

17th May 2018

Mr Z Poluzyn
Head of Developments and Asset Management
JR Properties
40 Newbridge Lane
Stockport
SK1 2NA

Dear Mr Pouzyn

Re: Development of The Royal, Reading (next to Richer Sounds)

Thank you for sharing your plans for the proposed redevelopment of The Royal. We would suggest that the designs that you shared with us are appropriate for the location and there should be good demand from first time buyers as it will be relatively low value product.

As we first discussed, for a scheme of this size we would recommend one beds only as there is good demand, it keeps the price point down/affordable, and it would improve your return. However, I understand that you have had to introduce some 2 bed units which would be fine although the rate of sale may be lower and returns are likely to be lower and this will obviously have an impact on your appraisal. Finally, you asked me whether you should include any 3 bed units. We would strongly recommend that no 3 bed units are included. The reason being is that there is no demand for 3 bed apartments anywhere in Reading and certainly not in this location. There is some demand for larger units (e.g. over-sized 2 beds for divorcees) but this is in more affluent areas and so I would suggest that your site is not one that would sustain any over-sized units or 3 beds.

I trust that the above helps. We continue to sell over 90% of new town centre apartments and we would be delighted to be involved with The Royal should planning consent be forthcoming.

Yours sincerely



Mike Shearn
Haslams

159 Friar Street
Reading
Berkshire
RG1 1HE

T: 0118 960 1000
F: 0118 960 1044
www.haslams.net

