



Note on updated hotel appraisals – July 2014

1 INTRODUCTION

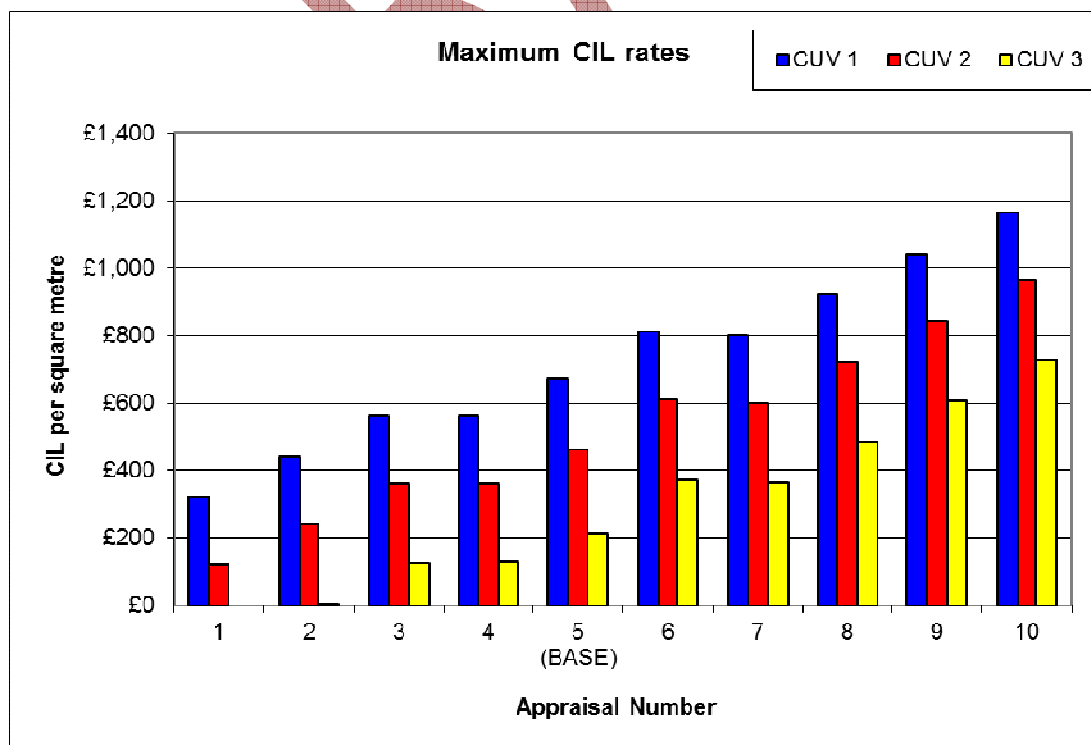
1.1 During the hearing sessions, which took place on the 28 to 30 May 2014, the Examiner, Mr Malcolm Rivett, and the Council agreed that BNP Paribas Real Estate and the Council would provide Mr Rivett with further hotel appraisals. We set out below a summary of the results and append the appraisals to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

2 UPDATED APPRAISAL OF HOTEL 2 (BASED ON IBIS INFORMATION) 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



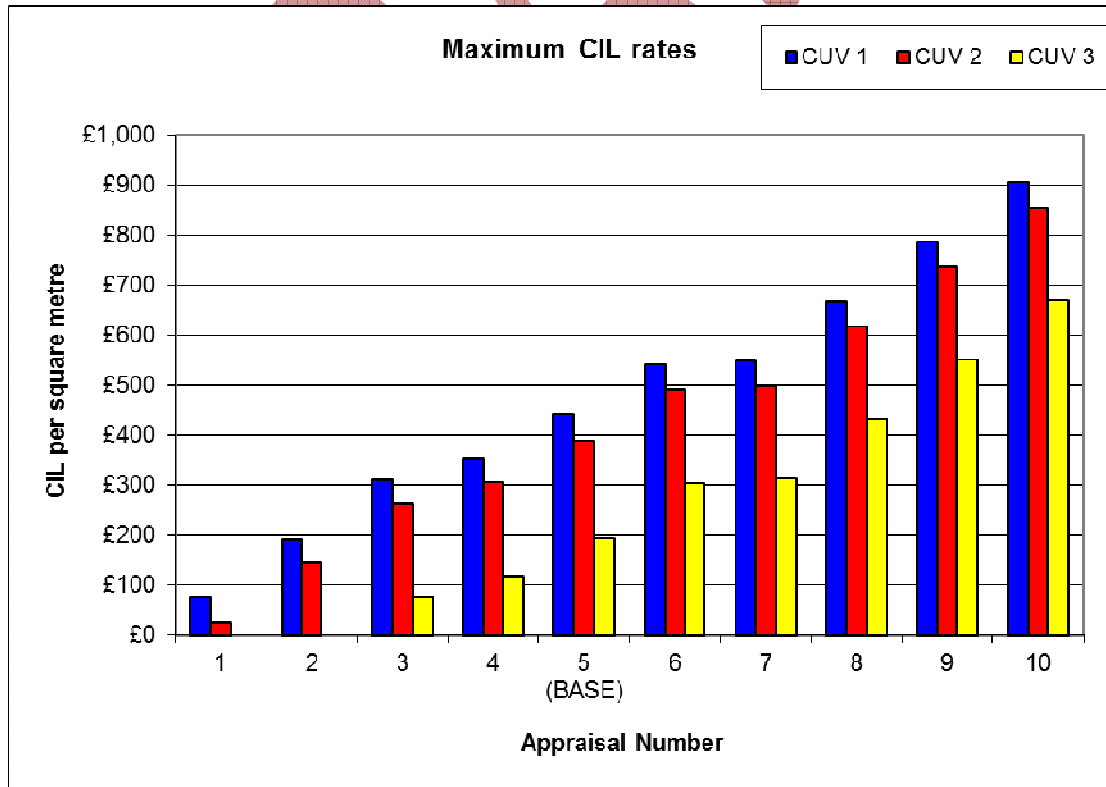


Note on updated hotel appraisals – July 2014

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



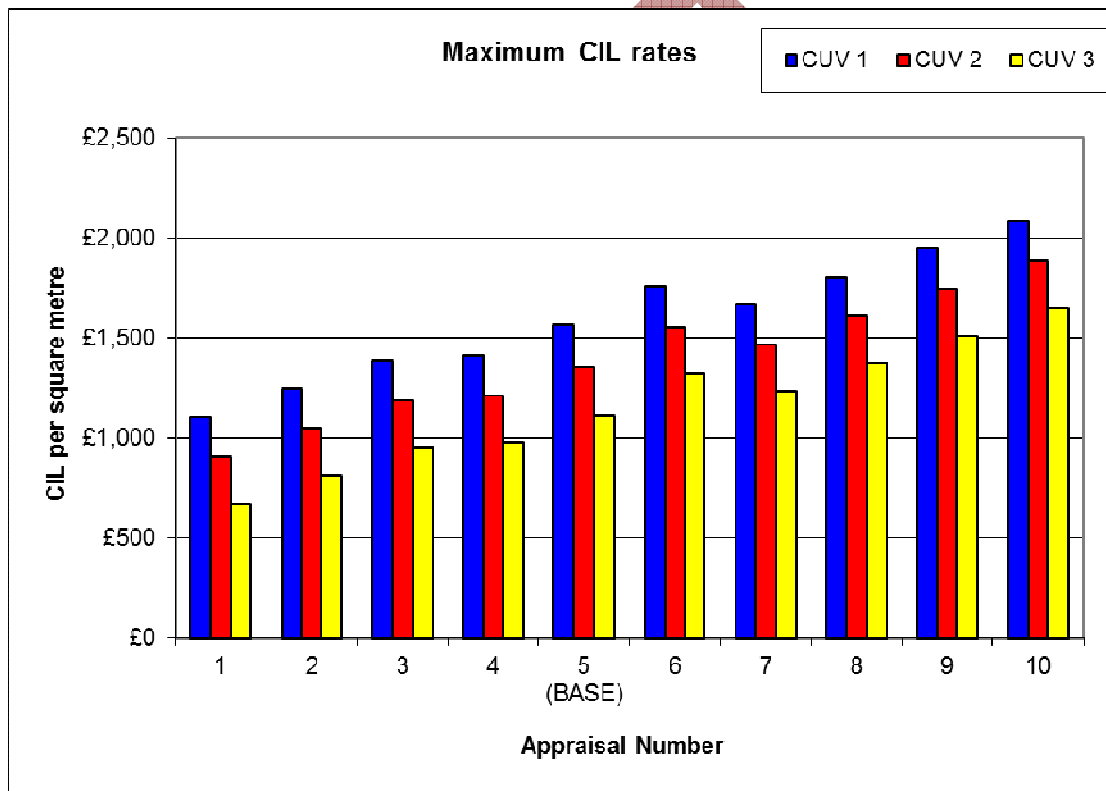


Note on updated hotel appraisals – July 2014

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.

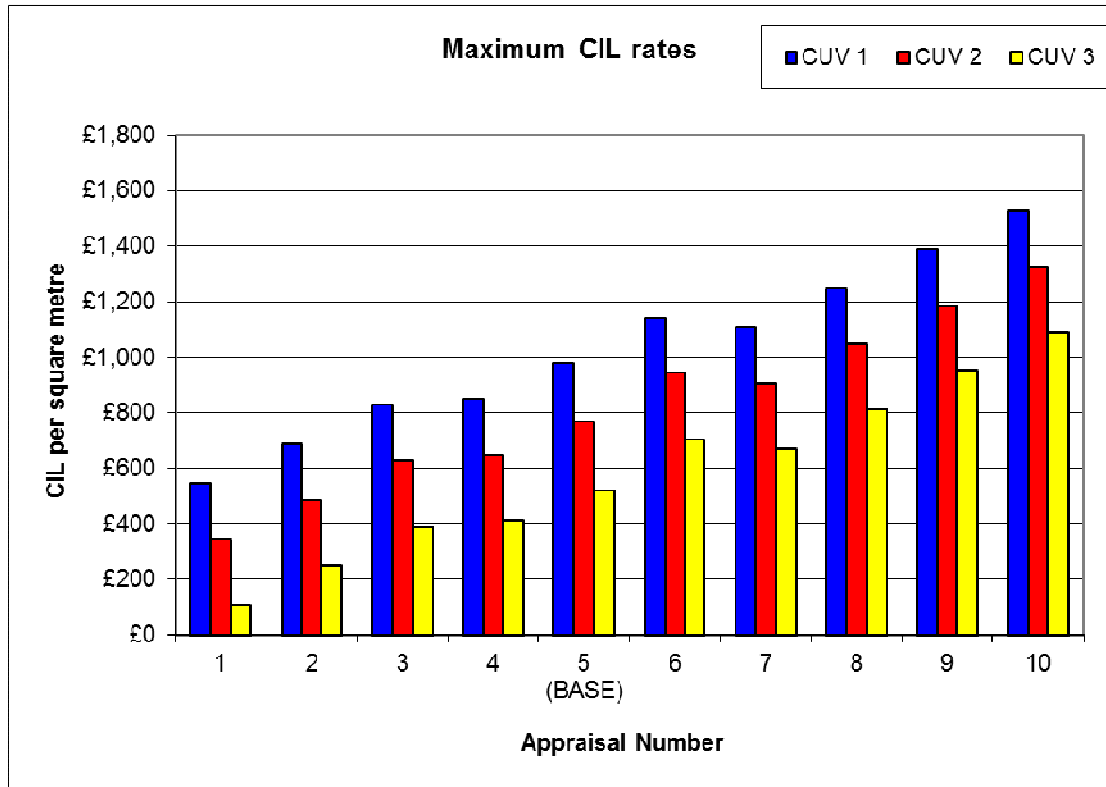
Chart 4.2.1 – Updated results of Hotel Appraisal A (Based on Travelodge Coriander Avenue)





Note on updated hotel appraisals – July 2014

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

DRAFT



APPENDIX 2 - BETHNAL GREEN TRAVELODGE APPRAISAL

DRAFT



APPENDIX 3 - UPDATED BUDGET HOTEL APPRAISALS

DRAFT

**COMMUNITY INFRASTRUCTURE LEVY
Commercial Development**

	£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%	
Appraisal 10	£30.00	6.40%	

	£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	-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%

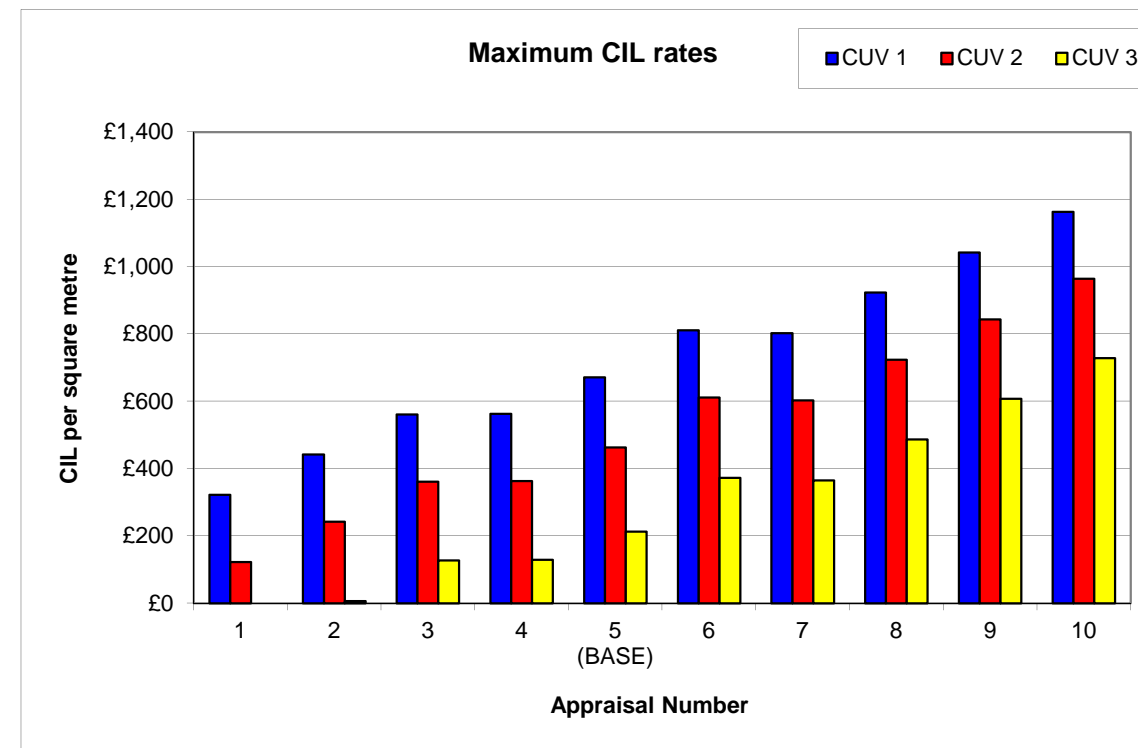
Net off existing floorspace from CIL calculation: n

Ctrl + y to goal seek max CIL

Ibis Hotel, Commercial Street, E1 6BF

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

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



CURRENT USE VALUE
Commercial Development

Use class:	Hotel (2)
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	Common assumptions	CUV 1		CUV 2		CUV 3	
Current use value							
Existing space as percentage of new	30%	29,999					
Rent per sq ft		£10 psf		£15 psf		£20 psf	
Rental income per annum		£299,993		£449,989		£599,985	
Rent free/voids (years)		3.0	0.8163	3.0	0.8163	3.0	0.8220
Total revenue, capitalised (including all costs)		7.00%		7.00%		6.75%	
Refurbishment costs	£50 psf	£1,499,963		£1,499,963		£1,499,963	
Fees	7%	£104,997		£104,997		£104,997	
Capitalised rent, net of refurb and fees			£1,893,373		£3,642,540		£5,701,940
Purchaser's costs	5.75%						
Current use value			£1,893,373		£3,642,540		£5,701,940
CUV including Landowner premium		20%	£2,272,048	20.00%	£4,371,048	20.00%	£6,842,328

COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

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

	£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
Appraisal 10	£23.00	6.30%	.50 years

Existing floorspace as % of new	21.51%
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Net off existing floorspace from CIL calculation: n

Ctrl + y to goal seek max CIL

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

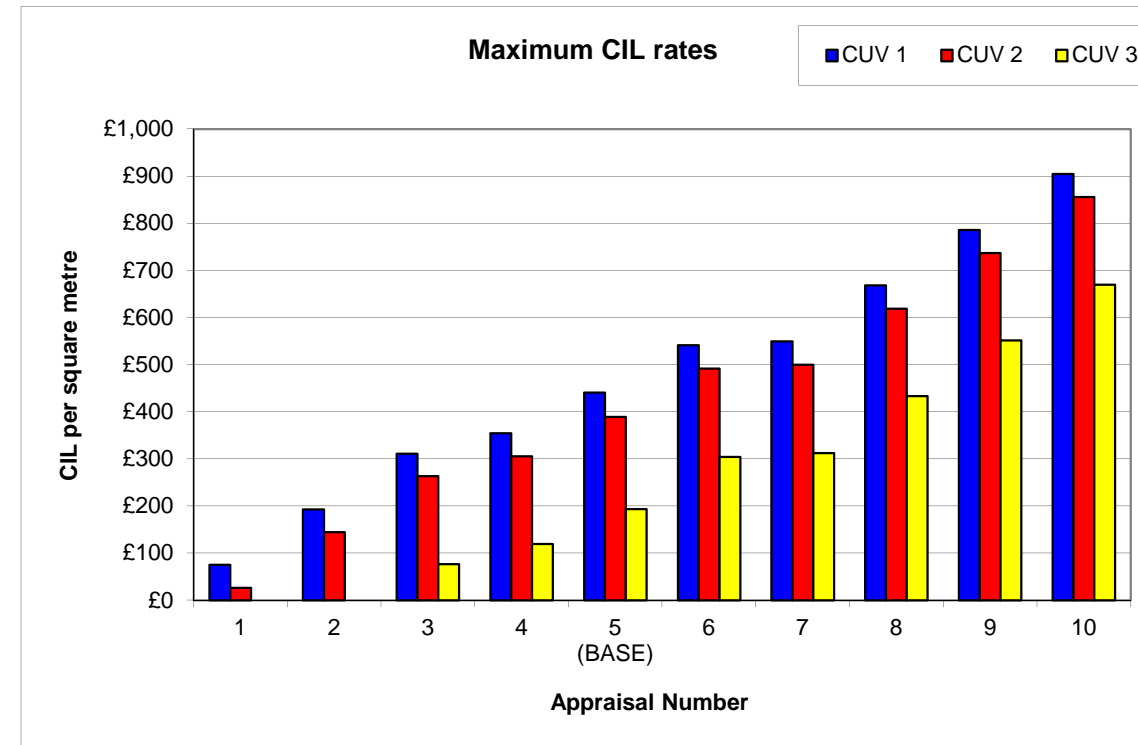
Yield	6.30%
Number of Rooms	131
GIA of hotel sq m	3,821
GIA Hotel in sq ft	41,129
Rent per room	£6,000
Size of room in sq ft	313.96
Rent PSF	£19.11

Appraisal check of capital value PSF £277.14

	£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%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
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



CURRENT USE VALUE
Commercial Development

Use class:	HOTEL
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	Common assumptions	CUV 1		CUV 2		CUV 3	
Current use value							
Existing space as percentage of new	22%	8,847					
Rent per sq ft		£8 psf		£10 psf		£15 psf	
Rental income per annum		£70,775		£88,469		£132,704	
Rent free/voids (years)		3.0	0.7938	3.0	0.7938	3.0	0.8163
Total revenue, capitalised (including all costs)		8.00%		8.00%		7.00%	
Refurbishment costs	£50 psf	£442,345		£442,345		£442,345	
Fees	7%	£30,964		£30,964		£30,964	
Capitalised rent, net of refurb and fees			£228,986		£404,560		£1,074,199
Purchaser's costs	5.75%						
Current use value			£228,986		£404,560		£1,074,199
CUV including Landowner premium		20%	£274,784	20.00%	£485,472	20.00%	£1,289,039

COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

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

	£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%	

Existing floorspace as % of new	30%
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Travelodge - Corriander Ave, London, E14 2AA (Egi/Focus and marketing Particulars)

Net off existing floorspace from CIL calculation: n

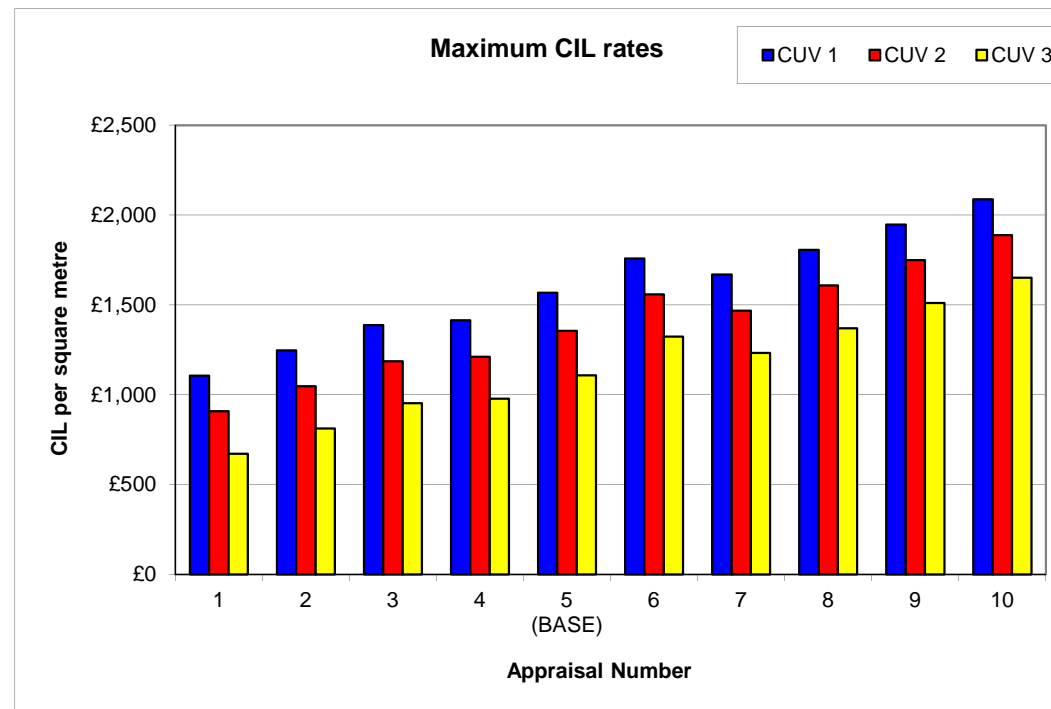
Number of Rooms	232
Annual rent	£2,264,421
GIA of hotel in sq ft	84,315
Gross Rent per sq ft	£26.86

Ctrl + y to goal seek max CIL

	£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



CURRENT USE VALUE
Commercial Development

Use class: **Hotel (A)**

	Common assumptions	CUV 1		CUV 2		CUV 3	
Current use value							
Existing space as percentage of new	30%	25,295					
Rent per sq ft		£10 psf		£15 psf		£20 psf	
Rental income per annum		£252,945		£379,418		£505,890	
Rent free/voids (years)		3.0	0.8163	3.0	0.8163	3.0	0.8220
Total revenue, capitalised (including all costs)		7.00%		7.00%		6.75%	
Refurbishment costs	£50 psf	£1,264,725		£1,264,725		£1,264,725	
Fees	7%	£88,531		£88,531		£88,531	
Capitalised rent, net of refurb and fees			£1,596,437		£3,071,283		£4,807,708
Purchaser's costs	5.75%						
Current use value			£1,596,437		£3,071,283		£4,807,708
CUV including Landowner premium		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

	£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%	

Existing floorspace as % of new
30%

Net off existing floorspace from CIL calculation: n

Ctrl + y to goal seek max CIL

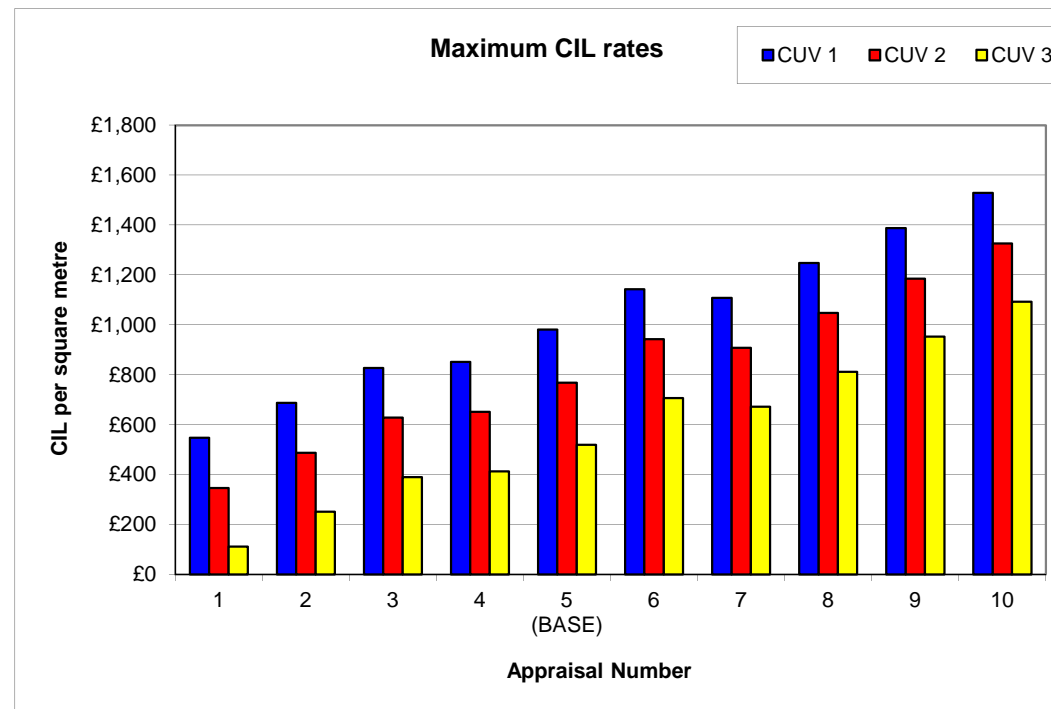
Premier Inn - Goodmans Fields, London, E1 8EY (Egi and Focus)

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 seek 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



CURRENT USE VALUE
Commercial Development

Use class: **Hotel (B)**

	Common assumptions	CUV 1		CUV 2		CUV 3	
Current use value							
Existing space as percentage of new	30%	30,000					
Rent per sq ft		£10 psf		£15 psf		£20 psf	
Rental income per annum		£300,000		£450,000		£600,000	
Rent free/voids (years)		3.0	0.8163	3.0	0.8163	3.0	0.8220
Total revenue, capitalised (including all costs)		7.00%		7.00%		6.75%	
Refurbishment costs	£50 psf	£1,500,000		£1,500,000		£1,500,000	
Fees	7%	£105,000		£105,000		£105,000	
Capitalised rent, net of refurb and fees			£1,893,419		£3,642,629		£5,702,079
Purchaser's costs	5.75%						
Current use value			£1,893,419		£3,642,629		£5,702,079
CUV including Landowner premium		20%	£2,272,103	20.00%	£4,371,155	20.00%	£6,842,495

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 repaving 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 ltd
 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 Floor 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

BOSS (D&B) LTD

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	}		
	}	Provisional Sum	150,000.00
Water	}		
	}		
BT	}		

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 Sum 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 (ldfprogrammeofficer@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 abnormalities 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 than 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

Officer (ldfprogrammeofficer@tiscali.co.uk)

Subject: Re: LBTH CIL: Bethnal Green Travelodge

Joseph,

I will look into matters and come back to you.

Regards,

Nick Jenkins MRICS

Director



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On 10 June 2014 09:19, Joseph Ward <Joseph.Ward@towerhamlets.gov.uk> wrote:

Dear Mr Jenkins,

With reference to the Examination hearings on the 28 – 30th 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



[News](#) » [UK](#)

17. Oktober 2011

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 BRIDGE (1.5 km)

From

£ 109.00 ¹

[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
H5011@accor.com

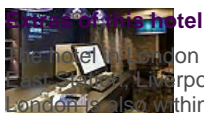
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ibis London City - hotel description

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](#)



London is ideally located for the City of London, with easy access to Aldgate East Station and the financial heart of the City. The Tower of London is within 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 reservation.