

August 2012

**Charlie Butler, 40 High Street,
SW14 8HR**

Residential Comparables Statement

The Savills logo consists of a grey square with the word "savills" in a lowercase, sans-serif font positioned at the bottom right of the square.

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1. Introduction

1.1. Overview

This statement has been prepared by the specialist Affordable Housing team within the London Residential Development Department of Savills L&P. It is by way of an addendum to the Toolkit report provided for the proposed development on the site of the existing Charlie Butler Public House at 40 High Street, Mortlake (the Subject) and focuses on establishing the value of the proposed residential accommodation at the Subject in order to support the redevelopment value.

1.2. Statement Limitations

This statement does not constitute part of a formal valuation report therefore, the opinions and values provided herein should not be relied upon for RICS 'Red Book' purposes.

1.3. Subject Site

The application site, which we understand extends to 0.05 hectares (0.124 acres), presently comprises a two storey building with a steeply pitched roof. The ground floor is in use as a Public House and the upper floor provides ancillary residential accommodation.

1.4. Site Location

The Charlie Butler Public House is located at 40 High Street, Mortlake, London, SW14 8HR. The site is flanked to the west by Rann House a four storey residential building and to the east by Vineyard Heights a modern residential and mixed use complex which steps from four to ten storeys. The site fronts onto the High Street and is bounded to the rear by predominately two storey residential buildings.

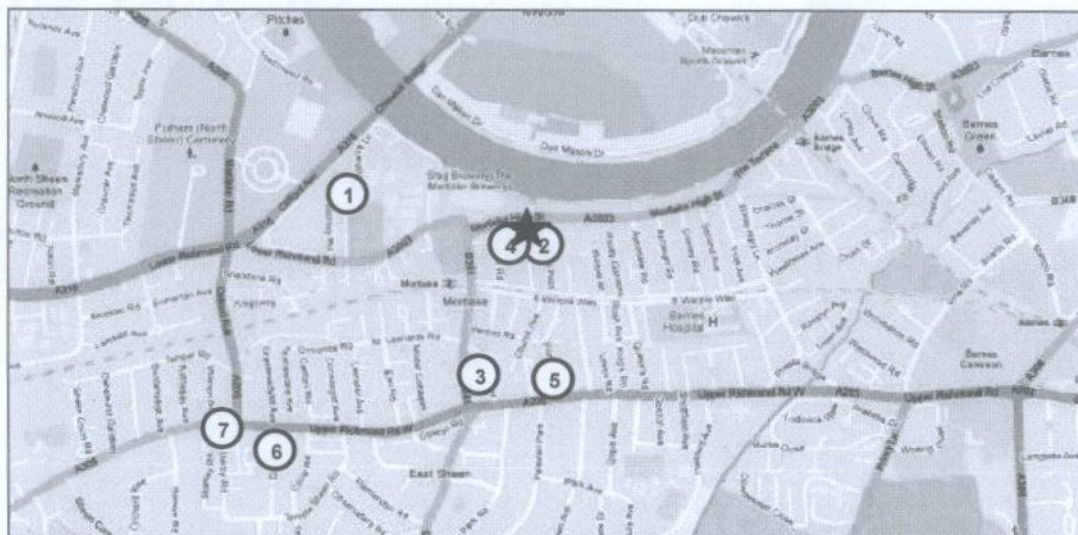
2. Overview

2.1. Methodology

In undertaking our comparable research for the residential units we have had consideration to recent market transactions, historic land registry data and the expert opinion of local agents. The results of this research are set out below.

Our advice is based on market evidence which has come into our possession from numerous sources. We cannot accept liability for any errors or omissions in third party information. That from other agents and valuers is given in good faith but without liability. It is often only provided in verbal form. Some comes from data bases such as the Land Registry or computer data bases to which we subscribe. In all cases, other than where we have had a direct involvement in the transaction, we are unable to warrant that the information on which we have relied is correct although we believe it to be so.

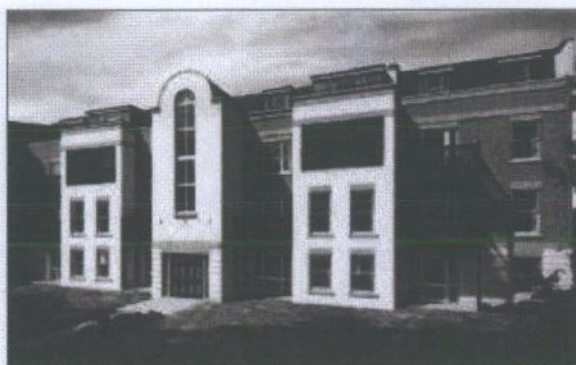
2.2. Comparables Map



- ★ Site
- ① Trinity Mews
- ② 12 Addington Court
- ③ 135d Sheen Lane
- ④ 23 Vineyard Heights
- ⑤ 41 Sheengate Mansions
- ⑥ 53 Deanhill Court
- ⑦ 2 Harvey Court

3. New Build Comparables

3.1. Trinity Mews, Williams Lane, SW14



Trinity Mews is the only new build comparable in the post-code area. The development is by Shanly Homes and comprises 1 and 2 bed apartments and 3 and 4 bed townhouses, with a total of 76 units.

The site is located close to the River Thames, approximately 0.9km from the Subject site.

We are aware that 1 bed apartments start at £279,950, 2 bedroom apartments from £399,950; and the 3 and 4 bedroom houses from £715,000. The following comparables have been provided by the site sales agent:

Unit	Bed	Area (sqft)	Asking Price (£)	Asking Price (£/sq ft)
52	2	648	£385,000	£594
56	2	669	£399,950	£598
57	2	642	£389,950	£607
58	2	641	£389,950	£608
59	1	417	£279,950	£671
60	1	541	£305,000	£564
62	2	666	£389,950	£586
63	2	713	£405,000	£568
64	1	531	£310,000	£584
65	2	705	£415,000	£589
66	2	820	£455,000	£555
67	2	666	£395,000	£593
68	2	713	£415,000	£582
69	1	531	£310,000	£584
72	2	666	£399,950	£601
73	2	713	£415,000	£582
74	1	531	£315,000	£593
AVERAGE		10,813	£6,374,700	£590

The information above represents current market sentiment however we would note that as these are asking prices they do not reflect mortgage valuations. The scheme is highly comparable in terms of location, style and specification however this development benefits from being on a quieter road, and is also a more comprehensive development, comprising over 70 units, which will establish a sense of place.

Given the information above we are aware that the blended asking price for one and two bedroom units at Trinity Mews is £590/sq ft. On balance, looking at the above in terms of bed size, one bed units have an asking price of between £280,000 and £315,000 (equating to £595/sq ft) and two bed room units have an asking price of £385,000 to £455,000 (equating to £588/sq ft).

The units at Trinity Mews are considerably smaller than those proposed at the Subject which artificially increases the £psf value when looking at them on a comparable basis. We would expect the capital values achievable at the Subject to be in excess of the asking prices at Trinity Mews however we do not anticipate that the £psf rates will reach the same levels.

4. Second Hand Comparable Sales

4.1. 1 Bed Flats

4.1.1. 12 Addington Court, 29 Mullins Path, SW14



This one bedroom ground floor flat is adjacent to the Subject extends to 527 sqft (48sqm). We understand from the marketing particulars that the property was in need of updating when it sold for £225,000 in January 2011 (£427psf). The property does not have any private outside space.

Although this property is in very close proximity to the Subject it should be noted that the low specification and dated interior have depreciated the value of this property. In addition, the unit is considerable smaller than the one bedroom units in the proposed scheme.

4.1.2. 135d Sheen Lane, SW14



This one bedroom house is approximately 0.7km south of the Subject, and extends to 484 sqft (44sqm). The marketing particulars do not provide details of the internal specification. The property sold for £265,000 in July 2011 (£548psf). The property benefits from having a private patio garden.

Although this property is in very close proximity to the Subject it should be noted that we do not know the condition of the property from the sales particulars. In addition, the property is quite unique being a one bedroom house (more typically one bedroom units would be flats). In addition, the unit is considerable smaller than the one bedroom units in the proposed scheme.

4.2. 2 Bed Flats

4.2.1. 28 Dukes Court, 77 Mortlake High Street, SW14



This ground floor flat in a modern building which we understand to be some 150 feet from the Subject site sold for £293,000 in March 2012. We understand from the marketing material that the flat extends to 624 sqft meaning that the sales price equates to £470psf. The particulars suggest that the flat does not benefit from outside space.

This unit is highly comparable in terms of location and style however, it is significantly smaller than the two bed units proposed at the Subject site and does not benefit from outside space, as such we would anticipate the proposed units to achieve in excess of this comparable in terms of capital values.

4.2.2. 23 Vineyard Heights, Mortlake High Street, SW14



This penthouse flat over the 7th and 8th floors of a modern development adjacent to the Subject extends to 1,141sqft. We understand from the marketing particulars that the property was in a good condition when it sold for £700,000 in August 2011 (£613psf). The property benefits from a substantial roof terrace, private parking and river views.

Although this property is in very close proximity to the Subject it should be noted that the river views and large roof terrace from which it benefits would have been highly instrumental in achieving the sales price.

4.2.3. 41 Sheengate Mansions, Upper Richmond Road, SW14



This second floor flat is within the popular Sheengate Mansions. The property is located approximately 0.9km from the Subject extends to 990sqft. We understand from the marketing particulars that the property was in a good condition when it sold for £370,000 in December 2011 (£374psf). The property does not have the benefit of any private outside space.

This property is in very close proximity to the Subject site, however, the Subject benefits from being much closer to the River Thames, this, together with a new build premium, we would expect that the Subject would command a premium of circa 20% over the above comparable.

4.2.4. 53 Deanhill Court, Upper Richmond Road West, SW14



This first floor flat benefits from a south facing dual aspect reception, overlooks the communal gardens. The property is located approximately 1.4km south-west of the Subject, and extends to 642sqft. We are unable to tell the condition of the property from the marketing particulars when it sold for £340,000 in February 2012 (£530psf). The property benefits from communal gardens, but does not have any private outside space.

This property is in close proximity to the Subject site, however, the Subject benefits from being much closer to the River Thames. We consider that the Subject would achieve a similar value to the above comparable, with a slight inflation for new build premium.

4.2.5. 2 Harvey Court, 565 Upper Richmond Road West, SW14



The ground floor flat is located approximately 1.5km south-west of the Subject, and extends to 732sqft. We understand from the marketing particulars that the property was in a good condition when it sold for £365,000 in December 2011 (£499psf).

This property is in close proximity to the Subject site, however, the Subject benefits from being much closer to the River Thames. We consider that the Subject would achieve a similar value to the above comparable, with a slight inflation for new build premium.

5. Local Agent Commentary

To further inform our residential comparable research we have sought the advice of local agents that are active in the market place for their opinions of values, they provided the following commentary:

- Agents consider the sites to be in a good location, although the ex-council estates to the south of the site will be a deterrent to some buyers.
- The Mortlake residential market is subject to fairly stringent capital value thresholds, having discussed proposed units at the Subject site with local agents, we have been advised of the following capital values, all subject to the final specification and finish:
 - One bed properties are anticipated to achieve values between £325,000 and £375,000.
 - Two bed properties are anticipated to achieve values between £425,000 and £700,000 (for the very large units).

6. Summary

From our research into the residential market in SW14 and specifically in the immediate vicinity of the Subject site we believe that in the current market optimistic average values for one and two bed flats within the proposed scheme at the Charlie Butler Pub, 40 High Street, would be as follows:

Unit	Capital Value
1 Bed Flat	£330,000 - £380,000
2 Bed Flat	£390,000 - £700,000