

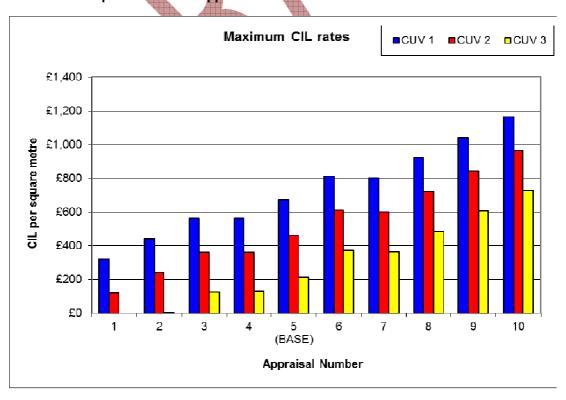
1 INTRODUCTION

1.1 During the hearing sessions, which took place on the 28 to 30 May 2014, the Examiner, Mr Malcolm Rivett, and the Council agreed that BNP Paribas Real Estate and the Council would provide Mr Rivett with further hotel appraisals. We set out bellow a summary of the results and append the appraisals to this note.

2 UPDATED APPRAISAL OF HOTEL 2 (BASED ON IBIS INFOMRATION) REFLECTING £26 PER SQ FT RENT

- 2.1 The rent (£30.59 per sq ft) adopted in our appraisals in the Revised Draft Charging Schedule Viability assessment (ED2.2) and the EiP Submission Stage Documents as part of the Statement of Modifications (Appendix 1 and 2 of ED3.5) reflected a floor area of 7,897sq m (85,000 sq ft), as identified by the Focus Database. In their representations Travelodge's Agents, SmithJenkins have provided a copy of the 'approximate summary of floor areas (Gross Internal) of the scheme as submitted to the Council with the planning application. This document identifies the hotel to be 9,290 sq m (99,997.56 sq ft). The increase in floorspace results in a reduction of the rent from £30.59 per sq ft to £26 per sq ft.
- 2.2 We have re-run our appraisal based on a rent of £26 per sq ft and a gross internal floor area of 9,290 sq m (99,997.56 sq ft), maintaining all other inputs to the appraisal the same. We have however removed the gross to net allowance in the appraisal given that the build costs are applied to the gross internal floor area, which the figure of 9,290 sq m (99,997.56 sq ft) represents. We would highlight that the rental value per sq ft is based on an analysis of the gross floor area so it is appropriate to apply the rental value established of £26 per sq ft to the gross floor area. The results of our appraisal have identified that such hotel developments can accommodate a maximum CIL of between £672 and £213 per sq m, dependant on the current use of the site as identified in Chart 2.2.1 below. Based on CUV 2 of this appraisal a maximum CIL rate of up to £463 per square metre (inclusive of and Crossral S106 top up) could be considered.

Chart 2.2.1 - Updated Hotel 2 Appraisal based on IBIS information

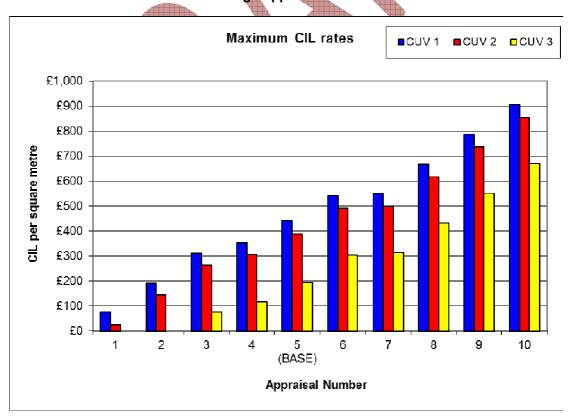




3 APPRAISAL OF BETHNAL GREEN TRAVELODGE

- 3.1 We have undertaken an appraisal of the Bethnal Green Travelodge site based on information obtained from particulars produced by Colliers International (as submitted with ED5.14: Additional Appraisal Evidence Hotel) and further information provided by Travelodge and their contractors following the Examination.
- 3.2 Our appraisal allows for the full S106 requirement as agreed on this scheme, which when calculated as a rate per square foot (£2.70 per sq ft) is nearly half of what was assumed as a standard assumption in our other viability appraisals for hotel developments (£5 per sq ft). This figure does not take into consideration any scaling back of S106 as a result of the CIL Regulations.
- 3.3 The CUVs adopted for this assessment have been amended to reflect the value of properties likely to come forward for redevelopment in the Bethnal Green area, which is in line with the other 'rest of borough' appraisal assumptions in the viability testing.
- 3.4 Our appraisal identifies that the scheme could support a CIL charge of between £441 and £193 per sq m depending on the current use. We understand from the Planning Statement submitted to support the planning application for the development of the site as a hotel that the site was previously 'occupied by the Fymfyg Comedy Club and Bar, a part two storey building which was formally a warehouse/clothing manufacturer'. In this regard adopting benchmark CUV 2 would not be unreasonable, allowing for a CIL charge of £389 per sq m.

Chart 3.4.1 - Bethnal Green Travelodge Appraisal





- 4 UPDATED BUDGET HOTEL APPRAISALS SUBMITTED (ED5.14: ADDITIONAL APPRAISAL EVIDENCE HOTEL)
- 4.1 We have re-run our appraisals of the budget hotels provided as submitted with ED5.14: Additional Appraisal Evidence Hotel based on the information provided by Travelodge following the Examination relating to the Bethnal Green site. These appraisals include increased build costs from £109.00 to 135.79 per sq ft and demolition costs from £5.00 to £5.82 per sq ft.
- 4.2 We set out the results of our appraisals below which identify that even at these increased build costs, the budget hotel schemes can easily absorbed the proposed CIL charge of £180 per sq m.

Chart 4.2.1 – Updated results of Hotel Appraisal A (Based on Travelodge Coriander Avenue)

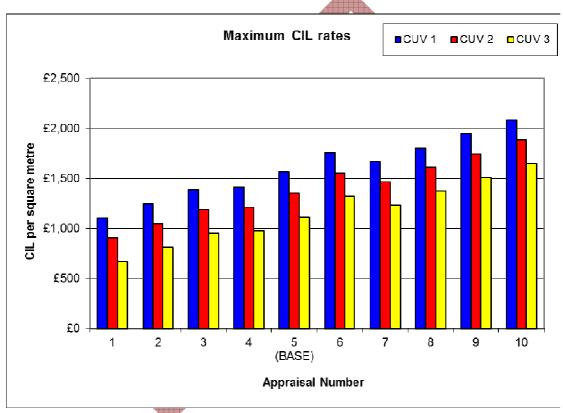
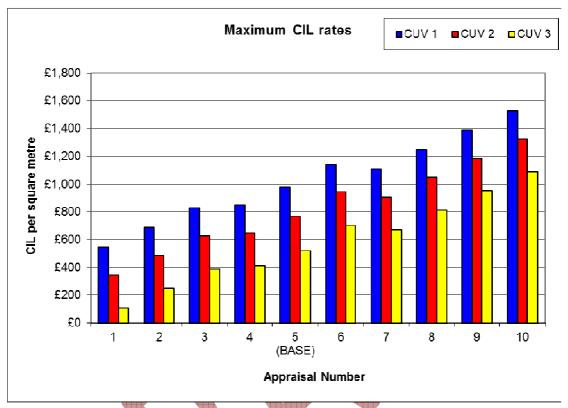
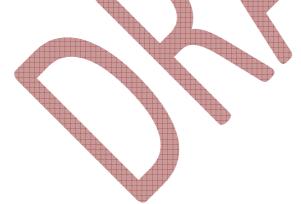




Chart 4.2.2 – Updated results of Hotel Appraisal B (Based on Premier Inn, Goodmans Fields)







APPENDIX 1 - UPDATED APPRAISAL REFLECTING £26 PER SQ FT RENT





APPENDIX 2 - BETHNAL GREEN TRAVELODGE APPRAISAL





APPENDIX 3 - UPDATED BUDGET HOTEL APPRAISALS



COMMUNITY INFRASTRUCTURE LEVY

Commercial Development

Appraisal 10

	£s per sqft	Yield	Rent free
Appraisal 1	£23.00	6.40%	
Appraisal 2	£24.00	6.40%	
Appraisal 3	£25.00	6.40%	
Appraisal 4	£26.00	6.65%	
Appraisal 5 (base)	£26.00	6.40%	
Appraisal 6	£26.00	6.15%	
Appraisal 7	£27.00	6.40%	
Appraisal 8	£28.00	6.40%	
Appraisal 9	£29.00	6.40%	

£30.00

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£10.00	7.00%	3.00 years	20.00%
Current use value 2	£15.00	7.00%	3.00 years	20.00%
Current use value 3	£20.00	6.75%	3.00 years	20.00%

6.40%

Results - Maximum CIL rates per square metre

	Change in rent			
	from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-13%	£322	£122	£0
Appraisal 2	-8%	£442	£242	£6
Appraisal 3	-4%	£561	£361	£127
Appraisal 4	0%	£563	£363	£129
Appraisal 5 (base)	-	£672	£463	£213
Appraisal 6	0%	£811	£611	£373
Appraisal 7	4%	£803	£603	£365
Appraisal 8	7%	£924	£723	£487
Appraisal 9	10%	£1,042	£844	£608
Appraisal 10	13%	£1,163	£964	£728

Use class: Hotel (2) Location: Tower Hamlets July '14

Existing floorspace as % of new 30%

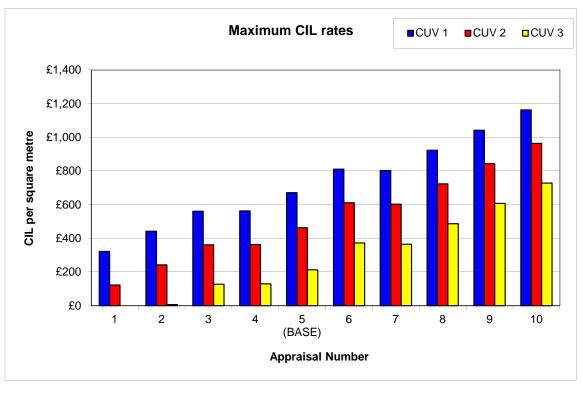
Net off existing floorspace from CIL calculation:

Ctrl + y to goal seek max CIL

Ibis Hotel, Commercial Street, E1 6BF

(BNPPRE database, Egi Database and Property Magazine International website artic

Passing rent	£2,600,000
Capital values for hotel	£38,350,000
Number of Rooms	348
Rent per room	£7,471.26
Size of hotel sq m	9,290
Size Hotel in sq ft	99,997.56
Size of room in sq ft	287.35
Rent PSF	£26.00
Cap value per room	£110,201.15
Cap value PSF as per sale proce	£383.51
Check capital Value PSF in appraisal	£382.72



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DEVELOPMENT APPRAISAL

Commercial Development

Use class: Hotel (2)
Location: Tower Hamlets July '14

DEVELOPMENT VALUE	Common ass	sumptions	Appraisal 1	Appr	aisal 2	Appraisal 3	Appraisal	14	Apprai	isal 5	Appra	aisal 6	Appra	isal 7	Appra	sal 8	Apprais	al 9	Appra	aisal 10
Rental Income	Floor area		£ psf £ per annum		£ per annum		- -	er annum £	•	e per annum		£ per annum £		£ per annum	•	£ per annum £	•	per annum		£ per annum
Rent - area 1	99,997.56		£23.00 £2,299,944		£2,399,941	£25.00 £2,499,939		2,600,134		£2,600,134	£26.00	, ,	£27.00	, ,	£28.00	£2,799,932		£2,899,929	£30.00	
Rent - area 2			£23.00 £0		£0	£25.00 £0	£26.00	£0	£26.00	£0		£0	£27.00	£0	£28.00	£0	£29.00	£0	£30.00	
Rent - area 3			£23.00 £0		£0	£25.00 £0	£26.00	£0	£26.00	£0	£26.00	03	£27.00	£0	£28.00	£0	£29.00	£0	£30.00	
Total floor area / rent		99,997.56	£2,299,944		£2,399,941	£2,499,939	£2	2,600,134		£2,600,134		£2,600,134		£2,699,934		£2,799,932		£2,899,929		£2,999,927
Rent free/voids (years)			- 1.0000	-	1.0000	- 1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000
Yield	6.40%		6.40%	6.40%		6.40%	6.65%		6.40%		6.15%		6.40%		6.40%		6.40%	i	6.40%	
Capitalised rent			£35,936,623		£37,499,085	£39,061,547	£39	9,099,765	:	£40,627,099		£42,278,607		£42,186,471		£43,748,933	£	45,311,394		£46,873,856
GROSS DEVELOPMENT VALUE																				
Purchaser's costs	5.80%		£2,084,324		£2,174,947	£2,265,570		2,267,786		£2,356,372		£2,452,159		£2,446,815		£2,537,438		£2,628,061		£2,718,684
DEVELOPMENT COSTS			£33,852,299		£35,324,138	£36,795,977	2.30	6,831,978	:	£38,270,728		£39,826,448		£39,739,655		£41,211,494	t	42,683,334		£44,155,173
DEVELOPMENT COSTS																				
Land costs			£6,842,328		£6,842,328	£6,842,328	£6	6,842,328		£6,842,328		£6,842,328		£6,842,328		£6,842,328		£6,842,328		£6,842,328
Stamp duty and acquisition costs			-£393,434		-£393,434	-£393,434	-	£393,434		-£393,434		-£393,434		-£393,434		-£393,434		-£393,434		-£393,434
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Development Costs																				
Existing floor area	30%	29,999																		
Demolition costs	£5 psf		£149,996		£149,996	£149,996		£149,996		£149,996		£149,996		£149,996		£149,996		£149,996		£149,996
Building costs	£155 psf		£15,499,622		£15,499,622	£15,499,622	£15	5,499,622	:	£15,499,622		£15,499,622		£15,499,622		£15,499,622	£	15,499,622		£15,499,622
Area	100% grs to net	99,997.56																		
External works	10.00%		£1,549,962		£1,549,962	£1,549,962	£	1,549,962		£1,549,962		£1,549,962		£1,549,962		£1,549,962		£1,549,962		£1,549,962
Professional fees	10.00%		£1,719,958		£1,719,958	£1,719,958	£	1,719,958		£1,719,958		£1,719,958		£1,719,958		£1,719,958		£1,719,958		£1,719,958
Contingency	5.00%		£945,977		£945,977	£945,977		£945,977		£945,977		£945,977		£945,977		£945,977		£945,977		£945,977
Mayoral CIL	£3.25	99,997.56	£325,150		£325,150	£325,150		£325,150		£325,150		£325,150		£325,150		£325,150		£325,150		£325,150
Residual S106	£5 psf		£499,988		£499,988	£499,988		£499,988		£499,988		£499,988		£499,988		£499,988		£499,988		£499,988
CIL	£s psf	99,997.56	-£11 -£1,059,722	£1	£57,903	£12 £1,177,441	£12 £	1,195,055	£20	£1,977,593	£35	£3,463,980	£34	£3,386,254	£45	£4,521,819	£56	£5,647,517	£68	£6,764,124
Disposal Costs																				
Letting Agent's fee (% of rent)	10.00%		£229,994		£239,994	£249,994		£260,013		£260,013		£260,013		£269,993		£279,993		£289,993		£299,993
Agent's fees (on capital value)	1.00%		£359,366		£239,994 £374,991	£390,615		£390,998		£406,271		£422,786		£421,865		£437,489		£453,114		£468,739
Legal fees (% of capital value)	0.75%		£269,525		£281,243	£292,962		£293,248		£304,703		£317,090		£316,399		£328,117		£339,835		£351,554
Legal lees (70 of capital value)	0.1370		2203,320		2201,243	2232,302		2233,240		2304,703		2317,090		2310,333		2320,117		2009,000		2331,334
Finance_																		i		
Loan arrangement fee	1.00%		£196,309		£207,486	£218,681		£218,857		£226,682		£241,546		£240,769		£252,125		£263,382		£274,548
Interest rate	7.00%		,			,				•				•						
Interest	18 months		£1,075,715		£1,136,351	£1,197,087	£	1,198,573		£1,579,627		£1,320,612		£1,316,971		£1,378,549		£1,439,608		£1,500,191
-																				
Profit on cost			£5,641,564		£5,886,623	£6,129,649	£6	6,135,686		£6,376,290		£6,660,873		£6,647,857		£6,873,855		£7,110,337		£7,356,477
Profit on cost (%)			20.00%		20.00%	19.99%		19.99%		19.99%		20.08%		20.09%		20.02%		19.99%		19.99%
Net additional floorspace (sq ft)		69.998	69,998		69.998	69.998		69.998		69.998		69.998		69.998		69.998		69.998		69,998
Net additional floorspace (sq m)		6,503	6,503		6,503	6,503		6,503		6,503		6,503		6,503		6,503		6,503		6,503
		,,,,,,,	2,000		-,0	2,300		-,		-,5		.,		-,0		-,		-,		-,

CURRENT USE VALUE

Use class: Hotel (2)

Commercial Development

	Current use value Existing space as percentage of new Rent per sq ft Rental income per annum
	Rent free/voids (years) Total revenue, capitalised (including all costs)
	Refurbishment costs Fees
	apitalised rent, net of refurb and fees Purchaser's costs
(Current use value
(CUV including Landowner premium

Common as	sumptions	CU	V 1	CUV 2		CU	V 3
30%	29,999						
	-,	£10 psf £299,993		£15 psf £449,989		£20 psf £599,985	
		1299,993		2449,909		2099,900	
		3.0	0.8163	3.0	0.8163	3.0	0.8220
		7.00%		7.00%		6.75%	
£50 psf		£1,499,963		£1,499,963		£1,499,963	
7%		£104,997		£104,997		£104,997	
			£1,893,373		£3,642,540		£5,701,940
5.75%							
			£1,893,373		£3,642,540		£5,701,940
		20%	£2,272,048	20.00%	£4,371,048	20.00%	£6,842,328

COMMUNITY INFRASTRUCTURE LEVY

Commercial Development

Appraisal 10

	£s per sqft	Yield	Rent free
Appraisal 1	£16.00	6.30%	.50 years
Appraisal 2	£17.00	6.30%	.50 years
Appraisal 3	£18.00	6.30%	.50 years
Appraisal 4	£19.11	6.55%	.50 years
Appraisal 5 (base)	£19.11	6.30%	.50 years
Appraisal 6	£19.11	6.05%	.50 years
Appraisal 7	£20.00	6.30%	.50 years
Appraisal 8	£21.00	6.30%	.50 years
Appraisal 9	£22.00	6.30%	.50 years

£23.00

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£8.00	8.00%	3.00 years	20.00%
Current use value 2	£10.00	8.00%	3.00 years	20.00%
Current use value 3	£15.00	7.00%	3.00 years	20.00%

6.30%

.50 years

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Approisal 4				
Appraisal 1	-19%	£75	£26	£0
Appraisal 2	-12%	£193	£145	£0
Appraisal 3	-6%	£311	£264	£76
Appraisal 4	0%	£354	£305	£119
Appraisal 5 (base)	-	£441	£389	£193
Appraisal 6	0%	£541	£492	£304
Appraisal 7	4%	£549	£500	£313
Appraisal 8	9%	£668	£619	£433
Appraisal 9	13%	£786	£737	£552
Appraisal 10	17%	£905	£856	£670

Use class:	HOTEL
Location:	Benthnal Green Travelodge assumptions Jul '14

Existing floorspace as % of new 21.51%

Net off existing floorspace from CIL calculation:

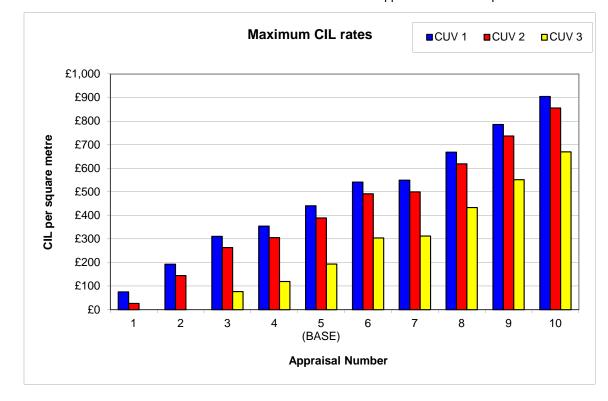
Ctrl + y to goal seek max CIL

TRAVELODGE - 231-237 CAMBRIDGE HEATH ROAD, BETHNAL GREEN, LONDON, (BNPPRE database, Colliers particulars & Travelodge information)

•	
Yield	6.30%
Number of Rooms	131
GIA of hotel sq m	3,821
GIA Hotel in sq ft	41,129
Rent per room	£6,000
Size of room in sq ft	313.96
Rent PSF	£19.11

Appraisal check of capital value PSF

£277.14



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DEVELOPMENT APPRAISAL

Commercial Development

Use class: HOTEL

Location: nal Green Travelodge assumptions

DEVELOPMENT VALUE	Common as	sumptions	Appraisa	al 1	Appra	aisal 2	Appraisal 3	Арр	raisal 4	Арр	oraisal 5	Appr	aisal 6	Appra	isal 7	Appr	aisal 8	Appraisal 9	Appra	isal 10
Rental Income	Floor area		•	per annum	•	£ per annum		•	£ per annum £	-	£ per annum	•	£ per annum £	•	£ per annum	•	£ per annum		•	£ per annum
Rent - area 1	41,129.24		£16.00	£658,068	£17	£699,197	£18.00 £740,326	£19.11	£785,980	£19.1	,	£19.11	,	£20.00	£822,585		,	£22.00 £904,843	£23.00	,
Rent - area 2			£16.00	£0		£0	£18.00 £0			£19.1			£0	£20.00	£0				£23.00	£0
Rent - area 3			£16.00	£0	£17	£0	£18.00 £0	£19.1′		£19.1			£0	£20.00	£0				£23.00	£0
Total floor area / rent		41,129.24		£658,068		£699,197	£740,326		£785,980		£785,980		£785,980		£822,585		£863,714	£904,843		£945,973
Rent free/voids (years)			0.5	0.9699	0.5	0.9699	0.5 0.9699	0.5	0.9688	0.5	0.9699	0.5	0.9711	0.5	0.9699	0.5	0.9699	0.5 0.9699	0.5	0.9699
Yield	6.30%		6.30%		6.30%		6.30%	6.55%	b	6.30%	6	6.05%		6.30%		6.30%		6.30%	6.30%	
Capitalised rent			£	10,131,262		£10,764,465	£11,397,669		£11,625,011		£12,100,526		£12,615,391		£12,664,077		£13,297,281	£13,930,485		£14,563,688
GROSS DEVELOPMENT VALUE																				
Purchaser's costs	5.80%			£587,613		£624,339	£661,065		£674,251		£701,830		£731,693		£734,516		£771,242	£807,968		£844,694
Turonasor o oosto	0.0070		:	£9,543,648		£10,140,126	£10,736,604		£10,950,761		£11,398,695		£11,883,698		£11,929,560		£12,526,039	,		£13,718,995
DEVELOPMENT COSTS				ļ																
Land costs			:	£1,289,039		£1,289,039	£1,289,039		£1,289,039		£1,289,039		£1,289,039		£1,289,039		£1,289,039	£1,289,039		£1,289,039
Stamp duty and acquisition costs				-£74,120		-£74,120	-£74,120		-£74,120		-£74,120		-£74,120		-£74,120		-£74,120	-£74,120		-£74,120
cramp and and asquising record				2, .20		21 1,120	2. 1,120		2. 1,120		2. 1,120		2. 1,120		2. 1,120		27 1,120	2,.20		21 1,120
Davidania and Casta				ļ																
Development Costs	04.540/	0.040																		
Existing floor area	21.51%	8,848		054 500		054 500	054 500		054 500		054 500		054 500		054 500		054 500	054.500		054 500
Demolition costs	£5.82 psf			£51,500		£51,500	£51,500		£51,500		£51,500		£51,500		£51,500		£51,500			£51,500
Building costs (including fees)	£135.79 psf	44 400 04	:	£5,584,960		£5,584,960	£5,584,960		£5,584,960		£5,584,960		£5,584,960		£5,584,960		£5,584,960	£5,584,960		£5,584,960
Area	100% grs to net	41,129.24																		
Public realm				£22,200		£22,200	£22,200		£22,200		£22,200		£22,200		£22,200		£22,200	,		£22,200
Rights of light compensation		500,000		£500,000		£500,000	£500,000		£500,000		£500,000		£500,000		£500,000		£500,000			£500,000
Contingency	5.00%			£307,933		£307,933	£307,933		£307,933		£307,933		£307,933		£307,933		£307,933			£307,933
Mayoral CIL	£3.25	41,129.24		£133,735		£133,735	£133,735		£133,735		£133,735		£133,735		£133,735		£133,735			£133,735
Residual S106	£2.70 psf			£110,900		£110,900	£110,900		£110,900		£110,900		£110,900		£110,900		£110,900	,		£110,900
CIL	£s psf	41,129.24	-£15	-£614,335	-£4	-£156,647	£7 £292,057	£11	£455,740	£1	8 £738,428	£28	£1,162,460	£29	£1,194,555	£40	£1,654,639	£51 £2,107,398	£62	£2,559,861
Disposal Costs																				
Letting Agent's fee (% of rent)	10.00%			£65,807		£69,920	£74,033		£78,598		£78,598		£78,598		£82,258		£86,371	£90,484		£94,597
Agent's fees (on capital value)	1.00%			£101,313		£107,645	£113,977		£116,250		£121,005		£126,154		£126,641		£132,973	£139,305		£145,637
Legal fees (% of capital value)	0.75%			£75,984		£80,733	£85,483		£87,188		£90,754		£94,615		£94,981		£99,730	£104,479		£109,228
Finance																				
Loan arrangement fee	1.00%			£60,969		£65,546	£70,033		£71,670		£74,497		£78,737		£79,058		£83,659	£88,186		£92,711
Interest rate	7.00%			ا 800,505		200,040	210,000		271,070		214,431		210,137		213,000		200,009	200,100		202,111
Interest	18 months			£332,850		£357,676	£382,031		£391,073		£470,134		£429,085		£431,007		£455,959	£480,527		£505,079
IIIGIGSI	TO MONUS			2002,000		2301,070	1302,031		2331,073		410,134		L 1 29,003		L -1 31,007		2400,909	1.400,527		2303,019
Profit on cost			:	£1,594,913		£1,689,106	£1,792,845		£1,824,095		£1,899,132		£1,987,901		£1,994,913		£2,086,560	, ,		£2,285,735
Profit on cost (%)				20.06%		19.99%	20.05%		19.99%		19.99%		20.09%		20.08%		19.99%	19.99%		19.99%
Net additional floorspace (sq ft)		32,281		32,281		32,281	32,281		32,281		32,281		32,281		32,281		32,281	32,281		32,281
Net additional floorspace (sq m)		2,999		2,999		2,999	2,999		2,999		2,999		2,999		2,999		2,999	2,999		2,999

CURRENT USE VALUE

Use class: HOTEL

Commercial Development

Current use value Existing space as percentage of new Rent per sq ft Rental income per annum
Rent free/voids (years) Total revenue, capitalised (including all costs)
Refurbishment costs Fees
Capitalised rent, net of refurb and fees Purchaser's costs
Current use value
CUV including Landowner premium

Common ass	Common assumptions		1	CU	V 2	CUV 3		
22%	8,847							
		£8 psf		£10 psf		£15 psf		
		£70,775		£88,469		£132,704		
		3.0	0.7938	3.0	0.7938	3.0	0.8163	
		8.00%		8.00%		7.00%		
£50 psf		£442,345		£442,345		£442,345		
7%		£30,964		£30,964		£30,964		
			£228,986		£404,560		£1,074,199	
5.75%			ĺ					
			İ					
			£228,986		£404,560		£1,074,199	
			ĺ		,			
		20%	£274,784	20.00%	£485,472	20.00%	£1,289,039	

COMMUNITY INFRASTRUCTURE LEVY

Commercial Development

	£s per sqft	Yield	Rent free
Appraisal 1	£23.50	5.50%	
Appraisal 2	£24.50	5.50%	
Appraisal 3	£25.50	5.50%	
Appraisal 4	£26.86	5.75%	
Appraisal 5 (base)	£26.86	5.50%	
Appraisal 6	£26.86	5.25%	
Appraisal 7	£27.50	5.50%	
Appraisal 8	£28.50	5.50%	
Appraisal 9	£29.50	5.50%	
Appraisal 10	£30.50	5.50%	

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£10.00	7.00%	3.00 years	20.00%
Current use value 2	£15.00	7.00%	3.00 years	20.00%
Current use value 3	£20.00	6.75%	3.00 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent			
	from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-14%	£1,107	£908	£673
Appraisal 2	-10%	£1,248	£1,048	£813
Appraisal 3	-5%	£1,388	£1,186	£953
Appraisal 4	0%	£1,414	£1,212	£978
Appraisal 5 (base)	-	£1,568	£1,355	£1,109
Appraisal 6	0%	£1,758	£1,559	£1,324
Appraisal 7	2%	£1,669	£1,468	£1,233
Appraisal 8	6%	£1,807	£1,608	£1,370
Appraisal 9	9%	£1,948	£1,749	£1,511
Appraisal 10	12%	£2,088	£1,890	£1,652

Use class:	Hotel (A)
Location:	Tower Hamlets (costs sensitivity) July '14

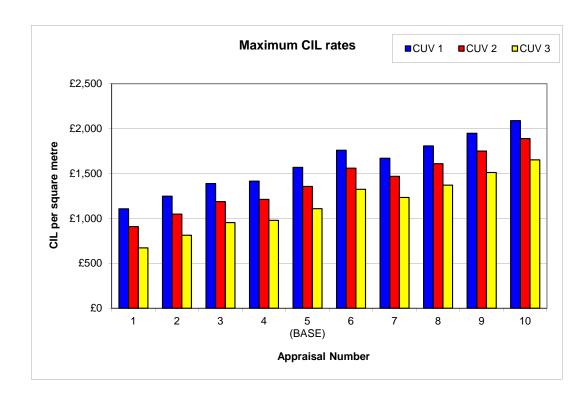
Existing floorspace as % of new 30%

Net off existing floorspace from CIL calculation:

Ctrl + y to goal seek max CIL

Number of Rooms Annual rent GIA of hotel in sq ft Gross Rent per sq ft 232 £2,264,421 84,315 £26.86

Travellodge - Corriander Ave, London, E14 2AA (Egi/Focus and marketing Particulars)



DEVELOPMENT APPRAISAL

Commercial Development

Use class: Hotel (A)

Location: wer Hamlets (costs sensitivity) July

DEVELOPMENT VALUE	Common ass	sumptions	Appraisal 1	Appraisal	12	Appraisal 3	Appraisal 4	4	Apprais	sal 5	Appra	aisal 6	Appra	isal 7	Appra	aisal 8	Appraisal	9	Apprai	isal 10
													_	_						
Rental Income	Floor area		£ psf £ per annum £		er annum			r annum	•	per annum	•	£ per annum £ p		£ per annum	•	£ per annum £ p		er annum £	•	£ per annum
Rent - area 1	84,315		£23.50 £1,981,403		2,065,718	£25.50 £2,150,033		,264,701		£2,264,701	£26.86	, . , .	£27.50	£2,318,663		, , , , , ,		2,487,293	£30.50	, , , , , , , , , , , , , , , , , , , ,
Rent - area 2			£23.50 £0	£25	£0	£25.50 £0	£26.86	£0	£26.86	£0			£27.50	£0	£28.50		£29.50	£0	£30.50	£0
Rent - area 3			£23.50 £0	£25	£0	£25.50 £0	£26.86	£0	£26.86	£0	£26.86	£0	£27.50	£0	£28.50	£0	£29.50	£0	£30.50	£0
Total floor area / rent		84,315	£1,981,403	£	2,065,718	£2,150,033	£2,	,264,701		£2,264,701		£2,264,701		£2,318,663		£2,402,978	£2	2,487,293		£2,571,608
Rent free/voids (years)			- 1.0000	-	1.0000	- 1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000
Yield	5.50%		5.50%	5.50%		5.50%	5.75%		5.50%		5.25%		5.50%		5.50%		5.50%		5.50%	
Capitalised rent			£36,025,500	£3	7,558,500	£39,091,500	£39	,386,103	£	£41,176,380		£43,137,160		£42,157,500		£43,690,500	£45	5,223,500		£46,756,500
GROSS DEVELOPMENT VALUE																				
Purchaser's costs	5.80%		£2,089,479	£	2,178,393	£2,267,307	£2.	,284,394		£2,388,230		£2,501,955		£2,445,135		£2,534,049	£2	2,622,963		£2,711,877
			£33,936,021		5,380,107	£36,824,193	£37	101,709	£	38,788,150		£40,635,205		£39,712,365		£41,156,451		2,600,537		£44,044,623
DEVELOPMENT COSTS			,		,,,,,,,					,,				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				,,,,,,		
Land costs			£5,769,250	21	5,769,250	£5,769,250	25	769,250		£5,769,250		£5,769,250		£5,769,250		£5,769,250	CF	5,769,250		£5,769,250
Stamp duty and acquisition costs			£3,709,230 -£331,732		-£331,732	-£331,732		331.732		£3,709,230 -£331,732		£3,709,230 -£331,732		£3,709,230 -£331,732		£3,769,230 -£331,732		£331,732		£3,709,230 -£331,732
Stamp duty and acquisition costs			-£331,732		-£331,732	-£331,732	-1	.331,732		-£331,732		-£331,732		-£331,732		-£331,732	-	£331,732		-£331,732
Development Costs																				
Existing floor area	30%	25,295																1		
Demolition costs	£5.83 psf		£147,467		£147,467	£147,467	f	147,467		£147,467		£147,467		£147,467		£147,467		£147,467		£147,467
Building costs	£135.79 psf		£11,449,134		1,449,134	£11,449,134		,449,134	£	£11,449,134		£11,449,134		£11,449,134		£11,449,134		1,449,134		£11,449,134
Area	100% grs to net	84,315	211,110,101	~1	1,110,101	211,110,101	211	, 110,101	-	211,110,101		211,110,101		211,110,101		211,110,101	~!!	1,110,101		211,110,101
External works	10.00%	04,515	£1,144,913	r.	1,144,913	£1,144,913	£1	144,913		£1,144,913		£1,144,913		£1,144,913		£1,144,913	£1	1,144,913		£1,144,913
Professional fees	10.00%		£1,274,151		1,274,151	£1,274,151		,144,913		£1,274,151		£1,274,151		£1,274,151		£1,274,151		1,274,151		£1,274,151
												, ,		, ,		, ,				
Contingency	5.00%	04.045	£700,783		£700,783	£700,783		2700,783		£700,783		£700,783		£700,783		£700,783		£700,783		£700,783
Mayoral CIL	£3.25	84,315	£274,157		£274,157	£274,157		274,157		£274,157		£274,157		£274,157		£274,157		£274,157		£274,157
Residual S106	£5 psf		£421,575		£421,575	£421,575		421,575		£421,575		£421,575		£421,575		£421,575		£421,575		£421,575
CIL	£s psf	84,315	£62 £5,268,709	£75 £0	6,365,594	£89 £7,462,591	£91 £7	,663,695	£103	£8,686,559	£123	£10,369,200	£115	£9,657,205	£127	£10,729,871	£140 £11	1,834,354	£153	£12,938,694
Disposal Costs																		i i		
Letting Agent's fee (% of rent)	10.00%		£198,140		£206,572	£215,003	£	226,470		£226,470		£226,470		£231,866		£240,298		£248,729		£257,161
Agent's fees (on capital value)	1.00%		£360,255		£375,585	£390,915	£	393,861		£411,764		£431,372		£421,575		£436,905		£452,235		£467,565
Legal fees (% of capital value)	0.75%		£270,191		£281,689	£293,186	£	295,396		£308,823		£323,529		£316,181		£327,679		£339,176		£350,674
Finance																				
Loan arrangement fee	1.00%		£206,809		£217,778	£228,748	¢.	230,759		£240,987		£257,814		£250,694		£261,421		£272,465		£283,509
Interest rate	7.00%		2200,000			2220,7 10				~= .0,007		2207,011		~=50,004		2201,121				2200,000
Interest	18 months		£1,129,247	C.	1,188,685	£1,248,129	£1	,259,559		£1,600,374		£1,405,044		£1,367,048		£1,425,214	£4	1,485,050		£1,544,879
interest	16 months		11,129,247	L	1,100,000	1,240,129	Z1.	,208,008		21,000,374		21,403,044		41,301,040		21,425,214	L	1,+00,000		21,044,079
Profit on cost			£5,652,971	£	5,894,505	£6,135,922	£6.	,182,270		£6,463,474		£6,772,078		£6,618,097		£6,885,366	£7	7,118,828		£7,352,443
Profit on cost (%)			19.99%		19.99%	19.99%		19.99%		20.00%		20.00%		20.00%		20.09%		20.06%		20.04%
Net additional floorspace (sq ft)		59.021	59,021		59,021	59,021		59.021		59,021		59,021		59,021		59.021		59,021		59,021
Net additional floorspace (sq m)		5,483	5,483		5,483	5,483		5,483		5,483		5,483		5,483		5,483		5,483		5,483

CURRENT USE VALUE

Use class: Hotel (A)

Commercial Development

Current use value Existing space as percentage of new Rent per sq ft Rental income per annum
Rent free/voids (years) Total revenue, capitalised (including all costs)
Refurbishment costs Fees
Capitalised rent, net of refurb and fees Purchaser's costs
Current use value
CUV including Landowner premium

Common ass	Common assumptions		V 1	CU'	V 2	CUV 3		
30%	25,295							
		£10 psf		£15 psf		£20 psf		
		£252,945		£379,418		£505,890		
		3.0	0.8163	3.0	0.8163	3.0	0.8220	
		7.00%		7.00%		6.75%		
£50 psf		£1,264,725		£1,264,725		£1,264,725		
7%		£88,531		£88,531		£88,531		
			£1,596,437		£3,071,283		£4,807,708	
5.75%								
			£1,596,437		£3,071,283		£4,807,708	
		20%	£1,915,724	20.00%	£3,685,539	20.00%	£5,769,250	

COMMUNITY INFRASTRUCTURE LEVY

Commercial Development

Use class:	Hotel (B)							
Location:	Tower Hamlets (build costs sens) July '14							
	Existing floorspace as % of new							

	£s per sqft	Yield	Rent free
Appraisal 1	£19.50	5.50%	
Appraisal 2	£20.50	5.50%	
Appraisal 3	£21.50	5.50%	
Appraisal 4	£22.66	5.75%	
Appraisal 5 (base)	£22.66	5.50%	
Appraisal 6	£22.66	5.25%	
Appraisal 7	£23.50	5.50%	
Appraisal 8	£24.50	5.50%	
Appraisal 9	£25.50	5.50%	
Appraisal 10	£26.50	5.50%	

Net off existing floorspace from CIL calculation:	
Not on existing hoorepade from OIE editediation.	ılation:
Ctrl + y to goal seek max CIL	nation.

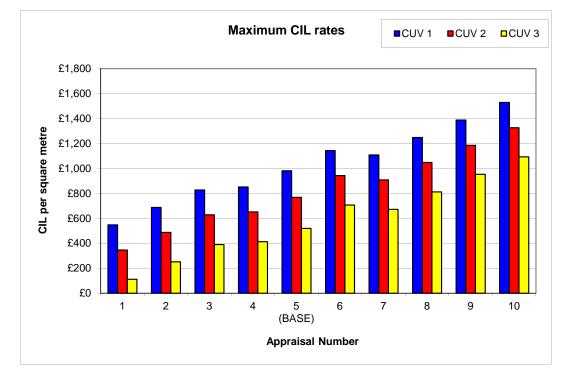
Premier Inn - Goodmans Fields, London, E1 8EY (Egi and Focus)

Capital value	£38,815,000
Number of Rooms	250
Cap value per room	£155,260
Floor area in sq ft	100,000
Cap value per sq ft	£388.15
Goal seak cap value per sq ft	£388.15

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£10.00	7.00%	3.00 years	20.00%
Current use value 2	£15.00	7.00%	3.00 years	20.00%
Current use value 3	£20.00	6.75%	3.00 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-16%	£548	£346	£112
Appraisal 2	-11%	£688	£488	£252
Appraisal 3	-5%	£828	£628	£390
Appraisal 4	0%	£852	£652	£414
Appraisal 5 (base)	-	£981	£769	£520
Appraisal 6	0%	£1,143	£943	£707
Appraisal 7	4%	£1,108	£908	£673
Appraisal 8	7%	£1,249	£1,048	£813
Appraisal 9	11%	£1,389	£1,186	£953
Appraisal 10	14%	£1,529	£1,327	£1,093



DEVELOPMENT APPRAISAL

Commercial Development

Use class: Hotel (B)

Location: ver Hamlets (build costs sens) July

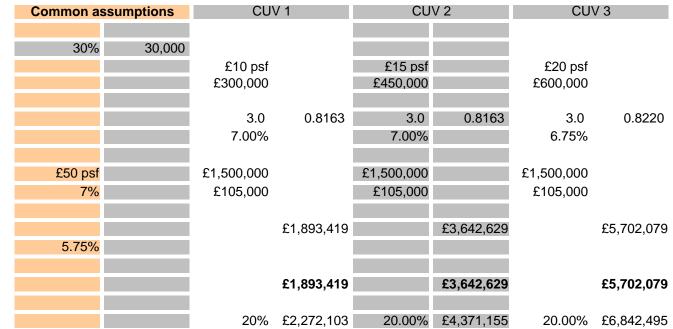
DEVELOPMENT VALUE	Common assu	umptions	Appraisal 1	Appra	nisal 2	Appraisal 3	Аррі	raisal 4	Apprais	sal 5	Appra	aisal 6	Appra	isal 7	Appra	nisal 8	Appra	isal 9	Appra	isal 10
Rental Income	Floor area		£ psf £ per annum £	nof	£ per annum	£ psf £ per annum	Cnof	£ per annum	C not C	per annum	Cnof	£ per annum £ p	of	£ per annum	Cnof	£ per annum £	nof	£ per annum	Cnof	£ per annum
Rent - area 1	100,000		£19.50 £1.950.000	£21	£2.050.000	£ psi £ per amun £21.50 £2,150,00				£2,266,269		£2,266,000	£23.50	£2,350,000			£25.50	£ per annum £2.550.000	£ psi £26.50	_
Rent - area 2	100,000		£19.50 £1,950,000 £0	£21	£2,050,000 £0	£21.50 £2,150,00		, , , , , , , , , , , , , , , , , , , ,		£2,200,269 £0			£23.50	£2,350,000 £0		£2,450,000	£25.50	£2,550,000 £0	£26.50	£2,050,000
Rent - area 3			£19.50 £0	£21	£0	£21.50 £				£0			£23.50	£0		£0	£25.50	£0	£26.50	£0
		400.000		£ZI							£22.00		£23.50				£25.50		£26.50	
Total floor area / rent		100,000	£1,950,000		£2,050,000	£2,150,00	J	£2,266,000		£2,266,269		£2,266,000		£2,350,000		£2,450,000		£2,550,000		£2,650,000
Rent free/voids (years)			- 1.0000	-	1.0000	- 1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000
Yield	5.50%		5.50%	5.50%		5.50%	5.75%		5.50%		5.25%		5.50%		5.50%		5.50%		5.50%	
Capitalised rent			£35,454,545		£37,272,727	£39,090,90	9	£39,408,696	1	£41,204,883		£43,161,905		£42,727,273		£44,545,455		£46,363,636		£48,181,818
GROSS DEVELOPMENT VALUE																				
Purchaser's costs	5.80%		£2,056,364		£2,161,818	£2,267,27	3	£2,285,704		£2,389,883		£2,503,390		£2,478,182		£2.583.636		£2,689,091		£2,794,545
r drondoor o oooto	0.0070		£33,398,182		£35,110,909	£36,823,63		£37,122,991		£38,815,000		£40,658,514		£40,249,091		£41,961,818		£43,674,545		£45,387,273
DEVELOPMENT COSTS			i															ĺ		
			00.040.405		00.040.405	00.040.40	-	00.040.405		00 040 405		00.040.405		00 0 40 405		00.040.405		00.040.405		00 040 405
Land costs			£6,842,495		£6,842,495	£6,842,49		£6,842,495		£6,842,495		£6,842,495		£6,842,495		£6,842,495		£6,842,495		£6,842,495
Stamp duty and acquisition costs			-£393,443		-£393,443	-£393,44	3	-£393,443		-£393,443		-£393,443		-£393,443		-£393,443		-£393,443		-£393,443
Development Costs																				
Existing floor area	30%	30,000																		
Demolition costs	£5.83 psf	,	£174,900		£174,900	£174,90)	£174,900		£174,900		£174,900		£174,900		£174,900		£174,900		£174,900
Building costs	£135.79 psf		£13,579,000		£13,579,000	£13,579,00		£13,579,000		£13,579,000		£13,579,000		£13,579,000		£13,579,000		£13,579,000		£13,579,000
Area	100% grs to net	100,000	2.0,0.0,000		,,	2.2,0.2,02		2.0,0.0,000		,		210,010,000		,,		210,010,000				,,
External works	10.00%	,	£1,357,900		£1,357,900	£1,357,90	2	£1,357,900		£1,357,900		£1,357,900		£1,357,900		£1,357,900		£1,357,900		£1,357,900
Professional fees	10.00%		£1,511,180		£1,511,180	£1,511,18		£1,511,180		£1,511,180		£1,511,180		£1,511,180		£1,511,180		£1,511,180		£1,511,180
Contingency	5.00%		£831,149		£831,149	£831,14		£831,149		£831,149		£831,149		£831,149		£831,149		£831,149		£831,149
Mayoral CIL	£3.25	100,000	£325,158		£325,158	£325,15		£325,158		£325,158		£325,158		£325,158		£325,158		£325,158		£325,158
Residual S106	£5 psf	100,000	£500,000		£500,000	£500,00		£500,000		£500,000		£500,000		£500,000		£500,000		£500,000		£500,000
CIL	£s psf	100,000	£10 £1,041,600	£23	£2,341,175	£36 £3,620,96		£3,842,788		£4,832,001	£66	£6,570,486	£62			£7,549,777	£89	£8,850,846	£102	£10,152,221
		,	· · i		, ,															
<u>Disposal Costs</u>			1																	
Letting Agent's fee (% of rent)	10.00%		£195,000		£205,000	£215,00		£226,600		£226,627		£226,600		£235,000		£245,000		£255,000		£265,000
Agent's fees (on capital value)	1.00%		£354,545		£372,727	£390,90	9	£394,087		£412,049		£431,619		£427,273		£445,455		£463,636		£481,818
Legal fees (% of capital value)	0.75%		£265,909		£279,545	£293,18	2	£295,565		£309,037		£323,714		£320,455		£334,091		£347,727		£361,364
<u>Finance</u>																				
Loan arrangement fee	1.00%		£193,209		£206,205	£219,00	3	£221,221		£231,113		£248,498		£245,281		£258,291		£271,301		£284,315
Interest rate	7.00%		2.33,200			22.5,00				,										
Interest	18 months		£1,057,158		£1,127,581	£1,196,96	5	£1,209,512		£1,601,673		£1,356,165		£1,339,320		£1,409,814		£1,480,316		£1,550,834
			2.,55.,.00		2.,.2.,001	2.,.55,00		2.,200,012		,,		21,223,100		,_50,020		,,		,,		1.,220,001
Profit on cost			£5,562,421		£5,850,337	£6,159,27		£6,204,880		£6,474,163		£6,773,094		£6,704,584		£6,991,052		£7,277,380		£7,563,383
Profit on cost (%)			19.98%		19.99%	20.09%	6	20.07%		20.02%		19.99%		19.99%		19.99%		19.99%		20.00%
Net additional floorspace (sq ft)		70.000	70.000		70.000	70,00	n	70.000		70.000		70.000		70.000		70.000		70.000		70,000
Net additional floorspace (sq m)		6,503	6,503		6,503	6,503		6,503		6,503		6,503		6,503		6,503		6,503		6,503

CURRENT USE VALUE

Use class: Hotel (B)

Commercial Development

	Commo
Current use value	
Existing space as percentage of new	3
Rent per sq ft	
Rental income per annum	
Rent free/voids (years)	
Total revenue, capitalised (including all costs)	
Refurbishment costs	£50
Fees	
Capitalised rent, net of refurb and fees	
Purchaser's costs	5.7
Current use value	
CUV including Landowner premium	



SUPPORTING EVIDENCE



NH/CAD/614doc/Projects/Travelodge/Gencorr

24 June 2014

N Jenkins Esq. Smith Jenkins Ltd 30A High Street Stony Stratford Milton Keynes MK11 1AF 11/12 Highfield Road Edgbaston Birmingham B15 3EB

Tel: (0121) 454 4581 Fax: (0121) 454 5206 E-mail: bir@wakemans.com

www.wakemans.com
also at Caernarfon, Bristol,

Cardiff

Dear Nick

Travelodge, London Bethnal Green

I would confirm the building contract for this site was let in the sum of £5,341,106 as the attached Contract Sum Analysis. This did include the shell construction of the ground floor which was fitted out by others under a different contract. I do not have a detailed build up to allow me to provide an exact cost for this shell but if you use £75/sq.ft. then this would reduce the contract sum by £407,683 giving a total for the hotel only of £4,933,423.

This price was agreed in October 2011 and if you update this using the BCIS All-in TPI this would uplift this amount by 11.21% giving a current day cost of £5,486,460.

I would further note that there has been a recent change in the Building Regulations in April this year and changes in the London Plan that would require additional works if Bethnal Green was built today. It is difficult to determine what this additional cost would be without re-designing the building but I would suggest a further £150,000 would be required increasing the hotel to £5,636,460.

Included within this total I would assess that £51,500 can be allocated to demolition and £22,200 to public realm being the repaying of the footpath around the site.

I am aware that there were additional costs during construction but I am not party to these amounts.

I would also highlight that I have been advised by Neil Short of Travelodge who in turn has been advised by the developer that a sum of £500,000 was paid in compensation for Rights of Light.

Yours sincerely

Nigel Himpson Associate Director

n.himpson@wakemans.com

Enc





CONTRACT SUM ANALYSIS

PROJECT: TRAVELODGE

BETHNAL GREEN

LONDON

EMPLOYER: DAM ESTATES Itd

CONTRACTOR: BOSS (D & B) LTD DATE 21/10/11 Rev K



PRELIMINARIES/ OVERHEAD AND PROFIT/BOND/INSURANCE	£ 589,500.00
DEMOLITION	45,000.00
SITE PREPARATION	35,000.00
Substructure	
Foundations	276,500.00
Ground Floor Slab	36,200.00
Lift Pits	14,400.00
Plant Room	16,100.00
B.W.I.C. for Services Below Ground Fllor Slab	8,000.00
Drainage Below Ground Floor Slab	23,000.00
Superstructure	
Transfer Slab	135,600.00
Transfer Slab 1st Floor	135,600.00
Unite Modular Units	2,045,005.00
External Masonary Walls	48,420.00
Wall Cladding	375,000.00
Roof	77,000.00
Windows/Screens	37,201.00
External Doors	14,200.00
Internal Walls to Ground Floor	23,880.00
Internal Walls E.O. to Modules	81,930.00
Internal Doors to Ground Floor	1,900.00

Carried forward £ 4,019,436.00

	Brought forward £ 4,019,436.00
Substructure Cont	
Internal Doors E.O. To Modules	30,831.00
Decoration E.O. To Modules	34,000.00
Joinery E.O. To Modules	27,900.00
Mechanical and Electrical	424,341.00
Lifts	140,000.00
Internal Ceilings E.O. To Modules	15,743.00
Balcony Hand Rails	11,000.00
Balcony Roof	6,000.00
OTHER WORKS	
Under Draw Transfer Slab in Club to Provide Acoustic and Fire Protection to Achieve Recommended Levels in Accordance with	
Travelodge and Club Specification	87,149.00
C.H.P.	86,000.00
Solar Panels	43,000.00
F.F. & E. Attendance and Floor Finishes to Reception, Restuarant, Offices and Stores	31,000.00
EXTERNAL WORKS	
DRAINAGE	18,500.00
HIGHWAY WORKS	20,000.00
FEES	
Architect	25,000.00
Engineer	25,000.00
CDM Coordinator	5,000.00
Acoustic Consultant	5,000.00
Building Regulations	10,000.00
BREEAM	10,799.00
One Creative Environments Ltd	32,600.00

Carried forward £ 5,108,299.00

BOSS (D&B) LTD

	Brought	forward £	5,108,299.00
SERVICES MAINS			
Electricity	}		
Gas	} }		450,000,00
Water	<pre>} Provisional Sum }</pre>		150,000.00
ВТ	}		
ADDITIONAL FEES			
Demolition Asbestos Survey			1,325.00
Planning Conditions			2,000.00
Ground Investigation			6,986.00
6.5.1 Insurance			5,000.00
Bond			42,500.00
Explosive Assessment			795.00
Boss Design Fee			24,201.00
	Contract Sur	m Total £	5,341,106.00

Joseph Ward

From: Nick Jenkins <nick@smithjenkins.co.uk>

Sent: 25 June 2014 13:12 **To:** Joseph Ward

Cc: Sacha Winfield-Ferreira (sacha.winfield-ferreira@bnpparibas.com); Sara Dilmamode;

Pauline Butcher, Programme Officer (Idfprogrammeofficer@tiscali.co.uk);

emma.davies@bnpparibas.com; 'anthony.lee@bnpparibas.com'

(anthony.lee@bnpparibas.com); keeley.spratt@bnpparibas.com; Neil Short

Subject: Re: LBTH CIL: Bethnal Green Travelodge **Attachments:** Wakemans Letter 24 June 2014.pdf

Joseph,

I provide the information requested in the attached letter and its attachment. It is relevant to note that the build costs were even higher than those in the letter as the contractor when over his contract sum by in the order of £300k - 400k but we don't have evidence of this. We don't feel we can ask the contractor how far he went over as its a sore point for him, but we have been advised of this sum by the developer and Travelodge's project manager who was overseeing the build at the time. Likewise there was a large rights of light payment (of £500k) that meant the project stalled for a period of time, with this figure advised by the developer. Both of these abnormals need to be accounted for and are typical of matters that crop up on London sites. We also believe the public realm works were higher than those quoted in the contract sum but accept that we need to adopt the amount set out.

Other facts relating to the site as per the planning application approved are:

S106 = £110,900

Floorspace

Existing comedy club on site = 822sqm GIA New comedy club provided = 505sqm GIA New hotel = 3821sqm GIA

Total new floorspace = 4326sqm GIA (4611sqm GEA)

Other financials:

Rent agreed at the time = £5250 per bedroom (6 months rent free and 35 year lease). An appropriate rent that Travelodge would agree now would be in the order of £6,000

Hotel previously sold at 6.3%

Are you able to keep the attached details out of the public domain please, as they are provided to LBTH and BNPP to assist rather then being formal submissions to the Examination for example.

Any queries please let me know.

Nick Jenkins MRICS

Director



30A High Street Stony Stratford Milton Keynes MK11 1AF

nick@smithjenkins.co.uk

01908 502436 07931 154777

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On 17 June 2014 17:52, Joseph Ward < Joseph. Ward@towerhamlets.gov.uk> wrote:

Hi Nick,

Can you please provide an update in respect of when we can expect this information?

We need to consult on the further appraisal work so our timescales are quite tight. As such we would appreciate it if it were provided ASAP.

Thanks

Joseph Ward MRICS

CIL Viability and Property Officer | Infrastructure Planning | London Borough of Tower Hamlets | Mulberry Place | 5 Clove Crescent | E14 2BG | T 020 7364 2343

From: Nick Jenkins [mailto:nick@smithjenkins.co.uk]

Sent: 10 June 2014 13:38

To: Joseph Ward

Cc: Sacha Winfield-Ferreira (sacha.winfield-ferreira@bnpparibas.com); Sara Dilmamode; Pauline Butcher, Programme

Subject: Re: LBTH CIL: Bethnal Green Travelodge
Joseph,
I will look into matters and come back to you.
Regards,
Nick Jenkins MRICS
Director
× interest of the second of th
30A High Street
Stony Stratford
Milton Keynes
MK11 1AF
nick@smithjenkins.co.uk

01908 502436

Officer (ldfprogrammeofficer@tiscali.co.uk)

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On 10 June 2014 09:19, Joseph Ward < <u>Joseph.Ward@towerhamlets.gov.uk</u> > wrote: Dear Mr Jenkins,
With reference to the Examination hearings on the $28-30^{th}$ May 2014, I write to request that you provide, on behalf of your client, details relating to the Travelodge in Bethnal Green.
Specifically, can you please provide the build costs, as certified by your Quantity Surveyor/Cost Consultant as well as lease and transaction information, which would be helpful.
We would appreciate if you could expedite the provision of this information, we would like to undertake the further work required as soon as possible. Please let me know what the likely timescales for the provision of this information is.
We look forward to hearing from you.
Regards
Joseph Ward MRICS
CIL Viability and Property Officer Infrastructure Planning London Borough of Tower Hamlets Mulberry Place 5 Clove Crescent E14 2BG T 020 7364 2343





17. Oktober 2011 News » UK

AXA Real Estate acquires the IBIS London City Hotel for £38 million on behalf of CIS

AXA Real Estate Investment Managers announces that it has completed the acquisition of the IBIS London City Hotel for £38.35 million (approx. €43.7 million), on behalf of the Co-operative Insurance Society (CIS) from Mangrove Securities Ltd. Providing a total of 348 rooms, arranged over 10 floors, with a 150 cover restaurant and bar, the IBIS London City Hotel is situated in a prime location on 5 Commercial Street in the City of London.

Conveniently positioned for both business travelers and tourists, it is within walking distance from three underground stations, as well as Liverpool Street, the City's largest mainline station. It is anticipated to profit from the increased number of visitors expected for the upcoming 2012 Olympics, particularly given its location on the Eastern fringes of the City and its connections to the Olympic Site in Stratford.

The hotel is operated by leading hotel group, Accor, which already operates 70 of the hotels within AXA Real Estate's managed portfolio, further expanding the relationship between them. The current rent for this hotel is £2.6 million per annum (£7,600 per room per annum), with a total of 19 years left on the FRI (Fully Repairing and Insuring) lease to Accor UK Economy Hotels Ltd.

The hotel trades under the IBIS brand, as a 'contemporary economy London hotel', which is the European leader and fourth globally within this market. With a well secured tenant and the opportunity to benefit from rental increases linked in part to turnover, income from this acquisition is expected to grow in line with an increasingly profitable economy hotel market.

MBH LLP acted for CIS and DE& J Levy LLP acted for the vendor.

Commenting on the acquisition, Huw Stephens, Head of UK Transactions at AXA Real Estate, said: "This acquisition further demonstrates AXA Real Estate's ability to source deals that are specifically tailored to clients' investment requirements. This is made possible through our specialist local teams who have a specific understanding of value drivers in each real estate sector."

Gael Le Lay, Head of Hotel Investment at AXA Real Estate, said: "The hotel offers a visible and long term income stream with growth potential, given that we continue to see increased profitability in the economy hotel market. It strengthens our belief that, as an asset class, the hotel sector fits well with our clients' current investment strategies. The acquisition of this latest asset takes our portfolio of European hotels close to 100.'





IBIS LONDON CITY HOTEL

BUDGET HOTEL FOR BUSINESS AND LEISURE See the list of hotels ibis



See: the photos

Practical information









Number of rooms: 348
Hotel location: In the centre of town
Main point of interest: TOWER BRIDGI

From

£ 109.001

Best price guarantee

Hotel address

5 Commercial Street E1 6BF LONDON UNITED KINGDOM

How to reach the hotel

GPS: N 51° 30' 55.22" W 0° 4' 19.09"

Map and Itineraries



Contact the hotel

Tel. (+44)207/4228400 **Fax.** (+44)207/4228410 <u>H5011@accor.com</u>

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ibis London City - hotel description

Check out our funky, new look ibis London City hotel. A contemporary economy London hotel in the heart of the City, close to Shoreditch, Brick Lane, Liverpool Street Station and the Tower of London. Each of the 348 modern guest rooms has Freeview TV, tea and coffee making facilities, and the Sweet Bed by ibis. Enjoy the new Fogg's Bar and Restaurant, offering internationally inspired dishes from around the world. The hotel offers Free WiFi throughout

See the rooms



on is ideally located for the City of London, with easy access to Aldgate roool Street Station and the financial heart of the City. The Tower of thin walking distance of the hotel.

Message from the hotel manager

Mr Terence Beach, the manager of the ibis London City hotel, would like to welcome you.



Hotel - ibis London City access map

1. Lowest prices found over the following seven days. These prices may be based on different room types. Depending on the country, these prices may not include taxes, may include VAT only or may include all taxes (VAT and city tax). When prices do not include all taxes, the relevant taxes (VAT and/or city tax) will be stated in the following stages of the reservation process. The price is only guaranteed at the time of