

2nd December 2020

Redrow Homes

Sent via email

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Dear Ricardo,

RE: Tesco New Malden Marketing

Further to your request, I provide a **summary update** of our **marketing** of your company's conditional contract with Tesco Stores Limited for the Development Opportunity at the Tesco Supermarket, New Malden.

On behalf of Redrow and Harrow Estates, Newsteer commenced the marketing of this Development Opportunity in September 2020, following Redrow's strategic decision to focus its business outside of the Capital. This has been done with the full knowledge and support of the landowner who has been kept informed at all times. As you are aware we advised that despite the present difficulties facing the country that we expected the response to be very positive, which has proven to be the case.

Our **marketing strategy** comprised approaching a 'closed list' of residential developers who we (Newsteer) believed would suit this Development Opportunity.

The '**closed list**' of **8 parties** consisted of national housebuilders, London centric housebuilders and housing associations, all of whom have a considerable track record of delivering this type and scale of residential-led development and are active in the market.

Parties were approached in principle first, with those interested parties having to sign Non-Disclosure Agreements (NDAs). The **6 interested parties** were then provided with our Marketing brochure (copy attached) and access to a database containing the planning application and appeal and other information in relation to the appealed Scheme.

By the deadline for Return of Tender on 30th November, we had received initial bids from 5 of the interested parties. From the **initial 5 bids** we selected a shortlist of 4 parties to take through to the 'best and final' second round. The shortlist consists of two national PLC housebuilders, one of the UK's largest Housing Associations and one housebuilder operating in South England.

All **4 shortlisted parties** have confirmed that they have made their bids on the basis of the Appeal Scheme and the associated planning approvals for the car park reconfiguration temporary road schemes, in accordance with the Agreement for Lease between Tesco and

Redrow, as well as their intention to build out the Development, should full planning permission be granted.

The 4 shortlisted bidders have been requested to submit their '**best and final**' bids by midday Friday 11th December, following which we will review the offers and look to select a preferred developer to deliver this scheme.

We hope to conclude this process and to set out our recommendation(s) to you, Redrow and Harrow Estates, in conjunction with Tesco, to have selected the **preferred developer** prior to the Christmas break, following which we estimate 6 weeks are requirement to achieved a signed Agreement for Lease.

I trust you will concur that the above confirms my earlier advice to you that the **market appetite** for the opportunity to deliver the Appeal Scheme is and remains **strong**, and that we apprehend a rapid disposal of the site should permission be forthcoming.

Yours faithfully,



Ross Bettridge MRICS

Development Director

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