

Freehold Land Sale

CBRE

Mount Vernon Road Liverpool

3.17 acres / 1.28 hectares

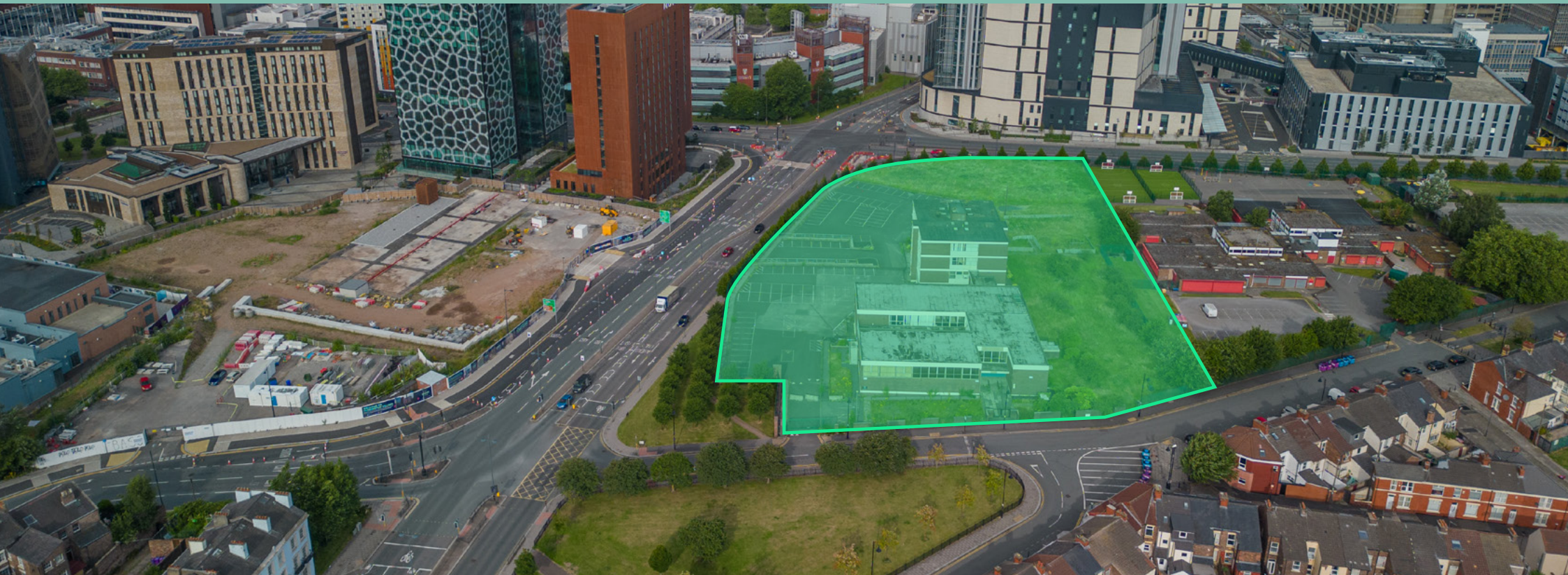
→ On the instructions of the Archdiocese of Liverpool

JANUARY 2024



LIVERPOOL
L7 8TF

Suitable for a variety of uses including Student Residential, Laboratories, Offices, Hotel & Residential, subject to planning



Executive Summary



Mount Vernon Road presents a significant development opportunity that can capitalise on the significant latent activity in the local area and the untapped demand in Liverpool for a range of uses that contributes to the low supply levels across the City.

3.17 ACRES

1.28 HECTARES

Mount Vernon Road (the Property) is strategically located at the junction of A5047 (Mount Vernon road) and the A580 (Grove street) the main arterial route from the M62 into Liverpool City Centre.

Situated within the City's well established Knowledge Quarter, the asset is surrounded by significant city centre assets including Paddington Village, The New Royal Liverpool University Hospital, Clatterbridge Cancer Centre, Liverpool School of Tropical Medicine and University of Liverpool.

Brock Carmichael Architects have developed 5 scale and massing schemes for the subject site, which offers a range of uses scale and massing for further analysis.

The five options are set out in more detail on the following pages but comprise:

- Full residential scheme
- Residential, office and laboratory scheme with ancillary retail. Counterfactual scenario assessed replacing the residential with purpose built student accommodation.
- Residential, office and laboratory scheme but with a different provision and location for each use.
- Residential, office and laboratory scheme in a different format to options 2 and 3.
- Full PBSA Scheme.

Planning Policy UD6 sets that buildings can be taller than 1.5x the local context height of its local surrounding area which is defined as 8 storeys in the policy and would create a provision of 12 storeys in height. However, there are buildings in the area at c.12 – 15 storeys. The acceptable overall height of any scheme on the site would be determined through pre-application engagement.

Situation

Due to the asset's strategic location, the site benefits from significant potential for redevelopment, within a varied number of sectors, including Student Residential, Offices, Laboratories, Education, PRS, BTR, Key Worker & Hotels.



Location

The Property is held Freehold by Archdiocese of Liverpool and situated to the east of Liverpool City Centre, on a prominent corner of **Mount Vernon Road** and Low Hill opposite **Paddington Village**, Royal Liverpool University Hospital and University of Liverpool.

The Property is accessed via Mount Vernon Green, just off Mount Vernon Road.

The M62 is just 2.5 Miles away and accessed via the A5080 (Edge Lane) and less than 2 miles to the heart of Liverpool's commercial Business District.

Lime street Mainline station is just 0.8 miles to the West.

The Property is situated on a prominent arterial route with c.26,000 (Low Hill) and c.29,000 (Mount Vernon Road) motor vehicles passing the property each day (Source: Road Traffic Statistics DFT, 2021 Data).



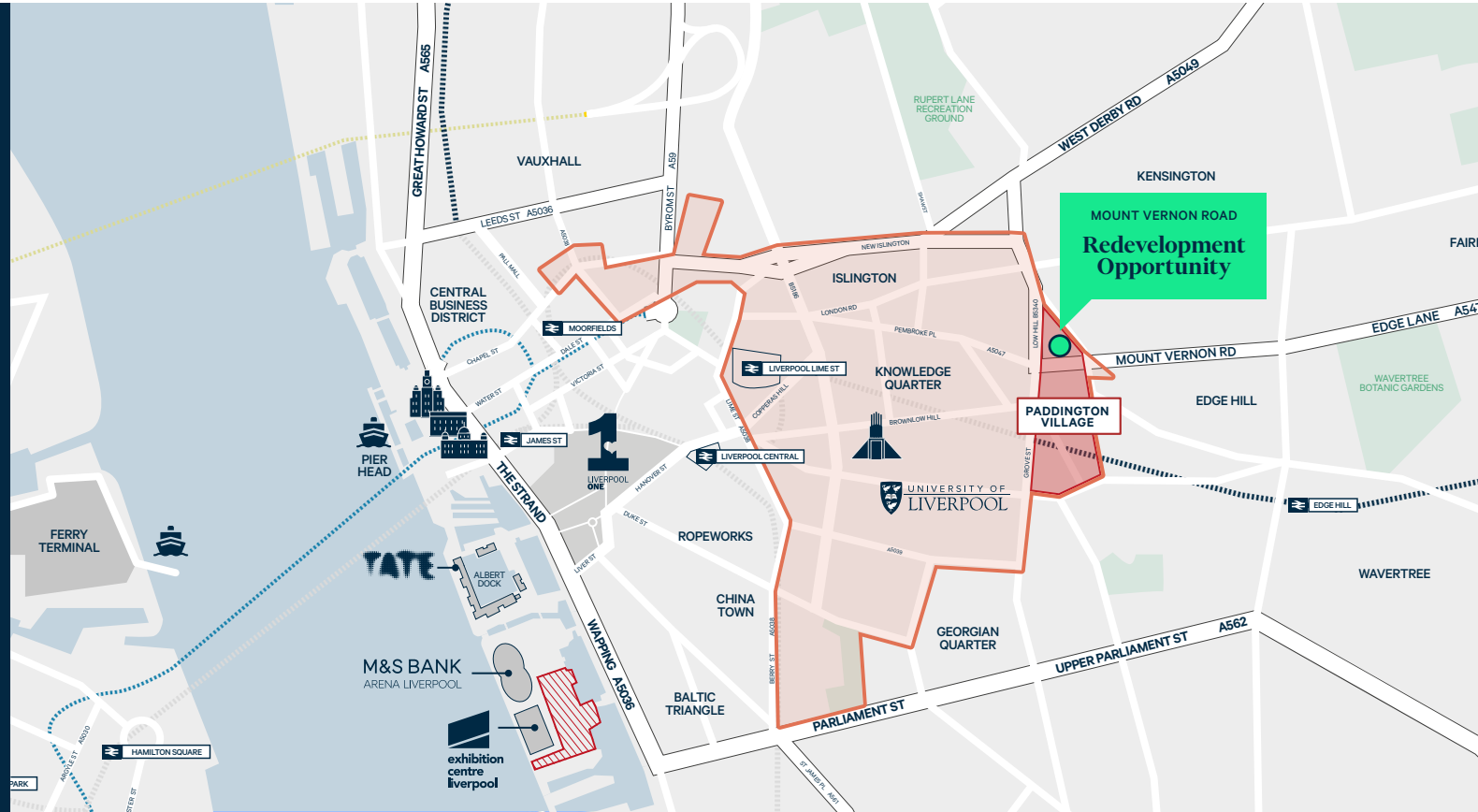
0.8

MILES TO LIVERPOOL
LIME STREET STATION



2.5

MILES TO M62
MOTORWAY



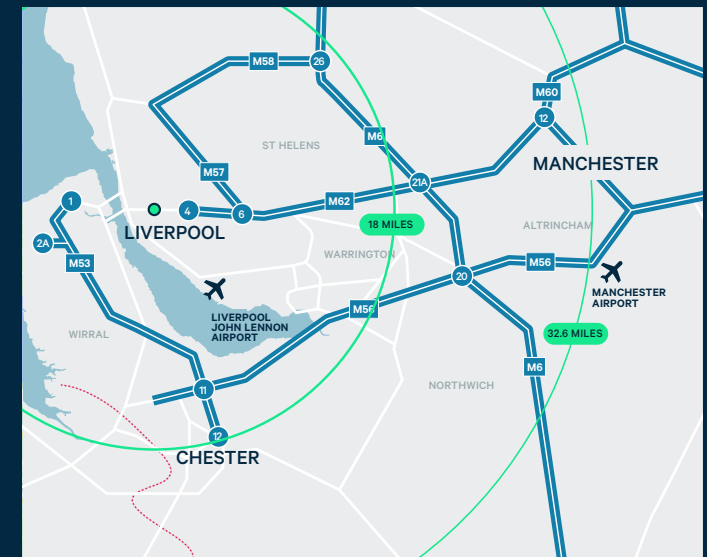
The Spine, Paddington Village /
Credit: SG Photography



Three Graces



Liverpool Lime Street
Train Station



Description

Schematic plan / Option 1

The Property is primarily rectangular in shape although has a significant topographical shift from east to west.

There are currently two existing, interconnected buildings which are mainly vacant with the exception of a short term occupational licence with an occupier to use the external areas for car parking purposes.

Externally, the property is part surfaced car park, with the remainder of the land comprising overgrown shrubbery. There is a wall running around the southern and western perimeter of the Property, acting as a barrier to the highways.

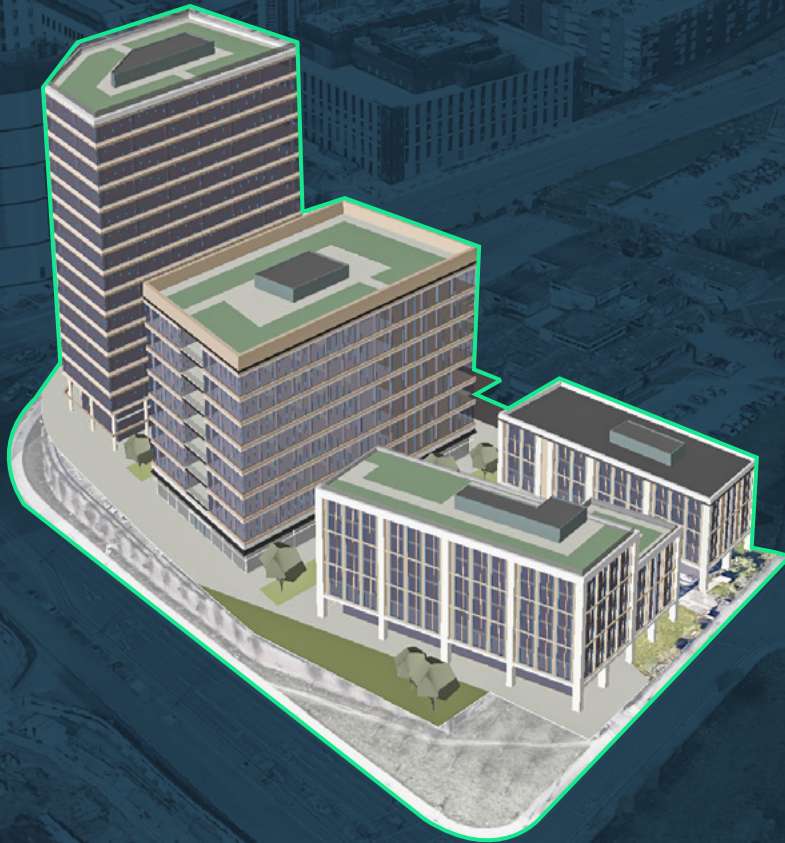
Ownership

OWNERSHIP INFORMATION	
Title	MS605025
Freeholder	Archdiocese of Liverpool
Site Area	3.17 acres (1.28 hectares)
Building Measurement	27,190 sq ft sq ft (2,526 sq m)
Rateable Value (2017 to present)	£82,000



Planning Summary

The planning policy position for the Property is summarised below. Detailed planning appraisal is available separately.



Schematic plan / Option 2

ALLOCATION

The Liverpool Local Plan (2013-2033) was adopted in January 2022.

The proposals map identifies that the Site is subject to several policy designations:

Mixed-Use Area

- Located within the city centre boundary and is subject to policy EC6 'Mixed-Use Area and Sites for Various Types of Development' which details that planning permission will be granted for those uses specified in the Mixed-Use Area profiles subject to the provisions of other relevant Plan policies. The explanatory text to the policy details that development of mixed-use areas will be facilitated by not specifying one particular use for a site/area and provision of 'complementary' uses including residential, employment, community, leisure and retail.

Knowledge Quarter

- Policy CC3 details that a mix of uses will be supported including a) offices, R&D and laboratory facilities; b) education, cultural and community uses; c) residential dwellings and student accommodation; and d) ancillary uses and supporting infrastructure.

Paddington Village

- Policy CC4 affirms the range of uses specified under Knowledge Quarter policy CC3 but also includes small-scale convenience retail, café/restaurants and leisure/entertainment. The policy also confirms that all development proposals within the area should accord with the Paddington Village Strategic Regeneration Framework ('SRF') principles, the Development Framework and associated spatial concepts.

Residential

- Policy CC24 details that planning permission for residential in the city centre will be granted provided that it will (amongst others) contribute to improving/diversifying the housing offer; will provide a greater proportion of 2 bed+ dwellings than 1 bed dwellings; complies with Nationally Described Technical Space Standards; and reflects/enhances the character and function of the surrounding area in terms of scale, density and design.

Student Residential

- Details that proposals for purpose-built student accommodation ('PBSA') will be supported within the Knowledge Quarter (KQ Liverpool) area. The policy also details that encouragement will be given to schemes which incorporate cluster accommodation. Policy H5 provides detail on the criteria to be addressed by PBSA schemes including design, security, space/specification and operational management strategy.

The City Council has prepared supplementary planning documents and technical advisory notes which would be material to the scope/determination of any future planning application on the site.

Key Planning Considerations

Schematic plan / Option 5

Building Heights

- Local Plan Policy UD6 sets that building can be taller than 1.5x the local context height of its local surrounding area which is defined as 8 storeys in the policy and would create a provision of 12 storeys in height. There are buildings in the area at c.12 – 15 storeys which would increase the provision to c.18-23 storeys.
- Paddington Village SRF illustrates the Property as having a taller element in the south-west corner (up to 15 storeys), which steps down to 2-4 storeys to the east adjacent to the residential area.
- The City Council adopted a Tall Buildings Supplementary Planning Document ('SPD') in October 2023. The SPD expands upon policies included within the Local Plan and provides more detailed guidance in the development of tall buildings. The site is located within 'Area E' which is defined as having a Local Context Height ('LCH') of 6 storeys. The Royal Liverpool Hospital complex is located within Area G with an LCH of 10 storeys whilst the remainder of the Paddington Village site to the south is identified as an emerging cluster of tall building (Novotel etc.).

The SPD defines that for Area E sites, up to 1.5x the context height would be defined as a 'large building' of up to 27m (9 storeys). A local-scale tall building would be defined as being between 27m – 54m high (9-18 storeys). The adopted Paddington Village SRF defines the south-west corner of the Property to have no more than 31m height (equivalent 10 residential storeys).

Heritage

- The Property is not situated in a conservation area and is not listed, although is situated close to Edge Hill Conservation Area and Kensington Fields Conservation Area and listed buildings.

Townscape and Visual Impact

- Redevelopment must take into account townscape and visual impacts with particular regard to protecting the views to the two cathedrals (Anglican and Metropolitan).

Residential Amenity

- The Property is adjacent to a number of residential properties to the east and therefore technical matters such as design, sunlight / daylight, and wind microclimate will need to be considered. Active ground floor frontages will be required.

Market Overview

The Property presents a strong development opportunity and could be an attractive proposition for a variety of different uses. We have considered the context of the Property and its appropriateness for alternative uses.



OFFICES

PRO'S	COMMENTS
→ Location and proximity to adjacent hubs → High demand → Low supply	Established office location and market demand and low levels of supply presents a strong opportunity for office development.



LABORATORY

PRO'S	COMMENTS
→ Location and proximity to Royal Liverpool University Hospital, LSTM and Clatterbridge → High demand and low supply	Proximity to hospital, Paddington Village and University of Liverpool combined with the existing demand and supply presents a strong opportunity.



RESIDENTIAL

PRO'S	COMMENTS
→ Proximity to other uses → Surrounding residential location	Strong levels of demand in a mixed use location presents a strong opportunity.



HOTEL

PRO'S	COMMENTS
→ Surrounding uses would present greater demand for hotel operators	High levels of supply and pipeline suggests there is already enough capacity in Liverpool.



STUDENT

PRO'S	COMMENTS
→ Knowledge Quarter Location → Existing provision in vicinity is dated	Demand exceeds supply meaning that there is an opportunity to capitalise on the location.



CAR PARK

PRO'S	COMMENTS
→ Main arterial route → Proximity to surrounding uses	Demand far outstrips supply of parking in local vicinity

4 St Paul's Square

Liverpool Office Market Summary

Market Snapshot

There has been limited levels of new build development and demand has therefore been restricted to existing building refurbishments.

Undersupply in the Liverpool office market has seen demand levels being unmet. The low levels of supply has cultivated a strong level of take up and rental growth over the past 5 years but there remains a feeling of unmet potential in the region.

Grade A and A equivalent stock as of today sits at just 74,000 sq ft, static from 2022, and down from 186,000 sq ft in 2021 and 228,061 sq ft in 2020.

We are seeing a flight to quality emerging following the pandemic as occupiers seek better quality accommodation.

Occupiers are willing to pay premiums for ESG compliant assets which offer green credentials, amenities and facilities to enhance the workplace offer.



74,000

SQ FT OF GRADE A OFFICES IN 2023



ESG

COMPLIANT ASSETS

No.1 Kings Dock Street

Liverpool Residential Market Summary

Market Snapshot

Demand

- Liverpool's population is expected to grow by circa 5% from 2022 to 2031 (+26,000 people) with the number of households set to increase by c. 11,000 over the same period (source: Experian).
- Liverpool possesses a large quantum of a younger working population (20-34 year olds), amounting to 28% of the total population. This compares to 19% for the wider North Western and National levels.
- Liverpool has a high proportion of renters, with over 50% of occupiers falling into rental categories on the Experian Mosaic individual analysis.

Supply

- The Liverpool residential market has benefited from a high level of investment and development over the past 10 years. There is however a clear differentiation in quality of development between new build, Build to Rent (BtR) investments, residential conversions from existing commercial buildings and lower quality buildings developed/converted and sold on a fractional sales model.
- Over 5,000 residential units currently under construction across the Liverpool City Region.
- The majority of new development is situated in central Liverpool and there is limited new development surrounding Mount Vernon Road, with the exception of the Paddington Village residential offering.



5,000

RESIDENTIAL UNITS CURRENTLY UNDER
CONSTRUCTION ACROSS LIVERPOOL

Liverpool Student Residential Market Summary

Market Snapshot

The five higher education institutions comprise University of Liverpool, Liverpool John Moores University, LIPA, Liverpool School of Tropical Medicine and Liverpool Hope University.

The property is situated within close proximity to the Knowledge Quarter, however, is considered to be the wrong side of the city centre to attract the highest demand levels and rental values.

Demand

- Liverpool's student market has grown in occupiers by 26% over the last 10 year period (14% over 5 years) which is above the UK average.
- The CBRE research estimates that 26% of all students live in private sector halls, 31% live in other rented accommodation and that 21% live with parents/family.
- The current student demand level is 38,830 students for Liverpool.

Supply

- CBRE estimate that there are a total of 28,742 purpose build student accommodation (PBSA) beds and 5,564 University owned bed spaces within the Liverpool market.
- The existing offering shows that there is unmet supply of over 10,000 PBSA bed spaces.
- Since 2018, 6,900 PBSA's have been built in Liverpool with an additional 1,761 identified in the development pipeline.



38,830

STUDENTS IN LIVERPOOL

Liverpool Laboratory Market Summary

Market Snapshot

Demand

- Demand over the last two years has averaged 105,000 sq ft which far outstrips current supply
- Modern occupiers are seeking accommodation that is delivered within a well curated ecosystem, that satisfies their demands for good location, high quality, resilient and sustainable lab facilities.
- Occupiers require to be located in areas that enables them to expand into larger premises as their business grows whilst providing ESG and Well requirements.
- Within the cluster, knowledge and skills exchange between commercial companies, research institutes, academic establishments and hospital trusts continue to be important to build the R&D ecosystem and access to intellectual talent as well as experience is highly desirable.

Supply

- Approximately 155,526 Sq Ft of Laboratory space is provided in Liverpool City Region.
- Circa 26,384 sq ft (16.96%) vacant and available to let, with the majority at The Heath, Runcorn.
- Maturing market has seen average deal size grow to c.1,149 Sq Ft, although the majority of existing let stock and available stock is <600 Sq Ft
- Void in 'Graduation' space to facilitate company growth and retention within the Liverpool City Region
- The provision of laboratory space which is available to the open market within Liverpool City Region, is very much concentrated into 5 principle buildings/developments/ Business Parks with three of the five assets are located in Liverpool City Centre and within the Knowledge quarter area of the city. Two further assets are located within the borough of Halton and located in Daresbury and Runcorn. The existing provision is summarised on the adjacent table and plan.



Full Residential Scheme.

KEY

- RESIDENTIAL
- OFFICE
- LABORATORY

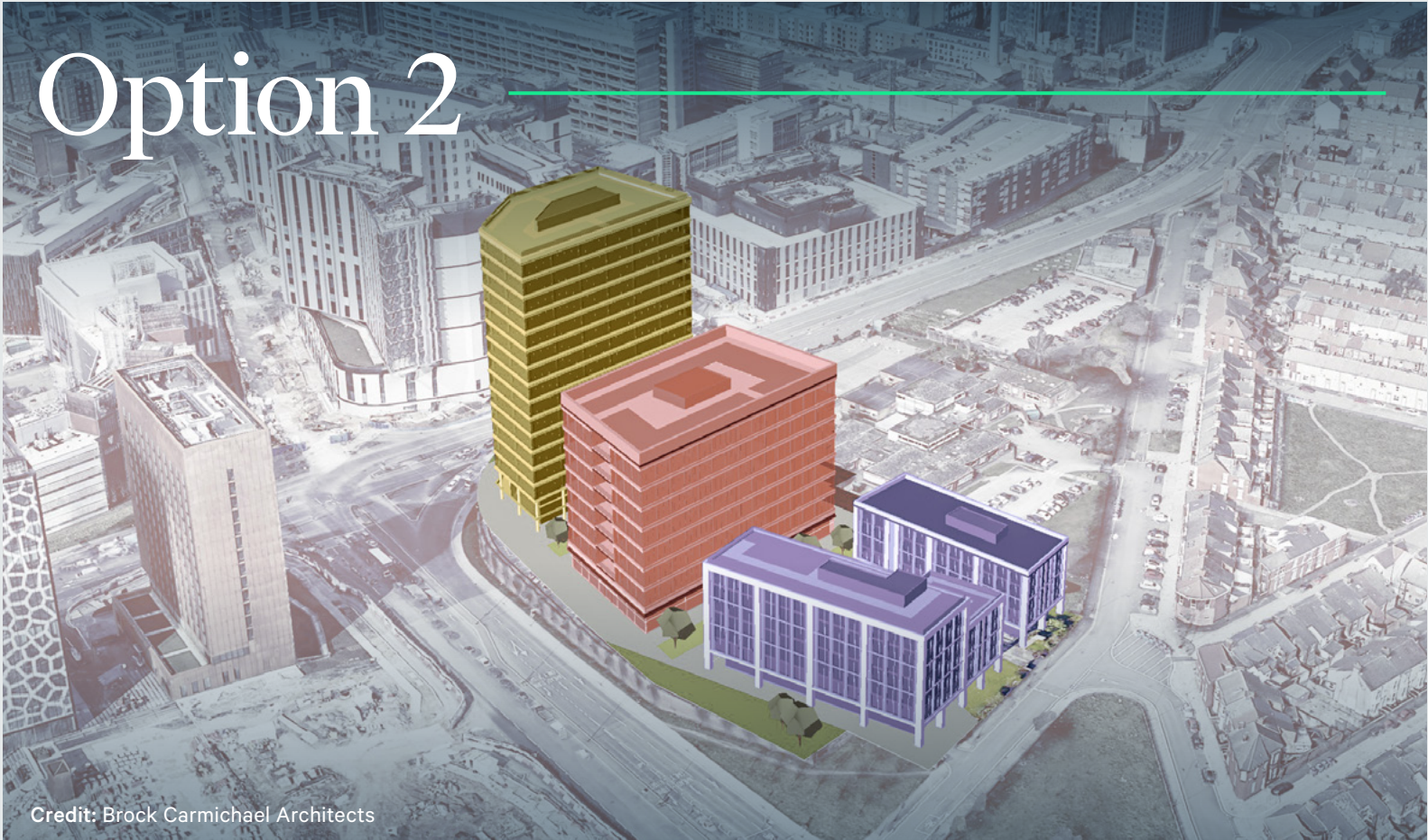
Schedule of Accommodation

AREA SUMMARY	RESIDENTIAL
Units	462
Total GIA (sq ft)	394,049
Total NIA (sq ft)	307,358
Average Size (GIA sq ft)	853
Average Size (NIA sq ft)	668

Residential Mix (Applied to all scenarios)

TYPE	NIA SQ M	MIX	PROPORTION
Studio	39	5%	1.95
1 bed	50	40%	20
2 bed	70	50%	35
3 bed	102	5%	5.1
Average Size sq. m			62.05
Average size sq. ft			668

*NIA areas have been calculated as a product of GIA, working to institutionally accepted ratios of 80% and will be subject to clarification following further detailed design.



Residential, office and laboratory scheme with ancillary retail. Counterfactual scenario assessed replacing the residential with purpose built student accommodation.

KEY

- RESIDENTIAL
- OFFICE
- LABORATORY

Schedule of Accommodation

AREA SUMMARY	RESIDENTIAL	ALTERNATIVE - PBSA	OFFICE	LABORATORY
Units	153	c.375	15 (floors)	8 (floors)
Total GIA (sq ft)	131,062	131,000	236,538	141,482
Total NIA (sq ft)	102,229	78,600	189,231	113,186
Average Size (GIA sq ft)	857	232	15,769	17,685
Average Size (NIA sq ft)	668	139	12,615	14,148

*NIA areas have been calculated as a product of GIA, working to institutionally accepted ratios of 80% and will be subject to clarification following further detailed design.



Residential, office and laboratory scheme but with a different provision and location for each use.

KEY

- RESIDENTIAL
- OFFICE
- LABORATORY

Schedule of Accommodation

AREA SUMMARY	RESIDENTIAL	LABORATORY	OFFICE
Units	263	8 (floors)	7 (floors)
Total GIA (sq ft)	224,559	86,973	85,843
Total NIA (sq ft)	175,156	69,579	68,674
Average Size (GIA sq ft)	854	10,872	12,263
Average Size (NIA sq ft)	668	8,697	9,811

*NIA areas have been calculated as a product of GIA, working to institutionally accepted ratios of 80% and will be subject to clarification following further detailed design.



Residential, office and laboratory scheme in differing format to options 2 and 3.

KEY

- RESIDENTIAL
- OFFICE
- LABORATORY

Schedule of Accommodation

AREA SUMMARY	RESIDENTIAL	OFFICE	LABORATORY
Units	263	9 (floors)	6 (floors)
Total GIA (sq ft)	224,559	97,845	72,119
Total NIA (sq ft)	175,156	78,276	57,695
Average Size (GIA sq ft)	854	10,872	12,019
Average Size (NIA sq ft)	668	8,697	9,616

*NIA areas have been calculated as a product of GIA, working to institutionally accepted ratios of 80% and will be subject to clarification following further detailed design.



Full PBSA Scheme.

KEY

- RESIDENTIAL
- OFFICE
- LABORATORY

Schedule of Accommodation

AREA SUMMARY	RESIDENTIAL	BLOCK	GIA SQ M	NIA SQ M	UNITS
Units	918	1	10,768	8,614	359
Total GIA (sq ft)	296,688	2	7,742	6,194	258
Total NIA (sq ft)	237,350	3	6,617	5,294	220
Average Size (GIA sq ft)	323	4	2,436	1,949	81
Average Size (NIA sq ft)	323				

*NIA areas have been calculated as a product of GIA, working to institutionally accepted ratios of 80% and will be subject to clarification following further detailed design.

Paddington Village



VAT

This Property is not elected for VAT.

Proposal

Offers are invited for our client's Freehold interest in the subject site.

Further Available Information

- Topographical Survey
- Title Documentation and plans
- Detailed Planning Appraisal

Contact

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