

APPENDICES

APPENDIX AR1

Curriculum Vitae – Adam Rhead



Adam Rhead
Partner

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My responsibilities

I am a Partner in Gerald Eve's Planning and Development team specialising in valuation and compulsory purchase matters. I lead a team of specialist advisers and development specialists who advise on the use of compulsory purchase powers either on behalf of acquiring parties deliver estate regeneration and infrastructure projects, or for claimants. I am a Member of the Royal Institution of Chartered Surveyors (MRICS) and an RICS Registered Valuer.

Bringing you expert advice

- With over 20 years' experience in both the London and Midlands markets, I provide my clients with expert valuation and compulsory purchase advice across a range of asset types.
- During my career I have valued a variety of asset types including residential, industrial, retail, self-storage, football stadia, leisure, local authority assets (e.g., schools, libraries, recreation grounds) and development land for a variety of purposes. This knowledge across sectors ensures I have a deep understanding of the values of each asset type.
- I have acted for various local authorities in respect of estate regeneration / town centre land assembly – both with and without compulsory purchase powers. These have included: Birmingham City Council; Three Rivers District Council, London Borough of Brent, London Borough of Lambeth, Poplar HARCA/London Borough of Tower Hamlets, London Borough of Westminster, and Borough of Poole. This work has included the provision of Property Cost Estimates and the acquisition of resident leaseholder interests.
- Key residential focussed instructions undertaken across both the public and private sectors have included:

Chrisp Street Developments Limited (Telford Homes)/Poplar HARCA – acting on behalf of the developer in respect of commercial and residential land assembly matters at Chrisp Street Market, Poplar.

Homes for Lambeth/London Borough of Lambeth – various RICS Red Book valuations undertaken for Homes for Lambeth and London Borough of Lambeth.

Transport for London (TfL) – compulsory purchase advice in respect of the Limmo Peninsula site (Canning Town) which will unlock residential development.

Greenland Hertsmere (London) Limited – valuation and compulsory purchase advice in respect of the developer's site in West India Quay (Canary Wharf) and Crossrail's acquisition of sub-soil interest.

St. George Developments Limited (Berkeley Homes) – valuation and compulsory purchase advice in respect of the impact caused by permanent and temporary possession of land at the Fulham Reach scheme in Hammersmith.

Muse Developments Limited – valuation of Hale Wharf development for internal management purposes.

- In terms of commercial led work, examples of work I have undertaken include the following:
 - The Arch Company Properties Limited** – compulsory purchase and valuation advice in respect of 'Elephant Road Arches,' required for Delancey's re-development of Elephant and Castle Shopping Centre.
 - HS1 Limited** – valuation advice in respect of its leasehold land holdings in respect of the Channel Tunnel Rail Link (CTRL).
 - DB Cargo Limited** - valuation and compulsory purchase advice in respect of HS2's acquisition of Euston Carriageworks for Phase 1 of the scheme. Although the former Carriageworks is commercial in nature, valuation advice was provided based on a residential development of eleven storeys.

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High Speed Two (HS2) Ltd – between 2012 and 2017 I acted on several Birmingham based cases both pre and post Royal Assent of the hybrid Bill for Phase 1. Examples included: UK Mail's Express House (HS2's first pre-Royal Assent commercial acquisition); St Modwen's Heartlands Park; Saltley Business Park; and Cargo Express's former warehouse on Aston Church Road. I also represented HS2 in consultation events for Phase 2a of the scheme (Birmingham – Crewe).

- I hold a RICS Expert Witness Certificate and have been appointed on several occasions as an expert witness during references to the Upper Tribunal (Lands Chamber) and the County Court. I have also been instructed to support a local Belfast agent in telecoms cases in the Northern Ireland Lands Tribunal. I have acted in a mediation setting and I am instructed as an expert witness in respect of an arbitration matter.



APPENDIX AR2



TRANSPORT AND WORKS ACT 1992

Transport and Works (Applications and Objections Procedure) (England and Wales) Rules 2006

The Network Rail (Old Oak Common Great Western Mainline Track Access) Order

Estimate of Costs

Rule 10 (3) (b) (ii)

Document Reference	
Author	Network Rail
Date	April 2023

Estimate of Costs

Rule 10 (3) (b) (ii)

ESTIMATE OF COSTS

<i>Purpose</i>	Amount
	£
1. Land Acquisition based on market value estimates –	£7,413,206
2. Forecasted legal costs and consultation costs –	£311,593
3. Non Project Team NR Staff Costs -	£116,844
3. Design and Survey -	£160,000
4. Compound set up and construction activities -	£845,835
5. Ongoing costs until completion of Old Oak Common station (2029) including demobilisation -	£2,132,792
	£10,980,270

APPENDIX AR3

From: Michael Aaronson <michael@m-aaronson.co.uk>
Sent: 02 December 2022 14:33
To: Adam Rhead
Subject: Fwd: HORN LANE, ACTON

CAUTION: This email originated from a sender outside the Firm. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Sent from my iPhone

Begin forwarded message:

From: Michael Aaronson <michael@m-aaronson.co.uk>
Date: 6 November 2022 at 12:57:05 GMT
To: Edward Aaronson <edwardaaaronson@hotmail.co.uk>
Subject: Fwd: HORN LANE, ACTON

So at £20 a foot before negotiating this would mean rent would be £540,000 pa that Network Rail would have to pay as it sets market rent . It could be argued a shorter lease results in a lower investment value so they should pay more .

Sent from my iPhone

Begin forwarded message:

From: Andrew Cole <andrew@farinocole.com>
Date: 4 November 2022 at 17:05:08 GMT
To: "Michael. Aaronson (michael@m-aaronson.co.uk)" <michael@m-aaronson.co.uk>, Edward Aaronson <edwardaaaronson@hotmail.co.uk>
Subject: HORN LANE, ACTON

Afternoon both. I have recvd positive feedback from StG about taking out a new lease but they need clarification that the potential compulsory purchase has receded. They would be receptive towards a new 15 year term (outside the L&T Act) at a market rent c £20.00psf subject to the Landlords removing the retail space on the frontage, making good the surface levels, installing a new security fence and contributing towards a "make-over" of the front elevation. However, they are reluctant to further negotiation until the comp purchase has disappeared. I'm assuming the case is still being resolved?

KR, Andy

Andrew Cole MSc MRICS

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All emails relating to available properties are sent on a subject to contract basis

APPENDIX AR4

227-239 Horn Lane
Financial Appraisal

Development Appraisal
Prepared by Adam Rhead
ARGUS Software
September 29, 2023

**227-239 Horn Lane
Financial Appraisal**

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Private Units	122	81,461	800.00	534,170	65,168,800
Social Rent Units	35	26,802	147.00	112,568	3,939,894
Intermediate Units	<u>28</u>	<u>17,847</u>	495.00	315,509	<u>8,834,265</u>
Totals	185	126,110			77,942,959

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial	1	33,844	25.00	846,090	846,090	846,090

Investment Valuation

Commercial					
Market Rent	846,090	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	16,116,000

GROSS DEVELOPMENT VALUE 94,058,959

Purchaser's Costs			(1,095,888)		
Effective Purchaser's Costs Rate		6.80%			(1,095,888)

NET DEVELOPMENT VALUE 92,963,071

NET REALISATION 92,963,071

OUTLAY

ACQUISITION COSTS

Fixed Price	4,750,000				
Fixed Price			4,750,000		4,750,000
Stamp Duty			227,000		
Effective Stamp Duty Rate		4.78%			
Agent Fee		1.00%	47,500		
Legal Fee		0.50%	23,750		
					298,250

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost	
Commercial	39,816	112.00	4,459,392	
Residential Construction Costs	<u>184,450</u>	230.00	<u>42,423,500</u>	
Totals	224,266 ft²		46,882,892	
Contingency		5.00%	2,344,145	
Demolition			500,000	
				49,727,037

Other Construction Costs

External Works / landscaping			1,000,000		1,000,000
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Section 106 Costs

S106 Costs	122 un	9,343.00 /un	1,139,846		
Borough Residential CIL	108,615 ft²	9.29	1,009,030		
Borough Commercial CIL	39,816 ft²	9.29	369,891		
Mayoral Residential CIL	168,147 ft²	5.57	936,577		
Mayoral Commercial CIL	39,816 ft²	15.32	609,981		
					4,065,325

PROFESSIONAL FEES

Professional Fees		10.00%	4,788,289		4,788,289
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MARKETING & LETTING

Marketing		1.00%	821,309		
Letting Agent Fee		10.00%	84,609		
Letting Legal Fee		5.00%	42,305		
					948,222

**227-239 Horn Lane
Financial Appraisal**

DISPOSAL FEES

Sales Agent Fee	1.00%	929,631	
Sales Legal Fee	0.50%	464,815	
			1,394,446

Additional Costs

Rateable Value Compensation		404,000	
			404,000

TOTAL COSTS BEFORE FINANCE 67,375,569

FINANCE

Debit Rate 8.500%, Credit Rate 0.000% (Nominal)			
Land		925,368	
Construction		3,298,421	
Total Finance Cost			4,223,788

TOTAL COSTS 71,599,358

PROFIT

21,363,713

Performance Measures

Profit on Cost%	29.84%
Profit on GDV%	22.71%
Profit on NDV%	22.98%
Development Yield% (on Rent)	1.18%
Equivalent Yield% (Nominal)	5.00%
Equivalent Yield% (True)	5.16%
IRR% (without Interest)	42.93%
Rent Cover	25 yrs 3 mths
Profit Erosion (finance rate 8.500)	3 yrs 1 mth