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26 February 2018

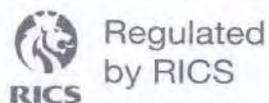
Proplend Security Ltd
20 -22 Wenlock Road
LONDON
N1 7GU

Dear Sirs

**DEVELOPMENT SITE
PALMERS HILL ROAD
BONNERSFIELD
SUNDERLAND
SR6 0AA**



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Report & Valuation

Subject Property: Development Site
Palmers Hill Road
Bonnersfield
Sunderland
SR6 0AA

Client: Proplend Security Ltd & [REDACTED]
[REDACTED]
20 -22 Wenlock Road
LONDON
N1 7GU

Introducing Broker: Not applicable

Applicant: Butlers Walsall Sunderland Ltd
204 Field End Rad,
PINNER,
Middlesex,
HA5 1RD

Date of Inspection: 11 December 2017

Date of Report Readdress: 26 February 2018

Report Prepared By: David Linsley MRICS, RICS Registered Valuer
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VALUATION REPORT SUMMARY

CGI proposed development



PROPERTY: Development Site
Palmers Hill Road
Bonnersfield
Sunderland
SR6 0AA

DESCRIPTION: An irregular plot of roadside fronting land currently occupied by a terrace of single storey light industrial workshops, with planning permission for demolition and the erection of a 12 storey, 363 unit purpose built student accommodation and residential apartment block.

LOCATION: The site lies adjacent to Sunderland University St Peters Campus on the northern bank of the River Wear.

PLANNING USE: Sui Generis Student Accommodation Use Classes Order 2010 under planning reference 16/02247/FUL

FLOOR AREA: Total consented area GIA 10,518.8 sq m (113,227 sq ft)

TENURE: Freehold

TENANCIES: Not applicable

PURPOSE: Proposed loan security.

VALUATION DATE: 11 December 2017

VALUATION BASIS: Gross Development Value on completion of scheme
Market Value of site with vacant possession
Market Value of site with vacant possession subject to 180 day sale constraint period
Market Value of site with vacant possession subject to 90 day sale constraint period
Projected Market Rental Value on completion of scheme.

VALUATION: Gross Development Value on completion of scheme
£29,500,00
Market Value of site with vacant possession £4,500,000
Market Value of site with vacant possession subject to 180 day sale constraint period £4,500,000
Market Value of site with vacant possession subject to 90 day sale constraint period £3,950,000
Projected Market Rental Value on completion of scheme
£2,400,000

MORTGAGE REGULATION:

Less than 40% of the total land area at the date of inspection was being used as, or in connection with a dwelling.

IMPORTANT ISSUES:

Detailed planning consent was granted by Sunderland City Council on 1 December 2017 under reference 16/02247/FUL for demolition of existing workshops and erection of 363 unit mixed use residential block for students (323 Units) and young professionals (40 units) (Use Class C3) with integral car parking, ancillary amenities and commercial unit (Use Class A1/A3), along with external landscaping and access works.

In formulating our market valuations we have studied and placed reliance upon the 16/02247/FUL planning documents including approved plans, planning statement, design & access statement, and Section 106 agreement. Legal advisers are specifically requested to confirm that the development floor areas we have adopted for the scheme from the consented plans are correct, as these will materially impact build costs. Section 106 requirements are restricted to a student occupancy management plan.

This summary is provided as a quick reference and must not be relied upon out of context from the full valuation report.

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1.0 INSTRUCTIONS

1.1 On 23 February 2018 Proplend Security Ltd requested Colin Lilley Surveyors Ltd to provide a readdressed valuation report in respect of the property previously inspected and valued on 11 December 2017, and known as Development Site at Palmers Hill Road, Bonnersfield, Sunderland, SR6 0AA

1.2 The property has been valued in accordance with your standard instructions as appended, and which requested that we provide you with our opinion of;

- (a) Gross Development Value on completion of scheme
- (b) Market Value with vacant possession
- (c) Market Value with vacant possession subject to 180 day sale constraint period
- (d) Market Value with vacant possession subject to 90 day sale constraint period
- (c) Projected Market Rent on completion of scheme.

of the freehold interest in the subject premises, as at the date of inspection, in the light of current market conditions.

1.3 Your attention is drawn to the fact that this report is not a building survey, but a valuation report which has been prepared in accordance with the RICS Valuation – Global Standards January 2017 incorporating IVSC International Valuation Standards. We confirm that the valuation accords with these Standards and also that it complies with the International Valuation Standards, where appropriate.

We understand that the report is for the purpose of secured lending in connection with the freehold interest of the subject premises. The valuation should not be used in connection with other purposes.

The report will be provided for the stated purpose and for the sole use of the client lender who is Proplend Security Ltd & [REDACTED]. However we note that it will need to be viewed by its Lending members on the understanding that only Proplend Security Ltd may rely on the report for mortgage purposes. We have not been advised of any other intended users of this report and we accept responsibility to the client lender alone. The report will be prepared with the skills and diligence reasonably to be expected of a competent valuer, and accept no responsibility whatsoever to any parties other than the client lender. Any such parties rely upon the report at their own risk. Neither the whole nor any part of the report, nor any reference to it, may be included in any published document, circular or statement, or published in any way, without our valuer's written approval of the form and context in which it may appear.

1.4 We can confirm that the valuer fully satisfies the requirements as to qualifications, knowledge and skills in PS 2.3 and independence and objectivity in PS 2.4 of the RICS Valuation – Professional Standards 2017 (Red Book).

1.5 We can confirm that the valuer has the necessary knowledge of valuing this type of property in this location.

1.6 The Valuation Date for this report is the date of our inspection.

2.0 CONDITIONS OF ENGAGEMENT

2.1 Your instructions are accepted on the basis of your Panel or Service Agreement which has previously been agreed between our respective organisations or, in the absence of this, our standard Terms and Conditions based upon the requirements of the Royal Institution of Chartered Surveyors, a copy of which was sent to you when your instructions were received. Any variance from the appropriate Terms and Conditions which have been agreed, are noted in this report. A copy of the appropriate Terms and Conditions are included in the Appendix to this report.

2.2 We are not aware of any conflicts of interest that preclude us from preparing this valuation.

2.3 We have discussed and agreed with you in writing any special assumptions prior to commencing the valuation process, other than the marketing constraints defined in you instructions.

2.4 We are external valuers as defined in the RICS Valuation – Professional Standards 2017, as amended.

2.5 We confirm that this report is not in contravention of Section 13 of the Building Societies Act 1986.

2.6 In accordance with RICS Valuation Practice Guidance – Application 2 para 3 (Valuation for secured lending) of the RICS Valuation – Professional Standards 2017, it is confirmed that the valuer has had no previous, current or anticipated involvement with the borrower, or prospective borrower, the asset to be valued or with any other party connected with a transaction for which the lending is required, other than the previous report addressed to Butlers Walsall Sunderland Ltd.

2.7 Colin Lilley Surveyors holds appropriate professional indemnity insurance for the purposes of this valuation instruction.

3.0 DETAILS OF INSPECTION

3.1 The property was inspected on 11 December 2017 and the report prepared by David Linsley MRICS, RICS Registered Valuer.

4.0 LOCATION

4.1 The City of Sunderland is located on the North East coast in Tyne and Wear, 10 miles south east of Newcastle upon Tyne, 12 miles north east of Durham City, and 240 miles north of London. Sunderland has a resident population of some 290,000 and a

significantly greater catchment population within the surrounding smaller towns and villages.

- 4.2 Sunderland is connected to Newcastle upon Tyne and the regional airport by the Tyne Wear Metro rail system, with regular East Coast mainline rail services to London, Edinburgh and beyond to Aberdeen. The A19 main arterial dual carriageway and A1M motorway provide fast road links north and south throughout the region.
- 4.3 The main city centre retail precinct is The Bridges Mall where most national multiple retailers are represented, anchored by Debenhams. The Park Lane transport interchange is situated in the city centre just to the south of The Bridges within a pedestrian precinct. The city centre hosts a substantial number of pubs and nightclubs which form a popular weekend leisure circuit. The large student population ensures that most of the clubs and bars of the city are full and student-friendly
- 4.4 The University of Sunderland was established in 1992, having previously been Sunderland Polytechnic. The university has more than 13,000 students. There are two University campuses in Sunderland, being City Campus and the Sir Tom Cowie Campus at St Peter's. St Peter's opened during the 1990s on the north bank of the River Wear, the site of St. Peter's Church and monastery built by Benedict Biscop in 674AD. More than £130 million has been spent on its two campuses in recent years as the university continues to modernise and expand.
- 4.5 St Peter's Campus includes the following: North Shore (formerly Campus and Manor Quay), Wearbank House, Reg Vardy Centre, St Peter's Library, David Goldman Informatics Centre, Prospect Building (including Sir Tom Cowie Lecture Theatre), David Puttnam Media Centre, North Sands Business Centre and National Glass Centre (which houses the Glass and Ceramics department and the Institute for International Research in Glass). The David Puttnam Media Centre houses television and radio production facilities for the School of Arts, Design and Media, student led community radio station (Spark Sunderland), and Made in Tyne & Wear, and opened in 2003. The campus was officially opened in March 2004.
- 4.6 Sunderland is among just 15 universities which gains more than a quarter of its income from overseas students, who are mainly Far Eastern, and is placed 96th in the Times University Guide. At present the University currently has 10,709 students of which 5,792 live in Sunderland. It is estimated that 761 of these students live in Halls of Residence and 3,136 live in the Private Rented Sector (PRS). It is understood that there are 593 current bed spaces (and 225 units of accommodation) in larger Purpose Built / Converted Accommodation (PBA) and as of October 2016 there were 366 students living here. 163 further students reside in the city apartment block The Echo Building which is not stipulated for student accommodation but is being used as such. This leaves 2,380 living in smaller purpose built/converted or in HMOs. After this the largest concentrations of Sunderland students are in Durham (1123), South Tyneside (848) and Newcastle (783), with the remainder residing in other outlying areas.
- 4.7 The application relates to the erection of a 12 storey, 363 unit purpose built student accommodation and residential apartment block on a site on Palmers Hill Road, which is located immediately to the west of Sunderland University St Peters Campus in the St Peters Ward of the City. Accessed via a steeply sloping street, Bonnersfield from Dame Dorothy Street, the site enjoys a south facing riverside location, next to the

Bonnars Raff residential apartment block. At present along the southern part of the site are 5 small, single, storey industrial units which are to be demolished. Behind this, back up the slope towards Dame Dorothy Street is situated a retaining wall structure with trees and shrub planting beyond. A long concrete staircase bounds the east of the site, providing an alternative pedestrian route down to the riverside.

4.8 Location plans are attached at Appendix A, the subject property is shown verged in red.

5.0 DESCRIPTION / CONSTRUCTION / ACCOMMODATION

5.1 The application relates to the erection of a 12 storey, 363 studio/apartment unit purpose built student accommodation block providing a total of 403 bedrooms. The proposed block will have 2 entrance points - one part-way down Bonnersfield; this will be the main entrance to the student accommodation via a new forecourt area which will be formed to the north of the block. From this level up-over there will be 9 storeys of accommodation. The first 6 levels comprise studio accommodation units, including one much larger accessible unit on each floor (317 units in total). Levels 6, 7 and 8 will have a total of 40 larger 2 bed flats, 6 one bed flats and 3 accessible flats.

5.2 Below the forecourt entrance level, three further floors of ancillary facilities are proposed. This will be accessed from the south of the building on Palmers Hill Road and will include

- 42 car parking spaces (for occupiers of the 2 bed flats)
- 159 cycle spaces
- Student common room
- Study rooms
- Games room
- Dance studios
- Gymnasium
- Café / restaurant/bar
- Retail unit
- Refuse and recycling facilities
- It is understood that the gym, dance studio, café and retail elements will be available to the general public.

5.3 Construction detail comprises of 6 brick façade towers linked by blocks constructed of cladding panels, which breaks up the overall massing of the scheme. The inter-linking blocks provide some variation in fenestration and materials between floors. The three lowest floors of accommodation (levels 0, 1 and 2), incorporate "saw-tooth" window units, which angle out from the main façade looking directly west. The predominant materials will be red facing brickwork, cladding panels and zinc roof. In addition to the above, a green roof and two "living walls" are proposed; one at either end of the building, which provide a striking addition to the scheme, and has been specifically designed by the architects in conjunction with Sunderland University facilities management to form a natural extension to the existing Campus buildings.

5.4 Internally the smallest studio is 21 sq m in size, extending to 70 sq m for the 2 bedroom apartments. In terms of communal accommodation provided in the

building, a range of facilities are available on the lower ground floors of the building, including a common room, study rooms, games room, dance studios, gymnasium, café / restaurant / bar and a general retail shop. The Ground Floor plan is residential accommodation in single-person studios, except for the entrance area, reception and some office space for administrative staff. The plans at Levels 1 - 5 are wholly residential accommodation for undergraduates, in single-person studios. The plan is largely repetitive over the five floors. However, at Levels 0 – 2 inclusive, the fenestration is in part angled to overcome overlooking of nearby flats. All the floors above Level 5 are for young professionals. This accommodation is largely 2 bedroom flats, with several 1 bedroom units. There are two complete floors of this accommodation at Levels 6 and 7.

5.5 Photographs are attached at Appendix B.

6.0 MEASUREMENT RECORD

6.1 We have studied the consented floor plans which are available within the Sunderland City Council planning portal online, and which indicate the following studio floor layout upon which we have placed reliance;

Floor	Studios	Accessible Studios	1 Bed Flats	2 Bed Flats	CPS	Cycle Space
-3						
-2					42	81
-1						78
0/G	48	1				
1	52	1				
2	52	1				
3	52	1				
4	52	1				
5	52	1				
6		1	2	16		
7		1	2	16		
8		1	2	8		

Commercial retail and ancillary accommodation is as set out in para 5.2 above.

6.2 Site area 0.2 ha or thereabouts. Site areas are usually computed from site plans or the Ordnance Survey and not from a physical site survey. They are approximate unless otherwise stated below.

7.0 MORTGAGE REGULATION

7.1 Less than 40% of the total land area at the date of inspection was being used as, or in connection with a dwelling.

8.0 SERVICES

8.1 We have not been able to make specific enquiries with the statutory undertakers in the time available regarding the availability, capacity or location of services. However, our observations indicate that mains water, gas, electricity, and drainage are connected to the site.

8.2 No plant or machinery has been included in this valuation other than that normally considered to form a service installation for the benefit of the property in general.

8.3 We have assumed for the purposes of this valuation that any electrical and gas services are regularly inspected by NICEIC or Gas Safe approved contractors and any requirements complied with in full.

9.0 CONDITION

9.1 This valuation is made on the assumption that the property is in a condition commensurate with its age, character, style of construction and mode of use at the date of this valuation and that it will remain so throughout the term of the loan.

9.2 We have made a visual external inspection of the site on the date of inspection prior to preparing this valuation. The external inspection has been undertaken from ground level only.

9.3 At the time of our inspection the site was occupied by a terrace of single storey brick light industrial workshops which are to be demolished to accommodate the development scheme. The site is considered to be suitable for the consented development as proposed, and no surface contaminative issues were noted.

9.4 The comments expressed above under 9.3 are, in terms of your consideration of this section of our report, strictly for your information only and the points noted do not require your action. Under the heading 22.0 Security and Recommendations below, we will specifically summarise matters, which are material to you in terms of your commercial mortgage lending process and suggest the action, which you should take.

9.5 We have not been instructed to undertake any structural or building survey, test the services or arrange for investigations to be carried out to determine whether any deleterious materials have been used in the construction of the subject premises or subsequent additions. In the event that a subsequent survey reveals defects in the subject premises, we reserve the right to reconsider our valuation in the light of the revised facts.

9.6 The Equality Act 2010 (Disability Discrimination) imposes statutory obligations on service providers and employers to make reasonable provisions for people who

have disabilities. The Act particularly applies to where there are 15 or more people employed or where members of the public may require using the premises. From October 2004 reasonable adjustments must have been made to remove physical barriers, which prevent access to a service provided in the building. In some instances it may be possible for the service to be provided in an alternative way in order to comply with the Act. The applicant should consider to what extent does this requirement apply to their business and should be aware that alterations or adaptations to the current physical features, including parking and access provisions may be required and should seek advice from a suitably qualified company. We have not carried out an audit and have not speculated whether any adaptations are required by the service provider or employer.

- 9.7 We have not carried out a survey to determine whether asbestos is present in the property or completed a risk assessment.
- 9.8 We have been informed by the vendor that no asbestos is known to exist on the site, and we have been unable to identify or inspect an Asbestos Register or Asbestos Management Plan. Any asbestos disclosures in the Asbestos Register requiring work or management may have an adverse effect on the reported valuation.
- 9.9 The Control of Asbestos Regulations 2012 came into effect on 6 April 2012 to consolidate and update legislation requiring all non-domestic property to have a management plan in place, and imposed additional requirements such as notification of work, medical surveillance and record keeping. In any building where asbestos is present the cost of maintenance, alteration and repair can be significantly increased because of the need to take appropriate precautions under the Regulations, and this can impact on value.

10.0 BUILDING, PLANNING AND FIRE RISK ASSESSMENT

- 10.1 The property lies within the area under the jurisdiction of Sunderland City Council, which is the Local Planning Authority.
- 10.2. Detailed planning consent was granted by Sunderland City Council on 1 December 2017 under reference 16/02247/FUL in respect of demolition of existing workshops and erection of 363 unit mixed use residential block for students (323 Units) and young professionals (40 units) (Use Class C3) with integral car parking, ancillary amenities and commercial unit (Use Class A1/A3), along with external landscaping and access works, subject to conditions. None of the conditions are considered to be onerous.
- 10.3 Local policy for the Planning Authority is now documented within the Local Plan and Local Development Framework, and we are not aware of any development proposals for the immediate area that may have an adverse effect upon the property. We have consulted the Local Authority's website and understand the following points:
- a) The property is not situated within a Conservation Area.
 - b) The property is not a Listed building.
 - c) There are no current planning applications with regard to the property and no outstanding consents exist other than the stated 16/02247/FUL.

d) For the purpose of this valuation, I have assumed there are no issues outstanding that would have a material impact in respect of this valuation.

10.4 Access to the subject site is via Bonnersfield and Palmers Hill Road which are public adopted highways.

10.5 The Fire Regulatory Reform (Fire Safety) Order 2005 came into effect on 1 October 2006 and replaces most fire safety legislation. Fire authorities no longer issue Fire Certificates and those previously in force now have no legal status. Under this legislation, the 'responsible person' must now carry out a 'Fire Risk Assessment' (or more particularly ensure one is carried out by a suitably qualified person). Unlike the old Fire Certificates, the Fire Risk Assessment is in respect of the way the premises are used and thus this is something that runs with property or is transferred to a new occupier. Lenders are advised to ensure that occupiers are required to obtain a Fire Risk Safety Assessment which should be kept under review. It has been assumed that all such requirements have been complied with.

11.0 ENERGY PERFORMANCE CERTIFICATION (EPC)

11.1 The Energy Act 2011 provides that no later than 1 April 2018 Regulations will be introduced to ban the letting of residential or commercial properties that do not meet minimum energy performance standards. The threshold is expected to affect properties graded "F" or "G". Properties will need to be upgraded before they can be let, and owners, tenants and lenders (where a borrower is in default) should take into account the possibility of having to bear the cost involved.

An Energy Performance Certificate (EPC) is intended to inform potential buyers or tenants about the energy performance of a building, so they can consider energy efficiency as part of their investment or business decision to buy or occupy that building.

An EPC will provide an energy rating for a building which is based on the performance potential of the building itself (the fabric) and its services (such as heating, ventilation and lighting). The energy rating given on the certificate reflects the intrinsic energy performance standard of the building relative to a benchmark which can then be used to make comparisons with comparable properties. It is accompanied by a recommendation report, which provides recommendations on how the energy performance of the building could be enhanced, together with an indication of the payback period.

This is a statutory obligation and should the property fall within the act, an EPC must be obtained. We have made no enquiries in this regard and it has been assumed that all such requirements have been complied with.

12.0 MINING & GROUND CONDITIONS

- 12.1 Mining, geological and soil investigation reports have not been undertaken nor have any such reports been inspected. It is not therefore possible for us to confirm that all the land is capable of further development or redevelopment at a reasonable cost, or that the present structures are unaffected by actual potential settlement due to mining, low ground bearing pressure etc. However, based on our inspection for valuation purposes, of both the property and surrounding area, no evidence was noted to suggest that either the property or the surrounding area may have been affected in the past by any adverse ground conditions

13.0 ENVIRONMENTAL ISSUES, FLOOD RISK, INVASIVE SPECIES & RADON

- 13.1 We are not aware of the content of any Environmental Audit or other Environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination. At the date of our inspection no contamination was noted affecting the property or neighbouring property which would affect our valuation. However, should it be established subsequently that contamination exists at the property, or any neighbouring land, or that the property has been, or is, being put to a contaminative or potentially contaminative use, this is likely to reduce the value reported below and we should be notified immediately and if possible prior to any loan advance. We reserve the right to review our calculation in the event that such matters come to light.

Our enquiries have been limited to noting the present use of the property and where possible, recording by visual external inspection the present use of the land and buildings immediately adjoining the boundaries of the property. However our investigations and enquiries have not extended to establishing the previous use of the property or adjoining land and buildings. A Local Authority search may be able to confirm the history of the property and previous permitted uses.

- 13.2 We have not arranged for any investigation to be carried out to determine whether or not any deleterious or hazardous material has been used in the construction of this property, or has since been incorporated, we are therefore unable to report that the property is free from risk in the respect. For the purposes of this valuation we have assumed that such investigation would not disclose the presence of any such material to any significant effect.
- 13.3 The risks of flooding are increasing due to development on floodplains, flood and coastal defences nearing the end of their useful lives, and climate changes. Floods can happen anywhere at any time, caused by rising ground water levels, burst water drains and hillside run-off from sudden rain, as well as flooding from rivers and the sea.

We have checked the Environment Agency flood risks map for the locality and note the property is not in a defined risk area. It should be noted that The Environment Agency's Flood Map only identifies flood risks from rivers or the sea and not risks from dams, rainwater run-off, etc. This aside Flood Risk Assessments should identify

flood risks from all identifiable sources and have consideration of the specific local topography which may render a property likely to flood.

We have not been provided with a Flood Risk Assessment or Flood Screening Report for the property. Our desktop investigations have led us to conclude that the property does not have an above average risk of flooding from river or sea flooding. For the purpose of this valuation we have also assumed that the property does not have an above average risk from any other identifiable potential flood sources.

Should the lender require any further information on Flood Risk from other potential sources we recommend that it obtains a desktop Flood Screening report. Should a significant flood risk be identified in any such report we should be notified so that the valuer may consider whether there is an impact on the values herein under reported.

13.4 We have not carried out any survey of the grounds for invasive plants.

We cannot comment upon the type of species of plant within the grounds of the property. If you are concerned about the presence of invasive or controlled plant types and species (such as Japanese Knotweed) which may be dormant, hidden, cut back or concealed you should commission a horticultural / specialist invasive plant survey.

If any treatment programme is / has been undertaken your legal adviser should confirm this is backed by an insurance backed warranty and what stage this treatment is at.

Under sale enquiries or contract the existing owner is required to reveal any knowledge of Japanese Knotweed and your legal advisers should specifically request this.

13.5 Radon Gas is a naturally-occurring substance, particularly, but not exclusively, prevalent in areas with granite sub-strata. Any risk to health requires long-term exposure and is therefore more usually associated with residential property, but it could also be a concern in commercial buildings. The indicative Atlas of Radon in England and Wales published by the Health Protection Agency is prepared at a regional scale and offers little guidance on individual properties. Should the lender require further investigation a site-specific search facility is available.

14.0 TENURE AND OCCUPATIONAL LEASES

14.1 We understand that the property is freehold, and have assumed that good marketable title that is free from any onerous restrictions or covenants can be shown.

14.2 We have not had sight of any statutory enquiries or Report on Title and, therefore, assume that the interest is not subject to any onerous or unusual covenants or restrictions or leases, licences etc, or easements, wayleaves or rights of way in favour of other parties, which we have not drawn to your attention above. Accordingly we would reserve the right to review our valuation in the event that such matters come to light and include a recommendation that the client has allowed us to rely on such information.

14.3 The site is currently occupied by a terrace of light industrial workshops and your legal advisers should ensure that any appropriate notices can be served in order that vacant possession is available to enable demolition and development.

15.0 RATING LIST AND COUNCIL TAX

15.1 Not applicable.

16.0 MARKET TRENDS AND VALUATION COMMENTARY

16.1 The valuation has been prepared in accordance with normal practice taking into account comparable evidence and current market conditions. In determining our opinion of market value we have had regard to the residual and investment comparison methods of valuation.

16.2 We have carried out our usual research and enquiries including discussions with local agents. We have analysed the existing market commentaries and data in determining our opinion as to the market value of the subject property. Information has also been obtained from internal records.

16.3 Purpose built student accommodation has developed into an asset class in its own right in recent years, with demand being driven by structural undersupply of purpose built studio bed schemes in relation to increasing student numbers.

2015 was a record year for investment in the student housing market with transaction volumes reached an estimated £5.1bn, around 82% of which involved portfolios mainly acquired by overseas investors. In 2016 it is estimated that around £3.1bn of stock has been traded, just over 60% of the 2015 total, but in line with expectations and above the five year average, making it the second highest year on record. In addition to the stock already traded there is a further £0.25bn under offer and £0.95bn of portfolio stock in the market which could yet transact, including the Union State Portfolio at £450m. It is likely these will be acquired by a combination of new entrants and existing investors continuing the trend towards consolidation and the desire to acquire additional scale.

Of the deals already concluded portfolios represent 61% of the total with new entrants again prominent. Brookfield, headquartered in Canada entered the market with the acquisition of The Rose Portfolio for £420m amounting to 5,681 beds. Brookfield have since added a further 1,154 beds to their portfolio. 2016 has seen the focus of investment move to the regions, with the proportion of transactions in London falling by approximately two thirds. The main reason is possibly due to the reluctance of investors to trade out of stock in the capital and their inability to replace with new developments. In addition to existing investors and operators there are still several overseas investors with unfulfilled requirements circling the market.

A record number of new student accommodation bed spaces (30,000) have been delivered in 2017, taking the total number of purpose-built spaces available to 602,000. While the numbers of newly delivered en-suite and studio spaces have

both increased significantly, the supply of studio rooms has increased by 106% since 2014.

Overall rents per bed space in student accommodation increased 2.9% between academic years 2016/17 and 2017/18, marginally above the 2.7% seen during the same period in the previous year, indicating the sustained health of the student accommodation market as a whole. However, there were significant variations across the UK as well as by type and sector. In Manchester, which has the largest student population outside of London, annual studio rents increased by 5% despite the number of studio beds rising 61% thanks to tight restrictions on development. In Glasgow, however, the number of studio beds increased 29%. En-suite rents have increased by the most in Birmingham and Bristol (4%), followed by Edinburgh, Manchester and Nottingham (3%). En-suite rents are highest in London, at an average cost of £195 per week. In Manchester they average £142 per week but the cheapest average weekly rent of the cities surveyed was in Sheffield at £120 per week.

The private sector continues to offer the most expensive accommodation in the market, with average annual rents per bed space (excluding London) in the private sector 21% (£1,071 per year) more expensive than university managed accommodation. Within the private sector the annual difference between studios and en-suites (excluding London) is 45% (£2,613 per year). The private sector dominates the supply of new developments, delivering 87% of all new beds so far in 2017/18. However, universities continue to provide the largest number of bed spaces, offering 57% of all rooms available in 2017/18. Overall en-suite bed spaces now represent 56% of the market, whilst studios account for 12% of all beds.

16.4 More particularly in considering our market valuation we have had regard to the following transactional evidence;

Houghall Farm Road, Durham City, a new build 222 studio development let on a nominations agreement at £1,870,000 per annum sold to Unite on 25 May 2017 at £34,000,000 at an initial yield of 5.5% and equating to a capital rate of £153,153 per studio unit. Durham is a Tier 1 University location which is superior to Sunderland.

Foss Street Studios, Foss Lane, York, a 2015 purpose built 220 studio development sold to Empiric on 17 January 2017 at £23,300,000 equating to £105,900 per studio unit.

Pennine House, Russell Street, Leeds LS1 is a prime 2014 built city centre 127 studio development which was sold on 9 June 2016 to Empiric at £17,800,000 equating to £140,000 per studio unit.

The Green Student Village, Bradford, an on campus 1,024 bed 2011 purpose built student village adjacent to the subject site, purchased by a Kuwaiti Investment Fund on 5 August 2013 at a disclosed consideration of £44,000,000 reflecting a net initial yield of 6.8% after purchasers costs.

Appleton Point, Hamm Strasse, Bradford is a 2014 completed 6 storey 160 bed unit city centre ring road detached block which was developed by Mederco Ltd, and has

successfully achieved fragmented investor sales at £55,000 per bed unit with a 5 year rent guarantee. This property is somewhat secondary located in relation to the University Campus.

The landmark Grade II Listed 1933 Algernon Firth Building, St Georges Road, Leeds, which was converted to a 111 bed student residence, purchased by Empiric Student Property Fund on 13 January 2015 at £7,170,000 reflecting an initial yield of 6.5% and a capital value of £64,500 per bed unit.

Cityside, Calverley Street, Leeds, new purpose build 980 bed student village sold to an institutional fund on 1 September 2014 at £62,300,000 reflecting a capital value of £63,500 per bed unit.

- 16.5 With regard to development land values, it should be noted that purpose built student accommodation (PBSA) is a specialist market sector whereby sites to accommodate 'Tier 1' multi storey tower blocks providing 100 plus studio units are sourced directly by the several corporate sector developer/operators such as Crosslane, McLaren, Watkin Jones, Empiric etc, according to demographics analysis in identifying the most viable site locations according to student/University demand. They are not speculatively built out without the end user/investor in place. Potential sites are typically acquired on an option basis without planning, and whereby the developer will use their own in house architectural and planning teams to fund and submit planning, prior to delivery of a turnkey scheme. Hence 'Tier 1' sites with planning only very rarely come to market.

Those sites which are acquired on a 'subject to planning' initial consideration will reflect a material premium to existing use value ie hope value, and in some instances an overage provision on the grant of full planning, or the scheme becoming operative. A typical example is a cleared vacant site of 345 sq m (0.08 acres) at 149- 157 Westgate Road, Newcastle Upon Tyne, NE1 which was purchased by Versant Developments in October 2016 at £675,000 without any alternative use planning. Versant have now submitted an application for a 9 storey development of 71 student studios which is pending consideration. Likewise the subject site is the subject of an option purchase by your applicants at a stated consideration in the region of £1,350,000 in respect of a terrace of single storey workshops totalling circa 10,000 sq ft with an existing use value in the region of £250,000. The applicants who are experienced student accommodation developers with established track record have configured the scheme with their professional advisers and successfully achieved detailed planning with the consequent market value uplift.

16.6 **Proposed Development**

We have undertaken a search of Sunderland City Council's website in relation to the planning permission and supporting documentation. We have reviewed the documentation relating to the planning consent for the 363 bed student accommodation scheme which was granted full planning consent on 1 December 2017 under reference 16/02247/FUL. We have referenced the floor plans submitted under this application and have relied upon these floor plans as being materially correct. We recommend that your solicitors confirm that the drawings are those in accordance with the proposed development.

In arriving at our opinion of the estimated market rent, we have had regard to the current 2017/18 academic year rents within both studio blocks and apartment blocks in Sunderland, and currently advertised 2017/18 academic year rents. There are virtually no modern purpose built University studio blocks within Sunderland itself, with accommodation tending to be city centre office to residential conversions, and secondary residential HMO's operated by local developers/investors.

Adjacent to the subject site is the Bonners Raff residential apartment block where 2 bedroom flats are achieving market rentals of £175 per week on standard AST letting agreement terms.

The schedule of rental information is set out hereunder;

Type	Address	Rent £ Wk
Studio in city centre converted offices	Casseton House, Fawcett Street	£139 - £150
Studio in city centre converted offices	Phoenix House, Union Street	£98
2 bed flat in above development	Phoenix House, Union Street	£170
Studios in converted Victorian offices	Frederick Street	£104 - £127
2 bed flat in city centre residential block	Echo Building	£175
3 bed flat in city centre residential block	Echo Building	£205
Studio in secondary location converted 1960's offices	Dunn House, North Bridge Street	£100
Studio in secondary location modern purpose built	All Saints House, Portobello Road	£97 - £117
2 bed flat in Bonners Raft next to subject site	Bonners Raff, Palmer Hill Road	£165

Having regard to the established tone of rents for PBSA accommodation, we consider the subject scheme will achieve market rentals as follows;

- (a) Standard Studio - 248 sq ft - £125 per week
- (b) Accessible Studio – 508 sq ft - £165 per week
- (c) 1 Bedroom Flat – 484 sq ft - £165 per week
- (d) 2 Bedroom Flat – 737 sq ft - £195 per week

<u>Type</u>	<u>Area Sq ft</u>	<u>No Units</u>	<u>Rent per week</u>	<u>Weeks pa</u>	<u>Annual income</u>
Studio	248	308	£125	48	£1,848,000
Access Studio	508	9	£165	48	£71,280
1 Bed Flat	484	6	£165	52	£51,480
2 Bed Flat	737	40	£195	52	<u>£405,600</u>
<i>A3 Retail</i>	<i>1675</i>	<i>1</i>	<i>£14.50</i>	<i>rent sq ft pa</i>	<i>£24,288</i>
Total Annual Gross Income					£2,400,648

Student accommodation is an operational business and the Facilities Management Costs are a reflection of the total costs associated with the operation, management and maintenance of a scheme. A valuation of a direct let scheme or one assuming vacant possession will be sensitive to the level of FM costs adopted. The areas covered by the FM costs include maintenance & repairs, utilities, insurance, cleaning, Internet - Wi-Fi, security, refuse & waste, and marketing. We have followed the projected operational cost model for the Butlers Group of Companies in adopting 20% of gross annual income in this regard.

In terms of location directly adjacent to the Sunderland University St Peters Campus, we consider this scheme will attract positive occupational buyer demand. We attended a meeting with Sunderland University facilities management regarding the scheme, in which the University confirmed their support for the proposed scheme as a natural extension of the Campus development, and adoption of the development as University 'accredited accommodation' within the Sunderland University Campus itself. Hence we have adopted an all risks yield of 6.5% which produces a rounded gross development value of £29,500,000 (£80,000 per bed unit) as set out in our residual valuation.

In discussion with your applicants we note that anticipated build cost is in the region of £135 sq ft, subject to putting the scheme out to competitive JCT contract tender. Your applicants have track record of undertaking similar multi storey block schemes in West Yorkshire from which the costings are derived, and we have likewise referenced to the RICS BCIS database in respect of 10 storey plus student accommodation and apartment new build costings, adjusted for contract size and location, to which a rate of £135 sq ft is considered to be reliable and achievable in current market conditions.

We have allowed a sum of £125,000 for demolition and clearance of the existing single storey brick workshop buildings on site, professional fees at 6% and contingency sum at 5% of contract build cost. Section 106 capex is limited to monitoring of student occupancy and key worker fees at £25,000. We have allowed for interest on development finance over a 12 month period at which point the development should become self financing over a phased 2 year build out, and a developers profit margin at 20% of net development value equating to £14,550 per bed unit. The residual valuation appraisal is set out hereunder.

17.0 MARKET RENT

17.1 We are of opinion that upon completion of scheme the property will achieve a gross market rental value in the sum of **£2,400,000 (Two Million Four Hundred Thousand Pounds) per annum.**

18.0 INSURANCE REINSTATEMENT COST

18.1 Not applicable – development site.

19.0 BASIS OF VALUATION

- (a) Gross Development Value on completion of scheme
- (b) Market Value with vacant possession
- (c) Market Value with vacant possession subject to 180 day sale constraint period
- (d) Market Value with vacant possession subject to 90 day sale constraint period
- (c) Projected Market Rent on completion of scheme.

of the freehold interest in the subject premises, as at the date of inspection in the light of current market conditions.

19.2 “Market Value” is defined as “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

19.3 “Market Rent” is defined as “The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

19.4 Our valuation has been made in the light of the RICS Valuation – Professional Standards 2014, as amended, and any particular assumptions, which have been made, have been drawn to your attention in this report.

19.5 The premises have been valued on the basis of the unencumbered interest as stated, no account being taken of any fixtures and fittings other than those normally designated as landlord’s fixtures and fittings, nor any outstanding mortgages or loans that may have existed at the time of valuation. No deductions have been made for

any costs involved in the sale of the property and no allowances have been made for VAT or any other taxes.

19.6 We have formulated our gross development valuation based on investment, residual and comparable valuation methodology, and the site on a vacant possession basis.

20.0 SPECIAL REQUESTS AND OTHER INFORMATION

20.1 N/A

21.0 VALUATION

21.1 In our opinion the freehold interest in the property known as Development Site at Palmers Hill Road, Bonnersfield, Sunderland, SR6 0AA has a value of:

£29,500,000
(Twenty Nine Million Five Hundred Thousand Pounds)
GROSS DEVELOPMENT VALUE

£4,500,000
(Four Million Five Hundred Thousand Pounds)
MARKET VALUE WITH VACANT POSSESSION

£4,500,000
(Four Million Five Hundred Thousand Pounds)
MARKET VALUE WITH VACANT POSSESSION
SUBJECT TO 180 DAY SALE CONSTRAINT PERIOD

£3,950,000
(Three Million Nine Hundred and Fifty Thousand Pounds)
MARKET VALUE WITH VACANT POSSESSION
SUBJECT TO 90 DAY SALE CONSTRAINT PERIOD

£2,400,000
(Two Million Four Hundred Thousand Pounds)
MARKET RENT ON COMPLETION OF SCHEME

based on the assumptions, statements or facts as set out above within the body of this report.

21.2 All reference to market value and market rent are expressed as being exclusive of VAT where VAT is payable, it is assumed that VAT can be reclaimed by the purchaser and/or tenant, unless otherwise stated.

21.3 The date of valuation is the inspection date previously stated in this report.

22.0 SECURITY AND RECOMMENDATIONS

- 22.1 We have considered the property's suitability for loan security. The value of property is subject to fluctuation over time, resulting from the changes in local market forces, legislation and national economic conditions. Whilst it is for the lender to assess the risk attached to such fluctuations over the period of any loan, and to determine an appropriate level of security, we are unaware of any foreseeable events or circumstances, other than those detailed within this report, which would suggest that the subject property is unsuitable security for loan purposes, over the normal period of a commercial mortgage for this type of property. This assumes that the necessary maintenance and upgrades are made to the property to ensure that it continues to meet legislative and market requirements, and it is anticipated that the buildings will retain a useful economic life of at least 25 years.
- 22.2 We do not consider that there will be any undue difficulty in realising the sale of the property in the event of foreclosure and estimate a sale will be achieved within 6 months to a developer, and that the property could be fully let on the open market within 3 months upon practical completion, assuming that all statutory requirements for letting have been met and that market conditions remain stable
- 22.3 The following matters should be considered as being material in terms of your commercial mortgage lending process and your consideration of the property as commercial mortgage security:
- a) In formulating our market valuations we have studied and placed reliance upon the 16/02247/FUL planning documents including approved plans, planning statement, and design & access statement.
 - b) Legal advisers are specifically requested to confirm that the development floor areas we have adopted for the scheme from the consented plans are correct, as these will materially impact build costs.
 - c) The site is currently occupied by a terrace of light industrial workshops and your legal advisers should ensure that any appropriate notices can be served in order that vacant possession is available to enable demolition and development.
 - d) Following the Grenfell Tower fire, your monitoring surveyor and solicitors should ensure that any profile sheet cladding to be utilised in the construction of the building is fully warranted and compliant with regulations.
- 22.4 Subject to the above comments, the property is considered to provide suitable security for an advance by the mortgage lender on its usual terms for an asset of this type and age.
- 22.5 Any matters arising which contradict this report and the assumptions stated herein, or are otherwise likely to affect the valuation should be referred back for reconsideration.

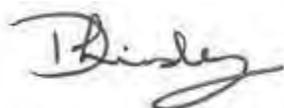
23.0 LIMITATION AND PUBLICATION

23.1 This valuation is prepared solely for the use of the addressee and no responsibility is accepted to any other party for the whole or any part of its contents. It may be disclosed to other professional advisors assisting in respect of the purpose for which the valuation is prepared.

23.2 Neither the whole nor any part of this valuation certificate nor any reference thereto may be included in any published document, circular or statement nor published in any way without our valuers written approval of the form and context in which it may appear.

24.0 SIGNATURE OF VALUER

Yours sincerely



David Linsley MRICS
RICS Registered Valuer
Colin Lilley Surveyors Ltd

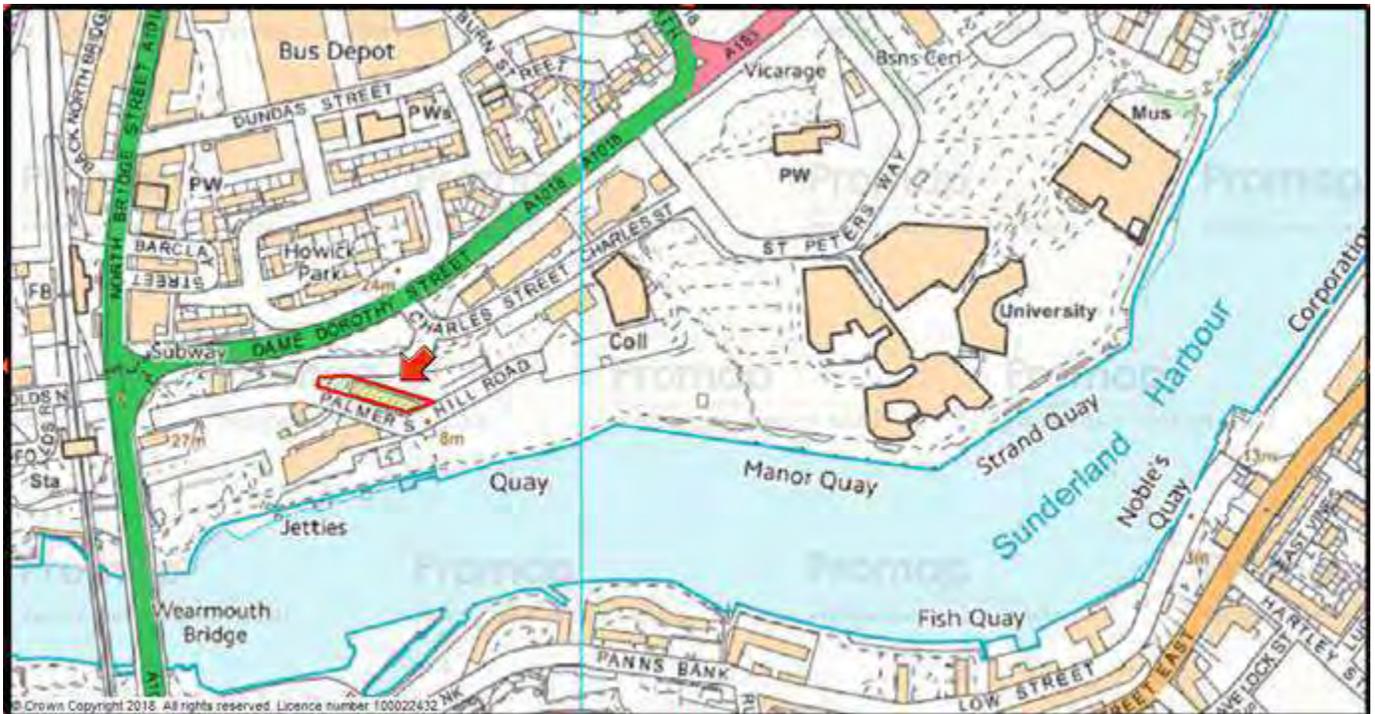
Yours sincerely

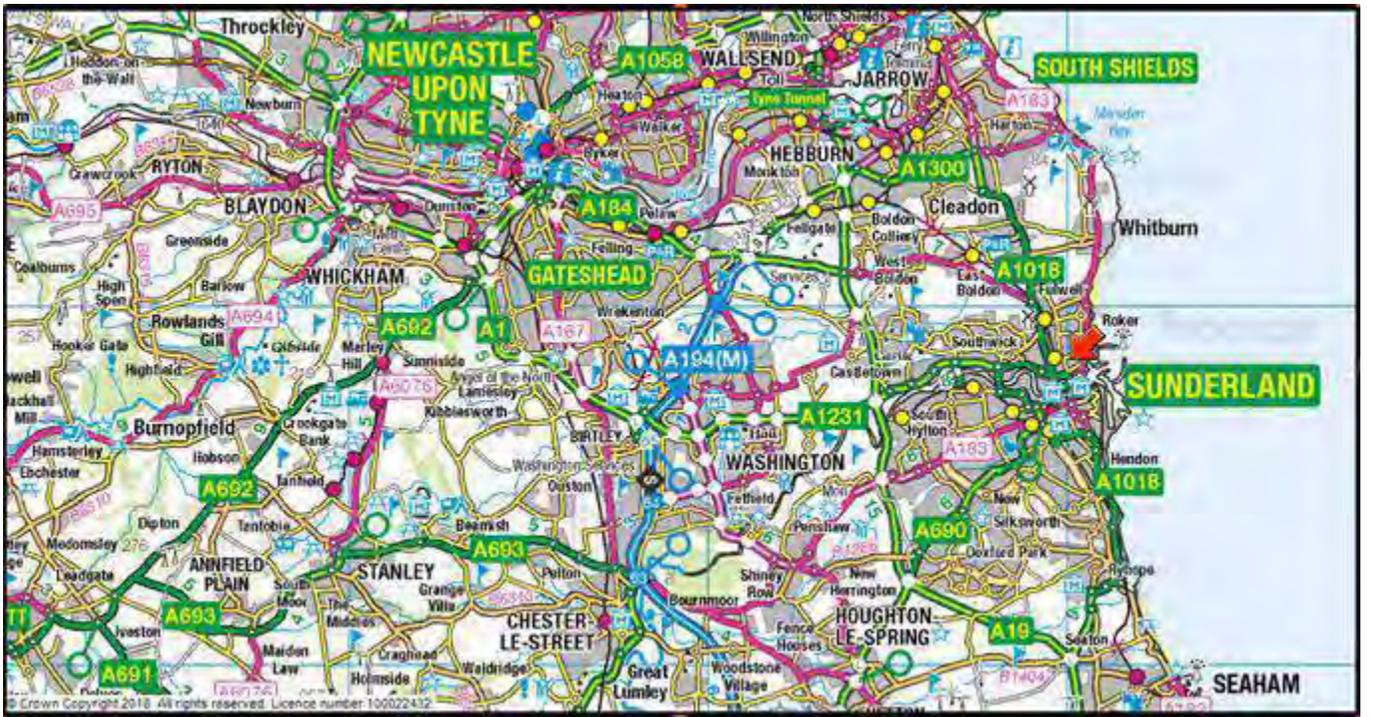
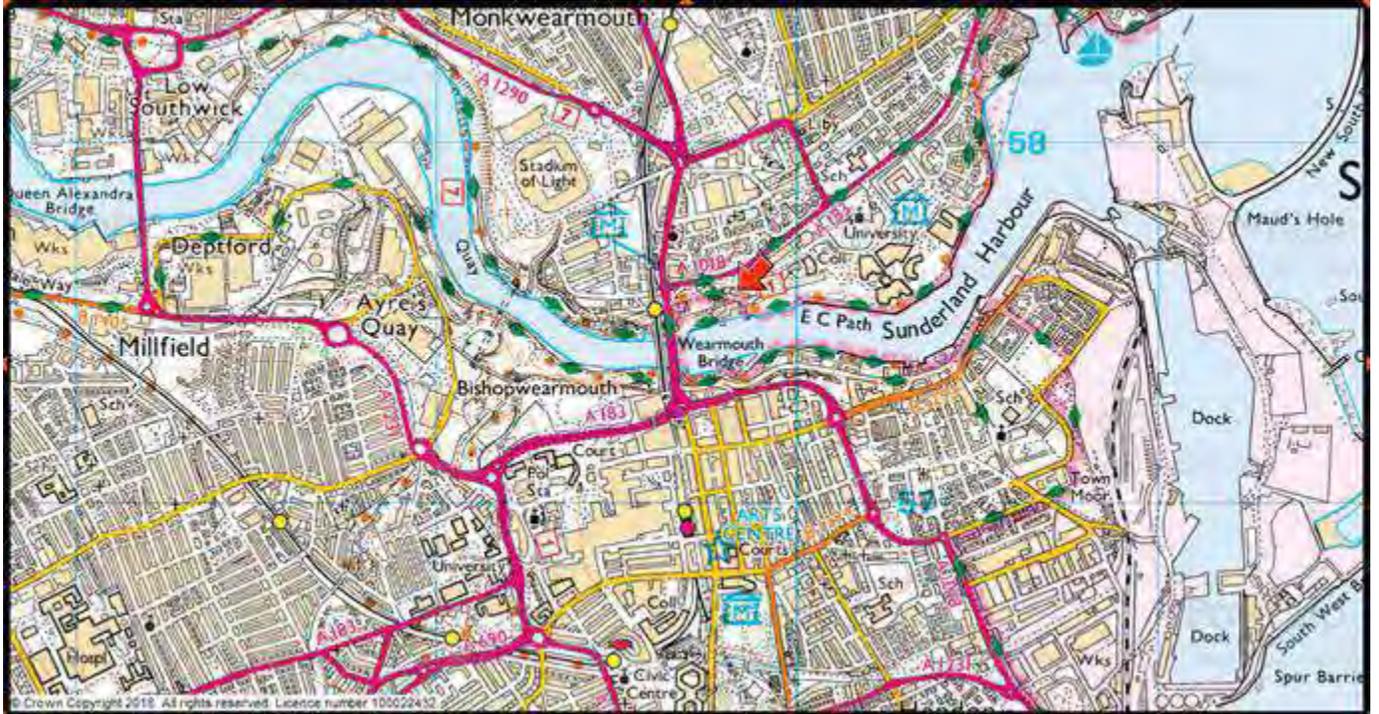


Annette Holland BA(Hons) DIP Val MRICS
RICS Registered Valuer
Colin Lilley Surveyors Ltd

ColinLilley⁺

APPENDIX A
LOCATION PLANS





APPENDIX B
PHOTOGRAPHS









01.12.2016

PURPOSE-DESIGNED STUDENT & YOUNG PROFESSIONAL ACCOMMODATION PROPOSALS
for 403-BED PURPOSE BUILT STUDENT ACCOMMODATION
for BOTH UNDERGRADUATE STUDENTS and YOUNG PROFESSIONALS

BONNERSFIELD,
Sunderland

DESIGN AND ACCESS STATEMENT

for BUTLERS WALSALL LTD



the **Jesmond** Group
CHARTERED ARCHITECTS

23 Portland Terrace, Jesmond,
Newcastle upon Tyne NE2 1QS
T 0191 281 1490 F 0191 281 6289

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PROPOSAL

The proposal is for a development for 403 students in studio accommodation, on behalf of Butlers Walsall Limited, of 204 Field End Road, Pinner, Middlesex, HA5 1RD.

Butlers Walsall Ltd have in place an agreement to purchase the land forming the site for this development.

Part of the site is currently occupied by industrial units, nos. 1 – 5.

The site forming the application land is defined in Figure 3, a drawing prepared by the Property Services Department of the Local Authority, which in turn is based upon the official Land Registry plan.

This Design and Access Statement, along with the submitted drawings, will be complemented by specialist reports from the undermentioned consultants:

- Air Quality Assessment
- Ecology Consultant
- Flood Risk Assessments
- Heritage Statement
- Highways Consultant
- Noise Consultant
- Planning Statement
- Site Drainage
- Sustainability Assessment

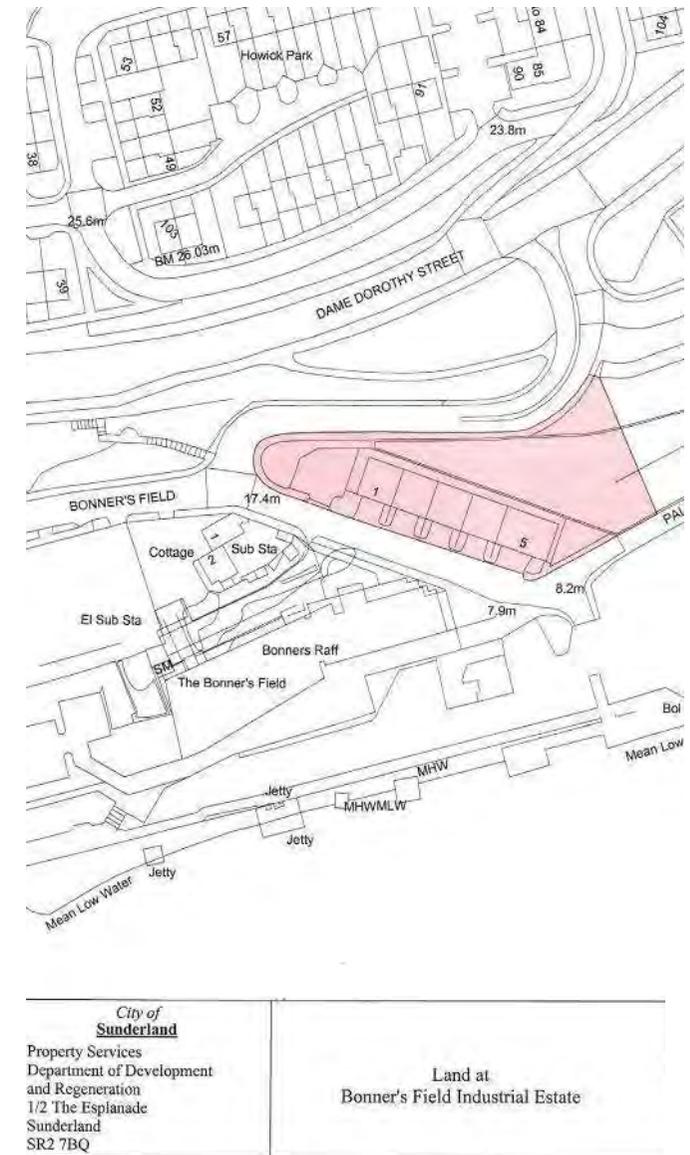


Figure 3 - Land at Bonner's Field Industrial Estate, Property Services Department from the Official Land Registry Plan

NATIONAL PLANNING POLICY

The National Planning Policy Framework ('NPPF')

The NPPF establishes a presumption in favour of sustainable development, and advises that “significant” weight should be placed on the need to support economic growth through the planning system, and the delivery of the homes and thriving local places that the country needs. The planning system should also promote the development of mixed use, well-designed and sustainable communities.

In terms of design more generally, the NPPF attaches great importance to the design of the built environment. Para. 58 states that planning policies and decisions should aim to ensure all developments:

- Function well and add to the overall quality of the area;
- Establish a strong sense of place, using buildings and streetscapes to create attractive and comfortable places to live, work and visit;
- Optimise the potential of the site to accommodate development, create and sustain an appropriate mix of uses (including green and public spaces) and support local facilities and transport networks;
- Respond to local character and history, and reflect the identity of local surroundings and materials while not discouraging innovation;
- Create safe and accessible environments where crime and disorder do not undermine quality of life or community cohesion; and
- Are visually attractive as a result of good architecture and landscaping.

With regard to transport, the NPPF states that new development should be designed to encourage the use of sustainable transport modes for both goods and people (para. 35). They should therefore be designed, where practical, to accommodate the efficient delivery of goods and supplies, give priority to pedestrian and cycle movements and access to public transport facilities. They should also create safe and secure layouts which minimise conflicts between traffic, pedestrians and cyclists.

Planning Practice Guidance ('PPG')

PPG advises that good quality design is an integral part of sustainable development. As a core planning principle, plan-makers and decision takers should always seek to secure high quality design.

The PPG also states that, although design is only part of the planning process, it can affect a range of economic, social and environmental objectives beyond the requirement for good design in its own right. Planning decisions should seek to ensure the physical environment supports these objectives. The following issues, among others, should be considered:

- Local character;
- Crime prevention;
- Security measures;
- Access and inclusion; and
- Efficient use of natural resources.

The PPG goes on to state that, in the evolution of planning applications and proposals, there are established ways in which good design can be achieved. These include through pre-application discussions and design and access statements.

Local Planning Policy

The adopted development plan identifies the application site as part of the wider Bonnorsfield area at saved Policy NA3B.1, where C3 (housing) uses are required, and small scale A1 retail uses to serve the day-to-day needs of local residents are also acceptable. A Supplementary Planning Document for Bonnorsfield describes the area, including the application site, as a "strategic location for change". It also identifies land at Bonnorsfield as an important site for residential development, potentially of 10 to 12 storeys in height.

EXECUTIVE SUMMARY

The Report is in seven sections, headed:

- Introduction
- The Site
- Site Context
- Site Appraisal
- Design Development
- Design Proposals
- Conclusion

Introduction

The purpose of this report is to support the Planning Application by Butlers Walsall Ltd.

Butlers Walsall Ltd bring considerable expertise to the project, with a background in purpose-designed student accommodation.

They have projects throughout the United Kingdom and are involved with a substantial development programme.

The proposals are described with reference to pre-Application discussions held by the team.

The section concludes with a statement on sustainability issues.

The Site

A Site Location Plan is provided overleaf (Figure 5). This is complemented by photographs of the site and its surroundings.

Site Context

This section describes the site in relation to its surroundings.



Figure 4 - 3D visualisation from the Wearmouth Bridge

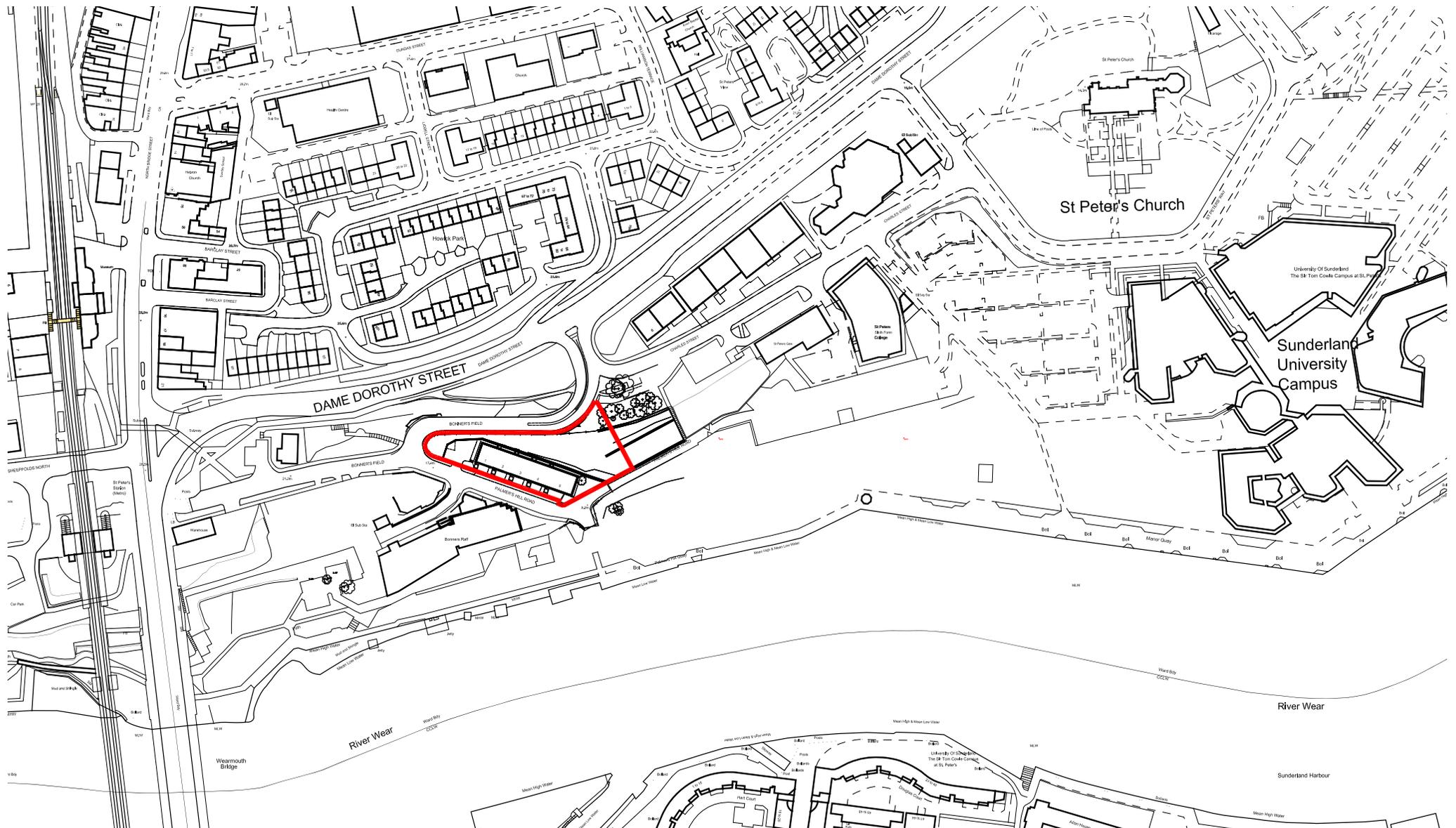


Figure 5 - Location Plan showing the site (outline in red) in relation to the Wearmouth Bridge, River Wear and St Peter's Church

Site Analysis and Appraisal

A Site Analysis Plan is included, coupled with contextual observation.

Comment is made on Acoustic and Highways matters.

Particular attention is given to sustainability issues, the effect upon site drainage and the creation of a sustainable development.

Design Development

The Design Development process is set out, highlighting the factors which have determined the form of the development.

Design Proposals

These are set out in detail, including the design parameters.

The economic viability of the proposals is based upon the inclusion of differing accommodation for both undergraduate (Figure 6) and young professionals (Figure 7), together with appropriate ancillary space.

This multi-purpose proposal will ensure the economic viability of the development.

The young professionals accommodation is largely 2-bedroom flats. The plans of these units demonstrate how the undergraduate studio development can, if necessary, be adapted to residential use.

Conclusion

This development offers both a financially viable and environmentally sustainable proposal for the regeneration of this vacant site, which is a key component of proposals in the Riverside area.

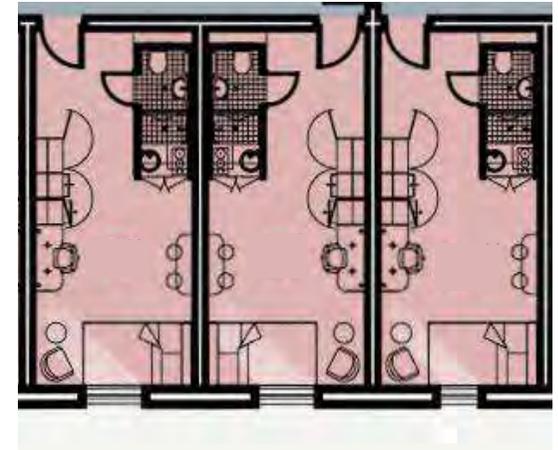


Figure 6 - Undergraduate Studios

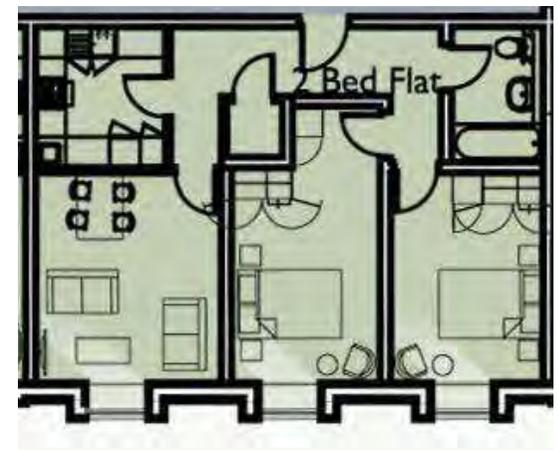


Figure 7 - Young Professional 2 bed flat
(equal in width to 3 undergraduate studios)

INTRODUCTION

As has been described in the opening remarks, the proposal is to develop the site for 403 students in purpose-designed accommodation.

This residential element is to be complemented by leisure space, common room, games room facilities and cycle parking (Figure 8), along with laundry, car parking and finally a small retail unit to be occupied by a sandwich shop or coffee shop or similar.

Servicing space will be provided for the retail units and also to deal with the refuse and recycling waste from the residential accommodation.

The developer, Butlers Walsall Ltd, is a specialist provider of Purpose Built Student Accommodation (PBSA), with projects in Bristol, Birmingham, Leicester, Bradford, Hull, Teesside and Huddersfield, in addition to Sunderland.

Though consideration of Planning Policies will be dealt with in the Planning Statement, the pre-application response confirms the use of the land for C3 use – Student Housing.



Figure 8 - Level -1 containing leisure space, common room, games rooms facilities and cycle parking

THE SITE

The site is located immediately to the west of the Sunderland College and University Riverside Campus sites.

The land is steeply sloping across the site (see Figure 9 Site Plan with 0.5m contours marked).

The site access is from Dame Dorothy Street via a steeply sloping site development road which links with Bonnersfield.

The site itself has the opportunity to create a level plateau around which the steep contours follow a 'boomerang' pattern which follows the routes of Palmer's Hill Road.

Along the western boundary of the site and facing onto Palmer's Hill Road are a number of industrial units shown in Figure 10.

The existence of these units is reliant on a major retaining wall, complete with ground anchors which support the upper levels of the site.

The land form, coupled with the existing site retaining wall, actually presents a design opportunity which is described later.

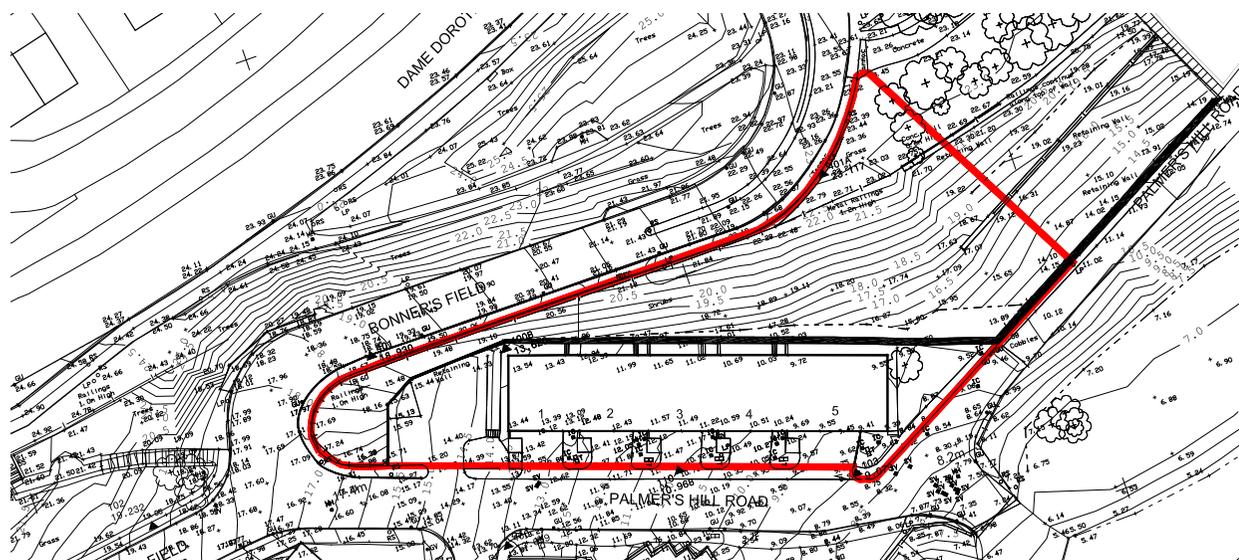


Figure 9 - Topography Plan, showing the steep slope by way of 0.5m contours and access from Dame Dorothy Street



Figure 10 - View down Palmer's Hill Road, the West of the Site, showing the existing industrial units with brick retaining wall behind

CONTEXT

Apart from the existing single storey industrial units along the western boundary, the site is otherwise wholly landscaped. This is largely by self-seeding vegetation which will need to be cleared to allow the site to be developed.

To the north of the site and lying between Dame Dorothy Street and Bonner's Field is a heavily landscaped area on steeply sloping ground (Figure 11).

To the east of the site a substantial area of landscaping is interrupted only by the parking provision to St Peters Campus of Sunderland College, with access from Charles Street.

To the west of the site a predominantly landscaped area stretches as far as the iconic Wearmouth Bridge and beyond (Figure 12).

The arch form of the bridge is echoed in the adjacent railway bridge.

To the east of the Sunderland College site and north of the Sunderland Business School is St Peter's Church. The Heritage Report will address the issues related to these iconic heritage features.



Figure 11 - Photograph from Bonner's Field showing landscaping between Bonner's Field and Dame Dorothy Street behind



Figure 12 - View from the top of Bonner's Field (north side of the site) showing the extensive vegetation to be cleared, and the Wearmouth Bridge in the distance.

Only to the south west of the site is there any neighbouring development.

This is the six-storey residential development recently undertaken by Akenside Development Company Ltd. This development lies between the site and the Wearmouth Bridge (Figure 13). It is an undistinguished building and the north side of the block facing the development site is particularly so.

Fortunately, this block is built on low-lying land, with the lowest floor level at approximately Level 9m AOD. The roof level is approximately at level 31m AOD. Thus only the three lowest levels of the development are affected by this building.

Notwithstanding the somewhat banal nature of this adjacent building, the Design Team fully recognises the historic and architectural importance of the nearby Wearmouth Bridge to the west and St Peter's Church located some way to the east of the site.

These important features are considered in detail in the Heritage Report.

On the south side of Bonnorsfield and north of the residential block is a group of dilapidated buildings, now derelict - Figure 14.



Figure 13 - Six-storey residential development opposite (view from the North side of the site along Bonner's Field)



Figure 14 - Six-storey residential development (left) opposite the derelict buildings on the site (view looking up South side of Palmer's Hill Road)

SITE ANALYSIS

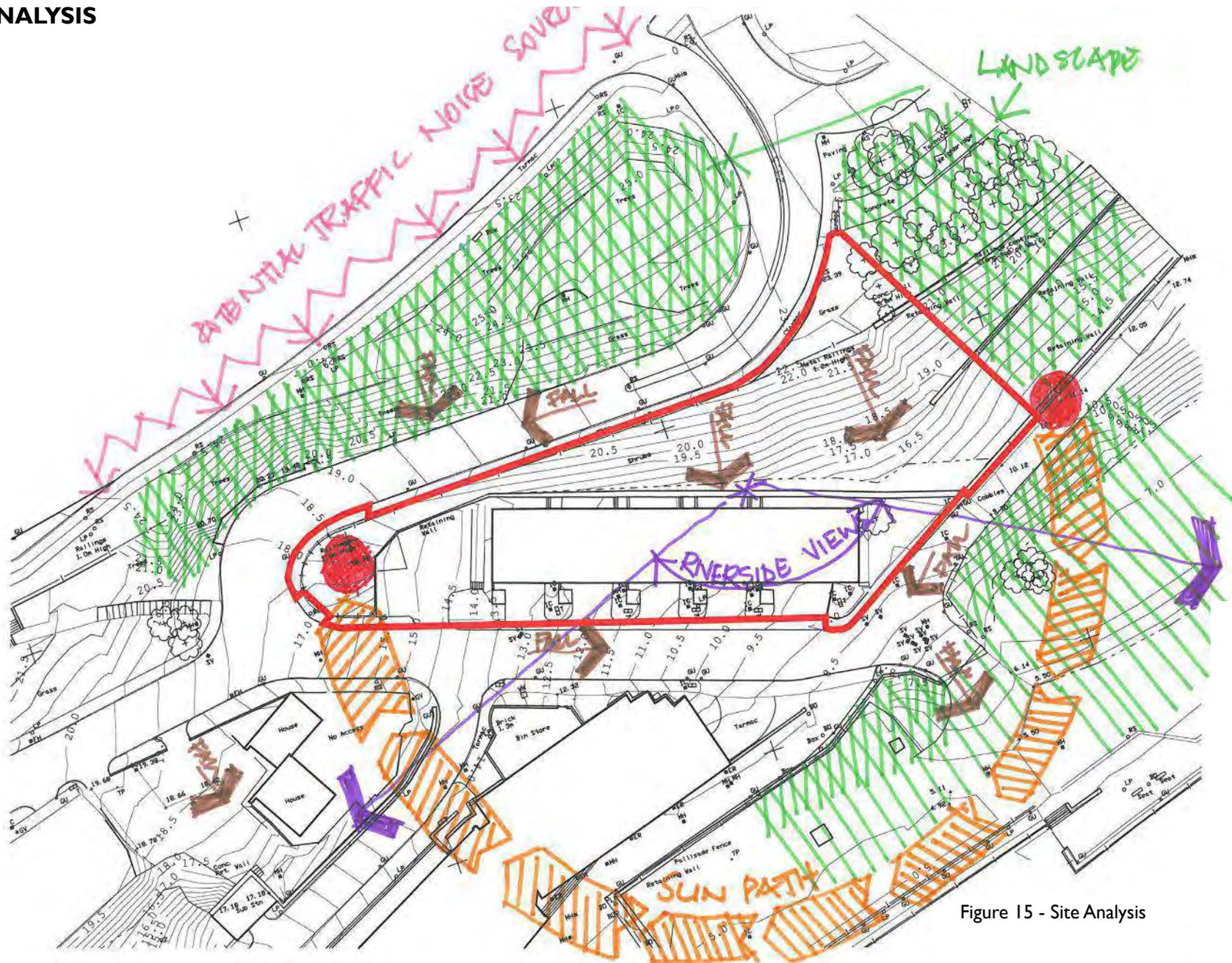


Figure I5 - Site Analysis

SITE APPRAISAL

The site is in the form of a truncated 'boomerang' and is steeply falling across the land area.

A substantial ground retaining wall follows the line of Palmer's Hill Road on the south west boundary of the site (Figure 16).

The site access is from Bonner's Field, which links with Dame Dorothy Street. This is the only access to the site.

Bonner's Field slopes downhill from east to west. It provides access to Palmer's Hill Road which slopes steeply downhill from the connection with Bonner' Field at the north west corner of the site.

The ordnance datum level at the head of Palmer's Hill Road is 17.50m AOD, and the road falls to level 8.00m AOD at the bottom of the hill from which point it rises towards the east as the road follows the southern boundary.

The site enjoys a spectacular panorama across the river from east to west (Figure 17).

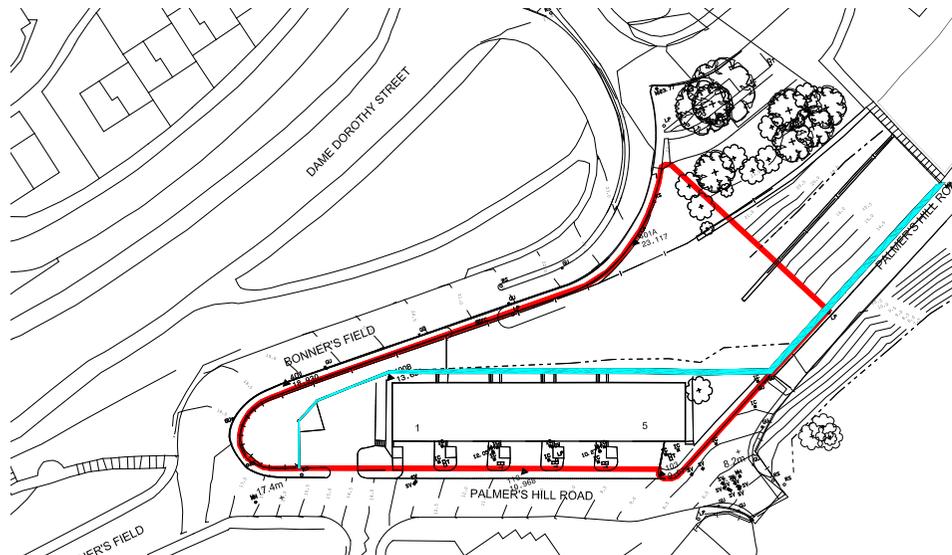


Figure 16 - Site Plan showing the sit boundary line in red and the existing retaining wall in cyan



Figure 17 - View down Palmer's Hill Road (South West) to the River

The view to the west will be partially obscured by the recently constructed residential scheme, though this will be limited to the lowest levels of the project.

Though the site does not have a riverside frontage, it does enjoy the benefit of a strip of open parkland between it and the river.

There is currently no access across the steeply sloping site, but to the east a major pedestrian stair in numerous flights offers pedestrian access from Palmer's Hill Road up to Charles Street in the educational campus site (Figure 18).

Though there is a constant flow of traffic westbound along Dame Dorothy Street, any noise from this source is attenuated by the dense landscaping north of the subject site between Bonnersfield and Dame Dorothy Street.

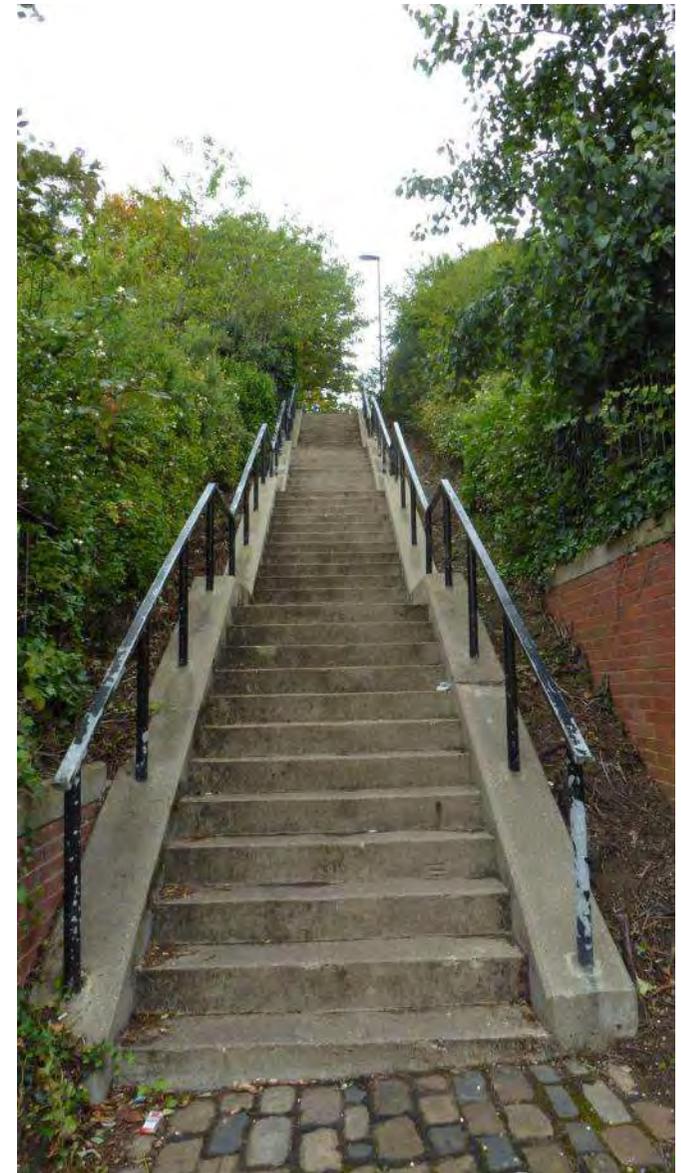


Figure 18 - View from Palmer's Hill Road (East) up the steps that provide access to Charles Street

DESIGN DEVELOPMENT

This development is immediately adjacent to the Riverside Campus of Sunderland University and as such it has been established in Pre-Application discussions held by the current owners of the site that the proposal for student accommodation is considered acceptable in principle.

At a recently held meeting with the Chief Planning Officer it was suggested that the proposals, in addition to providing purpose-designed student accommodation, provision be made for young professionals, thus significantly broadening the economic base of the project and contributing significantly, not merely to the local economy, but to the housing stock of the city.

With this in mind, provision will be made for significant levels of car ownership (Figure 19), not normally a factor in undergraduate accommodation.

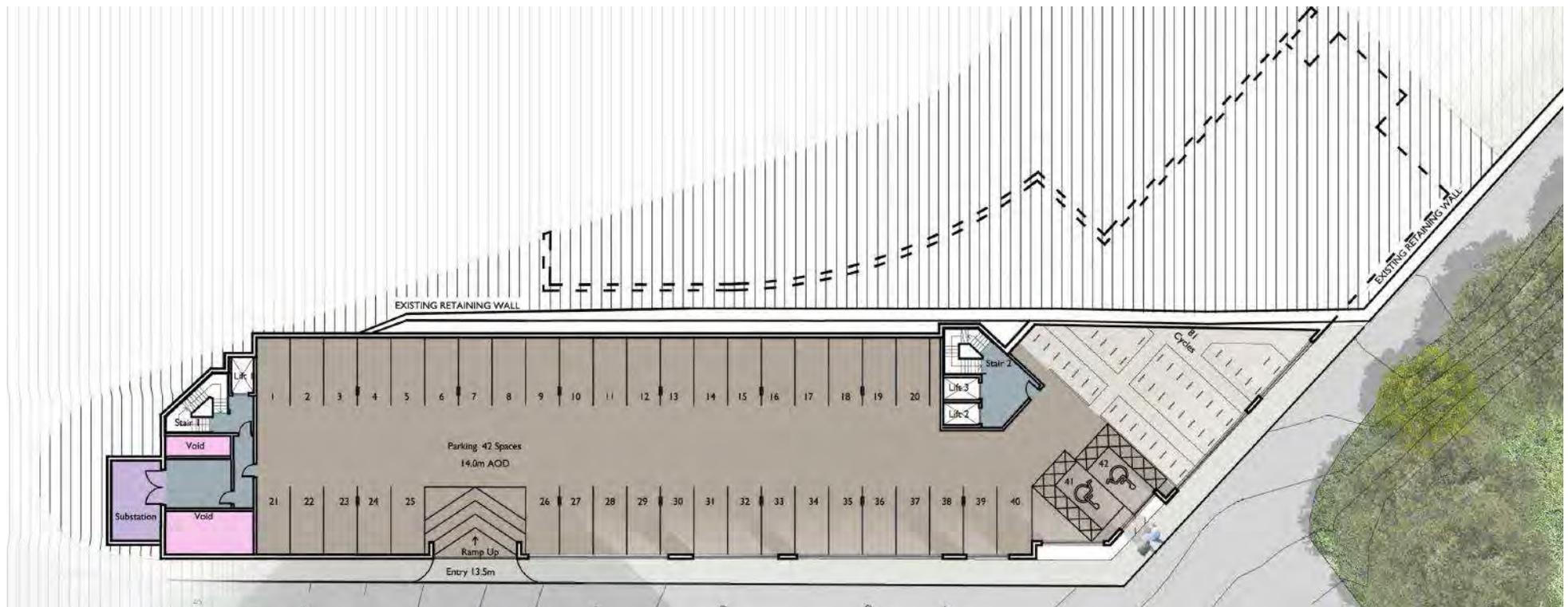


Figure 19 - Level -2

ECOLOGY

The proposals will include ecological considerations and the application will include a specialist report dealing with these.

Surveys of the habitats on the site have already been carried out, with no recorded evidence of activity by bats.

SUSTAINABILITY

The development will be designed with sustainability as central to the project. The developer is an established developer of purpose-built student accommodation, with projects throughout the country.

The development will seek a BREEAM rating of Very Good, delivered by incorporation of high levels of thermal performance within the building. Limited car parking will be included, but substantial cycle parking will be incorporated (Figures 19 and 20).

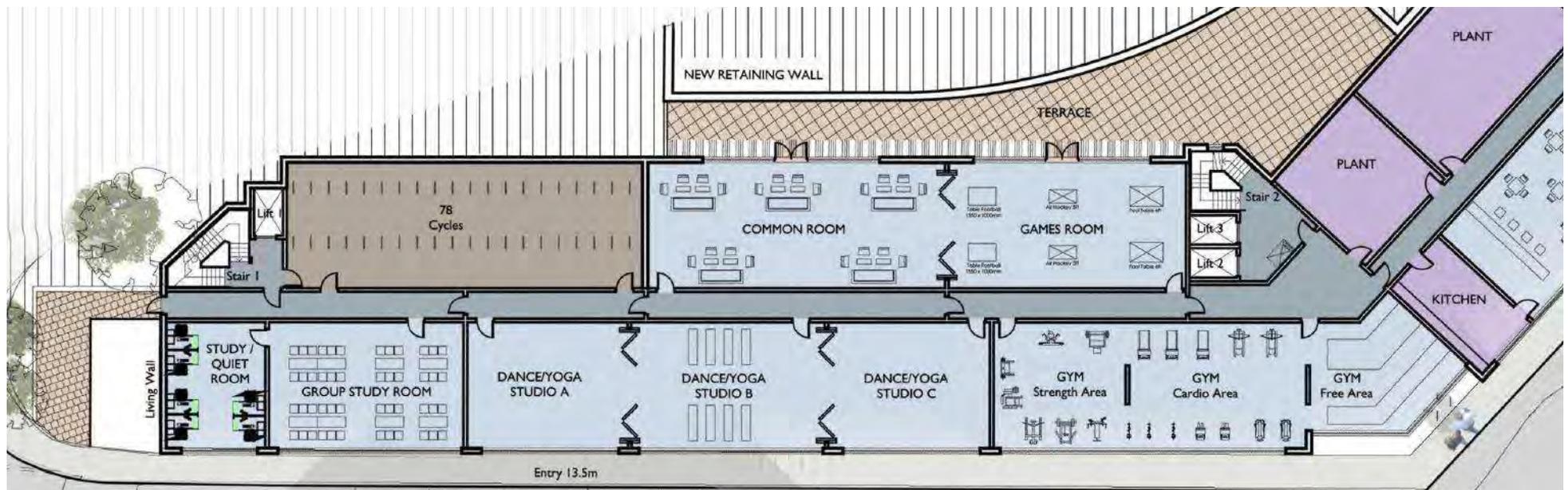


Figure 20 - Part of Level -1 showing designated cycle parking (with more spaces on Level -2)

SOCIAL AND ECONOMIC

The site is largely overgrown. Such development as was on the site is now closed and all existing industrial buildings are now vacant, shown in Figure 21. The vacant buildings and the overgrown vegetation need to be cleared to permit development.

There are derelict buildings on the adjacent site and clearly the area is ripe for major economic expenditure.

This development for over 400 students / young professionals will represent a powerful economic stimulus.

The nearby residential development of 60 two-bedroom flats has contributed economically to the area, but further investment is urgently required to build upon that initial investment.

EVALUATION

The proposals will provide this further economic stimulus and the broadening of the development base to include young professionals will economically sustain the area.

The question of demand has been considered by Butlers Walsall Ltd, the applicant, who is a developer of PBSA and not a speculator.

This development, when approved, will be built. Consultants are also addressing the demand issue and a specialist report dealing with this matter will be submitted as a key document in the Planning Application.

HIGHWAYS

Highways Consultants will address all aspects of traffic issues affecting the site, in conjunction with the Highways Department of Sunderland City Council.



Figure 21 - Photograph of vacant buildings on site with overgrown vegetation behind.

HERITAGE AND CONSERVATION

The site is within the Wearmouth Masterplan Area.

There are key designated heritage assets within the Masterplan Area. Notably these include the Grade I listed St Peter's Church (Figure 22), along with the scheduled former monastic grounds. These are located some way to the east of the site and to the north of the Riverside Campus. To the west of the development site is the Grade II listed Wearmouth Bridge (Figure 23), an iconic landmark of the city.

The site is somewhat remote from St Peter's Church and is not located within any of the identified primary views.

Though the site is nearer to the Wearmouth Bridge, it is partly screened by the recently developed residential scheme immediately to the west of the proposed development.

The development site will be seen in panorama from south of the river and thus will have an impact on the character of the local area and the sky line.

Clearly careful consideration will need to be given to the height, scale and massing of the proposals.

The Council Planning Department has already identified the site in the Wearmouth SPD as being appropriate for high rise development up to 12 storeys.

It is the intention of the Design Team to work within the limits set by the Council, recognising that these are important urban design considerations.



Figure 22 - St Peter's Church



Figure 23 - Wearmouth Bridge

ENVIRONMENTAL

It is apparent that the development site has previously accommodated industrial activities (Figure 24).

A desktop study will be carried out to ascertain whether or not the land is contaminated and if so, to what degree. The survey will conform to the Standard Code of Practice for site investigations. Some demolition of the existing industrial units will be necessary.

Appropriate environmental safeguards will be in place for this activity, to prevent pollution.

NOISE

The Design Team will include an Acoustic Consultant, whose work will address the potential noise emanating from the A1018.

As is customary, guidance on dealing with all aspects of the sources of noise, together with their attenuation, will be incorporated.



Figure 24 - Site Area in 1851, consisting of Iron works, Timber Yard and Ship Building Yard

DESIGN PROPOSALS

As has already been described earlier in the report, the land form and site context are significant factors informing the design.

Indeed the major retaining wall to the west side of the site (Figure 25), following the line of Palmer's Hill Road, does not merely influence design, but actually dictates the form of development.

Thus it is that the major element of the plan is located on the site previously occupied by the existing industrial units, now vacant.

The existing retaining wall has a coping stone at levels 17.5m AOD and 18.5m AOD. This is at a lower floor level than the only viable vehicular entry point to the site from Bonnorsfield, at level 21.0m AOD.

The existing retaining wall is not capable of taking additional surcharge of weight from the land forming the plateau at entry level to the site.



Figure 25 - Photograph of site from West along Palmer's Hill Road, showing the retaining wall and area which will be occupied by the proposal

In response to the inability of the existing retaining wall to support additional weight, it is proposed, to construct a further retaining wall inbound from the existing, as can be seen in Figure 26. This much smaller wall will deal with the car park and entry level surcharge without affecting the existing wall.

The coping of this new wall will be at level 20.50m AOD, which will coincide with the ground floor (Level 0) of the accommodation.

The ground at the level of the existing retaining wall will be cut back at level 17.00m AOD which will coincide with the floor level of the leisure and common room accommodation, one floor level below entry level to the scheme – Level -1.

By so doing, an external terrace will be created, with access from the leisure areas to external recreational space along the residential block. This is valuable external open space within the development.

The structure of the residential block is of necessity free-standing from the existing retaining wall.

The new retaining wall described above is fundamental to the structural viability and integrity of these proposals.



Figure 26 - Proposed section showing existing retaining wall and new retaining wall to allow for entry at Level 20.5m

The entry to the site will be at level 21.00m AOD and the Forecourt will slope towards the building whose Ground Floor level will be at 20.50m AOD.

The construction of the development is reliant upon the construction of a second retaining wall 7.0 metres away from the East side of the existing retaining wall, the top level of which is 17.00m AOD.

This second retaining wall will retain the new Forecourt Car Park level without surcharging load onto the existing retaining wall which would otherwise be under excessive stress.

There will be three floor levels below the entry level 20.5m AOD.

At level 17.00m AOD will be a floor given over predominantly to leisure uses, coupled with service rooms and some cycle parking (Figure 8). There will also be an accessible external terrace area on the North side, providing views and amenity space, also shown in Figure 25.

At level 14.00m AOD is a floor for car parking with additional cycle parking (Figure 19).

At level 10.00m AOD is a floor with a much reduced floor plate containing mini market, sandwich bar and student café. Also at this level will be refuse and recycling facilities (Figure 27).

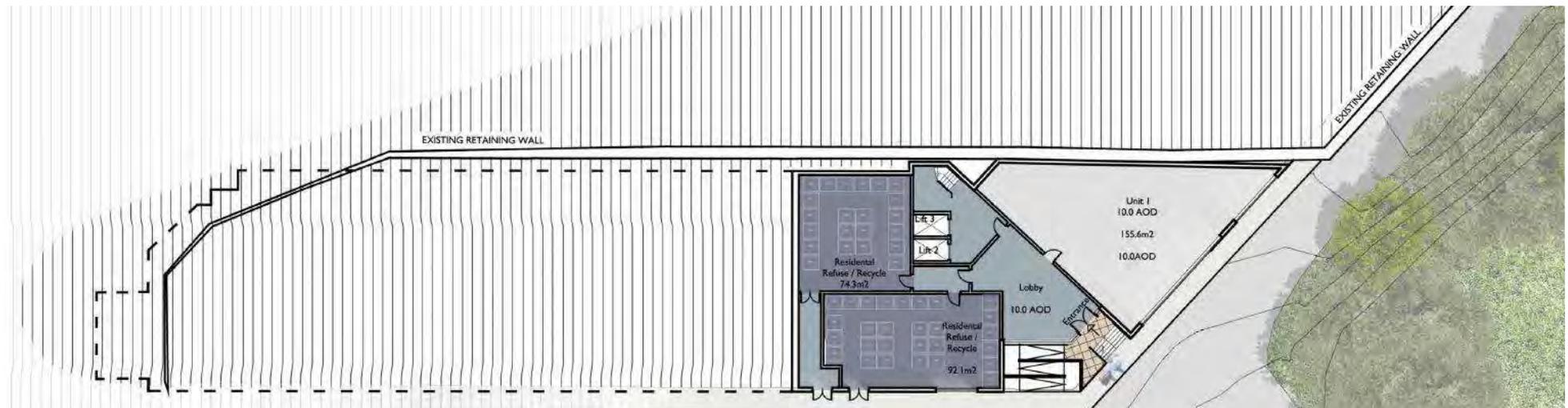


Figure 27 - Level -3 plan at 10.0m AOD, with retail, refuse & recycling

At Ground Floor level will be a transfer slab on which the upper floors will be constructed in a Metframe system of lightweight construction.

The lowest three floors will be in heavy construction, supporting the transfer slab at ground level.

It is important to appreciate that the existing retaining wall down the west side of the site will not form part of the construction of the new buildings, and in fact will have the existing surcharge load reduced by the new, smaller, retaining wall supporting the Forecourt and Car Park.

The development proposals are reliant on the construction of this second retaining wall.

Whilst the ground levels of the site, coupled with the existing retaining wall, have dictated the plan form, the scope and scale is based upon guidance in the Wearmouth SPD issued by the Council's Planning Department (Figure 28).

This site has been identified by the Council as being appropriately developed with building heights of between 10 and 12 storeys.

The design proposals are based upon this guidance. The ground floor slab at entry level – 20.50m AOD – will be a transfer slab upon which the upper residential floors of eight and nine storeys will be built.

The residential accommodation is contained in these nine storeys.



Figure 28 - Page from the Wearmouth Candidate World Heritage Site Masterplan & Design Code Document. The proposed has been attributed 10-12 storeys (shown in pink as per the key). An orange outline has been added to show the site location, along with the relevant part of the key. The left image is a zoomed in version of the key, the middle image is the proposed site and the right image is the whole page the left and middle images are part of.

Below the ground floor level three further floors accommodate ancillary space. The structure of these floors will be heavyweight, supporting a transfer slab at level 20.50m AOD.

Level -1 (Figure 29), at 17.00m AOD, will contain largely leisure and common room facilities, but also plant and service rooms and some cycle storage, which is readily accessed from the highest point of Palmer's Hill Road. This leisure floor level will contain a strip of external space at that floor level.

Level -2 (Figure 19), is at 14.00m AOD. This is a level of car parking which will predominantly service the young professionals accommodation, as they will have a requirement for such a facility.

Level -3 (Figure 27), is at 10.00m AOD. This is a much reduced floor plate occurring at the lowest level of the site. This level will contain refuse and recycling facilities, but also a sandwich shop or coffee shop or similar, which will offer facilities to the student body, not merely residents.

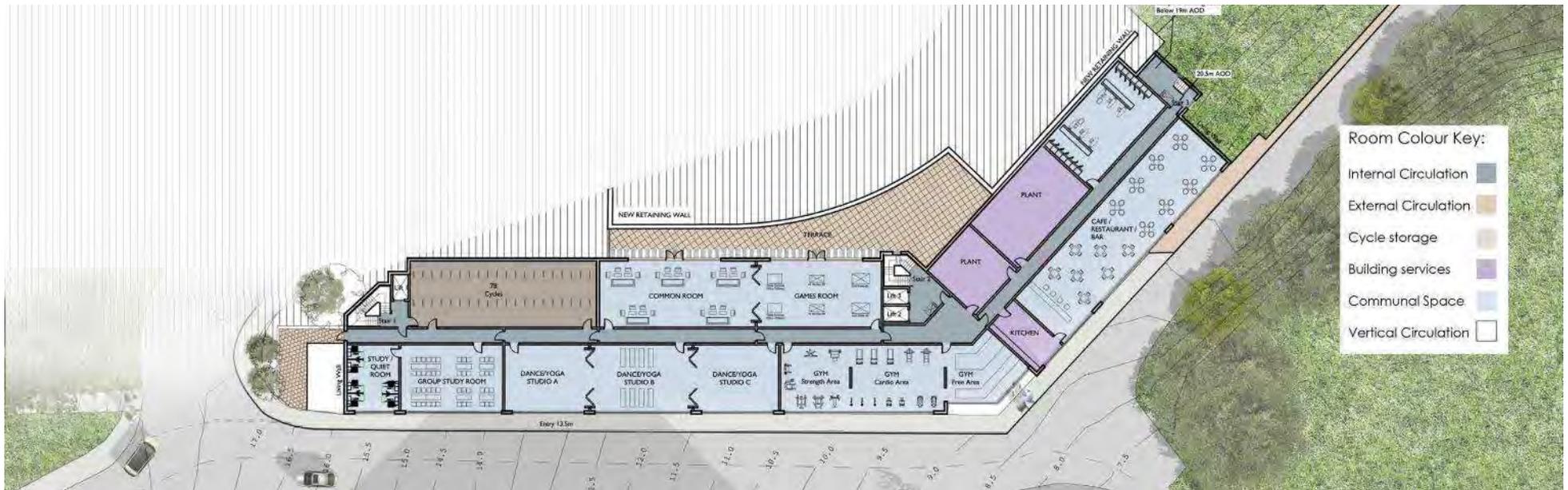


Figure 29 - Level -1 Plan

PLANS

The plan of the building is a cranked linear block. This is repeated over all floors, with the exception of Level -3 which is a limited foot plate constrained by the site levels.

Ancillary Facilities

Plan at Level -1

Though this level is 3.0 metres below the entrance level, the new retaining wall enables the formation of a paved terrace along the north side of this floor level. Thus the leisure and common room areas all have access to open space (Figure 30).

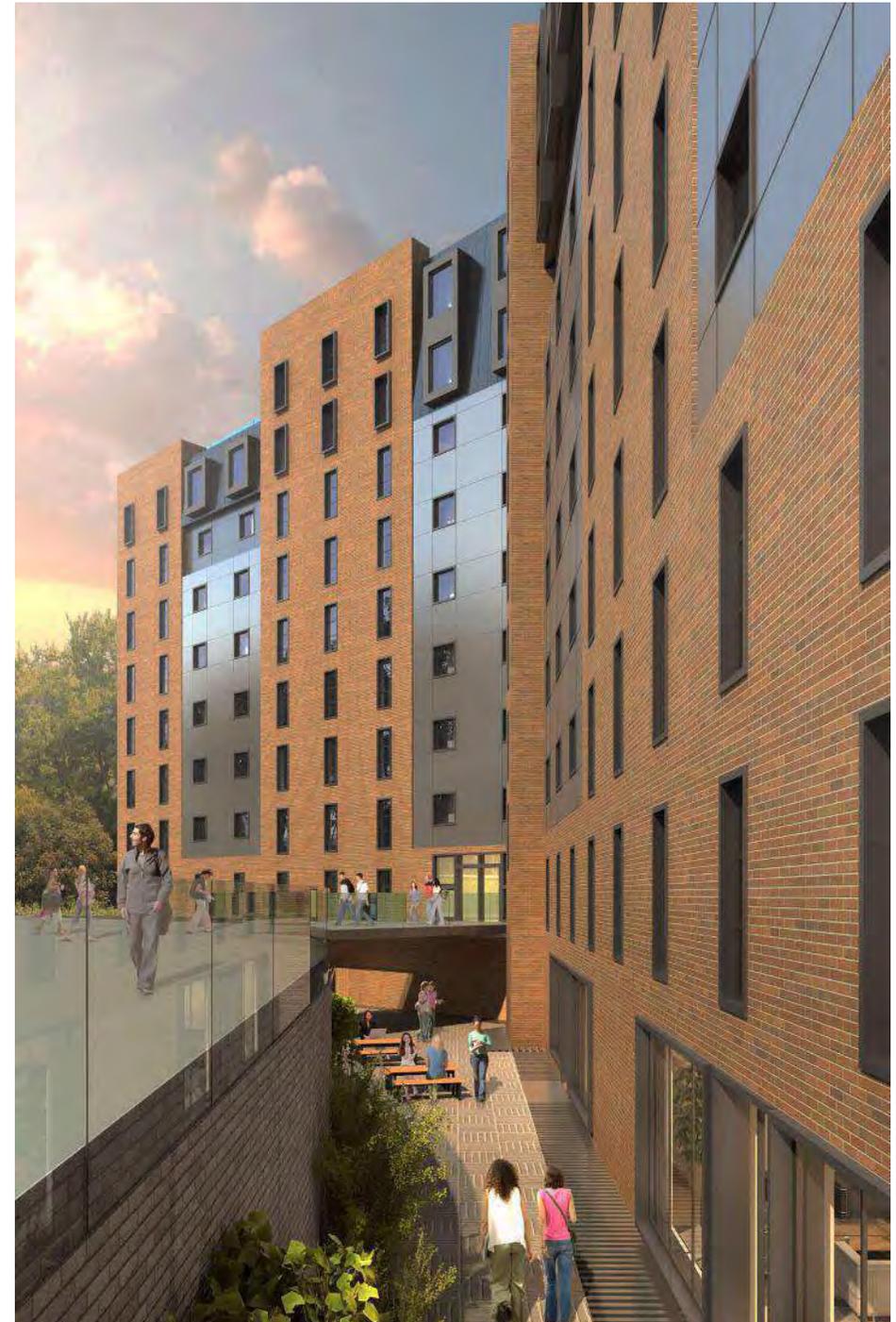
Plan at Level -2

This is essentially a single aspect plan at this level, though ventilation of the car park is gained via the gap between the building and the retaining wall.

Plan at Level -3

This floor level is truncated by the site levels.

Figure 30 -
3D Visualisation showing north facade and Level -1 Terrace



Residential Accommodation

The Ground Floor (Level 0) plan is residential accommodation in single-person studios, except for the entrance area, reception and some office space for administrative staff (Figure 31).

The plans at Levels 1 - 5 (Figures 32 and 33) are wholly residential accommodation for undergraduates, in single-person studios. The plan is largely repetitive over the five floors. However, at Levels 0 – 2 inclusive, the fenestration is in part angled to overcome overlooking of nearby flats.

All the floors above Level 5 are for young professionals. This accommodation assumes that these occupants will have partners, thus, this accommodation is largely 2-bedroom flats, with a couple of single-bed units. There are two complete floors of this accommodation – Levels 6 and 7 (Figures 34 and 35).

DDA

Each level can accommodate for the less-able. All levels have an accessible studio, shown in Figure 31- the corner studio in yellow. Levels 6-8 originally contained a 1 bed flat, but this did not work well spatially for the less-able. Dependant upon demand, the studios could be utilised as a double studio.



Figure 31 - Level 0 plan



Figure 32 - Level 1 plan, level 2 has the same layout, but the studio fenestration varies on the North side



Figure 33 - Levels 3-5



Figure 34 - Level 6 plan, the level with the recessed panelling, to emphasise the transition to young professional accommodation



Figure 35 - Level 7 Plan

At Level 8 is a partial floor of accommodation with roof terraces affording further external space (Figure 36). Rooftop leisure space will be provided with appropriate glass screening for protection of residents.

Schedule of Accommodation:

Studios (for 1 person) – 308 no. with an area of 22.6-23.4m² (gross internal area)

Accessible / Double Studios – 009 no. with an area of 47.2m² (gross internal area)

Young Professional Flats – 040 no. 2 Bed Flats with an area of 66.7 - 70.5m² (gross internal area)
006 no. 1 Bed Flats with an area of 44.0 - 45.7m² (gross internal area)

All the floors above Level 5 are for young professionals. This accommodation assumes that these mature students will have partners and thus this accommodation is largely 2-bedroom flats, with some one-bed units.



Figure 36 - Level 8 plan

HIGHWAYS

The entrance to the site will be from Bonner's Field and will be beyond the termination of the narrow central island, this is shown in Figure 36 . There will be nominal parking provision at the front entrance to the block of 6 spaces.

At Level -2 a level of car parking is proposed (Figure 30). The entrance to this level – 14.00m AOD – is taken from the appropriate point on Palmer's Hill Road where the road level coincides with floor level.

Provision is made for 42 parking spaces at Level -2. This level of parking will cater for young professionals as well as the delivery and collection of residents to and from the building at the beginning and end of term.

Servicing of the building, including the retail, will be at Level -3. This will include refuse and recycling (Figure 27). This will be managed from the highway.

The Highway Consultants deal with these matters in their specialist reports which will include vehicle tracking diagrams.

Cycle storage is included on Level -2 (81 no. spaces) as well as Level -1 (78 no. spaces).

Provision is made for storage of 159 cycles.

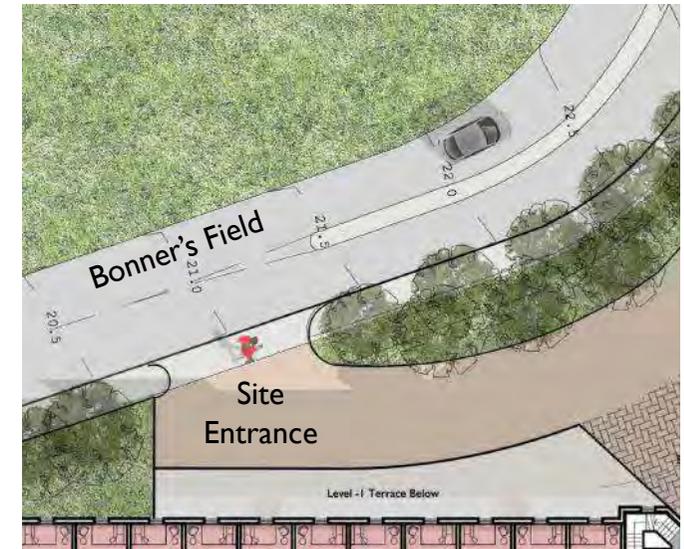


Figure 37 - Part of Level 0 plan showing the point of entry from Bonner's Field, along with the 6 parking spaces

SCALE AND MASSING

As stated earlier, the building heights have been prescribed by the Council in the Wearmouth SPD, which includes guidelines advising that the buildings on this site should be 10 – 12 storeys in height.

The proposals adopt these guidelines. The residential element is 8 or 9 storeys above entry level, with ancillary space on the three lower levels.

The elevational treatment proposes a series of brick towers, each the full height of the building, but between these towers cladding panels are introduced (Figure 38).

By virtue of this frame and fill, monolithism of a large block is avoided.

The cranking of the linear block also serves to break up the elevational mass of the building.



Figure 38 - Elevation along the West side of Palmer's Hill Road, showing the variation of brick towers and panelling. The faded element represents the crank

The fenestration of the building is varied across the facades.

Three floors, Levels 0, 1 and 2, have angled window glazing looking directly west, depicted in Figure 39. This is to avoid any overlooking to or from the neighbouring residential block on the adjoining site.

The windows within the panel construction are square, relating to the dimensions of the cladding units.

The fenestration within the brick facades is narrow full height windows, contrasting markedly with those set in the cladding.

As has been described, the accommodation changes from studios to young professional's flats at Level 6, and above.

This change is expressed by the recessed cladding at Level 6 that also features a different colour.

Above the units are contained within roofs with zinc cladding, and the fenestration within the roof contrasts with that of the lower floors.

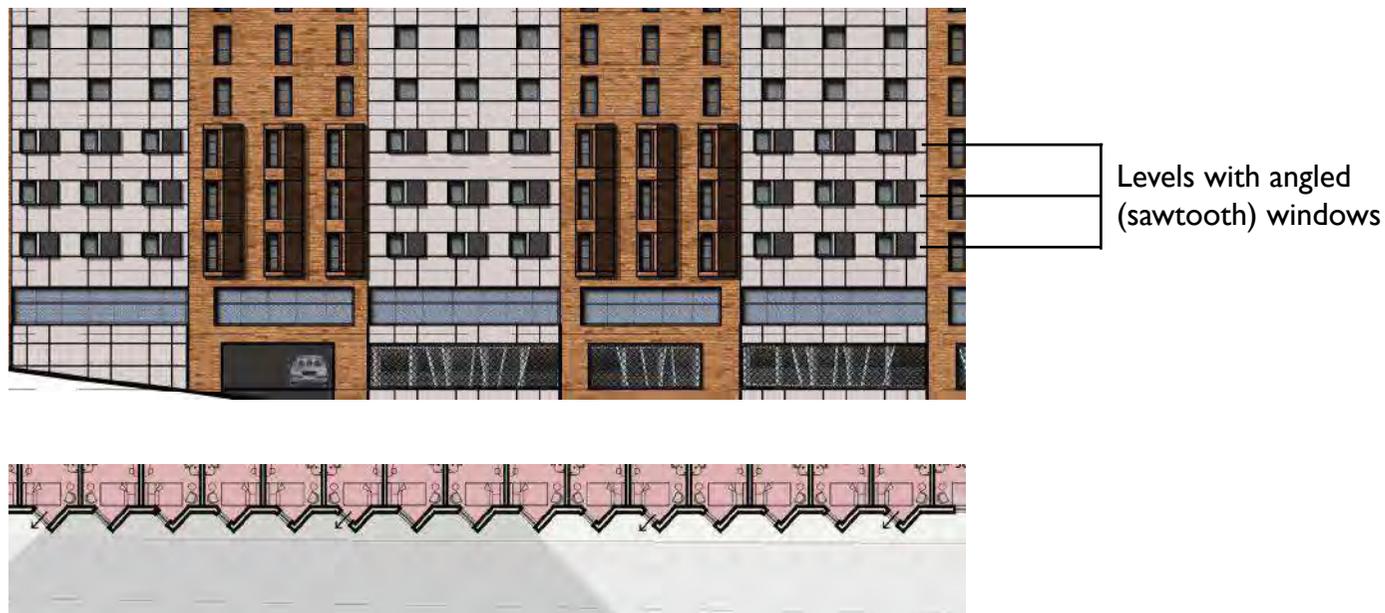


Figure 39 - Selection of rendered west facing elevation and plan, showing the angled 'sawtooth' windows to avoid overlooking the opposite development.

Landscaping

As has been pointed out earlier, the site has issues regarding surface water run-off.

The proposal to create a sustainable drainage installation is achieved by the inclusion in the scheme design of both green roof and living walls.

The green roof will be limited to the central section of the residential block (Figure 40).

The roofs at the lower level will be paved to provide external open space on the two roof terraces (Figure 41).



Figure 40 - Part of roof plan showing the green roof of Level 8

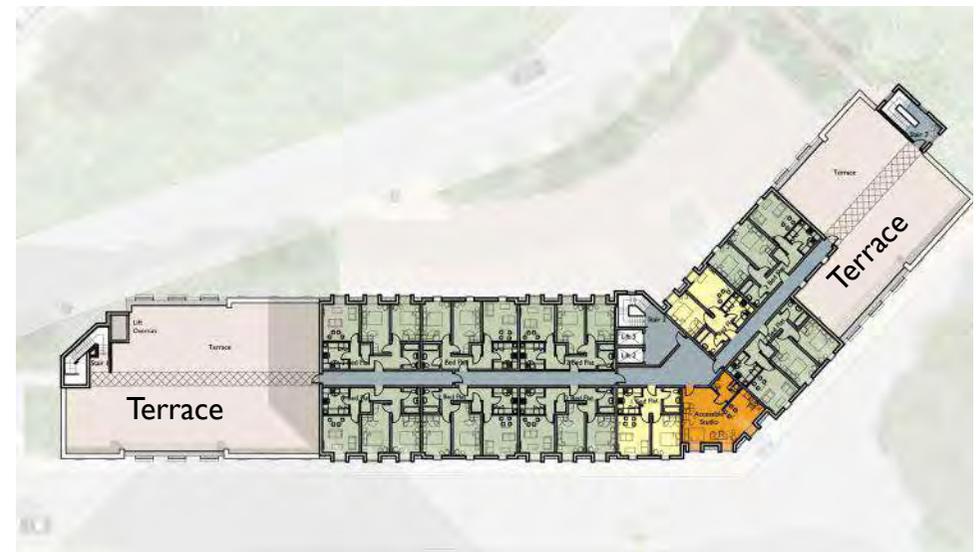


Figure 41 - Part of Level 8 showing the Level 7 roof is paved to provide external open space

In addition, a living wall is incorporated to the gable walls at both the east and west ends of the block (Figure 42).

The provision of these elements will be a major contributor to the sustainable drainage.

The plateau formed on the north side of the building will be landscaped at both the east and west ends of the site and along the north boundary of the site overlooking Bonnersfield.

Further external open space will be created at level 17.00m AOD on the north side of the building, between the existing and new retaining walls. This linear strip of open space will be paved, with access from the lounges and common room at Level -1 at level 17.00m AOD.

Sunlight and Daylight

The orientation of the accommodation is such that all rooms receive substantial sunlight and daylight throughout the day.

Adaptability

The provision of 2-bedroom flats for young professionals also demonstrates how the undergraduate accommodation could be converted to residential accommodation (Figure 43). As can be seen from the floor plans, each 2-bedroom flat is created from 3 no. studios.



Figure 42 - Elevations of the gables showing the proposed living walls as a means of sustainable drainage and aesthetic

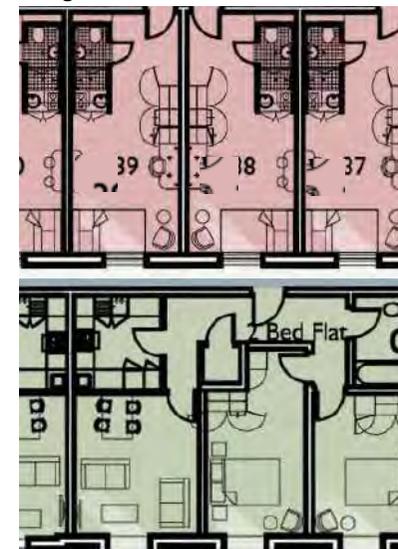


Figure 43 - Part of Plan Level 1 consisting of studios and the same area of Level 7 consisting of a 2 bed flat

Materiality

The high rise character of the scheme is evidenced by the brick towers which run the full height of the building (Figure 44).

Between these brick towers there will be pre-cast cladding panels, shown in Figure 46 below.

The young professional accommodation is contained within the roof in zinc (Figure 47), which will be prefabricated.



Figure 44 - Part of Elevation along the West side of Palmer's Hill Road, showing the brick towers and panelling



Figure 46: Facade - Aluminium composite panelling system



Figure 47: Roof - Zinc coated aluminium standing seam roof system



Figure 48: Car Park - Stainless steel cable net with abstract steel construction



Figure 45: Fenestration - protruding frames



Figure 49: Facade - Facing brick (colour to be confirmed)

Sustainability

Sustainability issues are dealt with in the proposals in a number of ways:

First will be the installation of CHP in the building.

Second, the lightweight frame construction will involve high levels of insulation of all internal walls and floors, as well as within the external envelope. This insulation will be both thermal and acoustic.

Third, are the measures to deal with the surface water run-off from the site. Surface water drainage using soakaways cannot be installed, as it cannot pass through the retaining wall.

That said, the Council seeks the installation of a sustainable drainage system – SUDS.

It is proposed, therefore, to install both green roof and living walls. This has been sought by the Local Authority to address site drainage issues.

The green roof will be above the topmost level of residential accommodation, with a reservoir system (Figure 50).

Living walls are proposed for the gable walls at either end of the residential building, a precedent is shown in Figure 51.

By installation of these elements, a sustainable drainage system is incorporated into the proposals. The Structural Engineer will deal with this in greater detail in his report.



Figure 50 - Example of a green roof (lightweight system)



Figure 51 - Living Wall of 'The Core' in Newcastle upon Tyne



Figure 52 -
3D Visualisation
of West Gable
with living wall

CONCLUSION

The proposals for the development of the site for purpose-designed student & young professional accommodation are in accordance with the planning policy objective that the site be so used.

They also fulfil the design guidance produced by the Planning Authority that the site development should be for 10-, 11- and 12-storey buildings.

The proposals maximise the development potential working within the constraints relating to the site.

The steeply sloping landfall is used to advantage, with essentially single aspect development on the three floors below entry level.

The residential accommodation is for both undergraduates and young professionals.

The inclusion of the latter is a key element in underpinning the financial viability of the proposals.

The young professional accommodation of 1- and 2-bed flats is based upon two or three studio units, thus demonstrating the adaptability of the accommodation, should the need for conversion ever arise.

Open space provision is achieved at entry level to the residential block, and is complemented with the external terrace at Level -1 linked with the social and amenity space, and also with accessible roof terraces to the young professional's accommodation.

The proposals are a sustainable development which includes a SUDS drainage installation, together with green roof and living walls to both gables.

The building will incorporate high levels of insulation and the use of CHP heating and power.

Cycle provision is well above the Planners' requirements.

Highways proposals have been agreed with the Council's Highways Engineers and include a substantial level of on-site parking provision.

This is a proposal fulfilling planning objectives in an economically and environmentally sustainable manner.

Figure 53: 3D Visualisation from across the River Wear in the morning.



Figure 54: 3D Visualisation from across the River Wear in the evening.



Mr Robert Dibden
Lichfields
3rd Floor
St Nicholas Building
St Nicholas Street
Newcastle-upon-Tyne
NE1 1RF

Date of Decision 1st December 2017

**TOWN AND COUNTRY PLANNING ACT 1990 (AS AMENDED)
PLANNING AND COMPULSORY PURCHASE ACT 2004
TOWN AND COUNTRY PLANNING (Development Management Procedure)
(England) (Order) 2015**

In pursuance of its powers under the above mentioned Acts and Orders, Sunderland City Council, as local planning authority, has, subject to the completion of an agreement under Section 106 of the Town and Country Planning Act 1990, **APPROVED** the following namely:-

Application ref: 16/02247/FUL

Proposal Demolition of existing workshops and erection of 363 unit mixed use residential block for students (323 Units) and young professionals (40 units) (Use Class C3) with integral car parking, ancillary amenities and commercial unit (Use Class A1/A3), along with external landscaping and access works. (AMENDED DESCRIPTION)

At Bonners Field Sunderland SR6 0AA

Conditions:

- 1 The development to which this permission relates must be begun not later than three years beginning with the date on which permission is granted, as required by section 91 of the Town and Country Planning Act 1990 as amended by Section 51 of the Planning and Compulsory Purchase Act 2004 to ensure that the development is carried out within a reasonable period of time.

PLEASE QUOTE THE APPLICATION NUMBER IN ALL CORRESPONDENCE

Please note: This information will also be available via the Internet at www.sunderland.gov.uk

2 Unless otherwise first agreed in writing with the Local Planning Authority, the development hereby granted permission shall be carried out in full accordance with the following approved plans and documentation, including recommendations therein:

- Location Plan P2580 AL000 Rev B
- Site Plan (Topo) P2580 AL001 Rev B
- Site Plan (Existing) P2580 AL002 Rev B
- Site Plan (Proposed) P2580 AL003
- Level -3 Plan P2580 AL05R Rev C
- Level -2 Plan P2580 AL06R Rev B
- Level -1 Plan P2580 AL07R Rev B
- Level 0 Plan P2580 AL08R Rev B
- Level 1&2 Plan P2580 AL09R Rev B
- Level 3 - 5 Plan P2580 AL011R Rev B
- Level 6 Plan P2580 AL014R Rev A
- Level 7 Plan P2580 AL015R Rev B
- Level 8 Plan P2580 AL016R Rev B
- Roof Level Plan P2580 AL017R Rev A
- Elevation AA & BB P2580 AL020R Rev C
- Elevation CC & DD P2580 AL021R Rev A
- Elevation EE & FF P2580 AL022R Rev B
- Section BB P2580 AL031R Rev B
- Habitat Regulations Assessment (December 2016)
- Preliminary Ecological Appraisal & Bat Survey (December 2016)
- Capacity Assessment (December 2016)
- Planning Statement (December 2016)
- Design and Access Statement (01.12.2016)
- Design and Access Statement (Addendum - 13.07.2017)
- Drainage Strategy (Rev A) by Bell Munro Ltd
- Phase 1 Desk Study S160912
- Noise Assessment (Apex Acoustics) – (December 2016)
- Air Quality Assessment (Wardell Armstrong) – (November 2016)
- Archaeological Desk Based Assessment (January 2017)
- Framework Travel Plan by Fairhurst
- Transport Assessment by Fairhurst

In order to ensure that the completed development accords with the scheme approved and to comply with policy B2 of the adopted Unitary Development Plan.

3 Notwithstanding any indication of materials which may have been given in the application, the construction of the building hereby approved shall not commence until a schedule and/or samples of the materials and finishes to be used for the external surfaces, including walls, roofs, doors and windows has been submitted to and approved in writing by the Local Planning Authority following consultation with the Regeneration Team. Thereafter, the development shall not be carried out other than in accordance with the approved details; in the interests of visual amenity and to comply with policy B2 of the Unitary Development Plan.

4 Other than demolition works associated with the development, no intrusive groundworks or development shall commence until the developer has appointed an archaeologist to undertake a programme of observations of groundworks to record items of interest and finds in accordance with a specification provided by the Local Planning Authority. The appointed archaeologist shall be present at relevant times during the undertaking of groundworks with a programme of visits to be agreed in writing by the Local Planning Authority prior to groundworks commencing, in order to ensure that any archaeological remains on the site can be preserved wherever possible and recorded, and if necessary, emergency salvage undertaken in accordance with paragraph 141 of the NPPF, Core Strategy Policy 7.11, Policy DM7.8, Policy DM7.11, Policy DM7.12 and saved Unitary Development Plan Policies B11, B13 and B14.

5 The building hereby approved shall not be occupied / brought into use until the report of the results of observations of the groundworks pursuant to condition (4) has been submitted to and approved in writing by the Local Planning Authority, in order to ensure that any archaeological remains on the site can be preserved wherever possible and recorded, to accord with paragraph 141 of the NPPF, Core Strategy Policy 7.11, Policy DM7.8, Policy DM7.11, Policy DM7.12 and Unitary Development Plan Policies B11, B13 and B14.

6 CEMP Construction Environmental Management Plan

No development shall take place until a site specific Construction Environmental Management Plan has been submitted to and approved in writing by the Local Planning Authority. The plan must demonstrate the adoption and use of the best practicable means to reduce the effects of noise, vibration, dust and site lighting. The plan should include, but not be limited to:

- Procedures for maintaining good public relations including complaint management, public consultation and liaison;
- Arrangements for liaison with the Council's Pollution Control Team;
- Mitigation measures as defined in BS 5528: Parts 1 and 2: 2009 Noise and Vibration Control on Construction and Open Sites shall be used to minimise noise disturbance from construction works;
- Hours of construction, including deliveries;
- Control measures for dust and other air-borne pollutants;
- Measures for controlling the use of site lighting whether required for safe working or for security purposes;
- Erection and maintenance of security hoarding;
- Operation, loading and unloading of plant and materials;
- Storage of plant and materials used in constructing the development. Once approved, the plan shall be fully adhered to thereafter, in the interests of the satisfactory management of the site and to comply with policies B2, EN1 and T14 of the Unitary Development Plan.

- 7** With the exception of site preparation and demolition works, no development shall be commenced until the application site has been subjected to a Phase 2 site investigation and remediation objectives have been determined through risk assessment, and approved in writing by the Local Planning Authority. For the avoidance of doubt, due to the large depth of Made Ground anticipated and proposal for three levels of basement, the Phase 2 investigation should provide detailed data for the management of construction risk and detailed proposals for the removal, containment or otherwise rendering harmless any contamination, including hazardous materials in the building(s) and invasive plants, such as Japanese Knotweed (the "Remediation Statement") have been submitted to and approved in writing by the local planning authority, in the interests of residential amenity and to comply with policy EN14 of the Unitary Development Plan.
- 8** Subject to the written agreement by Sunderland City Council of the findings of the Phase 2 Site Investigation, no development approved by this permission shall be commenced until the works specified in the Remediation Statement have been completed in accordance with the approved scheme and a report validating the remediated site has been approved in writing by the Local Planning Authority, in the interests of residential amenity and to comply with policy EN14 of the Unitary Development Plan.
- 9** Should any contamination not previously considered be identified during construction works a method statement regarding this material shall be submitted to the local planning authority for approval, in the interests of residential amenity and to comply with policy EN14 of the Unitary Development Plan.
- 10** Prior to the completion of the development, precise details (and samples where necessary) of all hard landscaping including details of all proposed hard surfacing, (including the precise layout and location of footways, means of enclosure, lighting columns, bollards and any other street furniture) shall be submitted to and approved in writing by the Local Planning Authority, In the interest of highway safety and to achieve a satisfactory form of development on site and to comply with the requirements of Policies T14 and B2 of the Unitary Development Plan.
- 11** Prior to the commencement of development, full details of a foul and surface water drainage scheme based upon the approved Drainage Strategy Rev A, produced by Bell Munro Ltd, shall be submitted to and approved in writing with the Local Planning Authority. For the avoidance of doubt, this should in the first instance, consider discharge to the River Wear as opposed to discharge to sewer. Only in the event that discharge to the River Wear cannot be achieved, then options to discharge to sewer should be considered. Once approved, the drainage scheme shall be implemented and maintained as such thereafter, in order to prevent the increased risk of flooding from any sources in accordance with policy B24 of the Unitary Development Plan and the NPPF.

12 Before the development hereby approved is commenced a plan showing the precise detail of public realm and off-site highways improvement works on Bonnersfield and Palmer's Hill Road shall be submitted to and agreed to in writing by the Local Planning Authority. For the avoidance of doubt, these details shall include the provision of:-

- A speed table at the main entrance to the front of the proposed development from Bonnersfield.
 - A speed table within the Bonnersfield / Palmer's Hill Road junction.
 - A widened footway (generally 3m) on the south side of the proposed building
 - A speed table / shared surface in the turning head at the end of Palmer's Hill Road.
- The agreed works shall be implemented prior to the occupation of the development in order to provide a safe and appropriate highway arrangement for all users, in the interests of highway safety and in order to comply with policies T14 and T22 of the Unitary Development Plan.

13 Prior to the completion of the development, a scheme of soft landscaping shall be submitted to and approved in writing by the Local Planning Authority. For the avoidance of doubt, these details shall include-

- i) a schedule of the sizes / species of proposed trees / plants (including green roofs and walls; planting to external car park area and approach; the open space at the corner of Bonner's Field and Palmer's Hill Road; the outdoor area at level -1 and the western roof terrace at Level 8. and
- ii) indications of all existing trees and hedgerows on the land, and details for their protection during the course of development.

Those areas indicated in (ii) above shall then be protected from damage (especially soil compaction) by the erection of barriers and / or ground protection. The size and specification of these barriers is to be agreed in writing with the Local Planning Authority prior to its implementation, in the interests of visual amenity and in order to comply with policy B2 of the Unitary Development Plan.

14 All planting, seeding or turfing comprised in the approved details of landscaping shall be carried out in the first planting season following the occupation of the buildings or the completion of the development, whichever is the sooner, and any trees or plants (including green roofs and walls) which within a period of 5 years from the completion of the development die, are removed or become seriously damaged or diseased shall be replaced in the next planting season with others of a similar size and species, unless the Local Planning Authority gives written consent to any variation, in the interests of visual amenity and to comply with policy B2 of the Unitary Development Plan.

15 Unless otherwise agreed in writing with the LPA, details of energy efficiency / renewable energy measures should be submitted to and agreed in writing with Local Planning Authority prior to the construction of the development. For the avoidance of doubt, such details shall include a justification for the type of measures chosen, including estimations of energy saved / created by such measures. Following the approval of such details, the agreed measures shall be implemented prior to the occupation of the development and maintained as such thereafter, unless otherwise agreed in writing with the Local Planning Authority, in the interests of sustainable development and in order to comply with policy R1 of the Unitary Development Plan.

- 16** Within 6 calendar months of the completion of the development, a Post Construction Review Report undertaken by a licensed assessor and a BRE Final Code Certificate shall be submitted to and approved in writing by the Local Planning Authority. For the avoidance of doubt, the results of the report shall conclude that the development has been constructed to a minimum of the BRE AAM "Very Good" standard or an agreed equivalent, in the interests of sustainability and in order to comply with Policies R1 and R4 of the Unitary Development Plan.
- 17** Notwithstanding the submitted plans, full details of the method of preventing objects from falling / being dropped from the roof terrace areas onto the ground below shall be submitted for the consideration and approval of the Local Planning Authority. All works shall be completed in accordance with the approved details in the interests of public / highway safety and to comply with policy T14 of the Unitary Development Plan.
- 18** Notwithstanding the submitted plans, no part of the development shall be occupied until the off street parking provision has been constructed, surfaced, sealed and made available in accordance with the approved plans. For the avoidance of doubt, this parking shall then be retained and permanently reserved for the parking of vehicles by the occupiers of the 2 bed apartments on levels 6, 7 and 8 on a one-space per apartment basis, in order to ensure that adequate and satisfactory provision is made for the off street parking of vehicles and to comply with policy B2 of the Unitary Development Plan.
- 19** The building hereby approved shall not be brought into use and occupied for the purposes hereby approved until a detailed written management plan has been submitted to and approved in writing by the Local Planning Authority. For the avoidance of doubt, the management plan shall include details of the management companies philosophy with regards its neighbours and tenants together with on site management, measures to control motor-vehicle parking and pet ownership; appropriate sound insulation measures; an on-going programme of maintenance; security; refuse and recycling storage; lighting; cycle storage; a helpline contact for residents, arrangements for postal delivery, laundry and drying facilities; building security plans (including opening / closing times of balcony areas); fire evacuation plan; weekend arrivals procedures and warden and community liaison arrangements. Thereafter, the development shall operate in complete accordance with the approved details, unless the Local Planning Authority first agrees to any variation in writing, in the interests of residential amenity and to accord with policy H18 of the Unitary Development Plan and the Interim Student Accommodation Policy.
- 20** Upon reasonable request, the management company shall provide the local planning authority with details of the following; details of the number of any breaches of tenancy agreements including whether or not these breaches were related to motor vehicle or pet ownership, in order to achieve a satisfactory form of development and in the interests of residential amenity; in accordance with policy H18 of the Unitary Development Plan and the Interim Student Accommodation Policy.

- 21 Notwithstanding the provisions of the Town and Country Planning (Use Classes) Order and the Town and Country Planning (General Permitted Development) Order, or any subsequent Statutory Instrument, revoking or altering these Orders, the 323 no 1 bed apartments hereby approved by this application shall be used for the purposes of apartments for the student letting market (Use Class C3) only and shall be used for no other purpose, including any other purpose within Use Class C3, without the prior written consent of the Local Planning Authority, in order that the Local Planning Authority may retain control over the development and to accord with policy H18 of the Unitary Development Plan and the Interim Student Accommodation Policy.
- 22 Notwithstanding the submitted plans, the external doors of all commercial premises shall be self-closing and the walls and ceilings shall be lined with sound proofing materials in accordance with a scheme to be submitted to and approved by the Local Planning Authority in writing prior to the occupation of the development. All works shall be implemented in accordance with the agreed details in order to protect the amenities of the area and to comply with policy S12 of the Unitary Development Plan.
- 23 Notwithstanding the provisions of the current Town and Country Planning General Permitted Development Order, no form of external roller shutter shall be erected to any part of the building (other than those shown on the approved plans) without the prior written consent of the Local Planning Authority, in order that the Local Planning Authority may retain control over the development to comply with policy B2 of the Unitary Development Plan.
- 24 No barrels, bottles or crates associated with any of the uses hereby approved shall be stored outside the buildings, in the interests of visual amenity and to comply with policy B2 of the Unitary Development Plan.
- 25 Before the uses hereby approved are commenced, details of all external plant, including ventilation/extraction/filtration systems, including all external ducting, stacks and housings shall be submitted to and approved in writing by the Local Planning Authority. All works shall be completed in accordance with the approved details before the use commences, in order to protect the amenities of the area, in compliance with policy B2 of the Unitary Development Plan.
- 26 Notwithstanding the provisions of the current Town and Country Planning (General Permitted Development) Order, or in any statutory instrument revoking or re-enacting that Order, no satellite antenna shall be installed on the buildings or within the curtilage of the site without the prior written consent of the Local Planning Authority, in order that the Local Planning Authority may retain control over the development and to comply with Policy B4 of the Unitary Development Plan.

Informatives:

NOTE 1: COMPLIANCE WITH CONDITIONS PRECEDENT This planning permission is subject to conditions which, in order to discharge them, require the submission of additional details and written approval of those details before the commencement of the development. This type of condition is called a condition precedent and failure to discharge such a condition prior to commencement of the development on site will make the development unlawful and liable to enforcement action.

NOTE 2: As of the 6th April 2008 the Local Planning Authority can only provide you with a formal written response to your request to discharge your condition(s) once a fee of £85.00 (commercial applications - current rate subject to increase) per request has been paid to the Council as Local Planning Authority, together with any supporting information. A single request may cover the discharge of one or more conditions but each subsequent request attracts its own fee. Subject to the required details or actions being satisfactory, a written confirmation of the discharge of conditions(s) will be issued.

NOTE 3: The condition requiring the development to be carried out in accordance with the approved plans has been imposed so that minor material amendments and non-material amendments can be made to the scheme, after the issue of this permission, by application under s73 or s96A of the Town and Country Planning Act 1990 (as amended) respectively. Where proposed amendments to the approved development are substantial and fundamentally change the scheme a new full application will need to be submitted to the Local Planning Authority.

NOTE 4: Sprinkler systems and other types of automatic suppression systems have proven to be a cost effective method of sustaining occupant safety and protecting property in the event of a fire. The Tyne and Wear Fire and Rescue service strongly recommends the provision of an automatic sprinkler / suppression system for this building. If you require further information with regards the type and standard of suppression system please contact the service direct on (0191) 444 1268.

NOTE 5: With regards noise, the proposed residential property should be capable of meeting the internal guideline value requirements of BS8233:2014. It is recommended that the recommended minimum glazing and ventilation specification contained in Table 1 of Noise Report (ref 5638.1 dated 1st December 2016) are conditioned to be installed and maintained for the lifetime of the development. Alternative façade treatments can be considered if it is demonstrated that they deliver a comparable noise insulation performance. If mechanical ventilation is the chosen option of the developer then it is recommended that an upper limit of 28db(A) in bedrooms and living rooms is conditioned for mechanical services noise when ventilating at the minimum low rate in accordance with Part F of the Building Regs (Approved Document F).

NOTE 6: The developer should note that there may be gas apparatus in the area that may be at risk during construction works. Contact should be made with Northern Gas Networks to discuss their requirements in detail. Should diversionary works be required these will be fully chargeable.

PLEASE NOTE THAT THIS IS NOT BUILDING REGULATION APPROVAL
BUILDING CONTROL CAN BE CONTACTED ON 0191 561 1550 FOR FURTHER ADVICE



pp Peter McIntyre v

Executive Director Economy and Place

TOWN AND COUNTRY PLANNING ACT 1990

NOTIFICATION TO BE SENT TO AN APPLICANT WHEN A LOCAL PLANNING AUTHORITY REFUSE PLANNING PERMISSION OR GRANT IT SUBJECT TO CONDITIONS

Appeals to the Secretary of State

- If you are aggrieved by the decision of your local planning authority to refuse permission for the proposed development or to grant it subject to conditions, then you can appeal to the Secretary of State under section 78 of the Town and Country Planning Act 1990.
- As this is a decision on a planning application relating to the same or substantially the same land and development as is already the subject of an enforcement notice REF: [], if you want to appeal against your local planning authority's decision on your application, then you must do so within 28 days of the date of this notice.
- If an enforcement notice is served relating to the same or substantially the same land and development as in your application and if you want to appeal against your local planning authority's decision on your application, then you must do so within: 28 days of the date of service of the enforcement notice, or within 6 months [12 weeks in the case of a householder appeal] of the date of this notice, whichever period expires earlier.
- As this is a decision to refuse planning permission for a householder application, if you want to appeal against your local planning authority's decision then you must do so within 12 weeks of the date of this notice.
- As this is a decision to refuse planning permission for a minor commercial application, if you want to appeal against your local planning authority's decision then you must do so within 12 weeks of the date of this notice.
- As this is a decision to refuse express consent for the display of an advertisement, if you want to appeal against your local planning authority's decision then you must do so within 8 weeks of the date of receipt of this notice.
- If you want to appeal against your local planning authority's decision then you must do so within 6 months of the date of this notice.
- Appeals must be made using a form which you can get from the Secretary of State at Temple Quay House, 2 The Square, Temple Quay, Bristol BS1 6PN (Tel: 0303 444 0000) or online at www.planningportal.gov.uk/planning/appeals/online/makeanappeal.
- The Secretary of State can allow a longer period for giving notice of an appeal but will not normally be prepared to use this power unless there are special circumstances which excuse the delay in giving notice of appeal.
- The Secretary of State need not consider an appeal if it seems to the Secretary of State that the local planning authority could not have granted planning permission for the proposed development or could not have granted it without the conditions they imposed, having regard to the statutory requirements, to the provisions of any development order and to any directions given under a development order.
- In practice, the Secretary of State does not refuse to consider appeals solely based on their decision on direction given by the Secretary of State.

Purchase Notices

If either the local planning authority or the Secretary of State refuses permission to develop land or grants it subject to conditions, the owner may claim that the owner can neither put the land to a reasonably beneficial use in its existing state nor render the land capable of a reasonably beneficial use by the carrying out of any development which has been or would be permitted.

In these circumstances, the owner may serve a purchase notice on the Council (that is where the land is situated in a National Park, National Park authority for that Park, or in other cases the district council (or county council which is exercising the functions of a district council in relation to an area for which there is no district council), London borough council or Common Council of the City of London in whose area the land is situated) This Notice will require the Council to purchase the owner's interest in the land in accordance with the provisions of Chapter I of Part VI of the Town and Country Planning Act 1990.

Discharge of conditions

Town and Country Planning (Fee for Applications and Deemed Applications, Requests and Site visits) (England) (Amendment) No. 2 Regulations 2014 and in accordance with article 27 of the General Development Procedure Order 2015, a formal written response to a request to discharge the condition(s) can only be provided by the Local Planning Authority on receipt of the following:

1. A written request or alternatively a completed Standard Application form clearly identifying the planning permission by reference number and the conditions you presently wish to discharge by condition number. The form is available at:
<http://www.planningportal.gov.uk/uploads/appPDF/J4525Form027.pdf>
2. Information submitted to discharge the condition(s), with a clear indication of the information which has been submitted in relation to each specific condition.
3. A fee of £28.00 (conditions on householder applications); or £97.00 in all other cases. Please note this cannot be paid retrospectively.

Important

This decision refers only to that required under the Town and Country Planning Acts and **does not include approval under the Building Regulations** (including their application by Section 24(1) of the Tyne and Wear Act 1980 in respect of Fire Brigade Access) or any other appropriate regulation, enactment, byelaw or order.

Proplend Security Limited
20-22 Wenlock Road
London
N1 7GU

Ref: SB/PG

David Linsley
Colin Lilley Surveyors Ltd
19 Westoe Road
South Shields
Tyne & Wear
NE33 4LS

David,

Please accept this letter as our formal instruction to your firm to carry out the readdressing of a valuation, for mortgage purposes, on the addresses indicated below upon which we, Proplend Security Limited and [REDACTED] shall rely. The valuation may be shown to any third parties in connection with the financing of the property albeit it cannot be relied on by those parties directly. **Please advise us immediately if you are unable to give prompt attention to this matter.**

Borrower:	Butlers Walsall Sunderland Limited
Properties:	Development Site, Palmers Hill Road, Bonnersfield, Sunderland, SR6 0AA
Tenure:	Freehold
Use:	Commercial
Title Numbers	TY537142 and TY4863013

Instruction

The report should be addressed to Proplend Security Limited and [REDACTED] which must clearly state that it can be relied upon for lending purposes by the parties named herein. Please ensure that the report accords with the current RICS Appraisal and Valuation Manual.

Please indicate in your report if the valuer or your firm have had any previous involvement with the property forming the subject of the valuation. If so, please indicate the nature and extent of that involvement and confirm specifically that you consider there is no conflict of interest on the part of the valuer or your firm.

The report must be signed by a partner or director of the firm who is a member of the Royal Institute of Chartered Surveyors.

Whilst your report will be addressed to Proplend Security Ltd, it will need to be viewed by its Lending members on the understanding that only Proplend Security Ltd may rely on the report for mortgage purposes. Can you please confirm within your report that this is understood and accepted?

Valuation and Report

The Market Valuation referred to below should be based on current values and should reflect market conditions prevailing at the date of the report, and changes in market conditions that you are able to predict, and should include:

1. The Market Valuation for loan security purposes of the Property in its current condition at the date of your inspection, subject to any current tenancies in place and sold as a going concern. Please indicate the period of marketing you have assumed in arriving at your valuation.
2. A valuation of the Property on the assumption that the Property was being sold without the benefit of a going concern.
3. Please provide comparable evidence to support your assumptions on values.
4. Please provide an estimated rental value for the Subject Properties.
5. Please provide commentary on continued likely market demand for properties of this size and nature, in this location, for sale and to let.
6. Please provide an estimated reinstatement cost of the buildings for insurance purposes.
7. Please provide a full description of the Property to include its accommodation, its size, its construction, location and general

state of repair. These details should be supported with photos of the Properties. Whilst you are not instructed to carry out a structural survey on each Property, please comment of any noticeable defects that might warrant further investigation and which might affect the marketability of the Property.

8. Please certify that the Property is acceptable for secured lending purposes.

Updates Required

Please ensure that the the valuation to addresses land sales comparables and the finance costs/purchase costs in the residual calculation of the site.

Report on Title

A copy of the solicitors Report on Title will be sent to you so that you can cross check your assumptions with the facts contained within the said report and comment on specific items which may affect your valuation.

Fees

You have quoted and the Borrower has agreed to pay a fee of £???? + VAT for this undertaking. Whilst a receipted invoice for this service should be supplied with your report, and addressed to this company, we ask that you seek settlement of your fee from the proposed Borrowers whose contact details are supplied above. Proplend Security Limited cannot accept any responsibility for non-payment of your fees in this regard.

Contact Details

Please contact Philip Gould on 0203 397 8290 if you have any queries regarding this instruction.

Please send a copy of your report by email in the first instance to admin@proplendsecurity.com with hard copy to 15 Little Green, Richmond TW9.

Yours Sincerely,

Philip Gould

Philip Gould
Proplend Security Ltd