

## HARRINGTON SQUARE, LONDON, NW1

### Introduction

In August 2023 BNPPRE undertook a Financial Viability Assessment of the development proposals at Harrington Square, London NW1.

Our review indicated that the proposed development resulted in a surplus of £660,000. This was based on the residual value of the development proposals being £1,760,000 compared to a Benchmark Land Value of £1,100,000.

This was reviewed by BPS Chartered Surveyors (“BPS”) who in their latest report of November 2023 who concluded an increased surplus. The increase in surplus was a result of the following amendments to the appraisal of the proposed development:

- Reduction in construction costs;
- Reduction in sales, marketing and legal fees; and
- Reduction in CIL and Section 106 costs;

Additionally, BPS reduced the assumed Benchmark Land Value to £726,000 which was applied in their appraisal as a fixed cost.

In May 2024 we provided a response to the BPS review which focused on the areas of difference.

In this response the reduced Benchmark Land Value was accepted and a response was provided on the other areas of difference noted above.

This resulted in the following revised results:

**Table 1 Revised BNPPRE Results May 2024**

Residual Land Value	Benchmark Land Value	Surplus
£1,855,000	£726,000	£1,129,000

Since this date BPS have provided a further response which still adopts differing assumptions with respect:

- Reduction in construction costs;
- Reduction in sales, marketing and legal fees; and
- Reduction in CIL and Section 106 costs;

As set out in more detail below we provide further information with respect CIL and Section 106 as well as construction costs.

The BPS position with respect sales, marketing and legal fees is accepted on a without prejudice basis.

Also over this period we understand that the Applicant and the Council have agreed that the three bed unit on the ground floor will be provided as London Affordable Rent at a package price of £250,000 to a Registered Provider which is mutually acceptable to both the Council and Applicant.

We have therefore also updated our appraisal to reflect this agreement.



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### Construction Costs

In our May response we provided a revised cost plan and further information from the Applicants cost consultant Artal.

The revised cost plan totalled £5,650,908. These are appended to our April response.

We understand that subsequent to this BPS's cost consultant Geoffrey Barnett Associates ("GBA") have provided further comment on the construction cost information provided by Artal. We further understand that Artal provided additional information and commentary on a number of the cost items dated June 2024.

Whilst we are advised that this has been provided to BPS and their cost consultant for review, we attach this as **Appendix 1**.

We are advised that subsequent to the there was further comment from GBA costs consultants in July. Artal have provided the following response to this along with further information which is attached as **Appendix 2**.

*"Just to reiterate the reason these items have been highlighted as abnormal is because the full scope cannot be ascertained without the project being fully designed, measured, and priced by the tenderers. We have priced the main measured with the assumption that the abnormal are reasonable, and so if these are reduced or omitted the base estimate would need to increase.*

1. *Party wall works*

- *Please see attached. We've broken down these potential works into a 6 page document that hopefully gives enough support to the allowances we have put forward*

2. *Grid connection and labour - £200,000*

- *We can't obtain a quotation for this from the provider as in order to do so we need to have the scheme designed, the loads assessed and then the normal applications made. Whilst this figure when divided into the amount of apartments may seem a higher allowance than normal, due to the size of the dwellings, this figure works back to a cost of £13.45/ft<sup>2</sup>. This is well within range for this type of work. This is also assuming a straight connection, if a substation is required this will be a further circa £70k.*

3. *Back up power generator*

- *As with the above we don't have a specification, but between £30k and £50k would be a more than reasonable allowance. Note that SPONS 2023 prices these at £160k*

4. *Distribution Boards, Surge Protection, Earthing and Bonding*

- *These are priced as an abnormal as may not be provided in the main contract, and more likely by others and so we have adjusted the main build pricing to reflect this. Therefore, these abnormal should remain"*

We have maintained Artal's revised costs in our updated appraisals.



### CIL and Section 106 Costs

We have been advised by the Applicants Planning Consultants, PMV Planning, that reflecting the agreement to provide Unit 1 (3 Bed) as a London Affordable Rent Unit the CIL amounts for the proposed development are as follows:

**Table 2 Proposed Development CIL**

Type	Amount
Borough CIL	£471,632
Mayoral CIL	£118,596

We have adopted these figures in our update appraisal.

In addition, we have also been provided with the following detailed Section 106 assumptions for the proposed development by PMV Planning:

- Open space contribution: £62,289;
- Construction management plan CMP implementation support contribution: £10,116;
- CMP Impact Bond: £16,000;
- Pedestrian, Cycling and Environmental facilities contribution: £22,000;
- Travel Plan monitoring contribution: £5,196;
- Carbon offset contribution: £11,314.50;
- Highways estimate for repaving the footway and crossover adjacent to the site
- Basement Construction Plan ("BCP"): £47,220.54; and
- Car free

These total £174,136.04 which we have adopted in our revised appraisal.

### Revised Appraisal Results

In addition to the above we have also assumed a value of £250,000 for Unit 1 which has been agreed to be provided as a London Affordable Rent unit. We have also assumed a profit of 6% of Gross Development Value on this unit in convention for affordable housing elements of a development in viability assessments.

Furthermore, in order to adopt a consistent approach with BPS we have assumed that the Benchmark Land Value of £726,000 is adopted in the appraisal as a land cost and measured the outturn surplus.

Our appraisal results in a surplus of £850,000. A copy of our appraisal is attached as **Appendix 3**.

**October 2024**

**Appendix 1 – ARTAL Response**

**Appendix 2 – Further ARTAL Information**

**Appendix 3 – Revise Development Appraisal**

## VIABILITY QUERY REVIEW

ARTAL

HARRINGTON SQUARE



9 Jordan street

Knott Mill

Manchester

M15 4PY

## DOCUMENT PRODUCED BY

The following document has been produced by Artal Ltd at the request of **Salboy Ltd**.

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Should you have any queries or comments regarding the contents of this proposal, please do not hesitate to contact the above.



## ARTAL INTRODUCTION

This report provides a focused review of two queries raised within the viability process regarding assumptions outlined in the cost plan; these being the allowances made for 1) Incoming power, and 2) Party wall. These allowances have been made within the abnormals section of the cost plan based on our previous experience for these types of works, albeit at this stage we cannot firmly estimate as these works are a risk item and a relative unknown until much later in the design and construction process.

Therefore, to address the queries raised we have split out the usual costs that could be anticipated under these amounts.

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## 1. INCOMING POWER

An allowance of £400,000 was made within the abnormals section of the cost plan. We have since broken down the items that were intended to cover the allowances for the likely costs. The summary of these costs are shown under Appendix 1.

### 1. Electrical Infrastructure Installation

- Grid Connection Fee: This includes the cost of labour, materials, and any necessary upgrades to the local grid infrastructure.

### 2. Cabling and Trenching

- Main Cables: The cost of the main power cables running from the grid connection point to the development.
- Trenching: Digging and preparing trenches for laying the cables.

### 3. Meters and Distribution Boards

- Meters: Installation of individual electricity meters for each of the 12 bedrooms.
- Distribution Boards: Main distribution board installation and sub-distribution boards for each bedroom.

### 4. Labour Costs

- Labour for installation of all electrical infrastructure, including certified electricians, project managers, and other necessary personnel.

### 5. Regulatory and Inspection Fees

- Fees for obtaining necessary permits and inspections from local authorities to ensure compliance with building and electrical codes.

### 6. Sustainability and Future-Proofing

- Renewable Energy Integration: Cost of integrating renewable energy sources (like solar panels) and future-proofing the installation for smart grid compatibility.

### 7. Additional Items

- Backup Power Systems
  - Generators: Installation of backup generators for emergency power.

- Uninterruptible Power Supply (UPS): Systems to ensure continuous power during short outages.

## **8. Energy Management System (EMS)**

- System to monitor and optimize energy usage across the development.

## **9. Surge Protection**

- Whole-Building Surge Protectors: To protect electrical systems and sensitive equipment from power surges.
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## **10. Earthing and Bonding**

- Ensuring proper earthing and bonding of the incoming power to prevent electrical shocks and ensure safety.

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## 8. PARTY WALL

An allowance of £250,000 was made within the abnormals section of the cost plan for works in connection with party wall, as a result of building closely to an adjoining inhabited property. We have since broken down the items this was intended to cover and allowances for the likely costs. The summary of these costs are shown under Appendix 2

### 1. Surveyor Fees

- Agreed Surveyor (if both parties agree to one)

### 2. Legal Costs

- Legal Advice/Representation
- Preparation of Awards

### 3. Construction Work

#### A. Pre-Construction and Demolition

- Site Preparation
- Clearing the area around the existing wall.
- Setting up temporary barriers and safety measures.
- Pre-construction survey and documentation.
- Temporary Support and Protection
  - Installing temporary supports (e.g., props, shoring) to prevent movement.
  - Protection of adjacent property during construction (e.g., scaffolding, barriers).

#### B. Structural Reinforcement

- Foundation Reinforcement
  - Reinforcing existing foundations to handle additional loads and prevent subsidence.
- Steel Reinforcement Bars (Rebar)
  - Incorporating steel reinforcement within concrete foundations and walls.
  - Enhancing tensile strength and load-bearing capacity.
- Underpinning and propping adjacent land/foundations

## C. Damp Proofing and Waterproofing

- Damp Proof Membranes
- Installing damp proof courses and membranes to prevent moisture ingress.
- Ensuring continuity of damp proofing between the new and existing structures.
- Waterproofing Adjacent Structures
- Applying waterproofing to areas where the new wall interfaces with the existing property.

## D. Damage Mitigation and Repair

- Vibration Monitoring
- Monitoring vibrations during construction to prevent damage to adjoining property.
- Installing sensors and conducting regular inspections.
- Repairs to Adjoining Property
- Repairing any damage caused during construction (e.g., cracks, cosmetic damage).
- Touch-up work to ensure the adjoining property is restored to its original condition.

## E. Structural Integrations

- Seamless Jointing
- Creating seamless joints between the new wall and existing structures.
- Using specialized construction techniques to ensure stability.
- Expansion Joints
- Installing expansion joints to accommodate thermal expansion and contraction.
- Preventing cracks and structural damage.

## F. Load-Bearing Enhancements

- Lateral Bracing
- Adding lateral bracing elements to prevent horizontal movement.
- Ensuring stability under lateral loads such as wind and seismic activity.

## G. Special Considerations for Adjacent Structures

- Vibration Control Measures
- Implementing measures to control vibrations during construction.
- Using dampers and isolators to protect the adjoining property.
- Load Transfer Systems
- Installing systems to transfer loads away from the adjoining property.
- Using transfer beams or slabs to distribute loads effectively.

# APPENDICES

## Appendix 1

### Incoming Power

	Category	Sub-Item	Total
1	Electrical Infrastructure Installation	Grid Connection Fee	£ 150,000
2	Cabling and Trenching	Main Cables	£ 50,000
		Trenching	£ 20,000
3	Meters and Distribution Boards	Meters (main)	£ 5,000
		Distribution Boards	£ 15,000
4	Labour Costs	Labour for installation of all electrical infrastructure	£ 50,000
5	Regulatory and Inspection Fees	Fees for obtaining necessary permits and inspections	£ 25,000
6	Sustainability and Future-Proofing	Renewable Energy Integration	£ 20,000
7	Backup Power Systems	a. Generators	£ 30,000
		b. Uninterruptible Power Supply (UPS)	£ 25,000
8	Energy Management System (EMS)	Energy Management System (EMS)	£ 15,000
9	Surge Protection	Whole-Building Surge Protectors	£ 10,000
10	Earthing and Bonding	Proper earthing and bonding of the incoming power	£ 5,000
<b>TOTAL</b>			<b>£ 420,000</b>

## Appendix 2

### Party Wall

	Category	Sub-Item	Total
1	Surveyor Fees	Agreed Surveyor	£ 8,000
2	Legal Costs	Legal Advice/Representation	£ 15,000
		Preparation of Awards	£ 8,000
3	Construction Work	A. Pre-Construction and Demolition	
		Site Preparation	£ 3,000
		Temporary Support and Protection	£ 20,000
		B. Structural Reinforcement	
		Foundation Reinforcement	£ 30,000
		Steel Reinforcement Bars (Rebar)	£ 15,000
		Underpinning and propping adjacent land/foundations	£ 50,000
		C. Damp Proofing and Waterproofing	
		Damp Proof Membranes	£ 10,000
		Waterproofing Adjacent Structures	£ 15,000
		D. Damage Mitigation and Repair	
		Vibration Monitoring	£ 10,000
		Repairs to Adjoining Property	£ 15,000
		E. Structural Integrations	
		Seamless Jointing	£ 11,000
		Expansion Joints	£ 8,000
		F. Load-Bearing Enhancements	
		Lateral Bracing	£ 10,000
		G. Special Considerations for Adjacent Structures	
		Vibration Control Measures	£ 8,000
		Load Transfer Systems	£ 15,000
	4. Miscellaneous Costs	Permit Fees and Approvals	£ 5,000
	<b>TOTAL</b>		<b>£ 256,000</b>





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## HARRINGTON SQUARE

### VIABILITY - PARTY WALL ESTIMATE

ITEM	CATEGORY	ITEM	QTY	UNIT	RATE	TOTAL
		<p><b>Drafting Award Documents:</b> Legal preparation of awards that outline rights and responsibilities of each party Ensuring awards cover all aspects of work, including timelines and indemnities</p> <p><b>Review and Finalization of Awards:</b> Legal checks to ensure compliance with regulations Ensuring all parties agree on terms before finalization</p> <p><b>Coordination with Surveyors:</b> Liaising with surveyors to align legal documents with technical reports Addressing any discrepancies between legal and surveyor advice</p>				Incl above Incl above
3	Construction Work	<p><b>A. Pre-Construction and Demolition</b></p> <p><b>Site Preparation:</b></p> <p><b>Clearing Adjacent Areas and Preparing Party Wall:</b> Removing debris and securing the party wall area to prevent damage (2 operatives) Preparing adjacent areas for temporary works, such as scaffolding</p> <p><b>Setting Up Access and Safety Measures:</b> Creating safe access routes for workers near the party wall Installing protective barriers between the construction site and adjacent properties Equipment hire</p> <p><b>Site Marking and Establishment of Boundaries:</b> Marking the extent of works near the party wall and adjoining properties Clearly defining property boundaries to avoid encroachment</p> <p><b>Temporary Support and Protection:</b></p> <p><b>Installation of Temporary Shoring and Bracing:</b> Erecting shoring to support the party wall during construction Installing temporary bracing to prevent movement of adjacent structures</p> <p><b>Protective Coverings for Adjacent Properties:</b> Applying protective sheeting over adjacent walls, windows, and roofs Dust control measures to minimize impact on neighbors Proof screens; 50 mm x 75 mm softwood framing and 12 mm thick plywood covering to one side; single layer of polythene sheet to the other; clear away on completion</p>				
			16	hrs	£ 60.00	£ 960.00
			8	hrs	£ 60.00	£ 480.00
			4	hrs	£ 60.00	£ 240.00
			2	hrs	£ 60.00	£ 120.00
			10	wks	£ 45.00	£ 450.00
			2	hrs	£ 60.00	£ 120.00
			2	hrs	£ 60.00	£ 120.00
			11	Nr	£ 1,513.09	£ 16,643.96
					£ -	Incl above
			43.75	Nr	£ 87.18	£ 3,814.28

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## HARRINGTON SQUARE

### VIABILITY - PARTY WALL ESTIMATE

ITEM	CATEGORY	ITEM	QTY	UNIT	RATE	TOTAL
		<p><b>Monitoring and Adjusting Supports:</b> Regular inspections to ensure temporary supports are effective Adjusting supports as necessary to accommodate construction progress</p>	10	wks	£ 64.20	£ 642.00 Incl above
		<p><b><u>B. Structural Reinforcement</u></b></p> <p><b>Underpinning and Propping Adjacent Land/Foundations:</b></p> <p><b>Underpinning to Stabilize Party Wall Foundations:</b> In stages not exceeding 1500 mm long from one side of existing wall and foundation, excavate preliminary trench by machine and underpinning pit by hand, partial backfill, partial disposal, earthwork support (open boarded), cutting away projecting foundations, prepare underside of existing, compact base of pit, plain in situ concrete 20.00 N/mm<sup>2</sup> (1:2:4), formwork, brickwork in cement mortar (1:3), pitch polymer damp-proof course, wedge and pin to underside of existing with slates. Commencing at 1.00 m below ground level with common bricks, depth of underpinning over 4000 mm.</p> <p><b>Propping and Monitoring Adjacent Structures:</b> Installing hydraulic props to support neighboring buildings during construction Continuous monitoring for any movement or subsidence</p>	48	m2	£ 1,391.00	£ 66,768.00
			10	wks	£ 1,561.13	£ 15,611.30
			10	wks	£ 60.00	£ 600.00
		<p><b><u>C. Damp Proofing and Waterproofing</u></b></p> <p><b>Damp Proof Membranes Along Party Wall:</b></p> <p><b>Installation of Damp Proof Membranes:</b> Applying membranes to the party wall to prevent moisture ingress Sealing overlaps and ensuring continuous protection</p> <p><b>Checking Membrane Integrity:</b> Inspecting for gaps or weaknesses that could allow water penetration Repairing any detected issues before finalizing the installation</p> <p><b>Waterproofing Adjacent Structures:</b></p> <p><b>Applying Waterproof Coatings to Neighboring Properties:</b> Using waterproof materials to protect adjacent walls and foundations Coordinating with neighbors to ensure minimal disruption</p>	62.5	m2	£ 19.86	£ 1,241.20
			62.5	wks	£ 2.16	£ 135.09
			10	wks	£ 60.00	£ 600.00
			1	Items	£ 1,000.00	£ 1,000.00
			62.5	m2	£ 11.98	£ 749.00
			1	Items	£ 1,000.00	£ 1,000.00

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## HARRINGTON SQUARE

### VIABILITY - PARTY WALL ESTIMATE

ITEM	CATEGORY	ITEM	QTY	UNIT	RATE	TOTAL
		<p><b>Ensuring Proper Drainage to Avoid Water Damage:</b>                      Installing drainage systems to redirect water away from both the party wall and adjacent buildings                      Regular maintenance checks to ensure systems remain effective</p>	17.5	m	£ 180.34	£ 3,155.91
		<p><b>D. Damage Mitigation and Repair</b></p> <p><b>Vibration Monitoring During Construction:</b></p> <p><b>Installing Vibration Sensors on Party Wall and Adjoining Properties:</b>                      Placing sensors to monitor vibrations during excavation and construction</p> <ul style="list-style-type: none"> <li>• Design, supply, installation, commissioning, calibration, testing, operation, cleaning, maintenance, decommissioning and removal of monitoring infrastructure.</li> <li>• Manual monitoring of any relevant survey target points proposed.</li> <li>• Analysis, interpretation, factual reporting and reporting of interpretation.</li> <li>• All the monitoring data to be held in a single web access database.</li> <li>• Liaison with the Client, Contractor and other interested parties will be required as necessary.</li> <li>• Submission of documentation.</li> <li>• Liaison with the Construction Manager and/or relevant asset owners as required to gain agreement for the installation of target points and monitoring equipment (method statements, risk assessments, fixing details etc).</li> <li>• Produce Factual Background Monitoring Reports, Factual Monitoring Reports and Final Monitoring Reports.</li> <li>• These activities are to take place in line with the construction programme.</li> </ul>	1	Item	£ 5,000.00	£ 5,000.00
		<p><b>Repairs to Adjoining Properties Caused by Construction:</b></p> <p><b>Addressing Cracks and Settlement Issues:</b>                      Repairing cracks in walls, ceilings, and foundations caused by nearby construction                      Ensuring repairs match the original condition of the property</p> <p><b>Restoration of External Facades:</b>                      Repointing brickwork and repairing render on adjacent buildings                      Repainting or restoring external surfaces affected by the works</p> <p><b>Window and Door Realignment:</b>                      Adjusting frames and fittings that may have shifted due to construction activities</p>	60	wks	£ 385.20	£ 23,112.00
		<p><b>Addressing Cracks and Settlement Issues:</b>                      Repairing cracks in walls, ceilings, and foundations caused by nearby construction                      Ensuring repairs match the original condition of the property</p>	20	m2	£ 58.21	£ 1,164.16
		<p><b>Restoration of External Facades:</b>                      Repointing brickwork and repairing render on adjacent buildings                      Repainting or restoring external surfaces affected by the works</p>	50	m2	£ 50.09	£ 2,504.34
		<p><b>Window and Door Realignment:</b>                      Adjusting frames and fittings that may have shifted due to construction activities</p>	1	Item	£ 2,000.00	£ 2,000.00

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## HARRINGTON SQUARE

### VIABILITY - PARTY WALL ESTIMATE

ITEM	CATEGORY	ITEM	QTY	UNIT	RATE	TOTAL
		<b>E. Structural Integrations</b>				
		<b>Seamless Jointing Between New and Existing Structures:</b>				
		<b>Creating Expansion Joints at the Party Wall Interface:</b>				
		Installing expansion joints where new work meets the existing party wall	150	m	£ 41.93	£ 6,290.00
		Fire-resisting horizontal expansion joints; filling with joint filler; fixed with high temperature slip adhesive; between party wall and new construction				
		<b>Sealing and Waterproofing Joints:</b>				
		Applying waterproof seals to prevent water ingress through joints	150	m	£ 9.27	£ 1,389.93
		Inspecting joints for long-term durability	1	Item	£ 2,000.00	£ 2,000.00
		<b>Testing and Ongoing Maintenance:</b>				
		Regularly checking joints for wear and tear	1	Item	£ 3,000.00	£ 3,000.00
		Replacing or repairing joints as necessary	1	Item	£ 2,000.00	£ 2,000.00
		<b>F. Load-Bearing Enhancements</b>				
		<b>Lateral Bracing for Party Wall Stability:</b>				
		<b>Installing Bracing to Support Party Wall During Construction:</b>				
		Adding steel or timber braces to prevent lateral movement of the wall	20	Nr	£ 1,574.83	£ 31,496.52
		Ensuring bracing systems do not interfere with adjacent buildings				Incl above
		<b>Monitoring and Adjusting Braces:</b>				
		Regularly checking the effectiveness of bracing systems	1	Item	£ 2,000.00	£ 2,000.00
		Making adjustments based on site conditions				Incl above
		<b>G. Special Considerations for Adjacent Structures</b>				
		<b>Vibration Control Measures During Demolition and Construction:</b>				
		<b>Installing Anti-Vibration Systems:</b>				
		Placing anti-vibration pads and supports to minimize impact on adjacent buildings	120	m2	£ 93.09	£ 11,170.80
		Calibrating systems to meet specific site conditions				Incl above
		<b>Load Transfer Systems for Shared Structures:</b>				

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## HARRINGTON SQUARE

### VIABILITY - PARTY WALL ESTIMATE

ITEM	CATEGORY	ITEM
		<b>Designing Systems to Transfer Loads Away from Party Wall:</b> Creating load transfer mechanisms to prevent excessive stress on the party wall Ensuring systems are integrated
4	Misc costs	<u>Permit fees and approvals</u>

QTY	UNIT	RATE	TOTAL
25	m	£ 117.25	£ 2,931.27
1	Item	£ 5,000.00	£ 5,000.00
			£ 246,509.74

**APPRAISAL SUMMARY****LICENSED COPY**

Harrington Square Revised with 1 LAR Unit

Summary Appraisal for Phase 1

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>ft<sup>2</sup></b>	<b>Rate ft<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Private Sales	10	9,146	1,222.94	1,118,500	11,185,000
LAR	<u>1</u>	<u>1,044</u>	239.46	250,000	<u>250,000</u>
<b>Totals</b>	<b>11</b>	<b>10,190</b>			<b>11,435,000</b>

**NET REALISATION****11,435,000****OUTLAY****ACQUISITION COSTS**

Fixed Price			726,000	
Stamp Duty		5.00%	36,300	
Agent Fee		1.00%	7,260	
Legal Fee		0.50%	3,630	
				773,190

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>Units</b>	<b>Unit Amount</b>	<b>Cost</b>	
Construction	1 un	5,650,908	5,650,908	<b>5,650,908</b>
Section 106			174,136	
Borough CIL			471,630	
Mayoral CIL			118,595	
				764,361

**PROFESSIONAL FEES**

Professional Fees		10.00%	565,091	
				565,091

**DISPOSAL FEES**

Sales Marketing & Sales Legal Fee		3.00%	343,050	
				343,050

**APPRAISAL SUMMARY****LICENSED COPY****Harrington Square Revised with 1 LAR Unit****Additional Costs**

Profit on Private	17.50%	1,957,375	1,957,375
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**MISCELLANEOUS FEES**

Profit on LAR	6.00%	15,000	15,000
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**FINANCE**

Debit Rate 7.000% Credit Rate 0.000% (Nominal)

Land		109,491	
Construction		361,337	
Letting Void		41,318	
Total Finance Cost			512,147

**TOTAL COSTS****10,581,121****PROFIT****853,879****Performance Measures**

Profit on Cost%	8.07%
Profit on GDV%	7.47%
Profit on NDV%	7.47%

IRR	17.28%
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Profit Erosion (finance rate 7.000%)	1 yr 1 mth
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