



# **Supplementary Representations on Behalf of the Owners of Sites B,C and D, Canterbury**

## **Site Deliverability**

July 2021

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Prepared By: Avison Young  
Draft Date: July 2021

For and on behalf of Avison Young (UK) Limited

# 1. Introduction

- 1.1 NPPF paragraph 35(c) is clear that in order for a Local Plan to be considered sound it must be deliverable over the plan period. More specifically, in identifying land for new homes, NPPF para. 68 requires the new local plan to identify a supply of specific 'deliverable' sites for years 1-5 of the plan period; and specific 'developable' sites or broad areas for growth for years 6-10 and where possible years 11-15 of the plan. Definitions of 'deliverable' and 'developable' are provided at Annex 2 of the NPPF.
- 1.2 The purpose of this report is to provide the Council with evidence of the deliverability of the proposed allocation of Sites BCD at the University of Kent (UoK) for residential-led development comprising a minimum 2,000 homes.
- 1.3 It is structured as follows:
- **Section 2** outlines site ownership matters;
  - **Section 3** sets out broad delivery strategy options;
  - **Section 4** provides details of the planning application strategy;
  - **Section 5** considers the anticipated delivery programme;
  - **Section 6** sets out Avison Youngs delivery record;
  - **Section 7** summarises the latest position on the site assessment work undertaken to date;
  - **Section 8** considers viability and
  - **Section 9** concludes the report.

## 2. Land Ownership

- 2.1 In accordance with the title details submitted as part of representations to the Council's call-for-sites exercises, the UoK holds the freehold title to Sites BCD (as well as the Retained Main Campus and Sites EF) with the exception of a small area of land adjacent to the main campus on Giles Lane (which forms part of the Retained Main Campus site). The Giles Lane land is in full control of Giles Lane Investments who, alongside the University and St Edmunds School, own the land and are working together to bring the site forward for redevelopment.
- 2.2 There are no restrictive covenants (or similar constraints) on the land that prevents it being brought forward for development.
- 2.3 The University (and the 3rd party) confirm that the land is available for development now.

### 3. Delivery Strategy

#### Options

- 3.1 There is a wide range of potential routes available to UoK to bring Sites BCD forward for development. These range from simple disposal for delivery by the private sector, through to directly undertaking the development itself, with a number of different development partnership options also available.
- 3.2 The various delivery routes have advantages and disadvantages and will depend on the ultimate objectives of UoK. We have had held early discussions with UoK with regard to delivery strategy however, a preferred disposal methodology has yet to be selected. We have set out the various options below, all of which can ensure the successful delivery of the proposed allocation.

#### Straight Sale

- 3.3 The straight sale options are as follows:
- **Unconditional sale** – the site is sold ‘as is’ in its current condition, with the benefit of a site allocation within the local plan (either once adopted or at the Regulation 19 stage). Receipts to UoK would be unconditional on the purchaser receiving planning permission for the site.
  - **Conditional sale, subject to planning (STP)** – the site is sold ‘as is’ but offers are invited on the basis of planning permission being achieved by the preferred bidder. Receipts to UoK would only be payable once planning permission is secured for the site.
- 3.4 In terms of the timescales, marketing and selection process, an unconditional sale offers the most straightforward disposal method. The opportunity would be offered ‘as is’ to the marketplace seeking unconditional offers.
- 3.5 This method has the potential to provide the earliest receipts to UoK, although that may be reflected in the overall level of receipts given the additional risk profile to the developer.
- 3.6 For STP bids, the planning risk would be removed for the developer and therefore potentially a higher level of receipts is likely.

### Partnership / Joint Venture

- 3.7 In addition to the straight disposal options, we have also considered the various options for UoK implementing either a development partner or joint venture route.
- 3.8 A straight disposal of such an asset may not always prove to be the most beneficial method of disposal, due to the significant land value of the site, the need for developers to raise significant finance and where such large development opportunities are relatively scarce, but this is also dependent on the complexity of delivery and the relevant level of risk involved.
- 3.9 On the basis of a JV arrangement or development partnership, depending on the type and attractiveness of the opportunity, it is possible for the landowner to affect early receipts as well as benefit from the eventual profit of the developed scheme as part of such an agreement.
- 3.10 As part of any Partnership/Joint Venture arrangement, the level of involvement required of the land owner/vendor should be carefully considered. Under such an arrangement, the developer partner will require specific representatives from the vendor to form part of a project team that will deal with ongoing planning strategy, business plan, viability analysis, external and internal stakeholder engagement, PR and ongoing financial reviews as well as approval of all consultants and professional input.
- 3.11 We have outlined the type of processes and agreements below that could potentially be used by UoK.
- Development Partner via procurement - OJEU
  - Joint Venture Partner procurement - OJEU
- 3.12 We have set out these options in further detail below:

### Development Partner via procurement – OJEU

- 3.13 Given the requirements for transparency between the private and public sector, should UoK decide to seek a development partner arrangement/agreement, rather than disposing of the asset, this would likely be carried out through an OJEU process.
- 3.14 Should a partner route be preferred, under public sector procurement requirements the UoK may need to procure a partner via the OJEU route. This would involve the preparation of an OJEU compliant process to procure a delivery partner for planning promotion and development delivery. The timeframe and process required are longer and more detailed but can prove more beneficial with the UoK taking more of a hands-on role through Competitive Dialogue/Negotiation.

- 3.15 It provides the ability for UoK to contract with a Development Partner to take forward, on its behalf, the planning, development and sale of development. The Development Partner would be required to maximise the net value of the development by progressing matters within an agreed timescale and format. All costs (management, planning, infrastructure, fees etc) would be funded upfront by the Development Partner and will be repaid from the gross receipts from the new development. Essentially the UoK would be putting in the land but would not be providing additional direct financial resource or funding.
- 3.16 An alternative to this is where the development partner would potentially bid a minimum land price guarantee (to safeguard against force majeure primarily) for the property and would fund any planning and preparation works. The partner would gradually look to draw down plots of land when appropriate, acquired each time at market value (at the time of draw down). It is a model that has been utilised by Public Sector departments on very large scale sites looking to engage with the private sector's expertise at a low level of risk.

### **Joint Venture Partner**

- 3.17 The sites could be prepared and presented to the market as a JV proposal. Through this method, the basis of the JV is entirely commercially driven, with the chosen partner expected to maximise revenues for UoK (and themselves) over the whole development project.
- 3.18 There are a number of structures for such an arrangement, but typically the JV will include setting up a SPV, which could be a company, Limited Partnership (LP), Limited Liability Partnership (LLP) or contractual, dependent upon the level of risk entertained by UoK. Such a JV might typically be aimed and structured as 50/50, however it depends on the required and negotiated weighting between the parties. It may also depend on the most efficient tax position for UoK and the Partner.
- 3.19 Unlike the Development Partnership procurement agreements above, this method allows the JV partners to broadly set out the timescales, strategy and business plan for the project, but these are not rigid and subject to a number of conditions.
- 3.20 Due to the nature of the scheme, the capital employed and work in progress are likely to be significant. However, for a comprehensive scheme of this nature the potential returns could be sufficiently attractive to warrant serious consideration. Such a JV will require full engagement from UoK for the duration of the full development process with specific skilled engagement throughout.

**Soft Market Testing**

- 3.21 We have already begun to undertake informal soft market testing with a number of developers and will continue to do so until the formal launch of the sites to market. These informal discussions and continuous engagement allow us to assess interest in the opportunity from a range of developers active for opportunities of this size and nature and analyse feedback to ascertain the markets appetite for the opportunity and preferred deal structure, which assists us in presenting the property in the most attractive manner.
- 3.22 It is clear from these initial discussions that the opportunity would be well received in the market. Different delivery routes will often dictate which parties will be interested but given the opportunity's size, scale and location we consider that there will be numerous parties interested irrespective of the delivery option chosen.

**Delivery Conclusion**

- 3.23 Whilst the optimal delivery approach has yet to be determined and agreed with the University, we consider that the opportunity is deliverable under each of the routes outlined above. However, it is the case that certain delivery routes will be better suited to UoK based upon their objectives moving forward. Avison Young can provide further analysis and recommendations on delivery options if and when required.
- 3.24 Whilst we consider the market fundamentals to be strong in this location, and the delivery approaches proposed are well-understood by the market, if there is to be any issue with market appetite this can be obtained through future soft market testing exercises.
- 3.25 Accordingly, in commercial terms, we consider the site to be deliverable.

**Indicative Delivery Programme**

- 3.26 Please refer to the indicative delivery programmes based on the above enclosed at Appendix A.

## 4. Planning Application Strategy

### The Applicant

- 4.1 The responsibility for preparing/submitting the planning application will be dependent on the selected delivery strategy. This would either be the current landowner or the selected developer (or a JV submission)

### Planning application Specification

- 4.2 The form of the planning application will be dependent on the selected delivery strategy. However, at this stage it is anticipated that a single outline planning application covering the whole site (Sites BCD plus EF as necessary) will be submitted, which will be followed up by a series of applications seeking approval for reserved matters on a phase-by-phase basis. Alternatively, a hybrid application (with full details for Phase 1) may be submitted.
- 4.3 We anticipate that the outline application will seek approval for access with all other matters reserved for future determination. We would expect this to include seeking approval for details set out in the following

### 'Primary Control Documents':

- A **Development Specification** which will define the allowable quantum of development for each defined allowable land use on a site-wide and development zone basis;
  - A pack of **Outline Parameter Plans** which will set parameters for matters of layout and scale against allowable deviations/tolerances, including:
    - o The extent of development zones;
    - o The scale of buildings and associated density allowed within development zones;
    - o The extent of areas of open space (green/blue infrastructure), and the typology/characteristic of that open space; and
    - o 'Corridors' within which roads and other connections (pedestrian/cyclist only) will be laid out, including a hierarchy of streets;
  - A **Design Principles Document** (or Design Code) which will provide a further layer of detail on top of the parameter plans in respect to layout, scale, external appearance, and landscaping. It is anticipated that a more detailed Design Code will be prepared following the grant of the planning consent (secured by condition).
- 4.4 A comprehensive package of supporting plans and documents will be submitted with the application (the '**Secondary Control Documents**'). The purpose of these will be to assist in the

understanding/evaluation of the details submitted for approval (the Primary Control Documents outlined above) and to establish commitments to control implementation where appropriate. The composition and scope of these documents will be discussed and agreed with the Local Planning Authority as part of pre-application discussions (including formal Scoping procedures), however our preliminary view is set out below. Note that those documents marked with an Asterix(\*) are anticipated to include commitments which would be secured either via condition or s.106 obligation:

- **Illustrative Masterplan.** This will illustrate how the development proposed by the planning application could be delivered. It would be submitted for illustrative purpose only.
- **Other Drawings for Information.** Site Plan, Site Location Plan.
- **Design and Access Statement\*.** Statement that sets out the design rationale underpinning the illustrative masterplan and parameter plans.
- **Planning Statement\*.** This document will set out the planning justification for the proposed development including details of conditions and s.106 obligations considered necessary to make the development acceptable.
- **Outline Phasing and Delivery Strategy\*.** This will set out an outline phasing and delivery strategy for the proposed development, including:
  - o Details of phasing/sequencing triggers that are necessary to define as part of the outline consent; and
  - o An indication of how the approved development could be implemented (in terms of the spatial extent and composition of phases, and the sequence in which these come forward).
- **Environmental Statement** (including non-technical summary)\*. At the stage it is anticipated that the proposed development will constitute 'EIA' development therefore the application will be accompanied by an Environmental Statement (ES) setting out the outcome of an Environmental Impact Assessment (EIA) of the proposed development. The topics and scope of assessment work to be covered in the EIA will be agreed with the LPA via formal Scoping. At this stage, the following topics are expected to be scoped in: Air Quality; Noise and Vibration; Ecology and Nature Conservation; Landscape and Visual Impact; Traffic and Transportation; Archaeology and Cultural Heritage; Water Resources and Flood Risk; Socio-economics; and Ground Conditions'
- **Utilities Statement\*.** This will provide an outline strategy for the delivery of power, gas, water, telecommunications, and other utility services.
- **Transport Assessment and Travel Plan\*.** This will set out the proposed access arrangements and the outcomes of an assessment of the transport impacts of the outline proposals. It will include:

- An **Outline Travel Plan** (it is anticipated that a detailed Travel Plan will be prepared prior to implementation, and secured via condition)
  - Details of mitigation measures to support the development in transport terms and detailed access works, which it is anticipated will be secured by condition/s.106 obligation.
- **Energy Strategy\***. This will set out the strategy to achieve the applicant's carbon efficiency objectives following Lean, Clean, Green principles.
- **Sustainability Statement\***. This will set out a package of broader development sustainability commitments.
- **Flood Risk Assessment and Surface Water Drainage Strategy\***. This will set out an assessment of the flood risk impact of the proposed development and an outline surface water drainage strategy.
- **Statement of Community Involvement**. This will provide details of how the applicant will have informed, consulted, and involved the community in the preparation of the development proposals.

## Timing

- 4.5 The site is available for development now and the preparation of a planning application could theoretically commence now.
- 4.6 However, in practice it is likely that this will commence once the Local Plan has reached the Regulation 19 stage as this will provide sufficient planning certainty for the applicant to commit the substantial funds necessary to progress this.
- 4.7 On this basis it is anticipated that the preparation of the planning application could commence in November/December 2022. We anticipate a period of around 11-12 months for preparation and approx. 10 months for determination, and that this would progress in parallel with the examination and adoption of the new Local Plan.
- 4.8 Allowing for a period to discharge pre-commencement conditions/planning obligations and for the approval of reserved matters for the first phase of development, development can reasonably be assumed that development could commence by Spring 2025.

## 5. Delivery Programme

### Delivery Projections

- 5.1 The programme provided at Appendix A illustrates the steps to delivery for the scheme. The exact timing of delivery is dependent on UoK's choice of delivery route. However, start on site is anticipated Q1 2025
- 5.2 We anticipate the scheme will be delivered on a phased basis.
- 5.3 We have based the rate of delivery on anticipated sales rates, assuming an overall sales rate of c. 10 units per month. As we do not have a fixed masterplan with unit location and massing design we have had to make broad assumptions in terms of phasing. This assumption has built in an element of units being sold on PC as well as incorporating future marketing benefits such placemaking.
- 5.4 The construction period is derived from this sales rate. The construction period represents a delivery rate of c 132 units per annum.
- 5.5 In our view this rate of delivery could be improved, given the fundamentals of the site are strong. Evidence supports faster rates of delivery in an area of high housing demand (which this is, as demonstrated by a high local affordability ratio), on greenfield land and where a high proportion of affordable housing is proposed.
- 5.6 The delivery profile assumed above is necessarily an estimation and in reality delivery rates may fluctuate away from the average in response to market forces or other factors. However overall we consider the delivery period shown is achievable.

### Marketing

- 5.7 Details of how homes will be marketed are currently unknown. This will be agreed once planning permission is granted and a developer is in place.
- 5.8 Whilst there may be competing schemes over the life of the plan, our delivery rates accounts for this. The scheme will also be capable of being marketed differently to other schemes as it will be closer to Canterbury Town centre and will therefore benefit from strong access links and amenities.

## 6. Delivery Record

- 6.1 The University as landowner does not have a track record or capability as a housing developer. Accordingly, it has appointed an experienced team of planning and development consultants (Avison Young) to advise on development delivery.
- 6.2 The Avison Young team has a strong track record acting as the lead advisor in numerous similar schemes including:
- **Deepcut Barracks, Surrey** – AY assisted the MoD in achieving a hybrid planning consent for 1,200 homes, a new school and supporting infrastructure over 166 hectares (286 acres) in Surrey. This disposal is linked to the procurement of new training facilities for the MoD at Worthy Down near Winchester and a £275million build contract. AY procured Skanska as the MoD's development partner and have since been retained to provide development consultancy and agency advice.
  - **Arborfield Garrison** – AY achieved outline planning consent for the MoD for 2,500 new homes, a secondary school and supporting infrastructure. AY subsequently procured Crest Nicholson through an OJEU compliant competitive dialogue process and are currently providing development and agency support to the development partnership.
  - **Peel Centre, Colindale, London** – AY advised the Metropolitan Police in appointing Redrow as development partner via the London Development Partner Panel for the redevelopment of the 27ha former police training college site in Hendon. AY have been retained to provide planning and development consultancy advice, including securing planning permission for 2,900 homes and associated development.
  - **Thamesmead Waterfront, London** – Avison Young acted on behalf of Peabody to progress this project for 11,500 homes and 1m sqft of commercial space. Starting with an outline masterplan, Avison Young undertook viability testing, soft market testing and internal workshops to shape the proposal for market. Avison Young then managed an OJEU Competitive Dialogue process to secure Lendlease as preferred joint venture partner to further progress what is one of London's biggest regeneration projects through planning and infrastructure stages.
  - **Winstanley and York Road Estates, Battersea, London** – Avison Young worked with Wandsworth Council for a number of years to develop this estate regeneration project, from the very early feasibility studies and regeneration case making, through delivery option and viability analysis, to public procurement and selection of Taylor Wimpey as joint venture partner. Having been selected as preferred partner in February 2017, the project has progressed to legal completion of the JV, securing planning consent for up to 2,550 homes, a new library and leisure centre, and is now part-implemented.

- **Manydown, Basingstoke, Hampshire** – Avison Young were instructed by Basingstoke and Dean Borough Council to provide development advice with regards to the urban extension of Basingstoke. The proposals are for up to 3,400 new homes, which will create a new community of connected neighbourhoods. Avison Young are the lead consultant to the Council and have managed to successfully source a joint venture delivery partner (Urban & Civic) and are now retained to provide ongoing advice to the council on commercial issues around the JV.

## 7. Site Assessment Work

- 7.1 Significant site assessment work has been undertaken to test the feasibility of the proposed development. This has been submitted to the Council as part of the Landowner's representations to the call-for-sites exercise and as part of this representation.
- 7.2 This is of a sufficient level of detail to confirm the suitability of the site for residential development in principle (i.e. it is appropriate in its scope and depth to support the proposed local plan site allocation).
- 7.3 Further work will be undertaken at the planning application stage, which we anticipate including an Environmental Impact Assessment.

## 8. Viability

- 8.1 Please see Appendix B for a full viability analysis for the proposed scheme (the Concept Masterplan). This indicates that a land receipt of circa. **£35m - £45m** is likely to be achievable.
- 8.2 The viability analysis is based on high level assumptions that will need to be firmed up as the masterplan evolves, and which can be shared with the Council as part of future further representations to support the local plan.
- 8.3 Viability in planning terms is typically expressed with reference to existing land value combined with a premium for the landowner (i.e. the minimum return at which a reasonable landowner would be willing to sell the land).
- 8.4 Sites BCD extend to approximately 230 acres. Based on our experience, agricultural land typically achieves values ranging from £7,500 - £12,500 per acre. Based on these figures we are of the opinion that the existing use value of the site is in the region of £2-3m. It is our view that a receipt of £35m - £45m would provide a sufficient premium for the landowner to be willing to sell the land.
- 8.5 Please note that the contents of this proposal do not constitute a Royal Institution of Chartered Surveyors (RICS) Valuation Standards (Red Book) Valuation and should not be treated as such.
- 8.6 It is important to note that appraisals are highly sensitive to changes in values due to the high residential values and development costs involved and small changes in either of these can alter viability significantly.

### Abnormal Costs

- 8.7 We are not aware of any abnormal constraints or costs that would impact on development or cause delays and have made allowances in the viability analysis for servicing and infrastructure. There is also likely to be significant headroom above existing use value to accommodate increased costs in the event abnormalities are identified outside of our allowances.
- 8.8 We would add that we have not had any input from cost consultants and would advise that this is essential when assessing land value.

## 9. Conclusions

- 9.1 On the basis of the information set out in this report, we consider the proposed allocation of the site for residential-led mixed use redevelopment to be demonstrably deliverable over the period of the new local plan. Further details, as indicated through the report, can be provided as part of our representations to the Regulation 19 consultation in due course to reinforce this position as/if necessary.

# Contact Details

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# Appendix A

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# Appendix B

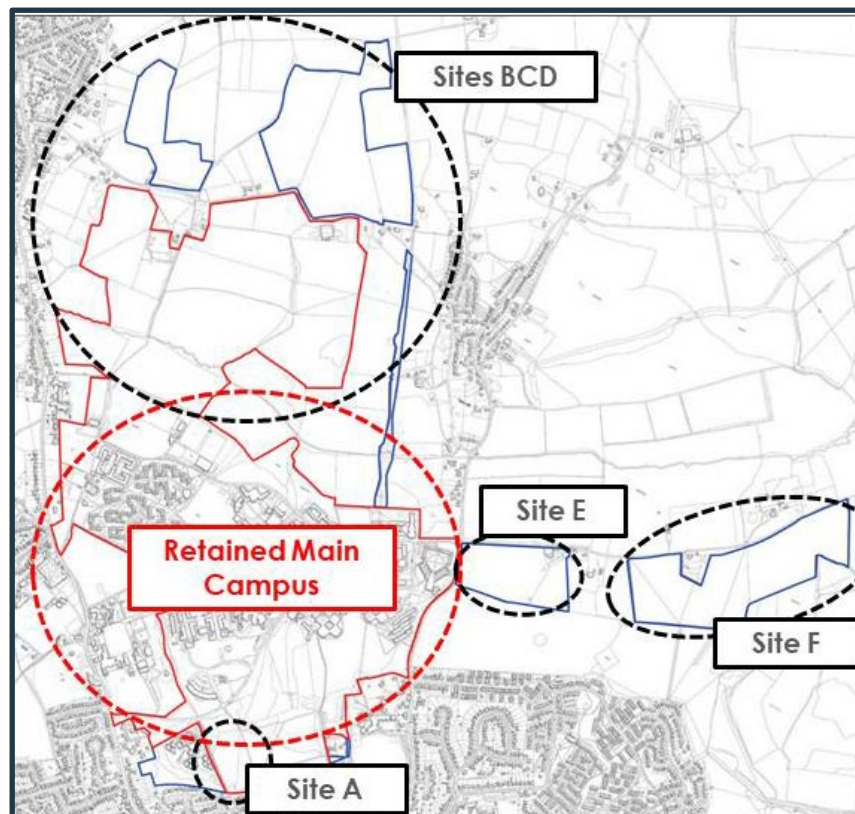
# Briefing Note

## University of Kent Viability Update

July 2021

### 1. Introduction

- 1.1 This note provides an update on the viability of proposed residential development at and around the University of Kent's campus in Canterbury.
- 1.2 The University of Kent's (UoK) landholdings extend to approximately 230ha of land at and around its campus in Canterbury and approximately 125ha of this land is to be sold for the purposes of non-university (value generating) development. The remaining 105ha is to be retained and will continue as the University's main campus and used for Higher Education purposes (teaching, research, student housing, and associated functions).



- 1.3 A high level residual appraisal has been undertaken for a hypothetical residential led development based upon the Masterplan.
- 1.4 This note provides details of the assumptions made in undertaking the analysis, presents the resulting land values and explains the results.
- 1.5 Please note that the contents of this proposal do not constitute a Royal Institution of Chartered Surveyors (RICS) Valuation Standards (Red Book) Valuation, and should not be treated as such.
- 1.6 It is important to note that appraisals are highly sensitive to changes in values due to the high residential values and development costs involved and small changes in either of these can alter viability significantly.

## 2. Assumptions

### Scheme Composition

- 2.1 We have assumed a scheme mix based on the latest Local Plan policy and density based upon Masterplan design. We note that this hypothetical scheme would be subject to further discussions with UoK and is likely to change as the Masterplan is progressed. These changes will impact viability.
- 2.2 We have adopted a unit mix based upon Council planning policy and Masterplan assumptions. The unit mix assumed is as below. We have assumed 30% affordable housing broken down to 25% for First Homes, 70% for Social Rent and 5% for Shared Ownership.

| Tenure                        | Unit Type        | No of Units  | % Proportion |
|-------------------------------|------------------|--------------|--------------|
| Market                        | 1-bed flat       | 28           | 70%          |
|                               | 2-bed flat       | 420          |              |
|                               | 3-bed flat       | 574          |              |
|                               | 4-bed flat       | 378          |              |
|                               | <b>Sub-total</b> | <b>1,400</b> |              |
| Affordable – First Homes      | 2-bed flat       | 90           | 30% (25%)    |
|                               | 3-bed flat       | 60           |              |
|                               | <b>Sub-total</b> | <b>150</b>   |              |
| Affordable – Social Rent      | 1-bed flat       | 76           | 30% (70%)    |
|                               | 2-bed flat       | 88           |              |
|                               | 2-bed house      | 88           |              |
|                               | 3-bed house      | 130          |              |
|                               | 4-bed flat       | 38           |              |
|                               | <b>Sub-total</b> | <b>420</b>   |              |
| Affordable – Shared Ownership | 2-bed flat       | 18           | 30% (5%)     |
|                               | 3-bed flat       | 12           |              |
|                               | <b>Sub-total</b> | <b>30</b>    |              |
| <b>Total</b>                  |                  | <b>2,000</b> | <b>100%</b>  |

## Values

- 2.3 Please see **Appendix 1** for commentary on the local housing market including comparable transaction evidence.
- 2.4 On the basis of this analysis we have adopted the following unit values for private residential units in the scheme:

| Unit Type   | Private Sales Value |
|-------------|---------------------|
| 1-bed flat  | £190,000            |
| 2-bed flat  | £255,000            |
| 2-bed house | £300,000            |
| 3-bed house | £385,000            |
| 4-bed house | £455,000            |

- 2.5 We have adopted a blended affordable housing value of £185 psf.

## Costs

- 2.6 We have adopted a blended build cost of £140 psf based upon BCIS new build construction.
- 2.7 These assumptions are adopted with reference to BCIS and to our experience dealing with other similar schemes for residential development on greenfield land.
- 2.8 We have added an infrastructure allowance of £15,000 per residential unit to the costs stated above. This is intended to cover the costs of servicing the land, any road works required and other broader infrastructure including community facilities, abnormal open space requirements and other S106 items. In total this allowance comes to £5,000 per unit.
- 2.9 This allowance is based on our experience of similar schemes. It should be noted however that this is only a very high level allowance at this stage as little is known of the requirements of the site. For example, the extent of any road infrastructure upgrades, the current service capacity of the site, and costings for green infrastructure are not known.
- 2.10 We have also adopted the following development cost assumptions:

|                       |                  |
|-----------------------|------------------|
| SDLT                  | Prevailing Rates |
| Land Acquisition Fees | 1.5%             |
| Sales & Marketing     | 2% of GDV        |
| Sales Legal Fee       | 0.5% of GDV      |
| Finance Costs         | 6%               |
| Developer's Profit    | 20% on GDV       |

## Timing and Phasing

2.11 We have adopted the following timing assumptions:

|              |                 |
|--------------|-----------------|
| Construction | 1 – 183 months  |
| Sales        | 30 – 195 months |

2.12 The timing assumes that a scheme is delivered in 5 phases of 400 units each.

2.13 We have based the rate of delivery on anticipated sales rates, assuming an overall sales rate of c. 10 units per month. As we do not have a fixed masterplan with unit location and massing design we have had to make broad assumptions in terms of phasing. This assumption has built in an element of units being sold on PC as well as incorporating future marketing benefits such placemaking.

2.14 The construction period is derived from this sales rate. The construction period represents a delivery rate of c 132 units per annum.

2.15 The delivery profile assumed above is necessarily an estimation and in reality, delivery rates may fluctuate away from the average in response to market forces or other factors. However, we consider the delivery period shown is achievable.

## 3. Results

3.1 The appraisal analysis undertaken using the above assumptions results in potential land receipts of **£35m - £45m.**

3.2 Please note that the contents of this proposal do not constitute a Royal Institution of Chartered Surveyors (RICS) Valuation Standards (Red Book) Valuation, and should not be treated as such

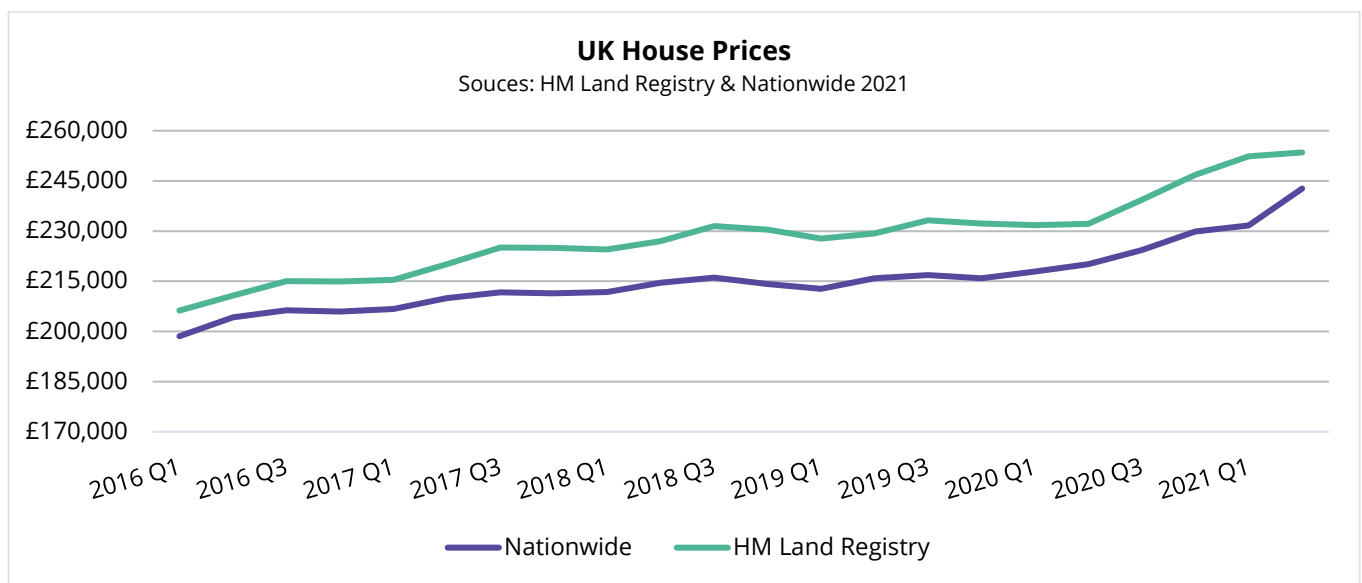
3.3 It is important to note that appraisals are highly sensitive to changes in values due to the high residential values and development costs involved and small changes in either of these can alter viability significantly.

# Appendix 1

# Residential Market Commentary

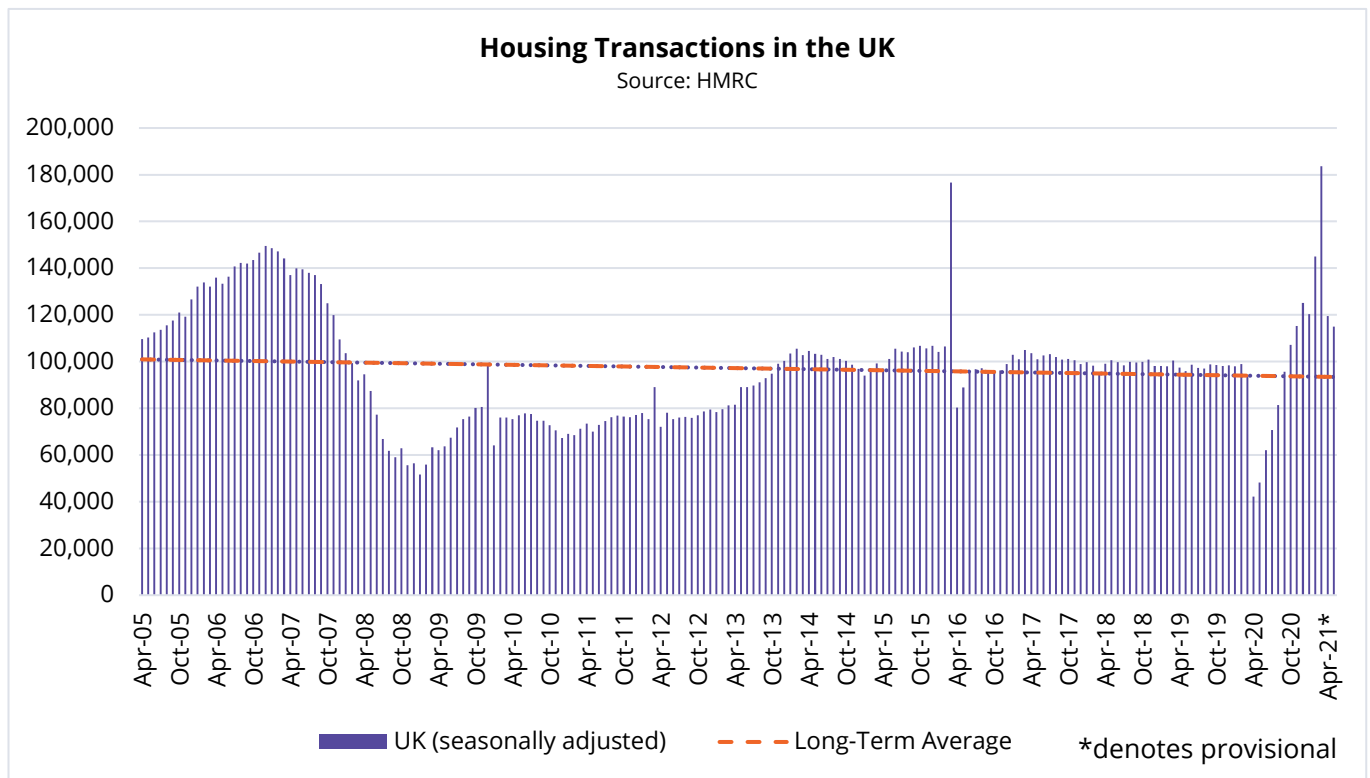
## National Market

The housing market continues to show considerable strength across the UK as the extended Stamp Duty Land Tax (SDLT) holiday fuels activity. Nationwide reported an annualised growth rate of 13.4% in June 2021, up marginally from the 10.9% in May. This is the highest growth since November 2004. While the strength is partly due to base effects, with June last year unusually weak due to the first lockdown, the market continues to show significant momentum. Indeed, June saw the third consecutive month-on-month rise (0.7%), after taking account of seasonal effects. Prices in June were almost 5% higher than in March, according to Nationwide's Chief Economist.



However, this growth is disproportionate across the UK with some regions doing much better than others. Regional data for the three months to June indicates that all parts of the UK saw an acceleration in annual house price growth. Northern Ireland and Wales saw the largest gains, at 14% and 13.4% respectively in Q2. By contrast Scotland saw the weakest rate of annual growth, at 7.1% closely followed by London at 7.3%.

The number of transactions increased further in June with 8% of respondents to the RICS Residential Market Survey noting this. However, when looking ahead, sales expectations are now signifying a broadly flat outlook in the three months ahead with the 12 month sales expectations series returning a decrease of 12% during June, suggesting the level of sales activity being conducted across the market in aggregate may now soften slightly over the year to come.



The Help to Buy scheme in its previous form came to an end on 31st March 2021 following an extension due to Covid-19. An adapted version will now continue with a more limited capacity through to 2023. Under the new iteration, the government will still provide an equity loan of up to 20% for the purchase of a new build home to enable buyers with only a 5% deposit to acquire the remaining 75% through a mortgage. From April 2021, only first-time buyers will be eligible for the scheme rather than all home buyers. Regional price caps are being introduced, defined as 1.5 times the average price of a first-time buyer property for each region. This leaves high value regional markets exposed as many of their historic Help to Buy sales would have been over the caps, this could slow supply of the scheme in these markets and builders will have to adapt pricing and product if they do build.

The end of the SDLT holiday at the end of June has already had an impact on the housing market, with many estate agents reporting a lack of supply despite an increase in new buyer enquiries. However, wider macro-economic factors as well as the end to the government moratorium on evictions are likely to be the primary drivers of the housing market going forward. Although these factors could weigh on the UK housing market over 2021 and beyond, we are cautiously optimistic that the economic recovery will be strong enough to support continued house price growth albeit at much more moderate levels.

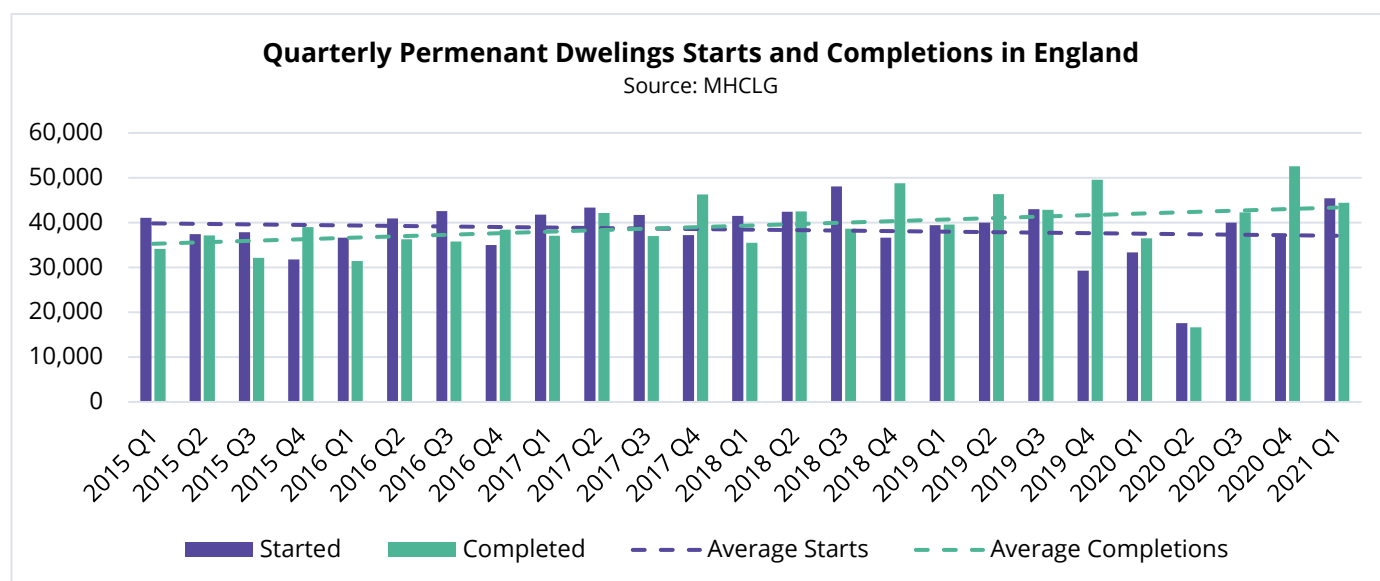
Housing starts in England totalled 36,770 in Q4 2020, bringing the cumulative starts in 2020 to 127,110. Covid-19 undoubtedly had a significant impact on this lower figure which is 16.6% below the 5-year annual average. However, there was already some indication that house building was losing some of its momentum, with 2019

also below the 5-year average at 151,750. Both of these figures raise considerable doubt over the government's 300,000 homes built per year by the mid-2020s.

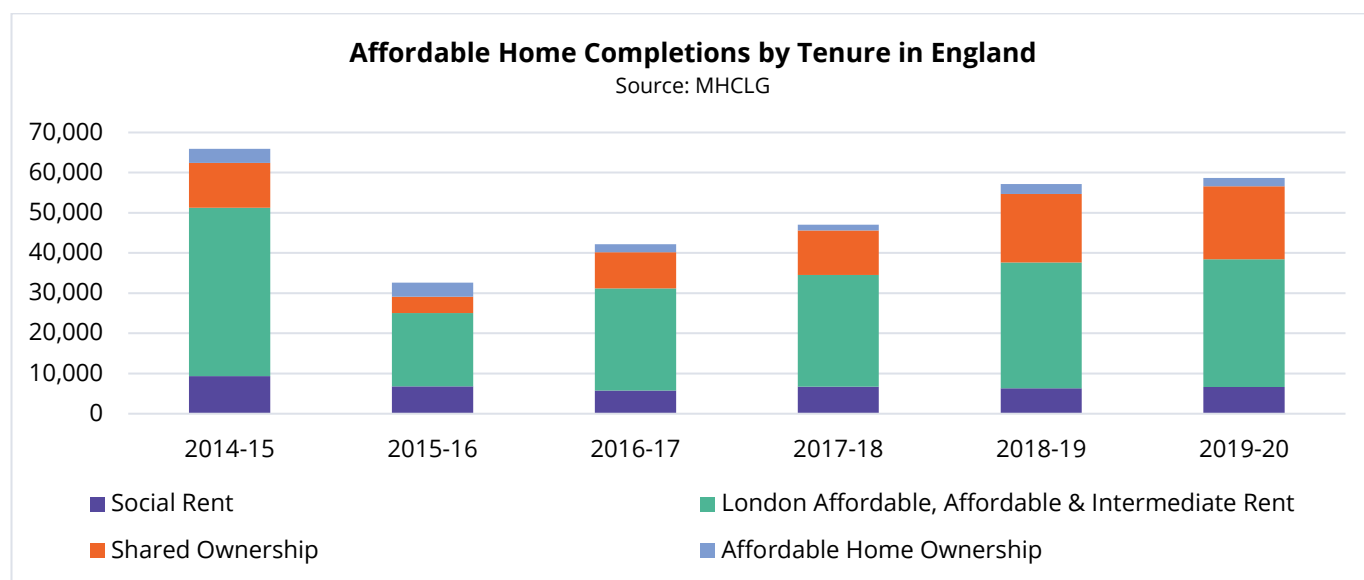
Provisional estimates for housing completions in England for Q4 2020 were 53,180, the highest quarterly figure since 1979 and 33.2% above the 5-year average. This figure is attributed to the delays caused earlier in the year due to Covid-19 causing site closures. Despite the strength in the latter half of the year, completions in 2020 totalled 150,360, falling 5.8% short of the 159,690 5-year average.

According to Molior, London's private residential development industry has delivered a significantly better set of figures during Q2 2021 than it did in Q1. Construction starts and sales rose, while construction completions were the highest since Q4 2018. The BTR sector accounted for almost a third of private new homes started in London during Q2 2021, compared to just 12% in Q1. More than 40% of homes completed during Q2 2021 are destined for BTR rather than individual buyers.

The average new build completion price for a home in London in the 18 months to the end of Q2 2021 was £843 psf, according to Molior.



The total number of affordable homes completed for 2019-20 – the latest available figure – stands at circa 57,6400, a 0.8% increase on the previous year and the highest annual figure since 2014-15. Of these, the MHCLG reports that 6,570 socially rented homes, 30,950 affordable rented homes (including London and intermediate affordable rents), 18,000 shared ownership homes and 2,080 affordable ownership homes were completed.



The changes to the planning system introduced at the end of summer 2020 by the government will impact development trends, particularly relating to the conversions of vacant retail property into residential units. Such moves would no longer require planning permission from the local authority under the new changes which are likely to have significant repercussions across the whole UK property market, including the housing sector.

### Local Market

According to Zoopla, the average price for property in CT2 stood at £ 377,996 in July 2021. This is a rise of 2.48% in the last three months (since May 2021) and rise of 12.82% since 12 months ago. In terms of property types, flats in CT2 sold for an average of £218,800 and terraced houses for £315,409 in the last 12 months. The table below shows that the current average property prices within CT2 are higher than Canterbury and National values.

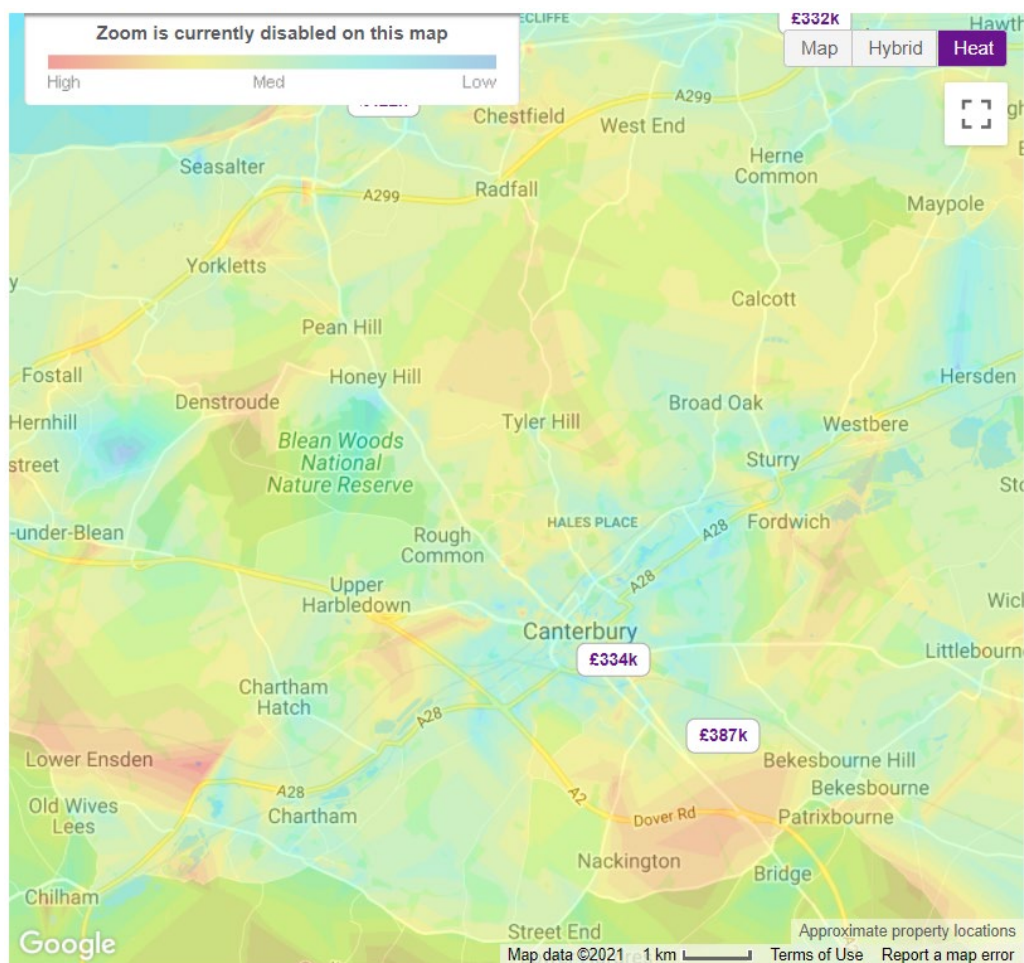
| Property Type | CT2      | CT (Canterbury) | Kent     | National |
|---------------|----------|-----------------|----------|----------|
| Detached      | £550,465 | £500,341        | £542,624 | £415,749 |
| Semi-detached | £344,896 | £333,041        | £341,670 | £256,285 |
| Terraced      | £334,368 | £281,488        | £271,848 | £221,385 |
| Flats         | £257,170 | £190,167        | £191,415 | £233,640 |

(Zoopla & HM Land Registry, 2021)

The table below shows the current average asking prices in CT2.

| Property Type | 1 bed    | 2 bed    | 3 bed    | 4 bed    | 5 bed    |
|---------------|----------|----------|----------|----------|----------|
| Houses        | £96,665  | £236,523 | £359,999 | £441,052 | £527,273 |
| Flats         | £154,625 | £227,667 | £250,000 | -        | -        |
| All           | £145,473 | £232,616 | £354,358 | £441,052 | £527,273 |

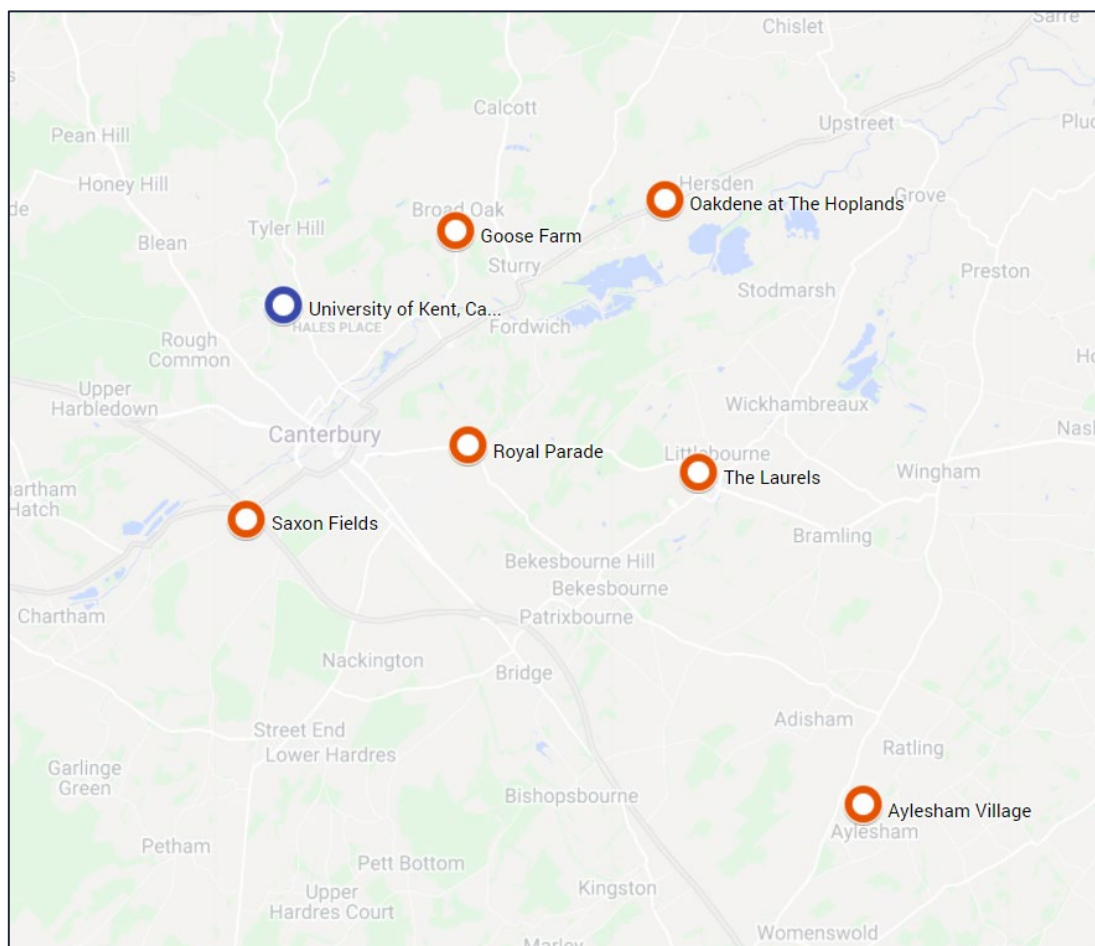
We note that some areas around Canterbury can achieve a higher price than others as shown within the heat map below.



(Zoopla, 2021)

## New Build Comparable Evidence

We note that there is limited amount of new build development immediately around the site. Consequently, we have considered schemes in the surrounding area, which we have identified on the map below:



### **The Laurels, Littlebourne, Canterbury, CT3 1TA**

This is a development of 87 family homes in Littlebourne Canterbury by Moat Homes and Leath Park Developments. The units will be a mix of tenure including 61 for private sale and 26 for affordable living. The site extends to 6.46 ha and is situated on the western site of Littlebourne with access to the site from the A257.

Outline planning permission (CA/14/02417) was submitted in November 2014 by Rydon Homes for the demolition of 42 and 42a The Hill and provision of 87 residential dwellings including 26 affordable dwellings, a new doctors surgery, open space and attenuation pond. This application was refused in 2015 and subsequently appealed in September 2015 but was later withdrawn. A revised outline application (CA/15/0711) was submitted in August 2015 by Rydon Homes Limited which included the same number of dwellings but a larger area of open space. This application was approved in June 2016.

A further reserved matters application (CA/18/02035) was submitted in October 2018 and approved in March 2019 detailing the layout, scale, appearance and landscaping. The scheme comprises a mix of 3, 4 and 5 bedroom private houses and 1 and 2 bed affordable apartments and 3 bed affordable houses. We provide below a summary of the schedule of accommodation.

| Type  | Private Housing |            | Affordable Housing |            |
|-------|-----------------|------------|--------------------|------------|
|       | No. of Units    | Percentage | No. of Units       | Percentage |
| 5 Bed | 5               | 8%         | -                  | -          |
| 4 Bed | 18              | 30%        | -                  | -          |
| 3 Bed | 38              | 62%        | 20                 | 77%        |
| 2 Bed | -               | -          | 2                  | 8%         |
| 1 Bed | -               | -          | 4                  | 15%        |
| Total | 61              | -          | 26                 | -          |

The scheme is being built in phases and to a high specification. We note that the 5 bed houses are mainly detached with 3 and 4 beds semi-detached. The affordable accommodation is a mix of 1 and 2 bed apartments and 3 bed semi-detached homes. The scheme has only recently been launched and we show the most recent pricing below.

| Unit                | Tenure           | Type        | Most Recent Price | Share Value    | Sq. ft. | Price psf |
|---------------------|------------------|-------------|-------------------|----------------|---------|-----------|
| 5 Birch Road        | Shared Ownership | 3 bed house | £385,000          | £115,500 (30%) | 915     | £421      |
| 7 Birch Road        | Shared Ownership | 3 bed house | £385,000          | £115,500 (30%) | 915     | £421      |
| 9 Birch Road        | Shared Ownership | 3 bed house | £385,000          | £115,500 (30%) | 915     | £421      |
| 11 Birch Road       | Shared Ownership | 3 bed house | £385,000          | £115,500 (30%) | 915     | £421      |
| The Holly           | Private          | 5 bed house | £700,000          | N/A            | 1,709   | £410      |
| The Alfie           | Private          | 3 bed house | £450,000          | N/A            | 1,133   | £397      |
| The Thomas          | Private          | 4 bed house | £640,000          | N/A            | 1,593   | £402      |
| The Lewis           | Private          | 4 bed house | £560,000          | N/A            | 1,423   | £394      |
| The Elisia          | Private          | 4 bed house | £525,000          | N/A            | 1,399   | £375      |
| The Elisia          | Private          | 4 bed house | £500,000          | N/A            | 1,399   | £357      |
| The Alfie           | Private          | 3 bed house | £465,000          | N/A            | 1,155   | £403      |
| The Avril (61 & 62) | Private          | 3 bed house | £400,000          | N/A            | 938     | £426      |

The above information has been summarised in the following table:

|        | Max      | Average  | Min      |
|--------|----------|----------|----------|
| Price: | £700,000 | £481,667 | £385,000 |
| £psf   | £426     | £404     | £357     |
| Sq. ft | 1,709    | 1,201    | 915      |

## Saxon Fields, CT1 3UA

This Pentland Homes development is located 2.8 miles to the south of the subject site. Saxon Fields is a distinctive collection of Art Deco inspired homes, including a wide range of on-site facilities including shops, office accommodation, a new school, wildlife corridors and a cricket pitch.

Planning permission was granted in 2015 (CA/15/01479/OUT) to develop the southern parcel for the erection of 750 new residential units, B1 floorspace, A1 to A5 uses, primary school, new Pilgrims Hospice comprising 30 beds and 60 bed nursing home, community and leisure uses (D1 and D2), associated public open space and transport infrastructure.

Phase 1A comprises 269 dwellings, Phase 1B is 87 dwellings, and Phase 2 is 210 dwellings. We have been unable to obtain the exact unit mix for Phase 1A, however it comprises a combination of 1 bedroom apartments, 2, 3, 4 and 5 bedroom houses. Phase 1B comprises a mix of 2, 3 and 4 bedroom houses. The development as a whole achieves a 70% - 30% affordable housing split, however Phase 1B achieves a 76% to 24% split. This can be summarised below.

| Type   | Private Housing |            | Affordable Housing |            |
|--------|-----------------|------------|--------------------|------------|
|        | No. of Units    | Percentage | No. of Units       | Percentage |
| 4+ Bed | 8               | 12%        | -                  | -          |
| 3 Bed  | 39              | 59%        | 5                  | 24%        |
| 2 Bed  | 19              | 28%        | 16                 | 76%        |
| 1 Bed  | -               | -          | -                  | -          |
| Total  | 66              |            | 21                 |            |

Further, a Reserved Matters Application (CA/21/00829) relating to the layout and appearance of Phase 2 was submitted in April 2021, and shows the proposed unit mix below. This Phase 70% to 20% affordable housing split. It's worth noting this is still pending decision.

| Type   | Private Housing |            | Affordable Housing |            |
|--------|-----------------|------------|--------------------|------------|
|        | No. of Units    | Percentage | No. of Units       | Percentage |
| 4+ Bed | 27              | 18%        | -                  | -          |
| 3 Bed  | 99              | 67%        | 27                 | 43%        |
| 2 Bed  | 21              | 14%        | 24                 | 38%        |
| 1 Bed  | -               | -          | 12                 | 19%        |
| Total  | 147             |            | 63                 |            |

We note that that all of the 4 bedroom houses are either detached or semi-detached with the 3 bedroom houses comprising predominantly semi-detached typology with the 2 bedroom homes either being end terrace

or mid terrace. The 1 bedroom affordable units are apartments. We have obtained an asking price list which is displayed below:

| Plot Number | Bed | Type          | Sq Ft | Most Recent Price | £PSF |
|-------------|-----|---------------|-------|-------------------|------|
| 131         | 2   | Terraced      | 936   | £360,000          | £385 |
| 134         | 2   | Terraced      | 936   | £360,000          | £385 |
| 318         | 2   | Terraced      | 936   | £360,000          | £385 |
| 250         | 3   | Semi-detached | 970   | £375,000          | £387 |
| 319         | 3   | Detached      | 1,423 | £545,000          | £383 |
| 127         | 4   | Detached      | 1,343 | £525,000          | £391 |

The above information has been summarised in the following table:

|        | Max      | Average  | Min      |
|--------|----------|----------|----------|
| Price: | £545,000 | £420,833 | £360,000 |
| £psf   | £391     | £386     | £383     |
| Sq. ft | 1,423    | 1,091    | 936      |

We note that each of these houses comes with at least one en-suite bathroom, a rear garden, a garage or two car parking spaces. This development is subject to the help to buy scheme.

### Royal Parade, CT1 1TJ

This Taylor Wimpey development lies approximately 3.5 miles east of the subject site. Set just outside Canterbury on the former Howe Barracks site, featuring a 14-acre legacy park with paths and trails, natural play space, ponds and woodland glades for residents. The development is also just a short distance from a host of transport links, including Canterbury West Railway Station.

Phase One of Royal Parade comprises 171 homes including a mix of one and two bedroom apartments, two, three and four bedroom houses. This phase provides 45 units as affordable housing, equating to 26.5%. Royal Parade Phase Two comprises 200 units and is a collection of two bedroom apartments and two, three, four and five bedroom houses. Construction commenced in early 2021. 53 units are affordable, equating to 26.5%. A breakdown of the overall housing mix, taken from the Design and Access Statement is summarised below.

| Type        | Phase 1      |            | Phase 2      |            |
|-------------|--------------|------------|--------------|------------|
|             | No. of Units | Percentage | No. of Units | Percentage |
| 4 Bed House | 20           | 11.6%      | 46           | 23%        |
| 3 Bed House | 99           | 57.8%      | 72           | 36%        |

| Type        | Phase 1      |            | Phase 2      |            |
|-------------|--------------|------------|--------------|------------|
|             | No. of Units | Percentage | No. of Units | Percentage |
| 2 Bed House | 34           | 19.8%      | 22           | 11%        |
| 2 Bed Flat  | 9            | 5.2%       | 60           | 30%        |
| 1 Bed Flat  | 9            | 5.2%       | -            | -          |
| Total       | 171          | -          | 200          | -          |

We note that that all of the 4 bedroom houses are detached with the 3 bedroom houses comprising either detached or semi-detached typology with the 2 bedroom homes either being end terrace or mid terrace. The table below shows the asking prices for the development.

| Unit Name             | Bed    | Type                | Sq Ft | Most Recent Price | £psf |
|-----------------------|--------|---------------------|-------|-------------------|------|
| Block E (321)         | 2      | Apartment           | 754   | £214,500          | £284 |
| Block E (323)         | 2      | Apartment           | 754   | £216,500          | £287 |
| Block E (326)         | 2      | Apartment           | 754   | £219,500          | £291 |
| The Coach House (329) | 2      | Apartment           | 726   | £239,500          | £330 |
| The Braxton           | 3      | Semi-detached House | 1,073 | £329,500          | £307 |
| The Aubury            | 3/4    | Town House          | 1,211 | £365,000          | £301 |
| The Garrton           | 5      | Detached            | 1,803 | £490,000          | £272 |
| The Byford            | 3      | Detached House      | 958   | £339,975          | £356 |
| The Colton            | 3      | Detached House      | 1,134 | £339,975          | £300 |
| The Aubury            | 3 or 4 | Detached House      | 1,208 | £337,000          | £279 |
| The Birchford         | 3      | Semi-detached House | 958   | £323,995          | £338 |
| The Beauford          | 2      | Mid Terraced House  | 856   | £272,000          | £317 |
| Coach House           | 2      | Mid Terraced House  | 762   | £233,500          | £306 |

The above information has been summarised in the following table:

|        | Max      | Average  | Min      |
|--------|----------|----------|----------|
| Price: | £490,000 | £301,611 | £214,500 |
| £psf   | £356     | £305     | £272     |
| Sq. ft | 1,803    | 996      | 726      |

We note that each of these houses comes with at least one en-suite bathroom, a rear garden, a garage or two car parking spaces. This development is subject to the help to buy scheme.

**Aylesham Village, CT3 3BW**

This Barratt Homes and Persimmon development lies approximately 9 miles south east of the subject site. The development comprises a collection of two, three and four bedroom homes aimed at first time buyers and growing families looking to live within rural Kent.

The overall development comprises 1,360 new homes. Planning for the project was granted in 2012 and construction commenced in 2014. The first 700 homes had been completed and occupied by the summer of 2019. The Phasing and Affordable Housing provision across the whole development is shown below, taken from the Design and Access Statement Planning Permission Ref 19/00821.

| Phase no. Proposed | Total no. of Dwellings Proposed | Total no. of Affordable Units Proposed | Affordable Percentage (%) |
|--------------------|---------------------------------|----------------------------------------|---------------------------|
| Phase 1A & 1B      | 770                             | 154                                    | 20%                       |
| Phase 2A           | 182                             | 33                                     | 18.3%                     |
| Phase 2B           | 340                             | 113                                    | 33.23%                    |
| Phase 3            | 68                              | -                                      | -                         |
| Remaining Phases   | 590                             | 146                                    | 25%                       |
| Overall Total      | 1,360                           | 300                                    | 22%                       |

The individual unit mix has been defined in each phase and parcel of the development. The most recent application for Phase 2b Parcels 7 & 8 comprises 73 dwellings. The Design Compliance Statement under application Ref 20/01005 shows the below unit mix:

| Type        | Private Housing |            | Affordable Housing |            |
|-------------|-----------------|------------|--------------------|------------|
|             | No. of Units    | Percentage | No. of Units       | Percentage |
| 4 Bed House | -               | -          | 2                  | 6%         |
| 3 Bed House | 7               | 16%        | 4                  | 13%        |
| 2 Bed House | 23              | 55%        | 4                  | 13%        |
| 2 Bed Flat  | 12              | 29%        | 18                 | 58%        |
| 1 Bed Flat  | -               | -          | 3                  | 10%        |
| Total       | 42              |            | 31                 |            |

We note that that all of the 4 bedroom houses are detached with the 3 bedroom houses comprising either detached or semi-detached typology with the 2 bedroom homes either being terraced or apartment units.

The majority of the current release has sold out, the final remaining units are shown below. A release of the next phase is expected soon.

| Unit Name   | Bed | Type               | Sq Ft | Most Recent Price | £psf |
|-------------|-----|--------------------|-------|-------------------|------|
| The Alnwick | 2   | End terraced House | -     | £228,950          | -    |
| The Clayton | 3   | Semi-detached      | -     | £276,950          | -    |

We note that all units come with driveway parking or a Garage. The subject phase does not seem to benefit from the same levels of green space and play areas as the above comparables.

### Goose Farm, CT2 0QE

This is a small exclusive development of 10 detached and semi-detached homes by Woodchurch Properties Ltd, situated in Broad Oak approximately 2 miles to the east of the subject site. The scheme is due to complete in August 2021. The properties are finished to a high specification with parking, double cart-barn garages & landscaped gardens. The accommodation schedule, taken from the Planning Application Ref CA/16/01502, is shown below.

| Unit Number | Tenure  | Type  |
|-------------|---------|-------|
| 1           | Private | 4b/8p |
| 2           | Private | 3b/5p |
| 3           | Private | 3b/5p |
| 4           | Private | 3b/5p |
| 5           | Private | 3b/5p |
| 6           | Private | 4b/8p |
| 7           | Private | 4b/8p |
| 8           | Private | 4b/8p |
| 9           | Private | 3b/5p |
| 10          | Private | 3b/5p |

The above demonstrates 60% 3 bed units and 40% 4 bed units. It is worth highlighting these units are significantly larger than minimum sizing requirements. There was no provision of affordable housing on site. The most recent asking price is shown below:

| Bed | Type     | Sq Ft | Most Recent Price | £psf |
|-----|----------|-------|-------------------|------|
| 4   | Detached | 2,025 | £695,000          | £343 |
| 4   | Detached | 2,025 | £695,000          | £343 |
| 4   | Detached | 2,111 | £695,000          | £329 |
| 4   | Detached | 2,109 | £695,000          | £330 |

The above information has been summarised in the following table:

|        | Max      | Average  | Min      |
|--------|----------|----------|----------|
| Price: | £695,000 | £695,000 | £695,000 |
| £psf   | £329     | £336     | £343     |
| Sq. ft | 2,111    | 2,068    | 2,025    |

### Oakdene at The Hoplands, Island Road, Hersden, CT3 4GD

This development is located approximately 3.7 miles east of the subject site. The development comprises a collection of 1, 2, 3,4 and 5 bed homes and is being developed by Redrow.

The overall development comprises of 370 dwellings, a local centre, open space and community ecological park. Outline planning was submitted in March 2016 and approved in November 2018. The accommodation schedule is shown below and is taken from the Design and Access Statement Planning Permission Ref CA//16/00673. The scheme provides an affordable contribution of 30% and comprises a mix of tenure types.

| Type  | Private Housing |            | Affordable Housing |            |
|-------|-----------------|------------|--------------------|------------|
|       | No. of Units    | Percentage | No. of Units       | Percentage |
| 5 Bed | 7               | 3%         | -                  | -          |
| 4 Bed | 49              | 19%        | 12                 | 11%        |
| 3 Bed | 83              | 32%        | 51                 | 46%        |
| 2 Bed | 68              | 26%        | 23                 | 21%        |
| 1 Bed | 52              | 20%        | 25                 | 22%        |
| Total | 259             | -          | 111                | -          |

We note that there is a mix between detached, semi detached and terraced housing as well as 1 and 2 bed apartments. It is understood that the scheme is to be phased with the first phase including c.132 units consisting of 3 and 4 bed houses. A limited number of properties have been marketed with more coming soon but we have obtained a recent price list as follows and are aware that there are Help to Buy schemes available.

| Unit Name        | Bed | Type     | Sq Ft | Most Recent Price | £psf |
|------------------|-----|----------|-------|-------------------|------|
| The Cambridge    | 4   | Detached | 1,178 | £481,995          | £409 |
| The Stratford    | 4   | Detached | 974   | £439,995          | £452 |
| The Marlow       | 4   | Detached | 1,224 | £449,995          | £368 |
| The Grantham Mid | 4   | Terraced | 928   | £359,995          | £388 |
| The Grantham End | 4   | Terraced | 928   | £369,995          | £399 |
| The Amberley     | 3   | Detached | 867   | £419,995          | £484 |
| The Shaftsbury   | 4   | Detached | 1,141 | £499,995          | £438 |

The above information has been summarised in the following table:

|        | Max      | Average  | Min      |
|--------|----------|----------|----------|
| Price: | £499,995 | £431,709 | £359,995 |
| £psf   | £484     | £420     | £368     |
| Sq. ft | 1,224    | 1,034    | 867      |

## One Off New Builds

During our research of larger schemes we have found a number of one off new build developments. These are summarised in the table below.

| Address                                   | Type     | Beds | Sq. ft | Asking Price | £psf |
|-------------------------------------------|----------|------|--------|--------------|------|
| St Quentin, Bekesbourne Lane, Bekesbourne | Detached | 5    | 4,535  | £1,495,000   | £330 |
| Manwood Avenue, Canterbury, Kent          | Detached | 5    | 2,680  | £1,295,000   | £483 |
| Iffin Lane, Canterbury, Kent              | Detached | 4    | 2,694  | £950,000     | £353 |
| Lampen Walk, Canterbury, CT1              | Terraced | 3    | 1,179  | £325,000     | £276 |

## Secondary Market

We have also analysed units that are currently for sale in close proximity to the University Campus. We summarise the achieved pricing below.

| Address                                                   | Type          | Beds | Price (£)  | Area (Sq Ft) | £psf | Comments                                                                                               |
|-----------------------------------------------------------|---------------|------|------------|--------------|------|--------------------------------------------------------------------------------------------------------|
| 52 Kemsing Gardens, Canterbury, Kent CT2 7RF              | Semi-detached | 5    | £242,000   | 904          | £268 | Garden with side access, off street parking                                                            |
| 20 Becket Mews, Canterbury, Kent CT2 8DF                  | Terraced      | 3    | £310,000   | 807          | £384 | End of terrace, garage                                                                                 |
| 70 Black Griffin Lane, Canterbury, Kent CT1 2DG           | Terraced      | 3    | £279,000   | 775          | £360 | Rear garden, city centre location                                                                      |
| 74 Salisbury Road, Canterbury, Kent CT2 7HH               | Detached      | 4    | £460,000   | 1,525        | £302 | City centre location, garage and driveway, good condition, rear garden                                 |
| 2 Old School Close, Sturry, Canterbury, Kent CT2 0TW      | Detached      | 5    | £535,000   | 1,609        | £333 | Wrap around garden, double garage, close to station                                                    |
| Orchard House, Bekesbourne Lane, Canterbury, Kent CT3 4AB | Detached      | 5    | £1,010,000 | 2,964        | £341 | Large rear garden, two en-suite bedrooms, large open plan kitchen diner, garage and off street parking |

|                                                                 |                |   |          |       |      |                                                        |
|-----------------------------------------------------------------|----------------|---|----------|-------|------|--------------------------------------------------------|
| 29 Squire Avenue,<br>Harbledown,<br>Canterbury, Kent CT2<br>8PF | End of Terrace | 3 | £233,000 | 843   | £276 | Rear garden, good<br>location                          |
| 26 Cherry Drive,<br>Canterbury, Kent CT2<br>8HF                 | Semi-detached  | 3 | £385,000 | 1,044 | £369 | Close to station, front<br>and rear gardens,<br>garage |
| 14 Edward Road,<br>Canterbury, Kent CT1<br>1UH                  | Semi-detached  | 2 | £280,000 | 931   | £301 | Rear garden, good<br>location                          |

## Summary

The subject sites benefit from a desirable rural location with good transport links into central Canterbury, surrounding villages as well as the A2 and M2 motorway network to the west. We summarise the above new build information in the table below.

|               | Max        | Average  | Min      |
|---------------|------------|----------|----------|
| <b>Price:</b> | £1,495,000 | £480,281 | £214,500 |
| <b>£psf</b>   | £484       | £366     | £272     |
| <b>Sq. ft</b> | 4,535      | 1,315    | 726      |

We would highlight that new build surrounding schemes achieved transaction values of £270 - £485 per sq ft for 2, 3, 4 and 5 bedroom houses. It is important to note that schemes quoting at the higher end of this range benefit from superior locations, specifications and were one off developments. We would also note that all schemes quoted above have either car parking spaces, a garage and a front or rear garden.

The Saxon Fields and Royal Parade schemes provide the most useful comparable evidence for the subject sites due to their proximity to Canterbury City Centre. We would expect a new build development to achieve broadly similar values depending on size and specification.

As part of our research we have also considered the local re-sale market and note that these units were broadly achieving values of circa £270 - £385 per sq ft. We would expect a new build development to command a premium over and above this.

In relation to unit mix, generally the developments are providing large family housing rather than flats, with the greatest proportion of units being 3 and 4 bedroom houses. The smaller units comprising one and two bedroom flats are generally for affordable housing.

Given the above information, we believe the scheme could achieve an average price per sq. ft of c.£350 or £317,000 per unit.