71,785)	(73,988)	(75,707)	(76,940)	(77,689)
0	0	0	0	0	0	0
(1,425,440)	**(1,490,822)**	**(1,545,160)**	**(1,588,454)**	**(1,620,704)**	**(1,641,911)**	**(1,652,073)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(101,193)	(109,805)	(120,649)	(129,985)	(139,581)	(151,731)	(161,651)
(1,526,634)	**(1,600,628)**	**(1,665,810)**	**(1,718,439)**	**(1,760,286)**	**(1,793,641)**	**(1,813,723)**
(18,368,902)	(19,969,529)	(21,635,339)	(23,353,778)	(25,114,064)	(26,907,705)	(28,721,428)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

027:Mar 2028	028:Apr 2028	029:May 2028	030:Jun 2028	031:Jul 2028	032:Aug 2028	033:Sep 2028
(28,721,428)	(26,155,597)	(25,153,228)	(25,326,048)	(27,069,946)	(28,790,914)	(30,475,947)
0	0	0	0	0	0	0
4,519,532	2,876,066	1,643,466	0	0	0	0
0	0	0	0	0	0	0
(67,793)	(43,141)	(24,652)	0	0	0	0
(67,793)	(43,141)	(24,652)	0	0	0	0
(22,598)	(14,380)	(8,217)	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	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
(14,172)	0	0	0	0	0	0
(1,559,065)	(1,554,654)	(1,540,550)	(1,516,751)	(1,483,258)	(1,440,072)	(1,387,191)
(77,953)	(77,733)	(77,027)	(75,838)	(74,163)	(72,004)	(69,360)
0	0	0	0	0	0	0
2,710,158	**1,143,017**	**(31,632)**	**(1,592,589)**	**(1,557,421)**	**(1,512,075)**	**(1,456,551)**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(144,326)	(140,647)	(141,188)	(151,309)	(163,548)	(172,957)	(182,092)
2,565,831	**1,002,369**	**(172,821)**	**(1,743,897)**	**(1,720,969)**	**(1,685,032)**	**(1,638,643)**
(26,155,597)	(25,153,228)	(25,326,048)	(27,069,946)	(28,790,914)	(30,475,947)	(32,114,590)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Detailed Cash flow (Merged Phases)

034:Oct 2028	035:Nov 2028	036:Dec 2028	037:Jan 2029	038:Feb 2029	039:Mar 2029	040:Apr 2029
(32,114,590)	(22,528,343)	(21,584,854)	(20,947,844)	(20,212,226)	(19,365,057)	(18,395,514)
0	0	0	0	0	0	0
11,504,264	2,465,199	2,054,333	2,054,333	2,054,333	2,054,333	2,054,333
0	0	0	0	0	0	0
(172,564)	(36,978)	(30,815)	(30,815)	(30,815)	(30,815)	(30,815)
(172,564)	(36,978)	(30,815)	(30,815)	(30,815)	(30,815)	(30,815)
(57,521)	(12,326)	(10,272)	(10,272)	(10,272)	(10,272)	(10,272)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
(1,324,616)	(1,252,348)	(1,170,385)	(1,078,729)	(977,378)	(866,334)	(745,596)
(66,231)	(62,617)	(58,519)	(53,936)	(48,869)	(43,317)	(37,280)
0	0	0	0	0	0	0
9,710,767	**1,063,952**	**753,526**	**849,766**	**956,184**	**1,072,780**	**1,199,556**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(124,521)	(120,463)	(116,517)	(114,148)	(109,014)	(103,237)	(98,728)
9,586,247	**943,490**	**637,010**	**735,618**	**847,170**	**969,543**	**1,100,828**
(22,528,343)	(21,584,854)	(20,947,844)	(20,212,226)	(19,365,057)	(18,395,514)	(17,294,686)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Detailed Cash flow (Merged Phases)

041:May 2029	042:Jun 2029	043:Jul 2029	044:Aug 2029	045:Sep 2029	046:Oct 2029	047:Nov 2029
(17,294,686)	(16,049,657)	(14,649,420)	(13,142,053)	(11,226,135)	(9,298,241)	(7,359,575)
0	0	0	0	0	0	0
2,054,333	2,054,333	1,643,466	2,054,333	2,054,333	2,054,333	2,054,333
0	0	0	0	0	0	0
(30,815)	(30,815)	(24,652)	(30,815)	(30,815)	(30,815)	(30,815)
(30,815)	(30,815)	(24,652)	(30,815)	(30,815)	(30,815)	(30,815)
(10,272)	(10,272)	(8,217)	(10,272)	(10,272)	(10,272)	(10,272)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
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
(615,163)	(475,037)	0	0	0	0	0
(30,758)	(23,752)	0	0	0	0	0
0	0	0	0	0	0	0
1,336,510	**1,483,642**	**1,585,945**	**1,982,431**	**1,982,431**	**1,982,431**	**1,982,431**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(91,481)	(83,406)	(78,578)	(66,514)	(54,536)	(43,765)	(31,788)
1,245,029	**1,400,237**	**1,507,367**	**1,915,918**	**1,927,895**	**1,938,666**	**1,950,643**
(16,049,657)	(14,649,420)	(13,142,053)	(11,226,135)	(9,298,241)	(7,359,575)	(5,408,932)

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Detailed Cash flow (Merged Phases)

048:Dec 2029	049:Jan 2030	050:Feb 2030	051:Mar 2030	052:Apr 2030	053:May 2030	054:Jun 2030
(5,408,932)	(3,446,311)	(1,472,290)	510,141	2,492,572	4,475,004	6,457,435
0	0	0	0	0	0	0
2,054,333	2,054,333	2,054,333	2,054,333	2,054,333	2,054,333	2,054,333
0	0	0	0	0	0	0
(30,815)	(30,815)	(30,815)	(30,815)	(30,815)	(30,815)	(30,815)
(30,815)	(30,815)	(30,815)	(30,815)	(30,815)	(30,815)	(30,815)
(10,272)	(10,272)	(10,272)	(10,272)	(10,272)	(10,272)	(10,272)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,982,431	**1,982,431**	**1,982,431**	**1,982,431**	**1,982,431**	**1,982,431**	**1,982,431**
7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
(19,811)	(8,410)	0	0	0	0	0
1,962,620	**1,974,021**	**1,982,431**	**1,982,431**	**1,982,431**	**1,982,431**	**1,982,431**
(3,446,311)	(1,472,290)	510,141	2,492,572	4,475,004	6,457,435	8,439,866

Hanover Court & Princess Court
Coronation Street, Cambridge, CB2 1HJ
2 affordable units - Residual Land Value

Detailed Cash flow (Merged Phases)

055:Jul 2030	056:Aug 2030	057:Sep 2030	058:Oct 2030
8,439,866	10,422,297	12,404,728	13,197,701
0	0	0	0
2,054,333	2,054,333	821,733	410,867
0	0	0	0
(30,815)	(30,815)	(12,326)	(6,163)
(30,815)	(30,815)	(12,326)	(6,163)
(10,272)	(10,272)	(4,109)	(2,054)
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
1,982,431	**1,982,431**	**792,972**	**396,486**
7.2500%	7.2500%	7.2500%	7.2500%
0.0000%	0.0000%	0.0000%	0.0000%
0	0	0	0
1,982,431	**1,982,431**	**792,972**	**396,486**
10,422,297	12,404,728	13,197,701	13,594,187

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