



Subject: Cheshunt Sports Village

Dear Doug,

As previously advised Bryan Engwell and I have reviewed the revised Viability Assessment dated August 2018 prepared by Savills with input from Paul Wallace Commercial and Madlins. This was sent to us on the 12th October following our meeting on the 10th. Additional material was provided in the form of a Valuation dated April 2018 prepared by Colliers International. We also received a summary appraisal headed CSV Residential dated 17th September 2018.

Our overall view is that we are satisfied with the methodology adopted by the various consultants in arriving at their revenue and cost figures as included within the Toolkit Viability Assessment subject to the various caveats stated within their reports.

More specifically we have checked through Madlins' Viability Cost Plan number 09 dated 11th January 2018 and can confirm that their estimated prices detailed are generally in line with the relevant BCIS indices for that time and we are satisfied that the overall costs presented are a reasonable estimate on the basis that the project will be competitively tendered. Madlins have set out within their viability their Basis of Estimate, Exclusions and Programme which are also relevant to our assessments.

We recognize the figures used in arriving at residential gross development value as being in line with market evidence and expectations at the time the advice was given and are therefore satisfied that numbers used in the summary appraisal referred to are generally acceptable.

I trust that this advice is of assistance to you in advance of your meeting this evening but as you will appreciate this commentary does not constitute valuation advice and reporting within the terms of the RICS 'Red Book' and should not be relied upon as such. This advice is an exception to the Red Book which is mandatory for RICS members providing written valuation advice.

Please call me if you need anything further at this stage.

Regards,
Gerry

Gerry Wade, FRICS
Director