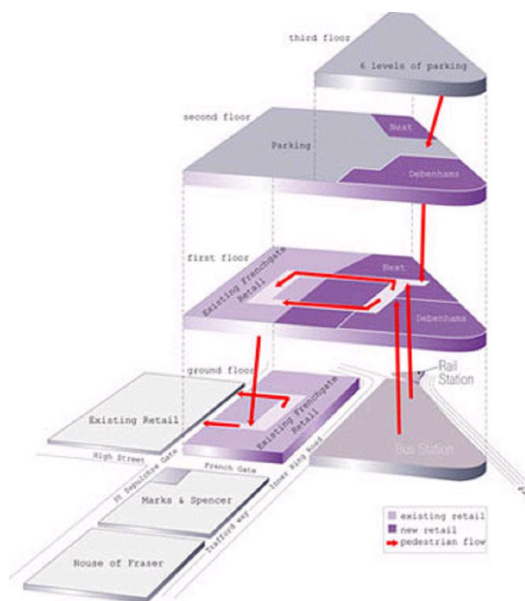


Project Experience

Doncaster Interchange



Outline

Ben Aspinall was retained to prepare a detailed financial appraisal in respect of the development of an integrated transport Interchange and an extension to the Frenchgate Shopping Centre. The project involved public funding from both Yorkshire Forward as well as the ERDF Objective 1.

Network Rail contributed land on a commercial basis and 'less than best value' advice was required to enable the Council to contribute a new 'flying long-leasehold' interest over Trafford Way.

Value Added

The original proposal was to keep the new Interchange extension separate from the existing Frenchgate Centre. The exit route on this basis was through a "put and call" option between the SPV development company and the Frenchgate Interchange Limited Partnership investment vehicle.

The Interchange development and the Frenchgate Centre refurbishment were inextricably linked for a number of reasons, including:

- the development company and the Limited Partnership had the same shareholders, and
- it was impossible to isolate the uplift in value to the Frenchgate Centre as a result of the development of the Interchange and/or the refurbishment works.

The structure of the project was superseded by a development agreement between the Limited Partnership and the development company. This kept the development and investment activities at arms length via a development service fee (as a proxy for gross development value) and provided for a guaranteed investment return to the investors in lieu of marriage value.

Ben Aspinall monitored these changes throughout and negotiated both the public funding and land inputs.