

Royal Clarence, Exeter

Viability Assessment



Akkeron Group

February 2022

Quality Assurance

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Change Tracker

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Rev 1	Draft for team review	02 February 2022
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Introduction

The Applicant, Akkeron Group, is seeking to develop the former Royal Clarence Hotel site to provide food & beverage and residential accommodation.

Coreus has been instructed to summarise the financial viability of the scheme based on all available design and cost information and the residential values provided by the Applicant's residential agent, Knight Frank, and commercial agent, JLL. Coreus is providing quantity surveying services on the scheme and prepared the cost plan information that has contributed to the financial appraisal of the scheme.

In line with its policies as set out in the Local Plan, Exeter City Council (ECC) is required (subject to viability) to seek the provision of at least 30% of the dwellings to be affordable as well as section 106 contributions for a range of mitigation measures. The quantum of such section 106 has yet to be defined but is subject to viability being achieved.

The previous owner of the site developed a scheme which failed to progress. This scheme was significantly non-viable but Akkeron Group has developed an alternative scheme which is preferred by Historic England and is much closer to achieving viability (assuming no affordable homes or S106 costs)..

Akkeron Group and its partners have agreed terms to develop the site and have produced a mixed commercial and residential scheme that seeks to retain as much as possible of the historic character of the site and preserve and enhance its setting in Cathedral Yard.

This Viability Assessment (VA) and the appended appraisal evidence that the scheme sits on a knife-edge in viability terms and any additional burden over and above the preservation and conversion costs of the retained historic buildings will make the scheme unviable. In most instances a development should provide a commercial return of at least 20% to the developer. In this instance the scheme delivers a return of 17%. Akkeron is willing to progress that scheme at this level but clearly any further degradation of the commercial return cannot be supported.

The scheme has been subject to a robust pre-application process with close liaison with ECC and Historic England (HE) to ensure that an appropriate balance has been achieved between the various tensions (use, scale, mass, loss of historic fabric, etc.) that always exist in developments such as this. The scheme has twice been reviewed by ECC's Planning Members' Working Group and their comments have been allowed for. The proposals have been subject to public scrutiny through a robust public consultation process and have attracted strong support.

The Site

The site, known as the Royal Clarence Hotel, is located on Cathedral Yard, Exeter. It is made up of five uniquely individual buildings; the Well House, Royal Clarence, Exeter Bank, Lamb Alley and Martin's Lane. This reflects how the site developed over time. Although the units were consolidated into the Royal Clarence hotel, the external appearance remained relatively unchanged for 150 years prior to the devastating fire in 2016.

The site has undergone a series of developments since 1350, in which a great amount of space was built upon and the mass/height of the buildings has increased. Some of the medieval fabric still survives today alongside more modern interventions, making the site of historical interest.

The hotel achieved listed status in 1953 as part of the group of Listed buildings located in Cathedral Yard. Many buildings which adjoin Cathedral Yard are Listed; most significant is Exeter Cathedral itself. It is recognised that the context in which the Royal Clarence is sited is even more important than the Royal Clarence itself.

The Scheme

The Scheme provides a mix of commercial and residential uses with two food and beverage units located on the ground floor and a mixture of 2 & 3 bedroom apartments and duplexes from the first floor upwards.

The Applicant has engaged with the Local Planning Authority and Historic England, both of which expressed concern about the loss of historic fabric; it has sought to minimise the extent of impact to the historic structure, however, to deliver a viable scheme and high-quality accommodation, some fabric will necessarily be lost. The scheme sees the reinstatement of the historic façade and seeks to retain as much historic fabric as is practicable. The spine walls are to be preserved and showcased for future generations to enjoy.

A heritage statement accompanies the planning application submission which sets out some of the condition and challenges associated with the building.

Viable Uses

A planning application (17/1360/FUL) and Listed building consent (17/1361/LBC) was submitted by the building's previous owner in 2017 and approved in the same year. The proposal looked to restore the front facade and extend vertically 1.5 storeys to accommodate a new hotel. This scheme was materially non-viable and the owners sought to sell the site over a number of months.

The Akkeron project team carefully considered this hotel scheme for the site, but upon review, the proposal was not practically achievable at the time. Since then a new 5 Star hotel is being developed less than 100 yards from the Royal Clarence site, alongside the uncertainty caused by the COVID-19 pandemic a hotel scheme was proven to be materially non-viable.

This prompted Akkeron Group to consider all options to ensure a viable scheme is delivered quickly.

Significant effort has been put into considering the most viable use for the site. The following is a list of options that were considered, and their viability tested:

- Commercial to ground floor with residential above comprising a replica extension to 5th floor and set back 6th floor modern extension
- Commercial to ground floor with residential above with a replica extension to 5th floor
- Commercial to ground floor with residential above comprising a modern extension on 5th floor
- Demolish site and replace with new build, commercial to ground floor with residential above 4 floors of modern replacement new build
- Demolish Site absent Wellhouse and replace with new build with commercial use to ground floor with 4 floors of modern replacement residential above

- Food & Beverage to ground floor with residential above with a modern 5th floor set back from façade and modern 6th floor set back further
- Rebuild as per original but convert ground floor to residential
- Deliver the scheme per the consented Hotel Plans
- Demolition and clearance of the existing building and new build 4* hotel

The only broadly viable solution which would attract support from the LPA and Historic England was the reconstruction of the building with commercial use to ground floor with residential above.

The challenge upon arriving at this juncture was agreeing the quantum of residential development that was achievable on the site given its constraints and historic setting.

A number of iterations were considered in detail and discussed with ECC and HE officers and other stakeholders to arrive at the scheme submitted for approval.

The Applicant has worked hard to retain as much historic fabric as is practicable. It believes, though, that it has designed a scheme that balances myriad tensions whilst maintaining the key listed structure and providing for high quality homes at a pleasing density in a key town centre location.

Viability Implications

The appraisal appended to this document (Appendix A) demonstrates that the scheme is not technically viable with a deficit of £433,838. The appraisal has been built up using the latest available cost data and makes an allowance for inflation as set out in the appraisal.

The costs presented sit within the range (£1,900-3,100/m²) given in the BCIS cost indices as shown in Appendix D. The attached BCIS analysis considers data from conversion of existing buildings to apartments of a similar size that are Grade II listed. Likewise, the new build data represents schemes with similar GIA that feature apartments over commercial units. The data has been rebased to 1Q 2022.

Coreus has taken this data and multiplied it by the GIA of the Royal Clarence, to indicate what the estimated construction cost would be. To get to the total estimated project cost, Coreus has added the costs associated with the project design team fees, other development / project costs and risk (contingencies) as detailed with the latest Stage 2 / 3 cost plan Rev. 1 dated 10th February 2022. Factoring in that the renovation and conversion of the Royal Clarence Hotel is a hybrid of both models above, a combined average has been completed.

The current forecasted project outturn cost is £12,369,820 (£2,838/m²) which, when assessing the combined data sits within the range of the average and upper quartiles which is to be expected noting the extent of the fire damage sustained and subsequent degradation of the building..

Within the appraisal, very modest contingencies have been allowed for unforeseen costs.

Sustainability issues have been considered in detail this has resulted in the proposal that the residential apartments are to be heated using Air Source Heat Pumps (ASHP). Due to the nature of the use of the ground floor spaces, i.e. commercial (food & beverage), these areas will be supplied with gas.

In terms of the sustainable, design a fabric-first approach is being followed insofar as is practicable given the constraints of the listed building and retained historic fabric.

Projected sales values have been provided by the Applicant's partner agencies, Knight Frank and JLL.

Conclusion

This is a high-quality scheme on a difficult site, in a region where house prices are relatively low. It restores the historic building and its presence on Cathedral Yard, delivers 23 new, high-quality apartments and much-needed commercial space.

The scheme cannot afford any developer's contributions towards S.106 or affordable housing. It does, however, include an allowance for CIL (albeit pushing the scheme into deficit).

Public consultation feedback has been overwhelmingly positive, with some of the feedback being incorporated into the design as it develops.

Loss of historic fabric has been minimised insofar as practicable and alternative uses have been exhausted. Any further retention of historic fabric will see the scheme failing on viability grounds.

Sustainability has been considered and modern sustainable systems incorporated where practicable and reasonably affordable.

Appendices

Appendix A – Appraisal

Development Values		
Residential		
Residential apartments 23nr.	£	13,785,000
Commercial		
Restaurant	£	1,623,211
Well House	£	1,258,312
GDV	£	16,666,523

Construction Costs		
Facilitating Works Estimate	£	52,000
Building Works Estimate	£	8,187,546
Main contractor's preliminaries estimate	£	1,340,108
Sub-total	£	9,579,654
Main Contractor's overheads and profit	£	670,576
Works Cost Estimate	£	10,250,230
Project/design team fee estimate	£	940,394
Sub-total	£	11,190,624
Other development/project costs estimate	£	-
Base Cost Estimate	£	11,190,624
Risk Allowances Estimate	£	615,484
Cost limit (excluding inflation)	£	11,806,108
Tender inflation estimate - 1.41%	£	166,230
Construction Cost (excluding construction inflation)	£	11,972,338
Construction inflation estimate - 2.38%	£	397,482
Construction Cost (including inflation)	£	12,369,820

Fees		
Warranties/Insurances	£	50,000
S.106/CIL/offsite contribution	£	370,000
Sales and marketing OM Resi	1.0% £	137,850
Sales and marketing Commercial	2.0% £	57,630
Site purchase	£	500,000
Acquisition fees, stamp duty, legals	£	50,000
Hold Costs (£60K pa * 1.5yrs)	£	90,000
Sub-total	£	1,255,480

Appraisal		
Development Revenue	£	16,666,523
Total Costs	£	13,625,300
Financing Costs (say)	£	750,000
Target Developer's Profit (20% on costs)	20% £	2,725,060
Surplus (Deficit) after Developer's Profit	£	(433,838)
Current Priority Return	17% £	2,291,222

Appendix B – Residential Market Appraisal Report

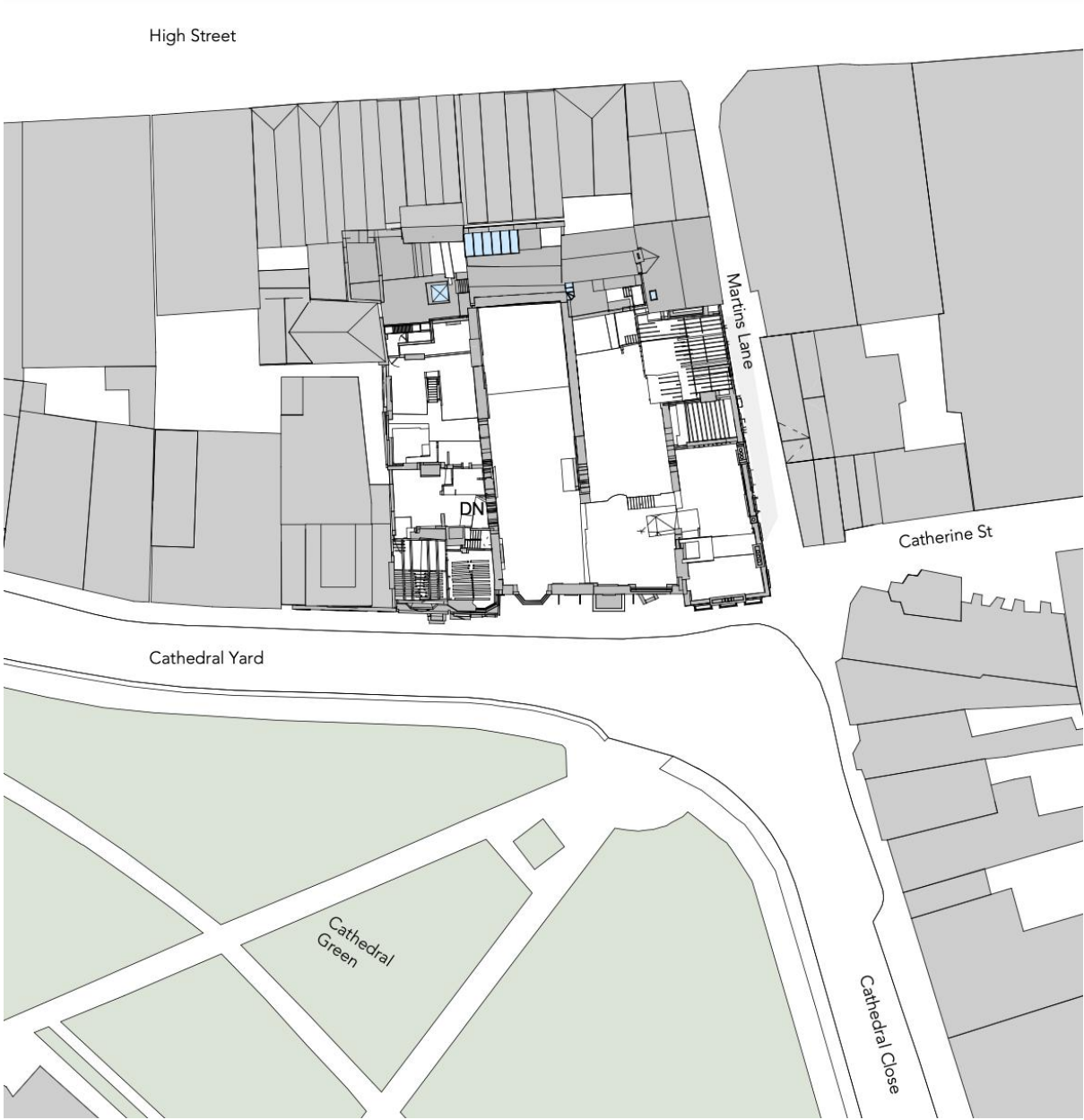
The Royal Clarence Hotel - Pricing Report February 2021



Units	Property Type	SQM	SQFT	Aspect/Views/Comments	Price	£pSQM	£pSQFT
First Floor							
1	2 Double Bed	70	753	Court Yard/North. Small living area. Needs windows out the back	£375,000	£5,357	£498
2	2 Double Bed	117	1259	Cathedral View from living room but light well for bedrooms	£685,000	£5,855	£544
3	2 Double Bed	86	926	Cathedral View from living room but light well for bedrooms	£525,000	£6,105	£567
4	2 Double Bed	86	926	Cathedral View from living room but light well for bedrooms	£540,000	£6,279	£583
5	3 Double Bed	115	1238	Cathedral View from living room	£675,000	£5,870	£545
6	3 Double Bed	113	1216	Court Yard/North	£575,000	£5,088	£473
Total		587	6318		£3,375,000	£5,750	£534
Second Floor							
1	2 Double Bed	70	753	Court Yard/North. Box windows on to Courtyard but needs windows out the back.	£390,000	£5,571	£518
2	2 Double Bed Duplex	115	1238	Cathedral View from living room & Bed1 but no natural light in Bed2 or snug.	£685,000	£5,957	£553
3	1 Double Bed & 1 Single Duplex	110	1184	Cathedral View from living room & Bed1 but light well for Bed2 which is a single	£625,000	£5,682	£528
4	2 Double Bed	102	1098	Cathedral View from living room but light well for bedrooms	£585,000	£5,735	£533
5	2 Double Bed	89	958	Cathedral View from living room but light well for bedrooms	£525,000	£5,899	£548
6	3 Double Bed	120	1292	Cathedral View from living room	£700,000	£5,833	£542
7	2 Double Bed & 1 Single Bed	111	1195	Court Yard/North	£575,000	£5,180	£481
Total		717	7718		£4,085,000	£5,697	£529
Third Floor							
1	2 Double Bed	81	872	Court Yard/North. Needs windows out the back	£425,000	£5,247	£487

2	2 Double Bed	114	1227	Cathedral View from living room but light well for bedrooms	£695,000	£6,096	£566
3	2 Double Bed	109	1173	Cathedral View from living room but light well for bedrooms	£615,000	£5,642	£524
4	2 Double Bed	89	958	Cathedral View from living room but light well for bedrooms	£525,000	£5,899	£548
5	3 Double Bed	121	1302	Cathedral View from living room	£750,000	£6,198	£576
6	3 Double Bed	121	1302	Court Yard/North	£595,000	£4,917	£457
	Total	635	6835.1		£3,605,000	£5,677	£527
Fourth Floor							
1	3 Double Bed Duplex	120	1292	Court Yard/North. Needs window from Bed1. Cathedral views from Living Room. Private Terrace	£765,000	£6,375	£592
2	2 Double Bed	78	840	Cathedral views. Private Terrace	£535,000	£6,859	£637
3	3 Double Bed	110	1184	Cathedral views. Private Terrace	£750,000	£6,818	£633
4	2 Double Bed	98	1055	Cathedral views. Private Terrace	£670,000	£6,837	£635
	Total	406	4370.1		£2,720,000	£6,700	£622
	GDV	2345	25241		£13,785,000	£5,878	£546

Appendix C – Site Plan



Appendix D – Benchmarking Data Assessment

Akkeron Group
Royal Clarence Hotel
Order of Cost Update & Options Appraisal

BCIS Inflation uplift 4Q 2021 to 1Q 2022

Element	Renovations			New Build			Combined Averages					
	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)
01 Substructure	108.18	9.66	29.50	90.02	148.76	110.61	136.30	174.44	128.47	60.14	82.90	132.23
Frame	39.57	-	-	45.26	147.49	49.59	105.78	203.68	93.53	24.79	52.89	124.47
Upper Floors	48.90	4.07	35.60	44.50	105.27	78.07	98.66	125.87	77.08	41.07	67.13	85.19
Roof	72.29	9.41	72.73	118.50	76.79	61.03	67.13	82.90	74.54	35.22	69.93	100.70
Stairs	31.17	8.65	17.29	32.29	15.51	9.15	16.27	22.63	23.34	8.90	16.78	27.46
External Walls	113.77	12.71	57.98	203.94	281.49	178.00	255.81	359.31	197.63	95.36	156.89	281.62
External Windows and Doors	120.02	72.22	84.93	102.99	102.48	81.63	96.12	116.97	111.25	76.92	90.53	109.98
Internal Walls and Partitions	85.73	63.32	74.76	107.56	103.24	92.05	102.73	113.92	94.49	77.68	88.75	110.74
Internal Doors	90.09	50.86	65.10	110.87	53.40	36.36	48.31	65.35	71.74	43.61	56.71	88.11
02 Superstructure	574.74	397.70	492.81	613.08	885.17	701.57	858.47	1,042.06	729.96	549.64	675.64	827.57
03.01 Wall Finishes	138.69	97.65	126.63	176.73	69.67	68.15	72.73	74.25	104.18	82.90	99.68	125.49
03.02 Floor Finishes	116.10	74.51	103.24	144.18	66.37	56.20	69.17	79.34	91.23	65.35	86.20	111.76
03.03 Ceiling Finishes	82.46	51.87	62.05	111.63	50.35	33.31	42.72	59.76	66.40	42.59	52.38	85.69
03 Finishes	322.21	224.53	261.91	364.65	187.15	166.05	182.07	203.17	254.68	195.29	221.99	283.91
04 Fittings, Furnishings and Equipment	213.32	83.15	143.93	331.84	110.61	89.76	112.39	133.25	161.97	86.46	128.16	232.54
05.01 Sanitary Installations	68.93	34.58	47.81	71.20	37.30	20.34	34.58	52.89	53.11	27.46	41.19	62.05
05.02 Services Equipment	2.68	-	-	-	-	-	-	-	1.34	-	-	-
05.03 Disposal Installations	17.06	4.07	14.24	22.38	23.39	19.33	23.39	27.46	20.23	11.70	18.82	24.92
05.04 Water Installations	39.48	9.15	23.39	55.43	71.20	61.03	61.03	76.29	55.34	35.09	42.21	65.86
05.05 Heat Source	11.28	-	-	15.77	47.81	47.81	47.81	47.81	29.54	23.90	23.90	31.79
05.06 Space Heating and Air Conditioning	150.32	54.93	106.80	161.47	103.24	87.98	123.07	138.33	126.78	71.45	114.94	149.90
05.07 Ventilation Systems	18.15	8.14	13.22	30.51	48.82	35.60	48.82	62.05	33.49	21.87	31.02	46.28
05.08 Electrical Installations	141.46	66.11	107.31	143.93	118.75	74.51	120.02	164.27	130.10	70.31	113.67	154.10
05.09 Fuel Installations	9.97	-	3.56	18.31	-	-	-	-	4.98	-	1.78	9.15
05.10 Lift and Conveyor Installations	86.68	-	7.63	30.26	21.87	19.33	23.39	25.94	54.27	9.66	15.51	28.10
05.11 Fire and Lightning Protection	6.01	-	-	6.61	11.53	5.59	10.17	16.78	8.77	2.80	5.09	11.70
05.12 Communications and Security Installations	37.95	14.24	30.51	44.75	17.80	15.00	17.80	20.60	27.87	14.62	24.16	32.68
05.13 Special Installations	22.28	-	-	12.21	7.63	3.81	7.63	11.44	14.95	1.91	3.81	11.82
05.14 Builder's Work in Connection with Services (BWIC)	15.09	8.90	11.19	18.82	12.21	10.17	13.22	14.75	13.65	9.54	12.21	16.78
05.15 Management of the Commissioning of Services	8.14	-	7.12	10.17	-	-	-	-	4.07	-	3.56	5.09
05 Services	543.83	292.43	370.75	548.24	404.06	250.47	340.74	494.33	473.95	271.45	355.75	521.29
06 Prefabricated Buildings and Building Units	-	-	-	-	-	-	-	-	-	-	-	-
07 Work to Existing Building	-	-	-	-	-	-	-	-	-	-	-	-
Building Sub-total	1,704.89	1,098.01	1,388.42	2,000.21	1,628.85	1,204.30	1,360.94	1,679.68	1,666.87	1,151.15	1,375.18	1,939.95
08.01 Site Preparation Works	40.13	8.65	29.50	65.61	61.79	17.55	26.45	70.69	50.96	13.10	27.97	68.15
08.02 Roads, Paths, Paving's and Surfacing's	33.57	33.57	33.57	33.57	-	-	-	-	16.78	16.78	16.78	16.78
08.03 Soft Landscaping, Planting and Irrigation Systems	-	-	-	-	-	-	-	-	-	-	-	-
08.04 Fencing, Railings and Walls	8.82	1.02	1.02	12.71	-	-	-	-	4.41	0.51	0.51	6.36
08.05 External Fixtures	-	-	-	-	-	-	-	-	-	-	-	-
08.06 External Drainage	29.16	5.09	12.21	30.51	31.19	21.36	35.60	43.23	30.18	13.22	23.90	36.87

BCIS Inflation uplift, 4Q 2021 to 1Q 2022

Sample Analysis (BCIS) of similar schemes

Element	Average 1Q 2022 (£/m ²)		Lower Quartile 1Q 2022 (£/m ²)		Median 1Q 2022 (£/m ²)		Upper Quartile 1Q 2022 (£/m ²)		Combined Averages			
	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)
08.07 External Services	40.69	10.17	31.53	70.18	30.01	25.68	30.01	34.33	35.35	17.93	30.77	52.26
08.08 Minor Building Works and Ancillary Buildings	86.68	7.12	72.22	93.58	13.22	13.22	13.22	13.22	49.95	10.17	42.72	53.40
08.09 Demolition and Work Outside the Site	79.68	12.71	34.07	112.65	-	-	-	-	39.84	6.36	17.04	56.32
08 External Works	149.52	44.75	90.53	259.37	97.85	76.29	85.44	97.65	123.68	60.52	87.98	178.51
00.01 Toxic/Hazardous/Contaminated Material Treatment	-	-	-	-	-	-	-	-	-	-	-	-
00.02 Major Demolition Works	-	-	-	-	-	-	-	-	-	-	-	-
00.03 Temporary Support to Adjacent Structures	-	-	-	-	-	-	-	-	-	-	-	-
00.04 Specialist Groundworks	-	-	-	-	-	-	-	-	-	-	-	-
00.05 Temporary Diversion Works	-	-	-	-	-	-	-	-	-	-	-	-
00.06 Extraordinary Site Investigation	-	-	-	-	-	-	-	-	-	-	-	-
00 Facilitating Works	-	-	-	-	-	-	-	-	-	-	-	-
09 Preliminaries	228.75	89.51	150.54	348.88	349.69	210.55	274.63	536.03	349.69	210.55	274.63	536.03
10 Main Contractor's Overheads and Profit	-	-	-	-	-	-	-	-	-	-	-	-
Total (less Design Fees)	2,191.15	1,340.09	1,667.10	2,781.38	2,116.88	1,550.13	1,683.37	2,558.11	2,140.25	1,422.22	1,737.79	2,654.49

BCIS Inflation uplift 4Q 2021 to 1Q 2022

Sample Analysis (BCIS) of similar schemes

Element	Renovations			New Build			Combined Averages				
	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)	Average 1Q 2022 (£/m ²)	Lower Quartile 1Q 2022 (£/m ²)	Median 1Q 2022 (£/m ²)	Upper Quartile 1Q 2022 (£/m ²)
<i>Project Contract Sum, based upon above data (excludes Project Design Team Fees, Other Development / Project Costs and Risk (Contingencies))</i>	9,551,230	5,841,434	12,124,023	9,227,470	6,756,998	7,337,816	11,150,820	9,329,352	6,199,457	7,575,020	11,570,916
<i>Project Design Team Fees, Other Development / Project Cost and Risk (Contingencies)</i>	2,119,590	2,119,590	2,119,590	2,119,590	2,119,590	2,119,590	2,119,590	2,119,590	2,119,590	2,119,590	2,119,590
<i>Taken from Stage 2/3 Cost Plan dated 7th January 2022</i>											
Total Estimated Project Cost	11,670,820	7,961,023	14,243,612	11,347,059	8,876,587	9,457,406	13,270,410	11,448,942	8,319,046	9,694,610	13,690,505
Total Estimated Project Cost (£/m²)	2,677	1,826	3,268	2,608	2,086	2,170	3,044	2,627	1,908	2,224	3,141

The above BCIS analysis considers data from conversion of existing buildings to apartments of a similar size that are Grade II listed. Likewise the new build data represents schemes with similar GIA that feature apartments over commercial units. The data has been rebased to 1Q 2022.

Coreus has taken this data and multiplied it by the GIA of the Royal Clarence Hotel, to indicate what the estimated construction cost would be. To get to the total estimated project cost, Coreus has added the costs associated with the project design team fees, other development / project costs and risk (contingencies) as detailed with the latest Stage 2 / 3 cost plan Rev. 1 dated 10th February 2022.

Factoring in that the renovation and conversion of the Royal Clarence Hotel is a hybrid of both models above, a combined average has been completed.

The current forecasted project outturn cost is £12,369,819 (£2,838/m²) which, when assessing the combined data sits within the range of the average and upper quartiles which is to be expected noting the extent of the fire damage sustained and subsequent degradation of the building.

BCIS Average Price Analysis	Average	Lower Quartile	Median	Upper Quartile
BCIS Average Prices for Housing with shops, offices, workshops or the like, rebased to 1Q 2022 (350) and Exeter (99) (Rate £/m ² based on GIFA for the building incl. prelims)	1,947.00	1,525.00	1,758.00	2,243.00
Estimated Contract Sum	8,486,973	6,647,475	7,663,122	9,777,237
<i>Project Design Team Fees, Other Development / Project Cost and Risk (Contingencies)</i>	2,119,590	2,119,590	2,119,590	2,119,590
<i>Taken from Stage 2/3 Cost Plan dated 7th January 2022</i>				
Estimated Project Outturn Cost	10,606,563	8,767,065	9,782,712	11,896,827

As a separate exercise, Coreus undertook an assessment of the 'average prices' data provided by BCIS to see how this contrasts and compares with the estimated project outturn cost and data obtained above.

Average prices for housing with shops, offices and the like, when factoring in project design team fees etc. as detailed above indicate that the projected outturn cost reported within the Stage 2/3 cost plan Rev.1 dated 10th February 2022 exceeds the upper quartile of this data range by circa £473k. This is however, to be expected as the conversion, restoration of fire damage buildings, especially those that are of historic interest will undoubtedly incur additional costs.