

185 Manchester Road, Rochdale

Financial Viability Statement

CBRE Limited | National Planning & Development for: CS Manchester Road Ltd

July 2026

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Declaration

A declaration of conformity with the RICS Professional Statement Financial Viability in Planning, September 2019, 1st Edition¹, is set out within the following sub-sections.

Instruction and Purpose of Report

CBRE has been instructed by CS Manchester Road Ltd ('the Applicant') to objectively assess, and report upon, the financial viability of the redevelopment of Sparth House, 185 Manchester Road, Rochdale, OL11 3QY ('the Site') for the following scheme (herein referred to as the Proposed Development):

"Erection of 74-bed care home development, including creation of new access, car parking, landscaping and other associated works following demolition of Sparth House."

CBRE understands that a planning application for the Proposed Development has been submitted to Rochdale Borough Council ('RBC' or 'the Council') (Ref: 25/00621/FUL) and was considered at Planning Committee in March 2026. Members voted to defer the application on the basis of concerns regarding the scale and massing.

It is understood that the Applicant considers that the financial viability of the Proposed Development is contingent on the scale of the Proposed Development being maintained.

The purpose of this viability assessment ('VA') is, therefore, to test the financial viability of the Proposed Development at the Site, to determine whether this is the case, and to act as evidence to assist Council Officers and Members of the Planning Committee in the process of determination.

The VA takes into account the policy requirements set by Rochdale Borough Council ('RBC' or 'the Council') as well as national planning policy and guidance.

Objectivity, impartiality and reasonableness

CBRE places the utmost importance on the integrity, impartiality, and potential conflicts of interests in carrying out its services and seeks to identify and assess all relationships which may result in a conflict of interest or pose a threat to impartiality. CBRE aims to inspire confidence by being open and impartial, offering transparency of process, being fair and maintaining the confidentiality of our clients.

In undertaking this instruction and carrying out the viability assessment, CBRE always confirms that we have acted impartially, with objectivity, without interference and with reference to all appropriate available sources of information.

CBRE confirms that adequate time has been provided to produce this report.

CBRE confirms that there is no instruction in place to undertake an Area-Wide viability assessment concerning existing and future planning policies against which the proposed development scheme will, in due course be considered.

CBRE has set out a full explanation of the evidence provided with reasoned justification.

¹ RICS (May 2019) *Financial viability in planning: conduct and reporting*, 1st Edition

Conflict(s) of interest

CBRE confirms, to the best of its knowledge, that no conflict or risk of conflict of interest exists in carrying out this viability assessment on behalf of the Applicant(s) and in respect of the site.

Contingent Fee

In preparing this report, no performance related or contingent fees have been agreed between CBRE and the Applicant(s).

Status

This report does not constitute a formal valuation and cannot be regarded, or relied upon, as such.

This report provides a guide for feasibility in line with the purpose for which the assessment is required, in accordance with the National Planning Policy Framework (‘NPPF’)² and national Planning Practice Guidance for Viability (‘PPGV’)³, and as stated within the relevant guidance published by the RICS⁴.

The conclusions of this report are based upon the input assumptions as stated herein and as available at the time of production. The input assumptions and conclusions of this report are valid at the date of publication and should be subject to review should further information be made available or in the event of material economic or property market change, or in respect of relevant legislative and policy changes.

Publication

This viability assessment has been prepared on the basis that it is expected to be made publicly available, other than in exceptional circumstances.

Where information may compromise delivery of the Proposed Development or infringe other statutory and regulatory requirements, these exceptions will be discussed and agreed with the Local Planning Authority (‘LPA’) and documented early in the process. Commercially sensitive information will be presented in aggregate form following these discussions. Any sensitive personal information will not be made public.

Personnel

This report has been prepared and approved by the following personnel:

Project Name:		185 Manchester Road, Rochdale	
Project Number:	Date:	Prepared By:	Verified By:
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² MHCLG (2024) National Planning Policy Framework (NPPF)

³ MHCLG (2014) National Planning Practice Guidance – Viability

⁴ RICS (2021) Assessing viability in planning under the National Planning Policy Framework 2019 for England RICS Professional Statement, England 1st edition, March 2021 (effective from 1 July 2021) (‘RICS Viability Guidance’)

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Executive Summary

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The VA takes into account the policy requirements set by Rochdale Borough Council (‘RBC’ or ‘the Council’) as well as national planning policy and guidance.

Assessment Methodology

The viability model is conducted on a residual basis using industry standard Argus Developer software. A cashflow is provided for full transparency.

The key viability modelling input assumptions adopted by CBRE for the viability appraisal of the Proposed Residential Development are summarised in Table ES1.

TABLE ES1: VIABILITY ASSESSMENT INPUTS SUMMARY

Input	Rate	Comment
Estimated Rental Value (‘ERV’)	£14,189/room PA	Estimated annual rent per bedroom. Based upon Heads of Terms agreement between the Applicant and a prospective operator, which has been shared with CBRE (and market benchmarked).
Net Initial Yield (‘NIY’)	7.00%	NIY set optimistically in comparison to the current investment market.
Construction Costs	£7,896,003	Based upon a Cost Plan provided by Artal, covering base construction cost, main contractor’s preliminaries (14.00%) and main contractor’s OH&P (7.50%). The adopted cost excludes allowance for contingency, fees, and inflation.
Demolition & Site Preparation	£81,137	Based upon a Cost Plan provided by Artal, covering base construction cost, main contractor’s preliminaries (14.00%)

Input	Rate	Comment
		and main contractor's OH&P (7.50%). The adopted cost excludes allowance for contingency, fees, and inflation.
External Works	£815,326	Based upon a Cost Plan provided by Artal, covering base construction cost, main contractor's preliminaries (14.00%) and main contractor's OH&P (7.50%). The adopted cost excludes allowance for contingency, fees, and inflation.
Substation Construction	£25,487	Based upon a Cost Plan provided by Artal, covering base construction cost, main contractor's preliminaries (14.00%) and main contractor's OH&P (7.50%). The adopted cost excludes allowance for contingency, fees, and inflation.
Contingency (Design, Contractor & Developer)	3.00%	Of estimated development costs. Considered an absolute minimum allowance for design development, construction and developer's risks in the current market.
Professional Fees	8.00%	Estimated rate as a % of total build costs.
Pre-Opening Costs & CQC Registration	£140,000	Estimate provided by the Applicant.
BNG Credits	£20,000	CBRE's estimated cost for off-site BNG credits.
Investment Sales Agent Fee	1.00%	Of GDV
Investment Sales Legal Fee	0.50%	Of GDV
Purchaser's Costs (Land)	SDLT+1.8%	Standard HMRC non-residential stamp duty land tax ('SDLT'), agent's fee (1.00%) and legal fee (0.80%)
Purchaser's Costs (Investment)	6.80%	Standard HMRC non-residential stamp duty land tax ('SDLT'), agent's fee (1.00%) and legal fee (0.80%)
Finance	7.50%	Minimum cost of capital for financing the development via the market, which takes into account arrangement, monitoring and related fees/credits. This assumes the project is 100% debt funded.
Developer's return (on Cost)	20.00%	Target risk-adjusted return (hurdle rate), commensurate with the level of risk and market expectations for the delivery of a development of this nature. Reflecting a hurdle towards the lower end of the range set out in PPGV (15-20% on GDV).

Benchmark Land Value ('BLV')

By way of analysis set out within chapter 5 of this document, the BLV for the Site has been determined based on the Existing Use Value ('EUV') plus premium. The BLV represents CBRE's conclusion as to the minimum level of value at which the landowner would be suitably incentivised to release the site.

It is CBRE's professional opinion that the BLV for the Site for the Proposed Development equates to £780,000.

Viability Assessment Results & Conclusion

The Baseline appraisal demonstrates that, when incorporating the BLV as a fixed input, and assessed at the scale and massing proposed by the Applicant, the outturn residual profit margin generated is 21.24% on Cost (16.41% on GDV). The residual profit margin meets, and slightly exceeds, the target risk-adjusted developer's return.

The delivery of the Proposed Development at the scale and massing proposed by the Applicant generates a profit sufficient to meet the target minimum risk-adjusted developer's return, and the Proposed Development is financially viable on this basis.

The reduction in scale and massing (i.e. removal of a storey or reduction in bed spaces) of the Proposed Development would result in a reduction in outturn residual profit. The minimal surplus profit generated in the Baseline appraisal illustrates that any reduction in scale and massing would reduce the developer's return below the target hurdle rate for financial viability. This may prejudice the ability for the Proposed Development to secure financing and to proceed to delivery.

Furthermore, it is CBRE's professional view that the Proposed Development, as proposed by the Applicant, already resembles the minimum lot size necessary to generate the economies of scale, covenant strength, and value potential to attract institutional investment.

On this basis, it would be CBRE's recommendation that the Proposed Development remains at the scale and massing as proposed by the Applicant, to ensure the viability and deliverability of the proposal.

1 Introduction

Instruction

- 1.1 CBRE has been appointed by the Applicant to objectively assess, and report upon, the financial viability of the Proposed Development at the Site.
- 1.2 The purpose of this viability assessment ('VA') is to test whether the financial viability of the Proposed Development is contingent upon the scale and massing of the Proposed Development, and to act as evidence to assist Council Officers and Members of the Planning Committee in the process of determination.
- 1.3 The VA takes into account the policy requirements set by Rochdale Borough Council ('RBC' or 'the Council') as well as national planning policy and guidance.

Context

Subject Site, Description, Location & Access

- 1.4 The Site extends to 0.18 hectares (0.44 acres) and comprises a residential dwelling and private garden and paved driveway.
- 1.5 The Site is located 1km south-west of Rochdale town centre and fronts Manchester Road (A58) to the north-west. The Site is bounded by neighbouring residential properties on Manchester Road, Mulberry Close, and Sparthfield Avenue to the south-west and north-east, and a bowling green and clubhouse to the south-east.
- 1.6 The area surrounding the Site is predominantly a residential suburban area, with other supplementary uses including a hospital, mosque, church, primary school, and community centre.
- 1.7 The Site benefits from proximity to a range of amenities and services, which include Rochdale Town Centre and Sandbrook Park Shopping Centre.
- 1.8 The Site benefits from bus stops located nearby on Manchester Road, which are served by regular services to Rochdale Town Centre, Greave, Castleton, Bolton, and Manchester, as well as connections to Rochdale Metrolink and train station, which provide connections to the rest of Greater Manchester and the wider North West region.
- 1.9 The Site's situation on the A58 provides vehicular connection to several key location destinations and access to the A627(M) and junction 20 of the M62 in less than 5 minutes by car.
- 1.10 A Site location plan is provided within **Appendix A**.

Planning and Status

- 1.11 The Applicant has submitted a full planning application to the Council for the Proposed Development (Ref: 25/00621/FUL).
- 1.12 Due to the long-term residential use of the Site, there is no other relevant planning history.

Date of Appraisal

- 1.13 The date of appraisal is the stated date on the cover of this report.

Document Structure

- 1.14 The viability assessment report is structured as follows:

Section 2: presents the relevant planning policy context.

Section 3: confirms the approach and methodology to this viability assessment together with a brief review of the relevant current guidance for undertaking viability assessments.

Section 4: sets out a summary of the principal assumptions and evidence used within this financial viability assessment.

Section 5: derives the benchmark land value ('BLV') or 'Site Value'.

Section 6: summarises the results of viability assessment.

Section 7: sets out concluding recommendations arising from the results of the viability assessment, in accordance with the National Planning Policy Framework ('NPPF')⁵ and national Planning Practice Guidance ('PPG')⁶.

⁵ MHCLG (2024) National Planning Policy Framework

⁶ MHCLG (2024) National Planning Practice Guidance – Viability

2 Planning Policy Context

- 2.1 A detailed overview of the statutory development plan and relevant national planning policy is provided in the Planning Statement prepared by CBRE as part of the application submission. This section therefore provides an overview of policies relevant to viability assessment of the Proposed Development of the Site.

National Planning Policy Framework

- 2.2 The NPPF presents the Government's planning policies for England and how these are expected to be applied.
- 2.3 The NPPF states that planning law requires planning applications to be determined in accordance with the development plan unless material considerations indicate otherwise. The NPPF, along with emerging plans, are material considerations that must be accorded weight within planning decision-making.

Sustainable Development

- 2.4 The presumption in favour of sustainable development is at the heart of the NPPF and is to be pursued positively in both decision-making and plan-making.

Deliverability & Viability

- 2.5 The NPPF confirms that it is the applicant's responsibility to demonstrate whether the circumstances affecting the development justify the requirement for the submission of a viability assessment at the application stage.
- 2.6 The LPA, as decision maker, must determine the weight to be given to the submitted viability assessment having regard to all the circumstances in the case including the following:
- whether the Plan and viability evidence underpinning it is up to date; and
 - whether there have been any changes in site circumstances since the Plan was brought into force.
- 2.7 All viability assessments, including those undertaken at plan-making stage, should reflect the recommended approach in national planning guidance⁷.

Planning Practice Guidance for Viability ('PPGV')

- 2.8 The Government's national planning guidance for understanding viability in both plan making and decision taking is set out within PPGV⁸.
- 2.9 Detailed guidance is provided regarding viability assessment in decision-taking upon individual schemes at the application stage. Firstly, it is the responsibility of the applicant to demonstrate the circumstances justifying the need for viability assessment. Whilst not stated as exhaustive, examples stated in PPGV are:
- where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan;
 - where further information on infrastructure or site costs is required;

⁷ MHCLG (2024) National Planning Policy Framework (NPPF): Paragraph: 59

⁸ MHCLG (2024) Planning Practice Guidance: Viability

- where particular types of development are proposed which may significantly vary from standard models of development for sale (for example BTR or housing for older people); or
 - where a recession or similar significant economic changes have occurred since the plan was brought into force.
- 2.10 Paragraph 20 confirms that the inputs and findings of any viability assessment should be set out in a way that aids clear interpretation and interrogation by decision makers. Reports and findings should clearly state what assumptions have been made about costs and values (including gross development value, benchmark land value (‘BLV’) including the landowner premium, developer’s return and costs).

Adopted Local Policy

Development Plan

- 2.11 For the purposes of this assessment, the statutory development plan comprises:
- Places for Everyone Joint Development Plan Document (‘PFE’) (Adopted March 2024)
 - Rochdale Core Strategy (Adopted October 2016)
 - Rochdale Unitary Development Plan saved policies (Adopted June 2006)
- 2.12 Other material considerations comprise:
- Guidelines and Standards for Residential Development SPD (Adopted June 2016)

Places for Everyone (Joint DPD) (Adopted March 2024)

- 2.13 The Places for Everyone Joint Development Plan Document (‘PFE’) (Adopted March 2024) is the result of a process that began with the publication of the Greater Manchester Spatial Framework (‘GMSF’), which represented a joint plan for the 10 authorities of Greater Manchester, but was voted against by Stockport (for independent examination) in December 2020, signalling the end of the GMSF as a joint plan for 10 councils.
- 2.14 The PFE now represents the remaining nine councils of Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Tameside, Trafford, and Wigan, sets out a plan for sustainable growth across the nine boroughs up to the year 2037, identifying the amount of new development that will come forward in terms of housing, offices, industry and warehousing, and the main areas in which this will be focused.
- 2.15 Applicants should take account of policies in development plans and other relevant documents when developing proposals and acquiring land. It is expected that viability assessments should only be undertaken where there are clear circumstances creating barriers to delivery. If an applicant wishes to make the case that viability should be considered, they should provide clear evidence at the planning application submission stage, demonstrating the specific issues that would create barriers to delivery in a transparent manner and reflecting national guidance.
- 2.16 Where it is accepted that viability should be considered as part of the determination of an application, the Local Planning Authority should determine the weight to be given to a viability assessment alongside other material considerations.

Rochdale Core Strategy

- 2.17 The Rochdale Core Strategy is a key document of the Rochdale Local Plan, and sets out the long term (15 year) strategic policies for Rochdale’s future development and forms the framework against which planning applications are assessed.

Housing

- 2.18 Policy C1 (Delivering the right amount of housing in the right places) commits to providing sufficient land to deliver at least 460 net additional dwellings per year up to 2028, to assist in the creation of successful, inclusive and mixed communities and meet the housing needs of the borough.
- 2.19 Policy C3 (delivering the right type of housing) states a commitment to deliver the right type of homes, which are well designed and built to appropriate densities, to meet the overall needs and aspirations of the borough.
- 2.20 To achieve this, Policy C3 states that the Council will:
- Ensure new development provides housing types that take account of local needs and aspirations;
 - Ensure that the supply of larger and higher value housing in the borough is improved;
 - Require a high standard of design and layout that produces attractive places and takes account of energy efficiency and climate change;
 - Promote densities that make efficient use of land whilst delivering a range of housing to widen choice in the borough and reflect local character; and
 - Support the provision of housing on appropriate sites to meet the needs of specific groups including older people and other vulnerable groups.
- 2.21 Policy C3 also states:
- 2.22 *“The population aged 65 or over in Rochdale borough is expected to increase by 34% between 2012 and 2028 and therefore meeting the needs of older people in terms of housing provision will become increasingly important.”*

Health and Wellbeing

- 2.23 Policy C6 (Improving health and well being) commits to improving people’s health and well being and reducing health inequalities by:
- Creating an economic, physical and social environment which promotes and supports healthy lifestyles;
 - Supporting and promoting accessible new health facilities and services in town centres and local centres; and
 - Focusing the above actions in areas of deprivation, poor health, and/or greatest need.

Design

- 2.24 Policy P1 (Improving image) requires a high quality design in all new developments.
- 2.25 Policy P3 (Improving design of new development) sets out a number of design principles, which new development should adhere to. Notably, this includes a requirement to:
- “Enhance the borough’s identity and sense of place by respecting context where it is positive and having regard to the scale, density, massing, height, layout, landscape, materials and access of surrounding buildings and areas in general.”*

Community Infrastructure Levy (CIL)

- 2.26 CIL was introduced under the Planning Act 2008 and is legislated by the CIL Regulations 2010 (as amended). Local authorities in England and Wales can elect to charge CIL on new development to assist in funding infrastructure associated with planned growth.
- 2.27 The Council has not adopted a CIL charging schedule.
- 2.28 CIL is therefore not applicable to this assessment at the current date.

3 Approach & Methodology

The Role of Viability Assessment in Planning

- 3.1 This chapter provides the approach and methodology to this viability assessment set within the context of the legislative planning framework and recognised national practice guidance for undertaking viability assessments.

RICS Financial Viability in Planning: Conduct and Reporting (1st edition, May 2019)

- 3.2 This RICS professional statement sets out mandatory requirements on conduct and reporting in relation to Financial Viability Assessments ('FVAs') for planning in England, whether for area-wide or scheme-specific purposes. It recognises the importance of impartiality, objectivity and transparency when reporting on such matters. It also aims to support and complement the Government's reforms to the planning process announced in July 2018 and subsequent updates, which include an overhaul of the NPPF and PPGV and related matters.
- 3.3 The statement focuses on reporting and process requirements, and the need for the assessment of viability to be carried out having proper regard to all material facts and circumstances. The additional requirements became effective on 1 September 2019.

RICS Guidance Note: Assessing viability in planning under the National Planning Policy Framework 2019 for England (1st edition, March 2021)

- 3.4 The RICS Viability Guidance⁹, effective from 1st July 2021, supplements the RICS Professional Statement and gives added guidance to RICS members and other stakeholders in the planning process on undertaking and understanding FVAs in both a plan-making and decision-taking context.
- 3.5 The RICS Viability Guidance, which replaces the earlier 2012 publication, provides best practice guidance for practitioners in carrying out and interpreting the results of viability assessments under the NPPF and PPGV.

PPGV

- 3.6 PPGV sets out the Government's recommended approach and confirms the principles for conducting viability assessment as follows:

'Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return'.¹⁰

⁹ RICS (2021) *Assessing viability in planning under the National Planning Policy Framework 2019 for England* RICS professional Standard, England 1st edition, March 2021

¹⁰ MHCLG (2024) *National Planning Practice Guidance – Viability: Paragraph: 010*

3.7 PPGV confirms that the minimum landowner's return should be referred to as the 'benchmark land value' ('BLV'), which should be established on the basis of the existing use value ('EUV') of the land, plus a premium for the landowner. This approach is referred to as the 'existing use value plus' ('EUV+').

3.8 PPGV also confirms that alternative uses can be used in establishing the BLV. For the purposes of viability assessment the AUV refers to:

*'...the value of land for uses other than its existing use.'*¹¹

3.9 Where AUV is used this should be supported by evidence of the costs and values of the alternative use to justify the land value. PPGV confirms the Government's position that valuation based on AUV includes the premium to the landowner (i.e. the AUV is equal to the EUV+ as a BLV)¹².

Methodology

3.10 In order to determine the viability of the Proposed Development at the Site, a residual valuation model with cash flow has been prepared using proprietary software Argus Developer.

3.11 The methodology for undertaking this viability assessment follows the residual appraisal method, which is that accepted by the RICS and recommended within RICS Viability Guidance¹³. The methodology is also consistent with the Government's recommended approach as set out in PPGV¹⁴.

3.12 The assessment calculates the cost to acquire, construct, and deliver the capital costs of the development scheme, which is set against the value of the development on the assumption it is completed in the current market. No allowance is made for underlying inflation.

3.13 This method is an industry standard approach for developers in calculating an appropriate bid to acquire land and premises for development. The residual land value ('RLV') represents the sum available following the deduction of all costs, including allowance for developer's profit, from the net achievable revenue which can be derived from the proposed scheme.

Benchmark Land Value ('BLV')

3.14 As set out above, both the Government's PPGV and RICS Guidance set out a requirement for viability assessment to compare the RLV of the Proposed Development, as derived through the viability assessment, with the BLV (i.e. minimum return at which it is considered a reasonable landowner would be willing to sell their land) in order to determine whether the proposed development is viable or unviable.

¹¹ MHCLG (2024) National Planning Practice Guidance – Viability: Paragraph: 017

¹² MHCLG (2024) National Planning Practice Guidance – Viability: Paragraph: 017

¹³ RICS (2021) Assessing viability in planning under the National Planning Policy Framework 2019 for England RICS Professional Standard, England 1st edition, March 2021

¹⁴ MHCLG (2024) National Planning Practice Guidance – Viability

4 Viability Assessment Assumptions

4.1 This section presents the principal assumptions used in the viability assessment.

Development Outputs

Land Analysis

4.2 The site area associated with the Proposed Residential Development is 0.18 hectares (0.44 acres).

Proposed Development

4.3 The Proposed Development constitutes a high-quality specialist care home development, comprising a total of 74 no. bedrooms. A summary of the Proposed Development, by floor, is provided within Table 4.1 below.

TABLE 4.1: SUMMARY | PROPOSED DEVELOPMENT

Floor	Area (m ²)	Area (ft ²)	Care Accommodation	Amenity / Ancillary Facilities
Ground	786	8,458	5 no. respite rooms.	- Amenity space including reception area, visitor lounge and café, prayer / multifunction room, and dining / communal area. - Ancillary functional areas including security office, bin store, staff room, medical room, sluices / WCs, main kitchen.
First	707	7,607	21 no. dementia care bedrooms.	- Residents' lounge, assisted bathroom, staff room. - Roof terrace access.
Second	698	7,512	24 no. nursing care bedrooms.	- Open lounge, sluice, medical room, assisted nursing bathroom.
Third	698	7,489	24 no. nursing care bedrooms.	- Open lounge, sluice, medical room, assisted nursing bathroom.
Total:	2,886	31,067	74 no. bedrooms	

Source: BCAE Architects

4.4 CBRE understands that the nursing care bedrooms are to be let at a local authority rate.

4.5 The Proposed Development floor plans are provided within **Appendix B**.

Development Value

- 4.6 The value to be adopted is based on the special assumption that the development is complete on the publication date of this document in the prevailing market conditions.

Care Home | Rental Value

- 4.7 CBRE understands that the Applicant has agreed a headline rent with a prospective operator which reflects an annual rental income of £1,050,000, equating to £14,189 per bedroom. CBRE has been provided with a Heads of Terms Agreement for lease that confirms this.
- 4.8 On this basis, CBRE has adopted a total annual rent of £1,050,000 within the viability appraisal.

Care Home | Investment Yield

- 4.9 Sentiment towards the UK care home sector has strengthened materially over the past 18 months. In 2025, UK healthcare transaction volumes closed at a record £11.3bn, approximately 4.5x the five-year average, with elderly care accounting for c. 80% of that volume¹⁵. CBRE's 2026 Healthcare Sentiment Survey reports that 68% of investors increased their allocation to the healthcare sector in 2025, with momentum and investor confidence expected to remain robust through 2026. This is being reflected in increasing liquidity and a widening pool of institutional investors targeting UK healthcare opportunities.
- 4.10 Demand for prime, purpose-built, majority private-pay stock let to a strong-covenant operator continues to capture the tightest pricing and the greatest depth of investor demand, whilst secondary and tertiary assets (e.g. older stock, smaller schemes, and those with a higher proportion of local authority-funded beds) trade at a material discount, reflecting concerns over occupier funding mix, staffing cost inflation (including the National Living Wage and Employers' NIC increases), and the capital expenditure required to bring older stock up to current specification and CQC expectations¹⁶.
- 4.11 Transactional evidence for prime care home investments in the immediate area is thin, however, CBRE's latest investment yield guide¹⁷ confirms that sentiment towards healthcare assets remains stable. CBRE's yield guide confirms that Prime SPV Care Home yields are currently trending at 5.75%, with Secondary Care Home yields trending at 8.00%. Knight Frank's 2026 Healthcare Capital Markets report estimated Prime SPV Healthcare yields at 5.75%, with Secondary and Tertiary yields estimated at 6.50% and 7.50% respectively. Cushman & Wakefield¹⁸ report Prime SPV Elderly Care yields at 5.75% and Secondary Elderly Care yields at 8.00%+.
- 4.12 Reflecting upon the above, and accounting for the proportion of local authority beds (65%) and non-core location of the Site, it is CBRE's professional opinion that in current market conditions a net initial yield of 7.00% is appropriate for the Proposed Development, assuming it was let to a suitably covenanted operator with strong occupancy, and stabilised at the present date. This generates a capital value of £189,929/bedroom.
- 4.13 As a cross-check, Colliers¹⁹ report a range of per bed capital values of £40,000 - £400,000 reflecting Challenged to Super Prime assets, whilst Christie & Co²⁰ report a range of £30,000 - £360,000 per bed.

¹⁵ Knight Frank (2026). *Healthcare Capital Markets 2026*

¹⁶ CBRE (2026). *UK Healthcare Sentiment Survey 2026*

¹⁷ CBRE (2026). *Investment Yield Guide, June 2026*

¹⁸ Cushman & Wakefield (2026). *Elderly Care Marketbeat, Q1 2026*

¹⁹ Colliers (2026). *UK Healthcare Snapshot, Q1 2026*

²⁰ Christie & Co (2024). *What determines the value of a care home business?*

4.14 CBRE’s assessment of the capital value of the Proposed Development falls around the middle of these benchmark ranges, effectively accounting for the inferior location of the Site compared to Super Prime assets, whilst factoring in the new-build purpose-built premium that would be secured over more challenged alternatives. This, therefore, resembles a logical market sense-check to CBRE’s assumptions.

Development Costs

Construction Costs

- 4.15 The Applicant has instructed cost consultants Artal to prepare a cost estimate for the Proposed Development.
- 4.16 The Cost Plan, dated April 2026, quotes a total cost for construction of £8,876,030, covering base construction costs, external works, main contractor’s preliminaries (14%), ‘design development / pricing risk contingency allowance / inflation’ (5%), and main contractor’s OH&P (7.5%).
- 4.17 The Cost Plan also includes a total cost for ‘Abnormals, Provisional Sums and External Works’ of £382,818, covering demolition, landscaping, substation construction, main contractor’s preliminaries (14%), ‘design development / pricing risk contingency allowance / inflation’ (5%), and main contractor’s OH&P (7.5%).
- 4.18 Both cost estimates exclude VAT and professional fees.
- 4.19 For the purpose of this assessment, CBRE has excluded the allowances for ‘design development / pricing risk contingency allowance / inflation’ and made a separate allowance for of 3.00% for contingency within the appraisal.
- 4.20 CBRE has therefore adopted a total construction cost of £56,050,954 within the viability appraisal.
- 4.21 On this basis, the construction costs adopted by CBRE is summarised within Table 4.2 below.

TABLE 4.2: CONSTRUCTION COSTS | PROPOSED DEVELOPMENT

Cost Item	Base Cost (£)	Main Contractor’s Prelims (14.00%)	Main Contractor’s OH&P (7.50%)	Total Cost (£)
Demolition & Site Preparation	£66,207	£9,269	£5,661	£81,137
Base Construction	£6,443,087	£902,032	£550,884	£7,896,003
External Works	£665,301	£93,142	£56,883	£815,326
Substation Construction	£20,797	£2,912	£1,778	£25,487
Total:	£7,195,392	£1,007,355	£615,206	£8,817,953

Source: Artal

4.22 A copy of the Cost Plan is provided within **Appendix C**.

Biodiversity Net Gain (‘BNG’)

4.23 Under the statutory framework introduced by Schedule 7A of the Town and Country Planning Act 1990²¹, every grant of planning permission from February 2024 (with exceptions) is deemed to have been granted subject to the condition that the biodiversity gain objective is met.

²¹ As inserted by the Environment Act 2021

- 4.24 The BNG objective requires developments to deliver at least a 10% increase in biodiversity value relative to the pre-development biodiversity value of the on-site habitat. This can be achieved through on-site gains, registered off-site gains, or statutory biodiversity credits.
- 4.25 As such, the Applicant instructed specialist ecologist consultant Urban Green to undertake a Biodiversity Net Gain ('BNG') Assessment in relation to the delivery of the Proposed Development at the Site.
- 4.26 The results of the BNG Assessment, dated December 2025, indicates a loss of -76.71% habitat units and a gain of 0.31% in hedgerow units, and confirms that the statutory target of 10% uplift would not be achieved through the Proposed Development of the Site.
- 4.27 Urban Green's assessment of the offsite mitigation requirements is extracted below:

Habitat Type	Distinctiveness	Total Units Required	Habitat Required
Vegetated gardens	Low	0.29	Any low distinctiveness habitat or a habitat of a higher distinctiveness.
Individual trees	Medium	0.35	A medium distinctiveness grassland habitat, or any habitat of high or very high distinctiveness.
Unit surplus to meet mandatory 10% gain	Any	0.09	Any habitat type can be purchased to meet the required unit surplus
Total		0.73	

- 4.28 CBRE understands that the Applicant has not yet sought formal quotes from local habitat banks.
- 4.29 Therefore, to estimate the cost of obtaining the necessary offsite credits, CBRE has had regard to the latest BNG credit pricing schedule for the North (February 2026), produced by Biodiversity Units UK, as extracted below:

Feb 2026



BNG Pricing - England (North)

Habitat Type	Habitat Distinctiveness	In LPA / NCA Price	Supply Levels
Other Neutral Grassland	Medium	£24,098	Abundant
Woodland and Forest	Medium	£33,922	Medium
Heathland and Shrub	Medium	£29,805	Abundant
Lakes/Ponds Non Priority Habitat	Medium	£82,397	Rare
Lowland Meadows	Very High	£35,075	Medium
Watercourses - Ditches	Medium	£97,000	Uncommon
Watercourses - Other Rivers and Streams	High	£141,450	Scarce
Watercourses - River (Priority Habitat)	Very High	£203,861	Scarce
Individual Trees	Medium	£29,110	Rare
Traditional Orchards	High	£30,189	Medium
Wet Woodland	High	£50,225	Scarce
Mixed Deciduous Woodland	High	£34,849	Uncommon
Open Mosaic Habitat	High	£47,320	Scarce
Floodplain Wetland Mosaic	High	£58,220	Uncommon
Hedgerows	Medium	£24,677	Medium
Hedgerows	High	£22,891	Medium
New > Wood Pasture and Parkland	Very High	£47,495	South Only
New > Calcareous Grassland	High	£46,125	Rare

*Prices shown represent one Offsite BNG Unit, assuming no Spatial Risk Multiplier applies.

- 4.30 CBRE's assessment of the cost of securing off-site BNG credits is summarised in Table 4.3 below.

TABLE 4.3: BNG COSTS | PROPOSED DEVELOPMENT

Habitat Type	Distinctiveness	Total Units Required	Cost per Unit	Total Cost	Comments
Vegetated gardens	Low	0.29	£24,098	£6,988	No low distinctiveness habitats quoted - 'Other Neutral Grassland' price adopted
Individual trees	Medium	0.35	£29,110	£10,189	Individual trees price adopted
Unit surplus to meet mandatory 10% gain	Any	0.09	£24,098	£2,169	Other Neutral Grassland' price adopted
Total		0.73	£77,306	£19,346	
<i>Rounded</i>				£20,000	

4.31 On this basis, CBRE has adopted a rounded sum of £20,000 for the cost of securing off-site BNG credits within the appraisal.

4.32 CBRE reserves the right to revisit this should additional information come to light.

Section 106 Financial Contributions

4.33 For this appraisal, and in the absence of specific obligations sought by the Council at this stage, CBRE has assumed nil Section 106 financial contributions.

4.34 Should further information regarding the costs and payment triggers of S106 financial contributions sought become available (i.e., confirmation from the Council and feedback from statutory consultees during the planning process), CBRE reserves the right to amend the appraisals as deemed necessary.

Other Development Costs

4.35 Other development costs are summarised in Table 4.4.

TABLE 4.4: OTHER DEVELOPMENT COSTS | PROPOSED DEVELOPMENT

Cost Item	Rate	Commentary
Contingency (Design, Contractor & Developer)	3.00%	Of estimated construction costs. Considered an absolute minimum allowance for design development, construction and developer's risks in the current market, noting a typical range for brownfield sites up to 5%
Professional Fees	8.00%	Estimated rate as a % of total build costs.
Pre-Opening Costs & CQC Registration	£140,000	Estimate provided by the Applicant.
Investment Sales Agent Fee	1.00%	Of GDV
Investment Sales Legal Fee	0.50%	Of GDV
Purchaser's Costs (Land)	SDLT+1.8%	Standard HMRC non-residential stamp duty land tax ('SDLT'), agent's fee (1.00%) and legal fee (0.80%)
Purchaser's Costs (Investment)	6.80%	Standard HMRC non-residential stamp duty land tax ('SDLT'), agent's fee (1.00%) and legal fee (0.80%)

Cost Item	Rate	Commentary
Finance	7.50%	Minimum cost of capital for financing the development via the market, which takes into account arrangement, monitoring and related fees/credits. This assumes the project is 100% debt funded.
Developer's return (on Cost)	20.00%	Target risk-adjusted return (hurdle rate), commensurate with the level of risk and market expectations for the delivery of a development of this nature. Reflecting a hurdle towards the lower end of the range set out in PPGV (15-20% on GDV).

Source: CBRE; The Applicant

Development & Disposal

4.36 The adopted development programme, informed by advice provided by Artal, is summarised in Table 4.5.

TABLE 4.5: DEVELOPMENT & DISPOSAL PROGRAMME | PROPOSED DEVELOPMENT

Duration	Stage	Description
Month 1:	Purchase	Assumes grant of planning permission
Months 2 - 6:	Pre-Construction	Procurement, discharge of planning conditions, demolition, and site set-up
Months 7 - 23:	Construction	Overall construction period
Months 24:	Sale	Investment disposal upon Practical Completion

Source: The Applicant

5 Site Value (or 'Benchmark Land Value')

- 5.1 Establishing the minimum level of financial return at which a reasonable landowner would be willing to release their land for development represents a critical component of a viability assessment. It must represent a premium over the existing use value ('EUV') and a reasonable incentive, in comparison with other options available, for the landowner to sell land for development, whilst allowing a sufficient contribution to comply with policy requirements.
- 5.2 Whilst not directly featuring as a cost in an appraisal conducted on a residual (land) basis, this 'minimum return' forms the BLV against which the RLV derived from the appraisal is tested in order to determine the viability of the Proposed Development and scope for planning obligations (including affordable housing).
- 5.3 The Government's PPGV requires that the BLV should:
- '...be informed by market evidence including current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value... This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.'*²²
- 5.4 Paragraph 016 of PPGV provides further elaboration. It states:
- 'Market evidence can include benchmark land values from other viability assessments. Land transactions can be used but only as a cross check to the other evidence. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners.'*²³
- 5.5 The approach adopted for arriving at an appropriate BLV for the Site follows that set out within Chapter 3 of this document and accords with the relevant RICS Guidance, PPGV and the NPPF (2021). It considers:
- the existing use value ('EUV') of the subject site;
 - the alternative use value ('AUV') of the subject site;
 - the premium; and
 - available comparable evidence of land transactions.

²² MHCLG (2024) National Planning Practice Guidance – Viability: Paragraph: 014

²³ MHCLG (2024) National Planning Practice Guidance – Viability: Paragraph: 016

Existing Use Value (‘EUV’)

- 5.6The Site extends to 0.18 hectares (0.44 acres) and comprises a 2.5-storey detached residential dwelling and associated private garden and paved driveway.
- 5.7CBRE has, therefore, considered the EUV on the basis of a residential use.
- 5.8A summary accommodation schedule for the existing property is provided within Table 5.1 below. A copy of the existing floor plans is provided within **Appendix D**.

TABLE 5.1: ACCOMMODATION SCHEDULE | EXISTING PROPERTY

Floor	NSA (sqm)	NSA (sqft)
Ground Floor	162	1,744
First Floor	98	1,055
Total:	260	2,799

Source: BCAE Architects; CBRE

- 5.9A summary of the property details is provided within Table 5.2 below.

TABLE 5.2: PROPERTY DETAILS | EXISTING PROPERTY

Feature	Property detail
Bedrooms	4
Bathrooms	3
Garage	Single attached garage (280ft ²)
Parking	Private gated driveway
Other features	Large landscaped garden

Source: BCAE Architects; The Applicant

- 5.10A selection of property photographs, extracted from the Design and Access Statement produced by BCAE Architects, is provided overleaf.



Key Plan



- 5.11
- To inform an opinion of value, CBRE has undertaken an analysis of nearby comparable property transactions.
- 5.12
- Over the past 24 months, 34 no. 4+ bed properties have sold within a 1-mile radius of the Site, reflecting an average sales price of £346,380 (£224/ft²). A summary of the transactions is provided within Table 5.3 below.

TABLE 5.3: COMPARABLE HOUSE SALES | SUMMARY

Type	Beds	Qty	Avg Size (ft ²)	Avg Sales Price (£)	Avg Sales Price (£/ft ²)
Semi-Detached	4	9	1,432	£242,217	£169
	5	2	2,012	£332,500	£165
Semi-Detached Sub-Total:		11	1,538	£258,632	£168
Detached	4	17	1,396	£345,970	£248
	5	6	1,982	£508,417	£257
Detached Sub-Total:		23	1,549	£388,347	£251
Total:		34	1,545	£346,380	£224

Source: Realyse; Land Registry

- 5.13
- Reflecting upon the size, location, and features of the subject property, CBRE considers the following transactions to resemble appropriate comparables, as summarised in Table 5.4 below.

TABLE 5.4: COMPARABLE HOUSE SALES | SUBJECT PROPERTY

Address	Type	Beds	Bathrooms	Size (ft2)	Sales Price (£)	Sales Price (£/ft2)	Date	Property Features
97, Marland Fold, Rochdale, OL11 4RF	Detached	4	2	2,045	£405,000	£198	26/09/2025	Cul-de-sac location 2.5 storey detached property Three reception rooms Four double bedrooms Off-road parking & attached garage Spacious garden
29, Half Acre Drive, Rochdale, OL11 4BU	Detached	4	3	2,260	£625,000	£277	11/07/2025	Private plot 2 storey detached property Three reception rooms Three double bedrooms + guest room Private gated grounds with large landscaped garden, private driveway and integral garage
21, Brooklands Court, Rochdale, OL11 4EJ	Detached	5	3	1,872	£530,000	£283	23/06/2025	Cul-de-sac location 2 storey detached property Three reception rooms 4 double bedrooms + 1 single bedroom Off-street parking and double integral garage
8, Convent Grove, Rochdale, OL11 4LT	Detached	5	4	1,883	£464,000	£246	02/05/2025	Cul-de-sac location 2.5 storey detached property Three reception rooms Four double bedrooms + single bedroom Off-street parking and double attached garage Wrap-around landscaped garden
Stable Hills, Chadwick Hall Road, Rochdale, OL11 4DJ	Detached	5	3	2,852	£640,000	£224	28/03/2025	Former coach house requiring renovation 2-storey detached property Two reception rooms Five double bedrooms Off-street parking and single integral garage Large garden with panoramic countryside views
Total / Avg:				2,182	£532,800	£244		

- 5.14 Drawing on the above evidence, and taking into account the size, location, and features of the subject property, CBRE has adopted a gross open market sales value of £650,000, which equates to £232/ft².
- 5.15 As a cross-check against this assessment, CBRE has referred to the historical purchase price of the subject property.
- 5.16 Rightmove records indicate that the subject property was sold on 16 July 1999 for £140,000.
- 5.17 CBRE has indexed this figure to April 2026 (latest available date) using the House Price Index for detached properties in Rochdale. This results in an estimated present day value of £643,089, which closely aligns with CBRE's assessment of EUV.
- 5.18 This, therefore, resembles a logical market cross-check.
- 5.19 The EUV for the Site therefore equates to £650,000, or £232/ft².

Premium ('+')

- 5.20 The premium should represent the minimum return that would persuade a reasonable landowner to release the land for development.
- 5.21 The Site occupies a prominent plot on a primary arterial road, within close proximity to Rochdale town centre. The Site is currently occupied by and in good condition. Given these attributes, the Site offers strong potential for alternative uses.
- 5.22 CBRE considers that a substantial premium above the EUV would be necessary to persuade a reasonable landowner to release the land for development.
- 5.23 CBRE has applied a premium of 20% to the EUV to generate the 'EUV+' calculation of the estimated minimum sum at which the landowner may reasonably be incentivised to dispose of the subject site and premises in the current market.

Alternative Use Value ('AUV')

- 5.24 CBRE has not assessed the prospective Alternative Use Value ('AUV') for the Site at this stage, but considers that alternative uses could be acceptable in planning policy terms. CBRE reserves the right to undertake an AUV assessment if deemed necessary during the determination of the emerging planning application.

Determining the BLV

- 5.25 Reflecting on the above analysis, when assessed consistently with the methodology of NPPF, PPGV, and RICS Guidance, CBRE is of the professional view that the minimum BLV for the Site equates to an EUV+ of £780,000 (£279/ft²).

6 Appraisal Results

6.1 This chapter presents the results of the assessment of financial viability arising from the Proposed Development of the Site.

Viability Appraisal

- 6.2 A viability appraisal has been undertaken for the Proposed Development at the Site.
- 6.3 By way of analysis set out in chapter 5 of this document, it is considered that, if acting reasonably and when fully accounting for adopted planning policy, guidance and all other relevant factors, including a minimum ‘premium’ at which the vendor would be incentivised to dispose of the Site, this results in a BLV of £780,000.
- 6.4 CBRE’s Baseline appraisal demonstrates that, when incorporating the BLV as a fixed input, and assessed at the scale and massing proposed by the Applicant, the outturn residual profit margin generated is 21.24% on Cost (16.41% on GDV).
- 6.5 The residual profit margin meets, and slightly exceeds, the target risk-adjusted developer’s return.
- 6.6 The delivery of the Proposed Development at the scale and massing proposed by the Applicant generates a profit sufficient to meet the target minimum risk-adjusted developer’s return, and the Proposed Development is financially viable on this basis.
- 6.7 A copy of the Baseline viability appraisal for the Proposed Development is provided within **Appendix E**.

Sensitivity Testing

6.8 CBRE has undertaken sensitivity testing to illustrate the effect of potential yield movement on the financial viability of the Proposed Development. The results are presented in Table 6.1, below.

TABLE 6.1: SENSITIVITY TEST 1 RESULTS | STEPPED MOVEMENT IN YIELD

Appraisal	Yield	Residual Profit (£)	Residual Profit (% on Cost)
-50 bps	6.50%	3,526,175	30.36%
-25 bps	6.75%	2,974,380	25.64%
-	7.00%	2,462,000	21.24%
+25 bps	7.25%	1,984,956	17.13%
+50 bps	7.50%	1,539,715	13.30%

6.9 The results of Sensitivity Test 1 illustrate a significant impact on scheme viability of movement in yield which, if applied in tandem with changes to other key inputs (i.e. construction costs and/ or rents, as illustrated in Sensitivity Test 1) could produce significant movement in scheme viability – both positively or negatively from the baseline (present day) position.

7 Conclusions

- 7.1 CBRE has been appointed by the Applicant to objectively assess, and report upon, the financial viability of the Proposed Development at the Site.
- 7.2 The purpose of the viability assessment is to test the financial viability of the Proposed Development at the Site, taking into account the policy requirements set by RBC as well as national planning policy and guidance.
- 7.3 By way of analysis set out in chapter 5 of this document, it is considered that, if acting reasonably and when fully accounting for adopted planning policy, guidance and all other relevant factors, the 'premium' at which the vendor would be incentivised to dispose of [the area of] the site associated with the Proposed Residential Development represents a total minimum BLV of £780,000.
- 7.4 The Baseline appraisal demonstrates that, when incorporating the BLV as a fixed input, and assessed at the scale and massing proposed by the Applicant, the outturn residual profit margin generated is 21.24% on Cost (16.41% on GDV). The residual profit margin meets, and slightly exceeds, the target risk-adjusted developer's return.
- 7.5 The delivery of the Proposed Development at the scale and massing proposed by the Applicant generates a profit sufficient to meet the target minimum risk-adjusted developer's return, and the Proposed Development is financially viable on this basis.
- 7.6 The reduction in scale and massing (i.e. removal of a storey or reduction in bed spaces) of the Proposed Development would result in a reduction in outturn residual profit. The minimal surplus profit generated in the Baseline appraisal illustrates that any reduction in scale and massing would reduce the developer's return below the target hurdle rate for financial viability. This may prejudice the ability for the Proposed Development to secure financing and to proceed to delivery.
- 7.7 Furthermore, it is CBRE's professional view that the Proposed Development, as proposed by the Applicant, already resembles the minimum lot size necessary to generate the economies of scale, covenant strength, and value potential to attract institutional investment.
- 7.8 On this basis, it would be CBRE's recommendation that the Proposed Development remains at the scale and massing as proposed by the Applicant, to ensure the viability and deliverability of the proposal.

Appendices



A Site Location Plan



BCAE

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notes:

1. Drawings are based on survey data and may not accurately represent what is physically present.

2. All dimensions to be site verified by the contractor before proceeding.

3. All dimensions are in millimeters unless noted otherwise. Only work from written dimensions.

4. BCAE Architects Ltd. shall be notified in writing of any discrepancies.

5. This drawing is copyright, and may not be reproduced in any form, without the written consent of BCAE Architects Ltd.

revisions:

rev.	date	checked by	issued by	notes
A	12/06/20	LK		First Planning Issue
B	27/06/20	LK		First Planning Issue
C	17/07/20	LK		Drawing Issue

project north:

key:

scale bar:

0

5m

10m

1:200

client:	CitySide	title:	Proposed - Site Plan	drawing no.	PLANNING P001 arbs RIBA
project:	185 Manchester Road - Dementia Care Scheme	drawn by:	LK		
		approved by:	AE		
stage:	Planning	date:	05/05/25		
revision:	C	job no:	57.22		
		scale:	1:200@A1		

B Floor Plans | Proposed Development

By Department Legend

- Amenity
- Facilities Management
- Respite
- Staff Facilities
- Circulation
- Kitchen
- Respite Circulation
- Visitor





C Artal Cost Plan

cityside

185 Manchester Road

Dementia Care Scheme

BUDGET ESTIMATE - REVISION 4

Contents

Section 1 - Graphical Summary - Overall

Section 2 - Overall Summary

Section 3 - Detail Pricing

Section 4 - Clarifications

Section 5 - Abnormals, Provisionals and Externals



BUDGET ESTIMATE

SECTION 1 - GRAPHICAL SUMMARY - OVERALL

DESCRIPTION: RESIDENTIAL CARE INSTITUTE

USE CLASS: C2

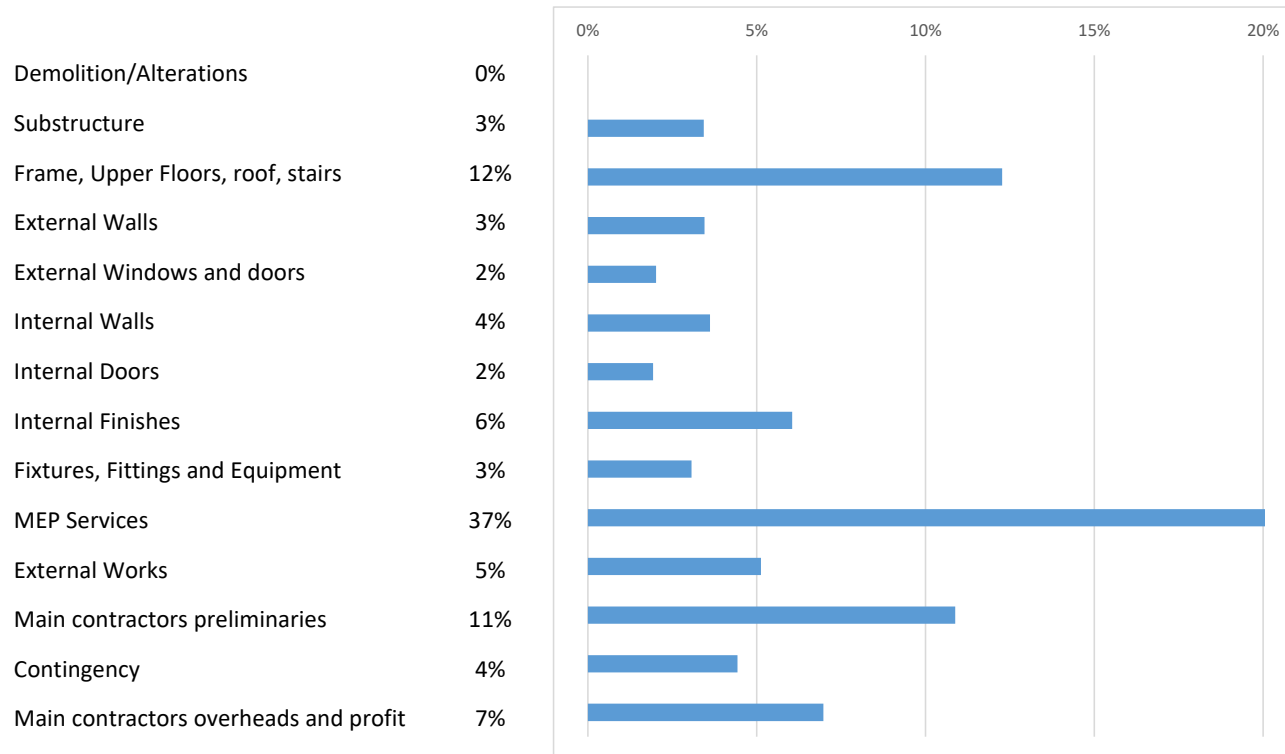
STOREYS: 4

UNITS: 74

TOTAL GIFA: 31,067ft²

CURRENT COST PLAN REVISION (Cost Plan Nr 4)

ELEMENTAL COST ANALYSIS %



AREAS

	m2	ft2	Units
GF	786	8,458	5
1F	707	7,607	21
2F	698	7,512	24
3F	696	7,489	24
TOTAL	2,886	31,067	74

COST SUMMARY

TOTAL COST	£	8,876,030
COST / FT2	£	286
COST / APARTMENT	£	119,946



BUDGET ESTIMATE - 74 UNITS

SECTION 2 - OVERALL SUMMARY

GIFA (ft2)	31,067
GIFA (m2)	2,886

Ref	Element	Total	£/m2	£/ft2
A	Demolition/Alterations	£ -	£ -	£ -
	Demolition/Alterations (a)	£ -	£ -	£ -
B	Substructure	£ 304,613	£ 105.5	£ 9.8
	Substructure (b)	£ 304,613	£ 106	£ 10
C.1	Frame	£ 395,234	£ 136.9	£ 12.7
C.2	Upper Floors	£ 283,555	£ 98.2	£ 9.1
C.3	Roof	£ 266,468	£ 92.3	£ 8.6
C.4	Stairs	£ 144,000	£ 49.9	£ 4.6
C.5	External Walls	£ 306,688	£ 106.3	£ 9.9
C.6	External Windows and Doors	£ 179,053	£ 62.0	£ 5.8
C.7	Internal Walls	£ 321,218	£ 111.3	£ 10.3
C.8	Internal Doors	£ 171,350	£ 59.4	£ 5.5
	Superstructure (c)	£ 2,067,565	£ 716	£ 67
D.1	Wall finishes	£ 236,582	£ 82.0	£ 7.6
D.2	Floor finishes	£ 208,836	£ 72.4	£ 6.7
D.3	Ceiling Finishes	£ 91,816	£ 31.8	£ 3.0
	Internal Finishes (d)	£ 537,234	£ 186	£ 17
E	Fixtures, Fittings and Equipment	£ 272,750	£ 94.5	£ 8.8
	Fixtures, Fittings and Equipment (e)	£ 272,750	£ 95	£ 9
F	Mechanical and Electrical Installations	£ 3,260,925	£ 1,129.8	£ 105.0
	MEP Services (f)	£ 3,260,925	£ 1,130	£ 105
G	External Works and Abnormals	£ 454,802	£ 157.6	£ 14.6
	External Works (g)	£ 454,802	£ 158	£ 15
	Total 1 (Excl VAT)	£ 6,897,888	£ 2,390	£ 222
H	Main Contractor preliminaries at 14% - equates to circa £10,250/week for 95 weeks	£ 965,704	£ 334.6	£ 31.1
I	Design Development / Pricing Risk Contingency Allowance /Inflation (5%)	£ 393,180	£ 136.2	£ 12.7
J	Main contractors overheads and profit (7.5%)	£ 619,258	£ 214.6	£ 19.9
	Total 2 (Excl VAT)	£ 1,978,142	£ 685	£ 64
	Overall Construction Total	£ 8,876,030	£ 3,075	£ 286

BUDGET ESTIMATE - 74 UNITS

SECTION 3 - DETAIL PRICING

GIFA (ft2):	31,067
GIFA (m2):	2,886

Ref	Element	Quantity	Unit	Rate	Totals	£/m2	£/sqft
A	Demolition/Alterations						
A.1	Demolition/Alterations						
A.1.1	See abnormals						
A	Demolitions & Alterations (a)				£ -	£ -	£ -
B.1	Substructure & Externals						
B.1.1	Breaking up existing site surface; strip or trench fill foundations with masonry up to 150mm above floor level only; includes disposal of materials off site; blind hardcore bed; slab insulation; reinforced ground bearing slab 200mm thick, inclusive of establishment ground floor slab; insulation; obstructions/softspots	786	m2	£ 350	£ 275,013	£ 95.29	£ 8.85
B	Substructure & Externals (b)				£ 275,013	£ 95	£ 9
C.1	Frame						
C.1.1	Steel Frame solution; frame, inclusive of fittings, intumescent coatings; assumed 75kg/m2	118	t	£ 2,400	£ 282,870	£ 98.01	£ 9.11
C.1.2	Core walls; block work walls; 140mm dense aggregate blocks	594	m2	£ 90	£ 53,433	£ 18.51	£ 1.72
C.1.3	Intumescent Fire Coatings to Steel Frame; 60 minute protection	118	t	£ 500	£ 58,931	£ 20.42	£ 1.90
C.2	Upper floors						
C.2.1	Re-entrant type steel deck 60 mm deep, 1.20 mm thick; 200 mm reinforced concrete	2,100	m2	£ 135	£ 283,555	£ 98.25	£ 9.13
C.3	Roof						
C.3.1	Softwood trussed pitched roofs; structure only; comprising 75 mm x 50 mm roof trusses at 600 mm centres	304	m2	£ 50	£ 15,176	£ 5.26	£ 0.49
C.3.2	Softwood trussed pitched roofs; structure only; Mansard type roof comprising 100 mm x 50 mm roof trusses at 600 mm centres; 70° pitch	82	m2	£ 65	£ 5,354	£ 1.86	£ 0.17
C.3.2.1	E/o forming small dormers up to 1.50 m2	7	nr	£ 1,500	£ 10,500	£ 3.64	£ 0.34
C.3.3	Flat roof decking; structure only; comprising roof joists; 100 mm x 50 mm wall plates; herringbone strutting; 18 mm thick external quality plywood boarding	454	m2	£ 80	£ 36,358	£ 12.60	£ 1.17
C.3.4	Insulation; roof coverings; PVC rainwater goods; plasterboard; skim and emulsion to ceilings (U-value = 0.25 W/m2 K); roof plan area	840	m2	£ 180	£ 151,265	£ 52.41	£ 4.87
C.3.5	Balustrade to roof terraces; stainless steel and structural glass	27	m	£ 1,200	£ 31,908	£ 11.06	£ 1.03
C.3.6	Budget allowance for PV <say> 5% of roof area	23	m2	£ 700	£ 15,907	£ 5.51	£ 0.51
C.4	Stairs						
C.4.1	Main Core Stairs PCC; landings & half landings, incl balustrades	12	flrs	£ 12,000	£ 144,000	£ 49.89	£ 4.64
C.5	External Walls						
C.5.1	Cavity wall; facing brick outer skin; insulation; with plaster on standard weight block inner skin; emulsion (U-value = 0.30 W/m2 K); machine-made facings; PC £800.00/1000 m2	1,316	m2	£ 227	£ 298,144	£ 103.30	£ 9.60
C.5.2	E/o for feature brickwork	57	m2	£ 150	£ 8,544	£ 2.96	£ 0.28
C.5.3	Internal liners	-	m2	£ 95	Included	-	-
C.6	Windows and External doors						
C.6.1	Windows; uPVC; dark grey	329	m2	£ 300	£ 98,838	£ 34.25	£ 3.18
C.6.2	E/o for metal panels	52	m2	£ 150	£ 7,847	£ 2.72	£ 0.25
C.6.3	E/o for perforated ventilation panels	8	m2	£ 200	£ 1,586	£ 0.55	£ 0.05
C.6.4	Louvres to plant room	3	m2	£ 200	£ 582	£ 0.20	£ 0.02
C.6.5	Main entrance doors; double; glazed; automatic	2	nr	£ 7,500	£ 15,000	£ 5.20	£ 0.48
C.6.6	Main dining doors to rear; glazed; four-panel; sliding	1	nr	£ 15,000	£ 15,000	£ 5.20	£ 0.48
C.6.7	Terrace doors; glazed; four-panel; sliding	2	nr	£ 15,000	£ 30,000	£ 10.39	£ 0.97
C.6.8	Prayer room doors; double; glazed	1	nr	£ 1,200	£ 1,200	£ 0.42	£ 0.04
C.6.9	Fire escape doors; double	9	nr	£ 1,000	£ 9,000	£ 3.12	£ 0.29
C.7	Internal Walls and Partitions						
C.7.1	Internal walls	1,248	m	£ 250	£ 312,028	£ 108.11	£ 10.04
C.7.2	Glazed partition to dementia lounge	6	m	£ 500	£ 3,100	£ 1.07	£ 0.10
C.7.3	Decorative partitions; bespoke timber shelf partitions to lounge areas	8	m	£ 750	£ 6,090	£ 2.11	£ 0.20
C.8	Internal Doors						
C.8.1	Apartment entrance doors	74	nr	£ 900	£ 66,600	£ 23.08	£ 2.14
C.8.2	Apartment en-suite doors	74	nr	£ 550	£ 40,700	£ 14.10	£ 1.31
C.8.3	Communal single doors; fire rated;	43	nr	£ 550	£ 23,650	£ 8.19	£ 0.76
C.8.4	Communal doors 1.5 leaf; fire rated with vision panel	3	nr	£ 750	£ 2,250	£ 0.78	£ 0.07
C.8.5	Communal double doors; fire rated with vision panel	5	nr	£ 1,150	£ 5,750	£ 1.99	£ 0.19
C.8.6	Communal double doors; fire rated with vision panel; swinging	24	nr	£ 1,350	£ 32,400	£ 11.23	£ 1.04
C.9	Balconies						
C.9		0	nr	£ 1,200	£ -	£ -	£ -
C	Superstructure (c)				£ 2,067,565	£ 716	£ 67
D.1	Internal walls - Subject to Client approval						
D.1.1	Wall finishes generally; blended rate to allow for hard wearing paint and barrier finishes to the lower half of walls	6,585	m2	£ 15	£ 98,769	£ 34.22	£ 3.18
D.1.2	E/o for tiled finish to ensuites; fully tiled wet room	74	nr	£ 1,700	£ 125,800	£ 43.59	£ 4.05
D.1.3	Painted timber handrails to corridor walls	400	m	£ 30	£ 12,013	£ 4.16	£ 0.39
D.2	Floor finishes - Subject to Client approval						
D.2.0	Screed throughout; 100mm thick	2,623	m2	£ 30	£ 78,699	£ 27.27	£ 2.53
D.2.1	Carpet finish to bedrooms	894	m2	£ 52	£ 46,465	£ 16.10	£ 1.50
D.2.2	Hardwearing carpet to circulation and lounge areas	950	m2	£ 45	£ 42,741	£ 14.81	£ 1.38
D.2.3	Antisip vinyl floor finish within bathrooms/ensuites and commercial kitchen	355	m2	£ 35	£ 12,438	£ 4.31	£ 0.40
D.2.4	LVT floor finish to reception, gf lounge, hairdressers, prayer and dining room	258	m2	£ 50	£ 12,876	£ 4.46	£ 0.41
D.2.5	Vinyl flooring to lounge/kitchen/dining areas	152	m2	£ 30	£ 4,567	£ 1.58	£ 0.15
D.2.6	Concrete seal to plant areas and bin stores etc	15	m2	£ 10	£ 148	£ 0.05	£ 0.00

BUDGET ESTIMATE - 74 UNITS

SECTION 3 - DETAIL PRICING

GIFA (ft2):	31,067
GIFA (m2):	2,886

Ref	Element	Quantity	Unit	Rate	Totals	£/m2	£/sqft
D.2.7	Timber deck finish to terrace areas; on pedestals	73	m2	£ 150	£ 10,901	£ 3.78	£ 0.35
D.3	Ceiling finishes - Subject to Client approval						
D.3.1	Suspended lay-in grid ceiling to corridors; Solid plasterboard to rooms	2,623	m2	£ 35	£ 91,816	£ 31.81	£ 2.96
D	Internal finishes (d)				£ 537,234	£ 186	£ 17
E.1	Fittings and Furnishings						
E.1.1	Allowance for internal signage; enhanced signage for dementia care	1	item	£ 30,000	£ 30,000	£ 10.39	£ 0.97
E.1.2	Sanitaryware; DDA compliant ensuites; wall mounted basins	74	nr	£ 1,200	£ 88,800	£ 30.77	£ 2.86
E.1.3	Ground floor WC's	3	nr	£ 750	£ 2,250	£ 0.78	£ 0.07
E.1.4	Staff change showers	2	nr	£ 2,500	£ 5,000	£ 1.73	£ 0.16
E.1.5	Staff change lockers; tiers of 3	12	nr	£ 250	£ 3,000	£ 1.04	£ 0.10
E.1.6	Catering/commercial Kitchen	1	item	£ 40,000	£ 40,000	£ 13.86	£ 1.29
E.1.7	Visitor kitchen	1	item	£ 7,500	£ 7,500	£ 2.60	£ 0.24
E.1.8	Staff room kitchenette	1	item	£ 3,500	£ 3,500	£ 1.21	£ 0.11
E.1.9	Blinds	74	Apt	£ 950	£ 70,300	£ 24.36	£ 2.26
E.1.10	General sanitaryware fittings	79	nr	£ 100	£ 7,900	£ 2.74	£ 0.25
E.1.11	Reception desk	1	nr	£ 7,500	£ 7,500	£ 2.60	£ 0.24
E.1.12	Enhancement to amenity	-		-	Excluded		
E.1.13	Furniture pack to apartments	-		-	Excluded		
E.1.14	Cycle Storage	-		-	Excluded		
E.1.15	Allowance for general care home fittings	-		-	Excluded		
E.1.16	Allowance for bespoke artificial fireplace and integrated TV units	2	nr	£ 3,500	£ 7,000	£ 2.43	£ 0.23
E	Fittings and Furnishings, including sanitary fittings (e)				£ 272,750	£ 95	£ 9
F.2	Mechanical and Electrical Installations Fit-Out (plumbing & heating)						
F.2.1	Based on Palliative Care Unit for electrical and mechanical installations	2,886	m2	£ 1,050	£ 3,030,468	£ 1,050.00	£ 97.55
F.2.2	E/o for access controls to all doors; <say>	1	item	£ 75,000	£ 75,000	£ 25.99	£ 2.41
F.2.3	BWIC	2	%	£ 3,030,468	£ 45,457	£ 15.75	£ 1.46
F.2.4	Lift	10	flrs	£ 11,000	£ 110,000	£ 38.11	£ 3.54
F	Services (F)				£ 3,260,925	£ 1,130	£ 105
G	External Works						
G.1.1	Allowance for external signage	1	item	£ 15,000	£ 15,000	£ 5.20	£ 0.48
G.1.2	Power reservation	74	item	£ 2,000	£ 148,000	£ 51.28	£ 4.76
G.1.3	Allowance for external furniture	1	item	£ 20,000	£ 20,000	£ 6.93	£ 0.64
G.1.4	Cycle hoops; Sheffield style	-		-	Excluded		
G.1.5	Bollards	13	nr	£ 300	£ 3,900	£ 1.35	£ 0.13
G.1.6	Allowance for EV charging point	-		-	Excluded		
G	External Works				£ 186,900	£ 65	£ 6
	Works Total				£ 6,600,386	£ 2,287	£ 212
H.1	Preliminaries						
H.1.1	Allowance made for Main Contractor preliminaries	14	%	£ 6,600,386	£ 924,054	£ 320.17	£ 29.74
H	Preliminaries (H)				£ 924,054	£ 320	£ 30
I	Design Development / Pricing Risk Contingency Allowance /Inflation	5	%	£ 7,524,440	£ 376,222	£ 130.35	£ 12.11
J	Main Contractors Overheads and Profit	7.5	%	£ 7,900,662	£ 592,550	£ 205.31	£ 19.07
	Contingency & OH&P (I & J)				£ 968,772	£ 336	£ 31
	Overall Total (Excl VAT)				£ 8,493,212	£ 2,943	£ 273



BUDGET ESTIMATE

SECTION 4 - CLARIFICATIONS

Ref	Description
1	Excluding service diversions
2	Excluding abnormal ground conditions
3	Assumes no asbestos in existing building
4	Excludes non-construction costs
5	5% contingency is design development contingency not developer
6	Foundations based on strip footing
7	No allowance for enhanced foundation solutions due to abnormal ground conditions
8	Assumed steel frame solution based on 150kg/m2 to the ground floor structure
9	We have excluded any cost relating to transfer slabs or abnormal structural details
10	Assumed roof structure and covering
11	Assumed level of internal finishes
12	Assumed level of M&E to apartments
13	Excluded amenity enhancement, standard specification assumed in line with the rest of the building
14	Excluded loose FF&E
15	Excluded specific care and dementia equipment FF&E (i.e. pull cords, emergency aid buttons, care beds etc.)
16	Cost model based on BCAE architects 57-22_185 Manchester Road_Proposed Floorplans-Option 2_Rev D



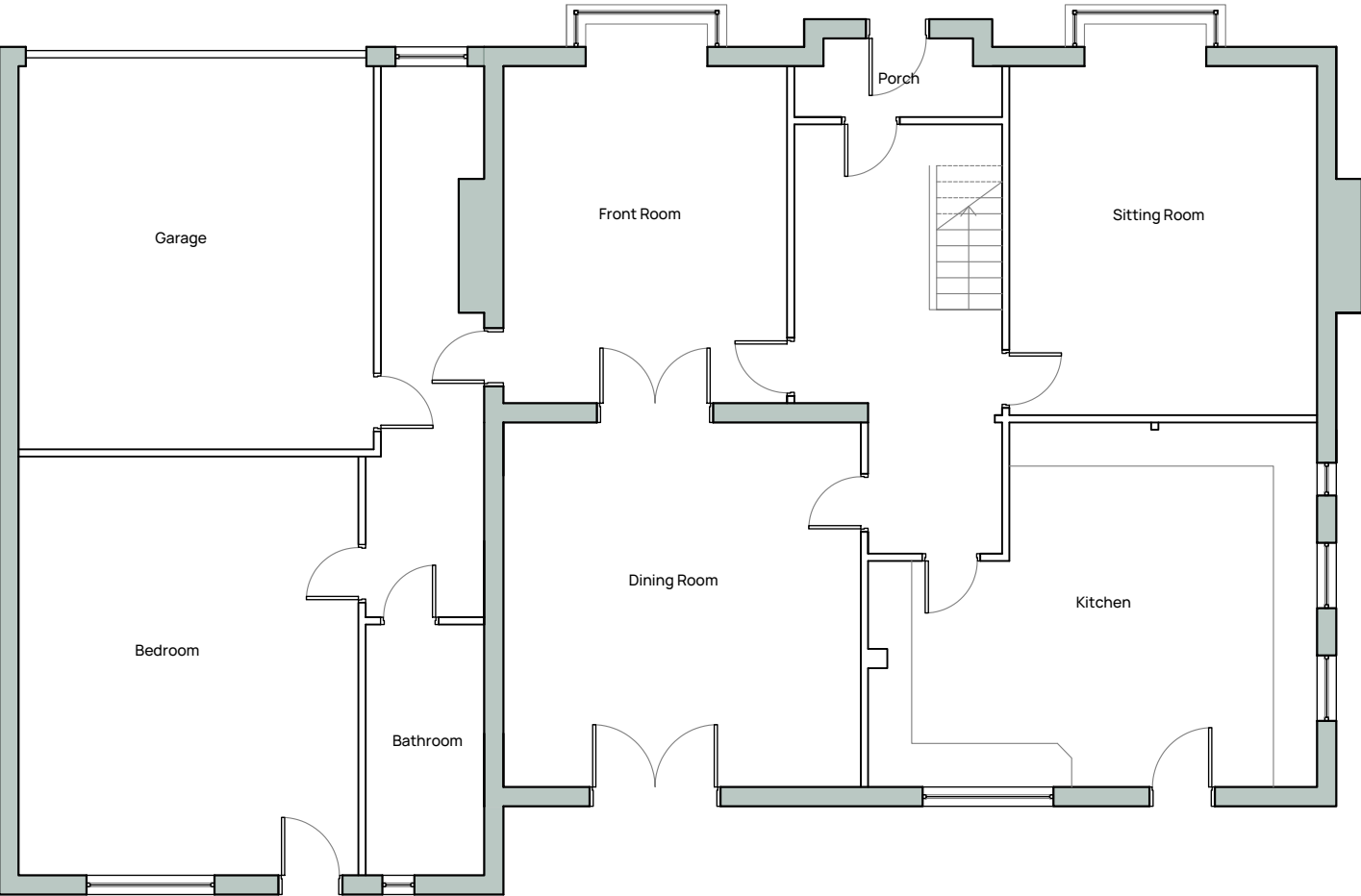
BUDGET ESTIMATE

SECTION 5 - ABNORMALS, PROVISIONALS AND EXTERNALS

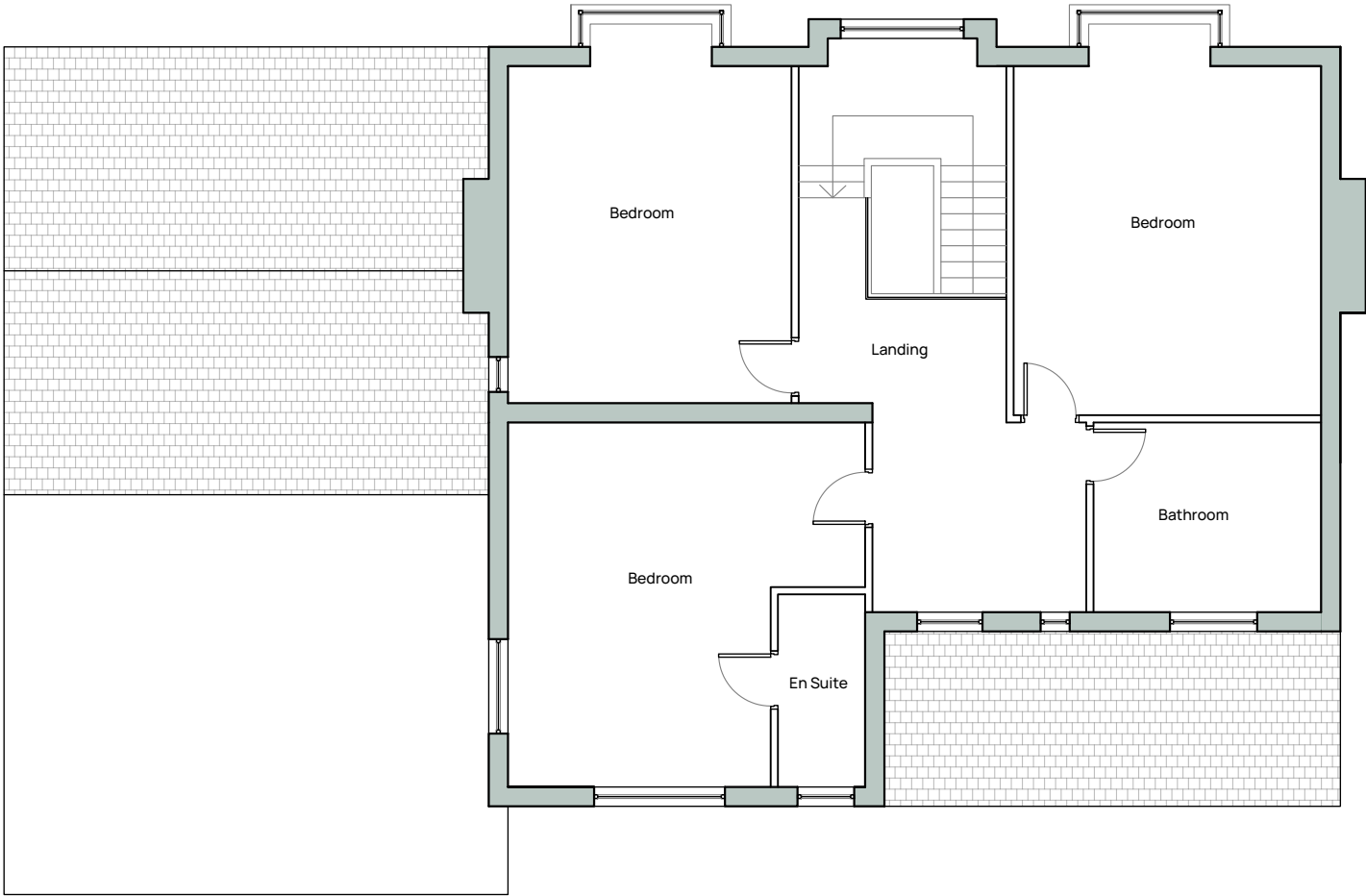
Ref	Element	Quantity	Unit	Rate	Total
A	Abnormals, Provisional Sums and External Works				
A.1	<u>Abnormals, Provisional Sums and External Works</u>				
A.1.1	Demolition of existing buildings; as quotation provided by Putnam Construction Services Ltd dated 02.03.26	1	item	£ 29,600	£ 29,600
A.1.2	Site Strip; general allowance	1,869	m2	£ 5	£ 8,409
A.1.3	E/o excavation to form level site	627	m3	£ 45	£ 28,198
A.1.4	Hard landscaping; generally	744	m2	£ 200	£ 148,892
A.1.4.1	E/o for permeable paving to vehicular areas	458	m2	£ 50	£ 22,896
A.1.5	Soft landscaping	303	m2	£ 75	£ 22,711
A.1.6	E/o budget allowance for new trees and retention of existing	2	nr	£ 8,000	£ 16,000
A.1.7	Substation Construction				
A.1.7.1	Substation; substructure; breaking up existing site surface; strip foundations with masonry up to 150mm above floor level only; includes disposal of materials off site; blind hardcore bed; slab insulation; reinforced ground bearing slab 200mm thick, inclusive of establishment ground floor slab; insulation; obstructions/softspots	12	m2	£ 355	£ 4,292
A.1.7.2	Substation; external walls; 102.5mm facing brickwork outer leaf; 50mm cavity; 100mm 7N/mm2 blockwork inner leaf; cement:lime:sand 1:1:6 mix colour natural	32	m2	£ 227	£ 7,350
A.1.7.3	Substation; external walls; e/o for feature brickwork	1	m2	£ 150	£ 84
A.1.7.4	Substation; external walls; internal liners		m2	£ -	Excl
A.1.7.5	Substation; floor finishes; concrete sealant, with screed finish; 100mm thick	9	m2	£ 40	£ 353
A.1.7.6	Substation; roof; softwood trussed pitched roofs; structure only; Timber roof trusses and bracings only; plan area comprising 75mmx 50mm roof trusses at 600mm centres (measured on plan)	12	m2	£ 50	£ 605
A.1.7.7	Substation; roof; roof coverings; marley modern smooth grey interlocking concrete roof tiles; 100mm headlap on; rate allows for underfelt pinned to roof trusses, tanelised 25x50mm battens, ridges and valeys; roof plan area	15	m2	£ 230	£ 3,399
A.1.7.8	Substation; roof; white PVCu eaves, fascias and ventilated soffits; 150mm wide	15	m	£ 10	£ 146
A.1.7.9	Substation; external door; double security door; to Electricity North West standards	1	nr	£ 3,950	£ 3,950
A.1.7.10	Substation; drainage; 115mm black plastic deepflow gutters	6	m	£ 29	£ 167
A.1.7.11	Substation; drainage; 68mm I.D. black plastic downpipes	7	m	£ 30	£ 211

A.1.7.12	Substation; plastic rainwater gullies with rodding points	2	nr	£ 120	£ 240
					£ 297,502

D Floor Plans | Existing Property



Existing Ground Floor Plan
Scale 1:100



Existing First Floor Plan
Scale 1:100

BCAE
ARCHITECTS

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notes:

1. Drawings are based on survey data and may not accurately represent what is physically present.
2. All dimensions to be site verified by the contractor before proceeding.
3. All dimensions are in millimeters unless noted otherwise. Only work from written dimensions.
4. BCAE Architects Ltd. shall be notified in writing of any discrepancies.
5. This drawing is copyright, and may not be reproduced in any form, without the written consent of BCAE Architects Ltd.

revisions:

rev	date	checked by	issued by	notes
Prelim	16/07/25	AE	LH	Planning issue.

project
north:



scale bar:



client:

CitySide

project:

185 Manchester Road -
Dementia Care Scheme

stage:

Planning

revision:

title:

Existing Floor Plans

drawn by:

LH

approved by:

AE

date:

July 2025

job no:

57.22

scale:

1:100@A3

drawing no.

PRELIMINARY
E03



E Baseline Appraisal

185 Manchester Road, Rochdale
Financial Viability Appraisal

APPRAISAL SUMMARY**CBRE****185 Manchester Road, Rochdale
Financial Viability Appraisal****Appraisal Summary for Phase 2 CBRE Inputs**

Currency in £

REVENUE**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Operator Rent	74	14,189	1,050,000	1,050,000

Investment Valuation**Operator Rent**

Current Rent	1,050,000	YP @	7.0000%	14.2857	15,000,000
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GROSS DEVELOPMENT VALUE**15,000,000**

Purchaser's Costs	(945,225)
Effective Purchaser's Costs Rate	6.73%
	(945,225)

NET DEVELOPMENT VALUE**14,054,775****NET REALISATION****14,054,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	780,000	
Fixed Price	780,000	
		780,000
Residential Stamp Duty	3.71%	28,938
Residential Agent Fee	2.50%	19,500
Residential Sales Legal Fee		750
		49,188

CONSTRUCTION COSTS**Construction**

	ft ²	Build Rate	ft ²	Cost
Construction Costs	2,298,958	3.43		7,896,003
Contingency		3.00%		264,539
Demolition & Site Preparation				81,137
				8,241,679

Other Construction

BNG	20,000
CQC Registration & Pre-Opening Cost	140,000
Substation	25,487
External Works	815,326
	1,000,813

PROFESSIONAL FEES

Professional Fees	8.00%	705,436
		705,436

DISPOSAL FEES

Investment Sales Agent Fee	1.00%	140,548
Investment Sales Legal Fee	0.50%	70,274
		210,822

FINANCE

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)	
Total Finance Cost	604,838

TOTAL COSTS**11,592,775****PROFIT****2,462,000****Performance Measures**

Profit on Cost%	21.24%
Profit on GDV%	16.41%
Profit on NDV%	17.52%
Development Yield% (on Rent)	9.06%

185 Manchester Road, Rochdale**Financial Viability Appraisal**

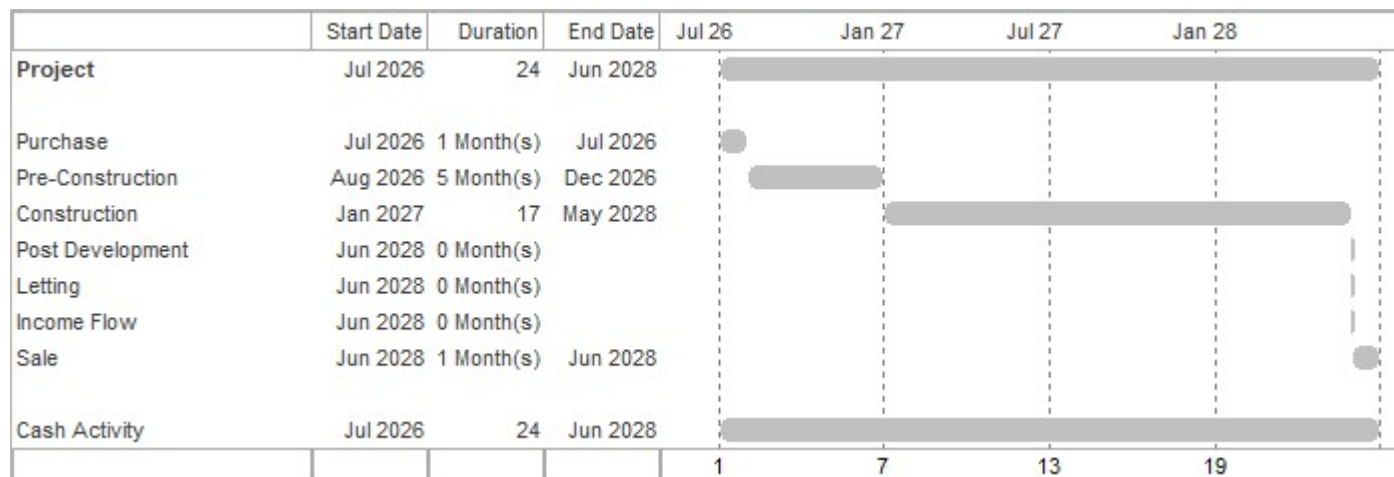
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
IRR% (without Interest)	34.61%
Rent Cover	2 yrs 4 mths
Profit Erosion (finance rate 7.500)	2 yrs 7 mths

185 Manchester Road, Rochdale
Financial Viability Appraisal

Project Timescale

Project Start Date	Jul 2026
Project End Date	Jun 2028
Project Duration (Inc Exit Period)	24 months

2. CBRE Inputs



185 Manchester Road, Rochdale
Financial Viability Appraisal

Detailed Cash flow Phase 2 (CBRE Inputs)

Page A 1

	001:Jul 2026	002:Aug 2026	003:Sep 2026	004:Oct 2026	005:Nov 2026	006:Dec 2026	007:Jan 2027	008:Feb 2027	009:Mar 2027	010:Apr 2027
Monthly B/F	0	(829,188)	(843,396)	(868,979)	(899,248)	(927,341)	(946,416)	(1,088,252)	(1,361,257)	(1,767,544)
Revenue										
Cap - Operator Rent	0	0	0	0	0	0	0	0	0	0
Disposal Costs										
Purchaser's Costs	0	0	0	0	0	0	0	0	0	0
Agents & Legal Fees	0	0	0	0	0	0	0	0	0	0
Investment Sales Agent Fee	0	0	0	0	0	0	0	0	0	0
Investment Sales Legal Fee	0	0	0	0	0	0	0	0	0	0
Unit Information										
Construction Costs										
Acquisition Costs										
Fixed Price	(780,000)	0	0	0	0	0	0	0	0	0
Residential Stamp Duty	(28,938)	0	0	0	0	0	0	0	0	0
Residential Agent Fee	(19,500)	0	0	0	0	0	0	0	0	0
Residential Sales Legal Fee	(750)	0	0	0	0	0	0	0	0	0
Construction Costs										
Demolition & Site Preparation	0	(8,131)	(18,328)	(22,377)	(20,276)	(12,025)	0	0	0	0
Con. - Construction Costs	0	0	0	0	0	0	(94,383)	(216,773)	(323,937)	(415,875)
BNG	0	0	0	0	0	0	(20,000)	0	0	0
CQC Registration & Pre-Opening Cost	0	0	0	0	0	0	0	0	0	0
Substation	0	0	0	0	0	0	(305)	(700)	(1,046)	(1,342)
External Works	0	0	0	0	0	0	(9,746)	(22,384)	(33,449)	(42,942)
Contingency	0	(244)	(550)	(671)	(608)	(361)	(3,133)	(7,196)	(10,753)	(13,805)
Professional Fees										
Professional Fees	0	(650)	(1,466)	(1,790)	(1,622)	(962)	(8,355)	(19,188)	(28,675)	(36,813)
Net Cash Flow Before Finance	(829,188)	(9,025)	(20,345)	(24,838)	(22,506)	(13,348)	(135,921)	(266,240)	(397,859)	(510,778)
Debit Rate 7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%
Credit Rate 0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Finance Costs (All Sets)	0	(5,182)	(5,239)	(5,431)	(5,586)	(5,727)	(5,915)	(6,765)	(8,429)	(11,047)
Net Cash Flow After Finance	(829,188)	(14,208)	(25,583)	(30,269)	(28,092)	(19,075)	(141,836)	(273,005)	(406,288)	(521,825)
Cumulative Net Cash Flow Monthly	(829,188)	(843,396)	(868,979)	(899,248)	(927,341)	(946,416)	(1,088,252)	(1,361,257)	(1,767,544)	(2,289,369)

**185 Manchester Road, Rochdale
Financial Viability Appraisal**
Detailed Cash flow Phase 2 (CBRE Inputs)
Page A 2

Monthly B/F	011:May 2027 (2,289,369)	012:Jun 2027 (2,908,604)	013:Jul 2027 (3,607,139)	014:Aug 2027 (4,367,015)	015:Sep 2027 (5,169,617)	016:Oct 2027 (5,996,483)	017:Nov 2027 (6,829,544)	018:Dec 2027 (7,649,594)	019:Jan 2028 (8,437,820)	020:Feb 2028 (9,176,088)
Revenue										
Cap - Operator Rent	0	0	0	0	0	0	0	0	0	0
Disposal Costs										
Purchaser's Costs	0	0	0	0	0	0	0	0	0	0
Agents & Legal Fees	0	0	0	0	0	0	0	0	0	0
Investment Sales Agent Fee	0	0	0	0	0	0	0	0	0	0
Investment Sales Legal Fee	0	0	0	0	0	0	0	0	0	0
Unit Information										
Construction Costs										
Acquisition Costs										
Fixed Price	0	0	0	0	0	0	0	0	0	0
Residential Stamp Duty	0	0	0	0	0	0	0	0	0	0
Residential Agent Fee	0	0	0	0	0	0	0	0	0	0
Residential Sales Legal Fee	0	0	0	0	0	0	0	0	0	0
Construction Costs										
Demolition & Site Preparation	0	0	0	0	0	0	0	0	0	0
Con. - Construction Costs	(492,588)	(554,074)	(600,335)	(631,371)	(647,180)	(647,764)	(633,122)	(603,254)	(558,160)	(497,841)
BNG	0	0	0	0	0	0	0	0	0	0
CQC Registration & Pre-Opening Cost	0	0	0	0	0	0	0	0	0	0
Substation	(1,590)	(1,788)	(1,938)	(2,038)	(2,089)	(2,091)	(2,044)	(1,947)	(1,802)	(1,607)
External Works	(50,864)	(57,213)	(61,989)	(65,194)	(66,827)	(66,887)	(65,375)	(62,291)	(57,635)	(51,406)
Contingency	(16,351)	(18,392)	(19,928)	(20,958)	(21,483)	(21,502)	(21,016)	(20,025)	(18,528)	(16,526)
Professional Fees										
Professional Fees	(43,603)	(49,046)	(53,141)	(55,888)	(57,288)	(57,339)	(56,043)	(53,399)	(49,408)	(44,068)
Net Cash Flow Before Finance	(604,996)	(680,514)	(737,332)	(775,449)	(794,866)	(795,583)	(777,600)	(740,916)	(685,532)	(611,447)
Debit Rate 7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%	7.500%
Credit Rate 0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Finance Costs (All Sets)	(14,240)	(18,021)	(22,545)	(27,153)	(31,999)	(37,478)	(42,450)	(47,310)	(52,736)	(57,021)
Net Cash Flow After Finance	(619,235)	(698,535)	(759,876)	(802,602)	(826,866)	(833,061)	(820,050)	(788,226)	(738,268)	(668,468)
Cumulative Net Cash Flow Monthly	(2,908,604)	(3,607,139)	(4,367,015)	(5,169,617)	(5,996,483)	(6,829,544)	(7,649,594)	(8,437,820)	(9,176,088)	(9,844,557)

**185 Manchester Road, Rochdale
Financial Viability Appraisal**
Detailed Cash flow Phase 2 (CBRE Inputs)
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Monthly B/F	021:Mar 2028 (9,844,557)	022:Apr 2028 (10,470,729)	023:May 2028 (10,990,016)	024:Jun 2028 (11,381,954)
Revenue				
Cap - Operator Rent	0	0	0	15,000,000
Disposal Costs				
Purchaser's Costs	0	0	0	(692,239)
Agents & Legal Fees	0	0	0	(252,986)
Investment Sales Agent Fee	0	0	0	(140,548)
Investment Sales Legal Fee	0	0	0	(70,274)
Unit Information				
Construction Costs				
Acquisition Costs				
Fixed Price	0	0	0	0
Residential Stamp Duty	0	0	0	0
Residential Agent Fee	0	0	0	0
Residential Sales Legal Fee	0	0	0	0
Construction Costs				
Demolition & Site Preparation	0	0	0	0
Con. - Construction Costs	(422,295)	(331,524)	(225,528)	0
BNG	0	0	0	0
CQC Registration & Pre-Opening Cost	(46,667)	(46,667)	(46,667)	0
Substation	(1,363)	(1,070)	(728)	0
External Works	(43,605)	(34,233)	(23,288)	0
Contingency	(14,018)	(11,005)	(7,486)	0
Professional Fees				
Professional Fees	(37,381)	(29,346)	(19,963)	0
Net Cash Flow Before Finance	(565,330)	(453,845)	(323,659)	13,843,954
Debit Rate 7.500%	7.500%	7.500%	7.500%	7.500%
Credit Rate 0.000%	0.000%	0.000%	0.000%	0.000%
Finance Costs (All Sets)	(60,842)	(65,442)	(68,279)	0
Net Cash Flow After Finance	(626,172)	(519,287)	(391,938)	13,843,954
Cumulative Net Cash Flow Monthly	(10,470,729)	(10,990,016)	(11,381,954)	2,462,000