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13 May 2021

Dear Sir

330 Grays Inn Road, London
Planning Ref. 2020/5593/P - Affordable Housing Mix and Tenure Changes

Following BPS's review dated 29 April 2021, we write to present an updated viability position following the changes to the scheme that are now proposed. We understand that following discussions with the Borough, despite the deficit position reached, the Applicant is amending its affordable housing offer to provide a policy compliant affordable housing tenure mix.

This letter explains the changes to the affordable housing tenure mix and the number of affordable housing units that form part of the proposed redevelopment of the above Site in relation to planning application ref: 2020/5593/P to provide a mixed-use development including residential, hotel, office and gym accommodation.

Review of BPS Addendum Appraisal

We welcome the agreement that we have reached with BPS in respect of the fact that the scheme is in a deficit position in principle and in respect of the appraisal inputs, the majority of which are now agreed. Prior to presenting our updated scheme appraisal, however, we wish to address a number of matters relating to BPS's updated scheme appraisal, which we note shows a deficit of -£3.82 million.

Firstly, we acknowledge the correction to the hotel purchaser's costs applied to the hotel GDV and we confirm that we are making the same amendment to our own appraisal. We note, however, the following points in respect of the BPS appraisal:

1. The office letting void period has not been increased from 6 to 9 months (an agreed matter as set out in BPS's report); and
2. BPS have not amended the affordable workspace NIA to 7,093 sq ft (as set out in our Addendum report of March 2021).

We have recreated the BPS Addendum appraisal to reflect the above adjustments and we note that if BPS had made these adjustments to their appraisal, they would have concluded a deficit position of -£4.55 m, as opposed to -£3.82 m (as reported).

Summary of Scheme Updates – No. Affordable Housing Units and Tenure Mix

As set out above, we understand that the Applicant is updating its affordable housing offer to reflect a policy compliant tenure mix. The overall affordable housing tenure mix for the Proposed Scheme has been updated to provide 60% social rent and 40% intermediate. The updated accommodation schedule is attached at **Appendix 1**.

The affordable housing component includes the entirety of Block A, comprising 28 residential units. The equates to 50% on a habitable room basis. On a floorspace basis, the tenure split would be 60/40 (social rent/intermediate) and on a habitable room basis 54/46 split.

The below table summarises the changes to the affordable housing tenure and mix from the FVA position:

Unit Type	FVA AH Units	Updated AH Units
1-bed	18	8
2-bed	8	10
3-bed	6	10
Total	32	28

Affordable Housing Revenue

The breakdown of the updated affordable housing units by tenure, based upon the agreed values with BPS, is set out in the table below:

Tenure	% Units	No. Units	Floor Area sq ft	Capital Value	Sales Values (£unit)	Sales Values (£psf)
London Affordable Rent	54%	15	15,769	£1,576,900	£105,127	£100
Intermediate Rent	46%	13	8,590	£2,061,523	£158,579	£240
Total	100%	28	24,359	£3,638,423	N/A	N/A

Build Costs Update

Turner & Townsend have provided an updated construction cost estimate reflecting the proposed affordable housing tenure changes. The estimate has been prepared based upon the rates agreed with BPS.

The total construction cost for the scheme on a present-day basis, excluding D&B Risk (as agreed) has reduced marginally, from £138,389,422 (£388.31 psf) to £138,341,868 (£388.18 psf) inclusive of infrastructure, preliminaries and overheads. The T&T cost update is attached at **Appendix 2**.

Updated Scheme – Financial Appraisal

Following the changes to the affordable housing tenure, we have updated our scheme appraisal. As the private residential sales values were not agreed with BPS and we remain of the opinion that they should be lower, we have tested the position on the basis of the GE values. We have, however, set the results out on the basis of BPS's residential values also, for illustrative purposes, as follows.

Proposed Scheme (50% by hab room)	Output
Present Day – GE Private Residential Values	-£8,257,790
Present Day – BPS Private Residential Values	-£5,530,356

The updated appraisals are attached at **Appendix 3**.

We conclude therefore that the deficit associated with the scheme is now -£8.3 m, based on the GE private residential revenue. The Scheme is also in a deficit position of -£5.5 m assuming the BPS private residential revenue. Accordingly, we remain of the conclusions that the scheme, providing a planning contributions package of £6.5 m and 50% affordable housing (by hab room), with a policy compliant

tenure mix, results in a deficit position. As such, the proposed planning contributions package remains the maximum that the Scheme can afford, having regard to viability.

We trust that the above provides a suitable update in terms of scheme viability following the Applicant's decision to offer a policy compliant affordable housing tenure mix.

Yours sincerely



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Encs.

Appendix 1 – Proposed Scheme Accommodation Schedule

Appendix 2 – T&T Cost Update

Appendix 3 – Updated Appraisals

Appendix 1

18116 RNTNE Masterplan

Unit and Area Schedule

18116_(SH)_001_Block A

Block A

AHMM Architects

Revision

Revision History	Rev A	09.06.20	Design Workshop 09
	Rev B	15.07.20	Design Workshop 10
	Rev C	03.09.20	DRP 2
	Rev D	19.10.20	Design Workshop 12
	Rev E.	16.11.20	Planning Draft Issue
	Rev F	17.11.20	Planning Draft Issue
	Rev G	18.12.20	Stage 2
	Rev F	07.05.21	Planning Update - Tenure Change

										GIA		AMENITY			NDSS	
Flat No. (Planning)	Flat No. (Proposed Address)	Level	Unit Type	Private / Intermediate / Social Rent	Type	Hab. Rooms	Hab. Room area [sqm]	Aspect	M4(3) Wheelchair	CURRENT Unit NIA [sqm]	CURRENT Unit NIA [sqft]	CURRENT TOTAL Amenity [sqm]	CURRENT TOTAL Amenity [sqft]	Min. required (London SPG)	NDSS min. [sqm]	Area above NDSS [%]
A_00_01		LGF/UGF		Social Rent	3B5P (Duplex)	5	65.0	Through		112.0	1,206	11.0	118	8.0	93	17%
A_00_02				Social Rent	3B5P (Duplex)	5	65.0	Through		112.0	1,206	11.0	118	8.0	93	17%
A_00_03				Social Rent	3B5P (Duplex)	5	65.0	Through		112.0	1,206	12.0	129	8.0	93	17%
A_00_04				Social Rent	2B4P (Duplex)	4	60.0	Through		94.0	1,012	9.0	97	7.0	79	16%
A_00_05				Social Rent	3B6P (Duplex)	5	83.0	Through	Yes	132.0	1,421	16.0	172	9.0	102	23%
A_00_06				Social Rent	3B5P (Duplex)	5	68.0	Through		112.0	1,206	13.0	140	9.0	93	17%
A_00_07				Social Rent	3B5P (Duplex)	5	68.0	Triple		105.0	1,130	11.0	118	9.0	93	11%
A_01_01		1		Social Rent	3B6P	4	77.0	Through		110.0	1,184	7.0	75	7.0	95	14%
A_01_02				Social Rent	2B4P	3	50.0	Through	Yes	75.0	807	7.0	75	5.0	70	7%
A_01_03				Social Rent	2B4P	3	51.0	Through		70.0	753	7.0	75	5.0	70	0%
A_01_04				Social Rent	3B5P	4	69.0	Through		88.0	947	7.0	75	7.0	86	2%
A_02_01		2		Social Rent	3B6P	4	77.0	Through		110.0	1,184	7.0	75	7.0	95	14%
A_02_02				Social Rent	2B4P	3	50.0	Through	Yes	75.0	807	7.0	75	5.0	70	7%
A_02_03				Social Rent	2B4P	3	51.0	Through		70.0	753	7.0	75	5.0	70	0%
A_02_04				Social Rent	3B5P	4	69.0	Through		88.0	947	7.0	75	7.0	86	2%
A_03_01		3		Intermediate	2B4P	3	62.0	Through	Yes	79.0	850	7.0	75	7.0	70	11%
A_03_02				Intermediate	1B2P	2	39.0	Through		52.0	560	5.0	54	5.0	50	4%
A_03_03				Intermediate	1B2P	2	36.0	Through		50.0	538	5.0	54	5.0	50	0%
A_03_04				Intermediate	1B2P	2	39.0	Through		52.0	560	5.0	54	5.0	50	4%
A_03_05				Intermediate	1B2P	2	37.0	Through		52.0	560	5.0	54	7.0	50	4%
A_03_06				Intermediate	1B2P	2	41.0	Triple		53.0	570	5.0	54	7.0	50	6%
A_04_01		4		Intermediate	2B4P	3	54.0	Through		74.0	797	17.0	183	7.0	70	5%
A_04_02				Intermediate	2B3P	3	48.0	Through		66.0	710	21.0	226	5.0	50	24%
A_04_03				Intermediate	1B2P	2	40.0	Through		54.0	581	17.0	183	5.0	50	7%
A_04_04				Intermediate	2B4P	3	62.0	Triple		73.0	786	18.0	194	5.0	70	4%
A_05_01		5		Intermediate	2B4P	3	67.0	Triple		89.0	958	17.0	183	7.0	70	21%
A_05_03				Intermediate	1B2P	2	40.0	Through		52.0	560	5.0	54	5.0	50	4%
A_05_03				Intermediate	1B2P	2	40.0	Triple		52.0	560	14.0	151	7.0	50	4%

TOTAL NSA	TOTAL CURRENT Unit NIA		
	2,263.0		

UNIT MIX	Type	Number	Ratio
	1B	8	29%
	2B	10	36%
	3B+	10	36%
	Block A total units:	28	100.00%

TYPOLOGY	Typology	Private	Intermediate	Social Rent
	1 Bed	0	8	0
	2 Bed	0	5	5
	3 Bed +	0	0	10
	TOTAL	0	13	15

ASPECT	Aspect	Number	Ratio
	Single	0	0%
	Dual	0	100%
	Through	25	
	Triple	7	

NDSS	Exceeds LHDG GIA		Ratio
	by 5-10m ²	3	11%
	by 10-15m ²	1	4%
	by 15m ² +	10	36%

HAB. ROOMS	Total habitable rooms		
	Block A	93	50.5%
	Block B	91	49.5%
	Private	91	49.5%
	Affordable	31	16.8%
	Social Rent	62	33.7%
	TOTAL	184	100.00%

HAB. ROOMS	Total habitable room area		
	Block A	1573	41.5%
	Block B	2214	58.5%
	Private	2214	58.5%
	Affordable	605	16.0%
	Social Rent	968	25.6%
	TOTAL	3787	100.00%

Appendix 2

12 May 2020



Turner & Townsend

DRAFT Report

Stage 2 Cost Update

**RNTNE Hospital Site, Grays Inn Road
Groeworld**

making the **difference**

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GROVEWORLD

Contents

Section 1 - Overall Summary of Costs	3	Appendix A - Private Specification
Section 1a - Financial Overview	6	Appendix B - Shared Ownership Specification
Section 2 - Basis of Cost	7	Appendix C - Affordable Specification
Section 3 - Utilities & Demolition	13	Appendix D - 4*Hotel Fit Out Cost Model
Section 4 - Basement and Substructure cost build up	14	NOTE: Abridged version. Section 8 - App D Not issued.
Section 5 - Commercial element cost build up	15	
Section 6 - Residential element cost build up	16	
Section 7 - 4*Hotel element cost build up	18	
Section 8 - Area Schedule & Unit Mix	19	
Section 9 - Preliminaries Breakdown	21	
Section 10 - Risk Register	22	

Quality check

Rev	Status	Prepared by	Checked by	Date	Issued to	Company	Transmission	Date
0	Draft	Hana Sicander	James Towers	26/02/2020	Nick Morris and Ross Jacobson	Grovworl	email	26/02/2020
1	Draft	Hana Sicander	James Towers	24/03/2020	Nick Morris, Ross Jacobson and Alex Neal	Grovworl & Gerald Eve	email	24/03/2020
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2	Draft	James Towers	James Towers	12/05/2020	Nick Morris, Ross Jacobson	Grovworl & Gerald Eve	email	12/05/2020

Section 1 - Overall Summary of Costs

1 Summary of Costs

Elements	Grays Inn Road Stage 2	Comments
Demolition & Utilities Subtotal	£2,813,760	incl. demolition and retaining existing
Basement and Substructures Subtotal	£20,205,741	incl basement and gym
Commercial Office Subtotal	£30,017,952	incl. commercial office cat A
Residential Works Subtotal	£23,021,506	incl. residential apartments and communal areas.
4* Hotel Works Subtotal	£38,013,907	incl. 4* rooms and communal areas.
Building works Subtotal	£114,072,866	
Main Contractor Preliminaries (15.5%)	£17,681,294	Refer to Section 9 - Prelims Book
Main Contractor OH&P (5%)	£6,587,708	Allowance of 5%
Main Contractor D&B Risk (2.5%)	£3,458,547	
Total Construction Works	£141,800,415	
Cost rate (£/m ²)	£4,282/m ²	
Cost rate (£/ft ²)	£398/ft ²	
Risk Allowances		
Residual risk allowance (5.25%)	£7,444,522	Refer to Risk Register within Section 10 of this report, TTCM advised 7.5% for risk. Inflation is now presented below the line at 2.25% and risk is at 5.25%
Risk Subtotal	£7,444,522	
Total recommended budget (rounded)	£149,240,000	
Cost rate (£/m ²)	£4,507/m ²	
Cost rate (£/ft ²)	£419/ft ²	
Potential budget (rounded)	£149,240,000	
<u>Below the line items:</u>		
Inflation (2.25%)	£3,357,900	
Professional Fees as requested by Groeworld Ltd (12%)	£17,908,800	
Cost rate including inflation and fees (£/m ²)	£5,149/m ²	
Cost rate including inflation and fees (£/ft ²)	£478/ft ²	

Section 1 - Overall Summary of Costs

2 Project Introduction

- This high level cost plan provides benchmarked construction costs for the Grays Inn Road Scheme for Groeworld;
- The project consists of a mixed use scheme including private and affordable residential units, commercial office and a hotel. This includes forming a new basement area for plant, ancillary and gym space to feed all three buildings. See area schedule in section 8 for unit mix;
- The cost plan is based upon the area schedule detailed in Section 8. The area figures have been provided by Allford Hall Monaghan Morris (AHMM) and agreed with TTCM for the purpose of this cost plan;
- The cost plan has been prepared solely for the use of Groeworld and should not be relied upon by any third party;
- This cost plan provides early cost advice for the realisation of the works via a Design & Build procurement route procured via a two stage tendering strategy.

3 Financial Overview

- Please note that the cost plan is a live document and could be subject to change due to information being updated and issued;
- The Main Contractor preliminaries have been included at 15.5%, Main Contractor OH&P at 5% and Main Contractor's D&B Risk at 2.5% based on the available information;
- As requested by Groeworld Ltd, an allowance has been included for project/design team fees or other fees at 12%, this can be affected by the procurement routes at this stage;
- Total of circa £32,000 for 20% VAT on white goods. Please note TTCM advise appointing a VAT consultant to advise on VAT. The Cost Plan excludes VAT.

4 Cost Rate Build-up

- Appendix A to C illustrate the build up to the fit out rates and, at this stage, assumes different specifications for private and affordable tenures;
- Shell & Core rates have been comprised of a mixture of both benchmark rates per element as well the use of the structural information received to form a basis for assumptions;
- Allowances are based on the high level assumptions listed in section 2 and following discussions with the design team. A detailed basis of cost will be provided in the next update of this report following more detailed information and also discussions with the design team;
- We have made an allowance for design and build risk at 2.5%, with the intention of procuring the main contractor via a two-stage design and build procurement route. A main contractor taking on a project of this size and scale will be required to take on a level of design risk and responsibility and therefore a D&B risk premium should be allowed for. This design and build risk should be considered separate to construction, design or employers risk;
- Reviewing the on-costs across our London projects, main contractor preliminaries can range between 14-17%, overheads and profit can range between 4-6%, design and build risk between 2-5% and residual risk between 5-7.5%, at this stage of design (RIBA Stage 2). As requested by the client we have included an allowance for inflation below the line at 2.25%, hence why the residual risk allowance is at 5.25%;
- It must be noted that on some of our major London projects, main contractor on-costs can vary above and below the ranges shown above, as they are generally defined by the individual project particulars and requirements.

5 Contingency summary

- A draft Risk Register has been established to identify and classify risk items within this report; please refer to Section 10 for further detail.

6 Inflation

- Inflation has been included below the line, it is advised that inflation is incorporated into the risk register.

Section 1 - Overall Summary of Costs

7 Procurement strategy

- A phasing and procurement strategy should be considered further at the next stage - at this time we have assumed a two stage design and build procurement route;

8 Next Steps

- Continue to update the cost plan with updated information and updated design pack to form a full Stage 2 Cost Plan;
- Continue discussions with the design team on facade;
- Agree the basis of proceeding to the next stage, including design team deliverables etc.;
- Update risk and opportunities register;
- Review the design concept, site constraints, and programme with the client;
- Discuss the most suitable procurement route for this scheme, including suitable design stage.

Section 1a - Financial Overview

1a Financial Overview

Elements	Utilities & Demolition	Basement & Subs	Commercial Office	Residential	4* Hotel	Grays Inn Road Stage 2 Estimated Costs	Comments
Shell & Core	£2,813,760	£19,992,954	£25,198,936	£17,770,159	£22,433,346	£88,209,155	
Fit Out	£0	£212,787	£4,819,016	£5,251,347	£15,580,561	£25,863,711	
Building works Subtotal	£2,813,760	£20,205,741	£30,017,952	£23,021,506	£38,013,907	£114,072,866	
Main Contractor Preliminaries (15.5%)	£436,133	£3,131,890	£4,652,783	£3,568,333	£5,892,156	£17,681,294	
Main Contractor OH&P (5%)	£162,495	£1,166,882	£1,733,537	£1,329,492	£2,195,303	£6,587,708	
Main Contractor D&B Risk (2.5%)	£85,310	£612,613	£910,107	£697,983	£1,152,534	£3,458,547	
Total Construction Works	£3,497,697	£25,117,125	£37,314,379	£28,617,315	£47,253,899	£141,800,415	
Cost rate (£/m ²)	£525/m ²	£3,767/m ²	£3,114/m ²	£4,082/m ²	£6,339/m ²	£4,282/m ²	
Cost rate (£/ft ²)	£49/ft ²	£350/ft ²	£289/ft ²	£379/ft ²	£589/ft ²	£398/ft ²	
Risk Allowances							
Residual risk allowance (5.25%)	£183,629	£1,318,649	£1,959,005	£1,502,409	£2,480,830	£7,444,522	Refer to Risk Register within Section 10 of this report, TTCM advised 7.5% for risk, now inflation is presented below the line risk is included at 5.25%
Risk Subtotal	£183,629	£1,318,649	£1,959,005	£1,502,409	£2,480,830	£7,444,522	
Total recommended budget (rounded)	£3,680,000	£26,440,000	£39,270,000	£30,120,000	£49,730,000	£149,240,000	
Cost rate (£/m ²)	n/a	n/a	£3,278/m ²	£4,297/m ²	£6,672/m ²	£4,507/m ²	
Cost rate (£/ft ²)	n/a	n/a	£305/ft ²	£399/ft ²	£620/ft ²	£419/ft ²	
Potential budget (rounded)	£3,680,000	£26,440,000	£39,270,000	£30,120,000	£49,730,000	£149,240,000	
Inflation as requested by Groverworld Ltd (2.25%)	£82,800	£594,900	£883,575	£677,700	£1,118,925	£3,357,900	
Professional Fees as requested by Groverworld Ltd (12%)	£441,600	£3,172,800	£4,712,400	£3,614,400	£5,967,600	£17,908,800	
Cost rate including fees (£/m ²)	n/a	£4,530/m ²	£3,745/m ²	£4,909/m ²	£7,622/m ²	£5,149/m ²	
Cost rate including fees (£/ft ²)	n/a	£421/ft ²	£348/ft ²	£456/ft ²	£708/ft ²	£478/ft ²	

Section 2 - Basis of Cost

2.1 Assumptions

The following Assumptions have been made in the preparation of this Stage 2 Cost Plan:

- Cost based on values from 4Q2020;
- Construction costs have been based on quantities taken from design drawings;
- Measures and assumptions based on design freeze provided 23th October 2020;
- All works procured under one contract with one main contractor;
- Affordable Housing at 18%, Shared Ownership at 21% and Private Housing at 61% of total residential GIA;
- Four star Hotel based on 18m² NIA and specification assumed similar to typical high spec four star hotel;
- Residual risk allowance to account for design development, survey results, contaminated land and ground obstructions;
- Rates have been based on internal benchmarking and market testing where possible;
- Fit out costs based on the quantities and specifications listed in Appendix A, B, C and D;
- Quantities are based on quantities taken from the design drawings and overall areas taken from AHMM's area schedule for the purpose of this cost plan;
- Utility infrastructure enhancements and diversions - provisional allowances for existing gas at this stage. Existing water and HV feed based on quotations received;
- Demolition of existing buildings;
- Retain the existing 3 storey hospital building;
- Energy Centre included in MEP basement allowance;
- CAT A Fit out to commercial buildings inclusions are listed below;
- As requested by GrovworlD Ltd an allowance of 12% for design fees;
- An allowance for asbestos removal has been made within the demolition costs. A further allowance has been applied in Section 10 as a risk item;
- An allowance has been made for contaminated material within site remediation and excavation. A further allowance has been made in Section 10 as a risk item;
- An allowance for inflation has been excluded from the risk register in Section 10 and presented below the line.

2.2 Demolition

- Demolition Survey;
- Asbestos Survey;
- Demolition of existing building;
- Retaining existing hospital building off Grays Inn Road for 4 levels;
- Allowance for temporary propping retained building during demolition process;
- Allowance to underpin foundation of adjacent building, further detailed required to understand the full extent of these works.

2.3 Substructure

- Retaining wall to basement assumed 250mm thick;
- Secant Piled Walls to perimeter to basement 750mm diameter;
- 350 number of piles at 750mm diameter and 25m deep;
- Pile raft foundation at 1000mm thick and level of reinforcement 175kg/m³;
- Basement level 2 and 1 slab at 1000mm thick and level of reinforcement 175kg/m³;
- Basement level 1 suspended slab at 350mm thick and level of reinforcement 100kg/m³;
- Lower Ground Floor outside the building footprints assumed thickness 400mm and level of reinforcement at 100kg/m³;
- Insulation assumed at 250mm and screed thickness 60mm; spec TBC
- Disposal of excavated material; 10% allowance for non-hazardous material and 5% allowance for hazardous material;

Section 2 - Basis of Cost

- RC Core walls assumed for basement attenuation tank;
- Pre-cast stairs and standard finishes to stairs;
- Internal wall within the basement assumed to be Blockwork and two layer stud partitions;
- Standard internal finishes to circulation, FM office and basement stores and plant room.

Frame and Upper Floors

2.4	Hotel	Office	Residential Block A	Residential Block B
	- RC Columns 400x250mm; 850x250 and 1250x250mm with level of reinforcement 160kg/m3;	- RC Columns 575x575mm with a level of reinforcement at 160kg/m3;	- RC Columns 575x575mm; 400x400mm with a level of reinforcement at 160kg/m3;	- RC Columns 500x500mm; 1000x250mm; 400x400mm; 800x200mm and 300x300mm with a level of reinforcement at 160kg/m3;
	- RC Walls assumed thickness 250mm and level of reinforcement 110kg/m3;	- RC Walls assumed thickness 250mm and level of reinforcement 150kg/m3;	- RC Walls assumed thickness 250mm and level of reinforcement 130kg/m3;	- RC Walls assumed thickness 250mm and level of reinforcement 110kg/m3;
	- Post tensioned concrete floors to upper floors;	- Steel Columns 353UC-203UC assumed 129kg/m;		- RC Transfer Beam 1000x600mm with a level of reinforcement at 110kg/m3;
	- Post tensioned transfer slabs with thickness of 450mm at levels 1, 5 and 8;	- Primary steel beam 250kg/m;		
	- Allowance to strengthen structural frame of existing retained hospital;	- Secondary steel beam 100kg/m;		
		- Post tensioned concrete floors to Level - 1 to 02;		
		- 130mm Comflor 51+ system from level 03 to 07;		

2.5 Roof

- | | | | |
|---|---|---|---|
| - PT Roof Structure thickness at 250mm and level of steel 15kg/m2 | - Sawtooth roof structure to form enclosure to plant; | - RC Roof Structure thickness 225mm with a level of reinforcement at 130kg/m3 | - RC Roof Structure thickness 250mm with a level of reinforcement at 110kg/m3 |
| - Flat roof to core area | - Flat roof to core area | - Flat roof to core area | - Flat roof to core area |
| - Biodiverse area to flat areas; | - Biodiverse area to flat areas; | - Biodiverse area to flat areas; | - Biodiverse area to flat areas; |
| - Paved finish to terrace areas. | - Paved finish to terrace areas. | - Paved finish to terrace areas. | - Paved finish to terrace areas. |

Section 2 - Basis of Cost

Hotel	Office	Residential Block A	Residential Block B
2.6 Stairs & Ramps			
<ul style="list-style-type: none"> - Pre-cast Stairs; - Steel handrail and balustrade; - Exposed Steel staircase to internal courtyard from Level 00 to Level 04 	<ul style="list-style-type: none"> - Pre-cast Stairs; - Steel handrail and balustrade; 	<ul style="list-style-type: none"> - Pre-cast Stairs; - Steel handrail and balustrade; 	<ul style="list-style-type: none"> - Pre-cast Stairs; - Steel handrail and balustrade;
2.7 External Walls, Windows and External Doors			
<ul style="list-style-type: none"> - Pre-cast Terracotta Panels; - Aluminium Double Glazing; - Glazing to internal courtyard area; 	<ul style="list-style-type: none"> - Pre-cast Panels; - Aluminium Double Glazing; -Revolving Entrance Door 	<ul style="list-style-type: none"> - Pre-cast Panels; - Aluminium Double Glazing; - Glazed façade to communal staircores 	<ul style="list-style-type: none"> - Pre-cast Panels; - Aluminium Double Glazing;
2.8 Internal Walls and Partitions			
<ul style="list-style-type: none"> - Two layer stud partitioning on all upper floors; - Glazed balustrades to restaurant area; 	<ul style="list-style-type: none"> - Two layer stud partitioning on all upper floors; - Blockwork on Level -1 	<ul style="list-style-type: none"> - Two layer stud partitioning on all upper floors; 	<ul style="list-style-type: none"> - Two layer stud partitioning on all upper floors; - Glazed balustrades to office area;
2.9 Internal Doors			
<ul style="list-style-type: none"> - Standard internal doors; - Riser doors; 	<ul style="list-style-type: none"> - Standard internal doors; - Riser doors; 	<ul style="list-style-type: none"> - Standard internal doors; - Riser doors; 	<ul style="list-style-type: none"> - Standard internal doors; - Riser doors;

Section 2 - Basis of Cost

Hotel	Office	Residential Block A	Residential Block B
2.10 Internal Finishes			
<ul style="list-style-type: none"> - Finishes to hallway to hotel rooms paint to walls; - Exposed concrete ceilings; - Carpet to hallway flooring; - Exposed concrete to stairs; - For more detail on hotel room finishes please see Appendix D. 	<ul style="list-style-type: none"> - Suspended ceilings to office space level 3 onwards; - Raised access flooring to office space from level 3 to level 7; - Exposed concrete finish to ceilings level 1 to level 2 	<ul style="list-style-type: none"> - Standard finish to communal core; - Plasterboard lining and standard paint to ceilings - For more detail please see Appendix B and C. 	<ul style="list-style-type: none"> - Suspended ceilings to affordable office space; - Raised access flooring to office space; - Plasterboard lining and standard paint to ceilings - For more detail please see Appendix A.

2.11 Fittings, Furnishings and Equipment

<ul style="list-style-type: none"> - Standard FF&E allowance to front of house area; - Reception Desk - Allowance FF&E within hotel rooms, see Appendix D. 	<ul style="list-style-type: none"> - Reception Desk - Cycle Stands 	<ul style="list-style-type: none"> - N/A - Cycle Stands 	<ul style="list-style-type: none"> - Reception Desk - Kitchenette to concierge - Cycle Stands
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2.12 Services

- All MEP construction costs are based on the architectural information and information provided by XCO2;
- 4no 800kw Air Source Heat Pump allowance within the basement cost plan;
- All area measures used are based on architectural information received;
- All plant & equipment duties/sizes/capacities calculated using benchmarked data and/or market testing where possible;
- All soil & waste and rainwater pipework throughout is based on HDPE;
- Condensate installation to fan coil units assumed to be in plastic pipework;
- Domestic BCWS & HWS pipework, LTHW and CHW distribution to hotel rooms to be through multiple service risers;
- Dedicated domestic water storage tank assumed to serve hotel within localised domestic water plant room;
- Assumed centralised domestic hot water system to serve hotel rooms;
- All domestic hot water produced centrally by energy centre and connected to hotel & residential buildings through plate heat exchanger;
- Allowance for CAT 5 water system to serve to roof/terrace and back of house wash down areas such as bin stores/refuse areas only;
- All domestic & CAT 5 water pipework assumed as copper;
- Heat source to the dedicated buildings to be provided within site-wide energy centre, this is displayed in the basement cost;
- Energy centre to connect to plate heat exchangers within the hotel & residential tower at lower ground floor/basement to provide cooling & heating;

Section 2 - Basis of Cost

M&E Assumptions Continued

- All LTHW & CHW pipework routes have been assumed and measured as the most likely route as per architect's GA's;
- 4 pipe fan coil units to provide heating & comfort cooling to hotel rooms;
- 4 pipe fan coil units to provide heating & comfort cooling to landlord & amenity areas within hotel reception, bar etc.;
- 2 pipe fan coil units to provide comfort cooling to Private Residential rooms and UFH to provide heating;
- Centralised supply & extract ventilation system centralised AHU's assumed to provide mechanical extract ventilation to hotel rooms;
- Residential apartments are managed with supply and & extract ventilation to local MVHR units within the apartments;
- Assumed supply ventilation through trickle/louvre vents local to both hotel & residential spaces;
- Centralised ventilation to landlord (Office, Residential and Hotel building) front of house areas only - bar, entrance, reception etc.;
- Commercial kitchen extract ventilation within landlord area to be in fire rated ductwork;
- Smoke extract AOV system assumed to be required to all floor/corridors on all buildings, assumed to be extract system only;
- All electrical and data finishes within residential and hotel rooms to be brushed stainless steel;
- All electrical and data finishes within all building landlord front of house areas assumed to be brushed stainless steel;
- Generator to serve life safety system only;
- Allowance for downlights throughout all building landlord front of house areas and batten type to back of house areas;
- Architectural lighting allowed to front of house areas on all buildings, reception, bar etc. only;
- Assumed basic lighting control with centralised emergency monitoring only;
- Lifts allowed as per architectural design;
- 1 no. dumbwaiters as per XCO2 information;
- Sprinkler system throughout all areas;
- Dry riser installation to be inlet at ground level and continue throughout entirety of building cores;
- Allowance for data to all building landlord system's to serve BMS and security system;
- Major leak detection assumed to plant rooms only;
- Disabled refuge to one core per floor per block within landlord areas.
- Landlord CCTV system assumed to cover ground floor, lifts lobbies and FOH areas;
- Access control to back of house areas; plant rooms, staff kitchens and the like;
- Battery powered, wireless access control system to hotel rooms;
- Intruder alarm systems to gym only;
- Assumed energy monitoring system for metering strategy as part of BMS;
- Assumed BMS generally to all plant & equipment;
- Allowance for cable and secondary containment for landlord's speaker system only;
- Allowance for AV cabling only.

2.13 Exclusions

The following items are specifically excluded from the cost estimate at this time. For further details regarding cost implications, please refer to Section 10 of this report.

- Licences, legal encumbrances - e.g. wayleaves, easements, covenants, rights of way, rights of light and the like;
- Sales and marketing costs (risk item);
 - Revenue/operating costs (rent, rates, service charge, planned & preventative maintenance);
 - Compensation / costs associated with working on, above, or adjacent to land in the possession of others;
 - Party wall or rights of light considerations;
 - Furniture, artwork or other Client Direct items;

Section 2 - Basis of Cost

Exclusions Continued

- Ecological constraints e.g. knotweed/hazardous plants, or endangered/protected species (bats, newts, slow worms, badgers etc.);
- VAT;
- Ground obstructions (risk item);
- Acoustic treatment to façade;
- Out of hours working;
- Client Contingency allowances kept at development appraisal level;
- Local Authority Fees and Charges;
- Fees, Charges and or Commuted Sums associated with the Discharge of Section Agreements of the like;
- Legal Fees;
- Finance costs & fees;
- Renewable technologies other than PV;
- All active AV & IT;
- Extended warranties;
- Bonds, non-negligence insurance, latent defects insurance policies;
- Independent commissioning management;
- Supplementary MVHR due to acoustic or thermal requirements (allowance for single unit per apartment);
- Comfort cooling - MVHR allowed for only;
- Infrastructure charges other than those listed in report;
- Impact from Railway/TFL;
- Utility infrastructure enhancements;
- Independent commissioning management;
- Mock-ups;
- Re-lamping of luminaires;
- Beneficial use of lifts;
- All FF&E (decorative pendants etc.) included in building cost plan;
- Mobile phone booster system;
- Factory acceptance testing;
- Painting of services;
- Prefabricated risers;
- Seasonal commissioning;
- Bespoke electronic O&M manuals;
- Samples & spares;
- Soft landings;
- No allowance for powered door holders;
- Use of recycled materials i.e. concrete and steel;
- Lab-enabled specification to commercial building.

Section 3 - Utilities & Demolition

The tables outlines the expected benchmark cost for each Utilities and Demolition:

Elements	Stage 2 Non-Sector	Comments
Demolition and retaining existing	£1,850,760	
Upgrade of HV feed from utility provider power station	£667,000	Based on quotation received
Upgrade of existing gas infrastructure to site	£150,000	Provisional Sum. Excludes Infra charges.
Upgrade of existing water infrastructure to site	£146,000	Based on quotation received
Non-Sector Works Subtotal	£2,813,760	
Main Contractor Preliminaries (15.5%)	£436,133	Refer to Preliminaries Book (Section 9)
Main Contractor Overheads & Profit (5%)	£162,495	
Main Contractor D&B Risk (2.5%)	£85,310	
Total Construction Works	£3,497,697	

Cost rate (£/m²)

N/A

Section 4 - Basement and Substructure cost build up

The tables outlines the expected basement and substructure cost by element:

Elements	Total	Basement £/m ²	£/ft ²	Comments
Shell & Core				
Facilitating Works		£0	£0	incl.in section 3
Substructure	£10,868,152	£1,630	£151	
Frame & upper floors	£294,653	£44	£4	
Roof	£0	£0	£0	
Stairs	£114,190	£17	£2	
External Walls, windows and doors	£0	£0	£0	
Internal Walls & Partitions	£740,056	£111	£10	
Internal Doors	£36,500	£5	£1	
Services	£7,939,403	£1,191	£111	
External Works	£0	£0	£0	
Shell & Core Subtotal	£19,992,954	£2,998	£279	
Fit-out				
Standard finishes to all areas	£212,787	£32	£3	Includes Gym CAT A Fit Out
Fit Out Subtotal	£212,787	£32	£3	
Basement and Subs Subtotal	£20,205,741	£3,030	£282	
Main Contractor Preliminaries (15.5%)	£3,131,890	£470	£44	Refer to Preliminaries Book (Section 9)
Main Contractor Overheads & Profit (5%)	£1,166,882	£175	£16	
Main Contractor D&B Risk (2.5%)	£612,613	£92	£9	
Total Facilitating Works, Basement and Substructure Cost	£25,117,125	£3,767	£350	
Cost rate (£/m ²)	£3,767/m ²			
Cost rate (£/ft ²)	£350/ft ²			

Section 5 - Commercial element cost build up

The tables outlines the expected benchmark cost for the Commercial Office:

Elements	Stage 2	Office £/m2	£/ft2	Comments
Shell & Core - Office				
Substructure				
Frame & upper floors	£5,537,286	£462	£43	
Roof	£1,039,184	£87	£8	
Stairs	£221,850	£19	£2	
External Walls, windows and doors	£7,495,880	£626	£58	
Internal Walls, Partitions & Finishes	£3,522,593	£294	£27	
Internal Doors	£178,600	£15	£1	
Services	£6,046,076	£505	£47	
External Works	£1,157,467	£97	£9	
Shell & Core Subtotal	£25,198,936	£2,103	£195	
Commercial Fit Out				
Commercial CAT A fit out - MEP	£4,819,016	£402	£37	
Fit Out Subtotal	£4,819,016	£402	£37	
Commercial Works Subtotal	£30,017,952	£2,505	£233	
Main Contractor Preliminaries (15.5%)	£4,652,783	£388	£36	Refer to Preliminaries Book (Section 9)
Main Contractor Overheads & Profit (5%)	£1,733,537	£145	£13	
Main Contractor D&B Risk (2.5%)	£910,107	£76	£7	
Total Construction Works	£37,314,379	£3,114	£289	
Cost rate (£/m ²)	£3,114/m ²			
Cost rate (£/ft ²)	£289/ft ²			
Pro rata allowance for Substructure and Basement	£10,773,874			This includes for preliminaries, OH&P and risk
Pro rata allowance for Utilities and Demolition	£1,500,321			This includes for preliminaries, OH&P and risk
Total Construction Works (Incl pro rata allowances)	£49,588,573			
Cost rate (£/m ²)	£3,341/m ²			
Cost rate (£/ft ²)	£310/ft ²			

Section 6 - Residential element cost build up

The tables outlines the expected residential benchmark cost by element:

Elements	Stage 2	Residential £/m2	£/ft2	Comments
Shell & Core				
Substructure				
Frame & upper floors	£3,152,639	£450	£42	
Roof	£582,749	£83	£8	
Stairs	£279,500	£40	£4	
External Walls, windows and doors	£8,584,662	£1,225	£114	
Internal Walls & Partitions	£792,390	£113	£11	
Internal Doors	£61,000	£9	£1	
Services	£3,564,842	£509	£47	
External Works	£752,377	£107	£10	
Shell & Core Subtotal	£17,770,159	£2,535	£236	
Fit-out				See Appendix A
Private				
1 Bed - Studio	£879,325	£125	£12	
1 Bed 1/2 Person 1 Bathroom	£547,992	£78	£7	
2 Bed 3/4 Person 2 Bathroom	£1,333,749	£190	£18	
3 Bed 3/4 Person 2 Bathroom	£200,070	£29	£3	
Private Subtotal	£2,961,136	£422	£39	
Shared Ownership				See Appendix B
1 Bed 1/2 Person 1 Bathroom	£0	£0	£0	
2 Bed 3/4 Person 2 Bathroom	£304,540	£43	£4	
3 Bed 4/5/6 Person 2 Bathroom	£709,880	£101	£9	
Shared Ownership Subtotal	£1,014,420	£145	£13	
Affordable				See Appendix C
1 Bed 1/2 Person 1 Bathroom	£355,984	£51	£5	
2 Bed 3/4 Person 2 Bathroom	£304,540	£43	£4	
3 Bed 4/5/6 Person 2 Bathroom	£0	£0	£0	
Affordable Subtotal	£660,524	£94	£9	
Circulation area	£615,267	£88	£8	Incl. for residential lobby within Block B. Finishes to Block A external
Fit Out Subtotal	£5,251,347	£749	£70	

Section 6 - Residential element cost build up

Residential Apartment Subtotal	£23,021,506	£3,284	£305
Main Contractor Preliminaries (15.5%)	£3,568,333	£509	£47 Refer to Preliminaries Book (Section 9)
Main Contractor Overheads & Profit (5%)	£1,329,492	£190	£18
Main Contractor D&B Risk (2.5%)	£697,983	£100	£9
Total Residential Apartment Cost	£28,617,315	£4,082	£379
Cost rate (£/m ²)	£4,082/m ²		
Cost rate (£/ft ²)	£379/ft ²		
Pro rata allowance for Substructure and Basement	£7,003,233		This includes for preliminaries, OH&P and risk
Pro rata allowance for Utilities and Demolition	£975,238		This includes for preliminaries, OH&P and risk
Total Construction Works (Incl pro rata allowances)	£36,595,786		
Cost rate (£/m ²)	£4,126/m ²		
Cost rate (£/ft ²)	£383/ft ²		

The cost below display the £/unit which includes for the allowance for facilitating works, basement, subs, utilities, preliminaries, oh&p, risk.

Private

1 Bed Studio (43m ²)	£492,531	
1 Bed 1/2 Persons 1 Bathroom (56m ²)	£503,922	
2 Bed 3/4 Person 2 Bathroom (86m ²)	£531,855	
3 Bed 4/5/6 Person 2 Bathroom (116m ²)	£552,584	

Shared Ownership

1 Bed 1/2 Persons 1 Bathroom (50m ²)	£0	none shown on latest AHMM area schedule 07/05/21
2 Bed 3/4 Person 2 Bathroom (85m ²)	£503,946	
3 Bed 4/5/6 Person 2 Bathroom (109m ²)	£516,477	

Affordable

1 Bed 1/2 Persons 1 Bathroom (50m ²)	£483,548	
2 Bed 3/4 Person 2 Bathroom (85m ²)	£503,946	
3 Bed 4/5/6 Person 2 Bathroom (109m ²)	£0	none shown on latest AHMM area schedule 07/05/21

Section 7 - 4*Hotel element cost build up

The tables outlines the expected 4*Hotel benchmark cost by element:

Elements	Stage 2	4* Hotel £/m2	£/ft2	Comments
Shell & Core				
Facilitating Works	£50,000	£7	£1	
Substructure				
Frame & upper floors	£2,868,528	£385	£36	
Roof	£581,284	£78	£7	
Stairs	£401,440	£54	£5	
External Walls, windows and doors	£9,253,243	£1,241	£115	
Internal Walls & Partitions	£1,088,050	£146	£14	
Internal Doors	£177,500	£24	£2	
Services	£7,224,742	£969	£90	
External Works	£788,559	£106	£10	
Shell & Core Subtotal	£22,433,346	£3,010	£280	
Fit-out 4* Hotel				See Appendix D
1 Bed 1/2 Person 1 Bathroom	£10,352,389	£1,389	£129	Incl FF&E and M&E fit out.
4* Hotel Subtotal	£10,352,389	£1,389	£129	
FoH & BoH Areas				
Circulation area	£283,196	£38	£4	
Lobby Fit Out	£554,992	£74	£7	
Back of House	£149,559	£20	£2	
Restaurant	£3,047,050	£409	£38	
Café	£425,395	£57	£5	
Arcade Route	£234,600	£31	£3	
Retained Building	£533,380	£72	£7	
FoH & BoH - Fit out Subtotal	£5,228,172	£701	£65	
Fit Out Subtotal	£15,580,561	£2,090	£194	
4* Hotel Subtotal	£38,013,907	£5,100	£474	
Main Contractor Preliminaries (15.5%)	£5,892,156	£790	£73	Refer to Preliminaries Book (Section 9)
Main Contractor Overheads & Profit (5%)	£2,195,303	£295	£27	
Main Contractor D&B Risk (2.5%)	£1,152,534	£155	£14	
Total 4* Hotel Cost	£47,253,899	£6,339	£589	
Cost rate (£/m ²)	£6,339/m ²			
Cost rate (£/ft ²)	£589/ft ²			
Cost rate (£/per key)	£259,637			This includes for preliminaries, OH&P and risk
Pro rata allowance for Substructure and Basement	£7,340,019			This includes for preliminaries, OH&P and risk
Pro rata allowance for Utilities and Demolition	£1,022,138			This includes for preliminaries, OH&P and risk
Total Construction Works (Incl pro rata allowances)	£55,616,056			
Cost rate (£/m ²)	£5,915/m ²			
Cost rate (£/ft ²)	£550/ft ²			
Cost rate (£/per key)	£305,583			

Appendix 3

330 Grays Inn Road, Ear Nose & Throat Hospital
Updated Appraisal - AH Changes
Gerald Eve - May 21
Gerald Eve Private Residential Values

330 Grays Inn Road, Ear Nose & Throat Hospital
Updated Appraisal - AH Changes
Gerald Eve - May 21

Appraisal Summary for Merged Phases 1 2 3

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Residential Block A (LAR)	15	15,769	100.00	105,127	1,576,900
Residential Block A (Intermediate Rent)	13	8,590	240.00	158,579	2,061,523
Residential Block B (Private)	44	30,849	1,228.40	861,250	37,895,000
Totals	72	55,208			41,533,423

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Hotel GDV (182 keys)	1	54,724		0	0	
Offices (Floors LG - 3)	1	58,010	63.41	3,678,600	3,678,600	3,678,600
Offices (Floors 4 - 7)	1	42,495	68.83	2,924,800	2,924,800	2,924,800
Gym	1	12,370	22.50	278,325	278,325	278,325
Affordable workspace	1	7,093	32.64	231,516	231,516	231,516
Totals	5	174,692			7,113,241	7,113,241

Investment Valuation

Hotel GDV (182 keys)						
Manual Value					78,580,000	
Offices (Floors LG - 3)						
Market Rent	3,678,600	YP @	4.7500%	21.0526		
(1mth Unexpired Rent Free)		PV 1mth @	4.7500%	0.9961	77,145,297	
Offices (Floors 4 - 7)						
Market Rent	2,924,800	YP @	4.5000%	22.2222		
(1yr 1mth Unexpired Rent Free)		PV 1yr 1mth @	4.5000%	0.9534	61,968,980	
Gym						
Market Rent	278,325	YP @	6.5000%	15.3846		
(1mth Unexpired Rent Free)		PV 1mth @	6.5000%	0.9948	4,259,511	
Affordable workspace						
Current Rent	231,516	YP @	5.2500%	19.0476	4,409,819	
Total Investment Valuation					226,363,607	

GROSS DEVELOPMENT VALUE

267,897,030

Purchaser's Costs		-10,049,285	
Effective Purchaser's Costs Rate	4.44%		-10,049,285

NET DEVELOPMENT VALUE

257,847,745

Income from Tenants	212,223
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NET REALISATION

258,059,967

OUTLAY

ACQUISITION COSTS

BMLV (AUV) - Net Value	19,400,000	
BMLV (AUV) - Net Value	19,400,000	19,400,000

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Hotel GDV (182 keys)	101,468	388.18	39,387,848
Offices (Floors LG - 3)	82,459	388.18	32,008,986
Offices (Floors 4 - 7)	60,397	388.18	23,444,726
Gym	15,885	388.18	6,166,239
Affordable workspace	8,058	388.18	3,127,954
Residential Block A (LAR)	26,164	388.18	10,156,314
Residential Block A (Intermediate Rent)	14,252	388.18	5,532,341
Residential Block B (Private)	47,702	388.19	18,517,459
Totals	356,385 ft²		138,341,868
Contingency		5.00%	6,917,093
CIL			4,535,719
S106			2,000,000

151,794,681

Other Construction

Office void (manual cost)	1,615,031
	1,615,031

PROFESSIONAL FEES

Professional Fees	12.00%	16,794,828
		16,794,828

MARKETING & LETTING

Letting Agent Fee	10.00%	711,324
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330 Grays Inn Road, Ear Nose & Throat Hospital
Updated Appraisal - AH Changes
Gerald Eve - May 21

Letting Legal Fee	5.00%	355,662	1,066,986
DISPOSAL FEES			
Commercial disposal (all-in)	1.50%	3,244,715	
Residential Agents/legals/marketing	2.50%	947,375	4,192,090
MISCELLANEOUS FEES			
Commercial Profit	15.00%	11,787,000	
Commercial Profit	15.00%	22,167,541	
Private profit	17.50%	6,631,625	
Affordable profit	6.00%	218,305	40,804,471
FINANCE			
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)			
Land		4,652,905	
Construction		10,819,711	
Letting		3,990,778	
Other		11,186,276	
Total Finance Cost			30,649,670
TOTAL COSTS			266,317,757
PROFIT			-8,257,790
Performance Measures			
Profit on Cost%	-3.10%		
Profit on GDV%	-3.08%		
Profit on NDV%	-3.20%		
IRR% (without Interest)	4.76%		
Profit Erosion (finance rate 6.500)	N/A		

330 Grays Inn Road, Ear Nose & Throat Hospital
Updated Appraisal - AH Changes
Gerald Eve - May 21
BPS Private Residential Values

330 Grays Inn Road, Ear Nose & Throat Hospital
Updated Appraisal - AH Changes
Gerald Eve - May 21

Appraisal Summary for Merged Phases 1 2 3

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Residential Block A (LAR)	15	15,769	100.00	105,127	1,576,900
Residential Block A (Intermediate Rent)	13	8,590	240.00	158,579	2,061,523
Residential Block B (Private)	44	30,849	1,329.86	932,386	41,025,000
Totals	72	55,208			44,663,423

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Hotel GDV (182 keys)	1	54,724		0	0	
Offices (Floors LG - 3)	1	58,010	63.41	3,678,600	3,678,600	3,678,600
Offices (Floors 4 - 7)	1	42,495	68.83	2,924,800	2,924,800	2,924,800
Gym	1	12,370	22.50	278,325	278,325	278,325
Affordable workspace	1	7,093	32.64	231,516	231,516	231,516
Totals	5	174,692			7,113,241	7,113,241

Investment Valuation

Hotel GDV (182 keys)					
Manual Value					78,580,000
Offices (Floors LG - 3)					
Market Rent	3,678,600	YP @	4.7500%	21.0526	
(1mth Unexpired Rent Free)		PV 1mth @	4.7500%	0.9961	77,145,297
Offices (Floors 4 - 7)					
Market Rent	2,924,800	YP @	4.5000%	22.2222	
(1yr 1mth Unexpired Rent Free)		PV 1yr 1mth @	4.5000%	0.9534	61,968,980
Gym					
Market Rent	278,325	YP @	6.5000%	15.3846	
(1mth Unexpired Rent Free)		PV 1mth @	6.5000%	0.9948	4,259,511
Affordable workspace					
Current Rent	231,516	YP @	5.2500%	19.0476	4,409,819
Total Investment Valuation					226,363,607

GROSS DEVELOPMENT VALUE

271,027,030

Purchaser's Costs		-10,049,285
Effective Purchaser's Costs Rate	4.44%	-10,049,285

NET DEVELOPMENT VALUE

260,977,745

Income from Tenants	212,223
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NET REALISATION

261,189,967

OUTLAY

ACQUISITION COSTS

BMLV (AUV) - Net Value	19,400,000	
BMLV (AUV) - Net Value	19,400,000	19,400,000

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost
Hotel GDV (182 keys)	101,468	388.18	39,387,848
Offices (Floors LG - 3)	82,459	388.18	32,008,986
Offices (Floors 4 - 7)	60,397	388.18	23,444,726
Gym	15,885	388.18	6,166,239
Affordable workspace	8,058	388.18	3,127,954
Residential Block A (LAR)	26,164	388.18	10,156,314
Residential Block A (Intermediate Rent)	14,252	388.18	5,532,341
Residential Block B (Private)	47,702	388.19	18,517,459
Totals	356,385 ft²		138,341,868
Contingency		5.00%	6,917,093
CIL			4,535,719
S106			2,000,000

151,794,681

Other Construction

Office void (manual cost)	1,615,031
	1,615,031

PROFESSIONAL FEES

Professional Fees	12.00%	16,794,828
		16,794,828

MARKETING & LETTING

Letting Agent Fee	10.00%	711,324
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330 Grays Inn Road, Ear Nose & Throat Hospital
Updated Appraisal - AH Changes
Gerald Eve - May 21

Letting Legal Fee	5.00%	355,662	1,066,986
DISPOSAL FEES			
Commercial disposal (all-in)	1.50%	3,244,715	
Residential Agents/legals/marketing	2.50%	1,025,625	4,270,340
MISCELLANEOUS FEES			
Commercial Profit	15.00%	11,787,000	
Commercial Profit	15.00%	22,167,541	
Private profit	17.50%	7,179,375	
Affordable profit	6.00%	218,305	41,352,221
FINANCE			
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)			
Total Finance Cost			30,426,236
TOTAL COSTS			266,720,323
PROFIT			-5,530,356
Performance Measures			
Profit on Cost%	-2.07%		
Profit on GDV%	-2.04%		
Profit on NDV%	-2.12%		
IRR% (without Interest)	5.30%		
Profit Erosion (finance rate 6.500)	N/A		