CBRE

Valuation Report

In respect of:

Land at Chamberhall Business Park
Harvard Road
Bury
BL9 0JU

On behalf of:

Bury Metropolitan Borough Council

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Executive Summary

Executive Summary


Subject Property – Land at Chamberhall Business Park, Harvard Road, Bury

The subject property comprises development land, the total site extends to 3.16 ha (7.80 acres) however the site includes a pond and other undevelopable land which reduces the developable site area to 2.13 ha (5.27 acres).

Bury Council are the freeholders and are proposing to dispose of the site to Crown Oil and Gas (the Purchaser) to develop a new HQ office on part of the site. For the purpose of understanding the Purchaser's offer and the opportunity cost, we have been instructed to provide a valuation on the site based on two scenarios.

Scenario 1 - Light Industrial Whole Site – This appraisal is prepared on the assumption the whole site is developed as four multi-let warehouse units.

Scenario 2 – Office Development 3.67 acres and Light Industrial on 1.60 acres. The Purchaser's proposals are to develop a new HQ office of 40,000 sq ft office together with car parking over 3.67 acres. There is surplus land of 1.60 acres. The Purchaser is proposing to develop this parcel of land for small workshop units extending to six units and a total development of 25,000 sq ft.

Market Value – Scenario 1 Light industrial

Our opinion of Market Value of the freehold interest in the land and property at Chamberhall Business Park, Harvard Road, Bury as at the date of the valuation (30 July 2025) is **£1,825,000 (One Million, Eight Hundred and Twenty-Five Thousand Pounds) exclusive of VAT.**

- The valuation reflects £345,000 per acre. The above scenario has been prepared to understand the opportunity cost to Bury Council for the proposed sale of the land to the Purchaser.
- **Please note the figures reported above does not include any deductions for abnormal ground conditions. The stage 1 Ground Investigation Report identifies made ground across the site but the actual costs of site remediation are not currently known and would need to be deducted from this figure.**
- Please refer to the main report for details of value inputs and methodology.

Market Value – Scenario 2 Offices

As outlined above Crown Oil and Gas (the Purchaser) is proposing to develop an office HQ on the site, and the Council are seeking to retain employment within the Borough. CBRE have been instructed to provide a residual appraisal of the proposed office development. We have used market inputs for offices which results in a **negative land value**.

The proposals are for the site to be disposed of at £1. Which reflects the fact that office development in most locations outside of major city centres, is not viable in the current market.

Scenario 2 – Light Industrial

Our opinion of Market Value of the surplus 1.60 acres of land at Chamberhall Business Park, Harvard Road, Bury as at the date of the valuation (30 July 2025) is **£200,000 (Two Hundred Thousand Pounds) exclusive of VAT.**

- The land residual reflects a land value of £125,000 per acre.
- The valuation is subject to site specific cost estimates which have been provided by the Purchaser. In accordance with the heads of terms, there is the potential for the Council to recover additional sums for the land in the event the actual development costs are less than those adopted in the residual appraisal.

Key Valuation Factors

Strengths	• Established industrial location close to Bury town centre • Reasonable demand for new build light industrial accommodation both from an occupational and investor perspective • Freehold development land
Weaknesses	• The Purchaser is seeking to develop offices on the site which is not the most viable use of the land and will require support from Bury Council to dispose of the site at less than Market Value. • Uncertainties in ground conditions that may impact on development costs

Valuation Comments

Marketability and Potential Purchasers

The subject comprises development land and there is reasonable demand for light industrial and warehouse accommodation in this location. There has been development by St Modwen (now renamed Indurent) at phase one Chamberhall and also on adjacent land which is currently under construction.

There are uncertainties on ground conditions, our valuation under scenario 1 assumes reasonable ground condition and any costs of remediation or costs associated with additional foundations / alternative construction methods will need to be deducted from our valuation.

For Scenario 2 – Offices The Purchaser will be responsible for any costs associated with Bio Diversity Net Gain and adverse ground conditions

For Scenario 2 – Light Industrial The Purchaser has provided an estimate of costs assuming that site remediation is required. We understand that the parties have agreed by way of an Overage Agreement to adopt the costs provided by the purchaser with the ability for Bury Council to recover additional capital receipts for the land in the event the ground conditions are suitable for the proposed development.

Valuation Report

Introduction

Report Date	06 October 2025
Valuation Date	30 July 2025
Addressee	Bury Metropolitan Borough Council PO Box 525 Bury BL8 9FT
The Property	The freehold land at Chamberhall Business Park, Harvard Road, Bury, BL9 0JU (the 'Site').
Instruction	To value the Property as at the Valuation Date in accordance with Terms of Engagement dated 12 December 2024.
Property Description	Development Land
Status of Valuer	You have instructed us to act as an External valuer as defined in the current version of the RICS Valuation – Global Standards. Please note that the Valuation may be investigated by the RICS for the purposes of the administration of the Institution's conduct and disciplinary regulations in order to ensure compliance with the Valuation Standards.
Purpose and Basis of Valuation	The Valuation will be on the basis of **Market Value** as defined in the current edition of the RICS Valuation – Global Standards and in the VSTOB.
Market Value – Scenario 1 Light Industrial Whole Site	**£1,825,000 (ONE MILLION EIGHT HUNDRED AND TWENTY-FIVE THOUSAND POUNDS)** exclusive of VAT
Market Value – Scenario 2 Offices	**£1 (ONE POUND)** exclusive of VAT
Market Value – Scenario 2 Light Industrial	**£200,000 (TWO HUNDRED THOUSAND POUNDS)** exclusive of VAT
Market Conditions	Heightened geopolitical tensions, international trade restrictions following on from the US Government trade tariffs announcement on 2 April 2025 (which could be inflationary) and restricted growth in many economies has increased the potential for constrained credit markets and general uncertainty across global markets. Experience has shown that consumer and investor behaviour can quickly change during fluctuating market conditions. It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to the current environment.

Joint Tenancies and Indirect Investment Structures	Where a property is owned through an indirect investment structure or a joint tenancy in a trust for sale, our Valuation represents the relevant apportioned percentage of ownership of the value of the whole property, assuming full management control. Our Valuation therefore is unlikely to represent the value of the interests in the indirect investment structure through which the property is held.
Valuation Approach for Properties in Course of Development	In the case of development valuations, we would draw your attention to the fact that, even in normal market conditions, the residual method of valuation is very sensitive to changes in key inputs, with small changes in variables (such as the timing of the development, finance/construction costs and sales rates) having a disproportionate effect on land value. Consequently, in reference to the Market Conditions section above it is inevitable that there is even greater uncertainty, with site values being susceptible to much more variance than normal.
Construction Contracts	Recently there has been a decrease in demand in the construction industry, driven by a reduction in activity within housing, commercial and industrial sectors as a result of increased borrowing costs. The diminution in demand has been driven by the increased costs of capital affecting levels of investment. Inflationary pressures (although significantly reduced at present) still prevail and BCIS are still forecasting cost price inflation over the next five years. This may place additional pressure on both the developer's and builder's profit margins and development viability, and this should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. We also recommend you obtain appropriate advice to confirm there are no adverse conditions within the final construction/building contract and/or ensure there are additional funds available to cover potential cost escalations. Rising building costs and shortages of labour and materials may also affect the builder's viability and/or ability to meet construction timeframes. In this climate, we strongly recommend you verify the experience and financial capability of the builder to complete the project on time and on budget. Again, caution is advised in this regard. In the absence of any information to the contrary, we have assumed that the construction contract and any warranties will be assignable. We recommend careful checking on the building contract to confirm our assumption.
Building Safety Levy	On 23 January 2024, the government issued its initial response to the Building Safety Levy (BSL) consultation. The intention of the BSL is to impose a levy on a wide range of residential developments including 'for sale' housing, new BTR properties (inc. conversions to resi), purpose-built student accommodation, and private retirement. There will be exemptions - including affordable housing and smaller developments – and the government intends to "set a differential geographic levy rate at a local authority level", and "brownfield sites will be charged at a rate that is 50% of the greenfield rate". Currently any developments with fewer than 10 units would also be exempt from the levy. A second consultation is running until 20 February 2024 to further clarify details. Once this has been finalised, it will be taken to Parliament as a secondary legislation. For clarity, our valuation makes no specific allowance for a BSL.

Compliance with Valuation Standards

The Valuation has been prepared in accordance with the latest version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the "Red Book") current as the Valuation Date.

The Property has been valued by a valuer who is qualified for the purpose of the Valuation in accordance with the Red Book. We confirm that we have sufficient local and national knowledge of the particular property market involved and have the skills and understanding to undertake the Valuation competently.

Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject Property. Other valuers may reach different conclusions as to the value of the subject Property. This Valuation is for the sole purpose of providing the intended user with the valuer's independent professional opinion of the value of the subject Property as at the Valuation Date.

Sustainability Considerations

For the purposes of this report, we have made enquiries to ascertain any sustainability factors which are likely to impact on value, consistent with the scope of our terms of engagement.
Sustainability encompasses a wide range of physical, social, environmental, and economic factors that can affect the value of an asset, even if not explicitly recognised. This includes key environmental risks, such as flooding, energy efficiency and climate, as well as design, legislation and management considerations - and current and historic land use. CBRE are currently gathering and analysing data around the four key areas we feel have the most potential to impact on the value of an asset:

- Energy Performance
- Green Certification
- Sources of Fuel and Renewable Energy Sources
- Physical Risk/Climate Risk

Where we recognise the value impacts of sustainability, we are reflecting our understanding of how market participants include sustainability factors in their decisions and the consequential impact on market valuations.

Biodiversity Net Gain

Under the Environment Act, Biodiversity Net Gain (BNG) legislation became effective from January 2024. BNG is addressed through Section 106 Agreements and will require all new development projects to demonstrate 10% BNG, and to maintain this for a period of 30 years from practical completion. BNG costs will be borne by the Developer.

The BNG process requires a qualified Ecologist's baseline study followed by the implementation of a Habitat Enhancement, Management and Monitoring Plan (HEMMP). Legislation is in favour of BNG delivery on-site but, there are mechanisms for 'biodiversity offsetting' within the same Local Authority.

BNG legislation is in its infancy and its implications for development are still emerging. We have sought to confirm that, where necessary, BNG obligations have been addressed. In the absence of information our Valuation assumes that BNG obligations can be met within any costs and development programmes provided to us. We recommend that your Project Monitor and/or legal advisors seek to confirm this.

Climate Risk Legislation	The UK Government is currently producing legislation which enforces the transition to net zero by 2050, and the stated 78% reduction of greenhouse gases by 2035 (based on a 1990 baseline). We understand this to include an update to the Minimum Energy Efficiency Standards, stated to: — Increase the minimum requirements for non-domestic properties from an E (since 2018) to a B in 2030; and, — Incentivise a minimum EPC of C for privately rented residential properties from 2028. The government also intends to introduce an operational rating. It is not yet clear how this will be legislated, but fossil fuels used in building, such as natural gas for heating, are incompatible with the UK's commitment to be Net Zero Carbon by 2050. This upcoming legislation could have a potential impact to future asset value. We also note that the UK's introduction of mandatory climate related disclosures (reporting climate risks and opportunities consistent with recommendations by the "Task Force for Climate Related Financial Disclosure" (TCFD)), including the assessment of so-called physical and transition climate risks, will potentially have an impact on how the market views such risks and incorporates them into the sale of letting of assets. The European Union's "Sustainable Finance Disclosure Regulations" (SFDR) may impact on UK asset values due to the requirements in reporting to European investors.
Assumptions	The Property details on which each Valuation are based are as set out in this report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below. If any of the information or assumptions on which the Valuation is based are subsequently found to be incorrect, the Valuation figures may also be incorrect and should be reconsidered.
Variations and/or Departures from Standard Assumptions	None
Independence	The total fees, including the fee for this assignment, earned by CBRE Ltd (or other companies forming part of the same group of companies within the UK) from the Addressee (or other companies forming part of the same group of companies) is less than 5.0% of the total UK revenues.
Previous Involvement and Conflicts of Interest	CBRE Development Advisory have previously provided advice to Bury Council in respect of marketability of the subject property. CBRE Valuation Services have provided valuation advice to adjacent owners for industrial investments. We do not consider that this previous involvement represents a conflict of interest none of the valuers involved in this instruction have been involved in providing advice to neighbouring owners, nor do we have a financial interest in the result of the valuation. Copies of our conflict-of-interest checks have been retained within the working papers.
Reliance	The contents of this Report may only be relied upon by: i) Addressees of the Report; and

	ii) Parties who have received prior written consent from CBRE in the form of a reliance letter; for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.
Publication	Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear. Such publication of, or reference to this report will not be permitted unless it contains a sufficient contemporaneous reference to any departure from the Red Book or the incorporation of the special assumptions referred to herein.

Yours faithfully

DocuSigned by:

FB0A431039554EB...

Gareth Hughes

MRICS

Director

RICS Registered Valuer

For and on behalf of CBRE Limited

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Yours faithfully

DocuSigned by:

Siobhan Fraser

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Siobhan Fraser

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Source of Information and Scope of Works

Sources of Information	We have carried out our work based upon information supplied to us by your professional advisors, as set out within this report, which we have assumed to be correct and comprehensive. Indicative floor plans: **Scenario 1 - Light Industrial Whole Site** • Produced by AEW – Proposed Site Plan Option 4 – Concept Design **Scenario 2 – Part Office Development and Part Light Industrial** • Office – Produced by CDP Architects – Crown Gas and Power dated 26/11/2024 • Light Industrial - Produced by CDP Architects – Crown Gas and Power dated 26/11/2024 • Heads of Terms for proposed transaction – Draft Heads of Terms dated 30 June 2025
Inspection	The site was inspected by Tom Minnock MRICS, RICS Registered Valuer on 10 December 2024.
Areas	We have not measured the site but have relied upon the floor areas provided to us by you or your professional advisors within the design plans detailed above which we have assumed to be correct and comprehensive. We have assumed the layout has been calculated using the: Gross Internal Area (GIA) or Net Internal Area (NIA) according to use, as set out in the latest edition of the RICS Property Measurement Standards.
Environmental Matters	We have read the Phase 1 Ground Investigation produced by Civil Earth. The report concludes that the site represents overall medium environmental risk however there is evidence of made ground, and the southern part of the site was found to have potential for ground gas. Based on the findings of this report, CBRE's own inspection and planning enquiries, we have identified the potential for environmental risk factors which, in our opinion, would require further investigation. For the purpose of the valuation, we have assumed adequate ground conditions to support the proposed development however CBRE give no warranty as to the absence of such environmental risk factors. The report identifies there is made ground, and it will require a foundation strategy or alternatively a ground remediation strategy. We have not been provided with any indicative costs in relation to ground conditions and when known these should be deducted from the Market Value as reported under Scenario 1.
Services and Amenities	We understand that the Property is located in an area served by mains gas, electricity, water and drainage. Enquiries regarding the availability of utilities/services to the proposed development are outside the scope of our report. We have assumed there is capability for connection to mains services and the costs of connection are assumed to be not anticipated to be onerous.
Repair and Condition	We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Property. We are unable, therefore, to give any assurance that the Property is free from defect.

Titles, Tenures and Lettings	Details of title/tenure under which the Property is held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser. We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

Valuation Assumptions

Capital Values

The Valuation has been prepared on the basis of "Market Value", which is defined in the Red Book 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."

The Valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation Date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

Rental Values

Unless stated otherwise rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent in the Red Book, which is as follows:

"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."

Fixtures, Fittings and Equipment

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our Valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our Valuations.

All measurements, areas and ages quoted in our report are approximate.

Environmental Matters

In the absence of any information to the contrary, we have assumed that:

a) the Property/Properties is/are not contaminated and is not adversely affected by any existing or proposed environmental law;

b) any processes which are carried out on the Property/Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities;

c) in England and Wales, the Property/Properties possesses current Energy Performance Certificates (EPCs) as required under the Government's Energy Performance of Buildings Directive – and that they have an energy efficient standard of 'E', or better. Under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 it became unlawful for landlords to rent out business premise from 1st April 2018 – unless the site has reached a minimum EPC rating of an 'E', or secured a relevant exemption. In Scotland, we have assumed that the Property/Properties possesses current EPCs as required under the Scottish Government's Energy Performance of Buildings (Scotland) Regulations – and that they meet energy standards equivalent to those introduced by the 2002 building regulations. The Assessment of Energy Performance of Non-Domestic Buildings

(Scotland) Regulations 2016 requires building owners to commission an EPC and Action Plan for sale or new rental of non-domestic buildings bigger than 1,000 sq m that do not meet 2002 building regulations energy standards. Action Plans contain building improvement measures that must be implemented within 3.5 years, subject to certain exemptions;

d) the Property/Properties possesses current energy performance certificates as required under government directives.

e) the Property is either not subject to flooding risk or, if it is, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value; and

f) invasive species such as Japanese Knotweed are not present on the Property.

High voltage electrical supply equipment may exist within, or in close proximity of, the Property. The National Radiological Protection Board (NRPB) has advised that there may be a risk, in specified circumstances, to the health of certain categories of people. Public perception may, therefore, affect marketability and future value of the Property. Our Valuation reflects our current understanding of the market and we have not made a discount to reflect the presence of this equipment.

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Property;

b) the Property is free from rot, infestation, structural or latent defect;

c) no currently known deleterious or hazardous materials or suspect techniques, including but not limited to Composite Panelling, ACM Cladding, High Alumina Cement (HAC), Asbestos, Reinforced Autoclaved Aerated Concrete (Raac), have been used in the construction of, or subsequent alterations or additions to, the Property; and

d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Property. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Lettings, Planning, Taxation and Statutory & Local Authority Requirements

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

a) the Property possesses a good and marketable title free from any onerous or hampering restrictions or conditions;

b) the building has been erected either prior to planning control, or in accordance with planning permissions, and has the benefit of permanent planning consents or existing use rights for their current use;

c) the Property is not adversely affected by town planning or road proposals;

d) the building complies with all statutory and local authority requirements including building, fire and health and safety regulations, and that a fire risk assessment and emergency plan are in place;

e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the Property to comply with the provisions of the Disability Discrimination Act 1995 (in Northern Ireland) or the Equality Act 2010 (in the rest of the UK);

f) all rent reviews are upward only and are to be assessed by reference to full current market rents;

g) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

h) tenants will meet their obligations under their leases, and are responsible for insurance, payment of business rates, and all repairs, whether directly or by means of a service charge;

i) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

j) where more than 50% of the floorspace of the Property is in residential use, the Landlord and Tenant Act 1987 (the "Act") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in the Property. Where this is applicable, we have assumed that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold/head leasehold interest. Disposal on the open market is therefore unrestricted;

k) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;

l) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and

m) Land Transfer Tax (or the local equivalent) will apply at the rate currently applicable. In the UK, Stamp Duty Land Tax (SDLT) in England and Northern Ireland, Land and Buildings Transaction Tax (LABTT) in Scotland or Land Transaction Tax (LTT) in Wales, will apply at the rate currently applicable

Property Details

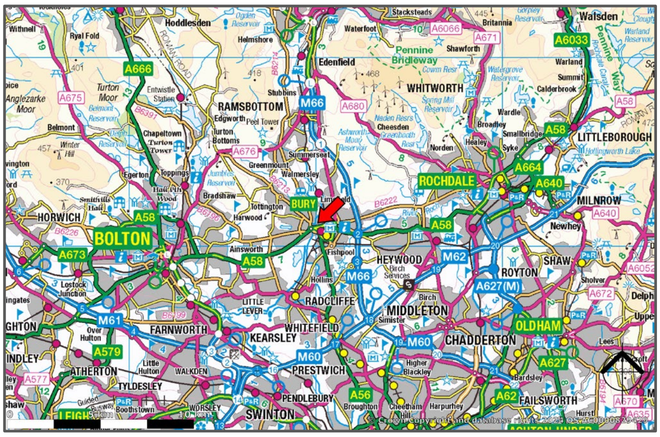
Property Photos

Valuation Date:	Inspection Date:	Inspected By:
30 July 2025	10 December 2024 (External)	Tom Minnock MRICS

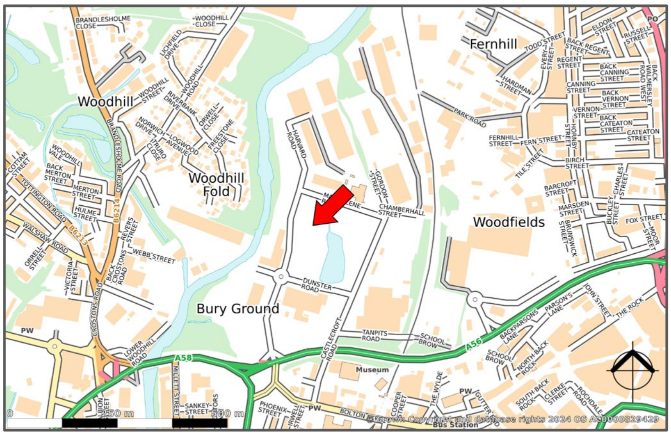
View of site looking north

View of site looking south

View of site looking east



Ordnance Survey 'Edozo' City Plan



Ordnance Survey 'Edozo' Street Plan

Ordnance Survey 'Edozo' Property Plan

Location & Situation

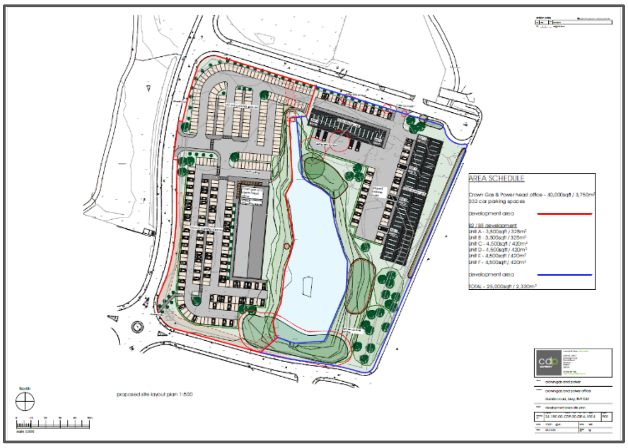
Location	Bury is a town in Greater Manchester, approximately 12.7 km (7.9 miles) north of Manchester city centre, 8.9 km (5.5 miles) east of Bolton and 9.5 km (5.9 miles) west of Rochdale. Bury is the administrative centre of the Metropolitan Borough of Bury. The estimated population of Bury was 81,101 in 2021, whereas the wider borough was estimated to have a population of 194,606 in 2022. Historically part of Lancashire, Bury developed during the Industrial Revolution as a mill town manufacturing textiles. The town is currently known for its open-air market and following the post-war decline in the cotton industry has developed as an important commuter town for Manchester. Bury benefits from strong communication links, the A56 running north-south through the town, the A58 running west-east from Bolton towards Rochdale as well as linking with the M66 at junction 2, a short distance to the north of its intersection with the M60 Manchester orbital motorway and the M62 giving access to West Yorkshire, Liverpool and the wider national motorway network.
Situation	The subject property is situated on Chamberhall Business Park, approximately 0.8 km (0.5 miles) to the north of Bury town centre. The Park sits to the north side of Peel Way (A56); the ring road around Bury town centre. The A56 Peel Way is accessed via Harvard Road, c.175m to the south, which in turns provides access to Bolton c.5 miles to the west and Junction 2 of the M66 motorway, c.2 miles to the east (via the A58). The M66 connects with the Junction 18 of the M60 motorway c.3.3 miles to the south, providing access across Greater Manchester and connects to the M61 towards Lancashire; and is also the start of the M62 motorway which routes to West Yorkshire to the east. The property therefore benefits from excellent road connections. Bury Interchange lies approximately 600m to the south of the site and is a 13-minute walk, providing frequent Metrolink services to Manchester City Centre every 6 minutes, as well as being home to Bury's bus station. Regular bus services from Bury Interchange run to Manchester, Bolton, Rochdale, Ramsbottom and Heywood. Neighbouring occupiers include MKM Building Supplies, Greater Manchester Police, Bury Community Fire Station and Burgaflex UK, amongst others.

Existing Property

Inspection	The Property was inspected by Tom Minnock, MRICS, RICS Registered Valuer on 10 December 2024.
Current Use	The land is suitable for light industrial and storage purposes. **<u>Previous site history and use</u>** The appraisal site forms part of the former Chamber Hall estate, originally home to the Peel family during the 19th Century. During this time, the site comprised a reed bed serving an ornamental pond. By the late 19th Century, the area surrounding the appraisal site had seen substantial industrial development in relation to Bury's growing role in the cotton industry. This included the Bury Ground print works to the south west of the appraisal site which had been developed by the 1940s, and the construction of the Peel Mills cotton works to the north east which began in 1855. The Chamber Hall was demolished in the 1900s, being replaced by Castlecroft Road which enabled further industrialisation. Two reservoirs were created to serve the industrial uses, the smaller remains in situ in the form of the attenuation pond. A second, larger reservoir was situated to the west and covered much of the western portion of the appraisal site was subsequently filled in and now comprises made ground. Following this period of industrialisation the area suffered from gradual decline in the mid-20th Century, including the closure of Peel Mills and many other industrial uses, leaving much of the site derelict. The award of a Derelict Land Grant in the 1970s allowed the area to be laid out as public open space, known as Bury Ground. Bury Ground was subsequently allocated for development in the Unitary Development Plan for Bury, adopted in 1997. Proposals for the site's development have been progressed in the 21st Century, including the construction of access roads and the implementation of a drainage strategy involving the use of the reservoir on the appraisal site as an attenuation pond to support development. The first phases of construction were completed in the early 2010s on the plots surrounding the appraisal site, including the police headquarters, fire station, and various other office and employment uses. Several masterplans have been proposed for Chamberhall since this time which includes the proposed development reflecting both light industrial and office uses. A hybrid planning application (ref. 63185) which was approved in 2019. Phase 1 of this proposal was completed by St Modwen in 2020, leaving the subject site identified for Phase 2 vacant.
Site Area	We have measured the site using Edozo Ordnance Survey mapping and calculate the site to be 3.16 ha (7.80 acres) however the site includes a pond and other undevelopable land which reduces the developable site area to 2.13 ha (5.27 acres).
Access	The site is located in an accessible area, to the north of Peel Way (A56) which bounds the north of the town centre, providing access to Bury's ring road. The site is bounded by highways in each direction, thus enabling flexibility for the site's future access. The site benefits from good access and egress points with multiple road access via Harvard Road, Magdalene Road, Castlecroft Road or Dunster Road. Depending on the chosen development, the site could benefit from one or multiple access points.
Demolition / Alterations	There are no buildings on the site.

Proposed Development

Site photograph



Proposed Development Offices

Overview and background

Chamberhall is a vacant brownfield site measuring approximately 3.16 ha (7.80 acres), of which the net developable area is calculated to be 2.13 ha (5.27 acres).

A hybrid application for Chamberhall Business Park (ref. 63185) was approved in 2019, proposing business and light industrial uses in accordance with an approved masterplan. Phase 1 has now been fully built out by St Modwen Developments (north of the site) and consists of c.120,000 sq ft of light industrial space, which completed construction in 2020.
Outline planning permission was secured for a further two phases comprising Phase 1A to the north-west of the subject site and Phase 2. The subject property is all of the land within Phase 2. The planning consent approved as part of the outline permission for the site identifies Use Classes A1, A3, A4, A5, B1, B2, B8, C1 (hotel), D1 (creche) and D2 (gym). The property was to form phase 2 of St. Modwen's light industrial development at Chamberhall Business Park, however this has not progressed as originally planned.

Condition 42 of this hybrid planning permission stipulates that applications for approval of reserved matters must be made not later than five years from the grant of planning consent. The Decision Notice was issued on 7th February 2019, meaning an application for reserved matters must have been brought by 7th February 2024, therefore it will be necessary to obtain a suitable planning consent for the site.

We understand that the Purchaser will be submitting a new planning application in accordance with the proposed development which comprises a 3,716 sq m (40,000 sq ft) office development and six light industrial units.

For the purpose of the instruction, we have been asked to report on two scenarios to help Bury Council to understand the both the proposed sale and also the opportunity cost of the sale.

We have therefore considered Scenario 1 as a light industrial development over the whole site to assess the potential capital receipt achievable in the open market and Scenario 2 which is part office and part light industrial as proposed by the Purchaser (Crown Oil & Gas).

Scenario 1 – Light Industrial Development

CBRE have been provided with a scheme design as produced by AEW Concept Designs and our colleagues in Development Advisory have provided advice on the suitability of the design as a hypothetical light industrial development. We have determined this is an appropriate scheme on which to assess the Market Value of the land.

This assumes a multi-let development of 8,528.6 sq m (91,804 sq ft) across the whole site.

The design assumes a light industrial development of 4 units reflecting units ranging from 16,000 – 25,000 sq ft which is consistent with the market for this type of development and consistent with mutli-let schemes designed by Kier / Chancerygate at Manchester Trade Park and Oldham Broadway respectively.

Scenario 2 - Office Development

The proposals are for the site to be sold to Crown Oil and Gas who are seeking to develop a new headquarters office building for owner occupation.

The proposed development is to be a detached 3 storey office of 3,716 sq m (40,000 sq ft) Net Internal Area together with 332 car parking spaces which is a ratio of 1:120 sq ft reflecting part of the whole site. The proposals extend to 1.49 ha (3.67 acres).

From our experience of valuing similar out of town business parks for office use, car parking ratios of 1:250 sq ft would be appropriate, which would offer 160 car spaces and a reduced site area of 1.21 ha (3.00 acres). Individual occupiers will have different requirements depending on their business, the number of staff they employ and expectations to be working from the office on a regular basis. We have therefore appraised the site based on the proposals as provided by the Purchaser.

In addition to the office area, there is a surplus parcel of land extending to 0.65 ha (1.60 acres). We have assessed the value of this plot of land assuming a multi-let light industrial development of 25,000 sq ft designed by CDP Architects.

Floor Area and Layout

As outlined above CBRE have been provided with areas of the proposed development as produced by AEW architect.

Scenario 1 – Light Industrial Development over the Whole Site

The light industrial development assumes the whole site as industrial which extends to8,528.6 sq m (91,804 sq ft) over four blocks and assumes a build based on:

- Unit 1 – 24,862 sq ft
- Unit 2 – 26,766 sq ft
- Unit 3 – 16,585 sq ft
- Unit 4 – 23,591 sq ft

Scenario 2 - As outlined above, is based on areas provided by the Purchaser and prepared by CDP Architects the plan is referenced '24.180.00.cdp.00.DR-A-100.4 - Crown gas and power'.

The Purchaser/ Council have agreed to use the areas as outlined on this plan as the basis of the land sale and this is referred to as the proposed development. This plan shows:

- Office development of 40,000 sq ft and 332 car parking spaces on 3.67 acres;
- Six light industrial units extending to a total of 25,000 sq ft; two units of 3,500 sq ft and four units of 4,500 sq ft.

Specification

Office specification

For the office, we have not been provided with an office specification and have assumed a Grade A office complete with the following specification:

- Open planned floor plates
- Suspended ceilings
- Raised access flooring

- Carpeted floors
- Double glazed windows
- Lighting
- Air conditioning
- Painted and plastered walls
- Toilets
- Lift access

Light industrial specification

For the industrial properties, we have not been provided with an industrial specification and have assumed the following:

- Steel portal frame
- Steel profile cladding
- 1x level access electric loading door per unit
- Concrete internal flooring
- Internal warehouse lighting
- Open plan warehouse space
- 5-10% of gross internal area set for office space
- External car parking provision / external yard space

Technical and Ground Conditions

As part of the CBRE instruction in January 2024 for the development feasibility and strategy report, various surveys were commissioned for due diligence purposes. We list the surveys undertaken in the site below:

- Topographical Survey
- Phase 1 Ground Investigation (and Phase 2 GI review)
- Flood Risk Assessment
- Highways and Access Appraisal
- Utilities Search Report
- Preliminary Arbocultural Assessment
- Preliminary Ecological Appraisal
- Biodiversity Net Gain

We list some of the findings below:

Phase 1 Ground Investigation (and Phase 2 GI review)

The Phase 1 Desk Study was completed by Civic Earth Limited with the aim of assessing potential human health, environmental and geotechnical risk and constraints associated with the proposed development.

The Study identified that there is generally a moderate risk to identified receptors from potential contaminants associated with the current and former uses of the site and surrounding area and potential made ground associated with the former development of the site and potential infilling of surface water features. In addition, there are a number of potential geotechnical constraints associated with the potential for below ground obstructions, infilled surface water features on site, variable thickness of Made Ground associated with the development history of the site and potential variability of the underlying superficial deposits.

The site is also located within an area of low risk from unexploded ordnance and it is therefore recommended that pre-desk study assessment is undertaken to confirm whether any other military activity may have occurred at the site.

It was recommended that a detailed review should be undertaken on the available site investigation data and risk assessments for the site. Once this is completed, it was recommended that an intrusive ground investigation be undertaken to assess for the identified contaminants of concern and enable a remediation strategy to be developed, if required. In addition, the ground investigation should be designed to evaluate the potential geotechnical risks associated with potential development and inform the geotechnical design.

As part of the due diligence undertaken for the Phase 1 Ground Investigation previous studies in the locality were analysed. A Phase 2 site investigation, undertaken by Atkins on behalf of St Modwen was completed in 2015 for the site boundary. The review of the information included in this report was presented in an addendum to the Phase 1 Investigation included in this instruction. A copy of the review is included at Appendix C.

Key findings of the Phase 2 investigation for consideration are:

- Made Ground

  Across the site made ground as found in varying quantities, in line with the findings as part of the Phase 1 and previous use of the site. The maximum depth this was found was 7.5m, where previous a reservoir was sited. This would inform the foundation strategy on the site or alternatively ground remediation would be recommended. A strategy would be required as part of early design development of the site.

- Gas Risk

  The southern portion of the site was found to have potential for ground gas. Remediation was recommended as part of these findings.

The opportunity to avoid a second intrusive Ground Investigation has been progressed. Reliance on the previous study will reduce the scope of investigation to a shallow study, understanding localised ground movement made since 2015. Discussion is ongoing with Indurent on their acceptance of reliance. If this is not provided, the information provided to date still allows for the feasibility assessment of the site. If the development of the site progresses, as a consequence of the made ground, localised investigation beneath structures would be required to inform detailed foundation design.

Flood Risk Assessment

The Flood Risk Assessment was completed by Civic Engineers with a site walkover being carried out on the 9th October 2023. The summary of the findings are set out below.

The site is at low risk of flooding from rivers or sea. There is a low risk of surface water flooding with the area at risk focused around the existing pond. It was recommended that a detailed flood risk assessment should be undertaken to support any planning application which should include an assessment of flood risk from the River Irwell.

In order to understand whether the existing pond has capacity to accommodate surface water flows from the development site it was recommended that a detailed assessment of the existing site drainage infrastructure should be undertaken. It was also recommended that existing drains and sewers within the site boundary should be considered when development proposals for the site are progressed.

Subject to the above recommended additional surveys, given the majority of the site (bar the pond) is in a Flood Zone 1, all types of development should be compatible from a flood risk perspective.

Highways and Access Appraisal

Civic Engineers provided a high-level review of the highways appraisal and the four roads on the periphery and their suitability for new vehicle access.

The report notes pedestrian access can be achieved from all boundaries of the property. Cyclists can access the site from Harvard Road and Castlecroft Road and the nearest bus stop is a 7-minute walk from the property. Several highly feasible access points (no constraints) for vehicles were noted on the west side of the property (Harvard Road) and north of the property (Magdalene Road). The architect should now be able to utilise the suggested access points for their feasibility studies.

The report additionally notes areas for consideration for the full planning application as follows:

1. Trip Generation based on forecasted sqm for each land use and an assessment of the need for junctions' assessments or trips distribution accordingly.

2. Cycle and Car Parking Quantum Provision in line with Bury's requirements.

3. Recommendation on minimum 5% of cycle parking to be wider spaced for disabled cyclists and at least 15% single racks.

4. Pool electric bikes and car clubs could be provided to encourage sustainable travel.

5. Review servicing strategy and fire access. Provision of loading/servicing bay will be required given loading restrictions on kerbside. Location of collection point to consider distance from proposed refuse store to avoid a managed solution (i.e., need for developer to carry bins).

6. EV charging provision to be according to Part S4 regulation.

7. Swept Path Analysis of vehicle movements on proposed layout and accesses to confirm geometry.

8. Confirmation on need of a Travel Plan update (given a Transport assessment and Framework Travel plan were produced for the earlier outline planning application, reference 63185).

Utility Search Report

Amethyst Surveys Limited undertook a utility search report on 16th November 2023. There are a limited number of utilities relating to gas, water, electricity tracking the periphery of the site. There is a public sewer crossing part of east/south-east part of the site. There are no internet lines on the site.

Care will need to be taken when developing proposals however it is unlikely that the limited number of underground utilities will need to be relocated. Any such relocation will of course carry a cost and therefore potentially pose a risk to development viability.

Cost estimates for any required relocations should be obtained once development proposals have progressed to an appropriate level however given the limited amount of underground utilities on site, no relocation/diversion costs have been included in our appraisals at this stage.

Preliminary Arboricultural Assessment

Middlemarch provided an arboricultural assessment which surveyed the trees on site to aid design and avoid unnecessary tree removal.

Trees were assessed and assigned a category of either U, A, B or C which related to the quality and life expectancy of the trees. The trees recorded on site were predominantly low-quality self-set specimens which situation in clusters across the site. None of the trees are subject to a tree preservation order, nor are they in a conservation area or considered as ancient woodland.

A number of key recommendations were made as follows:

- The retention of Category B trees across the site should be considered a priority.
- The retention of Category C trees across the site should be considered where possible.
- Where required by the Local Authority a Capital Asset Valuation of Amenity Trees assessment should be undertaken to attribute the monetary value for each tree.
- All new development should be located outside of the root protection areas or canopy spread of any retained tree.
- Any proposed new planting should consist of a mix of ornamental, native and wildlife attracting species.
- An updated preliminary arboricultural assessment is recommended after a period of 12 months from the date of this assessment.
- If works take place during the bird breeding season, usually from March to September inclusive, trees should be checked for nesting birds.

More generally it was advised that the removal of trees across the site should be minimised, and new tree planting should be provided to adequately mitigate any essential tree loss.

Preliminary Ecological Appraisal

An assessment was undertaken by Middlemarch to ascertain the potential ecological constraints and opportunities associated with future redevelopment works at the site.

The report noted various protected/notable species within close proximity to the site as well as the extent and ecological condition of the various habitats on site (e.g. Marshy grassland, broadleaved plantation woodland). Local priority species (including bats and great crested newts) should be considered in the development of any future proposals to ensure habitat areas make a positive contribution toward these target species.

Additional surveys have been recommended in order to determine the status of protected/notable species on site and the extent they are likely to be affected by any future development as follows:

- Great Crested Newt Habitat Suitability Index Assessment and eDNA analysis of the onsite pond
- Botanical Survey (with a focus on marshy grassland habitat)
- Bat Surveys (scope dependent on agreed quantum of development)
- Reptile Survey =
- Invertebrate Habitat Assessment.

It is recommended that these surveys are only commissioned once a clear route forward has been selected and development programmed, due to their limited period of validity.

Services and Amenities	We understand that the site is located in an area served by mains gas, electricity, water and drainage. In the absence of third-party reports being provided to us, we have assumed that connection to mains services will be both possible and consistent with market pricing without the need for excessive costs for connection.

Development Costs – Light Industrial and Land

Construction

CBRE have used BCIS figures / discussions with our cost consultancy colleagues to determine an estimate of build costs for the site for Scenario 1.

For Scenario 2 the purchaser has not provided us with any cost information for the offices but has provided information on the light industrial development. As per Scenario 1, for the offices we have sourced cost information using BCIS figures / discussions with our cost consultancy colleagues. For the light industrial we have adopted the costs as provided to us.

For the purpose of the valuation, we have adopted the following:

Scenario 1 - Light Industrial

- Build cost: £8,491,870 - £92.50 per sq ft
- Contingency: £254,756 - 3.00% of construction cost
- Design Allowance Prelim Overheads: £1,358,699 – £14.80 per sq ft
- Total: £110.08 per sq ft
- Biodiversity Net Gain: £500,000

We have not been provided with a cost assessment for the proposed office development, as this includes both landlord Cat A costs and also fit out works (Cat B) costs which are specific to the owner occupier and wouldn't be included in a residual valuation.

Scenario 2 – Offices

- Build cost: £9,184,500 - £195.00 per sq ft
- Contingency: £275,535 - 3.00% of construction cost
- Total: £200.85 per sq ft
- Biodiversity Net Gain: £345,000 (pro-rata costs for part of the site)

We have been provided with a total cost plan for the light industrial scheme prepared by the Purchaser. The total Cost of Construction includes Build Cost, Contingency, Preliminaries of £2,911,398, which reflects £116.45 per sq ft. The purchaser has also provided the following additional commentary in relation to the estimated costs of construction.

"*CBRE notes that our build-cost estimate sits above the BCIS mean and upper quartile, and requests justification in terms of planning and specification requirements.*

Our position reflects the sustainability and specification standards now expected by Bury Council. The emerging Local Plan and Places for Everyone framework set out clear requirements for high-quality, energy-efficient development – including aspirations for BREEAM "Excellent", EPC A, EV charging, and sustainable drainage. The site also falls within the Northern Gateway allocation, which mandates alignment with a detailed masterplan and infrastructure delivery strategy. As such, our cost plan includes premium allowances for elevated spec – including environmental performance, enhanced amenity areas, and external works.

A Stage 1 ground investigation has already been completed, and a pre-application meeting with planning officers has been paid for and is currently being scheduled. We expect this to confirm the anticipated quality, and sustainability benchmarks the scheme will need to meet. In our view, this provides a clear rationale as to why the cost plan sits above BCIS median figures, and closer to the upper quartile when abnormal costs are factored in."

In accordance with your instructions, we have adopted the costs provided by the Purchaser within our assessment of Scenario 2.

Scenario 2 – Light Industrial

- Build cost: £2,911,398 (inclusive of contingency and Design Allowance and Prelim Overheads) - £116.45 per sq ft
- Biodiversity Net Gain: £155,000 (pro rata cost for part of the site)

We have adopted the purchaser's cost plan for Scenario 2 – Light Industrial, which is above mean BCIS market pricing for similar multi-let development.

We would recommend that as part of any future analysis of potential overage payments that a full cost analysis is provided to the Council prior to practical completion of the proposed development. This should include costs which are separated between the office and the light industrial developments with specific reference to the additional site-specific costs of Ground Improvement, Capping Layer, PV Panels, Amenity Blocks and Biodiversity Net Gain.

For reference, the Purchaser has made the following comments in relation to site-specific costs which are detailed as follows:

- ***Ground Improvement (£253,789):*** *The site is brownfield and underlain by made ground and compressible material in parts. This is consistent with historical land use and broader investigations into the Northern Gateway zone, which highlight land stability and contamination risks. Our cost plan includes allowances for piling or sub-base treatment as a necessary abnormal.*
- ***Capping Layer (£49,459):*** *There are likely contamination issues on-site, particularly given proximity to former bleach works and infilled quarries. Our capping layer allowance reflects standard remediation requirements and is consistent with guidance for making such sites suitable for light industrial end use.*
- ***PV Panels (£142,884):*** *Inclusion of PV is necessary to meet anticipated sustainability objectives. Bury Council and GMCA policy frameworks both encourage integration of low-carbon energy. While PV is not currently a building regulation requirement, it is commonly secured via planning and is essential to achieving EPC A or BREEAM "Very Good/Excellent". This should be treated as an over-spec item, relative to BCIS median shell-only costs.*
- ***Amenity Blocks (£440,000):*** *The scheme is being brought forward as a multi-let, not a single unit. "Amenity blocks" refers to the internal fit-out for each unit – including WCs, small office space, kitchenettes, and DDA-compliant access. These are often required to make smaller units lettable and go beyond the statutory welfare provision assumed in base BCIS rates. We have not included any speculative Cat B fit-out but have allowed for these basic letting-ready works across the block. This is typical in multi-let industrial developments and supported by market precedent.*

The total cost of construction provided by the Purchaser is therefore reported to be £3,797,530.

Planning

We detail some costs associated with Biodiversity Net Gain (BNG).

In accordance with the principles of the Environment Act 2021 and the Biodiversity Gain Requirements (Irreplaceable Habitat) Regulations 2024, all development from January 2024 is required to secure an overall biodiversity net gain (BNG) of 10%.

Middlemarch undertook a habitat survey and condition assessment to determine the total Habitat Baseline for the site which has a value of 25.79 biodiversity units (BU). The key component of the Habitat Baseline score is the 'marshy grassland' which equates to a BU value of 16 as shown in the below table.

Phase 1 Habitat	Metric Equivalent	Area (ha)	Description (distinctiveness, condition and strategic significance)	Value (BU)
Broadleaved plantation woodland	Other woodland: broadleaved	0.12	Medium distinctiveness. Poor condition. High strategic significance due to location within a 'Tree Planting Opportunity Area'.	0.55
Dense scrub	Mixed scrub	0.49	Medium distinctiveness. Moderate condition. Low strategic significance.	3.92
Marshy grassland	Other neutral grassland	2.00	Medium distinctiveness. Moderate condition. Low strategic significance.	16.00
Poor semi-improved grassland	Other neutral grassland	0.12	Medium distinctiveness. Poor condition. Low strategic significance.	0.48
Standing water	Ponds (priority habitat)	0.43	High distinctiveness. Poor condition. Low strategic significance.	2.58
Scattered trees (4 x large trees)	Urban tree	0.15	Medium distinctiveness. Good condition. High strategic significance due to location within a 'Tree Planting Opportunity Area'.	2.07
Scattered trees (4 x small trees)	Urban trees	0.02	Medium distinctiveness. Moderate condition. High strategic significance due to location within a 'Tree Planting Opportunity Area'.	0.18
Scattered scrub	N/A	N/A	N/A	-
Total Area (ha)		**3.33**	**Total Habitat Baseline (BU)**	**25.79**
Total Area (excluding area of individual trees)		**3.16**		

A further assessment has also been undertaken based on the indicative schemes, which each have a score in the order of 14.4 BU to satisfy the 10% net gain obligation. This is notably lower than whole site baseline due to the restricted (therefore smaller) development area, as well as the design brief seeking to target minimum intervention e.g. retention of Cat B trees and as a consequence the associated BU. The pond and woodland were assessed as being in 'poor' condition and as such provide an opportunity for on-site enhancement. Furthermore, the development boundary incorporates areas of 'green space', measured at close to 1.3 acres overall in both the indicative schemes, providing a potential opportunity for some on-site enhancement.

The part of the site which is constrained and as such deemed not suitable for development measures c.1.6 acres (excluding the pond) but is predominantly graded as 'moderate' condition and is therefore understood to not be cost effective to upgrade, i.e. it is cheaper to purchase off-site credits than to seek to enhance the existing biodiversity as enhancing grass above moderate can be challenging and would provide limited step change potential.

Overall, there will therefore be a BU loss arising from development, in addition to the biodiversity net gain obligation of 10%, the combined total of which is c.14.4 BU which will need to be replaced via an off-site contribution. There are three main offsetting options available:

1) Invest to enhance land held by Bury Council - generate an uplift in BU equivalent to the off-setting requirement. Identifying potentially suitable land is key, with low quality land providing the biggest opportunity for step change via enhancement. The cost of managing the habitat for the minimum 30-year period would also need to be calculated in addition to the initial investment to upgrade land.

2) Purchase market credits – pricing varies between providers but the current average is £35k per unit, which would equate to c.£500k based on the indicative development scheme.

3) Purchase via statutory biodiversity credits scheme – this is deemed to be the 'last resort' option as it is the most expensive at c.£1+million based on current indicative prices published by Defra.

For the purpose of the valuation, we have assumed option 2 as the basis for the cost inputted into the appraisal as a Purchaser of the site is most likely to consider this option when preparing their bid for the site.

We have adopted costs of £500,000 for the whole site, with a pro-rata apportionment of £345,000 for the offices and £155,000 for the light industrial elements of Scenario 2.

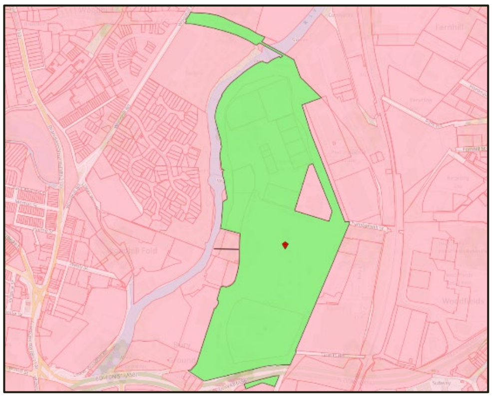
Investigations

Title & Tenure

CBRE have not been provided with a Report on Title or similar so have assumed that the property is held with good title without any onerous encumbrances or restrictions. If, in the future, we are provided with information which conflicts with this we will reserve the right to revise the advice given herein.

We understand from the Land Registry that the site is held freehold under title number GM859800. The site forms part of a larger area which includes Chamberhall Business Park to the north and Bury Police HQ to the south.

Below we detail the site itself and the extent of the freehold area referenced from the Land Registry. There is also a satellite view sourced from Google Maps with the site boundary marked with red outline and the approximate developable area shaded in blue.



Tenancies

The site is vacant and not subject to any occupational leases.

State of Repair

There are no buildings on the site.

Sustainability Considerations

In carrying out this valuation, we have considered the impact of sustainability factors on the property. Given the amount of data available, CBRE has chosen to focus on four key indicators which we believe are most the relevant for valuations. Based on our review of the planned development and our investigations, we summarise our findings as follows:

Indicator	Comment	Conclusions
Energy performance	The property is expected to have an energy performance rating of A/B. This will exceed the minimum requirements of MEES regulations, and an A or B rating is aligned to our Sustainability Index definition of efficient buildings.	The energy performance rating is expected to not only comply with current regulations but far exceed. As such we anticipate a positive influence on the marketability of the subject property.
Sustainability certifications	The property does not have any green certification or ratings.	This is in line with current market expectations for new build. certification is expected to have a positive influence on the

	However, the developer is seeking a design reflecting BREEAM Very Good / Excellent	marketability of the subject property once developed.
Source of fuel and renewable energy sources	The property is heated/cooled using a combination of mains gas/solid fuel/oil/biomass and renewable sources of energy. To meet the UK Net Zero Strategy for clean energy by 2035, further decarbonisation will be necessary.	Only a small proportion of comparable properties have renewable sources of energy. As decarbonised energy sources have been introduced in advance of the 2035 target date, we anticipate a positive impact on the pricing decisions of prospective buyers.
Physical risk/ climate risk	There is a very low flood risk in the vicinity of the property, and therefore it is highly unlikely that the property would be significantly impacted during exposure to storm conditions.	A large proportion of comparable properties have similar exposure to climate risk and we are aware that similar mitigations are in place to minimise impact. There is therefore likely to be limited negative impact on the marketability of the property.

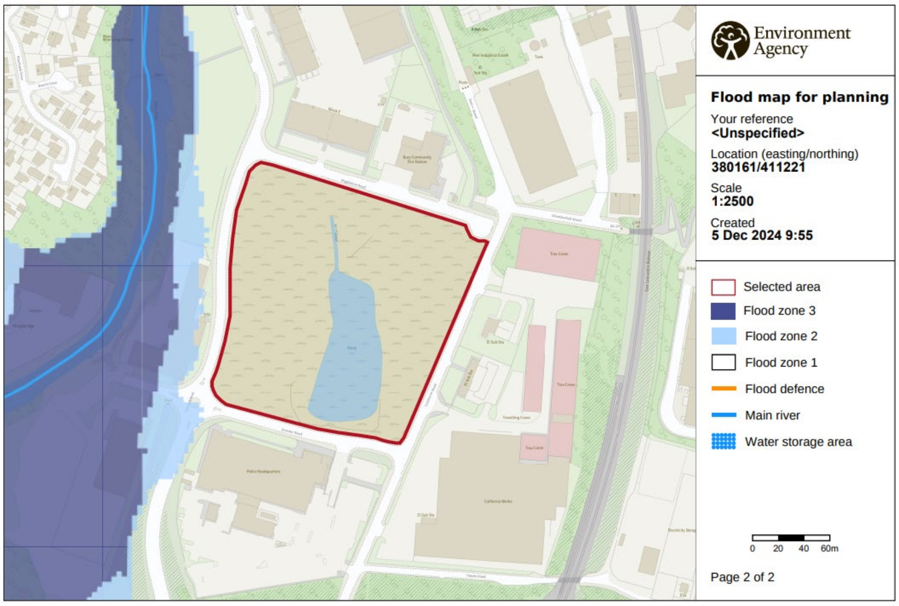
Hazardous and Deleterious Materials

We are not aware of any hazardous or deleterious materials and there are no buildings on the site.

We do not expect there will be any deleterious materials used in the construction of buildings forming the proposed development.

Flood Risk

The Site is situated in Flood Zone 1, an area that would have a low probability of flooding from river, sea and/or surface water (source: Environment Agency website).



Business Rates

The Property has not been assessed for business rates.

VAT

We have not been advised whether the Property is elected for VAT. All rents and capital values stated in this report are exclusive of VAT.

Energy Performance Certificates

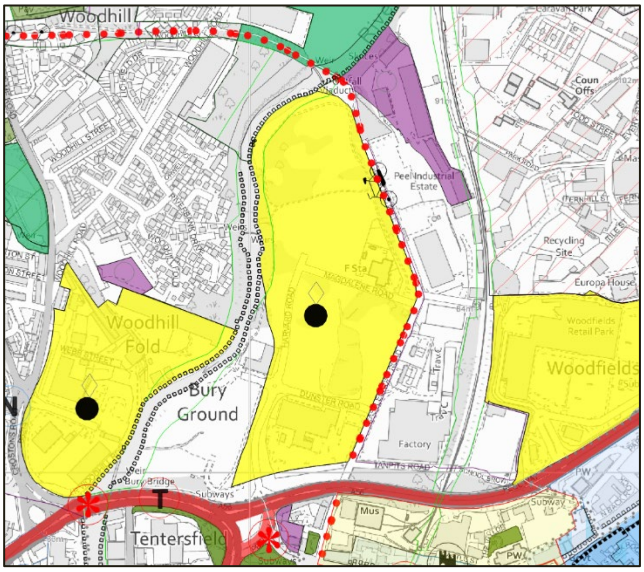
The proposed development includes a specification that is consistent with a target EPC A or B rating and therefore should comply with new and emerging guidance on sustainability. However, there are currently no buildings on the site and the assessment will need to be completed post development.

Planning Policy

The Property is located within the jurisdiction of the Bury Council. Planning Policy is contained within the Bury Unitary Development Plan (UDP) which was adopted on 29 August 1997. The Council is currently working to replace the UDP with a new Local Plan.

The online policies map shows that the subject site is allocated in the following areas under the Bury UDP as indicated by the yellow shaded area on the plan below:

- EC1/3/2 - Employment Land: Business, Offices and Hotel
- RT4/3/2 - Visitor Accommodation Provision
- RT4/3 - Recreation and Tourism



Planning Applications

Below we detail the most pertinent planning applications relevant to the land and surrounding infrastructure.

- Ref: 63185 (Land at Chamberhall, Magdalene Road, Bury, BL9 0ES) | Hybrid planning application comprising: A full planning application for 5 buildings of up to 12,317 square metres to be used within Use Classes B1, B2 and B8 and associated works to include an access road, landscaping, car parking, servicing areas (Phase 1); and site preparation works, access, boundary treatments and associated works including engineering works (Phase 1a); and engineering works comprising site preparation works (Phase 2). An outline planning application for development within Use Classes B1, B2 and B8 (Phase 1a) including details of access (all other matters reserved); and for development within Use Classes A1, A3, A4, A5, B1, B2, B8, C1 (hotel), D1 (creche) and D2 (gym), including details of vehicular access (all other matters reserved) (Phase 2) | Approved with conditions: 07/02/2019

- Ref: 51242 (Chamberhall Business Park, BL9 0LN) | 500 metres of highway with 2x 3.65m wide lanes and 3.0m wide footways | Approved with conditions: 17/06/2009
- Ref: 50163 (Chamberhall Business Park, Castlecroft Road, Bury) | Restoration of open water course landscape feature, to include suds regime wildlife habitat improvement and creation of earth bund from excavation arisings to enclose and screen developments from neighbouring public highway | Approved with conditions: 18/09/2008
- Ref: 48660 (Bury Ground, Castlecroft Road, Bury) | 200 metres of highway with 2 x 3.65m wide lanes and 3.0m wide footways | Approved with conditions: 21/12/2007
- Ref: 47422 (Bury Ground, Carlyle Street, Bury) | Access road from Peel Way to Bury Ground; perimeter road from Castlecroft Road to join access road | Approved with conditions: 28/03/2007

We are aware the most pertinent application for the property was under reference: 63185 approved in 2019. This was proposing business and light industrial uses. The application states that the design principles of development will incorporate new artwork to create a new component of the Irwell Sculpture Trail. Phase 1 of the wider masterplan has now been built out and was completed in 2020 by St Modwen Developments.

Outline planning permission was secured for a further two phases comprising Phase 1A to the north-west of the appraisal site, and Phase 2 which covers the appraisal site itself. The uses approved as part of the outline permission for the appraisal site are identified as Use Classes A1, A3, A4, A5, B1, B2, B8, C1 (hotel), D1 (creche) and D2 (gym).

Condition 42 of this hybrid planning permission stipulates that applications for approval of reserved matters must be made not later than five years from the grant of planning consent. The Decision Notice was issued on 07 February 2019, meaning an application for reserved matters must be brought by 07 February 2024 and therefore the site will need to obtain planning permission again.

The Purchaser (Crown Oil and Gas) are proposing to submit a new planning application in accordance with the plans provided. The proposals are consistent with the planning policy for the site and previous applications, and it is assumed for the purpose of the valuation that planning consent for the proposed development would be forthcoming.

Listing / Conservation Area	There are no buildings on the site. The site is not located within a conservation area.
Highways	Harvard Road has mixed maintenance responsibility. Dunster Road, Castlecroft Road and Magdalene Road are maintainable at public expense.

Market Commentary

Key Market Messages - Industrial

North West Industrial Market

Key markets:

The North West is one of the most successful and dynamic regions in the UK and benefits from excellent proximity to growing markets, a rising population of over 7 million people and continued investment into the region's infrastructure. Large projects such as Liverpool 2, The Mersey Gateway Project and the proposed new Terminal 1 at Manchester Airport will only drive economic development. The North West provides a number of established industrial locations with the prime locations being located close to the M6 motorway, namely Warrington, Haydock and Birchwood. These locations also benefit from being located approximately a 4-hour drive from Glasgow and Edinburgh, making it a popular location for operators transporting goods south from Scotland. Warrington and Birchwood have historically always been popular industrial locations due to their strong links to the national and regional motorway networks and with the Omega North and Omega South developments just off junction 8 of M62, Warrington is now the premier distribution location in the North West. Omega provides ultra-prime large-scale distribution accommodation of very high quality and is home to occupiers including Iceland, Royal Mail, Home Bargains, The Hut Group, Evri, UPS and Amazon. Headline rents at Omega are now reaching in excess of £118.40 per sq m (£11.00 per sq ft). The other areas of Warrington, such as Winwick and Birchwood have historically provided smaller scale industrial accommodation, including many multi-let estates, with rents regularly achieving in excess of £102.26 per sq m (£9.50 per sq ft). Recent lettings in Warrington include:

Unit 49, Melford Court, Hardwick Grange, WA1 4RZ: 432.8 sq m (4,659 sq ft) refurbished prime industrial unit let to PCT Performance Chemicals GmbH in June 2025. The unit was let on a 10-year term with a 5-year break and 5 month rent free incentive. The headline rent reflected £152.52 per sq m (£14.17 per sq ft).

Unit 35, Melford Court, Hardwick Grange, WA1 4RZ: 467.1 sq m (5,028 sq ft) refurbished prime industrial unit let to PMP Fabrications Ltd in February 2025. The unit was let on a 5-year term with a 3 year break. The headline rent reflected £137.02 per sq m (£12.73 per sq ft).

The other dominant industrial location in the region is Trafford Park, situated on the outskirts of Manchester city centre. Trafford Park has by far the largest concentration of manufacturing and warehouse space covering over 1,200 acres and is particularly popular with firms from the manufacturing and engineering sector, with demand mainly concentrated in small to medium sized units across a number of multi-let estates. Whilst not a major distribution location due to urban congestion, a number of logistics warehouses do exist for key occupiers including Adidas, Amazon and XPO Logistics. Existing stock in prime locations such as Trafford Park has continued to suffer from the lack of new build and second-hand refurbished stock, and this shortage within the estate has resulted in significant rental growth across all size bands. Headline rents have regularly achieved in excess of **£134.55 per sq m (£12.50 per sq ft)** typically in size bands less than 929 sq m (10,000 sq ft).

Key lettings within Trafford Park include:

- **Unit 7, Westbrook Estate, Trafford Park**: 664.0 sq m (2,482 sq ft) a second hand refurbished industrial unit let to AMW Hydraulic Solutions in April 2025 with lease terms unknown. The headline rent reflected £145.31 per sq m (£14.00 per sq ft).

- **Unit 15, Westbrook Estate, Trafford Park**: 664.0 sq m (2,500 sq ft) a second hand refurbished industrial unit let to Parallel Carbon in April 2025 with lease terms unknown. The headline rent reflected £145.31 per sq m (£15.00 per sq ft).
- **Unit 5, Ashburton Park, Trafford Park**: 1,162.20 sq m (5,004 sq ft) a second hand refurbished industrial unit let in April 2025 to Insulated Render Systems for £172.22 per sq m (£13.07 per sq ft).
- **Unit K4, Ashburton Point, Trafford Park**: 664.0 sq m (7,147 sq ft) a modern industrial unit let to Lindab in October 2024 on a 10-year lease at a headline rent of £145.31 per sq m (£13.50 per sq ft)
- **Unit 16, Bridgewater Point, Trafford Park**, M32 0QP: 1,162.20 sq m (12,553 sq ft) a speculative detached new build unit let in Q4 2024 to Vodafone for £172.22 per sq m (£16.00 per sq ft)

Other notable lettings within the **Greater Manchester** area in Q1 and Q2 2025 include:

- **Unit D Broadheath Network Centre, Altrincham**: 841.24 sq m (9,055 sq ft) let to Tyson Lighting Limited starting in April 2025 at a headline rent of £150.70 per sq m (£14.00 per sq ft) on a 10-year term with a break in year 5 and a 14-month half rent incentive.
- **Unit 1, Trade City, Manchester**: 348.11 sq m (3,747 sq ft) let to Flooring Warehouse starting in April 2025 at a headline rent of £200.21 per sq m (£18.60 per sq ft) on a 10-year term with a 5-year break and 12 month rent free incentive.
- **Unit C15 Broadheath Network Centre, Altrincham**: 232.07 sq m (2,498 sq ft) let to Orbis Project Limited starting in March 2025 at a headline rent of £177.60 per sq m (£16.50 per sq ft) on a 6-year term with a break in year 3 and a 10-month half rent incentive.

Liverpool and the wider Merseyside locality also has a strong industrial market within the manufacturing, warehousing and distribution sectors, having historically developed around the Port of Liverpool. Liverpool benefits from access to the M62, M57 and M58 motorways in addition to key freight rail hubs which are situated within Widnes, Speke and North Liverpool. Also, the ongoing development of the Port of Liverpool has seen the opening of the new deep water container terminal within the last 5 years. Key locations within the Liverpool City Region include the Port of Liverpool, Knowsley, Speke-Garston, Widnes, Runcorn and Bromborough on the Wirral. Key industrial occupiers within the Liverpool City region include Jaguar Land Rover, Cammell Laird, Glen Dimplex, AstraZeneca, B&M Bargains, Home Bargains, Matalan and Communisis. Current headline rents for good quality industrial units in the small-to-mid box size range are typically around **£86.11 per sq m (£8.00 per sq ft) to £107.64 per sq m (£107.64 per sq ft).**

There has been limited transactional evidence in Liverpool in the previous quarter. We detail lettings within the Liverpool area in Q1 2025 and 2024:

Unit 36, Ferriers Way, Liverpool: 92.06 sq m (991 sq ft) unit let to Diamine-Speciality Inks in February 2025 at a headline rent of £139.93 per sq m (£13.00 per sq ft).

Unit 52 Farriers Way, Liverpool: 92.5 sq m (996 sq ft) unit let to TVW Carpet & Upholstery Cleaners Ltd in October 2024 at a headline rent of £129.71 per sq m (£12.05 per sq ft on a 2-year term subject to 6 months' half rent.

Unit 15, Britonwood Trading Estate, Knowsley: 513.01 sq m (5,522 sq ft) unit let to Forestore Company Limited in October 2024 at a headline rent of £77.93 per sq m (£7.24 per sq ft) on a 3-year term.

Unit 54 Farriers Way, Liverpool: 92.5 sq m (996 sq ft) unit let to Sandu Salon Service Ltd in April 2024 at a headline rent of £129.71 per sq m (£12.05 per sq ft) on a 5-year term with 3-year break, subject to 6 months' half rent.

Other notable, but considered more secondary, industrial locations in the North West include Heywood, Crewe, Wythenshawe, Walton Summit, Winsford and Middlewich. Rents in these locations vary considerably due to the variety of accommodation offered, both in size and quality. These locations generally provide older specification units interspersed with more modern accommodation.

Demand & Take-Up:

There was no big box take-up in the North West region in Q1 2025, and there was a fall in space under offer, with 840k sq ft under offer at the end of the quarter across four deals.

During the quarter, North West availability increased by 7% to 5.0m sq ft, driven primarily by secondhand space. Approximately 60% of space available in the region is ready to occupy, up from 53% at the end of Q4 2024. As a result, North West vacancy rate grew by 71bps to 4.34%, but continues to be the lowest in the UK.

The North West prime rents grew by 55 pence during the quarter to £11.50 psf. There was no change to the region's prime yield, remaining stable at 5.25%

Market Evidence

Rental Evidence – Industrial

We detail below occupational evidence for industrial properties within proximity to the subject.

Address	Size (sq ft)	Tenant	Date	Headline Rent psf)	Comments
Units 2 & 3, Dean Court, Chamberhall Business Park, Harvard Road, Bury, BL9 0ES	3,056 (Each)	Available	Available	£12.00	New build multi-let industrial estate directly facing subject site. Advised by acting agent, the site has interest on both Units 2 & 3 at quoting £12.00 psf (£36,600).
Unit 9, Peel Mills Industrial Estate, Bury	600	Branch Off Ltd	Oct-24	£12.00	5 year lease, 3 year break – Peel Mills Ind Estate is directly next to the subject site.
Unit 7, Peel Mills Industrial Estate, Bury	634	QA Optical (UK) Ltd	Oct-24	£11.36	5 year lease, 3 year break - Peel Mills Ind Estate is directly next to the subject site.
Unit 4, Peel Mills Industrial Estate, Bury	600	Nest Building Services Ltd	Aug-24	£12.00	5 year lease, 3 year break - Peel Mills Ind Estate is directly next to the subject site.
Unit 24, Peel Mills Industrial Estate, Bury	780	G & M Vendetti Compressors Ltd	Jun-24	£12.00	3 year lease - Peel Mills Ind Estate is directly next to the subject site.
Unit 19/20, Peel Mills Industrial Estate, Bury	6,000	Alan Howard (Stockport) Ltd	Mar-24	£7.50	5 year lease - Peel Mills Ind Estate is directly next to the subject site.
Unit 1, Peel Mills Industrial Estate, Bury	1,199	Four4 Season Events Limited	Jan-24	£9.00	3 year lease - Peel Mills Ind Estate is directly next to the subject site.
Various units at Whitegate Business Park, Oldham	2,000 – 3,500	Various	Q3 23 – Q2 24	£11.98 - £13.50	3 year leases – 4 separate leases / Estate is located in a good secondary location.
Various units at Stanley Green Trading Estate, Cheadle	3,200 – 13,900	Various	Q2 23 – Q1 25	£13.00 – £17.68	5 & 10 year leases - 8 separate leases / Estate is located in a good secondary location. Superior to subject.

Address	Size (sq ft)	Tenant	Date	Headline Rent psf)	Comments
Various units at Tameside Business Park, Denton	1,200 – 2,450	Various	Q4 23 – Q3 24	£10.00 – £12.50	5 year leases - 4 separate leases / Estate is located in secondary area.
Unit D1 and F2 at Roundthorn Industrial Estate	7,300 – 7,900	Various	Q4 23 – Q1 24	£11.00 - £12.20	3 and 10 year lease – Secondary location. Older estate.
F2 Multiply, Logistics North, Bolton	32,595	Howarth Air Technologies	Sep 24	£11.00	10 year lease, rent free unknown
Unit 3A Towngate Business Centre, Walkden	9,860	SpaMedica	Jul 24	£12.50	10 year lease with 6 months' rent free
Unit 3E & 3F Towngate Business Centre, Walkden	17,840	Likewize Group	Mar 24	£13.00	10 year lease with 6 months' rent free
Unit 5 Foundry Business Park, Salford	4,379	Edco Eindhoven BV	Feb 25	£15.30	Terrace of newly completed units, letting for a new 10 year lease
Unit 12 Oakhill Trading Estate, Walkden	8,966	Jap Part Europe	Sep 24	£11.00	New 6-year lease with six months' rent free

Conclusion

The letting evidence above demonstrates headline rents between £7.50 - £19.46 per sq ft for properties in both direct proximity to the subject and in the wider North West industrial market. Recent letting evidence from the locality is demonstrated on Peel Mills Industrial Estate, located directly north of the site on Chamberhall Street. The estate comprises 39 industrial units ranging in size from 600 - 39,900 sq ft and is a circa 1990's estate. Larger units on the estate reflect a £/psf rate at the lower end of the comparable evidence, with smaller units on the estate reflecting a rate at the higher end reflecting a typical quantum scenario reaching up to £12.00 per sq ft.

Any new build accommodation at the subject site would trade at a premium level in comparison to these comparables reflecting a new build premium.

The transactions at Whitegate Business Park, Oldham; Logistics North, Bolton; Towngate Business Centre, Walkden and Foundry Business Park, Salford all reflect rental levels which are more consistent with new build estates with evidence ranging between £10.00 - £15.30 per sq ft. We widened our search to areas in south Manchester, including Denton (Tameside Business Park) and Wythenshawe (Roundthorn Industrial Estate) and Stanley Green Trading Estate, Cheadle. Tameside and Roundthorn reflect more secondary estates in comparison to the subject which will be newly constructed providing either modern or refurbished units arguably in more established industrial locations although the subject being a new build estate will balance out these factors. The values on these estates range from £10.00 - £17.68 per sq ft showing a slight premium for south Manchester.

We have also spoken with local agents in Bury who are actively marketing Units 2 & 3, Dean Court, Chamberhall Business Park facing the subject on Harvard Road. We were advised there is interest for both units at the quoting headline rent of £12.00 per sq ft. We are of the opinion that new build industrial on the subject site would be seeking a headline rental of £12.50 per sq ft which is consistent with new build stock in the surrounding area. We therefore believe the estate would have a good level of demand if developed in accordance with the proposed plans.

Investment Evidence – Industrial

We have searched for vacant possession sales in the market but note the strength of the occupational market means there are few transactions and none that we would consider to be directly comparable to the subject premises. Consequently, we have undertaken an investment valuation for the subject premises assuming that a purchaser would undertake a marketing period to let the property and then dispose of the property as an investment.

Below we detail a list of recent comparable investment transactions used to determine the market yield for the property.

Property Address	Date	Area (Sq Ft)	WAULT (Years)	Passing Rent £ pa	Purchase Price £ Capital Value) Yield	Analysis
Units 1-4 Europa Way, Trafford Park, Manchester, M17 1JZ	Feb-25	45,271	3.40	£402,450 (Average £8.89 psf)	£9.65M (£213.16 psf) **3.91% NIY** 5.85%EQY	Reversionary estate in prime location. Advised due to complete 20/02/25 above quoting price. Superior in comparison to subject.
Units 1 – 5, Dane Road Industrial Estate, Sale, M33 7BH	Jan-25	28,294	0.91	£260,460 (Average £9.20 psf)	u/o £3,490,000 u/o (£123.35 psf) **7.01% NIY** 7.74% EQY	Reversionary value add opportunity located in superior location. Close to exchanging at quoting price.
Units 415-428 Oakshott Place Walton Summit, Preston PR5 8AT	Jan-25	76,185	1.50	£485,382 (£6.37 psf)	£7,630,000 (£100.15) **5.96% NIY** 7.46% RY	Reversionary value add opportunity located in superior location.
Premier Park, Acheson Way, Trafford Park, Manchester, M17 1GA	Oct-24	196,680	3.30	£1,665,015 (Average £8.47 psf)	£46,900,000 (£238.46 psf) **3.32% NIY** 4.80 EQY	Superior in comparison. Super prime asset in strongest North West location.
Melford Court Industrial Estate, Hardwick Grange, Warrington, WA1 4RZ	Sept-24	155,497	3.06	£1,493,538 (Average £9.60 psf)	.£24,335,000 (c.£156.50 psf) **5.75% NIY** 6.40% EQY	Superior location in comparison. Good quality asset in strong North West location.
Units A, C & D Kingsway Business Park, Rochdale, Greater Manchester, OL16 4UG	Aug-24	166,152	5.47	£1,218,206 (Average £7.33 psf)	£22,000,000 (£132.41 psf) **5.21% NIY** 5.93% EQY	Superior in comparison. Strong secondary asset in good North West location.
Stockport Trading Estate, Yew Street, Stockport, SK4 2JZ	Mar-24	168,546	4.10	£1,272,185	£23,800,000 (£141.20 psf) **5.00% NIY** 6.20% EQY	Superior location in comparison to subject. Inferior unit specification.
Astmoor Industrial Estate, Arkwright Road, Runcorn, WA7 1NU	Dec-23	67,149	1.81	£324,588 (ERV £407,646)	£3,555,000 (£52.94 psf) **8.57% NIY** 10.77% RY	Inferior overall specification, location, age and offering on units.

Property Address	Date	Area (Sq Ft)	WAULT (Years)	Passing Rent £ pa	Purchase Price £ Capital Value) Yield	Analysis
Reads Road, Fenton, Stoke-On-Trent, ST4 2RL	Sept-23	27,726	1.37	£233,091 (ERV £267,564)	£2,990,000 (£107.84 psf) **7.32% NIY** 8.41% RY	Inferior overall specification, location, age and offering on units.

Below we outline CBRE's house view on Prime Estates, Good Secondary and Secondary Estates. The subject property would be considered a good secondary / secondary location from an industrial perspective although various factors such as age, specification, term certain, tenant covenant and other factors are considered on top of location to determine our chosen yield profile.

Industrial Yields	Jan 25	Mar 25	Apr 25	May 25	Jun 25	Trend
Prime Estate	5.25%	5.25%	5.25%	5.25%	5.25%	Stable
Good Secondary	6.50%	6.50%	6.50%	6.50%	6.50%	Stable
Secondary Estates	7.50%	7.50%	7.50%	7.50%	7.50%	Stable

Conclusion

The evidence above demonstrates net initial yields ranging between 3.32% and 8.57%, reflecting variances in income profile, tenant strength, term certain, specification and location. We have also considered equivalent yields given the reversionary nature of the current industrial market. These demonstrate a range between 4.80% and 8.57..

Units 1-4 Europa Way and Premier Park in Trafford Park reflect superior assets with strong tenants in prime locations in the North West region. Equivalent yields range from 4.80% – 5.80%. We expect the subject to trade at a discount in comparison. We would also expect the same with Units A, C & D at Kingsway Business Park where pricing reflected 5.93% EQY.

Stockport Trading Estate offers a good comparable in terms of location trading at a 6.20% equivalent yield. This estate would be considered to be in a slightly superior area, with reasonable specification. We would however expect a premium at the subject reflecting its new build specification.

For the purpose of the valuation we have adopted and equivalent yield of 6.00%, which reflects the assumption the units will be newly constructed and fully let.

Market Commentary

Key Market Messages - Offices

Take up

Bury is situated within the Greater Manchester conurbation, Bury town centre is too small to have its own office market and occupiers seeking office accommodation extending to over 40,000 sq ft would typically be looking within the wider North West or Greater Manchester conurbation. Manchester city centre has a well-established office market, and it is not comparable with Bury therefore we have given consideration to the market information for the out-of-town sub-markets of Salford Quays,Trafford and South Manchester when reporting on market dynamics.

Below we outline data from both MOAF (Manchester Office Agents Forum) and commentary from Property Market Analysis' (PMA) report for Manchester out of town market report.

According to MOAF take up of Manchester's Out of Town market, (which includes the submarkets of both South Manchester and Salford Quays) reported take up for the first half of 2025 is reported to be 387,581 sq ft which is strong in comparison to total take up in 2024 of 489,000 sq ft. 2024 was 24.7% below the five-year average of 649,420 sq ft. By contrast, take up in 2023 was 765,394 sq ft being 17.85% above the five-year average, and take up for the first half of 2025 is tracking at 15% above the five year average (over a six month period).

The reduced level of take up in 2024 was a result of an absence of large-scale deals, with demand focused solely on the smallest size bands. Manchester out of town saw its largest deal occur at Nexus in Trafford, where private housing association L&Q Group let 18,000 sq ft. They relocated to the top two floors from their nearby offices in Sale.

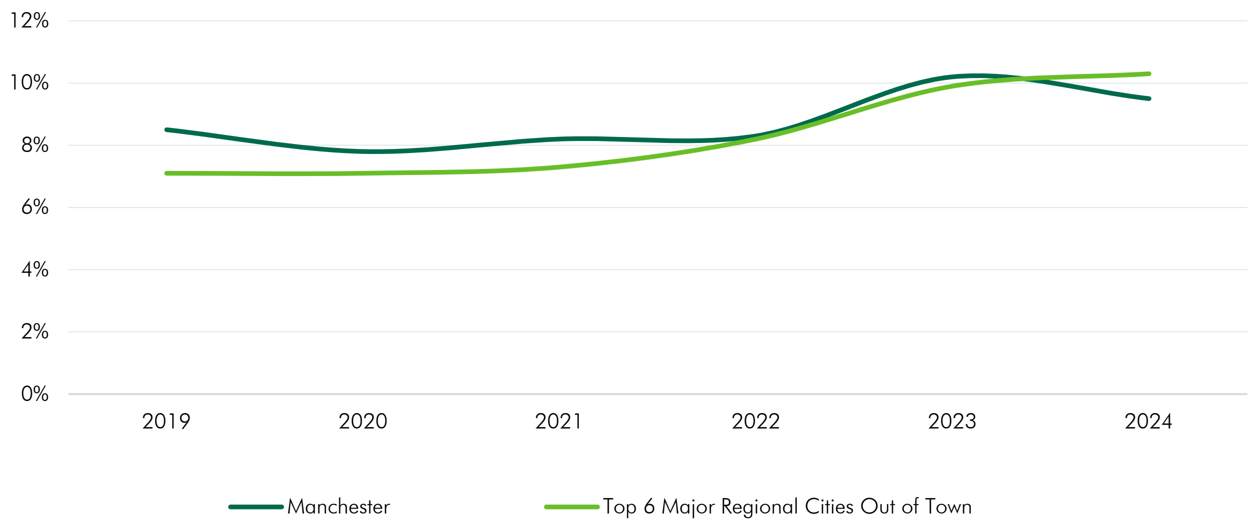
On further analysis of take up in the out-of-town markets, we see the shortage of larger lettings those over 20,000 sq ft which was a key differentiator between levels of take up between 2023 and 2024. In Salford Quays, lettings under 10,000 sq ft accounted for 51% of deals in 2023 and lettings over 20,000 sq ft accounted for 38% of total volume. However, in 2024 lettings under 10,000 sq ft accounted for 82% and there were no lettings over 20,000 sq ft. Similarly in the South Manchester sub-market, in 2023 lettings under 10,000 sq ft accounted for 69% of the market and 18% for lettings over 20,000 sq ft but in 2024, 91% of the market was for lettings under 10,000 sq ft and again there were no lettings over 20,000 sq ft.

To date, take up in 2025 has been significantly bolstered by a pre-sale deal from the Government Property Agency to build their Manchester Digital Campus on Great Ancoats Street. The campus is set to total around 900,000 sq ft across two buildings and will bring 7,000 civil service jobs to Manchester in the coming years. However this transaction relates to future development on the edge of Manchester city centre, which is still currently undeveloped land.

Vacancy and Availability

As at Q4 2024 (latest available), total availability for Manchester's out of town market equates to 9.5% according to PROMIS, and this is consistent with data for Top 6 Major Regional Cities. Vacancy in the Manchester Out of Town market is considered to be reasonable as there has been limited new build activity providing new stock to the market over the last few years. In terms of wider context, availability stood at 15.2% in 2012 (the highest recorded over the last 25 years) with a fair proportion relating to secondary stock in Salford Quays, and the low point for vacancy was in the year 2000 at 7.6%.

The graph below shows data from PROMIS and compares availability for Manchester's Out of Town market over the last five years in comparison to the Top 6 regional cities and shows there has been a consistent level of vacancy in Greater Manchester when compared with similar out of town regional markets.



The biggest impact on availability was the latest phase of Stockport Exchange (65,000 sq ft) . The third building at Stockport Exchange follows the success of No 1 and No 2 developed in 2019 and 2021 respectively. Hurst Accountancy were the first occupier for the latest development, joining other occupiers BASF, Music Magpie, Patient O'Neill and Stagecoach. Elsewhere, Foundation on 2 George Street in Altrincham was forward marketed with around 37,000 sq ft available as of end-2023 following a deal to Sportfive which was let during construction.

In terms of the secondary market there is availability at Scotscroft House and Towers Business Park as a number of firms consolidating their operations including Oracle and John Lewis. Space was also made available at 4M, Manchester Airport for similar reasons, with The Hut Group in particular consolidating to their HQ. The largest deal to erode existing space saw Express Solicitors buy 40,000 sq ft in Wythenshawe. Other key schemes which are under construction include new developments by Bruntwood Sci-Tech at Manchester Science Park, Greenheys Building and Citilabs 4.0. Citilabs 4.0 is speculative development of 125,000 sq ft and is due to reach practical completion in April 2025, and Greenheys Building 131,000 sq ft is part let to UK BioBank and under construction due for completion in late 2026.

Market Evidence

Rental Evidence - Offices

Below is a schedule of lettings over the last 24 months within Greater Manchester (excluding Manchester City Centre) for offices over 10,000 sq ft.

Date	Property	Sq Ft	Grade	Tenant	Rent / Price (per sq ft)	Comments
June 2025	Lakeside 500, Cheadle Royal	12,000	Grade B Refurb	Together Money	£24.00	
June 2025	Trafford Wharf Road	48,513	Grade B	Warner Brothers	£16.50	4 year lease break in year 2.
May 2025	Glasshouse, Alderley Park	16,107	Grade A	Currentbody	£23.00	10 year lease, break in year 7
April 2025	The Alex, Salford Quays	11,878	Grade B refurb	M&S	£20.00	4 year lease
September 2024	Base, Manchester Science Park, Greenheys Lane	36,399	Grade A New Build	Bolton University / UA92 partnership	£27.50	10-year lease
September 2024	Century House, Pepper Road Hazel Grove, Stockport	10,380	Grade B	Centre for Advanced Dental Technology	£15.00	
April 2024	Solutions House, Yew Street Stockport	12,000	Grade B	OFGL	£15.50	15-year lease
March 2024	Oakland House, Talbot Road, Old Trafford	11,000	Grade B	PH Media	£13.00	
March 2024	Nexus City Park, Salford Quays	18,043	Grade B	London and Quadrant	£14.15	16-year lease with break at year 11
January 2024	Egerton House, Towers Business Park, Didsbury	10,500	Grade A	Blume Group	£21.00	
December 2023	Three Stockport Exchange, Stockport	11,200	Grade A New Build	Hurst	£27.00	10-year lease
August 2023	Foundation 2 Stamford Square, Altrincham	13,600	Grade A Newly Refurbished	Sportfive	£25.00	Former department store newly redeveloped as offices
July 2023	St Albans House, Drake Street, Rochdale	9,648	Grade B	Rochdale Boroughwide Housing	£7.15	1990s offices let on 3-year lease
June 2023	Soapworks, Exchange Quay, Salford Quays	25,000	Grade A	Department for Levelling Up	£21.50	Formerly occupied by Secretary of State

Date	Property	Sq Ft	Grade	Tenant	Rent / Price (per sq ft)	Comments
March 2023	Adamson House, Towers Business Park, Didsbury South Manchester	10,100	Grade A	BDW Trading	£28.00	5 years lease
March 2023	Valo Talbot Road, Old Trafford	36,164	Grade A Refurb	Bolton University / UA92 partnership	£16.50	15-year lease

Summary

The subject site is located in central Bury and extends to over 40,000 sq ft. There have been no lettings of this size within Bury or the wider out of town office market in Greater Manchester in the last 12 months. There is limited new build construction progressing as the viability of speculative schemes is not sufficient for most developers unless there is support from public sector grants / partnerships. New build activity at Base has been supported by Bruntwood Sci-Tech, a JV between Bruntwood, L&G and Greater Manchester Pension Fund. Equally, Stockport Exchange was developed by Stockport Council and Muse. Within Greater Manchester the best comparable for prime town centre office development would be Stockport Exchange where there has been construction of speculative offices completed over the last five years. The three phases of new build development have seen rents grow from £226 per sq m (£21.00 per sq ft) in 2021, to £290 per sq m (£27.00 per sq ft) by 2024.

Elsewhere within the region, Towers Business Park in Didsbury, arguably Greater Manchester's premier out of town business park, has seen growth from £242.20 per sq m (£22.50 per sq ft) in 2021 to £301.40 per sq m (£28.00 per sq ft) achieved at Adamson House. In Salford Quays/ Trafford Park, there has been lettings of new build and newly refurbished offices with prime headline rents showing £27.00 - £28.00 per sq ft showing consistency with the south Manchester market. Rental growth elsewhere has been relatively flat in the last five years, with limited transactions completing for lettings over 10,000 sq ft.

The subject property would offer new build offices which are assumed to be a Grade A specification, and we would expect the rental to be to the higher end of the range, similar to Stockport Exchange and Towers Business Park rather than the secondary refurbishments at Old Trafford and Salford Quays. We have reflected the new build specification, but inferior location and adopted a headline of £242.20 per sq m (£22.50 per sq ft). The proposed development therefore reflects a headline rent of £900,000 per annum once fully let.

Investment Evidence – Office

We detail below investment evidence for office properties within the North West market.

Property Address	Date	Area (Sq Ft)	WAULT (Years)	Passing Rent £ pa	Purchase Price (£ Capital Value) Yield	Analysis
Waterside House, Standish Wigan	June 25	30,734	6.20 (2.80)	£392,096 £12.76	£2,900,000 (£94.36 psf) **12.67% NIY**	Multi-let offices, let to Tote, Walmsleys Insurance SSP Health Medical. Offered to the market in May 23 with limited investor interest initially but sold in June initial quoting price 11.00% yield
Unit 1 Kestrel Court, Lakeside Drive, Centre Park, Warrington, Cheshire, WA1 1QX **(Single let)**	Jan-25	11,365	5.20	£193,205 £17.00 psf	£2,000,000 (£175.98 psf) **9.09% NIY**	Secondary out of town location. Let to NHS undoubted covenant. 5.2 years to break / 10.2 years to expiry. Higher of OMRR or RPI uncapped review in January 2030.
Unit 2, Sceptre Point, Sceptre Way, Bamber Bridge, Preston, PR5 6AW **(Single let)**	Jun-24	19,475	4.40	£272,333 £13.98 psf	£2,726,000 (£139.97 psf) **9.39% NIY** **10.00% RY**	Secondary location. Good secondary industrial location. Let to NHS undoubted covenant until October 2028. October 2023 rent review has not been actioned. ERV assumed £15.00 psf.
300 Longbarn Boulevard, Birchwood, Warrington, WA2 0XD **(Single let)**	Jul-23	20,826	13.30	£312,390 £15.00 psf	£5,330,000 (£240.08) **5.86% NIY** **6.96% RY**	Secondary location. Let to National Crime Agency an undoubted covenant until May 2036. Reversionary ERV c.£19.00 psf. Current yields are between 50-100 bps softer in today's market from July 23.
Dow Chemicals, Cheadle Royal Business Park, South Manchester, SK8 3SR **(Single let)**	Jun-23	26,076	12.90	£558,548 £21.42 psf	£8,900,000 £341.31 psf **5.88% NIY** **6.74% EQY**	Good out of town location in South Manchester. Built 2020/21. 5A3 D&B covenant. Lease had no breaks with 5 yearly upward only compounded RPI rent reviews, subject to an annual cap and collar of 1% and 4%, Current yields are between 50-100 bps softer in today's market from June 23.
3 Christie Fields Office Park, West Didsbury, Manchester, M21 7QY **(Single let)**	Available	6,220	4.30	£82,600 £13.28 psf	Quoting £1,100,000 (£177 psf) **7.11% NIY** 9.11% RY	Secondary location. Let to low-risk tenant (Experian). 4.3 years unexpired. Superior location, smaller property. On market from June 2024.

Property Address	Date	Area (Sq Ft)	WAULT (Years)	Passing Rent £ pa	Purchase Price (£ Capital Value) Yield	Analysis
Kier House, Estuary Business Park,4 Windward Drive, Speke, L24 8QR **(Single let)**	Available	20,000	7.50	£297,175 £14.86 psf	Quoting £3,950,000 (£197.50 psf) **7.05% NIY** 7.70% RY	Good secondary location. Built 2015. Let to strong tenant and Experian very low risk (Kier Ltd). RPI linked RR C&C 2-4%. Outstanding review April 2025.

Below we outline CBRE's house view on Regional Cities, Good Secondary and Secondary. The subject property would be considered a good secondary location from an office perspective.

Industrial Yields	Dec 24	Mar 25	Apr 25	May 25	Jun 25	Trend
Regional Cities	6.50%	6.50%	6.50%	6.50%	6.50%	Weaker
Good Secondary	10.00%	10.00%	10.00%	10.00%	10.00%	Weaker
Secondary	14.00%	14.00%	14.00%	14.00%	14.00%	Weaker

Conclusion

Regional city office comparables reflect yield profiles too strong for the subject, for example, those situated in Manchester city centre. We have therefore searched for investment evidence in secondary office markets across the North West region.

Transactions range from June 2023 to June 2025 and demonstrate yield profiles between 5.86% - 9.09% on a net initial yield basis. We have also considered available pricing with yields ranging between 7.05% – 7.11%. In addition to the yield, we have given consideration to the overall capital value and note these range between £140 - £341 per sq. ft.

The transaction of Unit 2 Sceptre Point, Preston provides recent evidence. The property is let to a strong covenant with a low passing rent and would be viewed as a reversionary investment with a term certain 4.40 years. An assumed ERV of £15.00 psf would reflect a reversionary yield close to 10%. We would anticipate a similar yield profile at the subject property.

The investments in Warrington, South Manchester and Speke are all considered stronger locations with better tenant covenant strength or good unexpired lease terms and reflect superior overall investments in comparison to the subject.

Land Sales Evidence

From 2019 – 2022 there continues to be strong levels of demand for development land from industrial developers with yield compression and strong occupational demand driving forward new development for industrial stock and growth in land values across the North West region. Land values for industrial development had steadily increased from £500,000 - £750,000 per acre in 2015-2020, to over £1,000,000 per acre for oven ready sites, and even higher rates in prime markets of Warrington and Trafford Park.

However, since September 2022, the shift in interest rates and property market yields has led a significant downward impact on land values and the fall in pricing has resulted in limited transactional activity. Whilst pricing industrial investment stock has stabilised, the rising cost in debt finance, weaking of property yields and continued cost inflation (albeit at a reduced rate of inflation) for new build continues to impact on viability and there are few transactions taking place on which to determine land value.

Based on discussions with our industrial agency colleagues we understand land values to fall into the following £/per acre rates:

- Prime Site £1,000,000 - £1,400,000
- Secondary Site £400,000 - £750,000
- Tertiary Site £250,000 - £300,000

We detail below sales of vacant land or buildings which are planned for industrial development.

Address	Area (sq ft)	Transaction Date	Achieved Price	£/Per acre	Comments
Land At Firwood Industrial Estate, Thicketford Road, Bolton, BL2 3TR	2.97	Feb-24	£1,000,000	£336,700	Industrial Development Site with Planning Permission Granted industrial unit/Warehouse Facility. Net Developable Area c. 1.69 acres. 2.5 miles from M60, just outside of Bolton Town Centre. Regular shaped site in established employment area which includes a Huws Gray Builders Merchants, Boxes & Packaging Ltd and Hartech Automotive Ltd.
Kenwood Point, Reddish, Stockport	9.90	May-23	£11,250,000	£1,136,364	Former manufacturing facility extending to 50,000 sq ft of poor-quality accommodation. Site acquired for redevelopment by a data centre operator due to the existing power supply at the unit which offered 6,600kVA power supply and commanded a premium over and above alternative sites.
Levbec House, 99 Manchester Road, Stockport	0.36	Feb-23	£450,000	£1,250,000	Site of a former public house situated directly opposite a retail park anchored by Asda and Wickes. The site has planning consent for demolition of the pub and a new drive-thru restaurant. The pricing reflects the benefit of planning consent.

Address	Area (sq ft)	Transaction Date	Achieved Price	£/Per acre	Comments
Broadway Green, Oldham	10.0	Jul-21	£6,500,000	£650,000	Land acquired by Chancerygate for a development of light industrial units, now completed. Site sold with the benefit of planning consent. An adjacent site was forward funded by Hines UK and developed by Chancerygate in April 2024, whilst the transaction is not reported pricing is understood to be in the region of £550,000 per acre for the development of small multi-let light industrial units.

We detail below sales of vacant land without the benefit of planning permission.

Address	Area (sq ft)	Transaction Date	Achieved Price	£/Per acre	Comments
Higher Bridge Street West Car Park, Bolton, Lancashire, BL1 2HE	0.21	Mar-24	£185,000	£880,952	Land previously used a car park – marketed as suitable for a variety of uses with no planning consent. Car park has not been used in a while and located on the periphery of Bolton Town Centre. Located in a commercial location.
Land At Pelham Street, Bolton, Lancashire, BL3 3JB	0.56	Mar-24	£210,000	£375,000	Land used as open grassland – marketed as suitable for a variety of uses with no planning consent. Located in a mixed-use area of commercial and residential use classes. 1.50 miles south-west of Bolton Town Centre.
Land At, Cedar Avenue, Horwich, Bolton, Lancashire, BL6 6EU	0.96	Jan-24	£610,000	£635,416	Land used as open grassland. Marketed between £350-£400k with no planning permission. Slightly sloping site located 4 miles west of Bolton Town Centre in well-presented area.
Land At Albion Street, Bolton, Lancashire, BL3 6ND	0.19	Mar-23	£110,000	£578,947	Two plots of land. Once used a car park with a neighbouring plot of land – marketed as suitable for a variety of uses with no planning consent. Located predominantly in a commercial area. Less than 1km to Bolton Town Centre.

Valuation Conclusion

Valuation Approach

Valuation Methodology	In preparing our valuations, we have undertaken a residual appraisal of the proposed scheme.
Valuation Rationale	We consider the Market Value of the subject property is driven by its alternative use value as a light industrial development however we are aware the purchaser is proposing to develop an office building for owner occupation. To assess this, we have adopted the following approach: **Scenario 1 – Light Industrial** We have adopted a scheme based on a light industrial development over the whole site using AEW Architect's design and indicative layouts for the development which suggests a developable site of 5.3 acres and a scale of development of 91,804 sq ft. We have assumed costs for Biodiversity Net Gain (BNG) reflecting off site provisions at an estimate of £500,000 for the whole site, reflecting a pro rata rate of £94,000 per acre. **Scenario 2 – Office + Light Industrial** **Office Development** The appraisal shows an office development for owner occupation. In accordance with the plan with which we have been provided, this extends to 3.67 acres and an office of 40,000 sq ft (NIA). We have assumed costs for BNG reflecting off site provisions at an estimate of £345,000 for the pro rata portion of the site based on an overall cost of £500,000 for the whole site. There is currently very limited speculative development of offices in the current market based on viability. This is consistent with our appraisal which shows the development is not viable and results in a negative land value. Assuming a market allowance for developer's profit and finance – even if the development can be financed by the owner occupier, it is still questionable in terms of viability. **Light Industrial Development** As the office area only covers 3.67 acres there is an additional 1.6 acres of land at the subject site. We understand that Bury Council have reached an agreement to dispose of this part of the site at a Market Rate based on a light industrial development. We have been provided with an indicative multi-let scheme of six units extending to a total of 25,000 sq ft. We have assumed costs for BNG reflecting off site provisions at an estimate of £155,000 for the pro rata portion of the site based on an overall cost of £500,000 for the whole site. We have been provided with build costs as provided by the Purchaser and these include additional specific costs including a capping layer; ground improvements; PV panels and amenity blocks which are considered to be site specific costs. The proposed development costs will be subject to the Overage Agreement as outlined the in Heads of Terms. We understand that the Council may recover additional capital receipts in the event the costs of development are less than those allowed for in the residual appraisal. Please refer to the summary residual appraisals at Appendix A.

Valuation Approach

Valuation Components – Scenario 1

As outlined previously we have included the key inputs for each appraisal within the tables below Scenario 1 is 'Light Industrial' and Scenario 2 is for 'Offices'.

Gross Development Value

Schedule of Rental Values

Element	Light Ind / Office Area (Sq Ft)	Rent (£ psf)	Rent Per Annum (£)
Scenario 1			
Light Industrial (Multi-let Warehouse)	91,804	£12.50	£1,147,550

Schedule of Gross Development Value

	Total Rent pa (£)	Yield (%)	Gross GDV (£)	Net GDV After Costs 6.80% (£)
Scenario 1				
Light Industrial (Multi-let Warehouse)	£1,147,550	6.00	£19,125,833	£17,825,277

Our valuation assumes the property would be marketed during the last three months of construction, therefore we have adopted a 12 month marketing period, (allowing for a letting period of 9 months post construction).

We have also assumed a 5-year lease on each of the 4 units subject to a 6 month rent free incentive applied to each unit. We have capitalised a Market Rent of £1,147,550 per annum (£12.50 per sq ft) at an equivalent yield of 6.00%.

This has produced a total value after purchasers' cost of £17,825,000 (£194 per sq ft).

Development Costs

Build Costs

We have not been provided with a cost estimate for whole site industrial development as the proposed purchaser is considering a development for both the offices and light industrial. We have therefore used our experience of valuing similar industrial development sites and cross checked this with similar developments we are advising on together with benchmarking data provided by our cost consultancy colleagues. We have adopted pricing which is reflective of current developments within Greater Manchester and are also consistent with BCIS benchmark indices.

The market has been experiencing a significant rise in build cost inflation over the previous 24 months with some signs of a slowdown as new build projects which are planned but not yet ready to commence. We have adopted a rate of £92.50 per sq ft for construction on light industrial in addition, there is a 3.00% contingency and for the light industrial prelims, profit and overhead at £14.80 per sq ft of the cost of construction. This shows an overall rate of approximately £110.00 per sq ft

The Purchaser has provided a cost summary for the multi-let development under part of the site (please refer to Scenario 2) within the appraisal they have included some site-specific assumptions for adverse ground conditions however this only covers part of the site and is an indicative cost pending a Stage 2 Ground Investigation report. **In the absence of information, we have assumed suitable ground conditions and note that the costs of remediation / improvement to ground conditions will need to be deducted from the residual land value reported in Scenario 1.** We are aware from the Stage 1 Ground Investigation Report that there is made ground across the site and we would recommend that further investigations are undertake to understand the true cost of site remediation which should be deducted from our valuation.

Please refer to the table below for key cost inputs:

Scenario 1 – Light Industrial

Item	GIA (Sq ft)	Quantity/Rate	Cost
Construction - Offices	91,804	£92.50 psf	£8,491,870
BNG			£500,000
Contingencies		3.00%	£254,756
Design Allowance Prelims Overheads		£14.80 psf	£1,358,699
Professional Fees		8.00%	£788,046
Marketing			£35,000
Lettings/legal fees		10.00% / 5.00%	£172,133
Purchaser's costs on Land		4.43% SDLT 1.2% agent 0.6% legal	£80,845 £21,923 £10,961

Finance and Profit

Item	Rate	Cost
Finance	6.25%	£1,873,468
Profit on cost	17.50%	£2,697,557
Total		**£4,657,025**

Land Value

Item	Rate per acre	Cost
Residual Land Value	£345,000	£1,825,000

As outlined above this is prepared on the special assumption of suitable ground conditions and any costs associated with site remediation / site preparation will need to be deducted from the reported land value.

Valuation Approach

Valuation Components – Scenario 2

As outlined previously we have included the key inputs for each appraisal within the tables below Scenario 1 is 'Light Industrial' and Scenario 2 is for 'Offices'.

Gross Development Value

Schedule of Rental Values

Element	Light Ind / Office Area (Sq Ft)	Rent (£ psf)	Rent Per Annum (£)
Offices	40,000	£22.50	£900,000
Light Industrial (Multi-Let Workshop)	25,000	£15.00	£375,000
Total			**£1,212,500**

Schedule of Gross Development Value

	Total Rent pa (£)	Yield (%)	Gross GDV (£)	Net GDV After Costs 6.80% (£)
Office	£900,000	10.00	£8,581,163	£7,997,644
Industrial	£375,500	6.00	£6,185,158	£5,764,567

Based on the above, we have applied an equivalent yield of 10.00% for the offices Our valuation assumes the property the property will be occupied 3 months after practical completion allowing for a fit-out period. We have then run a hypothetical scenario allowing for a 6-month rent free incentive assuming a 5-year term. We have capitalised a Market Rent of £900,000 per annum (£22.50 per sq ft) at an equivalent yield of 10.00%.

Based on the above, this produces a total value after purchasers' cost of £7,998,000 (£200.00 per sq ft) and a negative residual value.

The Council have agreed to transfer the land for the office development at £1. The sale agreement is to be subject to overage and conditions on the Purchaser to commence the development within specified timescales.

The multi let industrial has been capitalised at 6.00% for the light industrial and assumes a phased letting period over nine months after practical completion allowing for a six month rent free period. Based on the above this produces a total value after purchasers' cost of £5,764,000 (£230 per sq ft)

Development Costs

Build Costs

We have not been provided with a cost estimate for the offices within Scenario 2 and have therefore used our experience of valuing similar sites and cross checked this with our cost consultancy colleagues. We have adopted pricing which is reflective of current developments within Greater Manchester and are also consistent with BCIS benchmark indices.

The Purchaser has provided a cost summary for the multi-let development referred to as Scenario 2 Light Industrial. In accordance with your instructions, we have adopted the cost estimates as provided by the Purchaser.

The adopted rate provided by the Purchaser is £116.45 per sq ft which is inclusive of preliminaries overheads, profit and contingencies. This is slightly above the £110.80 per sq ft we have adopted in Scenario 1. Please refer to earlier comments provided by the Purchaser in relation to specification for the planned development. In addition, there are some site-specific costs which have been included in the appraisal these relate to ground conditions and capping layer, amenity blocks and PV Panels for the multi-let units. We note the proposed sale agreement will include an overage clause providing the Council with the ability to receive additional capital receipts in the event that the actual costs of development are less than the cost estimates provided by the Purchaser.

Please refer to the table below for key cost inputs:

Scenario 2 - Offices

Item	GIA (Sq ft)	Quantity/Rate	Cost
Construction Offices	40,000	£195.00 psf	£9,184,500
BNG			£345,000
Contingencies		3.00%	£275,535
Professional Fees		8.00%	£734,760
Marketing			£35,000
Lettings/legal fees		10.00% / 5.00%	£135,000
Purchaser's costs on Land		0.00% SDLT 1.2% agent 0.6% legal	£0

Finance and Profit

Item	Rate	Cost
Finance	6.25%	£217,227
Profit on cost	17.50%	£1,191,139
Total		**£1,408,366**

Scenario 2 – Light Industrial

Item	GIA (Sq ft)	Quantity/Rate	Cost
Construction Light Industrial	25,000	£116.45 per sq ft	£2,911,400
BNG			£155,000
Contingencies (included above)			Included above
Design Allowance Prelims Overheads			Included above
Site Specific Costs Estimated by the Purchaser:			
Ground Conditions		£158,620 per acre	£253,789
Capping Layer		£30,911 per acre	£49,459
Amenity Blocks		£17.60 per sq ft	£440,000
PV Panels		£5.71 per sq ft	£142,884
Professional Fees		8.00%	£214,600

Item	GIA (Sq ft)	Quantity/Rate	Cost
Marketing			£35,000
Lettings/legal fees		10.00% / 5.00%	£81,875
Purchaser's costs on Land		0.5% SDLT 1.2% agent 0.6% legal	£987 £2,392 £1,196

Finance and Profit

Item	Rate	Cost
Finance	6.25%	£264,427
Profit on cost	17.50%	£702,202
Total		**£966,629**

Residual Land Values

The office development shows a negative land value and supports the rationale that the Council are seeking to dispose of the site at £1 to support the proposed office development. The developer / investor market are not delivering office developments outside of major city centres unless there is public sector support due to viability challenges in the current market, this is consistent with the results of our residual appraisal which shows a negative land value for the proposed office development.

Scenario 2

Item	Rate per acre	Residual Land Value
Office 3.6 acres	Negative Land Value	(£4,120,000)
Light Industrial 1.5 acres	£123,500	£200,000

Summary

The additional plot of land allocated as multi-let industrial shows a land value of £200,000 which reflects £125,000 per acre. This includes significant allowances for site specific costs. We have queried the low rate per acre with the Purchaser and provided land value evidence as previously outlined in this report and below we detail the Purchasers response:

"CBRE notes that land transactions elsewhere in the North West have been completing at higher levels. We agree that headline land values have remained strong across certain prime locations. However, Chamberhall carries a number of site-specific constraints which differentiate it from typical consented greenfield or urban edge plots. These include:

- *Known archaeological sensitivity (remains of the original Chamber Hall are located on this part of the site and will require investigation)*
- *Potential contamination from former industrial uses*
- *Planning designation under the Places for Everyone framework, requiring conformity with infrastructure delivery strategies, transport phasing, and ecological enhancements*

When these risks are factored into a delivery programme and costed appraisal, the net residual land value is significantly constrained. We do not believe it would be appropriate to apply generic comparables without adjusting for these factors."

Overage Adjustment

As a sense check we have run a scenario appraisal where the site-specific cost adjustments are excluded from the appraisal, when removed the land value this shows a land residual of £500,000 (£345,000 per acre) which is more consistent with the land sales evidence.

The Purchaser has provided estimated costs for potential ground works and capping layers and also providing amenity blocks and PV Panels to the multi-let units. Within the draft Heads of Terms, we understand there is an overage agreement. This means that if the actual costs of remediation / development are less than those allowed for in the residual appraisal the Council will have the opportunity to receive additional capital payments from the Purchaser.

Opinions of Value

Market Value Scenario 1 - Light Industrial Development over the Whole Site

Our Valuation is **£1,825,000 (One Million Eight Hundred and Twenty-Five Thousand Pounds)** exclusive of VAT:

- £345,000 per acre
- The above scenario has been prepared to understand the opportunity cost to Bury Council for the proposed sale of the land to the Purchaser. Please note the figures reported above do not include any deductions for abnormal ground conditions. The actual costs of site remediation are not currently known. and would need to be deducted from this figure on completion of further investigation.

Sensitivity Analysis

The Valuation method adopted for development valuations is very sensitive to changes in key inputs. Small changes in variables such as sales volumes or build costs will have a disproportionate effect on land value. Site values can therefore be susceptible to considerable variances as a result of changes in market conditions.

Construction Rate - £92.50 per sq ft

Yield Shift 6.00%		-10.00%	-5.00%	0.00%	+5.00%	+10.00%
	5.50%	£3,725,123	£3,312,035	£2,898,946	£2,485,853	£2,072,766
	5.75%	£3,165,800	£2,752,711	£2,339,618	£2,485,853	£1,513,442
	6.00%	£2,653,086	£2,239,993	**£1,825,000**	£1,413,817	£1,000,728
	6.25%	£2,181,385	£1,768,298	£1,355,210	£,942,121	£529,031
	6.50%	£1,745,975	£1,332,886	£919,797	£506,708	£87,904

The sensitivity analysis shows that a small change in input in valuation yield or build cost can have a significant impact on the end residual value to the extend that 50 basis point movement in yield and 10.00% increase in build costs reduces the land value to below £100,000.

Values can change over a short space of time and we would recommend the Council continue to monitor the development over the course of the next few years to monitor progress on construction as market conditions may change and this could impact on future overage payments.

Market Value Scenario 2 – Office Development

Our Valuation is **£1 (One Pound)** exclusive of VAT

- The land residual reflects a negative land value for the offices for the purpose of the proposed transaction therefore we have adopted a land value of £1.

Market Value Scenario 2 – Light Industrial Development

Our Valuation is **£200,000 (Two Hundred Thousand Pounds)** exclusive of VAT

- The land residual reflects a land value of £125,000 per acre.
- The valuation is subject to site specific cost estimates which have been provided by the Purchaser. In accordance with the heads of terms, there is the potential for the Council to recover additional sums for the land in the event the actual development costs are less than those adopted in the residual appraisal.

Sensitivity Analysis

The Valuation method adopted for development Valuations is very sensitive to changes in key inputs. Small changes in variables such as sales volumes or build costs will have a disproportionate effect on land value. Site values can therefore be susceptible to considerable variances as a result of changes in market conditions.

Construction Rate - £116.45 per sq ft

		-5.00%	-2.50%	0.00%	+2.50%	+5.00%
Yield Shift	+0.50%	£828,767	£693,479	£558,192	£422,903	£287,615
	+0.25%	£642,234	£506,946	£371,658	£235,978	£95,732
	0.00%	£471,250	£335,962	**£200,000**	£58,287	(£89,094)
	-0.25%	£599,899	£176,600	(£35,191)	(£113.838)	(£265,442)
	-0.50%	£166,407	(£24,800)	(£124,923)	(£276,596)	(£429,041)

Appendices

Appendix: Valuation Printouts

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Chamberhall Business Park
Bury
BL9 0JU

Development Appraisal
Prepared by TM / GH
CBRE
06 October 2025

TIMESCALE AND PHASING CHART CBRE

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Project Timescale	
Project Start Date	Dec 2024
Project End Date	Jan 2028
Project Duration (Inc Exit Period)	38 months

Phase 1

	Start Date	Duration	End Date	Dec 24
Project	Dec 2024	38	Jan 2028	
Purchase	Dec 2024	1 Month(s)	Dec 2024	
Pre-Construction	Jan 2025	6 Month(s)	Jun 2025	
Construction	Jul 2025	12	Jun 2026	
Post Development	Jul 2026	0 Month(s)		
Letting	Jul 2026	18	Dec 2027	
Income Flow	Jan 2028	0 Month(s)		
Sale	Jan 2028	1 Month(s)	Jan 2028	
Cash Activity	Dec 2024	38	Jan 2028	
				1

APPRAISAL SUMMARY CBRE

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Appraisal Summary for Phase 1

Currency in £

REVENUE

Rental Area Summary	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale
Unit 1	4	24,862	12.50	77,694	310,775
Unit 2	4	26,766	12.50	83,644	334,575
Unit 3	4	16,585	12.50	51,828	207,313
Unit 4	4	23,591	12.50	73,722	294,888
Totals	**16**	**91,804**			**1,147,550**

Investment Valuation					
Unit 1					
Current Rent	310,775	YP @	6.0000%	16.6667	5,179,583
Unit 2					
Current Rent	334,575	YP @	6.0000%	16.6667	5,576,250
Unit 3					
Current Rent	207,313	YP @	6.0000%	16.6667	3,455,208
Unit 4					
Current Rent	294,888	YP @	6.0000%	16.6667	4,914,792
Total Investment Valuation					**19,125,833**
GROSS DEVELOPMENT VALUE				**19,125,833**	
Purchaser's Costs			(1,300,557)		
Effective Purchaser's Costs Rate		6.80%			
				(1,300,557)	
NET DEVELOPMENT VALUE				**17,825,277**	
Income from Tenants					
Unit 1			77,694		
Unit 2			83,644		
Unit 3			51,828		
Unit 4			73,722		
				286,888	
NET REALISATION				**18,112,164**	
OUTLAY					
ACQUISITION COSTS					
Residualised Price (5.30 Acres @ 344,699.30 /Acre)			1,826,906		
				1,826,906	
Stamp Duty			80,845		
Effective Stamp Duty Rate		4.43%			
Agent Fee		1.20%	21,923		
Legal Fee		0.60%	10,961		

APPRAISAL SUMMARY **CBRE**

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

				113,730
CONSTRUCTION COSTS				
Construction	**ft²**	**Build Rate ft²**	**Cost**	
Unit 1	24,862	92.50	2,299,735	
Unit 2	26,766	92.50	2,475,855	
Unit 3	16,585	92.50	1,534,112	
Unit 4	23,591	92.50	2,182,167	
Totals	**91,804 ft²**		**8,491,870**	
Contingency		3.00%	254,756	
Statutory/LA			500,000	
				9,246,626
Other Construction				
Design Allowance Prelims Overheads	91,804 ft²	14.80	1,358,699	
				1,358,699
PROFESSIONAL FEES				
All Professional Fees		8.00%	788,046	
				788,046
MARKETING & LETTING				
Marketing			35,000	
Letting Agent Fee		10.00%	114,755	
Letting Legal Fee		5.00%	57,378	
				207,133
FINANCE				
Debit Rate 6.250%, Credit Rate 0.000% (Nominal)				
Land			189,305	
Construction			327,805	
Letting			1,356,358	
Total Finance Cost				1,873,468
TOTAL COSTS				**15,414,607**
PROFIT				
				2,697,557
Performance Measures				
Profit on Cost%		17.50%		
Profit on GDV%		14.10%		
Profit on NDV%		15.13%		
Development Yield% (on Rent)		7.44%		
Equivalent Yield% (Nominal)		6.00%		
Equivalent Yield% (True)		6.23%		
IRR% (without Interest)		14.27%		
Rent Cover		2 yrs 4 mths		
Profit Erosion (finance rate 6.250)		2 yrs 7 mths		

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Initial MRV
310,775
334,575
207,313
294,888
1,147,550

APPRAISAL SUMMARY CBRE

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

SENSITIVITY ANALYSIS REPORT CBRE

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Table of Land Cost and IRR%

	Construction: Rate /ft²				
Rent: Yield	-10.000%	-5.000%	0.000%	+5.000%	+10.000%
	83.25 /ft²	87.88 /ft²	92.50 /ft²	97.13 /ft²	101.75 /ft²
-0.5000% 5.5000%	(€3,725,123) 13.7684%	(€3,312,035) 13.8811%	(€2,898,946) 13.9977%	(€2,485,853) 14.1183%	(€2,072,766) 14.2431%
-0.2500% 5.7500%	(€3,165,800) 13.8826%	(€2,752,711) 14.0045%	(€2,339,618) 14.1308%	(€1,926,531) 14.2618%	(€1,513,442) 14.3978%
0.0000% 6.0000%	(€2,653,086) 14.0005%	(€2,239,993) 14.1322%	(€1,826,906) 14.2690%	(€1,413,817) 14.4112%	(€1,000,728) 14.5591%
+0.2500% 6.2500%	(€2,181,385) 14.1225%	(€1,768,298) 14.2646%	(€1,355,210) 14.4125%	(€942,121) 14.5667%	(€529,031) 14.7275%
+0.5000% 6.5000%	(€1,745,975) 14.2486%	(€1,332,886) 14.4017%	(€919,797) 14.5616%	(€506,708) 14.7287%	(€87,904) 14.9036%

Sensitivity Analysis : Assumptions for Calculation

Construction: Rate /ft²
Original Values are varied by Steps of 5.000%.

Heading	Phase	Rate	No. of Steps
Unit 1	1	€92.50	2.00 Up & Down
Unit 2	1	€92.50	2.00 Up & Down
Unit 3	1	€92.50	2.00 Up & Down
Unit 4	1	€92.50	2.00 Up & Down

Rent: Yield
Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
Unit 1	1	6.0000%	2.00 Up & Down
Unit 2	1	6.0000%	2.00 Up & Down
Unit 3	1	6.0000%	2.00 Up & Down
Unit 4	1	6.0000%	2.00 Up & Down

ASSUMPTIONS AND DEFAULTS CBRE

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Assumptions

Expenditure

Professional Fees are based on Construction
Purchaser's Costs are based on Gross Capitalisation
Purchaser's Costs Deducted from Sale (Not added to Cost)
Sales Fees are based on Net Capitalisation
Sales Fees Added to Cost (Not deducted from Sale)
Purchaser's Costs exclude sales

Receipts

Show tenant's true income stream	On
Offset income against development costs	Off
Rent payment cycle	Quarterly (Adv)
Apply rent payment cycle to all tenants	On
Renewal Void and Rent Free apply to first renewal only	Off
Growth starts from lease start date	Off
Deduct Ground Rent from Stepped Rent,	On
Initial Yield Valuation Method	Off
Default Capitalisation Yield	0.0000%
Apply Default Capitalisation to All Tenants	Off
Default stage for Sale Date	Off
Align end of income stream to Sale Date	Off
Apply align end of income stream to all tenants	On
When the Capital Value is modified in the cash flow	Recalculate the Yield
Valuation Tables are	Annually in Arrears
Deduct Post-Sale TI Costs & Lease Comm. from Cap. Value	Off
Rent Free method	Defer start of Tenant's Rent

Finance

Financing Method	Basic (Interest Sets)
Interest Compounding Period	Quarterly
Interest Charging Period	Monthly
Nominal rates of interest used	
Calculate interest on Payments/Receipts in final period	Off
Include interest and Finance Fees in IRR Calculations	Off
Automatic Inter-account transfers	Off
Manual Finance Rate for Profit Erosion	Off

Calculation

Site Payments	In Arrears
Other Payments	In Arrears
Negative Land	In Arrears
Receipts	In Advance
IRR Basis	Annual - calculated monthly
Initial IRR Guess Rate	8.00%
Manual Discount Rate	Off
Minimum IRR	-100%
Maximum IRR	99999%
IRR Tolerance	0.001000
IRR Iterations	35
Land Residual Calculation Function	Interpolation method

ASSUMPTIONS AND DEFAULTS CBRE

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Assumptions

Letting and Rent Review Fees are calculated on	Net of Deductions
Development Yield and Rent Cover are calculated on	Rent at Sale Date(s)
Include Tenants with no Capital Value	On
Include Turnover Rent	Off
Net of Non-Recoverable costs	On
Net of Ground Rent deductions	On
Net of Rent Additions/Costs	On
Leasing Commissions are calculated	After Non-Recoverable cost deductions For the First Term of the lease only

Value Added Tax

Global VAT Rate	0.00%
Global Recovery Rate	0.00%
Recovery Cycle every	2 months
1st Recovery Month	2 (Jan 2025)
VAT Calculations in Cash Flow	On

Residual

Land Cost Mode	Part Fixed / Part Residual
Multi-Phasing	Separate Land Residual for each phase
Target Type	Profit on Cost

Phase Number	Target Value	Locked Value	Treat Neg Land as Revenue
Phase 1	17.50%	No	No

Distribution

Construction Payments are paid on	S-Curve
Sales Receipts are paid on	Single curve
Sales Deposits are paid on	Monthly curve

Interest Sets

Interest Set 1

Debit Rate	Credit Rate	Months	Start Date
6.250%	0.000%	Perpetuity	Dec 2024

Loan Set 1

Debit Rate	Credit Rate	Months	Start Date
0.000%	0.000%	Perpetuity	Dec 2024

Chamberhall Business Park
Scenario 1 - Light Industrial Whole Site

Assumptions

Inflation and Growth

Growth Sets

Growth Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.000%	Perpetuity	Dec 2024

Inflation Sets

Inflation Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.000%	Perpetuity	Dec 2024

Chamberhall Business Park Light Industrial Additional Plot

Chamberhall Business Park
Bury
BL9 0JU

Development Appraisal
Prepared by TM / GH
CBRE
31 July 2025

TIMESCALE AND PHASING CHART CBRE

Chamberhall Business Park
Light Industrial Additional Plot

Project Timescale	
Project Start Date	Jun 2025
Project End Date	Mar 2028
Project Duration (Inc Exit Period)	34 months

Phase 1

	Start Date	Duration	End Date	Jun 25 Jun 26 Jun 27
Project	Jun 2025	34	Mar 2028	
Purchase	Jun 2025	3 Month(s)	Aug 2025	
Pre-Construction	Sep 2025	6 Month(s)	Feb 2026	
Construction	Mar 2026	15	May 2027	
Post Development	Jun 2027	0 Month(s)		
Letting	Jun 2027	9 Month(s)	Feb 2028	
Income Flow	Mar 2028	0 Month(s)		
Sale	Mar 2028	1 Month(s)	Mar 2028	
Cash Activity	Jun 2025	34	Mar 2028	
				1 13 25

APPRAISAL SUMMARY CBRE

Chamberhall Business Park
Light Industrial Additional Plot

Appraisal Summary for Phase 1

Currency in £

REVENUE

Rental Area Summary	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Unit A	1	3,500	15.00	52,500	52,500	52,500
Unit B	1	3,500	15.00	52,500	52,500	52,500
Unit C	1	4,500	15.00	67,500	67,500	67,500
Unit D	1	4,500	15.00	67,500	67,500	67,500
Unit E	1	4,500	15.00	67,500	67,500	67,500
Unit F	1	4,500	15.00	67,500	67,500	67,500
Totals	**6**	**25,000**			**375,000**	**375,000**

Investment Valuation

Unit A					
Current Rent	52,500	YP @	6.0000%	16.6667	875,000
Unit B					
Current Rent	52,500	YP @	6.0000%	16.6667	875,000
Unit C					
Current Rent	67,500	YP @	6.0000%	16.6667	1,125,000
Unit D					
Market Rent	67,500	YP @	6.0000%	16.6667	
(3mths Unexpired Rent Free)		PV 3mths @	6.0000%	0.9855	1,108,731
Unit E					
Market Rent	67,500	YP @	6.0000%	16.6667	
(3mths Unexpired Rent Free)		PV 3mths @	6.0000%	0.9855	1,108,731
Unit F					
Market Rent	67,500	YP @	6.0000%	16.6667	
(6mths Rent Free)		PV 6mths @	6.0000%	0.9713	1,092,697
Total Investment Valuation					**6,185,158**

GROSS DEVELOPMENT VALUE			**6,185,158**
Purchaser's Costs		(420,591)	
Effective Purchaser's Costs Rate	6.80%		
			(420,591)
NET DEVELOPMENT VALUE			**5,764,567**
Income from Tenants			13,125
NET REALISATION			**5,777,692**

OUTLAY

ACQUISITION COSTS			
Residualised Price (1.60 Acres @ 124,530.24 /Acre)		199,248	
			199,248
Stamp Duty		985	
Effective Stamp Duty Rate	0.49%		
Agent Fee	1.20%	2,391	
Legal Fee	0.60%	1,195	

APPRAISAL SUMMARY CBRE

Chamberhall Business Park
Light Industrial Additional Plot

				4,571
CONSTRUCTION COSTS				
Construction	**ft²**	**Build Rate ft²**	**Cost**	
Unit A	3,500	116.46	407,610	
Unit B	3,500	116.46	407,610	
Unit C	4,500	116.46	524,070	
Unit D	4,500	116.46	524,070	
Unit E	4,500	116.46	524,070	
Unit F	4,500	116.46	524,070	
Totals	**25,000 ft²**		**2,911,500**	
Statutory/LA			155,000	
				3,066,500
Other Construction				
Amenity Blocks			440,000	
Ground Improvement			253,789	
PV Panel			142,884	
Capping Layer			49,459	
				886,132
PROFESSIONAL FEES				
All Professional Fees		8.00%	268,120	
				268,120
MARKETING & LETTING				
Marketing			35,000	
Letting Agent Fee		10.00%	37,500	
Letting Legal Fee		5.00%	18,750	
				91,250
FINANCE				
Debit Rate 6.250%, Credit Rate 0.000% (Nominal)				
Land			25,732	
Construction			154,077	
Letting			221,554	
Total Finance Cost				401,363
TOTAL COSTS				**4,917,185**
PROFIT				
				860,507

Performance Measures

Profit on Cost%	17.50%
Profit on GDV%	13.91%
Profit on NDV%	14.93%
Development Yield% (on Rent)	7.63%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
IRR% (without Interest)	18.30%
Rent Cover	2 yrs 4 mths
Profit Erosion (finance rate 6.250)	2 yrs 7 mths

SENSITIVITY ANALYSIS REPORT CBRE

Chamberhall Business Park
Light Industrial Additional Plot

Table of Land Cost and IRR%

	Construction: Cost / Unit				
Rent: Yield	-10.000%	-5.000%	0.000%	+5.000%	+10.000%
	366,849	387,230	407,610	427,991	448,371
-0.5000%	(£828,767)	(£693,479)	(£558,192)	(£422,903)	(£287,615)
5.5000%	16.7975%	17.0941%	17.4100%	17.7473%	18.1086%
-0.2500%	(£642,234)	(£506,946)	(£371,658)	(£235,976)	(£95,732)
5.7500%	17.1432%	17.4775%	17.8358%	18.2210%	18.6366%
0.0000%	(£471,250)	(£335,962)	(£199,248)	(£58,283)	£89,210
6.0000%	17.5155%	17.8930%	18.3004%	18.7417%	19.3209%
+0.2500%	(£313,950)	(£176,600)	(£35,191)	£113,838	£265,442
6.2500%	17.9180%	18.3453%	18.8100%	19.4508%	20.2131%
+0.5000%	(£166,407)	(£24,797)	£124,923	£276,596	£429,041
6.5000%	18.3548%	18.8400%	19.5251%	20.3306%	21.2603%

Sensitivity Analysis : Assumptions for Calculation

Construction: Cost / Unit
Original Values are varied by Steps of 5.000%.

Heading	Phase	Amount	No. of Steps
Unit A	1	£407,610	2.00 Up & Down
Unit B	1	£407,610	2.00 Up & Down
Unit C	1	£524,070	2.00 Up & Down
Unit D	1	£524,070	2.00 Up & Down
Unit E	1	£524,070	2.00 Up & Down
Unit F	1	£524,070	2.00 Up & Down

Rent: Yield
Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
Unit A	1	6.0000%	2.00 Up & Down
Unit B	1	6.0000%	2.00 Up & Down
Unit C	1	6.0000%	2.00 Up & Down
Unit D	1	6.0000%	2.00 Up & Down
Unit E	1	6.0000%	2.00 Up & Down
Unit F	1	6.0000%	2.00 Up & Down

ASSUMPTIONS AND DEFAULTS CBRE

Chamberhall Business Park
Light Industrial Additional Plot

Assumptions

Expenditure

Professional Fees are based on Construction
Purchaser's Costs are based on Gross Capitalisation
Purchaser's Costs Deducted from Sale (Not added to Cost)
Sales Fees are based on Net Capitalisation
Sales Fees Added to Cost (Not deducted from Sale)
Purchaser's Costs exclude sales

Receipts

Show tenant's true income stream	On
Offset income against development costs	Off
Rent payment cycle	Quarterly (Adv)
Apply rent payment cycle to all tenants	On
Renewal Void and Rent Free apply to first renewal only	Off
Growth starts from lease start date	Off
Deduct Ground Rent from Stepped Rent,	On
Initial Yield Valuation Method	Off
Default Capitalisation Yield	0.0000%
Apply Default Capitalisation to All Tenants	Off
Default stage for Sale Date	Off
Align end of income stream to Sale Date	Off
Apply align end of income stream to all tenants	On
When the Capital Value is modified in the cash flow	Recalculate the Yield
Valuation Tables are	Annually in Arrears
Deduct Post-Sale TI Costs & Lease Comm. from Cap. Value	Off
Rent Free method	Defer start of Tenant's Rent

Finance

Financing Method	Basic (Interest Sets)
Interest Compounding Period	Quarterly
Interest Charging Period	Monthly
Nominal rates of interest used	
Calculate interest on Payments/Receipts in final period	Off
Include interest and Finance Fees in IRR Calculations	Off
Automatic Inter-account transfers	Off
Manual Finance Rate for Profit Erosion	Off

Calculation

Site Payments	In Arrears
Other Payments	In Arrears
Negative Land	In Arrears
Receipts	In Advance
IRR Basis	Annual - calculated monthly
Initial IRR Guess Rate	8.00%
Manual Discount Rate	Off
Minimum IRR	-100%
Maximum IRR	99999%
IRR Tolerance	0.001000
IRR Iterations	35
Land Residual Calculation Function	Interpolation method
Letting and Rent Review Fees are calculated on	Net of Deductions
Development Yield and Rent Cover are calculated on	Rent at Sale Date(s)
Include Tenants with no Capital Value	On
Include Turnover Rent	Off
Net of Non-Recoverable costs	On

ASSUMPTIONS AND DEFAULTS

Chamberhall Business Park
Light Industrial Additional Plot

Assumptions

Net of Ground Rent deductions	On
Net of Rent Additions/Costs	On
Leasing Commissions are calculated	After Non-Recoverable cost deductions For the First Term of the lease only

Value Added Tax

Global VAT Rate	0.00%
Global Recovery Rate	0.00%
Recovery Cycle every	2 months
1st Recovery Month	2 (Jul 2025)
VAT Calculations in Cash Flow	On

Residual

Land Cost Mode	Part Fixed / Part Residual
Multi-Phasing	Separate Land Residual for each phase
Target Type	Profit on Cost

Phase Number	Target Value	Locked Value	Treat Neg Land as Revenue
Phase 1	17.50%	No	No

Distribution

Construction Payments are paid on	S-Curve
Sales Receipts are paid on	Single curve
Sales Deposits are paid on	Monthly curve

Interest Sets

Interest Set 1

Debit Rate	Credit Rate	Months	Start Date
6.250%	0.000%	Perpetuity	Jun 2025

Loan Set 1

Debit Rate	Credit Rate	Months	Start Date
0.000%	0.000%	Perpetuity	Jun 2025

Inflation and Growth

Growth Sets

Growth Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.000%	Perpetuity	Jun 2025

Chamberhall Business Park
Light Industrial Additional Plot

Assumptions

Inflation Sets

Inflation Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.000%	Perpetuity	Jun 2025

Chamberhall Business Park

Chamberhall Business Park
Bury
BL9 0JU

Development Appraisal
Prepared by TM / GH
CBRE
06 February 2025

TIMESCALE AND PHASING CHART

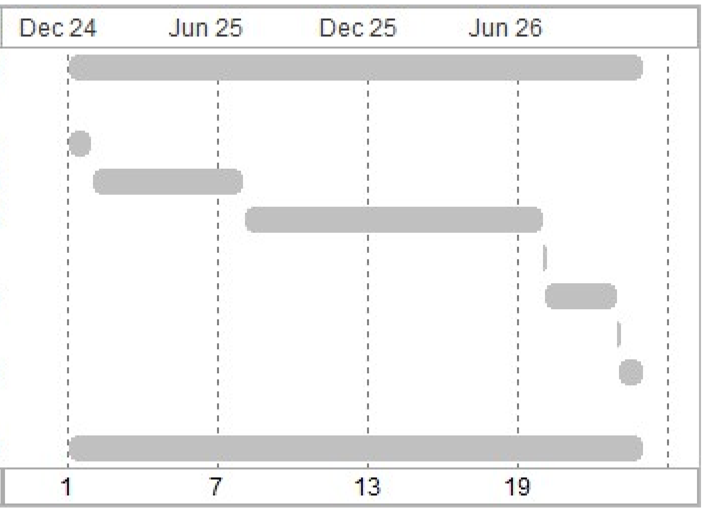
CBRE

Chamberhall Business Park

Project Timescale	
Project Start Date	Dec 2024
Project End Date	Oct 2026
Project Duration (Inc Exit Period)	23 months

Phase 1

	Start Date	Duration	End Date
Project	Dec 2024	23	Oct 2026
Purchase	Dec 2024	1 Month(s)	Dec 2024
Pre-Construction	Jan 2025	6 Month(s)	Jun 2025
Construction	Jul 2025	12	Jun 2026
Post Development	Jul 2026	0 Month(s)	
Letting	Jul 2026	3 Month(s)	Sep 2026
Income Flow	Oct 2026	0 Month(s)	
Sale	Oct 2026	1 Month(s)	Oct 2026
Cash Activity	Dec 2024	23	Oct 2026



APPRAISAL SUMMARY **CBRE**

Chamberhall Business Park

Appraisal Summary for Phase 1

Currency in £

REVENUE

Rental Area Summary	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Offices	1	40,000	22.50	900,000	900,000	900,000

Investment Valuation

Offices					
Market Rent	900,000	YP @	10.0000%	10.0000	
(6mths Rent Free)		PV 6mths @	10.0000%	0.9535	8,581,163

GROSS DEVELOPMENT VALUE			**8,581,163**
Purchaser's Costs		(583,519)	
Effective Purchaser's Costs Rate	6.80%		
			(583,519)
NET DEVELOPMENT VALUE			**7,997,644**
NET REALISATION			**7,997,644**

OUTLAY

ACQUISITION COSTS				
Residualised Price (Negative land)			(4,120,516)	
				(4,120,516)
CONSTRUCTION COSTS				
Construction	**ft²**	**Build Rate ft²**	**Cost**	
Offices	47,100	195.00	9,184,500	**9,184,500**
Contingency		3.00%	275,535	
Statutory/LA			345,000	
				620,535
PROFESSIONAL FEES				
All Professional Fees		8.00%	734,760	
				734,760
MARKETING & LETTING				
Marketing			35,000	
Letting Agent Fee		10.00%	90,000	
Letting Legal Fee		5.00%	45,000	
				170,000
FINANCE				
Debit Rate 6.250%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				217,227
TOTAL COSTS				**6,806,505**
PROFIT				
				1,191,139

Performance Measures

Profit on Cost%	17.50%
Profit on GDV%	13.88%
Profit on NDV%	14.89%

Chamberhall Business Park

Development Yield% (on Rent)	13.22%
Equivalent Yield% (Nominal)	10.00%
Equivalent Yield% (True)	10.66%
IRR% (without Interest)	N/A
Rent Cover	1 yr 4 mths
Profit Erosion (finance rate 6.250)	2 yrs 7 mths

Chamberhall Business Park

Sensitivity Analysis results are not available.
Click the Analysis Results tab, then print the report.

ASSUMPTIONS AND DEFAULTS — CBRE

Chamberhall Business Park

Assumptions

Expenditure

Professional Fees are based on Construction
Purchaser's Costs are based on Gross Capitalisation
Purchaser's Costs Deducted from Sale (Not added to Cost)
Sales Fees are based on Net Capitalisation
Sales Fees Added to Cost (Not deducted from Sale)
Purchaser's Costs exclude sales

Receipts

Show tenant's true income stream	On
Offset income against development costs	Off
Rent payment cycle	Quarterly (Adv)
Apply rent payment cycle to all tenants	On
Renewal Void and Rent Free apply to first renewal only	Off
Growth starts from lease start date	Off
Deduct Ground Rent from Stepped Rent,	On
Initial Yield Valuation Method	Off
Default Capitalisation Yield	0.0000%
Apply Default Capitalisation to All Tenants	Off
Default stage for Sale Date	Off
Align end of income stream to Sale Date	Off
Apply align end of income stream to all tenants	On
When the Capital Value is modified in the cash flow	Recalculate the Yield
Valuation Tables are	Annually in Arrears
Deduct Post-Sale TI Costs & Lease Comm. from Cap. Value	Off
Rent Free method	Defer start of Tenant's Rent

Finance

Financing Method	Basic (Interest Sets)
Interest Compounding Period	Quarterly
Interest Charging Period	Monthly
Nominal rates of interest used	
Calculate interest on Payments/Receipts in final period	Off
Include interest and Finance Fees in IRR Calculations	Off
Automatic Inter-account transfers	Off
Manual Finance Rate for Profit Erosion	Off

Calculation

Site Payments	In Arrears
Other Payments	In Arrears
Negative Land	In Arrears
Receipts	In Advance
IRR Basis	Annual - calculated monthly
Initial IRR Guess Rate	8.00%
Manual Discount Rate	Off
Minimum IRR	-100%
Maximum IRR	99999%
IRR Tolerance	0.001000
IRR Iterations	35
Land Residual Calculation Function	Interpolation method
Letting and Rent Review Fees are calculated on	Net of Deductions
Development Yield and Rent Cover are calculated on	Rent at Sale Date(s)
Include Tenants with no Capital Value	On
Include Turnover Rent	Off
Net of Non-Recoverable costs	On
Net of Ground Rent deductions	On

ASSUMPTIONS AND DEFAULTS — CBRE

Chamberhall Business Park

Assumptions

Net of Rent Additions/Costs	On
Leasing Commissions are calculated	After Non-Recoverable cost deductions For the First Term of the lease only

Value Added Tax

Global VAT Rate	0.00%
Global Recovery Rate	0.00%
Recovery Cycle every	2 months
1st Recovery Month	2 (Jan 2025)
VAT Calculations in Cash Flow	On
GST Margin Calculations in Cash Flow	Off

Residual

Land Cost Mode	Part Fixed / Part Residual
Multi-Phasing	Separate Land Residual for each phase
Target Type	Profit on Cost

Phase Number	Target Value	Locked Value	Treat Neg Land as Revenue
Phase 1	17.50%	No	No

Distribution

Construction Payments are paid on	S-Curve
Sales Receipts are paid on	Single curve
Sales Deposits are paid on	Monthly curve

Interest Sets

Interest Set 1

Debit Rate	Credit Rate	Months	Start Date
6.250%	0.000%	Perpetuity	Dec 2024

Loan Set 1

Debit Rate	Credit Rate	Months	Start Date
0.000%	0.000%	Perpetuity	Dec 2024

Inflation and Growth

Growth Sets

Growth Set 1

Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.000%	Perpetuity	Dec 2024

Chamberhall Business Park

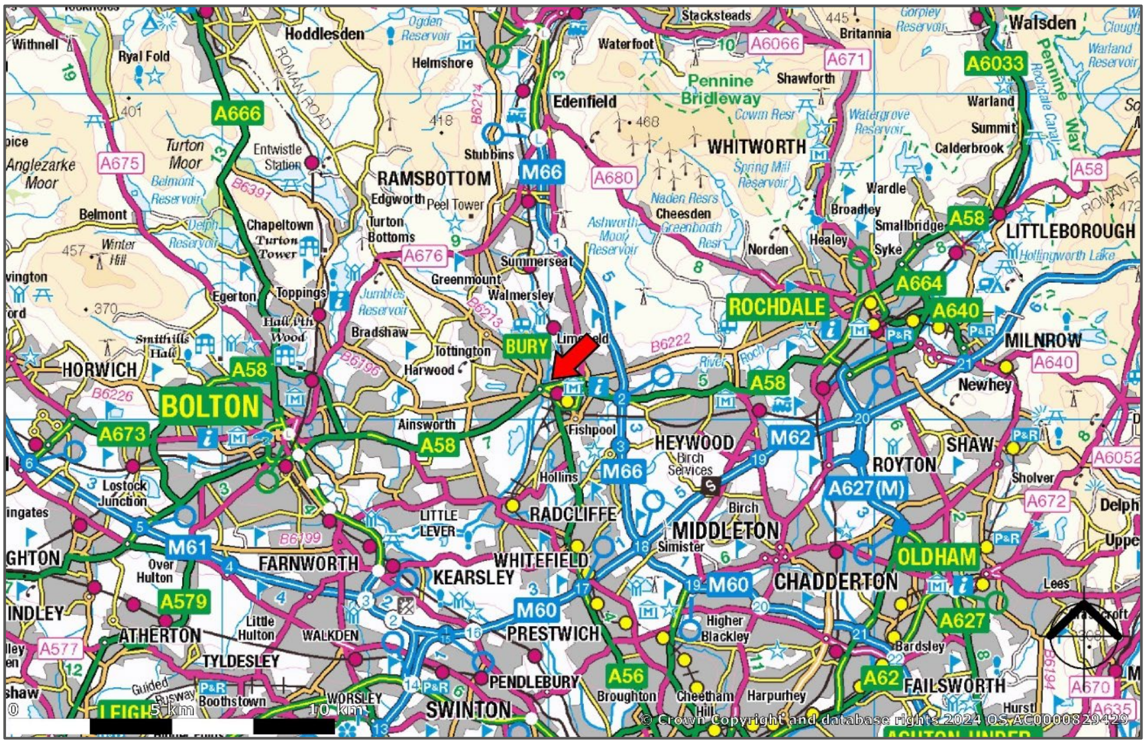
Assumptions

Inflation Sets

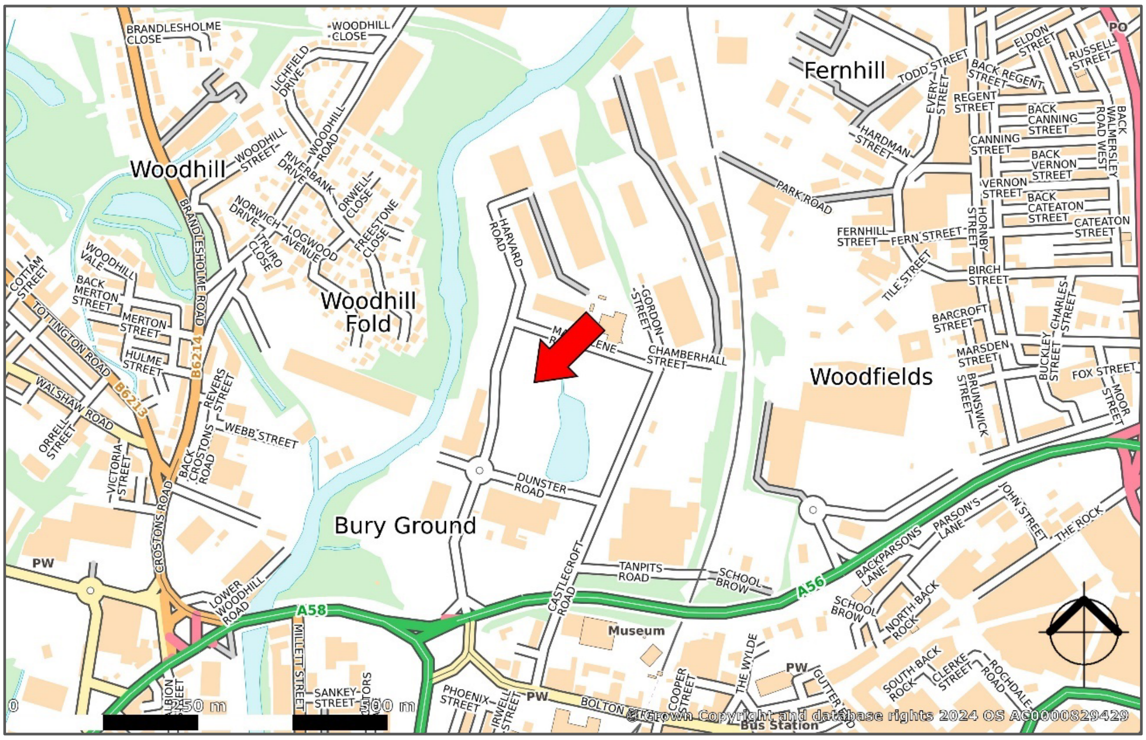
Inflation Set 1
Inflation/Growth for this set is calculated in arrears
This set is not stepped

Rate	Months	Start Date
0.000%	Perpetuity	Dec 2024

Appendix: Location Plans



Location Plan 1 - City Level



Location Plan 2 – Street Level

Location Plan – Ordnance Survey Level

Appendix: Photographs

Photograph 1: Development Land

Photograph 2: Development Land