



GL Hearn

Rochford Employment
Sites Viability Study
(Rawreth & Star Lane
Industrial Estates)

Rochford District Council

August 2013

Prepared by

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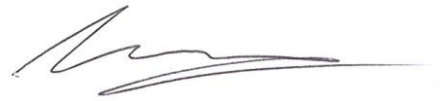
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Limitations

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1 INTRODUCTION

- 1.1 GL Hearn was appointed by Rochford District Council to undertake a market appraisal and viability assessment in relation to the Rawreth and Star Lane Industrial Estates in Rayleigh and Great Wakering respectively.
- 1.2 Previous employment land reviews identified the estates as being of poor quality and recommended that consideration was given to the reallocation of the sites subject to the re-provision of adequate employment land. More recently the Strategic Housing Land Availability Assessment (2012) identified the estates as having the potential for alternative residential use with the ability to provide up to 222 dwellings at Rawreth and 131 dwellings on the Star Lane industrial sites.
- 1.3 As part of the Council's evidence base in respect of their emerging Allocations Document the Council now requires a robust assessment of the performance of each of the estates to understand in greater detail the likelihood of the sites coming forward for alternative residential use.
- 1.4 The report provides commentary on the existing characteristics of the estates, provides a market overview focusing on the industrial and residential market sectors, details the key development assumptions adopted and the outcome of the viability analysis.
- 1.5 For ease of reference the following report is structured as follows:-
 - Section 2 – Viability Approach
 - Section 3 – Existing Site Commentary
 - Section 4 – Property Market Commentary
 - Section 5 – Development Assumptions
 - Section 6 – Viability Analysis
 - Section 7 – Conclusions

2 VIABILITY APPROACH

- 2.1 In undertaking the viability analysis we have had regard to the RICS Guidance Note “Financial Viability in Planning” and also the Local Housing Delivery Group’s “Viability Testing Local Plans – Advice for Planning Practitioners” as well as best practice established through existing viability studies and Examiners’ reports.
- 2.2 For the two sites under consideration the SHLAA (2012) provided an indication of capacity for each of the sites as well as setting out the broad development parameters and design aspirations. Although a range of development capacities were referred to, for the purpose of modelling we have assumed the upper density scenarios indicated i.e. 222 dwellings at Rawreth and 131 dwellings on the Star Lane industrial sites.
- 2.3 When examining development viability of any development, regard must be given to the underlying value of the land. If this is not exceeded by the value generated by the development then it cannot be considered viable and will not proceed.
- 2.4 This is not a straightforward exercise and this is acknowledged at 3.4.6 of the RICS Guidance Note which states that:
- “The assessment of Site Value in these circumstances is not straightforward, but it will be, by definition, at a level at which a landowner would be willing to sell which is recognised by the NPPF.”*
- 2.5 For the purpose of our viability assessment we have sought to establish the existing use values of the two Industrial estates. The approach we have adopted is to identify the individual property interests and establish their rateable value as a proxy for rental value using published information from the Valuation Office. Although the revaluation date was in 2010 with a valuation date of April 2008 industrial rental values are unlikely to have moved significantly over this period. That said we have undertaken a review of up to date transactions to ensure the rental values adequately reflect current market conditions. We have then applied our opinion of the appropriate capitalisation rate, based on market evidence to arrive at a net capital value.
- 2.6 In addition we have also included a further 10% for loss payment and 20% for disturbance to reflect the possible need for CPO to assemble the sites for development – there are numerous land interests on each of the sites which suggests that it will be challenging to secure site assembly purely through negotiation.
- 2.7 Given the high level nature of the study and in the absence of full tenancy and land ownership details, we consider the above approach appropriate for this sort of exercise but a further more detailed assessment will be required as projects progress.

- 2.8 For the redevelopment scenarios we propose to undertake the residual appraisals using Argus Developer, which is a leading industry-standard development appraisal package commonly used by developers and agents alike to assess development viability. Although the analysis will not constitute formal valuations under the provisions of the RICS Valuation Standards ('Red Book') it is a market accepted approach to providing landowners, developers and investors with an early indication of viability.
- 2.9 It is important to highlight from the outset that the team does not include specialist cost advisors. At this stage such input would provide limited added value given that there is minimal information on specification or on the existing sites / buildings. Therefore all development costs are based on standard building indices as well as the team's knowledge of comparable schemes. That said every care has been taken to adopt realistic and robust assumptions but we would highlight that relatively small changes in inputs, timescales or implementation approach can all have a magnified effect on the residual value / land receipt.

3 EXISTING SITE COMMENTARY

Rawreth Industrial Estate

- 3.1 Rawreth Industrial Estate is a medium sized industrial estate situated to the west of Rayleigh town centre, which is the largest town in Rochford District. The site is circa 6.0 ha and is rectangular in shape with a notable levels change from north to south.
- 3.2 The site is accessed off Rawreth Lane, circa 0.8 miles west of A1245 Chelmsford Road, which provides easy access to the A13. The site is bounded by residential development (family housing) to the east and south, Green Belt to the west and a single large retail unit (Marco Wholesalers) to the north.
- 3.3 The industrial estate is extremely diverse both in terms of the character of the buildings but also the nature of the businesses present. The estate is within a mix of private ownerships and does not appear to be actively managed which is evidenced by the ad hoc nature of car parking across the estate, which provides a poor impression of the estate.
- 3.4 Despite its appearance the estate is active with in excess of 30 businesses noted at the time of inspection and only 5 vacant properties / sites.



- 3.5 The estate can be broadly categorised into three distinct elements, namely the northern area i.e. the entrance to the estate, the central area, which comprises more traditional industrial premises and the southern area, which comprises a mix of smaller older industrial units as well as larger occupiers requiring areas of open storage to facilitate their business operations.
- 3.6 Further commentaries including details of occupiers are provided below.

The Northern Area

- 3.7 The Northern Area of the estate, which is also the entrance to the estate, is dominated by a small number of businesses which occupy sizable plots. The nature of the buildings varies in character and tends to reflect to nature of the operational business. Key occupiers include Franklin Hire, Phoenix Motor Centre, Flow Line (waste transfer) and Concrete Direct. In addition, Amber Coaches utilise a site for coach parking, Abbey Memorials have a small unit and yard which directly adjoins the Concrete Direct site. There is also a small business centre which currently has a number of vacant first floor office suites located in this section of the estate.



The Central Area

- 3.8 The Central Area comprises more traditional industrial premises centred on Westfield Close and Maltese Court. Although there are a wide range of businesses present there is clustering of motor-related and engineering businesses. The units are small and medium sized units, predominantly dual height and dating from the 1970 – 1980's. Occupiers within Westfield Close comprise Robin Stagg (furniture upholstery), Repro Sales and Repairs, Westfield Motors, Blue Print Engineering, Performance Car Sales, DK Auto and the Print Warehouse. In addition there is one vacant unit which comprises three interconnecting industrial units (units 1, 3 and 4 Westfield Close).
- 3.9 To the east of the central spine road is Maltese Court, which comprises 5 linked units. Tenants include RO Engineering, Devine Build Limited and Dane-Tec Technologies. Units 2 and 3 were vacant at the time of inspection. Just south of Maltese Court there are two stand-alone units occupied by P Tuckwell (retailer of agricultural goods) and RPC accident repair centre.



The Southern Area

- 3.10 In the south east corner of the estate are larger sites which are occupied by Tube Tech, a specialist Cleaning Service for industrial tanks and piping, JT Cottis Skip Hire and Waste Transfer Business and Scapco a metal recycling facility. Each of these properties has administration buildings but the sites largely comprise open areas for moving heavy materials.
- 3.11 To the west of the central spine roads are a series of older single storey industrial units. JR Tyson (a specialist coating firm) appears to occupy a number of units although the smaller outbuildings appear to be utilised as storage areas rather than for manufacturing purposes. Other companies located in this part of the estate include Taylor Made Sheet Metal, PGM Carpentry, Rayleigh Steel, BLC Body Works Car Repairs and Service and a second site occupied by Amber Coaches.
- 3.12 In addition to the above a 0.35 ha site directly adjacent to Scrapco is vacant and is currently being marketed.



Star Lane Industrial Estate

- 3.13 Star Lane is a small industrial estate located on the edge of Great Wakering village and comprises a mix of private ownerships. The site is accessed via Star Lane which runs off Southend Road, which is approximately 4 miles west of Southend town centre.
- 3.14 The industrial estate is approximately 2.60 hectares in size and directly adjoins a former brick works, which is currently subject to redevelopment proposals. The combined site area of Star Lane Industrial Estate and the former Brick Works sites is circa 5.8 hectares.
- 3.15 The estate is regular in shape and generally level although there is a notable level change at the eastern boundary where the industrial estate and farm land meets.
- 3.16 Located to the south east of the site is the Star Lane Pits Local Wildlife Site (R35). There is an access road along the southern boundary of the brick works site which provides vehicular access to this Local Wildlife Site.
- 3.17 We are aware that the former brickworks site has been acquired by the Inner London Group which has submitted a planning application for 116 residential units comprising a mix of apartments and family housing.



- 3.18 The industrial estate comprises largely small to medium sized businesses with a mix of building typologies which vary in quality. As with the Rawreth Industrial Estate there is a strong clustering of motor related businesses on the estate.
- 3.19 The north of the estate is a BT Open Reach operational telephone exchange. At the entrance to the estate itself is a 1990 2 storey modern office building occupied by Practical HR – an outsourcing HR and training company. To the rear of the office building are 8 small industrial units of the same construction period. At the time of inspection one of the units appeared unoccupied. However a tenant confirmed that all of the units were let. Occupiers include Marchetts Stone Ltd who occupy a number of the units, Sports Wagon Ltd, P.Breadding and Euro Lube Oil.



- 3.20 To the South at the entrance of the estate are units 23 to 27 (5 units) which are 1970's dual height industrial units with servicing bays located to the front of the units. Occupiers include Simply Cars, J&N Auto Services and Abbey Carpets. At the time of the inspection unit 23 (which was formerly let to RENK) appeared vacant. Opposite units 23 to 27 is the largest occupier and employer on the estate, VimpeX (alarm technology), who occupy a double height unit which has office accommodation and distribution centre.



- 3.21 The central section of the estate comprises a series of dated and poor quality industrial units. They are arranged around a central parking area, which at the time of inspection was at capacity. To the south of the square are largely units occupied by small local traders including ARP Motors, Two A's Coachworks, Simply Shelleys, Clarks, Panel Set Ltd and Wiggle Wiggle. Units 8 and 11 were vacant at the time of inspection. Unit 8 is currently being marketed with the benefit of a larger yard which is located in south east corner of the estate.
- 3.22 To the east of the square is a single occupier Sports Wagon Refinish Body Shop which occupies a two storey office building and workshops to the rear.



- 3.23 To north of the central area are a series of larger industrial units which vary in age and quality. Key occupiers include CDC Construction, NP Autos, Body Repairs, Uniflare and Harjo Ltd, which also includes a yard and storage area. In addition to the above there is also an area of open storage located adjacent to Unit 1 which is currently being marketed.



4 PROPERTY MARKET OVERVIEW

4.1 The market commentary focuses on the residential sector as the most likely future use and the industrial sector as the current use. We briefly examine the regional trends before focusing on local level characteristics. When considering the potential of a specific area / site it is essential to understand the wider market context as this inevitably has a role in influencing investment, development and occupier market activity at the local level.

4.2 The following commentary has been informed by undertaking a review of relevant existing policies and studies, using leading property market databases, undertaking our own research and through direct discussions with agents active in the area.

Residential Market Commentary

4.3 In terms of the residential development market, developers and house builders have continued to return to the market having rebuilt their balance sheets following the market crash of 2008, when development land values fell by 45%. With this renewed focus many of the larger house builders have reported rising profits in their latest accounts and are actively seeking new sites and opportunities, having developed out their existing land banks. However, they are minimising their risk by focusing their attentions on London and the South East, and on developing smaller sites in suburban locations for principally traditional two-storey, low density housing.

4.4 Large apartment developments, which were a feature of the housing boom in the decade to 2008, are much less attractive to developers due to the additional build complexities and very restricted first time buyer mortgage market. Outside of London and certain other prime locations such as affluent market towns, this market is not expected to return for several years.

4.5 The Governments initiatives to stimulate the housing market have had a significant impact. The FirstBuy and NewBuy were designed to help homeowners who had modest deposits to climb onto the property ladder by offering government guarantees. Although the NewBuy scheme has had relatively modest take-up in its first year it has been useful as a precursor to the Government's more significant policy to push activity levels higher, Help to Buy. The Help to Buy comprises an equity loan, under which the Government effectively offers a 20% interest free loan to buyers for five years. The initiative was launched at the start of April 2013 and is being funded from a central pot of £3.5 billion. A recent house building report by Knight Frank indicated that over 4,000 applications have been processed since its launch, which significantly outstripped expectations, which has added to the general positive market sentiment.

- 4.6 The Essex housing market has been relatively resilient during the past 3/4 years of difficult market conditions. It has not suffered the same level of decline as other locations and the market rebounded fairly quickly during 2009, although it has fallen back slightly over the last 2 years.
- 4.7 Commentators and agents active in the area are optimistic that the housing market is starting to stabilise and improve and certainly in the longer term have confidence in the growth prospects of the District's residential market.
- 4.8 With regard to the subject sites, both are in semi-rural settings, which potentially provide a suitable location for residential development and clearly this has been recognised by the development market with the Rawreth Industrial site partly bounded by new residential development and the former brick works neighbouring the Star Lane Industrial Estate.
- 4.9 The Rochford District, with the exception of some high value pockets, remains a relatively affordable District. The Rawreth Industrial Estate falls within the SS6 post code area. The average house prices by typology are set out in the table below

Property type	Avg. current value	Avg. £ per sq ft.	Avg.beds	Avg. £ paid (last 12m)
Detached	£355,784	£240	3.6	£333,433
Semi-detached	£229,525	£241	3.1	£223,198
Terraced	£201,474	£238	2.7	£193,082
Flats	£152,914	£262	1.8	£133,615

Source Zoopla July 2013

- 4.10 As mentioned the immediate area has seen some recent residential which provides a good indication of the continued appetite for new residential accommodation in the area. Bellway Homes are in the process of marketing their Kingly Grange development off London Road. The scheme comprises 101 units including 2, 3, 4 and 5 bed houses. Asking prices range from £226,000 for the two bed units up to £500,000 for the larger 5 bed family house. Sales prices range from £300 - £320 per sq ft.
- 4.11 Great Wakering is a much smaller community with limited amenities compared to Rayleigh / Rawreth. Its perceived remote nature and environmental sensitivities has resulted in little new build development in recent years. The lower sales values in the table below reflect both its desirability as a residential location but also the limited new residential stock the town has seen in recent years.

Property type	Avg. current value	Avg. £ per sq ft.	Avg. beds	Avg. £ paid (last 12m)
Detached	£318,456	£219	3.7	£264,231
Semi-detached	£197,511	£224	3.0	£175,306
Terraced	£171,778	£165	2.8	£154,700
Flats	£125,091	-	1.7	£112,500

Source Zoopla July 2013

Industrial Market Commentary

- 4.12 GVA Grimley completed the Rochford District Employment Land Review in 2008 and update Employment Land Review in 2009. These studies found that Rochford is characterised by a much stronger industrial than office market and that the quality of the current employment land supply in Rochford is mixed.
- 4.13 The districts links to the A127 in Rayleigh make it a desirable location for industrial employers. The employment sites in the east of the District tend to have poor strategic access while those in town centres and the western parts of the District have much better strategic access.
- 4.14 There is a clustering of employment uses / estates located around Southend Airport (Purdeys Way and Aviation Way), which are the largest industrial areas in the district which attract local, regional and some national occupiers. That said the majority of industrial estates in the district, including the two subject estates, largely serve local but also include some regional businesses.
- 4.15 According to local agents the Essex the industrial market has shown good levels of activity over the past 18 month. The estates with good transport links have been relatively buoyant and local agents report take up exceeding the long term average by some 11%.
- 4.16 The lack of investment activity in the first quarter 2013 has left investment yields unchanged for the fifth successive quarter according to local agents, with average prime yields standing at 6.38% and secondary yields remaining soft, in excess of 8.5%.
- 4.17 The table below provides an indication of both availability and rental values in the District including a number of the units currently being marketed on the Star Lane and Rawreth Lane estates. The table indicates a rental tone of £2.75 per sq ft for poor quality second hand industrial units up to £6.00 for better quality units. There are a number of anomalies within the table below with units being marketed well above the general tone but these rents reflect properties / units with a larger office content and / or properties being sold with the benefit of large yards / storage areas.

Selection of Availability in Rochford District			
Address	Street	Unit size (sq ft)	Asking rent (£ psf)
Unit 6	Star Lane	1890	£4.50
Globe House	Star Lane	2283	£13.14
Unit 22	Star Lane	4206	£4.27
Unit 4	Featherby Way	2583	£4.45
Unit 12	Rawreth Lane	2380	£16.81
Autocats	Rawreth Lane	2787	£6.10

Unit 2, Unit 3 and Unit 4	Rawreth Lane	12306	Not quoted
Yard 1	Purdeys Way	3000	Not quoted
Unit 9	Purdeys Way	4673	£1.49
Unit 33	Purdeys Way	4985	£4.91
Unit 26	Purdeys Way	5330	£3.68
Unit 17	Purdeys Way	5423	£4.60
Unit 3, 4 & 5	Purdeys Way	7416	£1.25
Unit 15	Purdeys Way	10535	£3.31
Unit 12A	Purdeys Way	11115	£5.85
Industrial Unit	Swaines Industrial Estate	5985	£3.01
Unit 7A	Eldon Way	956	£8.37
Unit 6	Eldon Way	9528	£3.93
Unit 24	Brook Road	3347	£2.75
Unit 25	Brook Road	5716	£2.75
Unit 29 & 29a	Brook Road	5930	Not quoted
Unit 33	Brook Road	5957	£4.03
Unit 26a	Brook Road	33777	£4.44

- 4.18 The table below sets provides details of completed deals on Star Lane, Rawreth Estates as well as on Imperial Park Industrial estate, which is a short distance from the Rawreth Industrial estate. The table below indicates a rental town of £4.00 - £4.50 for transactions completed in the past 3 years.

Star Lane Deals 2009 - 2012			
Address	Deal/Auction		per sq ft
	date	Size(sq ft)	
Unit 2, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	25/09/2012	1,977	£4.30
Unit 3, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	09/12/2011	1,990	£4.27
Unit 4, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	10/06/2011	1,984	£4.54
Unit 2, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	22/02/2011	1,990	£4.27
Unit 24, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	01/02/2011	2,340	£3.85
Unit 8, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	23/11/2009	2,273	£13.20
Unit 26, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	20/07/2009	1,276	£5.49
Unit 24, 7 Star Lane, Star Lane Industrial Estate, Great Waking, Southend-on-Sea, SS3 0PJ	15/04/2009	1,255	£6.37

Rawreth and Imperial Industrial estates Deals 2009 2012			
Address	Deal/Auction date	Size (sq ft)	£ per sq ft
Unit 11, Imperial Park, Rawreth Lane, Rayleigh, Essex, SS6 9RS	04/05/2012	1,157	£4.62
Unit 4, Rawreth Industrial Estate - Maltese Court, Rawreth Lane, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	13/04/2012	1,900	£4.74
Yard 6, Imperial Park, Rawreth Lane, Rayleigh, Essex, SS6 9RS	01/09/2011	3,250	£1.62
Unit 12, Imperial Park, Rawreth Lane, Rayleigh, Essex, SS6 9RS	01/09/2011	1,800	£4.72
Unit 7, Imperial Park, Rawreth Lane, Rayleigh, Essex, SS6 9RS	01/09/2011	3,175	£4.02
Unit 19, Imperial Park, Rawreth Lane, Rayleigh, Essex, SS6 9RS	01/07/2011	1,173	£4.69
Unit 3, Imperial Park, Rawreth Lane, Rayleigh, Essex, SS6 9RS	01/09/2009	1,479	£4.06

- 4.19 It is clear from our site visits and market research that despite each estate having a number of vacancies and pockets of poorer quality accommodation, they remain very active and provide relatively affordable accommodation for a wide range of local and regional businesses.

5 REDEVELOPMENT SCENARIOS / DEVELOPMENT ASSUMPTIONS

- 5.1 Given the high level nature of the viability work it will be necessary to adopt a number of development assumptions, which are highlighted below.

Site Capacity

- 5.2 Some high level capacity calculations have been undertaken by the Council, which indicated that the Rawreth Industrial Site has the potential to accommodate between 93 and 140 dwellings based on a calculation of 50% and 75% developable area respectively, at an estimated approximate density of 30 dwellings per hectare. Sensitivity analysis has been undertaken at 60 dwellings per hectare, which indicates the potential to increase the site capacity to between 186 and 279 dwellings based on a calculation of 50% and 75% developable area respectively.
- 5.3 However, we understand that the expectation is that this site could deliver 222 dwellings as identified in the Strategic Housing Land Availability Assessment and this is the quantum we propose to adopt for modelling purposes.
- 5.4 In respect of Star Lane Industrial estate it is estimated that a minimum of 87 dwellings could be provided across the site, of which at least 30 dwellings should be set aside as affordable housing units and should be provided 'tenure blind'. However, again we understand the expectation is that this site could deliver in excess of this and 131 dwellings is the level of development identified in the Strategic Housing Land Availability Assessment.

Externals, Site Preparation and Infrastructure

- 5.5 An indicative allowance of 15% of build costs has been included for externals and infrastructure including service connections. In addition an allowance of £500,000 and £250,000 has been included towards demolition and site clearance for the Rawreth and Star Lane industrial sites respectively. This is based on the extent of land take proposed and the number and nature of building / structures that will need to be demolished to facilitate development.
- 5.6 In terms of contamination we have been informed by the Council that there are two sites of previously potentially contaminative use (SPPCU) within 250m of the Rawreth Industrial Estate but neither of these poses a risk to the subject site. In respect of Star Lane there is no known contaminative use.
- 5.7 As such for the purpose of modelling we have assumed that there are no current or latent contamination issues that would adversely affect redevelopment of the site. That said, any development there would require a full site investigation to ensure the identification and remediation of any ground contamination discovered.

Build Cost

- 5.8 The base build costs are based on standard building indices (BCIS), adjusted for the study area. BCIS provides a range of costs from low to high banding which can be applied depending on the quality of development proposed. For the viability analysis we propose to adopt build costs at the higher quartile within the BCIS cost range, to reflect the quality aspirations of the Council.
- 5.9 Guidance indicates that all dwellings should comply with the Lifetime Homes Standard, and meet the appropriate Code for Sustainable Homes standard. A minimum of 10% of the energy should be generated by on-site renewable and low carbon sources. We have assumed the appropriate Code for Sustainable Homes to be Code Level 4 and although we have adopted upper quartile base build costs we have included an allowance of 7% on build costs to reflect the additional sustainability measures.

Uses	Build Cost £ per sq m	Build Cost £ per sq ft
Private Residential	£1,076	£100
Uplift for sustainability measures (7%)	£75.32	£7.00

Residential Mix

- 5.10 Informed by our market research we propose to model the same unit size and mix for both sites. Given the lack of market appetite for building apartments in the localities we have modelled a 100% housing scheme with the “tenure blind” proposed mix indicated in the table below

Unit Type	Estimated GIA (sq.m.)	% Split
Two bed house	72	20%
Three bed house	95	30%
Four bed house	105	40%
Five bed house	167	10%

Residential Market and Affordable Value Assumptions

- 5.11 Again informed by our market research we have assumed average private residential sales values of £300 per sq ft for the Rawreth sites and £260 per sq ft for the Great Wakering Site. We have adopted a policy compliant affordable housing position of 35% with an 80% / 20% split in favour of social rented accommodation. We have assumed an average sales value of the social rented units equates to approximately 40% and intermediate values of 60% of private sales values respectively.

- 5.12 The value of the affordable housing (receipt received for it by the developer) is variable by its very nature. It is important to highlight that Registered Providers (RP) may have access to other sources of funding, such as related to their own business plan, funding resources, cross-subsidy from sales/other tenure forms, recycled capital grant from stair-casing receipts, for example, but such additional funding cannot be regarded as the norm for the purposes of setting viability study assumptions – it is highly scheme dependent and variable and so has not been factored in here. A further more detailed assessment of affordable housing values will be required as information becomes available.

Section 106

- 5.13 Residential development on the Rawreth site will be required to be accompanied by a range of community infrastructure, services and facilities:
- Contribution towards new primary school within North of London Road, Rayleigh residential development;
 - Public transport infrastructure improvements and service enhancements;
 - Link and enhancements to local pedestrian/cycling and bridleway network;
 - Public open space and play space;
 - Sustainable drainage systems;
 - Local highway capacity and infrastructure improvements.
- 5.14 For the Star Lane redevelopment it is envisaged the following community infrastructure, services and facilities will be required:
- Local highway capacity and infrastructure improvements;
 - Public transport infrastructure improvements and service enhancements;
 - Link and enhancements to local pedestrian/cycling and bridleway network;
 - Sustainable drainage systems;
 - Public open space;
 - Play space;
 - Youth facilities and community facilities.
- 5.15 At this stage we have not undertaken a detailed S106 cost assessment but have included indicative S106 allowances for both estates based on our experience of similar schemes. Specifically we have assumed an indicative allowance of £7,000 per residential unit for the Rawreth site and £5,000 per residential unit for the Star Lane site as a S106 contribution. The additional £2,000 per unit allocated to the Rawreth Industrial estates is reflective of the contribution required to the proposed new North of London primary school.

Professional Fees

- 5.16 We propose to adopt all usual professional fees for a development of this nature, equating to 12.5% of development costs, along with market standard agents' and legal fees.

Interest

- 5.17 Debt interest charged in respect of the schemes has been assumed at 7% to reflect the risk margin involved and likely short to medium term continued lending constraints.

Project Contingency

- 5.18 An overall contingency figure of 5% of total construction costs will be applied for all sites / options.

Letting, Disposal and Marketing Fees

- 5.19 We propose to assume disposal fees for the agents and legal advisors equating to 1% and 0.5% respectively. In addition an indicative marketing allowance has also been included based on the number of residential units being sold.

Take Up

- 5.20 Informed by our market research we propose to assume an average construction and sales rate equating to 3 units a month with a 6 month lead in period and the commencement of sales starting 12 months after the start of construction.

Developer's Profit

- 5.21 A developer's profit reflects the level of risk attached to a specific projects and therefore can vary significantly depending on the approach to implementation. For example assuming a traditional approach to development, typically a developer's profit ranges from 17.5% to 25% on value where as a contractor's profit margin can be significantly lower often between 8% and 12% on costs. For the purpose of our initial viability assessment we would propose to use a blended profit margin of 20% on Value of both private and affordable units.

Site Assembly

- 5.22 We have set out in section 2 our approach to assessing the value of the existing land interests. These will be treated in our appraisals as a development cost i.e. monies which need to be incurred to secure vacant possession to allow the development to go ahead.

6 VIABILITY SUMMARY

6.1 The following section details the outcome of the viability analysis.

Rawreth Industrial Estate

6.2 Rawreth Industrial Estate is the larger of the two estates with greater diversity in terms of the range of occupiers present. Equally the estate is located in higher value residential location when compared to Star Lane. The desirability of the area is evident by the amount of new build residential stock emerging in the immediate vicinity.

6.3 The table below provides a summary of the quantum and mix of the residential accommodation proposed.

Rawreth Industrial Estate						
Site Information			Total Site Area	6.000	ha	
			Total Site Area	14.82	Acres	
Scheme Mix			Dwellings Per Acre	15		
			Dwellings Per ha	37		
			Total Dwellings	222		
			Total Private units	144		
			Total Affordable units	78		
			Total Social Rented units	62		
			Total Intermediate units	16		
Affordable Housing Assumptions						
				35%	Affordable Housing	
				80%	Social Rented	
				20%	Intermediate	
Residential Mix Assumptions						
Affordable Units				% Split	Estimated GIA (sq m)	Estimated GIA (Sq ft)
			Two Bed Houses	20%	72	775
			Three Bed Houses	30%	95	1023
			Four Bed Houses	40%	105	1130
			Five bed Houses	10%	124	1335
Private Units						
			Two Bed Houses	20%	72	775
			Three Bed Houses	30%	95	1023
			Four Bed Houses	40%	105	1130
			Five bed Houses	10%	124	1335
Phase 1	Total Units	2 Bed Units	3 Bed Units	4 Bed Units	5 bed Units	Check
Private	144	29	43	58	14	144
Affordable	78	16	23	31	8	78
Social Rented	62	12	19	25	6	62
Intermediate	16	3	5	6	2	16
Check	222	44	67	89	22	222
		20%	30%	40%	10%	100%

6.4 The table below provides a summary of the outcome of the viability assessment. Specifically the table details the gross development value of the completed scheme, the total development costs (including land assembly) and the residual land value / project deficit.

Gross Development Value	Total Development Costs (including land assembly)	Residual Land Value	Assessment of Viability
£56.05 m	£58.47 m	-£2.42 m	Red

- 6.5 The above table indicates a gross development value of circa £56 m and results in a project deficit of circa £2.42 m. This deficit is very influenced by the cost of land assembly at circa £8.28 m. As mentioned in Section 3, although the quality of the units and general appearance of the estate is varied it remains active and as such has a not insignificant existing use value, which represents a cost on the development.
- 6.6 The viability analysis for the Rawreth Industrial Estate indicates that at this point in the market it is unlikely that there would be sufficient financial incentive for a developer to bring forward development of the type envisaged. However in the context of the gross development value the deficit is relatively low and it may be that more intensive development of the site would be capable of viable delivery.

Star Lane Industrial Estates

6.7 Star Lane is a smaller industrial estate and is located in a lower value residential area compared to the Rawreth area. That said despite the areas constraints located in a semi-rural location there is a clear market appetite for residential development evidence by the recent acquisition and subsequent planning application on the adjoining Brick Works Site.

6.8 As per the Rawreth Industrial Estate the tables below provides a summary of the quantum and mix of the residential accommodation and the outcome of the viability analysis.

Star Lane Industrial Estate Great Wakering						
Site Information			Total Site Area	2.6	ha	
			Total Site Area	6.4	Acres	
Scheme Mix			Dwellings Per Acre	20		
			Dwellings Per ha	50		
			Total Dwellings	131		
			Total Private units	85		
			Total Affordable units	46		
			Total Social Rented units	37		
			Total Intermediate units	9		
Affordable Housing Assumptions						
				35%	Affordable Housing	
				80%	Social Rented	
				20%	Intermediate	
Residential Mix Assumptions						
Affordable Units				% Split	Estimated GIA (sq m)	Estimated GIA (Sq ft)
			Two Bed Houses	20%	72	775
			Three Bed Houses	30%	95	1023
			Four Bed Houses	40%	105	1130
			Five bed Houses	10%	124	1335
Private Units			Two Bed Houses	20%	72	775
			Three Bed Houses	30%	95	1023
			Four Bed Houses	40%	105	1130
			Five bed Houses	10%	124	1335
Phase 1	Total Units	2 Bed Units	3 Bed Units	4 Bed Units	5 bed Units	Check
Private	85	17	26	34	9	85
Affordable	46	9	14	18	5	46
Social Rented	37	7	11	14	4	36
Intermediate	9	2	3	4	1	10
Check	131	26	39	52	13	131
		20%	30%	40%	10%	100%

Gross Development Value	Total Development Costs (including land assembly)	Residual Land Value	Assessment of Viability
£28.88 m	£33.66 m	-£4.82 m	Red

6.9 The table above indicates that the completed scheme at Star Lane has a gross development value of circa £29 m and results in a project deficit of £4.82 m, again influenced by a £5.58 m land

assembly cost. Similarly to the Rawreth Industrial Estate despite the quality of a number of the industrial units the estate remains active and in addition there are a few larger businesses such as Vimpex and Sports Wagon Ltd and PHR House, which represent sizeable assets. The cost of land assembly coupled with the lower sales values of circa £250 per sq ft for the private accommodation results in a more negative viability position when compared to the Rawreth redevelopment proposals. Clearly with a negative land value approaching £5.0 m this would not be considered a viable development proposition without a significant public sector support.

Sensitivity Analysis

- 6.10 The viability analysis set out above is based on a fully 'policy compliant' affordable housing requirement of 35% for each of the schemes as well as the meeting of sustainability standards including Code for Sustainable Homes Level 4.
- 6.11 We consider that these are sensible assumptions to make given that if the Council is to promote residential on an existing employment site it would expect to see a good quality scheme.
- 6.12 In the case of Rawreth Industrial Estate where the viability deficit is relatively low in the context of the overall value of the scheme, we have commented that there may be scope for a 'viable' scheme through more intensive development and detailed value engineering.
- 6.13 However, one straightforward way to improve viability is to take a more relaxed approach to planning obligations. The best way to illustrate the underlying value potential of the sites is to run appraisals which are wholly based on private housing i.e. 0% affordable. Doing this produces the following residual development values:
- Rawreth Industrial Estate - £5.61m
 - Star Lane Industrial Estate - £158,000
- 6.14 What this shows us is that even at zero affordable, Star Lane is extremely marginal. Arguably for a wholly private scheme a developer would require a profit in excess of the 20% GDV which we used on our base appraisals and even an increase to 21% would push the appraisal back below viability.
- 6.15 Put simply, the cost of land assembly for Star Lane is such that the only way to produce a viable scheme would be to remove all affordable housing requirements and also accept a lower quality (cheaper) scheme.
- 6.16 Rawreth Industrial Estate is different in that the removal of affordable housing produces a scheme capable of generating a significant surplus, moving the appraisal from minus £2.4m to plus £5.6m. This suggests that there is a 'breakeven' position around 20% affordable housing all other things being equal.

- 6.17 Accordingly we can conclude that this site is capable of supporting a viable residential scheme assuming a flexible approach to planning requirements will be taken and also that other delivery/land assembly issues can be resolved. We examine these in our conclusions.

7 CONCLUSIONS

- 7.1 The analysis set out above concludes that based on a full 'policy compliant' planning requirement, neither of the suggested residential development scenarios proposed for the two sites are viable. Yet as we have outlined, the residential market in the area is strong with good interest from house builders and reasonable values being achieved.
- 7.2 The reason for this is largely down to the costs associated with land assembly. There is no doubt that residential development in these locations on cleared sites would be viable. Whilst our assessment of existing use value is a fairly high level calculation and more detailed work would be required to arrive at robust figures for this, we consider our calculations are sufficiently reliable to draw the viability conclusions that we have.
- 7.3 Whilst these are both fairly secondary industrial estates, they are well occupied and even at relatively low values the overall 'asset value' of the estates is significant. Combined with the compensation costs that would be associated with relocating a sizeable number of tenants, it is the overall land assembly bill that tips these appraisals into deficit.
- 7.4 There may be opportunities to improve the financial picture. One would be to intensify the development proposals. We have not undertaken any design work on this commission so cannot comment on the current density assumptions but if it were possible to increase unit numbers without adversely impacting on occupier amenity and hence achievable values this would add value to the schemes.
- 7.5 Similarly a flexible approach to planning obligations, and in particular the quantum of affordable housing required would also improve the viability equation and as we have shown in our sensitivity analysis above, Rawreth Industrial Estate would be capable of supporting viable development based on a lower affordable housing requirement.
- 7.6 However, the Council should also bear in mind that whilst deliverability of new development is always heavily influenced by viability, this is not the only factor. In this case the securing of vacant possession for development is a major exercise.
- 7.7 Where Councils are looking to promote sites for development which encompass a large number of third party interests, it is not unusual for them to need to use compulsory purchase powers (or at least the threat of them) to bring the transactions together within a sensible timeframe. However, acquisition by negotiation should always be pursued first and actual use of CPO powers is generally considered a last resort.

- 7.8 If the Council were to elect to use such powers, it would need to demonstrate “a compelling case in the public interest”. (For completeness we have provided the full list of CPO tests at Appendix A).
- 7.9 Traditionally, and particularly in stronger markets than we are currently faced with, developers have been required to sit alongside Councils during the CPO process and indemnify them against the costs of acquisition. That is now rarely the case except for the most desirable development sites. In the case of these sites, we consider that the Council would need to deal with and fund the assembly of the sites in advance of engaging with the developer market – the assembly exercise is likely to be too costly and complex for a housebuilder to be prepared to take it on for a scheme on this scale.
- 7.10 It is part of the CPO process that the acquiring authority will need to assist occupiers in locating alternative premises. In this particular case our concern on that point would be lack of appropriate stock. Whilst the Council has allocated a number of sites for new industrial development, these are likely to be offering grade A stock – if not then achievable values are unlikely to be able to support viable development. Whilst the subject estates are not of high quality, in many cases they are exactly what is required for the current tenants who would not be able to afford the rents sought in new developments. Based on our examination of the local market, there do not seem to be large numbers of vacant secondary units that would be capable of re-housing this many businesses.
- 7.11 Clearly the employers found on these estates are an important source of jobs within the District and we presume that the Council would not wish to see these lost. But even if delivery of new homes were to be considered a greater priority corporately, there are questions marks about whether such a scenario would be capable of passing the necessary CPO tests including an overall compelling case in the public interest.
- 7.12 In summary there is a viability shortfall for residential development of both the sites which we have examined based on current market conditions. This is of course just a snapshot in time and should residential values pick up further then the viability of these development opportunities may improve in the future.
- 7.13 There are also options for viability enhancement. As our sensitivity analysis shows, Rawreth is capable of breaking even with a relatively modest affordable housing reduction. There may also be scope for improvement through detailed design work and value engineering.
- 7.14 However, the site assembly issue must be considered alongside this and the Council will need to have careful regard to its ability to identify alternative premises for existing users.

- 7.15 Accordingly, if the Council is to consider taking this project to the next level, we consider that its priority should be a more detailed analysis of secondary stock to assess whether there is scope to secure vacant possession of these sites through a realistic relocation strategy.
- 7.16 Given these concerns, and also those around viability in the shorter term, we do not believe that it would be prudent for the Council to consider these sites within its five year housing land supply.

Appendices

- APPENDIX A:** CPO Additional Commentary
- APPENDIX B:** Rawreth Lane Industrial Estate Development Appraisal
- APPENDIX C:** Star Lane Industrial Estate Development Appraisal
- APPENDIX D:** Rawreth Lane Sensitivity Analysis
- APPENDIX E:** Star Lane Sensitivity Analysis
- APPENDIX F:** Land Assembly Calculations

APPENDIX A

We have summarised below the factors which should be taken into consideration when seeking the justification needed for making a CPO and factors the Secretary of State (SoS) will consider when making his decision, taken from ODPM Circ 0604, government guidance on the implementation of a CPO.

- *A compulsory purchase order should only be made where there is a **compelling case in the public interest**. An acquiring authority should be sure that the purposes for which it is making a compulsory purchase order sufficiently justify interfering with the human rights of those with an interest in the land affected. Parliament has always taken the view that land should only be taken compulsorily where there is clear evidence that the public benefit will outweigh the private loss. The Human Rights Act reinforces that basic requirement.*
- *The SoS has to be able to take a balanced view between the intentions of the acquiring authority and the concerns of those whose interest in land it is proposed to acquire compulsorily. **Will need assurance that the redevelopment will contribute to the economic, social and environmental well-being of the area.***
- *Whether the purpose for which the land is being acquired fits in with the adopted planning framework for the area*
- *The acquiring authority needs a clear idea of how it intends to use the land which it is proposing to acquire. It must also prove that all the necessary resources are likely to be available to achieve that end within a reasonable time-scale. If this is not available it will be difficult to show conclusively that the compulsory acquisition of the land included in the order is justified in the public interest, at any rate at the time of its making.*
- *Proof that the land assembly is not deliverable in a less intrusive way i.e. without a CPO.*
- *No material impediments to delivery if a CPO is confirmed (planning, finance etc).*
- *The SoS will consider whether the purpose for which the acquiring authority is proposing to acquire the land could be achieved by any other means. This may include considering the appropriateness of any alternative proposals put forward by the owners of the land, or any other persons, for its re-use. It may also **involve examining the suitability of any alternative locations** for the purpose for which the land is being acquired.*

APPENDIX B

GL Hearn

Development Appraisal

Rawreth Industrial Estate

222 units

Report Date: 23 July 2013

Rawreth Industrial Estate 222 units

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Private 2 bed unit	29	22,475	300.00	232,500	6,742,500
Private 3 bed unit	43	43,989	300.00	306,900	13,196,700
Private 4 bed unit	58	65,540	300.00	339,000	19,662,000
Private 5 bed unit	14	18,690	300.00	400,500	5,607,000
Shared Ownership 2 bed unit	3	2,325	180.00	139,500	418,500
Shared Ownership 3 bed unit	5	5,115	180.00	184,140	920,700
Shared Ownership 4 Bed Unit	6	6,780	180.00	203,400	1,220,400
Shared Ownership 5 Bed Unit	2	2,670	180.00	240,300	480,600
Social Rented 2 bed Houses	12	9,300	120.00	93,000	1,116,000
Social Rented 3 bed unit	19	19,437	120.00	122,760	2,332,440
Social Rented 4 bed unit	25	28,250	120.00	135,600	3,390,000
Social Rented 5 Bed Units	6	8,010	120.00	160,200	961,200
Totals	222	232,581			56,048,040

NET REALISATION

56,048,040

OUTLAY

ACQUISITION COSTS

Residualised Price (Negative land)	(2,423,978)
Planning and Site Investigations	250,000
	(2,173,978)

Other Acquisition

Land Assembly	8,280,000
	8,280,000

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Private 2 bed unit	22,475 ft²	100.00 pf²	2,247,500
Private 3 bed unit	43,989 ft²	100.00 pf²	4,398,900
Private 4 bed unit	65,540 ft²	100.00 pf²	6,554,000
Private 5 bed unit	18,690 ft²	100.00 pf²	1,869,000
Shared Ownership 2 bed unit	2,325 ft²	100.00 pf²	232,500
Shared Ownership 3 bed unit	5,115 ft²	100.00 pf²	511,500
Shared Ownership 4 Bed Unit	6,780 ft²	100.00 pf²	678,000
Shared Ownership 5 Bed Unit	2,670 ft²	100.00 pf²	267,000
Social Rented 2 bed Houses	9,300 ft²	100.00 pf²	930,000
Social Rented 3 bed unit	19,437 ft²	100.00 pf²	1,943,700
Social Rented 4 bed unit	28,250 ft²	100.00 pf²	2,825,000
Social Rented 5 Bed Units	8,010 ft²	100.00 pf²	801,000
Totals	232,581 ft²		23,258,100
Contingency		5.00%	1,162,905
On Site Infrastructure		15.00%	3,488,715
Sustainability Uplift (Code 4)		7.00%	1,628,067
Demolition			500,000
S106	222 un	7,000.00 /un	1,554,000
			8,333,687

PROFESSIONAL FEES

Professional Fees	12.50%	2,907,262
		2,907,262

MARKETING & LETTING

Marketing	1.00%	551,273
		551,273

DISPOSAL FEES

Sales Agent Fee	1.50%	840,721
Sales Legal Fee	0.50%	280,240
		1,120,961

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)	
Land	1,701,806
Construction	839,557
Other	19,764
Total Finance Cost	2,561,126

TOTAL COSTS

44,838,432

PROFIT

11,209,608

Performance Measures

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%
IRR	24.26%
Profit Erosion (finance rate 7.000%)	3 yrs 3 mths

APPENDIX C

GL Hearn

Development Appraisal

Star Lane Industrial Estate

131 units

Report Date: 23 July 2013

APPRAISAL SUMMARY

GL HEARN

Star Lane Industrial Estate 131 units

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Private 2 bed unit	17	13,175	260.00	201,500	3,425,500
Private 3 bed unit	26	26,598	260.00	265,980	6,915,480
Private 4 bed unit	34	38,420	260.00	293,800	9,989,200
Private 5 bed unit	9	12,015	260.00	347,100	3,123,900
Shared Ownership 2 bed unit	2	1,550	156.00	120,900	241,800
Shared Ownership 3 bed unit	3	3,069	156.00	159,588	478,764
Shared Ownership 4 Bed Unit	3	3,390	156.00	176,280	528,840
Shared Ownership 5 Bed Unit	1	1,335	156.00	208,260	208,260
Social Rented 2 bed Houses	7	5,425	104.00	80,600	564,200
Social Rented 3 bed unit	11	11,253	104.00	106,392	1,170,312
Social Rented 4 bed unit	14	15,820	104.00	117,520	1,645,280
Social Rented 5 Bed Units	4	5,340	104.00	138,840	555,360
Totals	131	137,390			28,846,896

NET REALISATION

28,846,896

OUTLAY

ACQUISITION COSTS

Residualised Price (Negative land)	(4,815,564)
Planning and Site Investigations	250,000
	(4,565,564)

Other Acquisition

Land Assembly	5,580,000
	5,580,000

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Private 2 bed unit	13,175 ft²	100.00 pft²	1,317,500
Private 3 bed unit	26,598 ft²	100.00 pft²	2,659,800
Private 4 bed unit	38,420 ft²	100.00 pft²	3,842,000
Private 5 bed unit	12,015 ft²	100.00 pft²	1,201,500
Shared Ownership 2 bed unit	1,550 ft²	100.00 pft²	155,000
Shared Ownership 3 bed unit	3,069 ft²	100.00 pft²	306,900
Shared Ownership 4 Bed Unit	3,390 ft²	100.00 pft²	339,000
Shared Ownership 5 Bed Unit	1,335 ft²	100.00 pft²	133,500
Social Rented 2 bed Houses	5,425 ft²	100.00 pft²	542,500
Social Rented 3 bed unit	11,253 ft²	100.00 pft²	1,125,300
Social Rented 4 bed unit	15,820 ft²	100.00 pft²	1,582,000
Social Rented 5 Bed Units	5,340 ft²	100.00 pft²	534,000
Totals	137,390 ft²		13,739,000
Contingency		5.00%	686,950
On Site Infrastructure		15.00%	2,060,850
Sustainability Uplift (Code 4)		7.00%	961,730
Demolition			250,000
S106	131 un	5,000.00 /un	655,000
			4,614,530

PROFESSIONAL FEES

Professional Fees	12.50%	1,717,375
		1,717,375

MARKETING & LETTING

Marketing	1.00%	283,681
		283,681

DISPOSAL FEES

Sales Agent Fee	1.50%	432,703
Sales Legal Fee	0.50%	144,234
		576,938

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)	
Land	134,423
Construction	882,698
Other	114,436
Total Finance Cost	1,131,557

TOTAL COSTS

23,077,517

PROFIT

5,769,379

Performance Measures

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%
IRR	30.78%
Profit Erosion (finance rate 7.000%)	3 yrs 3 mths

APPENDIX D

GL Hearn

Development Appraisal

Rawreth Industrial Estate

222 units

Report Date: 23 July 2013

APPRAISAL SUMMARY

GL HEARN

Rawreth Industrial Estate 222 units

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Private 2 bed unit	44	34,100	300.00	232,500	10,230,000
Private 3 bed unit	67	68,541	300.00	306,900	20,562,300
Private 4 bed unit	89	100,570	300.00	339,000	30,171,000
Private 5 bed unit	22	29,370	300.00	400,500	8,811,000
Totals	222	232,581			69,774,300

NET REALISATION

69,774,300

OUTLAY

ACQUISITION COSTS

Residualised Price		5,608,684	
Stamp Duty	4.00%	224,347	
Agent Fee	0.75%	42,065	
Legal Fee	0.50%	28,043	
Planning and Site Investigations		250,000	
			6,153,140

Other Acquisition

Land Assembly		8,280,000	
			8,280,000

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
Private 2 bed unit	34,100 ft²	100.00 pf²	3,410,000
Private 3 bed unit	68,541 ft²	100.00 pf²	6,854,100
Private 4 bed unit	100,570 ft²	100.00 pf²	10,057,000
Private 5 bed unit	29,370 ft²	100.00 pf²	2,937,000
Totals	232,581 ft²		23,258,100

23,258,100

Contingency	5.00%	1,162,905	
On Site Infrastructure	15.00%	3,488,715	
Sustainability Uplift (Code 4)	7.00%	1,628,067	
Demolition		500,000	
S106	222 un	7,000.00 /un	1,554,000
			8,333,687

PROFESSIONAL FEES

Professional Fees	12.50%	2,907,262	
			2,907,262

MARKETING & LETTING

Marketing	1.00%	697,743	
			697,743

DISPOSAL FEES

Sales Agent Fee	1.50%	1,046,615	
Sales Legal Fee	0.50%	348,871	
			1,395,486

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)			
Land		4,493,809	
Construction		300,212	
Total Finance Cost			4,794,020

TOTAL COSTS

55,819,439

PROFIT

13,954,861

Performance Measures

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%

IRR	17.10%
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Profit Erosion (finance rate 7.000%)	3 yrs 3 mths
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APPENDIX E

GL Hearn

Development Appraisal

Star Lane Industrial Estate

131 units

Report Date: 23 July 2013

APPRAISAL SUMMARY

GL HEARN

Star Lane Industrial Estate 131 units

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Private 2 bed unit	26	20,150	260.00	201,500	5,239,000
Private 3 bed unit	40	40,920	260.00	265,980	10,639,200
Private 4 bed unit	51	57,630	260.00	293,800	14,983,800
Private 5 bed unit	14	18,690	260.00	347,100	4,859,400
Totals	131	137,390			35,721,400

NET REALISATION

35,721,400

OUTLAY

ACQUISITION COSTS

Residualised Price			158,193	
Stamp Duty	4.00%		6,328	
Agent Fee	0.75%		1,186	
Legal Fee	0.50%		791	
Planning and Site Investigations			250,000	
				416,498

Other Acquisition

Land Assembly			5,580,000	
				5,580,000

CONSTRUCTION COSTS

Construction	ft ²	Rate ft ²	Cost	
Private 2 bed unit	20,150 ft ²	100.00 pf ²	2,015,000	
Private 3 bed unit	40,920 ft ²	100.00 pf ²	4,092,000	
Private 4 bed unit	57,630 ft ²	100.00 pf ²	5,763,000	
Private 5 bed unit	18,690 ft ²	100.00 pf ²	1,869,000	
Totals	137,390 ft²		13,739,000	13,739,000

Contingency		5.00%	686,950	
On Site Infrastructure		15.00%	2,060,850	
Sustainability Uplift (Code 4)		7.00%	961,730	
Demolition			250,000	
S106	131 un	5,000.00 /un	655,000	
				4,614,530

PROFESSIONAL FEES

Professional Fees		12.50%	1,717,375	
				1,717,375

MARKETING & LETTING

Marketing		1.00%	357,214	
				357,214

DISPOSAL FEES

Sales Agent Fee		1.50%	535,821	
Sales Legal Fee		0.50%	178,607	
				714,428

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)				
Land			1,280,281	
Construction			157,794	
Total Finance Cost				1,438,075

TOTAL COSTS

28,577,120

PROFIT

7,144,280

Performance Measures

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%

IRR	25.86%
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Profit Erosion (finance rate 7.000%)	3 yrs 3 mths
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APPENDIX F

Rawreth Industrial Estate													
Unit Reference	Address	Occupier	Description	Floor Area (sq m)	Rateable Value	10% Capitalisation Rate	Multiplier	Net Cap Value	Loss Payments 10%	Disturbance say 20%	Sub Total	Purchases Costs (5.75%)	Estimated Capital Value
North of the Estate													
Unit 1	Unit 1 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Franklin Hire	Specialist hire company for the demolition and haulage industry	513	£ 40,750.00	9%	11.11	£ 452,778	£ 45,278	£ 90,556	£ 588,611	£ 33,845	£ 554,766
Unit 1a	Unit 1a Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Phonix Motor Centre	Specialist BMW, Mercedes, Audi, VW & Mini.	178	£ 12,500.00	9%	11.11	£ 138,889	£ 13,889	£ 27,778	£ 180,556	£ 10,382	£ 170,174
Unit 1b	Unit 1b Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Amber Coaches Parking	Parking for Amber Coaches	178	£ 12,500.00	9%	11.11	£ 138,889	£ 13,889	£ 27,778	£ 180,556	£ 10,382	£ 170,174
Vacant Unit	Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Vacant	Vacant Industrial Unit, Offices and Yard	Unknown	£ 12,500.00	9%	11.11	£ 138,889	£ 13,889	£ 27,778	£ 180,556	£ 10,382	£ 170,174
Flowline	Flowline, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Flowline	Operational Waste Recycling facility	2263	£ 37,250.00	9%	11.11	£ 413,889	£ 41,389	£ 82,778	£ 538,056	£ 30,938	£ 507,117
Unit 2	Unit 2, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Concrete Direct	Supplier of Concrete Admixture Technology	588	£ 21,250.00	9%	11.11	£ 236,111	£ 23,611	£ 47,222	£ 306,944	£ 17,649	£ 289,295
Abbey Memorials & Stone Masons	Abbey Memorials, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Abbey Memorials and Stone Masons	Stonemasons and Sculptors	176	£ 16,750.00	9%	11.11	£ 186,111	£ 18,611	£ 37,222	£ 241,944	£ 13,912	£ 228,033
Westfield Close													
Unit 1	Unit 1 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Robin Staggs	Furniture and Upholtery	513	£ 40,750.00	9%	11.11	£ 452,778	£ 45,278	£ 90,556	£ 588,611	£ 33,845	£ 554,766
Unit 2 - 4	Unit 2 and 3 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Vacant	Three interconnecting industrial units	1,318	£ 47,750.00	9%	11.11	£ 530,556	£ 53,056	£ 106,111	£ 689,722	£ 39,659	£ 650,063
Unit 5 - 6	Unit 5 and 6 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Repro Sales and Repairs	Sales of latest digital technology (relating to camera technology)	617	£ 23,750.00	9%	11.11	£ 263,889	£ 26,389	£ 52,778	£ 343,056	£ 19,726	£ 323,330
Unit 7 and 8	Unit 7 & 8 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Westfield Motors and Takeaway	Specialising in Independent Toyota and Lexus repair (and food takeaway)	300	£ 21,500.00	9%	11.11	£ 238,889	£ 23,889	£ 47,778	£ 310,556	£ 17,867	£ 292,689
Unit 9	Unit 9 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Blue Print Engineering	Precision Engineering and Manufacturing Tools	288	£ 14,000.00	9%	11.11	£ 155,556	£ 15,556	£ 31,111	£ 202,222	£ 11,628	£ 190,594
Unit 10	Unit 10 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Performance Car Sales	Car Repairs and Services	137	£ 10,000.00	9%	11.11	£ 111,111	£ 11,111	£ 22,222	£ 144,444	£ 8,306	£ 136,138
Unit 11	Unit 11 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	DK Auto	Car Repairs - Specialist in Citroen	141	£ 10,250.00	9%	11.11	£ 113,889	£ 11,389	£ 22,778	£ 148,056	£ 8,513	£ 139,542
Unit 12	Unit 12 Westfield Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Print Ware House	Provider of Bespoke Graphic Design, Print and Finishing	141	£ 10,250.00	9%	11.11	£ 113,889	£ 11,389	£ 22,778	£ 148,056	£ 8,513	£ 139,542
Maltese Court													
Unit 1	Unit 1 Maltese Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	RO Engineering	Provider of Steel Manufacturing and Engineering	175	£ 11,000.00	9%	11.11	£ 122,222	£ 12,222	£ 24,444	£ 158,889	£ 9,136	£ 149,753
Unit 2	Unit 2 Maltese Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Vacant	Vacant	175	£ 11,000.00	9%	11.11	£ 122,222	£ 12,222	£ 24,444	£ 158,889	£ 9,136	£ 149,753
Unit 3	Unit 3 Maltese Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Vacant	Vacant	175	£ 11,000.00	9%	11.11	£ 122,222	£ 12,222	£ 24,444	£ 158,889	£ 9,136	£ 149,753
Unit 4	Unit 4 Maltese Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Devine Build Limited	Provider of Aluminium Fenestration	175	£ 11,000.00	9%	11.11	£ 122,222	£ 12,222	£ 24,444	£ 158,889	£ 9,136	£ 149,753
Unit 5	Unit 5 Maltese Close, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Dane-Tec Technologies	Manufacturers of Stainless Steel Catering Equipment	277	£ 12,500.00	9%	11.11	£ 138,889	£ 13,889	£ 27,778	£ 180,556	£ 10,382	£ 170,174
South of the Estate													
Unit 27	Unit 27 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	APT Travel	Coach Hire (40 years experience)	Unknown	£ 5,300.00	9%	11.11	£ 58,889	£ 5,889	£ 11,778	£ 76,556	£ 4,402	£ 72,154
Unit 3	Unit 3 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Taylor Made Sheet Metal	Provider of Steel Manufacturing and Engineering	104	£ 3,570.00	9%	11.11	£ 39,667	£ 3,967	£ 7,933	£ 51,567	£ 2,965	£ 48,602
Unit 4	Unit 4 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	POM Carpentry	Carpentry specialist	157	£ 5,800.00	9%	11.11	£ 64,444	£ 6,444	£ 12,889	£ 83,778	£ 4,817	£ 78,961
Unit 2 and 5	Unit 2 and 5, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	JR Tyson	Powder Coating Specialists	1176	£ 44,750.00	9%	11.11	£ 497,222	£ 49,722	£ 99,444	£ 646,389	£ 37,167	£ 609,222
Units 6 and 7	Unit 6 & 7 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Rayleigh Steel	Provider of Steel Manufacturing and Engineering	234	£ 8,000.00	9%	11.11	£ 88,889	£ 8,889	£ 17,778	£ 115,556	£ 6,644	£ 108,911
Units 8 and 9	Unit 8 & 9 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Amber Coaches	Parking for Amber Coaches	292	£ 17,500.00	9%	11.11	£ 194,444	£ 19,444	£ 38,889	£ 252,778	£ 14,535	£ 238,243
Unit 34	Unit 32 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	BLC Body Works	Car Repairs and Services	117	£ 8,700.00	9%	11.11	£ 96,667	£ 9,667	£ 19,333	£ 125,667	£ 7,226	£ 118,441
Unit 32	Unit 34 Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	To let for Sale	Open Storage to let (£325,000)	0.86 acres	£ 32,500.00	9%	11.11	£ 361,111	£ 36,111	£ 72,222	£ 469,444	£ 26,993	£ 442,451
Scrapco (2 units / sites)	Scrapco Recycling Plant, Rawreth Industrial Estate, Essex, SS6 9RL	Scrapco Recycling Limited	Metal Recycling Centre	Unknown	£ 20,000.00	9%	11.11	£ 222,222	£ 22,222	£ 44,444	£ 288,889	£ 16,611	£ 272,278
P Tuckwell	P Tuckwell, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	P Tuckwell	Agricultural Machinery and Clothing sales - Services and Repairs Backup Store	454	£ 18,000.00	9%	11.11	£ 200,000	£ 20,000	£ 40,000	£ 260,000	£ 14,950	£ 245,050
RPC Accident Repair	RPC Accident Repairs, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	RPC Accident Repair	Accident Repair Centre	277	£ 12,500.00	9%	11.11	£ 138,889	£ 13,889	£ 27,778	£ 180,556	£ 10,382	£ 170,174
Unit 14	Unit 14, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	Tube Tech	Specialist Cleaning Service for industrial tanks and piping	356	£ 23,250.00	9%	11.11	£ 258,333	£ 25,833	£ 51,667	£ 335,833	£ 19,310	£ 316,523
Unit 11 and 13	Unit 13, Rawreth Industrial Estate, Rayleigh, Essex, SS6 9RL	TJ Collis	Ship Hire and Waste Transfer Business	Unknown	£ 20,000.00	9%	11.11	£ 222,222	£ 22,222	£ 44,444	£ 288,889	£ 16,611	£ 272,278
Total						606120		£ 6,796,889	£ 675,689	£ 1,351,378	£ 8,783,956	£ 505,077	£ 8,278,878

Rawreth Industrial Estate													
Unit Reference	Address	Occupier	Description	Floor Area (sq m)	Rateable Value	10% Capitalisation Rate	Multiplier	Net Cap Value	Loss Payments 10%	Disturbance say 20%	Sub Total	Purchases Costs (5.25%)	Estimated Capital Value
BT (Tel Exchange)													
	BT Tel Exchange, Star Lane	BT Open Reach	Operational Telephone Exchange										
PHR House	PHR House, 34 Star Lane, Great Wakering, SS3 OFF	Practical Hire	HR Company	287	24,500	10%	10	£ 245,000.00	£ 24,500.00	£ 48,000.00	£ 318,500.00	£ 18,313.75	£ 300,186.25
Unit 1	Units 1 & 2, 34 Star Lane Industrial Estate, Great Wakering, Essex, SS3 OFF	Marchetts Stone Ltd	Stone Masons	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 2	Units 1 & 2, 34 Star Lane Industrial Estate, Great Wakering, Essex, SS3 OFF	Marchetts Stone Ltd	Stone Masons	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 3	Units 1 & 2, 34 Star Lane Industrial Estate, Great Wakering, Essex, SS3 OFF	Marchetts Stone Ltd	Stone Masons	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 4	Units 1 & 2, 34 Star Lane Industrial Estate, Great Wakering, Essex, SS3 OFF	Marchetts Stone Ltd	Stone Masons	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 5	Units 5, 34 Star Lane Industrial Estate, Great Wakering, Essex, SS3 OFF	Sports Wagon Ltd	Motor Repair Services	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 6	Unknown	Unknown	Unknown	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 7	Unit 7, 34 Star Lane Industrial Estate, Great Wakering, Essex, SS3 OFF	P.Breading Motor Services Ltd	Motor Repair Services	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 8	8 Star Lane Industrial Estate, Great Wakering, Southend on Sea, Essex,SS3 OFF	Eurotube Ltd	Motor Servicing	172	8,700	10%	10	£ 87,000.00	£ 8,700.00	£ 17,400.00	£ 113,100.00	£ 6,503.25	£ 106,596.75
Unit 23	Unit 23, Star Lane Industrial Estate, Great Wakering, Essex, SS3 OP	Renix Solutions	Engineering Services	210	11,039	10%	10	£ 110,390.00	£ 11,039.00	£ 22,078.00	£ 143,507.00	£ 8,251.65	£ 135,255.35
Unit 24	Unit 24, Star Lane Industrial Estate, Great Wakering, Essex, SS3 OP	Abbey Carpets	Carpel Sales	210	11,039	10%	10	£ 110,390.00	£ 11,039.00	£ 22,078.00	£ 143,507.00	£ 8,251.65	£ 135,255.35
Unit 25	Unit 25, Star Lane Industrial Estate, Great Wakering, Essex, SS3 OP	JSN Auto Services	Motor Repair Services	210	11,039	10%	10	£ 110,390.00	£ 11,039.00	£ 22,078.00	£ 143,507.00	£ 8,251.65	£ 135,255.35
Unit 26	Unit 26, Star Lane Industrial Estate, Great Wakering, Essex, SS3 OP	Simply Cars	Motor Repair Services	210	11,039	10%	10	£ 110,390.00	£ 11,039.00	£ 22,078.00	£ 143,507.00	£ 8,251.65	£ 135,255.35
Unit 27	Unit 27, Star Lane Industrial Estate, Great Wakering, Essex, SS3 OP	Simply Cars	Motor Repair Services	266	12,000	10%	10	£ 120,000.00	£ 12,000.00	£ 24,000.00	£ 156,000.00	£ 8,970.00	£ 147,030.00
Vimpey	Vimpey, Star Lane Industrial Estate, Great Wakering, Essex, SS3 OP	Vimpey	Engineering (Alarm Technology)	730	39,500	10%	10	£ 395,000.00	£ 39,500.00	£ 79,000.00	£ 513,500.00	£ 29,526.25	£ 483,973.75
Unit 1	1 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Unknown	Unknown	281	14,250	10%	10	£ 142,500.00	£ 14,250.00	£ 28,500.00	£ 185,250.00	£ 10,651.88	£ 174,598.13
Unit 2	2 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Fawkes and Lewis Ltd	Metal Fabrications	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 3	3 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	CDC Construction	Construction Services	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 4	4 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	N P Autos	Motor Servicing	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 5	5 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	KC Repairs Body Repairs	Motor Servicing	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 6	6 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Wcor Repairs	Motor Servicing	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 7	7 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Wcor Repairs	Motor Servicing	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 8	8 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Vacant	Vacant	2650	29,500	10%	10	£ 295,000.00	£ 29,500.00	£ 59,000.00	£ 383,500.00	£ 22,051.25	£ 361,448.75
Unit 9	9 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Wiggle Wiggle	Promotional Print and Embroidery	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 10	10 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Wiggle Wiggle	Promotional Print and Embroidery	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 11	11 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Vacant	Vacant	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 12	12 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Panel Set Ltd	Motor Repair Services	194	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 13	13 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Clark Champion	Engineering Services	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 14	14 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Clark Champion	Engineering Services	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 15	15 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Simply Shellys	cars	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 16	16 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	Two A's Coachworks	Motor Repair Services	182	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 17	17 Star Lane Industrial Estate, Star Lane, Great Wakering Southend-on-Sea Essex SS3 0PU	A&P Motors	Motor Repair Services	185	9,700	10%	10	£ 97,000.00	£ 9,700.00	£ 19,400.00	£ 126,100.00	£ 7,250.75	£ 118,849.25
Unit 21	21 Star Lane Industrial Estate, Star Lane, Great Wakering, Southend-on-Sea, SS3 0PU	Sports Wagon Ltd	Motor Repair Services	345	29,250	10%	10	£ 292,500.00	£ 29,250.00	£ 58,500.00	£ 380,250.00	£ 21,864.38	£ 358,385.63
Unit 22	22 Star Lane Industrial Estate, Star Lane, Great Wakering, Southend-on-Sea, SS3 0PU	Sports Wagon Ltd	Motor Servicing	345	29,250	10%	10	£ 292,500.00	£ 29,250.00	£ 58,500.00	£ 380,250.00	£ 21,864.38	£ 358,385.63
Unit 33	33 Star Lane Industrial Estate, Star Lane, Great Wakering, Southend-on-Sea, SS3 0PU	UNIFLAIR UK	Air Conditioning	349	17,250	10%	10	£ 172,500.00	£ 17,250.00	£ 34,500.00	£ 224,250.00	£ 12,894.38	£ 211,355.63
Unit 35	35 Star Lane Industrial Estate, Star Lane, Great Wakering, Southend-on-Sea, SS3 0PU	Hayri Ltd	Transport	436	18,250	10%	10	£ 182,500.00	£ 18,250.00	£ 36,500.00	£ 237,250.00	£ 13,041.88	£ 223,608.13
Total					473,006			£ 4,555,060	£ 455,606	£ 911,212	£ 5,922,878	£ 340,565	£ 5,582,313