



**Land adjacent to 1 St Johns Wood Park, London NW8 6QS**

**Financial Viability Assessment**

**October 2018**

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## **Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

### **1. Introduction & Scope of Instructions**

- 1.1. Grimshaw Consulting Limited ('GCL') is instructed by Indigo Planning on behalf of the Applicant ("the Applicant") to prepare a financial viability assessment of a residential development proposal with a total GIA of 13,609sqft (1,264sqm) and comprising the erection of 9 No apartments in a 6-storey (plus basement) building at land adjacent to 1 St Johns Wood Park, London NW8 6QS ('the Property' or "application site").
- 1.2. A planning application has been submitted to the London Borough of Camden ("the Council") and this report considers the following matters, to inform the planning application process: -
  - Whether the provision of on-site affordable housing is financially viable, within the context of site-specific cost and revenue estimates and the need to provide a reasonable level of return for both the landowner and developer;
  - If it is shown that the provision of on-site affordable housing falls below the level required by the Council's adopted planning policy, the level of financial contribution in-lieu of on-site provision that a wholly Market Housing development option could generate, within the context of the Council's payment in lieu policy.
- 1.3. Further information relating to the site, surrounding area and proposed development are set out at section 2. Details of our approach to the viability assessment and the planning policy context are set out at section 3. Our financial appraisal assumptions with market evidence (where applicable) are set out within section 4, together with consideration of the appropriate level of financial contribution in lieu of on-site affordable housing. We consider the appropriate viability benchmark for comparison with the proposal at section 5. Our financial appraisal outcomes and conclusions are provided at section 6 of this report.
- 1.4. This review of financial viability has been undertaken by GCL as an independent assessor. To inform our financial appraisals, we have completed our own research into the local property market and relied upon the following information received from the Applicant:
  - a) Drawings and information relating to the proposed development, prepared by Maccreanor Lavington Architects, Indigo Planning and other consultants retained by the Applicant to prepare planning application documents;
  - b) Order of cost estimate relating to the proposed development, prepared by Ridge & Partners LLP;
  - c) Information provided by the Applicant in respect of other relevant property matters.
- 1.5. This report has been prepared by Robert Grimshaw – a Director of Grimshaw Consulting Limited, who has extensive experience of both client-side and consultancy roles in the residential, commercial and mixed-use development sector, gained during a career of more than 25-years.
- 1.6. This report has been prepared for planning application purposes and is provided for the sole use of the party to whom it is addressed. The report is confidential to the addressee and their professional advisors and Grimshaw Consulting Limited accepts no responsibility whatsoever to any person other than our client. The contents of this report do not constitute our opinion of Market Value (as defined by the RICS Valuation – Global Standards 2017) and should not be relied upon as such by our client or any third party under any circumstances. Neither the whole nor any part of the report, or any reference thereto may be included within any published document, circular, or statement, or published in any way, without the prior written approval of Grimshaw Consulting Limited.

### **2. Project Details**

- 2.1. The Property is located on the western side of St Johns Wood Park, London NW8, within the London Borough of Camden. The Property has a site area of 373sqm (4,015sqft or 0.09 acres) and is accessed directly from the adopted highway. A collection of 2-storey semi-detached villa style houses are located adjacent to the Property on the southern boundary, but the area generally comprises post-war apartment blocks of between 4 and 10 storeys to the north and east with Georgian style mansion blocks directly opposite the site to the east. The Property is well located for local amenities and public transport links, with Swiss Cottage LUL Station (Jubilee Line), located approximately a 6 minute walk to the north and South Hampstead Station (London Overground), located approximately an 8 minute walk to the northwest.
- 2.2. The Property currently comprises a cleared site with hard standing, having previously accommodated six, lock-up garages. The Property has a history of residential planning permissions, summarised below:-
  - Planning Permission 2013/6731/P – erection of a 3-storey, 5-bedroom single dwellinghouse, including new boundary walls following demolition of 6 No. existing garages. Granted subject to a S.106 legal agreement on 2<sup>nd</sup> September 2014;
  - Planning Permission 2015/4800/P – variation of planning permission 2013/6731/P to add a basement area, increase the



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width of the house by 0.1m, extend the depth of the house by 1.0m and alter the fenestration design. The GIA of the proposed house is stated as 535sqm (5,759sqft), including the basement area of 155sqm (1,668sqft). Granted subject to a S.106 legal agreement on 11<sup>th</sup> April 2016;

- Planning Permission 2017/0851/P – variation of planning permission 2015/4800/P to extend the basement area. Granted subject to a S.106 legal agreement on 20<sup>th</sup> June 2018.

- 2.3. Planning permission 2017/0851/P is therefore the extant planning permission, for a 5-bedroom house, with swimming pool, games room and cinema provided within the two basement levels and having an approximate GIA of 637 sqm (6,861 sqft). In our opinion, this is an appropriate planning permission for the purposes of establishing a viability benchmark and further details and analysis is provided within section 5 of this report.
- 2.4. A full planning application has been submitted for “redevelopment of site following demolition to residential development of 9 dwelling houses (Use Class C3), cycle storage, refuse storage and plant. The proposed development will be car-free and will have a total GIA of 1264 sqm (13,609 sqft) and a total GEA of 1510 sqm (16,257 sqft). The proposed residential accommodation is summarised below: -

Unit	Architect Ref.	Floor	Beds	NSA (sqm)	NSA (sqft)
1	PS-M-4B-7P-2S	Basement / Ground	4	159.10	1713
2	PS-F-3B-4P-1S	First	3	90.30	972
3	PS-F-2B-3P-1S	First	2	62.30	671
4	PS-F-3B-4P-1S	Second	3	90.30	972
5	PS-F-2B-3P-1S	Second	2	62.30	671
6	PS-F-3B-4P-1S	Third	3	90.30	972
7	PS-F-2B-3P-1S	Third	2	62.30	671
8	PS-M-4B-6P-2S	Fourth / Fifth	4	149.00	1604
9	PS-M-4B-6P-2S	Fourth / Fifth	4	132.60	1427
<b>Total</b>				<b>898.50</b>	<b>9672</b>

### 3. Principles of Financial Viability Assessment & Planning Policy Context

- 3.1. National Planning Policy Guidance (NPPG), published on 24<sup>th</sup> July 2018 provides a general overview of what is expected in relation to viability in both Local Plan preparation and decision-taking on individual schemes. The NPPG paragraph 007 Reference ID 10-007-20180724 states:

*“Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.*

*Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force.”*

- 3.2. A site is viable if the value generated by its development exceeds the costs of developing it and provides sufficient incentive for the land to come forward and the development to be undertaken. Where the deliverability of a development may be compromised by the scale of planning obligations and other costs, a viability assessment may be necessary. This should be informed by the particular circumstances of the site and proposed development in question.



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3.3. The NPPG confirms the principles for carrying out a viability assessment at paragraph 010 Reference ID 10-010-20180724:-

*“National Planning Guidance sets out the government’s recommended approach to viability assessment for planning. The approach supports accountability for communities by enabling them to understand the key inputs to and outcomes of viability assessment. Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government’s recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available. In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.”*

3.4. The NPPG defines the key inputs for viability assessments at paragraphs 011 to 013:-

- a) Gross Development Value - Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered. For commercial development broad assessment of value in line with industry practice may be necessary. For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. For housing, historic information about delivery rates can be informative. For viability assessment of a specific site or development, market evidence (rather than average figures) from the actual site or from existing developments can be used. Any market evidence used should be adjusted to take into account variations in use, form, scale, location, rents and yields, disregarding outliers. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.
- b) Costs - Assessment of costs should be based on evidence which is reflective of local market conditions. As far as possible, costs should be identified at the plan making stage. Plan makers should identify where costs are unknown and identify where further viability assessment may support a planning application. Costs include:
- build costs based on appropriate data, for example that of the Building Cost Information Service;
  - abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value;
  - site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value;
  - the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value;
  - general finance costs including those incurred through loans;
  - professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value;
  - explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return;
- c) Land Value - To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called ‘existing use value plus’ (EUV+). In order to establish benchmark land value, plan makers, landowners, developers, infrastructure and affordable housing providers should engage and provide evidence to inform this iterative and collaborative process.
- d) Competitive Return to Developers - Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan. For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.



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- e) *Competitive Return to Landowners* - The premium (or the 'plus' in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements. Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. For any viability assessment data sources to inform the establishment of the landowner premium should include market evidence and can include benchmark land values from other viability assessments. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).
- 3.5. As explained in the RICS Guidance Note "Financial viability in planning" (1<sup>st</sup> edition, 2012), an objective assessment of financial viability for planning applications should be placed in the context of a well-established set of appraisal techniques and their applications. An accepted method of valuation of development schemes and land is set out in RICS Valuation Information Paper (VIP) 12. This approach, called the residual method, recognises that the value of a development scheme is a function of a number of elements, as explained in the NPPG and set out above. The residual approach is used for development situations where the direct comparison with other transactions is not possible due to the individuality of development projects. However, practitioners will seek to check residual development appraisals with market evidence.
- 3.6. The residual appraisal method can be used in two ways; first, to assess the level of developer return generated from the proposed development, where site cost is an input into the appraisal, and second; to establish a residual Site Value by inputting a predetermined level of developer return.
- 3.7. The financial viability assessment can use the level of developer's return or the Site Value as the benchmark for assessing the impact of planning obligations on viability. While the majority of financial viability assessments use the residual approach, there may be certain circumstances where other appraisal methodologies are appropriate and should be used by the practitioner (for example, when assessing continuing existing uses in terms of obsolescence and depreciation an investment appraisal may be more appropriate). To maintain the residual approach as a market-based exercise, as the NPPF also advocates through seeking a competitive return, it will be important to both benchmark and have regard to the available comparable market-based evidence.
- 3.8. The site is located within the London Borough of Camden. Planning policies relevant to the consideration of financial viability and affordable housing are contained within the following documents:
- The National Planning Policy Framework ("NPPF") (July 2018), as detailed at paragraphs 3.1 to 3.3 above;
  - The London Plan (Further Alterations 2016) and Affordable Housing and Viability SPG 2017 ("Homes for Londoners");
  - The Camden Local Plan (2017) and Interim Housing Camden Planning Guidance ('CPG' March 2018)
- 3.9. The London Plan Policy 3.12 states:
- A *The maximum amount for affordable housing should be sought when negotiating on individual private residential and mixed-use schemes, having regard to:*
- current and future requirements for affordable housing at local and regional levels*
  - affordable housing targets adopted in line with Policy 3.11*
  - the need to encourage rather than restrain residential development*
  - the need to promote mixed and balanced communities*
  - the size and type of affordable housing needed in particular locations*
  - the specific circumstances of individual sites*



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*B Negotiations on sites should take account of their individual circumstances including development viability, the availability of public subsidy, the implications of phased development including provisions for re-appraising the viability of schemes prior to implementation ('contingent obligations'), and other scheme requirements*

### 3.10. LB Camden Local Plan Policy H4 – Maximising the supply of affordable housing states:

*The Council will aim to maximise the supply of affordable housing and exceed a borough wide strategic target of 5,300 additional affordable homes from 2016/17 - 2030/31 and aim for an appropriate mix of affordable housing types to meet the needs of households unable to access market housing.*

*We will expect a contribution to affordable housing from all developments that provide one or more additional homes and involve a total addition to residential floorspace of 100sqm GIA or more. The Council will seek to negotiate the maximum reasonable amount of affordable housing on the following basis:*

- a. the guideline mix of affordable housing types is 60% social-affordable rented housing and 40% intermediate housing;*
- b. targets are based on an assessment of development capacity whereby 100sqm (GIA) of housing floorspace is generally considered to create capacity for one home;*
- c. targets are applied to additional housing floorspace proposed, not to existing housing floorspace or replacement floorspace;*
- d. a sliding scale target applies to developments that provide one or more additional homes and have capacity for fewer than 25 additional homes, starting at 2% for one home and increasing by 2% of for each home added to capacity;*
- e. an affordable housing target of 50% applies to developments with capacity for 25 or more additional dwellings;*
- f. for developments with capacity for 25 or more additional homes, the Council may seek affordable housing for older people or vulnerable people as part or all of the affordable housing contribution;*
- g. where developments have capacity for fewer than 10 additional dwellings, the Council will accept a payment-in-lieu of affordable housing;*
- h. for developments with capacity for 10 or more additional dwellings, the affordable housing should be provided on site; and*
- i. where affordable housing cannot practically be provided on site, or offsite provision would create a better contribution (in terms of quantity and/or quality), the Council may accept provision of affordable housing offsite in the same area, or exceptionally a payment-in-lieu.*

*We will seek to ensure that where development sites are split, or separate proposals are brought forward for closely related sites, the appropriate affordable housing contribution is comprehensively assessed for all the sites together. The Council will seek to use planning obligations to ensure that all parts or phases of split or related sites make an appropriate affordable housing contribution.*

*In considering whether affordable housing provision should be sought, whether provision should be made on site, and the scale and nature of the provision that would be appropriate, the Council will also take into account:*

- j. the character of the development, the site and the area;*
- k. site size and any constraints on developing the site for a mix of housing including market and affordable housing, and the particular types of affordable provision sought;*
- l. access to public transport, workplaces, shops, services and community facilities;*
- m. the impact on creation of mixed, inclusive and sustainable communities;*
- n. the impact of the mix of housing types sought on the efficiency and overall quantum of development;*
- o. the economics and financial viability of the development including any particular costs associated with it, having regard to any distinctive viability characteristics of particular sectors such as build-to-let housing; and*



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p. whether an alternative approach could better meet the objectives of this policy and the Local Plan.

Where the development's contribution to affordable housing falls significantly short of the Council's targets due to financial viability, and there is a prospect of viability improving prior to completion, the Council will seek a deferred contingent contribution, based on the initial shortfall and an updated assessment of viability when costs and receipts are known as far as possible.

3.11. Further guidance on how the housing capacity of the Property and affordable housing requirement would be applied in practical terms, is provided within the Interim Housing CPG (March 2018). Our interpretation of how the Council's policies and guidance would apply to the proposal, is as follows: -

- a) Housing Capacity of the Property – the Council's approach is to assume that 100 sqm GIA equates to capacity for 1 dwelling. The proposed development has a total GIA of 1264 sqm, which (if rounded to 1300sqm as per the Council's approach) equates to a capacity for 13 dwellings. However, the proposed development includes approximately 89sqm of ancillary space at basement level and 22.2sqm of refuse and cycle storage at ground floor level that could not be used as residential accommodation. Following the Council's guidance at paragraph IH2.40 of the Interim Housing CPG, there should be a correction to the GIA measurement for housing capacity calculation purposes, deducting 111sqm from the total GIA of 1264sqm to derive a usable GIA measurement of 1153sqm, rounded to 1200sqm. Therefore, the proposed development has capacity for 12 additional dwellings.
- b) On-site Affordable Housing Target – as stated at Policy H4 (d), the affordable housing target for schemes of less than 25 dwellings is 2% for each additional home that the Property has capacity to provide. Based on a capacity for 12 additional dwellings, the affordable housing target is 24% of the proposed GIA of 1264sqm – i.e. 303.36sqm. For financial appraisal purposes, we must then convert the GIA target into actual dwellings, based on the actual efficiency of the building. The total Net Sales Area (NSA) of the 9 proposed dwellings is 898.50sqm, which equates to 71.08% of the total GIA of 1264sqm. Therefore, the calculated Affordable Housing floorspace target of 303.36sqm should be adjusted to 215.63sqm, which is 71.08% of GIA. For financial appraisal purposes, we have assumed that on-site affordable housing would be provided in the form of 2 x 2b3p apartments @ 62.30sqm and 1 x 3b4p apartment @ 90.30sqm – a total NSA of 214.90sqm, equating to 302.34sqm GIA (23.91% of total GIA).
- c) On-site Affordable Housing tenure – following the Council's policy H4 (a), for financial appraisal purposes, we have assumed that 1 x 3b4p apartment and 1 x 2b3p apartment will be provided for Affordable Rent tenure (with rents at London Affordable Rent levels) and that 1 x 2b3p apartment will be provided for Intermediate (shared ownership) tenure. For intermediate tenure we have assumed a maximum household income of £40,000 and that housing costs will be no greater than 40% of net household income (with net household income assumed to be 70% of gross income). Further details of affordable housing revenue inputs for financial appraisal purposes are provided within section 4 of this report.
- d) Off-site Affordable Housing & Payment in Lieu – whilst the Council's policies require a sequential approach to the question of whether affordable housing should be provided off-site or as a payment in lieu, for financial appraisal purposes, we have assumed that a payment in lieu would be acceptable. Following the Council's guidance within the Interim Housing CPG (paragraphs IH2.95 to IH2.106), we calculate the applicable payment in lieu sum as follows: -

Total GIA of proposed development (sqm) x Affordable Housing Floorspace Target (%) x £2,650

1510sqm x 24% = 362.40sqm

362.40sqm x £2,650 = £960,360 Payment in Lieu

3.12. Planning policy guidance provided by the NPPG on Viability; the London Plan and Mayor's Affordable Housing SPD and the Council's adopted Local Plan Policy H4 (o) allows for the assessment of the economics and financial viability of the development (including the need to provide reasonable returns for both landowners and developers), including site specific costs when considering the provision of affordable housing contributions, whether on-site, off-site or in the form of a payment in lieu. We have had regard to these policies and guidance and guidance provided by the RICS when preparing this financial viability assessment and our financial appraisal inputs and outcomes are set out in the following sections of this report.





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### 4. Financial Appraisal Assumptions

- 4.1. We have prepared financial appraisals for the development proposal using Argus Developer – industry recognised software for the provision of development viability models. Our appraisal inputs and supporting evidence relating to the revenue and costs are detailed in the paragraphs below. The financial appraisals provided within the Appendices have been set up to generate a Residual Land Value (“RLV”), with Developer Profit set as a cost.
- 4.2. We have tested the following development scenarios:-
- The provision of 2 No. dwellings at London Affordable Rent levels and 1 No. dwelling for sale on a shared ownership basis. This level of provision (302.34sqm GIA and 214.90sqm NSA) equates to 23.91% of total residential GIA;
  - All 9 residential dwellings are provided for Market Sale.
- 4.3. Development Revenue – Market Housing To inform our financial appraisals (Appendices 1 & 2), we have undertaken research using HM Land Registry data relating to completed residential sales of comparable new build and second-hand apartments in the NW8 postal code area during the period September 2017 to September 2018. No new build apartments have been sold within the NW8 postal code area during this period of time. There has been a total of 233 transactions relating to flats / maisonettes during the survey period, but in order to assess comparable data we have considered a sample of 106 completed sales of second-hand flats where the selling price exceeds £750,000 and these are detailed at Appendix 6.
- 4.4. The average sale price of flats within the sample equates to £1,230 per sqft. Allowing for a new build premium and taking account of the lack of on-site car parking provision, we consider that the apartments proposed at the Property would sell at an average of £1,427 per sqft (a 16% premium to average second-hand prices), with individual flats priced as follows:

Unit	Architect Ref.	Floor	Beds	NSA (sqm)	NSA (sqft)	Est. Selling Price	Price/sqft
1	PS-M-4B-7P-2S	Basement / Ground	4	159.10	1713	£ 2,250,000	£1,314
2	PS-F-3B-4P-1S	First	3	90.30	972	£ 1,350,000	£1,389
3	PS-F-2B-3P-1S	First	2	62.30	671	£ 950,000	£1,417
4	PS-F-3B-4P-1S	Second	3	90.30	972	£ 1,350,000	£1,389
5	PS-F-2B-3P-1S	Second	2	62.30	671	£ 950,000	£1,417
6	PS-F-3B-4P-1S	Third	3	90.30	972	£ 1,350,000	£1,389
7	PS-F-2B-3P-1S	Third	2	62.30	671	£ 950,000	£1,417
8	PS-M-4B-6P-2S	Fourth / Fifth	4	149.00	1604	£ 2,500,000	£1,559
9	PS-M-4B-6P-2S	Fourth / Fifth	4	132.60	1427	£ 2,150,000	£1,506
<b>Total</b>				<b>898.50</b>	<b>9672</b>	<b>£ 13,800,000</b>	<b>£1,427</b>

- 4.1. Development Revenue – Residential Ground Rents - Whilst there is some uncertainty about the Government’s emerging policy in respect of ground rents charged on leasehold property, we have assumed that annual rents of £350 will apply to Market Dwellings and have included this within our Argus Developer financial appraisal. The gross annual income has been capitalised at an all risks yield of 5.0%.
- 4.2. Development Revenue – Affordable Housing – in the scenario that includes on-site affordable housing, we have made the following revenue assumptions:-
- London Affordable Rent – weekly rents of £152.73 for 2-bedroom flats and £169.70 for 3-bedroom flats, inclusive of service charges of £20 per week. RP annual revenue costs (management, maintenance, voids & bad debts, sinking fund provision) of approximately 17% of gross annual rent. Net rental income capitalised at an all risks yield of 5.00% and RP “on-costs” deducted at 5.00% of gross capital value. Estimated selling price equates to £137 per sqft, assuming no public sector grant funding.



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- Shared Ownership – for the 2b3p flat, we have assumed initial equity sales of 25% of estimated Market Value, with annual rent equating to 0.30% of retained equity. Annual rent capitalised at an all risks yield of 5.00% and RP “on-costs” deducted at 5.00% of gross capital value. The estimated selling price equates to £266 per sqft and the gross household income requirement would be approximately £40,094 for the 2-bedroom flat.

4.3. Development Costs

4.4. Based on our market research and advice from Ridge & Partners LLP, who have prepared the Order of Cost Estimate, we have assumed the following programme for the completion of the development, including the sale period: -

Development Stage	Start Date	End Date	Duration (months)
Purchase	October 2018	October 2018	1
Pre-construction	November 2018	January 2019	3
Construction	February 2019	April 2020	15
Sale	May 2020	October 2020	6
<b>Total Development Period</b>			<b>25</b>

4.5. Construction Costs – The Order of Cost Estimate prepared by Ridge & Partners LLP is provided at Appendix 4 and sets out the construction costs relating to the proposed development. Total estimated construction costs for the proposal are £4,211,656 equating to £309.46 per sqft (£3331 per sqm) on the GIA. The estimated construction costs include allowances for design development and construction risk at a rate of 5.0% of the building works estimate.

4.6. Abnormal Construction Costs – we understand that the proposed development entails building over an existing Thames Water Authority sewer and that the costs involved in the Building Over Agreement will be approximately £38,000. This cost has been identified separately within our financial appraisals.

4.7. Other Development Costs – Comparison with whole Plan Assumptions - Paragraph 008 Reference ID: 10-008-20180724 of National Planning Practice Guidance on Viability (July 2018) recommends that “...where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the plan and the applicant should provide evidence of what has changed since then...” Accordingly, in the table below we compare our appraisal assumptions with those used by GVA to prepare the Camden CIL Viability Assessment (July 2014) and by BNPP Real Estate to prepare the Camden Local Plan Viability Study (October 2015).

Item	LB Camden CIL Economic Viability Assessment (GVA June 2014 - Scheme 5 - 10 flats)	LB Camden Local Plan Viability Study Assumption (BNPP Real Estate October 2015 - Typology 3 - 9 flats)	GCL Assumption
Acquisition Costs – SDLT	Not Included in financial appraisal	As HMLR Rates	As HMLR Rates
Acquisition Costs – Agent Fee	Not Included in financial appraisal	1% of Residual Land Value	1% of Residual Land Value
Acquisition Costs – Legal Fee	Not Included in financial appraisal	0.50% of Residual Land Value	0.50% of Residual Land Value
Base Construction Costs	£2,301 per sqm (stated to be "average BCIS Costs")	Base BCIS Upper Quartile Costs - £1,794 per sqm (sensitivity testing @ £2,242.50 per sqm GIA.)	As per Order of Cost Estimate and equating to £3,173.34 per sqm (excluding Contingency)
External Works	Not Included in financial appraisal	15% of Base Construction Costs (£269.10 per sqm to £336.38 per sqm)	
Sustainability Measures	Not Included in financial appraisal	4% of Base Construction Costs (£71.76 per sqm to £89.70 per sqm)	
Total Build Costs	£2,301 per sqm on GIA	Base - £2,134.86. Sensitivity - £2,583.36	



## Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018

Item	LB Camden CIL Economic Viability Assessment (GVA June 2014 - Scheme 5 - 10 flats)	LB Camden Local Plan Viability Study Assumption (BNPP Real Estate October 2015 - Typology 3 - 9 flats)	GCL Assumption
Contingency	5% of Construction Cost	5% of Construction Cost	5% of Construction Cost
Borough & Mayoral CIL Contributions	Mayoral CIL of £50 per sqm	Estimate as CIL Charging Schedule	Estimate as CIL Charging Schedule
Other S.106 Contributions	£3,556 per Market Unit	£2,000 per dwelling	£7,810 as per Extant Permission
Professional Fees	10% of construction costs	12% of construction costs	12% of Construction Costs
Marketing Costs	4% of Sales Revenue (inc Agent & Disposal Fees)	3% of sales revenue (inc Agent & Disposal Fees)	1% of Gross Development Value
Purchaser's Costs	Not Included in financial appraisal	5.80% of Investment Value	6.50% of Ground Rent Investment Value
Sales Agent Fees	Included in Marketing Costs	Included in Marketing Costs	1.50% of Gross Development Value
Sales Legal Fee (Residential)	Included in Marketing Costs	Included in Marketing Costs	£1,500 per dwelling (flats) & £5,000 fixed fee (house)
Sales Legal Fee (Ground Rent Investment - flats only)	Included in Marketing Costs	Included in Marketing Costs	0.50% of selling price
Finance Debit Rate	6.75%	7.00%	6.50%
Developer Profit (Market Housing)	20% of GDV	20% of GDV	20% of GDV
Developer Profit (Affordable Housing)	6% of GDV	6% of GDV	6% of GDV

4.8. Our financial appraisal cost inputs generally correspond with those used by GVA and BNPP Real Estate to inform the LB Camden CIL & Local Plan Viability Studies respectively, with the main difference being in construction costs, which have been assessed on a site-specific basis, rather than reliance on BCIS data. The financial appraisal results for each scenario tested are summarised in section 6.

### 5. Viability Benchmark

5.1. As explained in section 3, financial viability assessments can use the level of developer's return or the Site Value as the benchmark for assessing the impact of planning obligations on viability.

5.2. The NPPF states that viability assessments should consider “*competitive returns to a willing landowner and willing developer to enable the development to be deliverable.*” This return will vary significantly between projects to reflect the size and risk profile of the development and the risks to the project. A rigid approach to assumed profit levels should be avoided and comparable schemes or data sources reflected wherever possible. A competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. Those options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.

5.3. Paragraph 013 of the NPPG on Viability confirms that BLV should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. Paragraph 014 of the NPPG sets out the factors that should be considered to establish benchmark land value. BLV should:

- Be based upon existing use value;
- Allow for a premium to landowners;
- Reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees; and
- Be informed by market evidence including current uses, costs and values wherever possible.



## Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018

- 5.4. Paragraph 015 defines EUV as “...the value of the land in its existing use together with the right to implement any development for which there are policy compliant extant planning consents, including realistic deemed consents, but without regard to alternative uses.” Paragraph 015 confirms “Existing use value is not the price paid and should disregard hope value”.
- 5.5. The Property has the benefit of an extant planning permission (LB Camden Reference 2017/0851/P), for construction of a 5-bedroom house, with swimming pool, games room and cinema provided within the two basement levels and having an approximate GIA of 637sqm (6,861sqft). Planning permission was granted, subject to a S.106 Agreement on 20<sup>th</sup> June 2018 and is capable of implementation. In our opinion, the Viability Benchmark may be based on a residual land appraisal of the accommodation permitted by the extant planning permission, in accordance with Paragraph 15 of the NPPG on Viability.
- 5.6. In preparing the residual land appraisal to establish the viability benchmark (attached at Appendix 3), we have used the following revenue and cost inputs:-
- 5.7. Sales Revenue – HM Land Registry data confirms that there have been 74 transactions relating to houses within the NW8 postal code area since 1<sup>st</sup> January 2017, of which 63 are considered to be broadly comparable and details of these are provide at Appendix 7. The average selling price of the sample properties is £5,233,800 and the average size of property is 3,160 sqft. Overall, the average achieved selling price equates to £1,656 per sqft.

Notable transactions are at the Hamilton Drive development (addresses are 1 to 10 Eyre Road NW8 9BQ), where ten new Georgian style homes have recently been constructed within a private, gated environment providing 4-bedroom, 4 bathroom accommodation of between 5,382 sqft and 6,017 sqft with home cinema and gym, secure underground car parking and concierge service provided by Harrods Asset Management. Five of the ten homes have been sold to date at prices ranging from £9,730,000 to £12,500,000 and an average of £1,919 per sqft.

The subject Property is considered to be in a less desirable location, is substantially larger than the majority of comparable homes available in the local market and would not benefit from any on-site car parking – a major detractor for buyers of large family homes in the St Johns Wood. In our opinion, a price reflecting the HM Land Registry average price results is appropriate and we have input a sales price of £11,350,000 into our financial appraisal, equating to £1,654 per sqft.

- 5.8. Development Programme – our assumptions are as stated at paragraph 4.4.
- 5.9. Construction Costs – Ridge & Partners LLP have provided an Order of Cost Estimate relating to the building permitted by the extant planning consent and this is provided at Appendix 5. Ridge consider that construction costs will be £2,575,500 plus a 5% contingency sum – a total estimate of £2,704,272, equating to £4,243 per sqm (£394 per sqft) on the GIA.
- 5.10. Abnormal Construction Costs – as per our assumption stated at paragraph 4.6.
- 5.11. Other Development Costs – our assumptions are generally as per the table at paragraph 4.7, with the exception of constructions costs, which are detailed at paragraph 5.9.
- 5.12. Our financial appraisal, provided at Appendix 3, generates a residual land value for the scheme allowed by the extant planning permission (and therefore, the “Existing Use Value” within the context of paragraph 15 of the Viability NPPG) of **£4,044,000** and we consider this to be a reasonable Viability Benchmark for comparison with the proposed development of 9 apartments. It should be noted that a Landowner Premium has not been applied to the residual land value generated by our financial appraisal.



## Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018

### 6. Financial Appraisal Outcomes & Conclusion

6.1. Grimshaw Consulting Limited ('GCL') has undertaken an independent financial viability assessment of a residential development proposal with a total GIA of 13,609sqft (1,264sqm) and comprising the erection of 9 No apartments in a 6-storey (plus basement) building at land adjacent to 1 St Johns Wood Park, London NW8 6QS ('the Property' or 'application site').

6.2. A planning application has been submitted to the London Borough of Camden ("the Council") and this report has considered the following matters, to inform the planning application process: -

- Whether the provision of on-site affordable housing is financially viable, within the context of site-specific cost and revenue estimates and the need to provide a reasonable level of return for both the landowner and developer;
- If it is shown that the provision of on-site affordable housing falls below the level required by the Council's adopted planning policy, the level of financial contribution in-lieu of on-site provision that a wholly Market Housing development option could generate, within the context of the Council's payment in lieu policy.

6.3. We have tested three development scenarios and a summary of our Financial Appraisal Outcomes is provided below:-

1 St Johns Wood Park - Financial Appraisal Outcomes			
Development Cost / Revenue	Benchmark (1 Market Dwelling)	Proposal (9 Market Dwellings)	6 Market & 3 Affordable Dwellings
Development Revenue - Market Housing	£ 11,350,000	£ 13,800,000	£ 10,550,000
Development Revenue - Ground Rent Investment	£ -	£ 63,000	£ 42,000
Development Revenue - Affordable Housing	£ -	£ -	£ 403,000
<b>Total Development Revenue</b>	<b>£ 11,350,000</b>	<b>£ 13,863,000</b>	<b>£ 10,995,000</b>
Acquisition Costs – SDLT	£ 192,086	£ 200,033	£ 116,414
Acquisition Costs – Agent Fee	£ 40,439	£ 42,112	£ 25,307
Acquisition Costs – Legal Fee	£ 20,220	£ 21,056	£ 12,654
Construction Costs	£ 2,704,272	£ 4,211,656	£ 4,211,656
Abnormal Construction Costs	£ 38,000	£ 38,000	£ 38,000
Contingency	included	included	included
Mayoral CIL Contributions	£ 36,140	£ 78,258	£ 57,971
Borough CIL Contributions	£ 293,714	£ 636,016	£ 471,143
S.106 Contributions	£ 7,810	£ 7,810	£ 7,810
Professional Fees	£ 324,513	£ 505,399	£ 505,399
Marketing Costs	£ 113,500	£ 138,000	£ 109,530
Purchaser's Costs	£ -	£ 4,095	£ 2,730
Sales Agent Fees	£ 170,250	£ 207,945	£ 164,925
Sales Legal Fee	£ 5,000	£ 13,500	£ 13,500
Finance Costs	£ 1,090,151	£ 775,296	£ 585,389
Developer Profit	£ 2,270,000 (20.00% of GDV)	£ 2,772,600 (20.00% of GDV)	£ 2,141,826 (19.48% of GDV)
<b>Total Development Costs</b>	<b>£ 7,306,095</b>	<b>£ 9,651,776</b>	<b>£ 8,464,254</b>
Residual Land Value	£ 4,043,905	£ 4,211,224	£ 2,530,746
Viability Benchmark	£ 4,043,905	£ 4,043,905	£ 4,043,905
<b>Viability Surplus / (Deficit)</b>	<b>£ -</b>	<b>£ 167,319</b>	<b>-£ 1,513,159</b>



**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

- 6.4. Our financial appraisals indicate that it is not financially viable to provide on-site affordable housing, as part of the proposed development of 9 dwellings. The residual land value (RLV) generated by this scenario is £1.513m lower than the Viability Benchmark of £4.044m.
- 6.5. The proposed development of 9 dwellings produces a RLV of £4.211m, which is a surplus position of £167,319 when compared with the Viability Benchmark of £4.044m. This surplus could be offered to the Council in lieu of on-site affordable housing in addition to Borough CIL & S.106 contributions of approximately £722,084 (i.e. a total contribution of £889,403), however the surplus is significantly lower than the payment in lieu sum calculated using the Council's formula within the Interim Housing CPG of £960,360.
- 6.6. The key difference between our financial viability assessment and the viability studies prepared to inform the Camden CIL and Local Plan Examinations is a significant discrepancy between theoretical construction costs used in those studies and the cost estimate prepared by Ridge & Partners LLP for this specific site. The construction costs assumptions in the CIL & Local Plan viability studies were approximately 25-30% lower than estimated by Ridge & Partners LLP – a consequence of reliance on BCIS Indices and the date of the time that has elapsed since the Council's strategic assessments were completed (3 to 4 years).
- 6.7. Our assessment has been completed in accordance with the guidance on viability in planning provided by National Planning Policy Framework (July 2018), National Planning Policy Guidance (July 2018) and RICS Guidance Note "Financial viability in planning" (1st edition, 2012).

**Robert Grimshaw**  
**Director**  
**Grimshaw Consulting Limited**  
**9<sup>th</sup> October 2018**

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**7. Appendices**

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**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

**Appendix 1 – Financial Appraisal – 9 Market Dwellings**

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1 St Johns Wood Park (Proposal)  
Financial Viability Assessment  
Not a Valuation

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Development Appraisal  
Prepared by Robert Grimshaw  
Grimshaw Consulting Limited  
09 October 2018

**1 St Johns Wood Park (Proposal)  
Financial Viability Assessment  
Not a Valuation**

**Summary Appraisal for Part 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
Apartments	9	9,674	1,426.50	1,533,333	13,800,000

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	9	350	3,150	3,150

**Investment Valuation**

**Residential Ground Rents**

Current Rent	3,150	YP @	5.0000%	20.0000	63,000
--------------	-------	------	---------	---------	--------

**GROSS DEVELOPMENT VALUE**

**13,863,000**

**NET REALISATION**

**13,863,000**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			4,211,224	
				4,211,224
Stamp Duty		4.75%	200,033	
Agent Fee		1.00%	42,112	
Legal Fee		0.50%	21,056	
				263,201

**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost	
Apartments	13,609	309.48	4,211,656	<b>4,211,656</b>
TWA Building Over Agreement			38,000	
S.106 Contributions			7,810	
Mayoral CIL			78,258	
Borough CIL			636,016	
				760,084

**PROFESSIONAL FEES**

Professional Fees		12.00%	505,399	
				505,399

**MARKETING & LETTING**

Marketing		1.00%	138,000	
				138,000

**DISPOSAL FEES**

Purchaser's Costs			4,095	
Effective Purchaser's Costs Rate		6.50%		
Sales Agent Fee		1.50%	207,945	
Sales Legal Fee	9 un	1,500.00 /un	13,500	
				225,540

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			454,653	
Construction			246,132	
Other			74,512	
Total Finance Cost				775,296

**TOTAL COSTS**

**11,090,400**

**PROFIT**

**2,772,600**

**Performance Measures**

**1 St Johns Wood Park (Proposal)****Financial Viability Assessment****Not a Valuation**

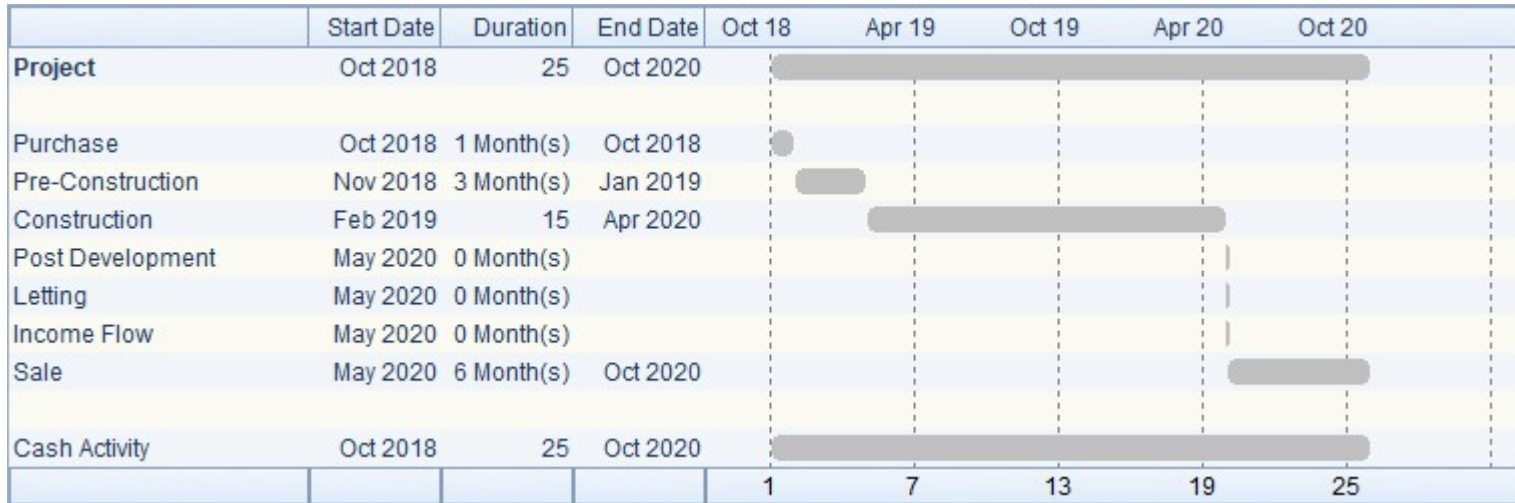
Profit on Cost%	25.00%
Profit on GDV%	20.00%
IRR	25.95%

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**1 St Johns Wood Park (Proposal)  
Financial Viability Assessment  
Not a Valuation**

Project Timescale	
Project Start Date	Oct 2018
Project End Date	Oct 2020
Project Duration (Inc Exit Period)	25 months

**Phase 1**



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**1 St Johns Wood Park (Proposal)**  
**Financial Viability Assessment**  
**Not a Valuation**

## Grouped Cash Flow Part 1

Page A 1

	001:Oct 2018	002:Nov 2018	003:Dec 2018	004:Jan 2019	005:Feb 2019	006:Mar 2019
Monthly B/F	0	(4,522,157)	(4,567,577)	(4,659,921)	(4,700,716)	(5,561,448)
<b>Land Purchase</b>						
Residualised Price	(4,211,224)	0	0	0	0	0
Stamp Duty	(200,033)	0	0	0	0	0
Agent Fee	(42,112)	0	0	0	0	0
Legal Fee	(21,056)	0	0	0	0	0
	<b>(4,474,425)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Construction Costs</b>						
Construction Cost	0	0	0	0	(62,165)	(144,625)
Road/Site Works	0	0	0	0	(38,000)	0
Statutory/LA	0	0	0	0	(722,084)	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(822,249)</b>	<b>(144,625)</b>
<b>Professional Fees</b>						
Professional Fees	(47,732)	(45,420)	(43,108)	(40,795)	(38,483)	(36,171)
	<b>(47,732)</b>	<b>(45,420)</b>	<b>(43,108)</b>	<b>(40,795)</b>	<b>(38,483)</b>	<b>(36,171)</b>
<b>Other Cost</b>						
Sales Agent Fee	0	0	0	0	0	0
Sales Legal Fee	0	0	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Marketing/Letting</b>						
Marketing	0	0	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capitalisation</b>						
Unit Sales	0	0	0	0	0	0
Capitalised Rent	0	0	0	0	0	0
Purchaser's Costs	0	0	0	0	0	0
<b>Net Cash Flow Before Finance</b>	<b>(4,522,157)</b>	<b>(45,420)</b>	<b>(43,108)</b>	<b>(40,795)</b>	<b>(860,732)</b>	<b>(180,796)</b>
Debit Rate 6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
Credit Rate 0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Finance Costs (All Sets)	0	(24,495)	(24,741)	(25,241)	(25,462)	(30,125)
<b>Net Cash Flow After Finance</b>	<b>(4,522,157)</b>	<b>(69,915)</b>	<b>(67,849)</b>	<b>(66,036)</b>	<b>(886,194)</b>	<b>(210,920)</b>
Cumulative Net Cash Flow Monthly	(4,522,157)	(4,592,072)	(4,659,921)	(4,725,957)	(5,612,151)	(5,823,071)

1 St Johns Wood Park (Proposal)  
Financial Viability Assessment  
Not a Valuation

## Grouped Cash Flow Part 1

Page A 2

007:Apr 2019 (5,823,071)	008:May 2019 (6,072,192)	009:Jun 2019 (6,377,816)	010:Jul 2019 (6,827,100)	011:Aug 2019 (7,210,264)	012:Sep 2019 (7,614,464)	013:Oct 2019 (8,145,159)	014:Nov 2019 (8,555,966)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(215,262)	(274,078)	(321,071)	(356,242)	(379,591)	(391,118)	(390,822)	(378,704)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(215,262)</b>	<b>(274,078)</b>	<b>(321,071)</b>	<b>(356,242)</b>	<b>(379,591)</b>	<b>(391,118)</b>	<b>(390,822)</b>	<b>(378,704)</b>
(33,858)	(31,546)	(29,234)	(26,922)	(24,609)	(22,297)	(19,985)	(17,672)
<b>(33,858)</b>	<b>(31,546)</b>	<b>(29,234)</b>	<b>(26,922)</b>	<b>(24,609)</b>	<b>(22,297)</b>	<b>(19,985)</b>	<b>(17,672)</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(249,121)</b>	<b>(305,624)</b>	<b>(350,305)</b>	<b>(383,164)</b>	<b>(404,200)</b>	<b>(413,415)</b>	<b>(410,807)</b>	<b>(396,377)</b>
6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(31,542)	(32,891)	(34,547)	(36,980)	(39,056)	(41,245)	(44,120)	(46,345)
<b>(280,662)</b>	<b>(338,515)</b>	<b>(384,851)</b>	<b>(420,144)</b>	<b>(443,256)</b>	<b>(454,660)</b>	<b>(454,926)</b>	<b>(442,721)</b>
(6,103,734)	(6,442,249)	(6,827,100)	(7,247,244)	(7,690,500)	(8,145,159)	(8,600,086)	(9,042,807)

**1 St Johns Wood Park (Proposal)  
Financial Viability Assessment  
Not a Valuation**

**Grouped Cash Flow Part 1**

015:Dec 2019 (8,952,343)	016:Jan 2020 (9,461,423)	017:Feb 2020 (9,793,473)	018:Mar 2020 (10,075,627)	019:Apr 2020 (10,454,935)	020:May 2020 (10,595,718)	021:Jun 2020 (7,561,258)	022:Jul 2020 (4,692,675)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(354,764)	(319,002)	(271,418)	(212,011)	(140,783)	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(354,764)</b>	<b>(319,002)</b>	<b>(271,418)</b>	<b>(212,011)</b>	<b>(140,783)</b>	<b>0</b>	<b>0</b>	<b>0</b>
(15,360)	(13,048)	(10,736)	(8,423)	0	0	0	0
<b>(15,360)</b>	<b>(13,048)</b>	<b>(10,736)</b>	<b>(8,423)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	(46,945)	(46,000)	(46,000)
0	0	0	0	0	(13,500)	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(60,445)</b>	<b>(46,000)</b>	<b>(46,000)</b>
0	0	0	0	0	(30,667)	(30,667)	(30,667)
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(30,667)</b>	<b>(30,667)</b>	<b>(30,667)</b>
0	0	0	0	0	3,066,667	3,066,667	3,066,667
0	0	0	0	0	63,000	0	0
0	0	0	0	0	(4,095)	0	0
<b>(370,124)</b>	<b>(332,050)</b>	<b>(282,153)</b>	<b>(220,435)</b>	<b>(140,783)</b>	<b>3,034,460</b>	<b>2,990,000</b>	<b>2,990,000</b>
6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(48,492)	(51,249)	(53,048)	(54,576)	(56,631)	(40,441)	(24,346)	(8,808)
<b>(418,616)</b>	<b>(383,299)</b>	<b>(335,201)</b>	<b>(275,011)</b>	<b>(197,414)</b>	<b>2,994,019</b>	<b>2,965,654</b>	<b>2,981,192</b>
(9,461,423)	(9,844,723)	(10,179,924)	(10,454,935)	(10,652,349)	(7,658,330)	(4,692,675)	(1,711,483)

**1 St Johns Wood Park (Proposal)  
Financial Viability Assessment  
Not a Valuation**

**Grouped Cash Flow Part 1**

023:Aug 2020	024:Sep 2020	025:Oct 2020
(1,702,675)	(207,675)	1,277,600
0	0	0
0	0	0
0	0	0
0	0	0
<b>0</b>	<b>0</b>	<b>0</b>
0	0	0
0	0	0
0	0	0
<b>0</b>	<b>0</b>	<b>0</b>
0	0	0
<b>0</b>	<b>0</b>	<b>0</b>
(23,000)	(23,000)	(23,000)
0	0	0
<b>(23,000)</b>	<b>(23,000)</b>	<b>(23,000)</b>
(15,333)	(15,333)	(15,333)
<b>(15,333)</b>	<b>(15,333)</b>	<b>(15,333)</b>
1,533,333	1,533,333	1,533,333
0	0	0
0	0	0
<b>1,495,000</b>	<b>1,495,000</b>	<b>1,495,000</b>
6.500%	6.500%	6.500%
0.000%	0.000%	0.000%
(917)	0	0
<b>1,494,083</b>	<b>1,495,000</b>	<b>1,495,000</b>
(217,400)	1,277,600	2,772,600





**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

**Appendix 2 – Financial Appraisal – 6 Market Dwellings & 3 Affordable Dwellings**

**CONFIDENTIAL**

1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation

CONFIDENTIAL

Development Appraisal  
Prepared by Robert Grimshaw  
Grimshaw Consulting Limited  
09 October 2018

**1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation**

**Summary Appraisal for Part 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Market Sale	6	7,359	1,433.62	1,758,333	10,550,000
Affordable Homes	<u>3</u>	<u>2,313</u>	174.23	134,333	<u>403,000</u>
<b>Totals</b>	<b>9</b>	<b>9,672</b>			<b>10,953,000</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	6	350	2,100	2,100

**Investment Valuation**

**Residential Ground Rents**

Current Rent	2,100	YP @	5.0000%	20.0000	42,000
--------------	-------	------	---------	---------	--------

**GROSS DEVELOPMENT VALUE**

**10,995,000**

**NET REALISATION**

**10,995,000**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			2,530,746		
				2,530,746	
Stamp Duty		4.60%	116,414		
Agent Fee		1.00%	25,307		
Legal Fee		0.50%	12,654		
				154,375	

**CONSTRUCTION COSTS**

Construction	ft²	Build Rate ft²	Cost	
Construction Costs	13,606	309.54	4,211,656	<b>4,211,656</b>
TWA Building Over Agreement			38,000	
S.106 Contributions			7,810	
Mayoral CIL			57,971	
Borough CIL			471,143	
				574,924

**PROFESSIONAL FEES**

Professional Fees		12.00%	505,399		
				505,399	

**MARKETING & LETTING**

Marketing		1.00%	109,530		
				109,530	

**DISPOSAL FEES**

Purchaser's Costs			2,730		
Effective Purchaser's Costs Rate		6.50%			
Sales Agent Fee		1.50%	164,925		
Sales Legal Fee	9 un	1,500.00 /un	13,500		
				181,155	

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			272,839		
Construction			231,655		
Other			80,895		
Total Finance Cost				585,389	

**TOTAL COSTS**

**8,853,174**

**PROFIT**

**2,141,826**

**1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation****Performance Measures**

Profit on Cost%	24.19%
Profit on GDV%	19.48%
IRR	26.48%

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**1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation**

Project Timescale	
Project Start Date	Oct 2018
Project End Date	Oct 2020
Project Duration (Inc Exit Period)	25 months

**Phase 1**



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1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation

## Grouped Cash Flow Part 1

Page A 1

	001:Oct 2018	002:Nov 2018	003:Dec 2018	004:Jan 2019	005:Feb 2019	006:Mar 2019
Monthly B/F	0	(2,732,853)	(2,778,273)	(2,851,233)	(2,892,028)	(3,567,600)
<b>Land Purchase</b>						
Residualised Price	(2,530,746)	0	0	0	0	0
Stamp Duty	(116,414)	0	0	0	0	0
Agent Fee	(25,307)	0	0	0	0	0
Legal Fee	(12,654)	0	0	0	0	0
	<b>(2,685,121)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Construction Costs</b>						
Construction Cost	0	0	0	0	(62,165)	(144,625)
Road/Site Works	0	0	0	0	(38,000)	0
Statutory/LA	0	0	0	0	(536,924)	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(637,089)</b>	<b>(144,625)</b>
<b>Professional Fees</b>						
Professional Fees	(47,732)	(45,420)	(43,108)	(40,795)	(38,483)	(36,171)
	<b>(47,732)</b>	<b>(45,420)</b>	<b>(43,108)</b>	<b>(40,795)</b>	<b>(38,483)</b>	<b>(36,171)</b>
<b>Other Cost</b>						
Sales Agent Fee	0	0	0	0	0	0
Sales Legal Fee	0	0	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Marketing/Letting</b>						
Marketing	0	0	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capitalisation</b>						
Unit Sales	0	0	0	0	0	0
Capitalised Rent	0	0	0	0	0	0
Purchaser's Costs	0	0	0	0	0	0
<b>Net Cash Flow Before Finance</b>	<b>(2,732,853)</b>	<b>(45,420)</b>	<b>(43,108)</b>	<b>(40,795)</b>	<b>(675,572)</b>	<b>(180,796)</b>
Debit Rate 6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
Credit Rate 0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Finance Costs (All Sets)	0	(14,803)	(15,049)	(15,444)	(15,665)	(19,324)
<b>Net Cash Flow After Finance</b>	<b>(2,732,853)</b>	<b>(60,223)</b>	<b>(58,157)</b>	<b>(56,239)</b>	<b>(691,237)</b>	<b>(200,120)</b>
Cumulative Net Cash Flow Monthly	(2,732,853)	(2,793,076)	(2,851,233)	(2,907,472)	(3,598,709)	(3,798,829)

**1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation**

**Grouped Cash Flow Part 1**

007:Apr 2019 (3,798,829)	008:May 2019 (4,047,950)	009:Jun 2019 (4,353,574)	010:Jul 2019 (4,769,964)	011:Aug 2019 (5,153,128)	012:Sep 2019 (5,557,328)	013:Oct 2019 (6,054,595)	014:Nov 2019 (6,465,401)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(215,262)	(274,078)	(321,071)	(356,242)	(379,591)	(391,118)	(390,822)	(378,704)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(215,262)</b>	<b>(274,078)</b>	<b>(321,071)</b>	<b>(356,242)</b>	<b>(379,591)</b>	<b>(391,118)</b>	<b>(390,822)</b>	<b>(378,704)</b>
(33,858)	(31,546)	(29,234)	(26,922)	(24,609)	(22,297)	(19,985)	(17,672)
<b>(33,858)</b>	<b>(31,546)</b>	<b>(29,234)</b>	<b>(26,922)</b>	<b>(24,609)</b>	<b>(22,297)</b>	<b>(19,985)</b>	<b>(17,672)</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(249,121)</b>	<b>(305,624)</b>	<b>(350,305)</b>	<b>(383,164)</b>	<b>(404,200)</b>	<b>(413,415)</b>	<b>(410,807)</b>	<b>(396,377)</b>
6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(20,577)	(21,926)	(23,582)	(25,837)	(27,913)	(30,102)	(32,796)	(35,021)
<b>(269,698)</b>	<b>(327,550)</b>	<b>(373,887)</b>	<b>(409,001)</b>	<b>(432,113)</b>	<b>(443,517)</b>	<b>(443,602)</b>	<b>(431,398)</b>
(4,068,527)	(4,396,077)	(4,769,964)	(5,178,965)	(5,611,078)	(6,054,595)	(6,498,197)	(6,929,595)

**1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation**

**Grouped Cash Flow Part 1**

015:Dec 2019 (6,861,778)	016:Jan 2020 (7,336,887)	017:Feb 2020 (7,668,937)	018:Mar 2020 (7,951,091)	019:Apr 2020 (8,295,875)	020:May 2020 (8,436,658)	021:Jun 2020 (6,304,218)	022:Jul 2020 (4,693,166)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(354,764)	(319,002)	(271,418)	(212,011)	(140,783)	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(354,764)</b>	<b>(319,002)</b>	<b>(271,418)</b>	<b>(212,011)</b>	<b>(140,783)</b>	<b>0</b>	<b>0</b>	<b>0</b>
(15,360)	(13,048)	(10,736)	(8,423)	0	0	0	0
<b>(15,360)</b>	<b>(13,048)</b>	<b>(10,736)</b>	<b>(8,423)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	(33,050)	(26,375)	(26,375)
0	0	0	0	0	(13,500)	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(46,550)</b>	<b>(26,375)</b>	<b>(26,375)</b>
0	0	0	0	0	(21,613)	(17,583)	(17,583)
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(21,613)</b>	<b>(17,583)</b>	<b>(17,583)</b>
0	0	0	0	0	2,161,333	1,758,333	1,758,333
0	0	0	0	0	42,000	0	0
0	0	0	0	0	(2,730)	0	0
<b>(370,124)</b>	<b>(332,050)</b>	<b>(282,153)</b>	<b>(220,435)</b>	<b>(140,783)</b>	<b>2,132,440</b>	<b>1,714,375</b>	<b>1,714,375</b>
6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(37,168)	(39,741)	(41,540)	(43,068)	(44,936)	(33,764)	(24,624)	(15,897)
<b>(407,292)</b>	<b>(371,792)</b>	<b>(323,694)</b>	<b>(263,503)</b>	<b>(185,719)</b>	<b>2,098,676</b>	<b>1,689,751</b>	<b>1,698,478</b>
(7,336,887)	(7,708,679)	(8,032,372)	(8,295,875)	(8,481,594)	(6,382,918)	(4,693,166)	(2,994,688)



**1 St Johns Wood Park (6 Market & 3 Affordable Homes)  
Financial Viability Assessment  
Not a Valuation**

**Grouped Cash Flow Part 1**

023:Aug 2020	024:Sep 2020	025:Oct 2020
(2,978,791)	(1,264,416)	427,451
0	0	0
0	0	0
0	0	0
0	0	0
<b>0</b>	<b>0</b>	<b>0</b>
0	0	0
0	0	0
0	0	0
<b>0</b>	<b>0</b>	<b>0</b>
0	0	0
<b>0</b>	<b>0</b>	<b>0</b>
(26,375)	(26,375)	(26,375)
0	0	0
<b>(26,375)</b>	<b>(26,375)</b>	<b>(26,375)</b>
(17,583)	(17,583)	(17,583)
<b>(17,583)</b>	<b>(17,583)</b>	<b>(17,583)</b>
1,758,333	1,758,333	1,758,333
0	0	0
0	0	0
<b>1,714,375</b>	<b>1,714,375</b>	<b>1,714,375</b>
6.500%	6.500%	6.500%
0.000%	0.000%	0.000%
(6,611)	0	0
<b>1,707,764</b>	<b>1,714,375</b>	<b>1,714,375</b>
(1,286,924)	427,451	2,141,826



**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

**Appendix 3 – Financial Appraisal – 1 Market Dwelling (Benchmark)**

**CONFIDENTIAL**

1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation

CONFIDENTIAL

Development Appraisal  
Prepared by Robert Grimshaw  
Grimshaw Consulting Limited  
09 October 2018

**1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation**

**Summary Appraisal for Part 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
5-Bed House (Extant Permission)	1	6,861	1,654.28	11,350,000	11,350,000

**NET REALISATION**

**11,350,000**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			4,043,906		
				4,043,906	
Stamp Duty		4.75%	192,086		
Agent Fee		1.00%	40,439		
Legal Fee		0.50%	20,220		
				252,744	

**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost	
5-Bed House (Extant Permission)	6,861	394.15	2,704,272	<b>2,704,272</b>
TWA Building Over Agreement			38,000	
Borough CIL			293,714	
Mayoral CIL			36,140	
S.106 Contributions			7,810	
				375,664

**PROFESSIONAL FEES**

Professional Fees		12.00%	324,513	
				324,513

**MARKETING & LETTING**

Marketing		1.00%	113,500	
				113,500

**DISPOSAL FEES**

Effective Purchaser's Costs Rate		%		
Sales Agent Fee		1.50%	170,250	
Sales Legal Fee			5,000	
				175,250

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			436,589	
Construction			149,253	
Other			504,310	
Total Finance Cost				1,090,151

**TOTAL COSTS**

**9,080,000**

**PROFIT**

**2,270,000**

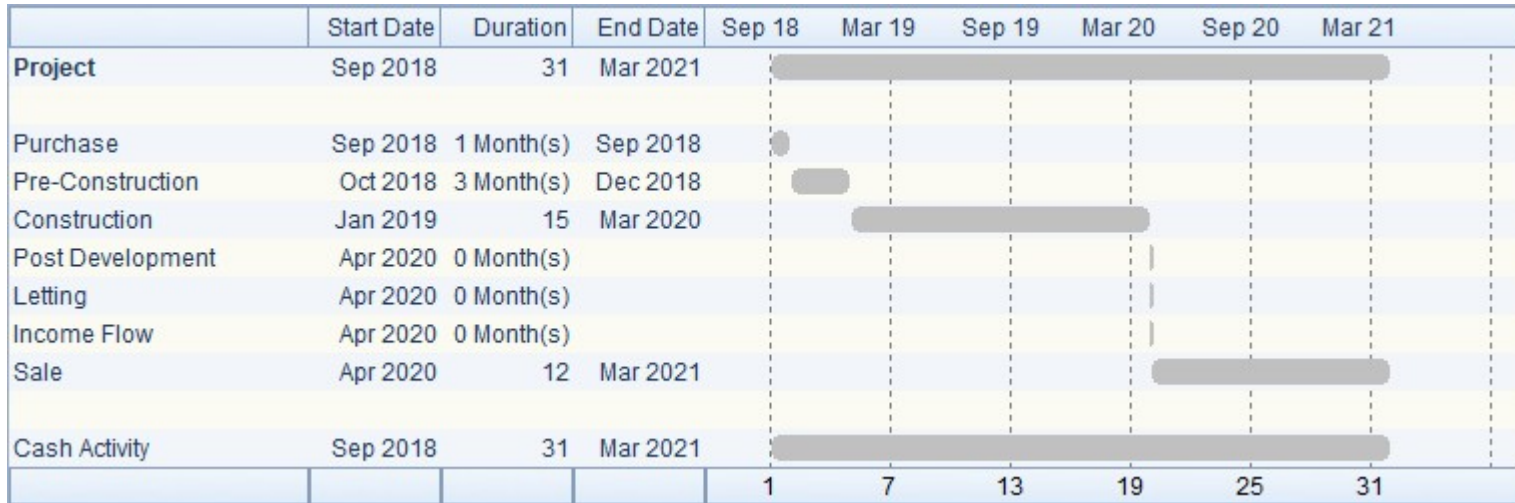
**Performance Measures**

Profit on Cost%	25.00%
Profit on GDV%	20.00%
IRR	18.36%

**1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation**

Project Timescale	
Project Start Date	Sep 2018
Project End Date	Mar 2021
Project Duration (Inc Exit Period)	31 months

**Phase 1**



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1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation

## Grouped Cash Flow Part 1

Page A 1

	001:Sep 2018	002:Oct 2018	003:Nov 2018	004:Dec 2018	005:Jan 2019	006:Feb 2019
Monthly B/F	0	(4,327,298)	(4,356,462)	(4,431,178)	(4,457,373)	(4,897,662)
<b>Land Purchase</b>						
Residualised Price	(4,043,906)	0	0	0	0	0
Stamp Duty	(192,086)	0	0	0	0	0
Agent Fee	(40,439)	0	0	0	0	0
Legal Fee	(20,220)	0	0	0	0	0
	<b>(4,296,650)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Construction Costs</b>						
Construction Cost	0	0	0	0	(39,916)	(92,862)
Road/Site Works	0	0	0	0	(38,000)	0
Statutory/LA	0	0	0	0	(337,664)	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(415,580)</b>	<b>(92,862)</b>
<b>Professional Fees</b>						
Professional Fees	(30,648)	(29,164)	(27,679)	(26,194)	(24,710)	(23,225)
	<b>(30,648)</b>	<b>(29,164)</b>	<b>(27,679)</b>	<b>(26,194)</b>	<b>(24,710)</b>	<b>(23,225)</b>
<b>Other Cost</b>						
Sales Agent Fee	0	0	0	0	0	0
Sales Legal Fee	0	0	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Marketing/Letting</b>						
Marketing	0	0	0	0	0	0
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capitalisation</b>						
Unit Sales	0	0	0	0	0	0
<b>Net Cash Flow Before Finance</b>	<b>(4,327,298)</b>	<b>(29,164)</b>	<b>(27,679)</b>	<b>(26,194)</b>	<b>(440,289)</b>	<b>(116,087)</b>
Debit Rate 6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
Credit Rate 0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Finance Costs (All Sets)	0	(23,440)	(23,598)	(24,002)	(24,144)	(26,529)
<b>Net Cash Flow After Finance</b>	<b>(4,327,298)</b>	<b>(52,603)</b>	<b>(51,277)</b>	<b>(50,197)</b>	<b>(464,433)</b>	<b>(142,616)</b>
Cumulative Net Cash Flow Monthly	(4,327,298)	(4,379,902)	(4,431,178)	(4,481,375)	(4,945,808)	(5,088,425)

1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation

## Grouped Cash Flow Part 1

Page A 2

007:Mar 2019 (5,088,425)	008:Apr 2019 (5,248,383)	009:May 2019 (5,444,622)	010:Jun 2019 (5,755,033)	011:Jul 2019 (6,001,059)	012:Aug 2019 (6,260,593)	013:Sep 2019 (6,623,634)	014:Oct 2019 (6,887,410)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(138,218)	(175,983)	(206,157)	(228,740)	(243,732)	(251,134)	(250,944)	(243,163)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(138,218)</b>	<b>(175,983)</b>	<b>(206,157)</b>	<b>(228,740)</b>	<b>(243,732)</b>	<b>(251,134)</b>	<b>(250,944)</b>	<b>(243,163)</b>
(21,740)	(20,256)	(18,771)	(17,286)	(15,801)	(14,317)	(12,832)	(11,347)
<b>(21,740)</b>	<b>(20,256)</b>	<b>(18,771)</b>	<b>(17,286)</b>	<b>(15,801)</b>	<b>(14,317)</b>	<b>(12,832)</b>	<b>(11,347)</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>(159,959)</b>	<b>(196,239)</b>	<b>(224,928)</b>	<b>(246,026)</b>	<b>(259,534)</b>	<b>(265,450)</b>	<b>(263,776)</b>	<b>(254,510)</b>
6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(27,562)	(28,429)	(29,492)	(31,173)	(32,506)	(33,912)	(35,878)	(37,307)
<b>(187,521)</b>	<b>(224,668)</b>	<b>(254,420)</b>	<b>(277,200)</b>	<b>(292,040)</b>	<b>(299,362)</b>	<b>(299,654)</b>	<b>(291,817)</b>
(5,275,945)	(5,500,613)	(5,755,033)	(6,032,232)	(6,324,272)	(6,623,634)	(6,923,288)	(7,215,105)

1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation

## Grouped Cash Flow Part 1

Page A 3

015:Nov 2019 (7,141,920)	016:Dec 2019 (7,491,444)	017:Jan 2020 (7,704,651)	018:Feb 2020 (7,885,820)	019:Mar 2020 (8,152,386)	020:Apr 2020 (8,242,781)	021:May 2020 (8,242,781)	022:Jun 2020 (8,376,237)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(227,791)	(204,829)	(174,275)	(136,131)	(90,395)	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>(227,791)</b>	<b>(204,829)</b>	<b>(174,275)</b>	<b>(136,131)</b>	<b>(90,395)</b>	<b>0</b>	<b>0</b>	<b>0</b>
(9,863)	(8,378)	(6,893)	(5,409)	0	0	0	0
<b>(9,863)</b>	<b>(8,378)</b>	<b>(6,893)</b>	<b>(5,409)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>(237,654)</b>	<b>(213,207)</b>	<b>(181,169)</b>	<b>(141,539)</b>	<b>(90,395)</b>	<b>0</b>	<b>0</b>	<b>0</b>
6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(38,685)	(40,579)	(41,734)	(42,715)	(44,159)	(44,648)	(44,648)	(45,371)
<b>(276,339)</b>	<b>(253,785)</b>	<b>(222,902)</b>	<b>(184,254)</b>	<b>(134,554)</b>	<b>(44,648)</b>	<b>(44,648)</b>	<b>(45,371)</b>
(7,491,444)	(7,745,230)	(7,968,132)	(8,152,386)	(8,286,940)	(8,331,589)	(8,376,237)	(8,421,608)



**1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation**

**Grouped Cash Flow Part 1**

023:Jul 2020 (8,376,237)	024:Aug 2020 (8,376,237)	025:Sep 2020 (8,512,351)	026:Oct 2020 (8,512,351)	027:Nov 2020 (8,512,351)	028:Dec 2020 (8,650,677)	029:Jan 2021 (8,650,677)	030:Feb 2021 (8,650,677)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	0	0	0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%	6.500%
0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
(45,371)	(45,371)	(46,109)	(46,109)	(46,109)	(46,858)	(46,858)	(46,858)
<b>(45,371)</b>	<b>(45,371)</b>	<b>(46,109)</b>	<b>(46,109)</b>	<b>(46,109)</b>	<b>(46,858)</b>	<b>(46,858)</b>	<b>(46,858)</b>
(8,466,980)	(8,512,351)	(8,558,459)	(8,604,568)	(8,650,677)	(8,697,534)	(8,744,392)	(8,791,250)

**1 St Johns Wood Park (Benchmark)  
Financial Viability Assessment  
Not a Valuation**

**Grouped Cash Flow Part 1**

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031:Mar 2021  
(8,791,250)

---

0  
0  
0  
0  
**0**

0  
0  
0  
**0**

0  
**0**

(170,250)  
(5,000)  
**(175,250)**

(113,500)  
**(113,500)**

11,350,000

---

**11,061,250**  
6.500%  
0.000%  
0  
**11,061,250**  
2,270,000

CONFIDENTIAL



**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

**Appendix 4 – Order of Cost Estimate – Proposed Development**

**CONFIDENTIAL**



# RIDGE

**PROJECT ESTIMATE  
ST JOHN'S WOOD PARK, LONDON**

05 October 2018



## ST JOHN'S WOOD PARK, LONDON

### ALMAX GROUP

05 October 2018

#### Prepared by

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Partnership House  
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#### Version Control

Issue Date	05/10/2018
Originator Initials	JS
Checked Initials	BW
Version	1.00
Notes	

# PROJECT ESTIMATE

ST JOHN'S WOOD PARK, LONDON

The logo for RIDGE, featuring the word "RIDGE" in white, uppercase, serif font centered within a solid green rectangular background.

## CONTENTS

1. FINANCIAL DASBOARD

1. EXECUTIVE SUMMARY

2. INTRODUCTION

3. DESIGN BASIS OF THE REPORT

4. FINANCIAL BASIS OF THE REPORT

5. SCHEDULE OF ACCOMMODATION

6. EXCLUSIONS AND QUALIFICATIONS

7. ESTIMATE OF PROJECT COSTS

A. ESTIMATE ANALYSIS

**1. EXECUTIVE SUMMARY**

**1.1 Report Summary**

This Project Estimate has been prepared in order to provide an estimate of the costs involved in the provision of a 9 unit residential building and is based upon the design information listed in Section 2 and information current at 05 October 2018.

The Cost Plan totals £4,211,656 excluding inflation, professional fees and VAT and is summarised below into the main elements with the site wide and development costs shown separately.

Inflation to commencement on-site and for construction duration is excluded, pending an outline programme of the works.

Estimate Summary		£
Sub Total: Building works		3,244,600
Preliminaries		486,700
Overheads and Profits		279,800
Project/design fees		<i>Excluded</i>
Other development/project costs		<i>Excluded</i>
Risk allowance estimate		200,556
Inflation		<i>Excluded</i>
<b>Cost Limit (excluding VAT assessment)</b>	<b>£</b>	<b>4,211,656</b>

Facilitating works	£18,630
Substructure	£472,868
Superstructure	<b>£1,316,672</b>
Internal finishes	£243,490
Fittings, furnishings and...	£366,428
Services	£712,837
Complete buildings and...	£0
Work to existing buildings	£0
External works	£113,665
Preliminaries	£10,000
Overheads and Profits	£10,000
Project/design fees	£10,000
Other...	
Risk allowance estimate	£10,000
Inflation	£14,000

The above costs need to be read in conjunction with the basis, assumptions and exclusions in Section 5. Particular attention should be given to the exclusions to ensure they are included elsewhere in the overall appraisal of the scheme if the client deems them necessary.

This Report has been prepared solely for the use of the Clients named on the letter of appointment and should not be relied upon by any third party. The measurements contained within this document should not be relied upon for any purpose other than the formulation of the Project Estimate itself.

This document must be read in association with the Basis, Assumptions and Exclusions (Section 3.0). Particular attention should be given to the exclusions set out in this report to ensure they are included elsewhere in the overall appraisal of the scheme if the client deems them required.



## 2. INTRODUCTION

### 2.1 Project Background

This Project Estimate relates to the development of a 9 unit residential building including external works located at St Johns Wood, London.

### 2.2 Project Brief

To provide an estimate of the construction costs at present day rates for the proposed development.

### 2.3 Previous Estimate Reports

This is the first initial budget estimate for the scheme.

### 2.4 Further Considerations

No specification has been issued and limited sketch drawings are available. This report has been prepared on the basis of conversations with the Architect.

The next stage would be to progress the sketch design drawings and prepare a brief outline specification detailing the specific proposals for the building fabric and fit out, together with the proposed site works and drainage solutions.

From this information a full approximate quantity estimate can be produced to provide a more detailed and accurate assessment of the Project costs and provide a cost plan for use in monitoring and checking the design development process.

A value management/engineering session may be appropriate to ensure value for money is maintained.

## PROJECT ESTIMATE

ST JOHN'S WOOD PARK, LONDON

### 3. DESIGN BASIS OF THE REPORT

#### 3.1 Information Requirements

At this stage there is limited information available and as such we have not completed the estimate questionnaire as set out in the 'RICS:NRM'.

#### 3.2 Design Proposals, Drawings

The project estimate has been prepared from the following drawings/sketches:

Architect : Maccreanor Lavington, MLUK-673-A-L-XX

0100	Proposed Site Plan
1199	Basement Plan
1200	Ground floor Plan
1201	1st Floor Plan
1202	2nd Floor Plan
1203	3rd Floor Plan
1204	4th Floor Plan
1205	5th Floor Plan
1206	Roof Plan
2200	Section 1
2201	Section 2
2202	Section 3
2203	Section 4
2204	Section 5
3200	North and East Elevation
3201	South and West Elevation
9100	Proposed GEA Plans
9200	Proposed GIA Plans

#### 3.3 Design Proposals, Specifications

The project estimate has been prepared from brief verbal discussions with the Architect. We have assumed a high level of specification and a good quality of finishes.

## PROJECT ESTIMATE

### ST JOHN'S WOOD PARK, LONDON

## 4. FINANCIAL BASIS OF THE REPORT

### 4.1 Basis for Measurement

The project estimate has been prepared in accordance with the "RICS New Rules of Measurement, Volume 1" 2nd edition, effective from 1 January 2013 (RICS:NRM-1 v2).

### 4.2 Cost Information

The project estimate has been prepared generally on the basis of 'Cost per m<sup>2</sup>' rates for buildings of a similar size specification. These rates have been derived from our in-house cost information and/or from Cost Analyses published by the BCIS-Online services

The budget costs for the Mechanical and Electrical Installations have been based on the allowances made for a typical development of similar size and complexity. No specialist cost advise has been provided at this stage

We have priced the various elements of the work net and applied separate adjustments for Preliminaries, Contingencies and Price and Design risk. The specific elemental analyses are included in Appendix A.

### 4.3 Procurement

The estimate assumes that tenders will be sought on a competitive single stage basis.

For the purposes of this estimate we have assumed a design and build fixed price lump sum tender, however, other possible procurement routes could be considered. The choice of procurement route may have an effect on the cost for the project, we would recommend an early discussion to resolve this issue.

### 4.4 Programme

Programme information is not available at this stage.

## PROJECT ESTIMATE

ST JOHN'S WOOD PARK, LONDON

### 4. FINANCIAL BASIS OF THE REPORT

#### 4.5 Pricing Levels

The Base Date for the this estimate is the publish date stated on the front cover.

The level of pricing assumes a contractor will have clear access to the working areas and that the work will be executed during normal working hours.

The estimate is based at 'Present Day' prices and we have made an adjustment to the estimated total to allow for 'Market Trends' up to the mid point of the construction period, as above. We have not made any adjustment for location as we assume this is within our Price and Design Risk percentage.

#### 4.6 Risk Allowances

The estimate adopts the principles of the 'RICS:NRM' and seeks to start a process to proper manage risk on the project level. In addition, the report seeks to identify and quantify all potential risks to the development for the Employer include the widely issues of business continuity, operational risk and the like.

Due to the early stages of the project Risk Allowances have been included as global percentages. As the design progresses a detailed Risk Register needs to be developed to fully highlight and control the project risks.

All transfers are to be to/from the risk allowance cost centres and balanced by an equal but opposite adjustment to the risk allowance cost centre

#### 4.7 Abbreviations and Definitions

The estimate adopts the abbreviations and definitions as set out in the 'RICS:NRM'. In addition the following abbreviations are used in this report.

th	thick/thickness
dia	diameter
av	average
&	and
EO.	extra over
grd	ground
dp	deep/depth
rem	remove/removal
bldg	building

Note, where dimensions and sizes are quote throughout this report, there are quoted in millimetres, unless specifically stated otherwise.

**5. SCHEDULE OF ACCOMMODATION**

5.1 Schedule of Accommodation (for Construction Cost Calculations)

For the purposes of the calculation of construction costs, the 'Gross Internal Floor Area' will be as defined by the 'Code of Measuring Practice' 6th edition, as published by the RICS/BCIS.

For this project estimate the 'Gross Internal Floor Area' is defined as;

Ref.	Description	Gross External Area (GEA)		Net Internal Area (NIA)		Gross Internal Area (GIA)	
		ft <sup>2</sup>	m <sup>2</sup>	ft <sup>2</sup>	m <sup>2</sup>	ft <sup>2</sup>	m <sup>2</sup>
0	Level B1	959	89	728	68	767	71
1	Level B1 - Ancillary	1,544	143			962	89
2	Level 00	2,252	209	985	92	1,940	180
3	Level 01	2,341	218	1,643	153	2,039	189
4	Level 02	2,341	218	1,643	153	2,039	189
5	Level 03	2,341	218	1,643	153	2,039	189
6	Level 04	2,350	218	1,629	151	2,024	188
7	Level 05	2,129	198	1,403	130	1,799	167
<b>Total</b>		<b>16,257</b>	<b>1,510</b>	<b>9,674</b>	<b>899</b>	<b>13,609</b>	<b>1,264</b>

These areas are as stated on the Architects accommodation schedule MLUK-673\_180921

5.2 Net Internal Areas (NIA)

Ref.	Description	Living Space	Bathroom	Plant	Communal	Bike/ Bin Store	Balcony
		m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>
-1	Level B1	42	13	72	34		
0	Level 00	71	4		83	22	
1	Level 01	105	16		55		13
2	Level 02	105	16		55		13
3	Level 03	105	16		55		13
4	Level 04	88	13		74		12
5	Level 05	79	7		82		
<b>Total</b>		<b>595</b>	<b>86</b>	<b>72</b>	<b>439</b>	<b>22</b>	<b>52</b>

**5. SCHEDULE OF ACCOMMODATION**

5.3 Schedule of Site Area

The overall site areas are as measured from drawing MLUK-673-4-L-XX-0100, as follows;

Ref.	Description	Acres	m <sup>2</sup>
1	Site Area	0.09	373
<b>Total Gross Site Area</b>		<b>0.09</b>	<b>373</b>

## 6. EXCLUSIONS AND QUALIFICATIONS

### 6.1 Exclusions

The following are not included in this Project Estimate.

- Value Added Tax  
Value Added Tax (VAT) in relation to buildings is a complex area. Therefore, it is recommended that VAT be excluded from the estimate. It is recommended that specialist advice is sought on VAT matters to ensure that the correct rates are applied to the various aspects of the building project
- Professional fees
- Ground investigation surveys and reports
- Land purchase and legal fees
- Planning and other Local Authority charges
- Contributions to Section 106 and 278 works agreements
- Finance Charges
- Sales and Marketing costs
- Any costs caused by 'Third Party Rights'
- Loose furniture and soft furnishings
- Phasing/decant of the works. Move management requirements
- Temporary accommodation requirements
- Data wiring, CCTV wiring, equipment and fit out (Containment is allowed for)
- Specialist Security
- Statutory utility infrastructure charges or any upgrading of the off site services.
- Works associated with any archaeological studies.
- Attenuation

## 6. EXCLUSIONS AND QUALIFICATIONS

### 6.2 Qualifications

The following qualifications apply to this Project Estimate.

- This report is based on the limited information available listed in Section 2. As this information is developed it may/will effect the allowances and assumptions made in this report.
- It has been assumed that the existing ground conditions are good and there are no requirements for ground improvement, ground retention or land drainage.
- No allowance has been made for excavating below ground water level.
- It has been assumed that the finished floor levels have been set above the existing prevailing levels
- Also, we have assumed the finished ground levels for the site works to be above the existing prevailing levels. This means we have not allowed for the complete breaking out and disposal of all existing foundations.
- No allowance has been made for contaminated soil removal. No detailed information is available
- No allowance has been made for any additional Electricity Sub-Station requirements.
- Drainage of the site is assumed to be to connections at the boundary of the site. It is assumed that the drainage connection has sufficient fall and capacity. No allowance has been made for pumping stations or water retention
- External Services connections have the capacity and are assumed to be at the boundary of the site.
- We have assumed that the external cleaning of the building will be via a temporary access. The tenant will be responsible for providing all equipment.
- We assume there is no requirement for a sprinkler fire fighting system
- We assume there is no requirement for the use of a tower crane(s)
- No allowance has been made for the removal of any 'Fly Tipping' on the site or any other contaminated waste. We assume any items are removed prior to the start of the contract
- No allowance has been made for the removal of any underground storage tanks. We assume any items are removed prior to the start of the contract
- No allowance has been made for asbestos removal. It is assumed that any asbestos has been removed prior to the start of the contract
- The potential additional costs identified above have not been included in the Estimate of Construction Cost. These costs should, however, be included in the overall Client budgets



**7. ESTIMATE OF PROJECT COSTS**

7.1 Estimate Collection of Construction Costs

The detailed analysis for the current proposed scheme is included in Appendix A. This details the "Cost Limit" overall project estimate as defined by the "RICS New Rules of Measurement, Volume 1" 2nd edition, (RICS:NRM-1 v2).

In summary the Estimate of Construction Cost, taken from Appendix A is as follows;

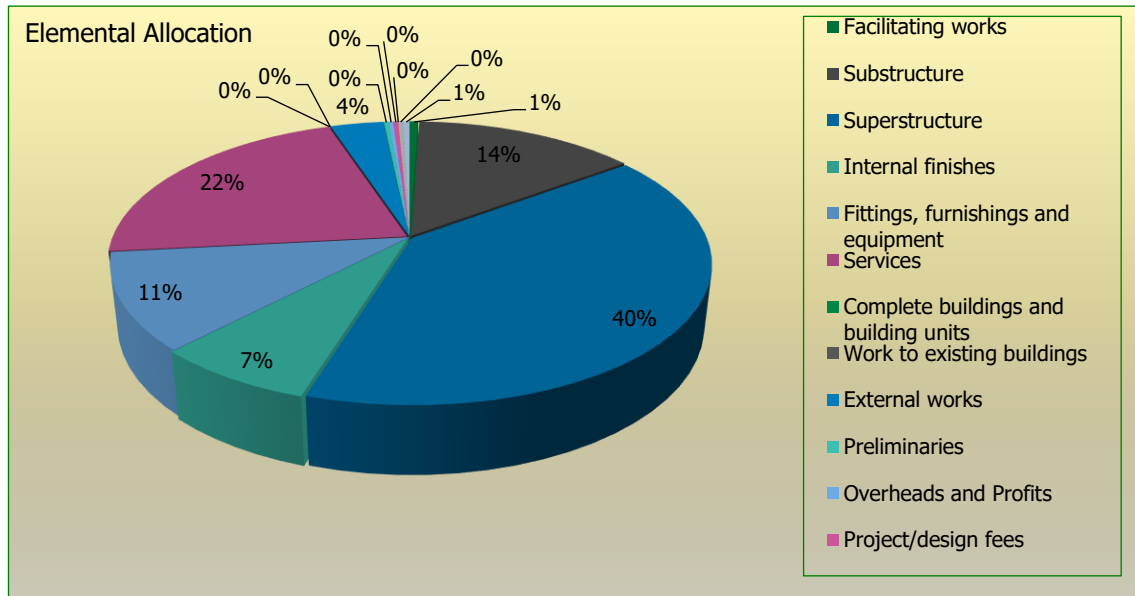
Ref.	Description	OX	£
0	Facilitating works		18,600
1	Substructure		472,900
2	Superstructure		1,316,700
3	Internal finishes		243,500
4	Fittings, furnishings and equipment		366,400
5	Services		712,800
6	Complete buildings and building units		–
7	Work to existing buildings		–
8	External works		113,700
<b>Sub Total: Building works</b>			<b>£ 3,244,600</b>
9	Preliminaries		486,700
10	Overheads and Profits		279,800
<b>Total: Building works estimate</b>			<b>£ 4,011,100</b>
11	Project/design fees (Items 11.2 & 11.3: Main Contractor's Cost items)		Excluded
12	Other development/project costs		Excluded
13	Risk allowance estimate (Items 13.1 & 13.2: Design & Construction risk)		200,556
14	Inflation		Excluded
<b>Total: Estimate of Projected Construction Cost</b>			<b>£ 4,211,656</b>

- Rounded to the nearest hundred
- See section 5 for exclusions & qualifications

Area for calculation purposes : **1,264** m<sup>2</sup>  
 Cost per m<sup>2</sup>: **3,331** £/m<sup>2</sup>  
**309.46** £/ft<sup>2</sup>

**7. ESTIMATE OF PROJECT COSTS**

7.1 Estimate Collection of Construction Costs



7.2 Estimate of Project 'Out Turn' Costs

In line with the "RICS New Rules of Measurement" this report considers the overall 'Out Turn' Cost Limit for the project. Therefore the

Professional fees should be added to the Construction Costs to provide the Overall 'out turn' cost (excluding all the costs associated with the items in section 3.5 of this report).

Ref.	Description	£
	Total: Building works estimate	4,011,100
11	Project/design fees (Item 12.1: Consultant Fees)	—
12	Other development/project costs	—
13	Risk allowance estimate (Items 14.3 & 14.4: Employer risk)	200,556
<b>Cost Limit (excluding inflation)</b>		<b>£ 4,211,656</b>

# A. ESTIMATE ANALYSIS

**A. ESTIMATE ANALYSIS**

A.1 Estimate Summary

Order of Cost Estimate

Item	Group Element/Element	Cost/m <sup>2</sup> £	Total £
0	Facilitating works	15.00	18,630
1	Substructure	374.00	472,868
2	Superstructure	1,042.00	1,316,672
3	Internal finishes	193.00	243,490
4	Fittings, furnishings and equipment	290.00	366,428
5	Services	564.00	712,837
6	Complete buildings and building units	–	–
7	Work to existing buildings	–	–
8	External works	90.00	113,665
<b>Sub Total: Facilitating works and Building Works</b>		<b>£ 2,567.00</b>	<b>3,244,590</b>
9	Main contractor's preliminaries	385.00	486,689
10	Main contractor's overheads and profit	221.00	279,846
<b>Total: Building Works Estimate</b>		<b>£ 3,173.00</b>	<b>4,011,125</b>
11	Project/design team fees	–	–
12	Other development/project costs	–	–
<b>Base Cost Estimate</b>		<b>£ 3,173.00</b>	<b>4,011,125</b>
13	Risks	159.00	200,556
<b>Cost Limit (excluding Inflation)</b>		<b>£ 3,331.00</b>	<b>4,211,681</b>
14	Inflation	–	–
<b>Cost Limit (excluding VAT assessment)</b>		<b>£ 3,331.00</b>	<b>4,211,681</b>
15	VAT Assessment		Excluded

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
<b>0</b>	<b>Facilitating works</b>					
0.2	Major demolition works					
	• Site Clearance	373 m <sup>2</sup>	50		18,630	18,630
<b>Element Group Total</b>					<b>£</b>	<b>18,630</b>
<b>1</b>	<b>Substructure</b>					
1.3	Basement construction					
	• Excavation of basement	1,060 m <sup>3</sup>	20		21,197	
	• Disposal of inert excavated material off-site	1,060 m <sup>3</sup>	60		63,590	
	• Piling Mat: 500mm thick	373 m <sup>2</sup>	40		14,904	
	• Contiguous wall piling; 600mm diameter; 20m long (including guide wall)	107 nr	1,400		150,267	
	• Forming of basement with waterproof concrete; including concrete liner walls and slab at level -1 floor level; 450mm thick	517 m <sup>2</sup>	300		155,010	
	• Capping beam; reinforced concrete	64 m	250		16,100	
	• Ground floor slab; 450mm thick; concrete	234 m <sup>2</sup>	200		46,800	
	• Lift pit	Item	5,000		5,000	
<b>Element Group Total</b>					<b>£</b>	<b>472,868</b>
<b>2</b>	<b>Superstructure</b>					
2.1	Frame & Upper Floors					
	• Concrete frame; flat slab reinforced concrete floors up to 250mm thick	1,069 m <sup>2</sup>	250		267,150	267,150
2.3	Roof					
	• Roof slab; 250mm thick; concrete	198 m <sup>2</sup>	200		39,560	
	• Sheet roof cladding	198 m <sup>2</sup>	125		24,725	
	• Lift overrun	Item	5,000		5,000	
	• Staircase overrun	Item	5,000		5,000	
	• Rainwater disposal	Item	7,500		7,500	
	• Parapet	62 m	100		6,200	
	• Terrace 5th floor; concrete slab & finish	14 m <sup>2</sup>	150		2,130	
	• Balustrade to terrace	11 m	600		6,420	
<b>Element Group Total</b>					<b>£</b>	<b>96,535</b>
2.4	Stairs and ramps					
	• Staircase; reinforced concrete; mild steel balustrades and handrails; 3m rise dogleg	5 nr	15,000		75,000	
	• Staircase; softwood staircase; softwood balustrades and handrails; 3m rise dogleg	2 nr	2,000		4,000	
<b>Element Group Total</b>					<b>£</b>	<b>79,000</b>
2.5	External walls					
	• Brickwork elevations	1,151 m <sup>2</sup>	350		402,850	402,850
2.6	Windows and external doors					

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
	<ul style="list-style-type: none"> <li>Windows and external doors; with laminated or toughened panes</li> <li>Extra for Juliet balcony</li> </ul>	290 m <sup>2</sup> 30 nr	500 1,500		144,850 45,000	189,850
2.7	Internal walls and partitions <ul style="list-style-type: none"> <li>Wall and partitions                             <ul style="list-style-type: none"> <li>Party walls</li> <li>Frame and panel partitions</li> </ul> </li> </ul>	754 m <sup>2</sup> 1,144 m <sup>2</sup>	125 80		94,275 91,512	185,787
2.8	Internal doors <ul style="list-style-type: none"> <li>Single internal doors</li> <li>Double internal doors</li> </ul>	90 nr 8 nr	950 1,250		85,500 10,000	95,500
<b>Element Group Total</b>					<b>£</b>	<b>1,316,672</b>
<b>3</b>	<b>Internal Finishes</b>					
3.1	Wall Finishes <ul style="list-style-type: none"> <li>Decoration to walls</li> <li>Extra over for tiling to bathrooms</li> </ul>	3,796 m <sup>2</sup> 220 m <sup>2</sup>	15 105		56,943 23,100	80,043
3.2	Floor finishes <ul style="list-style-type: none"> <li>Timber to hallways / kitchens &amp; balconies</li> <li>Capet to bedrooms and living areas</li> <li>Ceramic tiles to bathrooms &amp; WC's</li> <li>Resin SF two pack epoxy coating to plant</li> </ul>	490 m <sup>2</sup> 595 m <sup>2</sup> 86 m <sup>2</sup> 72 m <sup>2</sup>	120 50 120 20		58,800 29,735 10,272 1,430	100,237
3.3	Ceiling Finishes <ul style="list-style-type: none"> <li>Plasterboard ceiling including decoration</li> </ul>	1,264 m <sup>2</sup>	50		63,210	63,210
<b>Element Group Total</b>					<b>£</b>	<b>243,490</b>
<b>4</b>	<b>Fittings, furnishings and equipment</b>					
4.1	General fittings, furnishings and equipment <ul style="list-style-type: none"> <li>Domestic kitchen fittings and equipment</li> <li>Signage generally</li> </ul>	9 nr 1,264 m <sup>2</sup>	40,000 2		360,000 2,528	362,528
4.2	Special fittings, furnishings and equipment <ul style="list-style-type: none"> <li>Cycle Racks</li> <li>Letter boxes</li> </ul>	20 nr 9 nr	150 100		3,000 900	3,900
<b>Element Group Total</b>					<b>£</b>	<b>366,428</b>
<b>5</b>	<b>Services</b>					
5.1	Sanitary installations <ul style="list-style-type: none"> <li>Sanitary appliances                             <ul style="list-style-type: none"> <li>Bathrooms</li> </ul> </li> </ul>	22 nr	6,500		143,000	143,000
5.4	Mechanical Installations (5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.9)					

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
	<ul style="list-style-type: none"> <li>Water installations</li> <li>Space heating</li> <li>Ventilation systems</li> </ul>	1,264 m <sup>2</sup>	60		75,852	227,556
		1,264 m <sup>2</sup>	80		101,136	
		1,264 m <sup>2</sup>	40		50,568	
5.8	Electrical installations <ul style="list-style-type: none"> <li>Small power and lighting installation</li> </ul>	1,264 m <sup>2</sup>	100		126,420	126,420
5.10	Lift and conveyor installations <ul style="list-style-type: none"> <li>Passenger lift; 8 person 6 stops</li> </ul>	1 nr	75,000		75,000	75,000
5.11	Fire and Lightning protection <ul style="list-style-type: none"> <li>Fire and lightning protection</li> </ul>	1,264 m <sup>2</sup>	40		50,568	50,568
5.12	Communication, security and control systems <ul style="list-style-type: none"> <li>Communication and security installations</li> </ul>	1,264 m <sup>2</sup>	55		69,531	69,531
5.14	Builder's work in connection with services <ul style="list-style-type: none"> <li>Builder's work in connection with services</li> </ul>	%	3		20,762	20,762
<b>Element Group Total</b>					<b>£</b>	<b>712,837</b>
<b>6</b>	<b>Complete buildings and building units</b>					
<b>Element Group Total</b>						<b>-</b>
<b>7</b>	<b>Work to existing buildings</b>					
<b>Element Group Total</b>					<b>£</b>	<b>-</b>
<b>8</b>	<b>External works</b>					
8.2	Roads, paths and pavings <ul style="list-style-type: none"> <li>Slab paving</li> </ul>	18 m <sup>2</sup>	100		1,840	1,840
8.3	Planting <ul style="list-style-type: none"> <li>Soft landscaping</li> </ul>	81 m <sup>2</sup>	50		4,045	4,045
8.4	Fencing, railings and walls <ul style="list-style-type: none"> <li>Balustrade to lightwell</li> <li>Concrete edging to pathways</li> </ul>	13 m 66 m	400 30		5,320 1,980	7,300
8.6	External drainage <ul style="list-style-type: none"> <li>Site drainage</li> <li>Foul drainage</li> <li>Building storm water drainage</li> </ul>	99 m <sup>2</sup> 1,264 m <sup>2</sup> 1,264 m <sup>2</sup>	25 20 15		2,483 25,284 18,963	46,730
8.7	External services <ul style="list-style-type: none"> <li>Water connections</li> <li>Electricity mains supply; connection</li> <li>Gas mains supply; connection</li> <li>Telecommunications system connections</li> </ul>	9 nr 9 nr 9 nr 9 nr	1,500 1,500 500 250		13,500 13,500 4,500 2,250	

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
	<ul style="list-style-type: none"> <li>External security systems</li> <li>Site/street lighting systems</li> <li>Builder's work in connection with services</li> </ul>	Item Item	10,000 10,000	<i>Excluded</i>	10,000 10,000	53,750
<b>Element Group Total</b>					£	113,665
<b>Sub Total: Facilitating works and Building Works</b>					£	3,244,590
<b>9</b>	<b>Main contractor's preliminaries</b>					
9	Main contractor's preliminaries <ul style="list-style-type: none"> <li>Based on percentage</li> </ul>	%	15.00		486,689	486,689
<b>Element Group Total</b>					£	486,689
<b>10</b>	<b>Main contractor's overheads and profit</b>					
10	Main contractor's overheads and profit <ul style="list-style-type: none"> <li>Based on percentage</li> </ul>	%	7.50		279,846	279,846
<b>Element Group Total</b>					£	279,846
<b>Total: Building Works Estimate</b>					£	4,011,125
<b>11</b>	<b>Project/design team fees</b>					
11	Project/design team fees <ul style="list-style-type: none"> <li>Consultants' fees</li> </ul>	%		<i>Excluded</i>		–
<b>Element Group Total</b>					£	–
<b>12</b>	<b>Other development/project costs</b>					
12.1	Other development/project costs			<i>Excluded</i>		–
<b>Element Group Total</b>					£	–
<b>Base Cost Estimate</b>					£	4,011,125
<b>13</b>	<b>Risk Allowance Estimate</b>					
13	Risk Allowances, based on percentages <ul style="list-style-type: none"> <li>Design development risks</li> <li>Construction risks</li> </ul>	% %	2.50 2.50		100,278 100,278	200,556
<b>Cost Limit (excluding Inflation)</b>					£	4,211,681
<b>14</b>	<b>Inflation</b>					
14.1	Tender inflation <ul style="list-style-type: none"> <li>Projected to start on site</li> </ul>	%		<i>Excluded</i>		



**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
14.2	Construction inflation <ul style="list-style-type: none"> <li>Projected to mid point of construction</li> </ul>	%		<i>Excluded</i>		-
<b>Cost Limit (excluding VAT assessment)</b>					<b>£</b>	<b>4,211,681</b>

<b>15</b>	<b>VAT Assessment</b>					<b>Excluded</b>
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<ul style="list-style-type: none"> <li>• Rounded to the nearest pound</li> <li>• Based at 3Q2018 pricing, see section 6 for inflation trends allowances</li> <li>• See section 5 for exclusions &amp; qualifications</li> </ul>						
Area for calculation purposes :					<b>1,264</b>	<b>m<sup>2</sup></b>
Cost per m <sup>2</sup> :					<b>3,331</b>	<b>£/m<sup>2</sup></b>
					<b>309.5</b>	<b>£/ft<sup>2</sup></b>



**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

**Appendix 5 – Order of Cost Estimate – Benchmark**

**CONFIDENTIAL**



# RIDGE

**PROJECT ESTIMATE  
ST JOHN'S WOOD PARK, LONDON  
ORIGINAL PERMISSION**

09 October 2018

## ST JOHN'S WOOD PARK, LONDON

### ALMAX GROUP

09 October 2018

#### Prepared by

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#### Version Control

Issue Date	09/10/2018
Originator Initials	JS
Checked Initials	BW
Version	1.00
Notes	

# **PROJECT ESTIMATE**

ST JOHN'S WOOD PARK, LONDON

The logo for RIDGE, featuring the word "RIDGE" in white, uppercase, serif font centered within a solid green rectangular background.

## **CONTENTS**

1. EXECUTIVE SUMMARY
  2. INTRODUCTION
  3. DESIGN BASIS OF THE REPORT
  4. FINANCIAL BASIS OF THE REPORT
  5. SCHEDULE OF ACCOMMODATION
  6. EXCLUSIONS AND QUALIFICATIONS
  7. ESTIMATE OF PROJECT COSTS
- 
- A. ESTIMATE ANALYSIS

**1. EXECUTIVE SUMMARY**

**1.1 Report Summary**

This Project Estimate has been prepared in order to provide an estimate of the costs involved in the provision of a large residential building including basement and is based upon the design information listed in Section 2 and information current at 09 October 2018.

The Cost Plan totals £2,704,272 excluding inflation, professional fees and VAT and is summarised below into the main elements with the site wide and development costs shown separately.

Inflation to commencement on-site and for construction duration is excluded, pending an outline programme of the works.

Estimate Summary		£
Sub Total: Building works		2,030,300
Preliminaries		365,500
Overheads and Profits		179,700
Project/design fees		<i>Excluded</i>
Other development/project costs		<i>Excluded</i>
Risk allowance estimate		128,772
Inflation		<i>Excluded</i>
<b>Cost Limit (excluding VAT assessment)</b>	<b>£</b>	<b>2,704,272</b>

Facilitating works	£18,630
Substructure	£448,755
Superstructure	£563,987
Internal finishes	£198,443
Fittings, furnishings and...	£380,000
Services	£314,513
Complete buildings and...	£0
Work to existing buildings	£0
External works	£105,966
Preliminaries	£365,453
Overheads and Profits	£179,681
Project/design fees	
Other...	
Risk allowance estimate	£128,772
Inflation	£0

The above costs need to be read in conjunction with the basis, assumptions and exclusions in Section 5. Particular attention should be given to the exclusions to ensure they are included elsewhere in the overall appraisal of the scheme if the client deems them necessary.

This Report has been prepared solely for the use of the Clients named on the letter of appointment and should not be relied upon by any third party. The measurements contained within this document should not be relied upon for any purpose other than the formulation of the Project Estimate itself.

This document must be read in association with the Basis, Assumptions and Exclusions (Section 3.0). Particular attention should be given to the exclusions set out in this report to ensure they are included elsewhere in the overall appraisal of the scheme if the client deems them required.

## 2. INTRODUCTION

### 2.1 Project Background

This Project Estimate relates to the development of a large 5 bedroom residential building including basement and all associated external works located at St Johns Wood, London.

### 2.2 Project Brief

To provide an estimate of the construction costs at present day rates for the proposed development based on the original planning consent.

### 2.3 Previous Estimate Reports

This is the first initial budget estimate for the scheme.

### 2.4 Further Considerations

No specification has been issued and limited sketch drawings are available. This report has been prepared on the basis of conversations with the Architect.

The next stage would be to progress the sketch design drawings and prepare a brief outline specification detailing the specific proposals for the building fabric and fit out, together with the proposed site works and drainage solutions.

From this information a full approximate quantity estimate can be produced to provide a more detailed and accurate assessment of the Project costs and provide a cost plan for use in monitoring and checking the design development process.

A value management/engineering session may be appropriate to ensure value for money is maintained.

## PROJECT ESTIMATE

### ST JOHN'S WOOD PARK, LONDON

## 3. DESIGN BASIS OF THE REPORT

### 3.1 Information Requirements

At this stage there is limited information available and as such we have not completed the estimate questionnaire as set out in the 'RICS:NRM'.

### 3.2 Design Proposals, Drawings

The project estimate has been prepared from the following drawings/sketches:

Architect : Shaun Knight Architecture, Land Adjacent No. 1 St John's Wood Park

201	Proposed Site Plan
202	Proposed Floor Plans
203	Proposed Elevations
206	Long and Cross Sections

Structural Engineer: Coyle Kennedy Consulting Engineers, 16-274

P-001	Lower Basement Plan
P-002	Basement Plan
P-005	Second Floor Plan
P-100	Section A-A

### 3.3 Design Proposals, Specifications

The project estimate has been prepared from brief verbal discussions with the Architect. We have assumed a very high level of specification and a good quality of finishes.



## PROJECT ESTIMATE

ST JOHN'S WOOD PARK, LONDON

### 4. FINANCIAL BASIS OF THE REPORT

#### 4.1 Basis for Measurement

The project estimate has been prepared in accordance with the "RICS New Rules of Measurement, Volume 1" 2nd edition, effective from 1 January 2013 (RICS:NRM-1 v2).

#### 4.2 Cost Information

The project estimate has been prepared generally on the basis of 'Cost per m<sup>2</sup>' rates for buildings of a similar size specification. These rates have been derived from our in-house cost information and/or from Cost Analyses published by the BCIS-Online services

The budget costs for the Mechanical and Electrical Installations have been based on the allowances made for a typical development of similar size and complexity. No specialist cost advise has been provided at this stage

We have priced the various elements of the work net and applied separate adjustments for Preliminaries, Contingencies and Price and Design risk. The specific elemental analyses are included in Appendix A.

#### 4.3 Procurement

The estimate assumes that tenders will be sought on a competitive single stage basis.

For the purposes of this estimate we have assumed a design and build fixed price lump sum tender, however, other possible procurement routes could be considered. The choice of procurement route may have an effect on the cost for the project, we would recommend an early discussion to resolve this issue.

#### 4.4 Programme

Programme information is not available at this stage.

## PROJECT ESTIMATE

ST JOHN'S WOOD PARK, LONDON

### 4. FINANCIAL BASIS OF THE REPORT

#### 4.5 Pricing Levels

The Base Date for the this estimate is the publish date stated on the front cover.

The level of pricing assumes a contractor will have clear access to the working areas and that the work will be executed during normal working hours.

The estimate is based at 'Present Day' prices and we have made an adjustment to the estimated total to allow for 'Market Trends' up to the mid point of the construction period, as above. We have not made any adjustment for location as we assume this is within our Price and Design Risk percentage.

#### 4.6 Risk Allowances

The estimate adopts the principles of the 'RICS:NRM' and seeks to start a process to proper manage risk on the project level. In addition, the report seeks to identify and quantify all potential risks to the development for the Employer include the widely issues of business continuity, operational risk and the like.

Due to the early stages of the project Risk Allowances have been included as global percentages. As the design progresses a detailed Risk Register needs to be developed to fully highlight and control the project risks.

All transfers are to be to/from the risk allowance cost centres and balanced by an equal but opposite adjustment to the risk allowance cost centre

#### 4.7 Abbreviations and Definitions

The estimate adopts the abbreviations and definitions as set out in the 'RICS:NRM'. In addition the following abbreviations are used in this report.

th	thick/thickness
dia	diameter
av	average
&	and
EO.	extra over
grd	ground
dp	deep/depth
rem	remove/removal
bldg	building

Note, where dimensions and sizes are quote throughout this report, there are quoted in millimetres, unless specifically stated otherwise.

**5. SCHEDULE OF ACCOMMODATION**

5.1 Schedule of Accommodation (for Construction Cost Calculations)

For the purposes of the calculation of construction costs, the 'Gross Internal Floor Area' will be as defined by the 'Code of Measuring Practice' 6th edition, as published by the RICS/BCIS.

For this project estimate the 'Gross Internal Floor Area' is defined as;

Ref.	Description	Gross External Area (GEA)		Net Internal Area (NIA)		Gross Internal Area (GIA)	
		ft <sup>2</sup>	m <sup>2</sup>	ft <sup>2</sup>	m <sup>2</sup>	ft <sup>2</sup>	m <sup>2</sup>
0	Lower Basement	587	55			534	50
1	Basement	2,194	204			1,995	185
2	Level 00	1,841	171			1,674	156
3	Level 01	1,681	156			1,529	142
4	Level 02	1,242	115			1,129	105
<b>Total</b>		<b>7,545</b>	<b>701</b>	<b>-</b>	<b>-</b>	<b>6,861</b>	<b>637</b>

5.2 Net Internal Areas (NIA)

Ref.	Description	Living Space	Bathroom	Plant	Communal	Kitchen	Swimming
		m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>	m <sup>2</sup>
0	Lower Basement			50			
1	Basement	43	5	51	38		49
2	Level 00	107			20	29	
3	Level 01	84	33		25		
4	Level 02	54	30		21		
<b>Total</b>		<b>288</b>	<b>68</b>	<b>100</b>	<b>104</b>	<b>29</b>	<b>49</b>

The above areas have been measured from the Architectural drawings listed in Section 3.2.

# PROJECT ESTIMATE

ST JOHN'S WOOD PARK, LONDON

RIDGE

## 5. SCHEDULE OF ACCOMMODATION

### 5.3 Schedule of Site Area

Ref.	Description	Acres	m <sup>2</sup>
1	Site Area	0.09	373
<b>Total Gross Site Area</b>		<b>0.09</b>	<b>373</b>

## 6. EXCLUSIONS AND QUALIFICATIONS

### 6.1 Exclusions

The following are not included in this Project Estimate.

- Value Added Tax  
Value Added Tax (VAT) in relation to buildings is a complex area. Therefore, it is recommended that VAT be excluded from the estimate. It is recommended that specialist advice is sought on VAT matters to ensure that the correct rates are applied to the various aspects of the building project
- Professional fees
- Ground investigation surveys and reports
- Land purchase and legal fees
- Planning and other Local Authority charges
- Contributions to Section 106 and 278 works agreements
- Finance Charges
- Sales and Marketing costs
- Any costs caused by 'Third Party Rights'
- Loose furniture and soft furnishings
- Phasing/decant of the works. Move management requirements
- Temporary accommodation requirements
- Data wiring, CCTV wiring, equipment and fit out (Containment is allowed for)
- Specialist Security
- Statutory utility infrastructure charges or any upgrading of the off site services.
- Works associated with any archaeological studies.
- Attenuation

## 6. EXCLUSIONS AND QUALIFICATIONS

### 6.2 Qualifications

The following qualifications apply to this Project Estimate.

- This report is based on the limited information available listed in Section 2. As this information is developed it may/will effect the allowances and assumptions made in this report.
- It has been assumed that the existing ground conditions are good and there are no requirements for ground improvement, ground retention or land drainage.
- No allowance has been made for excavating below ground water level.
- It has been assumed that the finished floor levels have been set above the existing prevailing levels
- Also, we have assumed the finished ground levels for the site works to be above the existing prevailing levels. This means we have not allowed for the complete breaking out and disposal of all existing foundations.
- No allowance has been made for contaminated soil removal. No detailed information is available
- No allowance has been made for any additional Electricity Sub-Station requirements.
- Drainage of the site is assumed to be to connections at the boundary of the site. It is assumed that the drainage connection has sufficient fall and capacity. No allowance has been made for pumping stations or water retention
- External Services connections have the capacity and are assumed to be at the boundary of the site.
- We have assumed that the external cleaning of the building will be via a temporary access. The tenant will be responsible for providing all equipment.
- We assume there is no requirement for a sprinkler fire fighting system
- We assume there is no requirement for the use of a tower crane(s)
- No allowance has been made for the removal of any 'Fly Tipping' on the site or any other contaminated waste. We assume any items are removed prior to the start of the contract
- No allowance has been made for the removal of any underground storage tanks. We assume any items are removed prior to the start of the contract
- No allowance has been made for asbestos removal. It is assumed that any asbestos has been removed prior to the start of the contract
- The potential additional costs identified above have not been included in the Estimate of Construction Cost. These costs should, however, be included in the overall Client budgets

**7. ESTIMATE OF PROJECT COSTS**

7.1 Estimate Collection of Construction Costs

The detailed analysis for the current proposed scheme is included in Appendix A. This details the "Cost Limit" overall project estimate as defined by the "RICS New Rules of Measurement, Volume 1" 2nd edition, (RICS:NRM-1 v2).

In summary the Estimate of Construction Cost, taken from Appendix A is as follows;

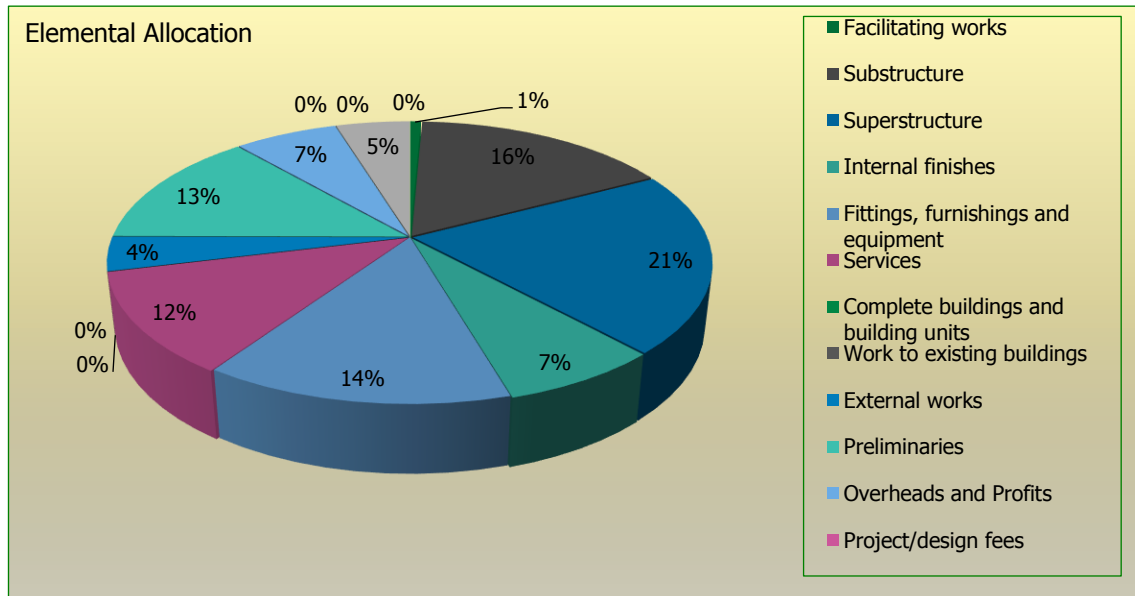
Ref.	Description	£
0	Facilitating works	18,600
1	Substructure	448,800
2	Superstructure	564,000
3	Internal finishes	198,400
4	Fittings, furnishings and equipment	380,000
5	Services	314,500
6	Complete buildings and building units	–
7	Work to existing buildings	–
8	External works	106,000
<b>Sub Total: Building works</b>		<b>£ 2,030,300</b>
9	Preliminaries	365,500
10	Overheads and Profits	179,700
<b>Total: Building works estimate</b>		<b>£ 2,575,500</b>
11	Project/design fees (Items 11.2 & 11.3: Main Contractor's Cost items)	Excluded
12	Other development/project costs	Excluded
13	Risk allowance estimate (Items 13.1 & 13.2: Design & Construction risk)	128,772
14	Inflation	Excluded
<b>Total: Estimate of Projected Construction Cost</b>		<b>£ 2,704,272</b>

- Rounded to the nearest hundred
- See section 5 for exclusions & qualifications

Area for calculation purposes : **637** m<sup>2</sup>  
 Cost per m<sup>2</sup>: **4,243** £/m<sup>2</sup>  
**394.18** £/ft<sup>2</sup>

**7. ESTIMATE OF PROJECT COSTS**

7.1 Estimate Collection of Construction Costs



7.2 Estimate of Project 'Out Turn' Costs

In line with the "RICS New Rules of Measurement" this report considers the overall 'Out Turn' Cost Limit for the project. Therefore the

Professional fees should be added to the Construction Costs to provide the Overall 'out turn' cost (excluding all the costs associated with the items in section 3.5 of this report).

Ref.	Description	£
	Total: Building works estimate	2,575,500
11	Project/design fees (Item 12.1: Consultant Fees)	—
12	Other development/project costs	—
13	Risk allowance estimate (Items 14.3 & 14.4: Employer risk)	128,772
<b>Cost Limit (excluding inflation)</b>		<b>£ 2,704,272</b>



# A. ESTIMATE ANALYSIS

**A. ESTIMATE ANALYSIS**

A.1 Estimate Summary

Order of Cost Estimate

Item	Group Element/Element	Cost/m <sup>2</sup> £	Total £
0	Facilitating works	29.00	18,630
1	Substructure	704.00	448,755
2	Superstructure	885.00	563,987
3	Internal finishes	311.00	198,443
4	Fittings, furnishings and equipment	596.00	380,000
5	Services	494.00	314,513
6	Complete buildings and building units	--	--
7	Work to existing buildings	--	--
8	External works	166.00	105,966
<b>Sub Total: Facilitating works and Building Works</b>		<b>£ 3,186.00</b>	<b>2,030,294</b>
9	Main contractor's preliminaries	573.00	365,453
10	Main contractor's overheads and profit	282.00	179,681
<b>Total: Building Works Estimate</b>		<b>£ 4,041.00</b>	<b>2,575,428</b>
11	Project/design team fees	--	--
12	Other development/project costs	--	--
<b>Base Cost Estimate</b>		<b>£ 4,041.00</b>	<b>2,575,428</b>
13	Risks	202.00	128,772
<b>Cost Limit (excluding Inflation)</b>		<b>£ 4,243.00</b>	<b>2,704,200</b>
14	Inflation	--	--
<b>Cost Limit (excluding VAT assessment)</b>		<b>£ 4,243.00</b>	<b>2,704,200</b>
15	VAT Assessment		Excluded

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
<b>0</b>	<b>Facilitating works</b>					
0.2	Major demolition works					
	• Site Clearance	373 m <sup>2</sup>	50		18,630	18,630
<b>Element Group Total</b>					<b>£</b>	<b>18,630</b>
<b>1</b>	<b>Substructure</b>					
1.3	Basement construction					
	• Excavation of basement	864 m <sup>3</sup>	20		17,276	
	• Disposal of inert excavated material off-site	864 m <sup>3</sup>	60		51,828	
	• Piling Mat: 500mm thick	373 m <sup>2</sup>	40		14,904	
	• Contiguous wall piling; 600mm diameter; 20m long (including guide wall)	113 nr	1,400		158,667	
	• Forming of basement with waterproof concrete; including concrete liner walls and slab at level -1 floor level; 450mm thick	514 m <sup>2</sup>	300		154,080	
	• Capping beam; reinforced concrete	68 m	250		17,000	
	• Ground floor slab; 450mm thick; concrete	175 m <sup>2</sup>	200		35,000	448,755
<b>Element Group Total</b>					<b>£</b>	<b>448,755</b>

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
<b>2</b>	<b>Superstructure</b>					
2.1	Frame & Upper Floors					
	<ul style="list-style-type: none"> <li>Concrete frame; flat slab reinforced concrete floors up to 250mm thick</li> </ul>	247 m <sup>2</sup>	250		61,725	61,725
2.3	Roof					
	<ul style="list-style-type: none"> <li>Timber cut roof and steelwork</li> </ul>	144 m <sup>2</sup>	100		14,400	
	<ul style="list-style-type: none"> <li>Insulation; lead roof coverings; rainwater goods; clay plain tiles</li> </ul>	144 m <sup>2</sup>	135		19,373	
	<ul style="list-style-type: none"> <li>Extra over timber dormers with lead roofs</li> </ul>	9 nr	5,000		45,000	
	<ul style="list-style-type: none"> <li>Staircase Rooflight</li> </ul>	1 item	5,000		5,000	
	<ul style="list-style-type: none"> <li>Allowance for stonework to roof</li> </ul>	1 item	15,000		15,000	
	<ul style="list-style-type: none"> <li>Rooflights</li> </ul>	2 m <sup>2</sup>	2,500		5,000	
	<ul style="list-style-type: none"> <li>Form chimney - brickwork and stonework</li> </ul>	1 item	5,000		5,000	
	<ul style="list-style-type: none"> <li>Balcony 1st floor; concrete slab &amp; finish</li> </ul>	16 m <sup>2</sup>	150		2,400	
	<ul style="list-style-type: none"> <li>Balustrade to terrace</li> </ul>	16 m	600		9,600	
						120,773
2.4	Stairs and ramps					
	<ul style="list-style-type: none"> <li>Feature staircase</li> </ul>	1 item	75,000		75,000	
	<ul style="list-style-type: none"> <li>Pool plant stair</li> </ul>	1 nr	5,000		5,000	
						80,000
2.5	External walls					
	<ul style="list-style-type: none"> <li>Entrance stone portico</li> </ul>	1 item	25,000		25,000	
	<ul style="list-style-type: none"> <li>Brickwork elevations; facing brick, feature arches, quoins &amp; stone cills</li> </ul>	248 m <sup>2</sup>	350		86,681	
						111,681
2.6	Windows and external doors					
	<ul style="list-style-type: none"> <li>Windows and external doors; with laminated or toughened panes</li> </ul>	66 m <sup>2</sup>	1,000		66,340	
						66,340
2.7	Internal walls and partitions					
	<ul style="list-style-type: none"> <li>Wall and partitions</li> </ul>					
	<ul style="list-style-type: none"> <li>Party walls</li> </ul>	438 m <sup>2</sup>	125		54,781	
	<ul style="list-style-type: none"> <li>Frame and panel partitions</li> </ul>	209 m <sup>2</sup>	80		16,687	
						71,468
2.8	Internal doors					
	<ul style="list-style-type: none"> <li>Single internal doors</li> </ul>	25 nr	1,250		31,250	
	<ul style="list-style-type: none"> <li>Double internal doors</li> </ul>	1 nr	1,750		1,750	
	<ul style="list-style-type: none"> <li>One and a half leaf doors</li> </ul>	2 nr	1,500		3,000	
	<ul style="list-style-type: none"> <li>Bifolding single doors</li> </ul>	5 nr	2,000		10,000	
	<ul style="list-style-type: none"> <li>Bifolding double doors</li> </ul>	2 nr	3,000		6,000	
						52,000
<b>Element Group Total</b>					<b>£</b>	<b>563,987</b>

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
<b>3</b>	<b>Internal Finishes</b>					
3.1	Wall Finishes					
	• Decoration to walls	1,294 m <sup>2</sup>	25		32,342	93,934
	• Extra over for tiling to bathrooms	213 m <sup>2</sup>	150		31,959	
	• Marble cladding to shower cubicles	49 m <sup>2</sup>	600		29,633	
3.2	Floor finishes					
	• Timber to hallways / kitchens & balconies	153 m <sup>2</sup>	150		22,920	56,711
	• Carpet to bedrooms and living areas	288 m <sup>2</sup>	75		21,570	
	• Ceramic tiles to bathrooms & WC's	68 m <sup>2</sup>	150		10,215	
	• Resin SF two pack epoxy coating to plant	100 m <sup>2</sup>	20		2,006	
3.3	Ceiling Finishes					
	• Plasterboard ceiling including decoration and feature cornices	637 m <sup>2</sup>	75		47,798	47,798
<b>Element Group Total</b>					<b>£</b>	<b>198,443</b>
<b>4</b>	<b>Fittings, furnishings and equipment</b>					
4.1	General fittings, furnishings and equipment					
	• Domestic kitchen fittings and equipment	1 nr	100,000		100,000	220,000
	• Joinery	Item	120,000		120,000	
4.2	Special fittings, furnishings and equipment					
	• Swimming pool	1 nr	150,000		150,000	160,000
	• Bin store	1 nr	5,000		5,000	
	• Cycle store	1 nr	5,000		5,000	
<b>Element Group Total</b>					<b>£</b>	<b>380,000</b>

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
<b>5</b>	<b>Services</b>					
5.1	Sanitary installations					
	• Sanitary appliances					
	• Bathrooms	6 nr	10,000		60,000	60,000
5.4	Mechanical Installations (5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.9)					
	• Water installations	637 m <sup>2</sup>	60		38,238	
	• Space heating	637 m <sup>2</sup>	80		50,984	
	• Ventilation systems	637 m <sup>2</sup>	40		25,492	114,714
5.8	Electrical installations					
	• Small power and lighting installation	637 m <sup>2</sup>	100		63,730	
	• Audio Visual System	637	30		19,110	82,840
5.11	Fire and Lightning protection					
	• Fire and lightning protection	637 m <sup>2</sup>	20		12,746	12,746
5.12	Communication, security and control systems					
	• Communication and security installations	637 m <sup>2</sup>	55		35,052	35,052
5.14	Builder's work in connection with services					
	• Builder's work in connection with services	%	3		9,161	9,161
<b>Element Group Total</b>					<b>£</b>	<b>314,513</b>
<b>6</b>	<b>Complete buildings and building units</b>					
<b>Element Group Total</b>						<b>–</b>
<b>7</b>	<b>Work to existing buildings</b>					
<b>Element Group Total</b>					<b>£</b>	<b>–</b>

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
<b>8</b>	<b>External works</b>					
8.2	Roads, paths and pavings <ul style="list-style-type: none"> <li>Yorkstone Slab paving</li> </ul>	104 m <sup>2</sup>	250		25,900	25,900
8.3	Planting <ul style="list-style-type: none"> <li>Soft landscaping</li> </ul>	55 m <sup>2</sup>	100		5,540	5,540
8.4	Fencing, railings and walls <ul style="list-style-type: none"> <li>Fence to front elevation</li> <li>Gates</li> <li>Boundary treatment</li> <li>Balustrade to lightwell</li> <li>Concrete edging to pathways</li> </ul>	18 m 2 nr 70 m 9 m 46 m	350 600 50 400 30		6,300 1,200 3,500 3,400 1,380	15,780
8.6	External drainage <ul style="list-style-type: none"> <li>Site drainage</li> <li>Foul drainage</li> <li>Building storm water drainage</li> </ul>	198 m <sup>2</sup> 637 m <sup>2</sup> 637 m <sup>2</sup>	25 20 15		4,940 12,746 9,560	27,246
8.7	External services <ul style="list-style-type: none"> <li>Water connections</li> <li>Electricity mains supply; connection</li> <li>Gas mains supply; connection</li> <li>Telecommunications system connections</li> <li>External security systems</li> <li>External lighting</li> <li>Builder's work in connection with services</li> </ul>	1 nr 1 nr 1 nr 1 nr Item Item	1,500 15,000 1,500 1,000 10,000 2,500		1,500 15,000 1,500 1,000 10,000 2,500	31,500
	Element Group Total				£	105,966
	Sub Total: Facilitating works and Building Works				£	2,030,294
<b>9</b>	<b>Main contractor's preliminaries</b>					
9	Main contractor's preliminaries <ul style="list-style-type: none"> <li>Based on percentage</li> </ul>	%	18.00		365,453	365,453
	Element Group Total				£	365,453
<b>10</b>	<b>Main contractor's overheads and profit</b>					
10	Main contractor's overheads and profit <ul style="list-style-type: none"> <li>Based on percentage</li> </ul>	%	7.50		179,681	179,681
	Element Group Total				£	179,681
	Total: Building Works Estimate				£	2,575,428

**A. ESTIMATE ANALYSIS**

A.1 Estimate

Order of Cost Estimate

Ref	Description	Quantity	Rate	Item	Total	Group Total
<b>11</b>	<b>Project/design team fees</b>					
11	Project/design team fees					
	• Consultants' fees	%		<i>Excluded</i>		–
<b>Element Group Total</b>						£ –
<b>12</b>	<b>Other development/project costs</b>					
12.1	Other development/project costs					
				<i>Excluded</i>		–
<b>Element Group Total</b>						£ –
<b>Base Cost Estimate</b>						£ 2,575,428
<b>13</b>	<b>Risk Allowance Estimate</b>					
13	Risk Allowances, based on percentages					
	• Design development risks	%	2.50		64,386	
	• Construction risks	%	2.50		64,386	
						128,772
<b>Cost Limit (excluding Inflation)</b>						£ 2,704,200
<b>14</b>	<b>Inflation</b>					
14.1	Tender inflation					
	• Projected to start on site	%			<i>Excluded</i>	
14.2	Construction inflation					
	• Projected to mid point of construction	%			<i>Excluded</i>	
						–
<b>Cost Limit (excluding VAT assessment)</b>						£ 2,704,200
<b>15</b>	<b>VAT Assessment</b>					Excluded

- Rounded to the nearest pound
- Based at 3Q2018 pricing, see section 6 for inflation trends allowances
- See section 5 for exclusions & qualifications

Area for calculation purposes : 637 m<sup>2</sup>  
 Cost per m<sup>2</sup>: 4,243 £/m<sup>2</sup>  
 394.2 £/ft<sup>2</sup>





**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

**Appendix 6 – HM Land Registry Sold Prices Data (Apartments)**

**CONFIDENTIAL**

Appendix 6 - HMLR Sold Price Data - NW8 Apartments

price_paid	deed_date	postcode	property_type	new_build	estate_type	NSA (sqm)	NSA (sqft)	£ per sqft	saon	paon	street
£ 1,195,000	02/02/2018	NW8 0AR	F	N	L	93	1001	£ 1,194	FLAT 4	MANOR APARTMENTS, 40 - 42	ABBEY ROAD
£ 1,050,000	09/05/2018	NW8 0AU	F	N	L	113	1216	£ 863	FLAT 10	ABBEY COURT	ABBEY ROAD
£ 935,000	23/10/2017	NW8 0JY	F	N	L	79	850	£ 1,100	FLAT D	8	CARLTON HILL
£ 1,170,000	04/05/2018	NW8 0NG	F	N	L	93	1001	£ 1,169	FLAT 8B	53	MARLBOROUGH HILL
£ 1,180,000	07/09/2017	NW8 0NY	F	N	L	57	614	£ 1,923	FLAT 46	APSLEY HOUSE, 23 - 29	FINCHLEY ROAD
£ 850,000	19/10/2017	NW8 0NZ	F	N	L	93	1001	£ 849	FLAT 76	APSLEY HOUSE, 23 - 29	FINCHLEY ROAD
£ 850,000	19/10/2017	NW8 0NZ	F	N	L	105	1130	£ 752	FLAT 79	APSLEY HOUSE, 23 - 29	FINCHLEY ROAD
£ 1,450,000	29/05/2018	NW8 0PX	F	N	L	108	1163	£ 1,247	FLAT 29	45	MARLBOROUGH PLACE
£ 775,000	23/10/2017	NW8 0QY	F	N	L	61	657	£ 1,180	FLAT 3	23	BELGRAVE GARDENS
£ 790,000	06/07/2018	NW8 0QY	F	N	L	54	581	£ 1,359	FLAT 4	11	BELGRAVE GARDENS
£ 1,251,500	26/09/2017	NW8 0RA	F	N	L	141	1518	£ 825	FLAT 6	BELGRAVE MANSIONS	BELGRAVE GARDENS
£ 949,950	16/05/2018	NW8 6BJ	F	N	L	94	1012	£ 939	FLAT 2	BIRLEY LODGE, 63	ACACIA ROAD
£ 1,050,000	29/09/2017	NW8 6BJ	F	N	L	99	1066	£ 985	FLAT 36	BIRLEY LODGE, 63	ACACIA ROAD
£ 1,350,000	21/03/2018	NW8 6BY	F	N	L	123	1324	£ 1,020		30	AVENUE CLOSE
£ 2,700,000	24/11/2017	NW8 6DA	F	N	L	266	2863	£ 943		39	AVENUE CLOSE
£ 2,100,000	09/02/2018	NW8 6DB	F	N	L	186	2002	£ 1,049	FLAT 23	ST. STEPHENS CLOSE	AVENUE ROAD
£ 3,150,000	08/01/2018	NW8 6DB	F	N	L	213	2293	£ 1,374	FLAT 10	ST. STEPHENS CLOSE	AVENUE ROAD
£ 1,700,000	23/03/2018	NW8 6DD	F	N	L	128	1378	£ 1,234	FLAT 30	ST. STEPHENS CLOSE	AVENUE ROAD
£ 1,150,000	02/05/2018	NW8 6EU	F	N	L	102	1098	£ 1,047	FLAT 102	LYNDHURST COURT, 36 - 38	FINCHLEY ROAD
£ 1,175,000	06/06/2018	NW8 6HY	F	N	L	92	990	£ 1,186	FLAT 20	95	AVENUE ROAD
£ 1,100,000	14/12/2017	NW8 6JA	F	N	L	126	1356	£ 811	FLAT 10	AVENUE LODGE	AVENUE ROAD
£ 2,250,000	26/01/2018	NW8 6JB	F	N	L	184	1981	£ 1,136		17	THE POLYGON
£ 1,800,000	28/11/2017	NW8 6NH	F	N	L	108	1163	£ 1,548	FLAT 90	BOYDELL COURT	ST JOHN'S WOOD PARK
£ 800,000	16/01/2018	NW8 6NL	F	N	L	108	1163	£ 688	FLAT 31	BOYDELL COURT	ST JOHN'S WOOD PARK
£ 1,140,000	31/05/2018	NW8 6NR	F	N	L	85	915	£ 1,246	FLAT 39	BUTTERMERE COURT	BOUNDARY ROAD
£ 1,050,000	19/09/2017	NW8 6NT	F	N	L	73	786	£ 1,336	FLAT 18	BLAIR COURT	BOUNDARY ROAD
£ 1,050,000	27/11/2017	NW8 6NT	F	N	L	88	947	£ 1,108	FLAT 21	BLAIR COURT	BOUNDARY ROAD
£ 1,100,000	30/11/2017	NW8 6NT	F	N	L	94	1012	£ 1,087	FLAT 37	BLAIR COURT	BOUNDARY ROAD
£ 890,000	18/09/2017	NW8 6PN	F	N	L	101	1087	£ 819		2	AQUILA STREET
£ 1,025,000	07/11/2017	NW8 6QT	F	N	L	91	980	£ 1,046	FLAT 23	PARK LODGE	ST JOHN'S WOOD PARK
£ 1,630,000	01/06/2018	NW8 6QT	F	N	L	137	1475	£ 1,105	FLAT 22	PARK LODGE	ST JOHN'S WOOD PARK
£ 1,760,000	08/09/2017	NW8 6QX	F	N	L	109	1173	£ 1,500	FLAT 16	SHERINGHAM	ST JOHN'S WOOD PARK
£ 2,075,000	02/07/2018	NW8 6QX	F	N	L	125	1346	£ 1,542	FLAT 11	SHERINGHAM	ST JOHN'S WOOD PARK
£ 800,000	19/06/2018	NW8 6RA	F	N	L	76	818	£ 978	FLAT 48	SHERINGHAM	ST JOHN'S WOOD PARK
£ 1,450,000	06/04/2018	NW8 6RA	F	N	L	107	1152	£ 1,259	FLAT 55	SHERINGHAM	ST JOHN'S WOOD PARK
£ 775,000	18/04/2018	NW8 6RB	F	N	L	76	818	£ 947	FLAT 78	SHERINGHAM	ST JOHN'S WOOD PARK
£ 2,195,000	17/01/2018	NW8 6RJ	F	N	L	125	1346	£ 1,631	FLAT 49	WALSINGHAM	ST JOHN'S WOOD PARK
£ 2,200,000	28/02/2018	NW8 6RL	F	N	L	128	1378	£ 1,597	FLAT 64	WALSINGHAM	ST JOHN'S WOOD PARK
£ 750,000	13/03/2018	NW8 7BD	F	N	L	67	721	£ 1,040	FLAT 22	SWALLOW HOUSE	BARROW HILL ESTATE
£ 800,000	28/09/2017	NW8 7BS	F	N	L	80	861	£ 929	FLAT 11	STARLING HOUSE	BARROW HILL ESTATE
£ 2,050,000	05/07/2018	NW8 7DX	F	N	L	203	2185	£ 938	FLAT 14	HANOVER HOUSE	ST JOHNS WOOD HIGH STREET
£ 4,200,000	21/11/2017	NW8 7EA	F	N	L	204	2196	£ 1,913	FLAT 6C	ATRIUM APARTMENTS, 131	PARK ROAD
£ 2,400,000	25/10/2017	NW8 7ED	F	N	L	240	2583	£ 929	FLAT R6	50	ST EDMUNDS TERRACE
£ 5,000,000	26/01/2018	NW8 7EH	F	N	L	221	2379	£ 2,102	FLAT 63	NORTH GATE	PRINCE ALBERT ROAD
£ 3,500,000	27/04/2018	NW8 7EJ	F	N	L	221	2379	£ 1,471	FLAT 91	NORTH GATE	PRINCE ALBERT ROAD
£ 1,200,000	25/09/2017	NW8 7HB	F	N	L	87	936	£ 1,281	FLAT 207	PAVILION APARTMENTS, 34	ST JOHNS WOOD ROAD

Appendix 6 - HMLR Sold Price Data - NW8 Apartments

price_paid	deed_date	postcode	property_type	new_build	estate_type	NSA (sqm)	NSA (sqft)	£ per sqft	saon	paon	street
£ 1,950,000	02/07/2018	NW8 7HB	F	N	L	123	1324	£ 1,473	FLAT 12	PAVILION APARTMENTS, 34	ST JOHNS WOOD ROAD
£ 1,000,000	31/10/2017	NW8 7HG	F	N	L	92	990	£ 1,010	FLAT 118	LORDS VIEW	ST JOHNS WOOD ROAD
£ 3,400,000	23/03/2018	NW8 7JD	F	N	L	248	2670	£ 1,274	FLAT 51	BEVERLY HOUSE, 133	PARK ROAD
£ 1,300,000	21/12/2017	NW8 7JP	F	N	L	99	1066	£ 1,220	FLAT 23	REGENTS PARK HOUSE, 105	PARK ROAD
£ 1,500,000	05/04/2018	NW8 7JP	F	N	L	113	1216	£ 1,233	FLAT 19	REGENTS PARK HOUSE, 105	PARK ROAD
£ 1,850,000	04/01/2018	NW8 7JP	F	N	L	127	1367	£ 1,353	FLAT 3	REGENTS PARK HOUSE, 105	PARK ROAD
£ 950,000	29/06/2018	NW8 7JY	F	N	L	99	1066	£ 891	FLAT 301	BLAZER COURT, 28A	ST JOHNS WOOD ROAD
£ 1,200,000	18/09/2017	NW8 7JY	F	N	L	128	1378	£ 871	FLAT 101	BLAZER COURT, 28A	ST JOHNS WOOD ROAD
£ 1,875,000	01/12/2017	NW8 7LA	F	N	L	112	1206	£ 1,555	FLAT 4	STOCKLEIGH HALL, 51	PRINCE ALBERT ROAD
£ 810,000	24/11/2017	NW8 7LP	F	N	L	62	667	£ 1,214		6	ORMONDE TERRACE
£ 1,000,000	31/10/2017	NW8 7LQ	F	N	L	96	1033	£ 968		45	ST JAMES'S CLOSE
£ 1,750,000	12/06/2018	NW8 7LQ	F	N	L	125	1346	£ 1,301		39	ST JAMES'S CLOSE
£ 1,600,000	18/05/2018	NW8 7LT	F	N	L	116	1249	£ 1,281	FLAT 12	KINGS COURT, 31	PRINCE ALBERT ROAD
£ 3,100,000	01/05/2018	NW8 7PT	F	N	L	132	1421	£ 2,182	FLAT 12	IMPERIAL COURT, 55 - 56	PRINCE ALBERT ROAD
£ 3,370,000	22/12/2017	NW8 7PU	F	N	L	183	1970	£ 1,711	FLAT 26	2	AVENUE ROAD
£ 2,730,000	26/01/2018	NW8 7PX	F	N	L	163	1755	£ 1,556	FLAT 15	LONDON HOUSE, 7 - 9	AVENUE ROAD
£ 1,062,500	08/05/2018	NW8 7QH	F	N	L	74	797	£ 1,334	FLAT 13	BARRIE HOUSE, 29	ST EDMUNDS TERRACE
£ 2,090,000	17/01/2018	NW8 7RE	F	N	L	169	1819	£ 1,149	FLAT 21A	NORTH GATE	PRINCE ALBERT ROAD
£ 3,600,000	13/04/2018	NW8 7RJ	F	N	L	214	2304	£ 1,563	FLAT 25	ABBAY LODGE	PARK ROAD
£ 5,100,000	08/02/2018	NW8 7RJ	F	N	L	225	2422	£ 2,106	FLAT 18	ABBAY LODGE	PARK ROAD
£ 3,600,000	02/10/2017	NW8 7RL	F	N	L	227	2443	£ 1,473	FLAT 47	ABBAY LODGE	PARK ROAD
£ 1,297,500	23/02/2018	NW8 8AB	F	N	L	99	1066	£ 1,218	FLAT 4B	03-Oct	PLYMPTON STREET
£ 1,160,000	11/05/2018	NW8 8HS	F	N	L	91	980	£ 1,184	FLAT 9	CLIFTON COURT	NORTHWICK TERRACE
£ 1,490,000	29/01/2018	NW8 8HU	F	N	L	126	1356	£ 1,099	FLAT 64	CLIFTON COURT	NORTHWICK TERRACE
£ 1,050,000	13/11/2017	NW8 9AA	F	N	L	101	1087	£ 966	FLAT D	7	ABBAY ROAD
£ 785,000	01/06/2018	NW8 9AE	F	N	L	71	764	£ 1,027	FLAT 20	ADELAIDE COURT	ABBAY ROAD
£ 1,455,000	31/01/2018	NW8 9AQ	F	N	L	153	1647	£ 883	FLAT 3	THE GALLERIES, 9	ABBAY ROAD
£ 2,475,000	29/05/2018	NW8 9DD	F	N	L	192	2067	£ 1,198	FLAT 15	NEVILLE COURT	ABBAY ROAD
£ 2,550,000	01/05/2018	NW8 9DD	F	N	L	287	3089	£ 825	FLAT 14	NEVILLE COURT	ABBAY ROAD
£ 860,000	29/09/2017	NW8 9DX	F	N	L	58	624	£ 1,377	FLAT 2	27	ABERCORN PLACE
£ 2,750,000	09/04/2018	NW8 9ES	F	N	L	205	2207	£ 1,246	FLAT 17	SOUTH LODGE	CIRCUS ROAD
£ 875,000	15/06/2018	NW8 9HN	F	N	L	73	786	£ 1,114	FLAT 8H	GROVE END HOUSE	GROVE END ROAD
£ 857,500	26/10/2017	NW8 9HR	F	N	L	75	807	£ 1,062	FLAT 1B	GROVE END HOUSE	GROVE END ROAD
£ 827,500	15/11/2017	NW8 9JN	F	N	L	79	850	£ 973	FLAT 32	CIRCUS LODGE	CIRCUS ROAD
£ 1,030,000	16/04/2018	NW8 9JN	F	N	L	95	1023	£ 1,007	FLAT 53	CIRCUS LODGE	CIRCUS ROAD
£ 1,515,000	10/01/2018	NW8 9LD	F	N	L	108	1163	£ 1,303	FLAT 55	CENTURY COURT	GROVE END ROAD
£ 1,000,000	02/02/2018	NW8 9NR	F	N	L	89	958	£ 1,044	FLAT 14	GROVE HALL COURT	HALL ROAD
£ 1,040,000	04/12/2017	NW8 9NX	F	N	L	87	936	£ 1,111	FLAT 187	GROVE HALL COURT	HALL ROAD
£ 1,100,000	13/10/2017	NW8 9PB	F	N	L	81	872	£ 1,262	FLAT 84	WILLIAM COURT, 6	HALL ROAD
£ 1,140,000	28/03/2018	NW8 9PB	F	N	L	83	893	£ 1,276	FLAT 68	WILLIAM COURT, 6	HALL ROAD
£ 1,145,000	20/10/2017	NW8 9PB	F	N	L	108	1163	£ 985	FLAT 55	WILLIAM COURT, 6	HALL ROAD
£ 1,180,000	01/09/2017	NW8 9PB	F	N	L	68	732	£ 1,612	FLAT 72	WILLIAM COURT, 6	HALL ROAD
£ 2,550,000	29/06/2018	NW8 9PP	F	N	L	154	1658	£ 1,538	FLAT 10	GARDEN COURT	GARDEN ROAD
£ 1,950,000	31/05/2018	NW8 9QX	F	N	L	127	1367	£ 1,426	FLAT 7	65	HAMILTON TERRACE
£ 4,500,000	01/09/2017	NW8 9QX	F	N	L	330	3552	£ 1,267	BASEMENT & GROUND FLOOR	77	HAMILTON TERRACE
£ 950,000	01/06/2018	NW8 9QY	F	N	L	116	1249	£ 761	GARDEN FLAT	105A	HAMILTON TERRACE

Appendix 6 - HMLR Sold Price Data - NW8 Apartments

price_paid	deed_date	postcode	property_type	new_build	estate_type	NSA (sqm)	NSA (sqft)	£ per sqft	saon	paon	street
£ 2,472,000	21/02/2018	NW8 9SD	F	N	L	142	1529	£ 1,617	FLAT 5	15	GROVE END ROAD
£ 1,280,000	17/05/2018	NW8 9SQ	F	N	L	126	1356	£ 944	FLAT 25	CAVENDISH HOUSE, 21	WELLINGTON ROAD
£ 1,450,000	19/10/2017	NW8 9TB	F	N	L	135	1453	£ 998	FLAT 51	WELLINGTON COURT, 55 - 67	WELLINGTON ROAD
£ 820,000	19/10/2017	NW8 9TD	F	N	L	82	883	£ 929	FLAT 60	WELLINGTON COURT, 55 - 67	WELLINGTON ROAD
£ 950,000	19/10/2017	NW8 9TD	F	N	L	82	883	£ 1,076	FLAT 62	WELLINGTON COURT, 55 - 67	WELLINGTON ROAD
£ 1,000,000	19/10/2017	NW8 9TD	F	N	L	88	947	£ 1,056	FLAT 73	WELLINGTON COURT, 55 - 67	WELLINGTON ROAD
£ 1,465,000	22/05/2018	NW8 9TT	F	N	L	106	1141	£ 1,284	FLAT 17	EYRE COURT, 3 - 21	FINCHLEY ROAD
£ 2,000,000	15/01/2018	NW8 9TU	F	N	L	96	1033	£ 1,935	FLAT 60	EYRE COURT, 3 - 21	FINCHLEY ROAD
£ 1,000,000	17/11/2017	NW8 9TX	F	N	L	88	947	£ 1,056	FLAT 94	EYRE COURT, 3 - 21	FINCHLEY ROAD
£ 1,100,000	31/01/2018	NW8 9TX	F	N	L	96	1033	£ 1,064	FLAT 100	EYRE COURT, 3 - 21	FINCHLEY ROAD
£ 962,500	06/12/2017	NW8 9TY	F	N	L	81	872	£ 1,104	FLAT 111	EYRE COURT, 3 - 21	FINCHLEY ROAD
£ 1,047,000	29/06/2018	NW8 9TY	F	N	L	81	872	£ 1,201	FLAT 127	EYRE COURT, 3 - 21	FINCHLEY ROAD
£ 1,280,000	09/03/2018	NW8 9UL	F	N	L	176	1895	£ 676	GARDEN FLAT	76	HAMILTON TERRACE
£ 1,325,000	27/10/2017	NW8 9UU	F	N	L	92	990	£ 1,338	FLAT 8	MARLBOROUGH LODGE, 130 - 132	HAMILTON TERRACE
<b>£ 172,332,950</b>						<b>13018</b>	<b>140129</b>	<b>£ 1,230</b>			



**Land adjacent 1 St Johns Wood Park, London NW8 6QS – Financial Viability Assessment – October 2018**

**Appendix 7 – HM Land Registry Sold Prices Data (Houses)**

**CONFIDENTIAL**

Appendix 7 - HM Land Registry Sold Price Data (Houses)

price_paid	deed_date	postcode	property_type	new_build	estate_type	NSA	(sqm NSA (sqft))	£ per sqft	saon	paon	street
£ 4,000,000	29/09/2017	NW8 0EJ	T	N	F	219	2357.4	£ 1,697			59 BLENHEIM TERRACE
£ 2,600,000	15/05/2017	NW8 0JE	S	N	F	220	2368.1	£ 1,098			21 BOUNDARY ROAD
£ 4,715,000	28/03/2018	NW8 0JT	D	N	F	454	4887.0	£ 965			104 CLIFTON HILL
£ 3,550,000	21/03/2017	NW8 0JX	T	N	F	192	2066.7	£ 1,718			11 CARLTON HILL
£ 4,630,000	18/08/2017	NW8 0JX	S	N	F	258	2777.2	£ 1,667			33 CARLTON HILL
£ 5,900,000	14/06/2018	NW8 0JX	S	N	F	317	3412.3	£ 1,729			19 CARLTON HILL
£ 8,000,000	20/03/2017	NW8 0JX	S	N	F	405	4359.5	£ 1,835			23 CARLTON HILL
£ 1,750,000	19/01/2018	NW8 0LL	T	N	F	123	1324.0	£ 1,322			4 LANGFORD PLACE
£ 3,185,000	08/02/2017	NW8 0LU	S	N	F	202	2174.4	£ 1,465			4 BLENHEIM ROAD
£ 3,820,000	30/04/2018	NW8 0LU	T	N	F	220	2368.1	£ 1,613			10 BLENHEIM ROAD
£ 4,400,000	30/04/2018	NW8 0LU	S	N	F	278	2992.5	£ 1,470			2 BLENHEIM ROAD
£ 5,750,000	04/08/2017	NW8 0PL	T	N	F	309	3326.2	£ 1,729			48 MARLBOROUGH PLACE
£ 5,950,000	16/04/2018	NW8 0PT	S	N	F	363	3907.4	£ 1,523			63 MARLBOROUGH PLACE
£ 4,655,000	06/04/2018	NW8 0QE	S	N	F	235	2529.6	£ 1,840			9 CLIFTON HILL
£ 4,435,000	01/12/2017	NW8 0QG	S	N	F	249	2680.3	£ 1,655			24 CLIFTON HILL
£ 4,465,000	15/12/2017	NW8 0QG	S	N	F	239	2572.7	£ 1,736			22 CLIFTON HILL
£ 3,800,000	24/02/2017	NW8 0QN	S	N	F	190	2045.2	£ 1,858			18 SPRINGFIELD ROAD
£ 2,800,000	11/05/2018	NW8 0RE	T	N	F	206	2217.4	£ 1,263			BELGRAVE GARDENS
£ 2,500,000	19/06/2018	NW8 0RH	T	N	L	209	2249.7	£ 1,111		THE LODGE, 47	BOUNDARY ROAD
£ 1,550,000	18/07/2017	NW8 0RJ	T	N	F	116	1248.7	£ 1,241		8 COLLECTION PLACE, 96	BOUNDARY ROAD
£ 5,300,000	06/09/2017	NW8 6AB	T	N	F	256	2755.7	£ 1,923			9 BOLTON ROAD
£ 5,000,000	26/02/2018	NW8 6AF	T	N	F	313	3369.2	£ 1,484			5 ACACIA ROAD
£ 2,250,000	05/09/2017	NW8 6AH	T	N	F	146	1571.6	£ 1,432			5 TATHAM PLACE
£ 2,550,000	24/01/2018	NW8 6AL	D	N	L	214	2303.6	£ 1,107			6 ACACIA GARDENS
£ 8,200,000	14/12/2017	NW8 6AL	D	N	F	365	3929.0	£ 2,087			52 ACACIA ROAD
£ 9,500,000	26/01/2018	NW8 6AP	T	N	F	388	4176.5	£ 2,275			50 ACACIA ROAD
£ 7,800,000	30/06/2017	NW8 6HG	S	N	F	328	3530.7	£ 2,209			48 ACACIA ROAD
£ 5,700,000	04/05/2017	NW8 6HH	S	N	L	270	2906.4	£ 1,961			20 NORFOLK ROAD
£ 2,750,000	06/07/2017	NW8 6LJ	T	N	F	171	1840.7	£ 1,494			47 QUEENS GROVE
£ 2,750,000	06/01/2017	NW8 6NB	S	N	F	166	1786.9	£ 1,539			49 TOWNSHEND ROAD
£ 2,950,000	06/07/2017	NW8 6NN	T	N	F	159	1711.5	£ 1,724			17 THE MARLOWES
£ 2,800,000	16/05/2017	NW8 6PH	T	N	F	218	2346.6	£ 1,193			4 COURT CLOSE
£ 3,300,000	21/04/2017	NW8 6PR	S	N	F	214	2303.6	£ 1,433			21 ST ANNS TERRACE
£ 2,850,000	04/01/2017	NW8 6PS	T	N	F	131	1410.1	£ 2,021			27 ORDNANCE HILL
£ 2,875,000	18/08/2017	NW8 6PS	T	N	F	149	1603.9	£ 1,793			49 ORDNANCE HILL
£ 2,400,000	21/03/2017	NW8 6PU	T	N	F	127	1367.1	£ 1,756			35 ORDNANCE HILL
£ 2,998,000	12/01/2018	NW8 6PU	T	N	F	201	2163.6	£ 1,386			34 ORDNANCE HILL
£ 2,250,000	10/02/2017	NW8 6PX	T	N	F	173	1862.2	£ 1,208			30 ORDNANCE HILL
£ 2,950,000	24/11/2017	NW8 6QB	T	N	F	138	1485.5	£ 1,986			2 ORDNANCE HILL
£ 4,388,000	03/03/2017	NW8 6QS	D	N	F	280	3014.0	£ 1,456			11 WORONZOW ROAD
£ 2,800,000	01/06/2018	NW8 6QH	T	N	F	210	2260.5	£ 1,239			5 ST JOHN'S WOOD PARK
£ 6,000,000	24/04/2017	NW8 8RA	S	N	F	361	3885.9	£ 1,544			5 SQUIRE GARDENS
£ 3,730,000	27/06/2017	NW8 9AS	T	N	F	219	2357.4	£ 1,582			31 ST JOHNS WOOD ROAD
£ 3,910,000	19/05/2017	NW8 9AS	T	N	F	229	2465.0	£ 1,586			33 ABBEY GARDENS
£ 3,650,000	05/05/2017	NW8 9AT	T	N	F	199	2142.1	£ 1,704			15 ABBEY GARDENS
£ 9,730,000	30/04/2018	NW8 9BQ	T	N	F	500	5382.1	£ 1,808			40 ABBEY GARDENS
£ 11,000,000	01/12/2017	NW8 9BQ	T	N	F	559	6017.2	£ 1,828			1 EYRE ROAD
£ 11,500,000	14/11/2017	NW8 9BQ	T	N	F	559	6017.2	£ 1,911			10 EYRE ROAD
£ 11,500,000	14/11/2017	NW8 9BQ	T	N	F	551	5931.1	£ 1,939			2 EYRE ROAD
£ 12,500,000	11/08/2017	NW8 9BQ	T	N	F	551	5931.1	£ 2,108			8 EYRE ROAD
£ 19,000,000	01/12/2017	NW8 9BY	T	N	F	927	9978.5	£ 1,904			4 EYRE ROAD
£ 4,550,000	26/06/2017	NW8 9JA	S	N	F	244	2626.5	£ 1,732			3 GARDEN ROAD
£ 4,801,600	10/03/2017	NW8 9JA	S	N	F	195	2099.0	£ 2,288			10 WELLINGTON PLACE
£ 6,500,000	28/04/2017	NW8 9JX	D	N	F	349	3756.7	£ 1,730			8 WELLINGTON PLACE
£ 9,000,000	16/10/2017	NW8 9LJ	S	N	F	594	6394.0	£ 1,408			6 ELM TREE ROAD
£ 4,200,000	28/02/2018	NW8 9NE	S	N	F	341	3670.6	£ 1,144			32 GROVE END ROAD
£ 3,000,000	31/01/2017	NW8 9PG	S	N	F	226	2432.7	£ 1,233			58 GROVE END ROAD
£ 2,850,000	05/01/2018	NW8 9PU	T	N	F	173	1862.2	£ 1,530			10 HALL GATE
£ 4,230,000	06/07/2018	NW8 9QG	S	N	F	240	2583.4	£ 1,637			9 HAMILTON GARDENS
£ 3,500,000	27/09/2017	NW8 9RE	T	N	F	232	2497.3	£ 1,402			20 HILL ROAD
£ 3,250,000	05/05/2017	NW8 9SP	S	N	F	260	2798.7	£ 1,161			9 HAMILTON TERRACE
£ 9,461,817	16/04/2018	NW8 9UJ	D	N	F	455	4897.7	£ 1,932			14 WELLINGTON ROAD
£ 15,050,000	04/04/2017	NW8 9UL	D	N	F	907	9763.2	£ 1,542			36 HAMILTON TERRACE
£ 325,729,417						18273	196695.4	£ 1,656			90 HAMILTON TERRACE