

1 Hampshire Street, Camden
October 2021



**ASSESSMENT OF THE
ECONOMIC VIABILITY
OF THE APPROVED
SCHEME
1 HAMPSHIRE STREET,
LONDON, NW5 2TE**

Table of Contents

1.0	Non-Technical Summary	1
2.0	Introduction	2
3.0	S106 Agreement	3
4.0	The Approved Scheme and Residential Sales Values	3
5.0	Other Income	5
6.0	Build Costs	6
7.0	Professional Fees	6
8.0	Letting, Sales and Marketing Fees	7
9.0	Planning Gain Payments	7
10.0	Finance Costs	8
11.0	Developer's Return	8
12.0	Residual Value of the Approved Scheme	8
13.0	Viability Benchmark Value	8
14.0	Sensitivity Analysis	8
15.0	Conclusions on the Viability of the Approved Scheme	9
16.0	RICS Mandatory Statements	9

Appendix 1

SUPPLEMENTARY DESIGN AND ACCESS STATEMENT

Appendix 2

SCHEDULE OF ACCOMMODATION AND ESTIMATED VACANT POSSESSION VALUES

Appendix 3

SCHEDULE OF COMPARABLE PROPERTIES

Appendix 4

APPRAISAL OF THE APPROVED SCHEME

Appendix 5

SUMMARY OF SENSITIVITY ANALYSIS

Appendix 6

TERMS OF ENGAGEMENT

1.0 Non-Technical Summary

- 1.1 Bidwells has been instructed by Redtree (North London) Ltd (“the Applicant”) to prepare this Financial Viability Assessment in relation to the redevelopment of property at 1 Hampshire Street to provide three commercial and sixteen apartments.
- 1.2 The subject site comprises one commercial property which was previously in use as a photographic studio.
- 1.3 The Approved Scheme would see the demolition of the building and construction of a new four storey building with three commercial units arranged over the ground floor and sixteen apartments arranged over floors one to three.
- 1.4 The Financial Viability Assessment contains a development appraisal of the Approved Scheme, whereby development costs are deducted from the revenue received in selling the completed flats and commercial units. The residual amount reflects the sum available to provide a financial incentive to the landowner to sell the property for development.
- 1.5 It is a well-established principle that developers will not proceed with development unless it is shown to demonstrate an acceptable level of profit. The target return for any given project is predominantly informed by perceived levels of risk and is often a pre-requisite for the developer to obtain funding.
- 1.6 The National Planning Practice Guidance acknowledges that landowners must also be reasonably incentivised to participate in development. Within the current framework, the ‘landowner target return’ is most commonly calculated with reference to the Existing Use Value (“EUV”) of the site in question. It is recognised that landowner’s will rarely sell development land purely for EUV, and it is therefore acknowledged that an appropriate additional premium above EUV is often required to incentivise the landowner to sell to the developer.
- 1.7 The combined figure of EUV and premium is called the Benchmark Land Value (“BLV”) and represents the threshold land value that must be achieved by a development scheme in order for it to be considered viable.
- 1.8 In this instance, the BLV has already been established by previous negotiations and a set figure of £4.3m has been agreed in the S106 Agreement between the Applicant and the London Borough of Camden dated 24th April 2019.
- 1.9 The amount payable by the Applicant is calculated by subtracting the BLV from the revised residual land value, with the amount payable depending on whether this calculation results in a negative figure (a “Deficit”) or a positive figure (a “Surplus”).
- 1.10 If the calculation results in a Deficit, the Applicant shall have no obligation to pay the Affordable Housing Deferred Contribution however if the calculation results in a Surplus then the Applicant

will be required to pay an amount towards the Affordable Housing Deferred Contribution calculated with reference to the Surplus figure.

- 1.11 Assuming 0% affordable housing provision, the Approved Scheme is shown to generate a residual land value of £3,944,648. This is £355,352 below the Benchmark Land Value of £4,300,000, and therefore demonstrates a Deficit and that the Approved Scheme is not capable of making any contribution towards affordable housing.

2.0 Introduction

- 2.1 Bidwells has been instructed by Redtree (North London) Ltd (“the Applicant”) to prepare this Financial Viability Assessment in relation to the redevelopment of property at 1 Hampshire Street to provide three commercial units and sixteen apartments.
- 2.2 The Approved Scheme would see the demolition of the building and construction of a new four storey building with three commercial units arranged over the ground floor and sixteen apartments arranged over floors one to three.
- 2.3 Full Planning Permission, subject to a S106 legal agreement, was granted by London Borough of Camden in April 2019 (planning application no. 2017/2883/P).
- 2.4 The S106 Agreement sets out the provisions for the “Viability Update Assessment” and includes a fixed Benchmark Land Value of £4.3m against which the Residual Land Value is assessed.
- 2.5 This report seeks to illustrate the viability of the Approved Scheme and to demonstrate that it would provide the maximum reasonable amount of planning obligations (including financial contributions) necessary to mitigate the impacts of the development whilst remaining viable.
- 2.6 The report contains three main sections:
- A review of the S106 Agreement
 - An updated assessment of the viability of the Approved Scheme
 - Conclusions on scheme viability
- 2.7 This report and viability assessment and the information contained within are confidential and commercially sensitive. Please note that where in this document we offer or refer to any advice on rental or capital value, it is given within the context of our actual or prospective agency role. It is intended to be excluded from the mandatory requirements of the RICS Valuation – Global Standards 2020 ('The Standards') by virtue of Section 5 of PS1 (“VPS 5-1 Exceptions”) of The Standards and as such is not a valuation. In these circumstances no liability is accepted by us and you should not rely on such advice.
- 2.8 This report is provided to LB Camden on a confidential basis. We request that the report not be disclosed to any third parties under the Freedom of Information Act (Sections 41 and 43 (2)) or the Environmental Information Regulations (EIR).

3.0 S106 Agreement

- 3.1 The Applicant entered into a S106 Agreement with the Council, dated 24th April 2019.
- 3.2 Following previous viability negotiations with the Council and their advisors (BPS), planning permission was granted for the Approved Scheme subject to a review mechanism which is to be carried out in accordance with the Agreement in order to determine an appropriate Affordable Housing Contribution.
- 3.3 The Viability Update Assessment is to be carried out as per the Agreement and must be presented in the same form as the Owner's viability assessment submitted as part of the validated Planning Application.
- 3.4 The amount payable towards the Deferred Affordable Housing Contribution is calculated by subtracting the Benchmark Land Value (set at £4.3m) from the residual land value, therefore demonstrating either a "Surplus" (i.e. a figure greater than zero) or a "Deficit" (i.e. a figure less than or equal to zero).
- 3.5 Where the Approved Viability Update Assessment shows a Deficit, the Owner shall have no obligation to pay the Deferred Affordable Housing Contribution or any part thereof.
- 3.6 Where the Approved Viability Update Assessment shows a Surplus that is less than two times the Affordable Housing Deferred Contribution (i.e. $£487,212.57 * 2 = £974,425.14$), the Deferred Affordable Housing Contribution is 50% of the Surplus up to the limit of the Deferred Affordable Housing Contribution plus any costs incurred by the Council in assessing the viability of the Approved Scheme.
- 3.7 Where the Approved Viability Update Assessment shows a Surplus that is greater than or equal to two times the Affordable Housing Deferred Contribution (i.e. $£487,212.57 * 2 = £974,425.14$), the Deferred Affordable Housing Contribution is payable in full (i.e. £487,212.57) plus any costs incurred by the Council in assessing the viability of the Approved Scheme.

4.0 The Approved Scheme and Residential Sales Values

- 4.1 Drawings of the Approved Scheme are included in the Supplementary Design and Access Statement attached at Appendix 1.
- 4.2 The Approved Scheme would see the demolition and clearance of the existing site and the delivery of a four-storey block comprising ground floor commercial accommodation and 16 apartments arranged over first to third floor level. A full schedule of residential units and estimated vacant possession values is included as Appendix 2 to this report and is summarised in Table 1 below:

Unit Type	AVERAGE NET SALEABLE AREA (SQ. FT.)	AVERAGE VACANT POSSESSION VALUE	AVERAGE VPV (£ PER SQ. FT.)	NUMBER OF UNITS
1-Bed Flat	427	£427,500	£1,001	6
2-Bed Flat	694	£548,000	£790	5
3-Bed Flat	921	£689,000	£748	5
TOTAL	10,636	£8,750,000	£823	16

- 4.2.1 The Approved Scheme would therefore generate gross sales of £8,750,000 at an average sales value of £823 per sq.ft. This represents an increase of approximately 5.9% in values since our initial assessment.
- 4.2.2 In arriving at our estimated vacant possession values, we have had regard to recent comparable transactions and current sales data within the local residential market. A schedule of comparables is included as Appendix 3.
- 4.3 The three transactions at 1 Willingham Terrace provide highly useful comparables for the Approved 1-bedroom flats. 1 Willingham Terrace is located just 0.3 miles to the north west of the subject site. The properties are finished to a high internal and external specification and are similar in size to the Approved 1-bedroom dwellings. As the properties are re-sales, having only recently been constructed and first sold in 2017, we have allowed a new build premium.
- 4.4 IKON Apartments is a new-build development which is located 0.3 miles from the subject site, and provides useful comparable evidence for 1 and 2-bed flats of varying sizes. Within the past 18 months there were 12 transactions, with 1-bed flats commanding values between £420,000 to £460,000 (av. £816 per sq.ft.) and 2-bed flats commanding values between £560,000 to £600,000 (av. £781 per sq.ft.).
- 4.5 Additionally, there are currently two 2-bed flats for sale in the IKON development with a guide price of £575,000 (730 sq.ft., £788 per sq.ft.) and £625,000 (786 sq.ft., £795 per sq.ft.). Whilst we note that these are guide prices only, they nonetheless support our view on the values that we have adopted within our appraisal.
- 4.5.1 There is only limited evidence of values for 3-bed flats in the local area, and this mainly relates to flats within refurbished Victorian conversions. We note that these properties generally benefit from period features, high-specification fixtures and fittings, and shared gardens. We understand current pricing for the better-quality examples starts at £650,000, rising to over £1 million in the areas surrounding the Kentish Town and Camden Town stations.
- 4.5.2 Furthermore, we understand from many developers that they are experiencing difficulty disposing of 3-bed flats in new build schemes due to limited demand from investors, with the slow sales rate consequently suppressing values.

5.0 Other Income

5.1 Commercial Units

5.1.1 We have reviewed the local commercial property market in order to establish a likely rental value and yield for the 329 sq.m. (3,541 sq. ft.) Net Internal Area of ground floor office space in the Approved Scheme.

5.1.2 Due to the impact of COVID-19 on the office market, there is limited comparable evidence of transactions in the Kentish Town area over the past 12 months. As summarised below, the achieved rental values of the comparable properties that we were able to identify are within the range of £30 to £50 per sq.ft.

Address	SQ.FT. LEASED	Deal date	Rental Value	£ per sq.ft.
Highgate Studios, 53-57 Highgate Road, London, NW5 1TL	1,200 sq.ft.	12/08/2021	£43,000	£35.83
Unit 9B, Building 3-6, Cally Yard, 445 Caledonian Road, Islington, N7 9BG	2,547 sq.ft.	01/07/2021	£120,982	£47.50
4, Harmood Grove, London, NW1 8DH	700 sq.ft.	08/10/2020	£35,000	£50.00
1st, Unit 2000, Regis Road, London, NW5 3EW	3,487 sq.ft.	01/08/2020	£113,328	£32.50
Ground Suite 1, Fusion House, 5, Rochester Mews, London, NW1 9JB	3,825 sq.ft.	02/12/2019	£153,000	£40.00

5.1.3 In addition to the transacted properties set out in the table above, we have been able to identify a number of comparable commercial properties that are currently available to let. As summarised below, the quoting rents of the comparable properties that we were able to identify are within the range of £30 to £55 per sq.ft.

Address	SQ.FT. Available	Asking Rent	Asking Rent (£ per sq.ft.)
Office at Oak Village, Camden, London, NW3 2JT			£40.00
Unit 2, 103-105 Blundell Street, London, N7 9BN	1,105 sq.ft.	£60,002	£54.30
15 Leighton Place, London, NW5 2QL	5,548 sq.ft.	£152,570	£27.50
Office at Rochester Mews, London, NW1 9JB	2,400 sq.ft.	£114,000	£47.50
Suite 1, 1 Rochester Mews, Camden, Camden, London, NW1 9JB	3,825 sq.ft.	£153,000	£40.00
2nd Floor, Unit 420, Highgate Studios, 53-57 Highgate Road, London, NW5 1TL	3,605 sq.ft.	£100,940	£28.00 (assignment)
Suite 1 Rochester Mews Rochester Place Camden London NW1 9JB	3,825 sq.ft.	£153,000	£40.00
Block B - Imperial Works, Perren Street, Kentish Town, NW5 3ED	2,962 sq.ft.	£96,265	£32.50

5.1.4 Taking into account the above, and the rental levels agreed as part of the planning application process, we have assigned a value of £45 per sq.ft. to the Approved commercial net internal area of 3,541 sq.ft., generating rental income of £159,345 per annum.

5.1.5 Comparable data to inform our investment yield assumption is much more limited. Current market commentary indicates that there is some concern amongst investors with regard to the strength and direction of the post-pandemic/post-Brexit UK economy. Additionally, occupier sentiment is in

flux as many companies review their property strategy in response to an increase in flexible working habits.

- 5.1.6 Having had regard to the investment yield previously negotiated (5.5%), the changes to the commercial office market that have happened as a result of the Covid-19 pandemic and taking into account what we consider to be the secondary location of the subject site for investment purposes, we have increased our yield and adopted a yield of 6% within our appraisal. Applying this to the assumed annual rental income of £159,345 pa generates a receipt to the Approved Scheme of circa £2.66 million.

5.2 Residential Ground Rents

- 5.2.1 Developers of new apartments have historically received additional income, following completion of sales, through the sale of the freehold ground rent portfolio. However, In the Queen's Speech of 12 May 2021, it was announced that a parliamentary bill would be brought forward to reform the practice of charging ground rents on residential properties. The Leasehold Reform (Ground Rents) Bill was tabled before Parliament on the same day.
- 5.2.2 Under the Bill, it will be prohibited for freeholders to charge anything more than a peppercorn ground rent on new long leases for residential leasehold properties.
- 5.2.3 Given that the Bill is now before Parliament and has commenced the process of becoming law, we have assumed that no substantial ground rent income could be generated by the New Application Scheme.
- 5.2.4 We have therefore shown income from the sale of a ground rent portfolio at a nominal £1 with the appraisal of the New Application Scheme.

6.0 Build Costs

- 6.1 The Applicant has agreed a JCT Intermediate Building Contract with OLW Construction Ltd.
- 6.2 The Contract Sum for carrying out the Works ("Construction of 16 New Build Apartments and 3 Commercial Units (6x1 Bed, 6x2 Bed and 4x3 Bed)") is stated to be £3,866,849.26 excluding VAT.
- 6.3 This equates to £245.90 per sq.ft GIA based on a gross internal area of 15,725 sq.ft.
- 6.4 A copy of the JCT contract has been provided separately to this report.

7.0 Professional Fees

- 7.1 We have not made any separate allowances for professional fees associated with the design and delivery of the Approved Scheme.

- 7.2 We note that the JCT Contract reflects the cost of constructing the Approved Scheme only and excludes any professional fees that are associated with the design of the scheme. We also anticipate that the Applicant is likely to incur some additional fees to monitor the contractors, but these are likely to be marginal.
- 7.3 The Applicant has incurred pre-planning professional fees which are currently being compiled. These figures have not currently been included within our appraisal, however if they were to be included it would have the effect of decreasing the residual land value.

8.0 Letting, Sales and Marketing Fees

- 8.1 We have assumed that the developer will incur residential sales and marketing fees of 3% on gross sales, which we consider to be reasonable and reflective of likely sales and marketing costs.
- 8.2 In line with current market expectations, we have assumed agent fees of 12% and legal fees of 2% for the letting of the Approved commercial space.
- 8.3 We have also included fees of 1% and 0.5% respectively for agent and legal costs associated with the office investment sale.

9.0 Planning Gain Payments

9.1 S106

- 9.1.1 The Applicant entered into a S106 Agreement with the Council which was engrossed on 24th April 2019.
- 9.1.2 The S106 Agreement sets out the contributions in relation to planning permission 2017/2883/P.
- 9.1.3 As the agreement does not explicitly allow for any indexation, we have assumed that the total S106 contribution will be paid based on the sums as set out in the agreement.
- 9.1.4 The total S106 contribution is therefore assumed at £75,073; a breakdown of the contributions is set out in the table below:

Planning Obligation	Sum
Apprentice Default Contribution	£7,000
Apprentice Support Contribution	£1,700
Carbon Offset Contribution	£22,068
Construction Management Plan Implementation Support Contribution	£3,240
Highways Contribution	£18,058
Open Space Contribution	£23,007
Total	£75,073

9.2 CIL

- 9.2.1 The Approved Scheme is liable to pay Mayoral CIL and Camden CIL.
- 9.2.2 As per the CIL Liability Notice, we have assumed that the total CIL Liability payable by the Applicant is £229,940.05, distributed as follows:
- Total Liability for Mayoral CIL: £70,971.45
 - Total Liability for Camden CIL: £158,969.00
- 9.2.3 We have assumed that the total CIL liability is paid within 60 days from the commencement of development.

10.0 Finance Costs

- 10.1 We have assumed that the scheme will be financed by 100% debt finance at an interest rate of 6%.

11.0 Developer's Return

- 11.1 As per the S106 Agreement, we have assumed that the developer will require a profit of 20% on the Gross Development Value of the market housing and a 15% return on the Gross Development Value of the commercial floorspace.
- 11.2 This equates to a blended return of 18.84% on the Gross Development Value.

12.0 Residual Value of the Approved Scheme

- 12.1 On the basis of the above assumptions, the Approved Scheme is capable of generating a residual value of c. £3.945 million. Please refer to our appraisal, which is attached at Appendix 4.

13.0 Viability Benchmark Value

- 13.1 As per the S106 Agreement, and following previous negotiations, the agreed 'Benchmark Land Value' was set at £4.3 million.

14.0 Sensitivity Analysis

- 14.1 The Financial Viability Assessment has been carried out using current day costs and values to ensure that viability reflects the market conditions.

- 14.2 Costs and values do change over time however, and we have accordingly carried out a sensitivity analysis to demonstrate the levels of change in residential values that would be required to make the Approved Development viable assuming 0% affordable housing provision.
- 14.3 An increase of almost 6% in private residential values would be required to make the Approved Development viable assuming 0% affordable housing.
- 14.4 A summary of the sensitivity analysis is included as Appendix 5 to this report.

15.0 Conclusions on the Viability of the Approved Scheme

- 15.1 The Approved Scheme is shown to be capable of generating a residual land value of c. £3.945m. When the Benchmark Land Value is subtracted from the Residual Land Value, the resultant Deficit is -£355,352.
- 15.2 As the resultant figure is a Deficit against the Benchmark Land Value, it is therefore shown that the Approved Scheme is unable to make any financial contribution towards the Deferred Affordable Housing Contribution.

16.0 RICS Mandatory Statements

16.1 Objectivity, Impartiality and Reasonableness Statement

16.1.1 In accordance with the mandatory requirements of the RICS Professional Statement 'Financial Viability in Planning: Conduct and Reporting' (1st edition, May 2019), Bidwells confirms that, in producing this Financial Viability Assessment ("FVA"), the relevant RICS member(s) has acted:

- with objectivity;
- with impartiality;
- without interference, and;
- with reference to all appropriate available sources of information

16.1.2 This report represents the balanced, unobstructed professional judgement of the relevant RICS member(s), with full consideration as to whether the advice provided represents the most effective and efficient way to deliver a reasonable development performance proportionate to the scheme being tested.

16.2 Confirmation of Instructions and Absence of Conflicts of Interest

16.2.1 Bidwells' terms of engagement in producing this FVA are provided as Appendix 6.

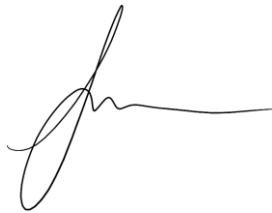
16.2.2 The relevant RICS member(s) has complied with the mandatory requirements of the RICS Professional Statement 'Conflicts of Interest' (1st edition, March 2017) and confirms that, where any conflicts of interest (or risk of a conflict of interest) have been identified, no work has been undertaken without first obtaining the prior Informed Consent of all those who are or may be affected.

16.3 No Contingent Fee Statement

16.3.1 Bidwells confirms that no performance-related or contingent fees have been agreed between the relevant RICS member(s) and the Client in relation to the production of this FVA.

16.4 Authors' Note

16.4.1 This assessment has been prepared by:



Simon Mills MRICS
Surveyor
RICS Member No. 6776617

and checked by



Andrew Haynes BSc (J.Hons) MRICS
Partner
RICS Member No. 6055149

APPENDIX 1

SUPPLEMENTARY DESIGN AND ACCESS STATEMENT

1 HAMPSHIRE STREET

Supplementary Design and Access Statement for the London Borough of Camden

PURPOSE OF DOCUMENT

This supplementary design and access statement is prepared on behalf of the applicant to respond to the comments received from the council on the previously submitted design for the proposed development at No.1 Hampshire Street, in the London Borough of Camden.

The design has been developed by **SADA Architecture**.

The planning application encompasses the demolition of the existing commercial property and the construction of a mixed use four storey building.

The revisions to the design illustrated in this document are intended to respond to the comments received in the areas of Accessibility, Cycle Parking Provision, and Design.

1 ACCESSIBILITY

The comments on the previous proposal received from the council's accessibility officer advised that;

- The communal entrance doors did not provide minimum clear opening width of 850mm for at least one door leaf.
- The door to refuse store not accessible as there was not an 850mm clear opening width to at least one door leaf.
- The flat entrance doors did not appear to provide a clear opening width of 850mm with a 300mm nib on all doors.
- Not all the units had a WC with an outward opening door.
- All the units showed baths but no level access showers.
- Not all the kitchens provided 1200mm in front of all units.

- As there are 16 units there should have been at least one unit designed to M4(3) standard.
- The retail unit entrance doors did not offer a clear opening width of 1000mm for at least one door leaf.
- The width of the public path in front of the building does not reach a uniform width of at least 1100mm

1.0.1 REVISED DESIGN

In response to these comments the following changes have been made, as illustrated in the marked up drawing included with this statement;

- The communal entrance doors have all been altered to provide a minimum clear opening width of 850mm for at least one door leaf.
- The door to the refuse store has been altered to provide an 850mm clear opening width to at one door leaf.
- The flat entrance doors have been altered to provide a clear opening width of 850mm with a 300mm nib on all doors.
- The bathrooms and WCs have been altered to provide an outward opening door.
- All the units now show level access showers as well as baths in the bathrooms and WCs.
- All the kitchens have been altered to provide 1200mm in front of all units.
- Flat 13 had been redesigned to comply with M4(3) standard, as indicated on the plans.
- The retail unit entrance doors have been altered to provide a clear opening width of 1000mm for at least one door leaf.
- The width of the public path in front of the building has been altered to a uniform width of at least 1100mm

These changes have been highlighted and marked on the drawings included with this document.

2 CYCLE PARKING PROVISION

The comments on the previous proposal received from the council's planning officer advised that the cycle parking for the application was below the minimum standards required by the London Plan (a provision of 26 spaces for residential use and 4 for the B1 commercial use).

2.0.1 REVISED DESIGN

In light of these comments, the number of cycle spaces has been increased, from 28 to 30. This provision meets the minimum requirements set out in the London Plan and the Borough of Camden's CDP (Camden Development Policies). The additional cycle spaces have been highlighted and marked on the drawings included with this document.

3 DESIGN

The comments on the previous proposal received from the council's design officer advised that;

- The building is stepped along the front façade to meet the line of both neighbouring buildings. While some stepping in the building line would be acceptable, the proposed five steps in the building appears overly complicated and would create unwanted nooks and crannies along the street. This is of particular concern in this area as it is at the end of a street that could be prone to anti-social behaviour. Reducing the amount of steps in the building would help simplify the elevation and create an improved street environment.
- The building has a clearly expressed structural frame divided by the inset balconies. The irregular proportions of the bays along with the stepped building line create an overcomplicated elevation. Furthermore the vertical elements don't relate to the internal layouts, creating a visible secondary structure. A regular vertical frame that has a relationship to the internal layout would help the building to read more coherently.

- We also have concerns regarding the recess of the front door from the street. The entrance door sits well into the building, creating a long corridor, open to the public. This would create a dark and secluded space that could potentially feel unsafe and generate crime.

3.0.1 REVISED DESIGN

In response to these comments, the following changes have been made;

- The building facade no longer steps, but has a slight change of angle along the street, in order to reflect the site boundary.
- The bays have been changed to a more regular, symmetrical pattern, the elevation has been simplified, and the vertical frame has been made more regular, and more closely related to the internal structure and recessed facade.
- The entrance door has been brought closer to the street, leaving only a 900mm overhang for shelter, eliminating a potentially unsafe space.

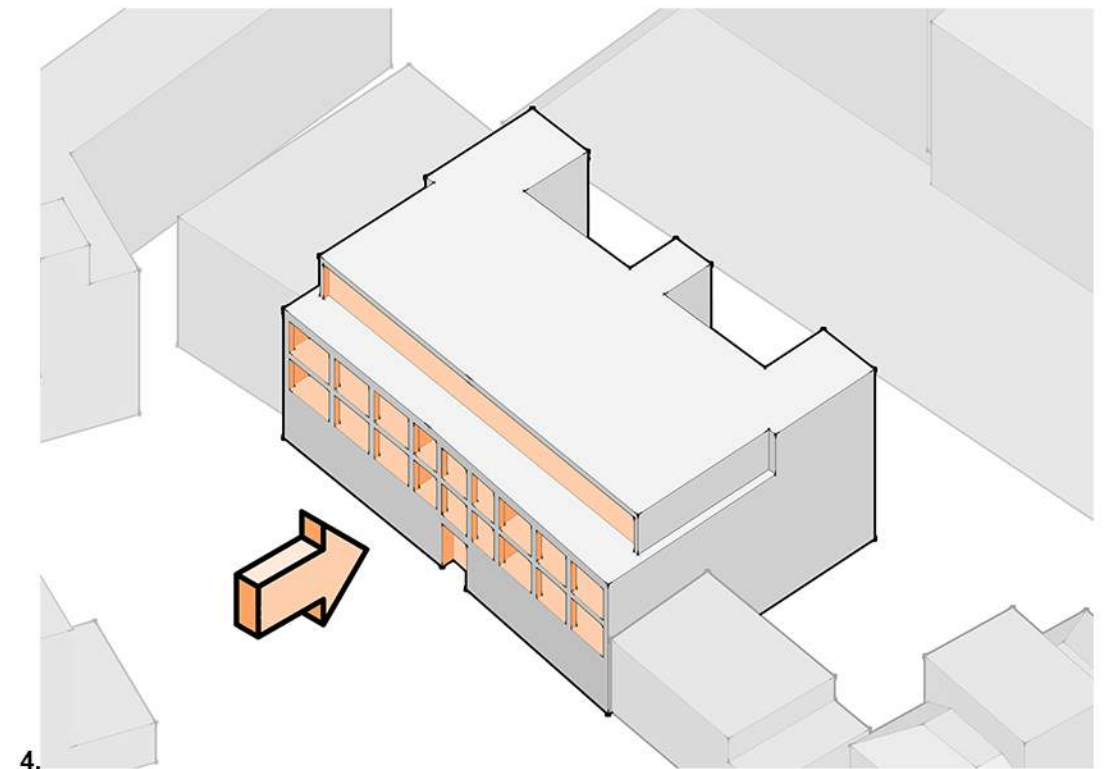
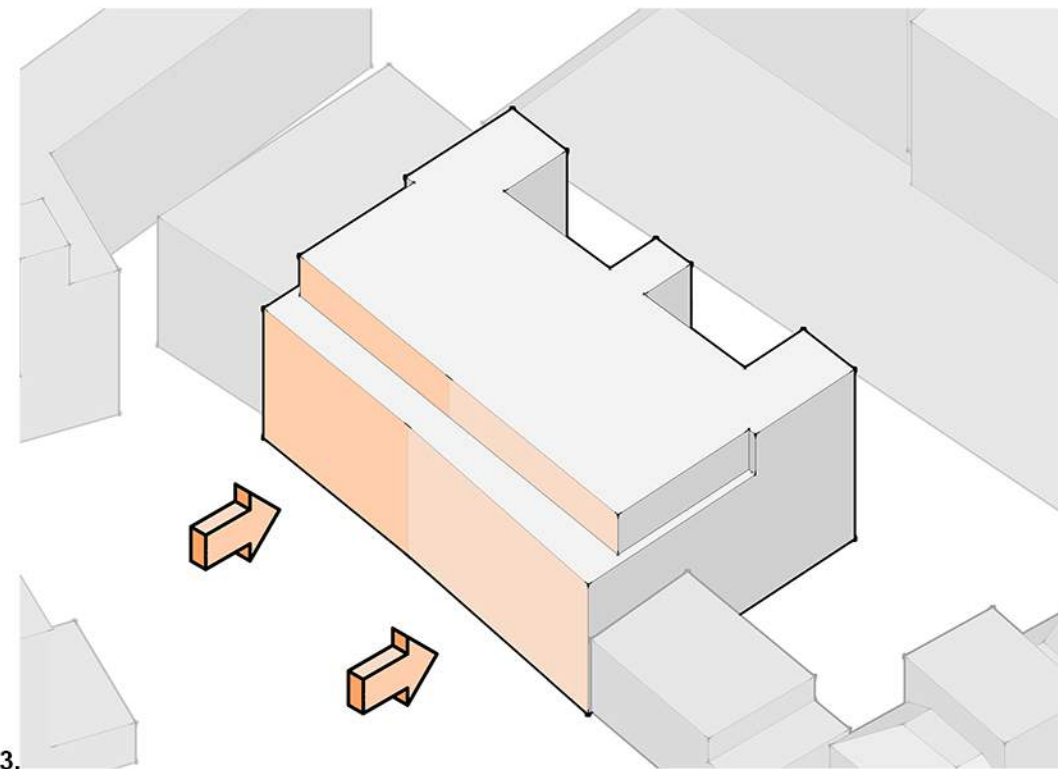
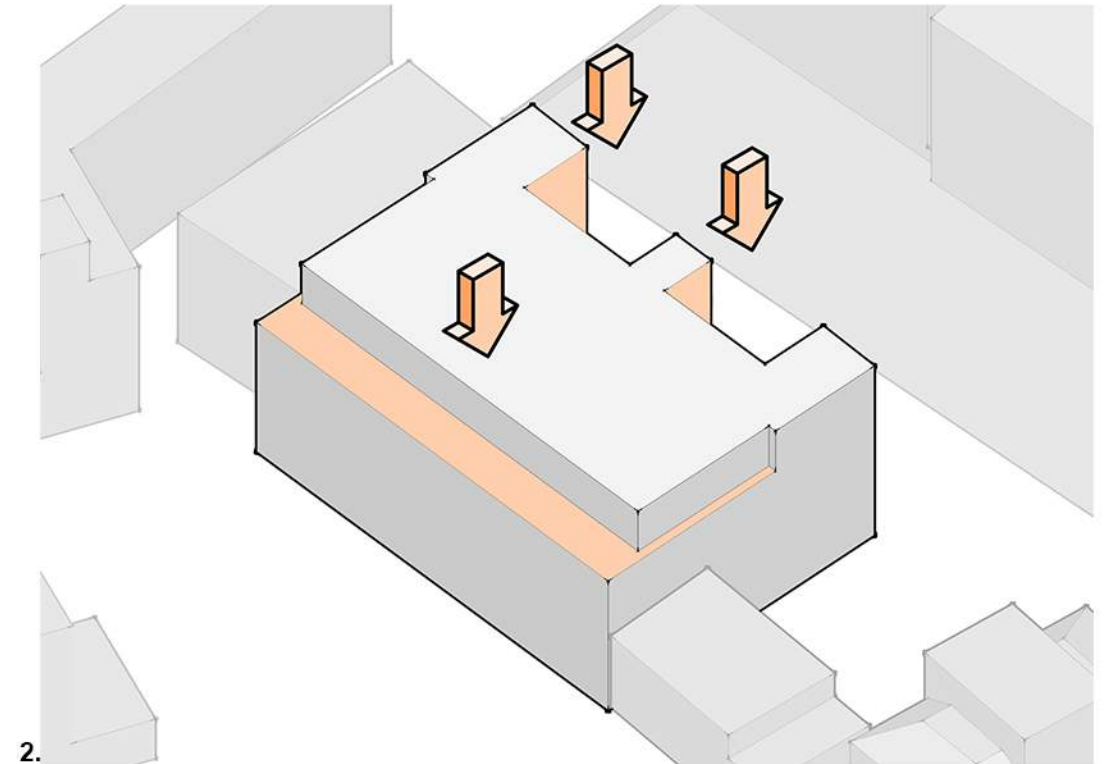
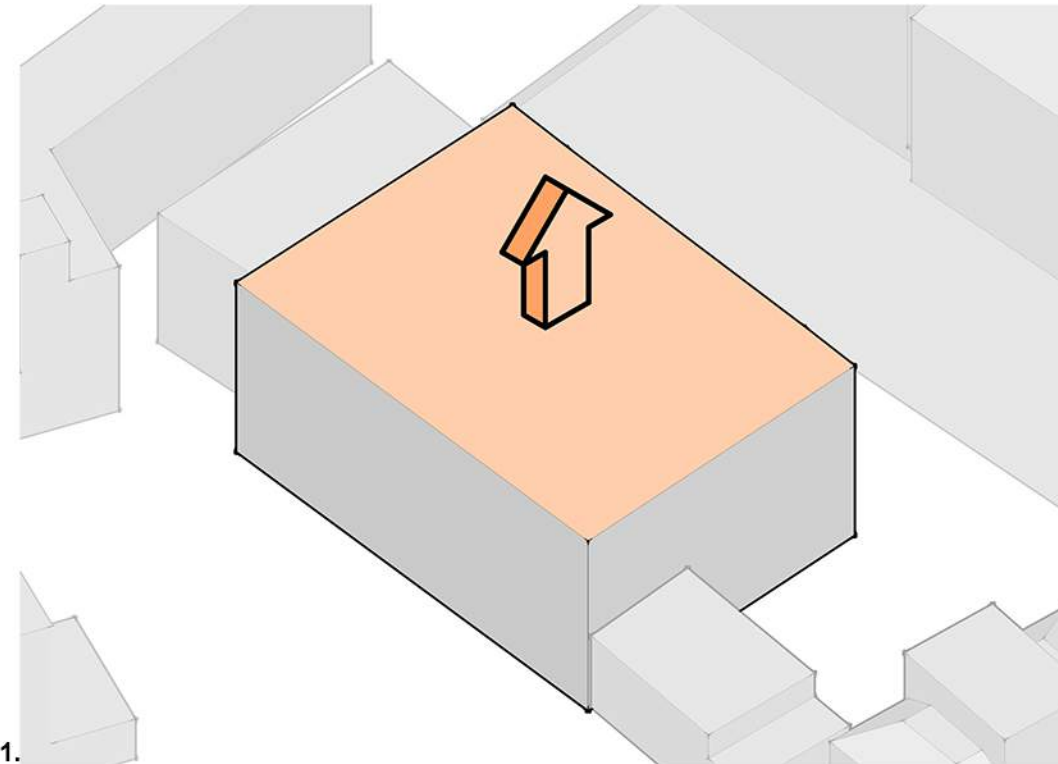
Further illustration of these changes has been provided in the following pages of this statement.

3.1 CONCEPT + MASSING

The massing concept of the updated proposal does not differ greatly from the previous proposal, the only change being the elimination of the stepping along the front facade.

The development of the massing concept was conventional in nature; extrude the footprint of the site vertically by four storeys, then push the facade away from the street line at angles and distances to match the site boundary, in order to reduce the mass and visual impact of the building along Hampshire Street.

1. The footprint of the site extruded upwards to a height of four storeys
2. The mass of the building is lowered at the front of the block and along part of the perimeter, reducing the overall size of the building and its visual impact by stepping in and back on the top floor.
3. The facade is stepped back to align with the site boundary, giving it a slight, subtle change of angle at the centre; this turn divides the the bulk of the building, further reducing its visual impact.
4. This facade is then pushed back in bays to create framed terraces along the elevation, making the building lighter, more layered, and less imposing along the street.



3.2 FACADE CONCEPT

3.2.1 FRAMING + ARTICULATION

The treatment of the updated facade does not fundamentally differ from the previous proposal.

The mass of the proposed building is broken up and its visual impact reduced by dividing the facade into framed bays, and then reinforcing this concept with the use of recessed and expressed components.

The different uses of the building are articulated through material changes and the depth of the reveals and recesses.

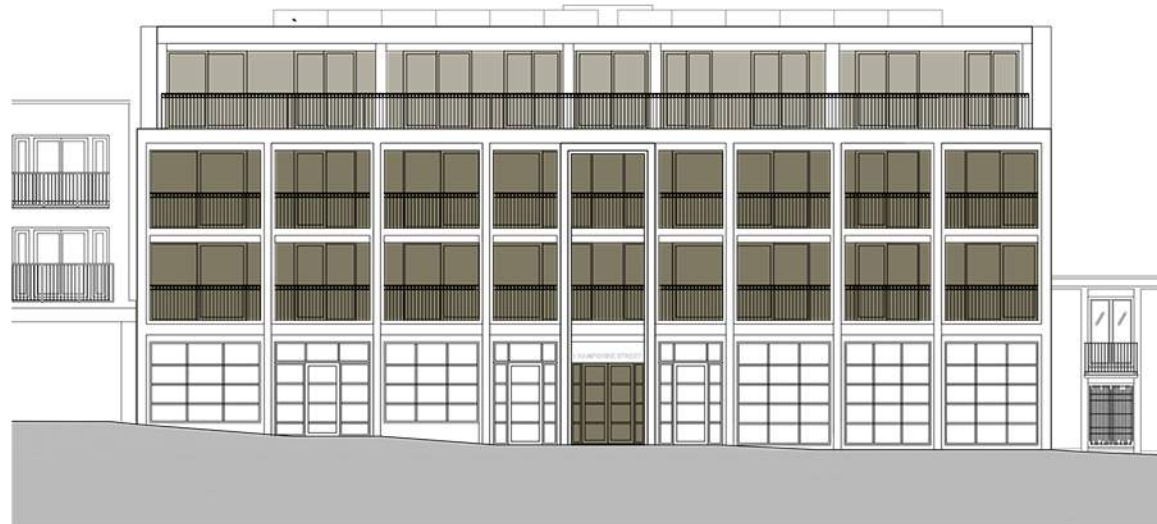
With regards to the council's comments on the previous proposal, the elevation has been simplified by eliminating the stepped bays across the building. This has allowed for the frame, bays, and recessed terraces to fit to a more regular pattern, and to keep them in proportion, as shown in figure 1 and 3. The elimination of the stepped facade has also allowed for a better relationship between the structural frame and the internal structure, with the outer frame and the recessed elevation now following a similar rhythm across the building, as shown in figure 4.



1. The darker brick in the facade is expressed to the fore, and defines the edges and breaks of the bays, as well as subdividing some of the bays to create a semi-regular grid across the stepped facade. This grid frames the terrace openings on the upper floors, and the fenestration on the ground floor, and by breaking up the stepped facade into smaller regular sections, further reduces the visual impact of the facade itself.



2. The lighter coloured brick is set back into the building facade, accentuating the frame of darker brick on the surface, giving a visual impression that the recesses have been carved out of the mass, particularly on the completely stepped back top floor. The lighter brick highlights and reinforces the grid and framing around the fenestration and terraces.



3. Framed by the set back lighter coloured brick previously mentioned, the deeper recesses in the facade are solely for the residential entrance and residential terraces. The depth of these recesses strengthen the impression of the building as being carved out of mass, and serve to clearly delineate the residential from the commercial, the ground floor unit fronts being flush with the light brick surround.



4. To maintain a pattern and rhythm across the elevation, the recessed brick panels of the residential units are carried up through the building where possible, creating another layer, related to but behind the primary elevation, and symmetrical about the centre of the building.

3.2 FACADE CONCEPT

3.2.2 ACTIVE FRONTAGES + ENTRANCE LEGIBILITY

The updated proposal maintains the active frontage across the full width of the ground floor.

The residential entrance has been altered to improve its legibility on the face of the building. The frame has been brought up, to run to the second storey, and the facade has been made more symmetrical about the entrance frame, distinguishing this as the central feature of the elevation.

The enlarged limestone frame of the entrance also acts as a focal point in the building, giving a sense of grandeur to the entrance, and distinguishing it from the entrances to the commercial units.



Each terrace and window is recessed from the face of the building; for the ground floor units the windows are only set back to be flush with the light brick reveal, visually distinguishing them from the deeper recesses for the residential areas, and keeping the commercial frontages directly adjacent to the public space.

The lighter frame around the residential entrance, (outlined) is now brought up to the second storey, and being central to the building, allows for a symmetry across the facade, creating a more balanced elevation.



The updated design for the entrance frame continues up to the second floor, and is extruded out to the street line. The brighter and different texture of the limestone used distinguishes the frame from the rest of the facade and highlights the entrance to the residential units; a different visual language for a different function.



235 Camden Road.



Long Meadow, Torriano Avenue.

The updated design for the entrance frame references a common feature in the area's architecture; an extruded entranceway finished in material brighter than the rest of building in order to focus attention on the facade. The entrance to Long Meadow (above right) incorporates a further vertical element; brick piers which run upward from the entrance frame, distinguishing the central entrance.

3.3 AREA SCHEDULE

In working the previously illustrated changes into the design, the areas of the residential units and commercial units have been slightly altered; shown opposite, the unit mix, existing area schedule, and the area schedule for the updated proposal.

The area schedule for the previous proposal is also shown (in light grey) and the comparative changes in the areas between the two are highlighted in red and green.

All residential units comply with the **London Plan Housing SPG** minimum space standards, and the **Department for Communities and Local Government Technical Housing Standards** – Nationally Described Space Standard.

Unit Mix				
	TYPE	No.	Percentage	
	1 Bed 1 Person	6	37.5%	
	2 Bed 3 Person	6	37.5%	
	3 Bed 4 Person	1	25%	
	3 Bed 5 Person	3		
TOTAL		16		

Floor	Floor Name	Description	Area Sqm (GIA)	Total Residential Area Sqm (GIA)
-------	------------	-------------	----------------	----------------------------------

Existing Floor Areas				
0	GROUND FLOOR	Commercial Unit		
		Gross Internal Area	466	
		Net Internal Area	447	
1	FIRST FLOOR	Commercial Unit		
		Gross Internal Area	183	
		Net Internal Area	162	
Total Gross Internal Area			649	
Total Net Internal Area			609	

Proposed Floor Areas				Previously Proposed	
0	GROUND FLOOR	Commercial Unit 1	112		109 (+3)
		Commercial Unit 2	87		84 (+3)
		Commercial Unit 3	130		141 (-11)
		Bin store	17		22 (-5)
		Cycle Store (incl. Plant)	48.4		27.5 (+20.9)
		Circulation	37		26 (+11)
1	FIRST FLOOR	Flat 1 (2b3p)	67	334.5	63 (+4)
		Flat 2 (2b3p)	61		61
		Flat 3 (1b1p)	40		40
		Flat 4 (1b1p)	40		40
		Flat 5 (1b1p)	39		39
		Flat 6 (3b5p)	87.5		86 (+1.5)
		Circulation	13.8		13.8
2	SECOND FLOOR	Flat 7 (2b3p)	67	334.5	63 (+4)
		Flat 8 (2b3p)	61		61
		Flat 9 (1b1p)	40		40
		Flat 10 (1b1p)	40		40
		Flat 11 (1b1p)	39		39
		Flat 12 (3b5p)	87.5		86 (+1.5)
		Circulation	13.8		13.8
4	THIRD FLOOR	Flat 13 (2b3p)	83.7	319.1	79 (+4.7)
		Flat 14 (2b3p)	66.3		66 (+0.3)
		Flat 15 (3b4p)	81.5		79 (+2.5)
		Flat 16 (3b5p)	87.6		88 (-0.4)
		Circulation	13.8		
Total Floor Area			1460.9		1420.9 (+40)
Total Residential Floor Area				988.1	970 (+18.1)

Green Text indicates increase, and Red Text indicates decrease in area from previously proposed

3.4 RENDERS

Rendered image showing view of the proposed, looking South toward the site from Hargrave Place



3.4 RENDERS

Rendered image showing view of the proposed, looking East toward the site from Busby Place.



3.4 RENDERS

Rendered image showing view of the proposed, looking South toward the site from just off Hampshire Street.



4 APPENDIX

Shown on the following pages are design drawings with annotations explaining the various updates and changes made to the proposed design.

NOTES

- SITE BOUNDARY
- Level Landing 1500mm x 1500mm outside principal communal entrance, including 900mm deep covered area, in accordance with Part M4(2)
- 30 parking spaces (15 Sheffield Stands) shown dotted in green (layouts and spacing in accordance with CPG 7 Cycling Facilities fig.5)
- Proposed 1100 m wide footpath

Additional notes indicating compliance with Part M4(2)

PLANNING

revision:	description:	date:
P.01	Issued for Information	17.05.17
P.02	Revised as per comments	09.08.17
P.03	Revised as per comments	25.08.17
P.04	Revised as per comments	29.08.17
P.05	Revised as per comments	25.09.17

PLANNING

SADAarchitecture
 P : 1st Floor, 26C George Street, St. Albans, AL3 4ES
 E : letterbox@sada-architecture.com
 W : www.sada-architecture.com
 T : 01727 860810

project: 17-010 - 1 Hampshire Street, London NW5 2TE
 drawing: PROPOSED GROUND FLOOR PLAN
 date: 26.01.17 | drawn by: LM | check: CC
 scale: 1:100@A3 | dwg no.: 310 | rev. no.: P.05
© Copyright. This drawing or design may not be reproduced without permission.

CYCLE PARKING PROVISION INCREASED TO 30 SPACES USING SHEFFIELD STANDS

CYCLE STORE FLOOR TO CEILING HEIGHT OF 2900mm

REFUSE STORE ENTRANCE INCREASED TO 850mm CLEAR WIDTH

RESIDENTIAL ENTRANCE BROUGHT CLOSER TO STREET, LEAVING ONLY 900mm SHELTERED AREA, BOTH DOOR LEAFS INCREASED TO 850mm CLEAR WIDTHS

GLAZING ADDED TO ELIMINATE BLIND CORNER AND PREVENT AGAINST ANTI-SOCIAL BEHAVIOUR

FACADE IS NO LONGER STEPPED, RUNS IN LINE WITH SITE BOUNDARY

FOOTPATH WIDENED TO UNIFORM WIDTH OF 1100mm

COMMERCIAL ENTRANCES CLEAR WIDTH INCREASED TO 1000mm

COMMERCIAL UNIT 1
GIA 112 sqm

COMMERCIAL UNIT 2
GIA 87 sqm

COMMERCIAL UNIT 3
GIA 130 sqm

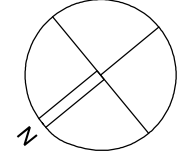
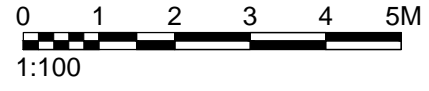
CYCLE STORE
(30 Spaces)

PLANT

RESIDENTIAL WASTE STORE




COMMERCIAL WASTE STORE

PROPOSED GROUND FLOOR PLAN
SCALE 1:100



MINOR MODIFICATIONS FOR M4(2) COMPLIANCE TO FLATS + DOOR WIDTHS THROUGHOUT

NOTES

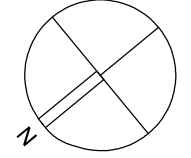
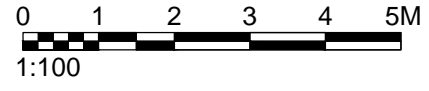
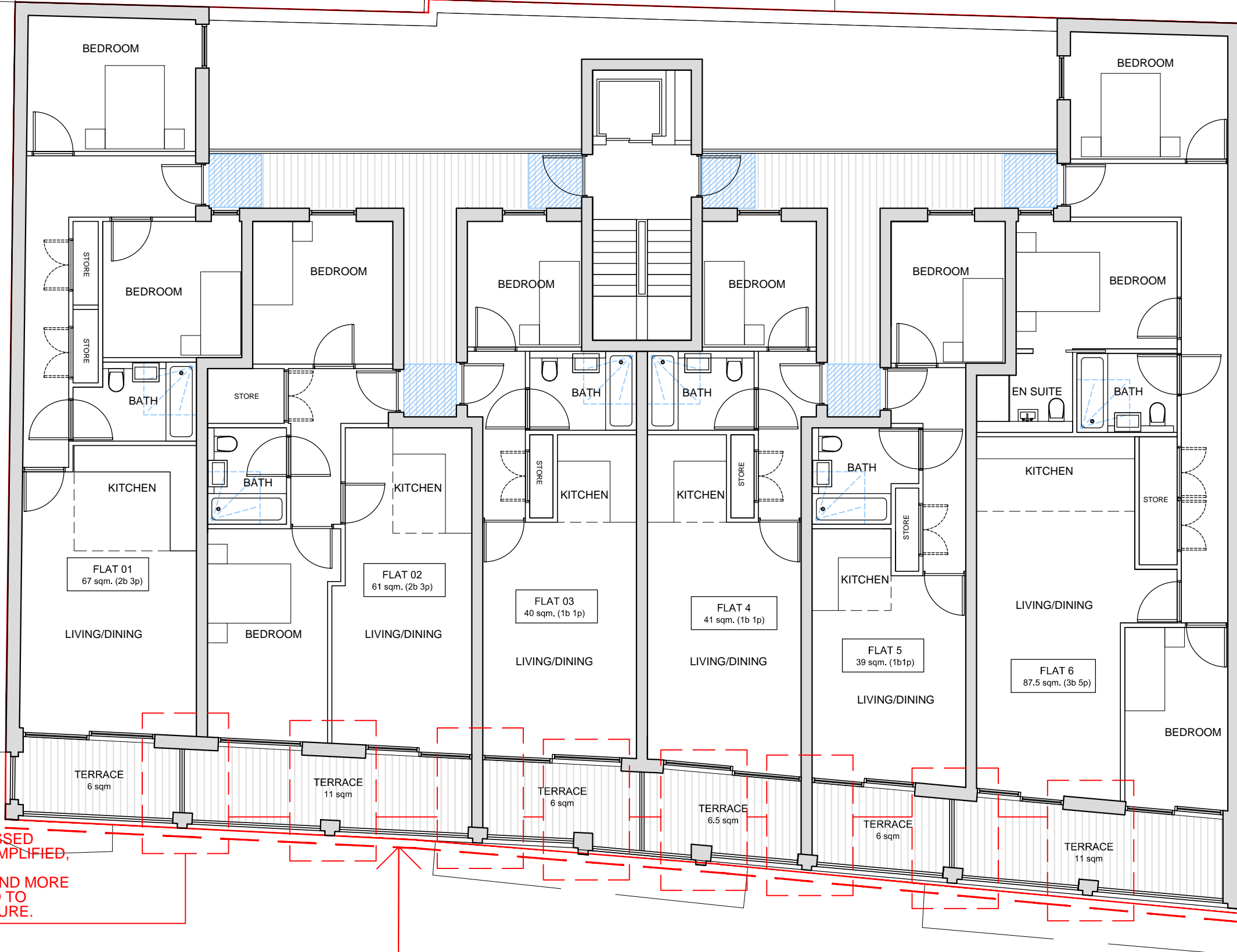
-  SITE BOUNDARY
- All flats and circulation spaces are Part M4(2) Compliant - Accessible and Adaptable Dwellings
-  Clear, unobstructed 1200mm x 1200mm approach routes to communal doors and private entrances shown hatched in blue
-  Level Access Shower adaptability shown dotted in bathrooms throughout

Additional notes indicating compliance with Part M4(2)

FRAME AND RECESSED ELEVATION ARE SIMPLIFIED, MORE REGULARLY PROPORTIONED, AND MORE CLOSELY RELATED TO INTERNAL STRUCTURE.

FACADE IS NO LONGER STEPPED, RUNS IN LINE WITH SITE BOUNDARY

PROPOSED FIRST FLOOR PLAN
SCALE 1:100



revision:	description:	date:
P.01	Issued for PLANNING	05.02.17
P.02	Revised as per comments	09.08.17
P.03	Revised as per comments	29.08.17
P.04	Revised as per comments	25.09.17

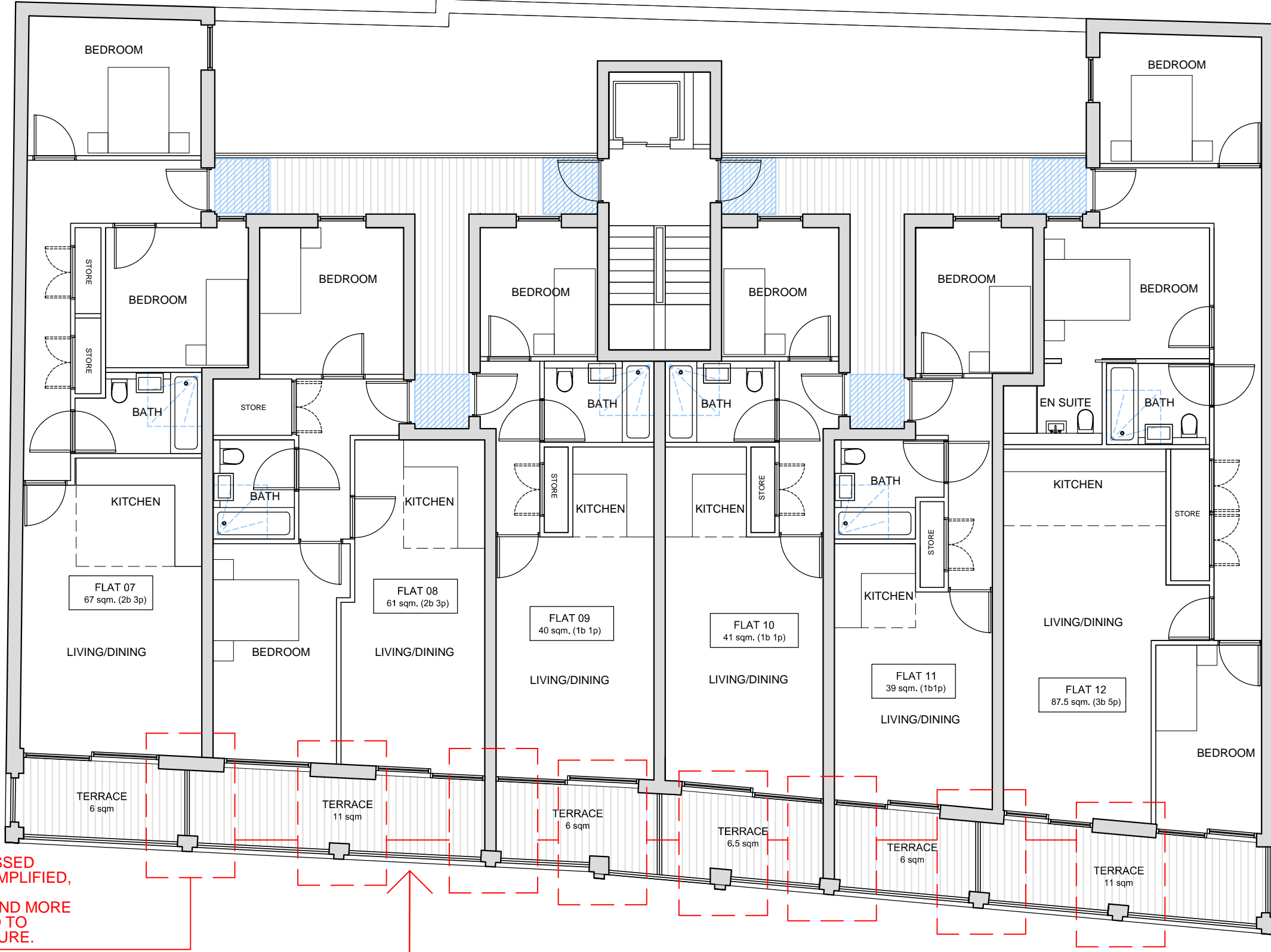
PLANNING

SADAarchitecture
P : 1st Floor, 26C George Street, St. Albans, AL3 4ES
E : letterbox@sada-architecture.com
W : www.sada-architecture.com
T : 01727 860810

project:	17-010 - 1 Hampshire Street, London NW5 2TE
drawing:	PROPOSED FIRST FLOOR PLAN
date:	26.01.17
scale:	1:100@A3
drawn by:	LM
check:	CC
draw no.:	311
rev. no.:	P.04

© Copyright. This drawing or design may not be reproduced without permission.

MINOR MODIFICATIONS FOR M4(2) COMPLIANCE TO FLATS + DOOR WIDTHS THROUGHOUT



FRAME AND RECESSED ELEVATION ARE SIMPLIFIED, MORE REGULARLY PROPORTIONED, AND MORE CLOSELY RELATED TO INTERNAL STRUCTURE.

PROPOSED SECOND FLOOR PLAN
SCALE 1:100

FACADE IS NO LONGER STEPPED, RUNS IN LINE WITH SITE BOUNDARY

NOTES

- All flats are Part M4(2) Compliant - Accessible and Adaptable Dwellings
- Clear, unobstructed 1200mm x 1200mm approach routes to communal doors and private entrances shown hatched in blue
- Level Access Shower adaptability shown dotted in bathrooms throughout

Additional notes indicating compliance with Part M4(2)

revision:	description:	date:
P.01	Issued for PLANNING	02.05.17
P.02	Revised as per comments	09.08.17
P.03	Revised as per comments	29.08.17
P.04	Revised as per comments	25.09.17

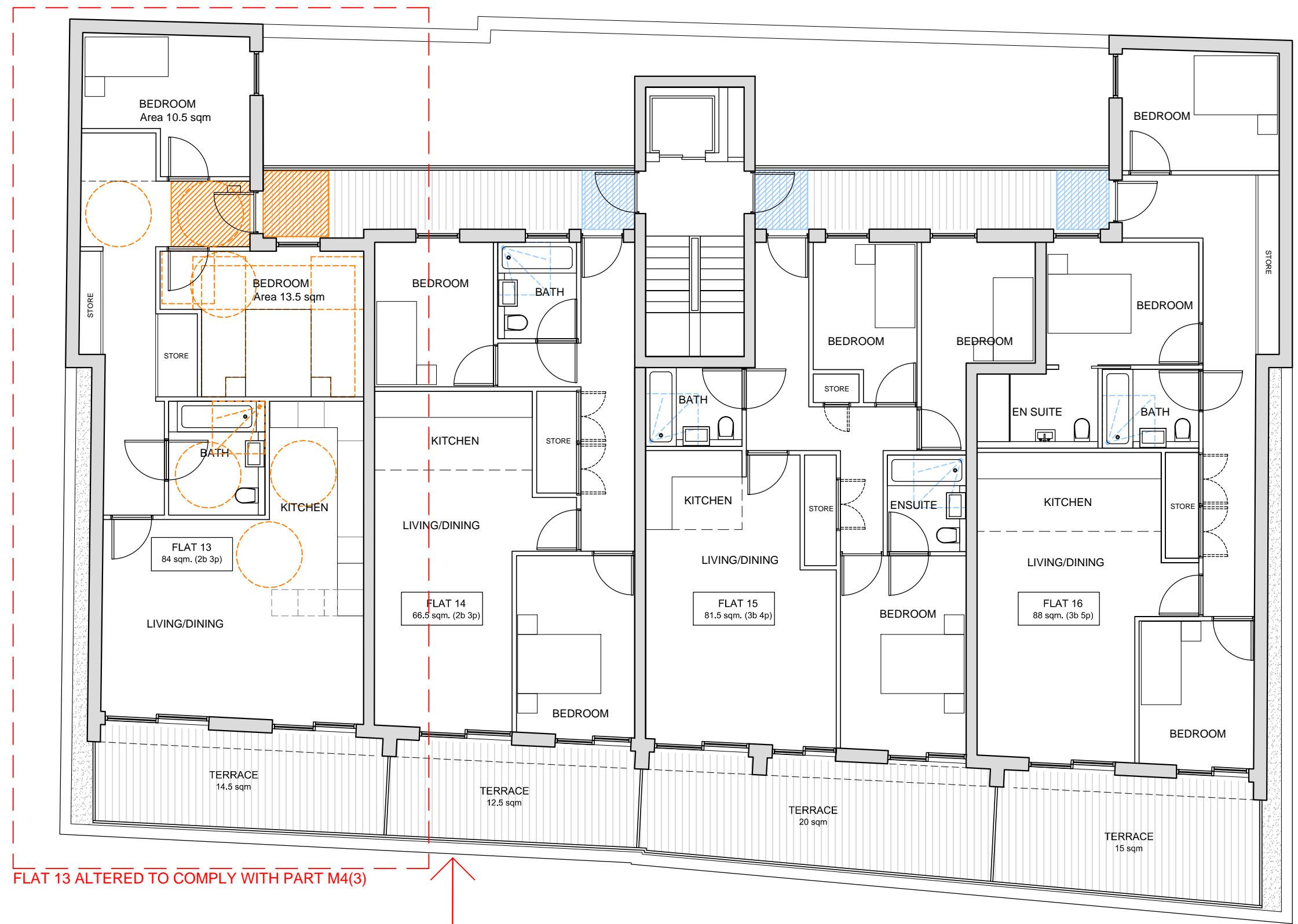
PLANNING

SADAarchitecture
P : 1st Floor, 26C George Street, St. Albans, AL3 4ES
E : letterbox@sada-architecture.com
W : www.sada-architecture.com
T : 01727 860810

project:	17-010 - 1 Hampshire Street, London NW5 2TE
drawing:	PROPOSED SECOND FLOOR PLAN
date:	26.01.17
scale:	1:100@A3
drawn by:	LM
check:	CC
drawn no.:	312
rev. no.:	P.04

© Copyright. This drawing or design may not be reproduced without permission.

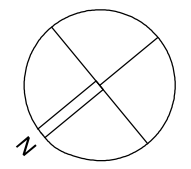
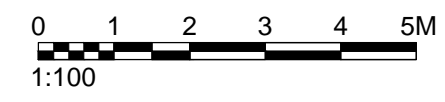
MINOR MODIFICATIONS FOR M4(2) COMPLIANCE TO FLATS + DOOR WIDTHS THROUGHOUT



FLAT 13 ALTERED TO COMPLY WITH PART M4(3)

PROPOSED THIRD FLOOR PLAN
SCALE 1:100

FACADE IS NO LONGER STEPPED, RUNS IN LINE WITH SITE BOUNDARY



NOTES

Flat 13
Wheelchair user dwelling Part M4(3) compliant

- Turning circles of 1500mm \varnothing shown dotted in orange at relevant areas.
- Turning circle of 1500mm \varnothing shown dotted in orange in adaptable/accessible bathroom
- Clear, unobstructed approach routes shown hatched in orange
- Clear access zones and manoeuvring spaces in principle double bedroom shown dotted in orange
- Level Access Shower adaptability shown dotted in orange in bathroom

All other flats are Part M4(2) Compliant - Accessible and Adaptable Dwellings

- Clear, unobstructed 1200mm x 1200mm approach routes to communal doors and private entrances shown hatched in blue
- Level Access Shower adaptability shown dotted in bathrooms throughout

Additional notes indicating compliance with Part M4(2), and M4(3)

revision:	P L A N N I N G	
revision:	description:	date:
P.01	Issued for INFORMATION	02.05.17
P.02	Revised as per comments	09.08.17
P.03	Revised as per comments	29.08.17
P.04	Revised as per comments	25.09.17

P L A N N I N G

SADAarchitecture
P : 1st Floor, 26C George Street, St. Albans, AL3 4ES
E : letterbox@sada-architecture.com
W : www.sada-architecture.com
T : 01727 860810

project:	17-010 - 1 Hampshire Street, London NW5 2TE		
drawing:	PROPOSED THIRD FLOOR PLAN		
date:	26.01.17	drawn by: LM	check: CC
scale:	1:100@A3	dwg no.: 313	rev. no.: P.04
© Copyright. This drawing of design may not be reproduced without permission.			

FACADE IS NO LONGER STEPPED,
RUNS IN LINE WITH SITE BOUNDARY

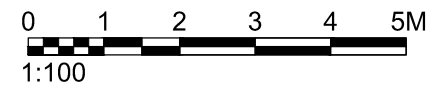
ELEVATION ALTERED TO IMPROVE PROPORTION AND
RELATIONSHIP WITH INTERNAL STRUCTURE

UPDATED ENTRANCE FRAME DESIGN

NOTES



PROPOSED ELEVATION
SCALE 1:100



drawing status: **P L A N N I N G**

revision:	description:	date:
P.01	Issued for PLANNING	17.05.17
P.02	Revised as per comments	09.08.17
P.03	Revised as per comments	25.09.17

P L A N N I N G

SADAarchitecture

P : 1st Floor, 26C George Street, St. Albans, AL3 4ES

E : letterbox@sada-architecture.com

W : www.sada-architecture.com

T : 01727 860810

project: 17-010 - 1 Hampshire Street, London NW5 2TE

drawing: PROPOSED FRONT ELEVATION (North)

date: 23.01.17 | drawn by: LM | check: CC

scale: 1:100 @ A3 | dwg no.: 510 | rev. no.: P.03

© Copyright. This drawing or design may not be reproduced without permission.

APPENDIX 2

SCHEDULE OF ACCOMMODATION AND ESTIMATED VACANT POSSESSION VALUES

	FLAT NO.	BEDS	NET SALEABLE AREA (SQ. M.)	NET SALEABLE AREA (SQ. FT.)	ESTIMATED VACANT POSSESSION VALUE	AVERAGE VPV (£ PER SQ. FT.)
First Floor	1	2B 3P	67	721	£560,000	£777
	2	2B 3P	61	657	£530,000	£807
	3	1B 1P	40	431	£425,000	£987
	4	1B 1P	40	431	£425,000	£987
	5	1B 1P	39	420	£425,000	£1,012
	6	3B 5P	87.5	942	£700,000	£743
Second Floor	7	2B 3P	67	721	£560,000	£777
	8	2B 3P	61	657	£530,000	£807
	9	1B 1P	40	431	£430,000	£999
	10	1B 1P	40	431	£430,000	£999
	11	1B 1P	39	420	£430,000	£1,024
	12	3B 5P	87.5	942	£700,000	£743
Third Floor	13	3B 4P	83.7	901	£675,000	£749
	14	2B 3P	66.3	714	£560,000	£785
	15	3B 4P	81.5	877	£670,000	£764
	16	3B 5P	87.6	943	£700,000	£742
	TOTAL		988.1	10636	£8,750,000	£823

Unit Type	AVERAGE NET SALEABLE AREA (SQ. FT.)	AVERAGE VACANT POSSESSION VALUE	AVERAGE VPV (£ PER SQ. FT.)	NUMBER OF UNITS
1-Bed Flat	427	£427,500	£1,001	6
2-Bed Flat	694	£548,000	£790	5
3-Bed Flat	921	£689,000	£748	5
TOTAL	10636	£8,750,000	£823	16

APPENDIX 3

SCHEDULE OF COMPARABLE PROPERTIES

Address	Beds	Net Saleable Area (sq.ft.)	Price	£ per sq.ft.	Age	Transaction Date
5d Burghley Road, London, Greater London, NW5 1UD	1	495	£364,000	£735		22/12/2020
Flat 10, 1 Willingham Terrace, London, Greater London, NW5 2ER	1	409	£365,000	£892	NB2017	23/04/2021
Flat 17, 1 Willingham Terrace, London, Greater London, NW5 2ER	1	409	£370,000	£905	NB 2017	23/10/2020
Flat 4, 1 Willingham Terrace, London, Greater London, NW5 2ER	1	409	£370,000	£905	NB 2017	24/09/2020
Flat 13, Hilton House, Parkhurst Road, London, Greater London N7 0NN	1	527	£375,000	£711		12/03/2021
25 Cressfield Close, London, Greater London, NW5 4BN	1	527	£405,000	£768		05/05/2021
5a Burghley Road, London, Greater London, NW5 1UD	1	603	£415,000	£688		25/01/2021
8, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 0FJ	1	538	£420,000	£780	New Build	06/05/2020
12, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 0FJ	1	538	£420,000	£780	New Build	16/11/2020
16, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 0FJ	1	538	£430,000	£799	New Build	09/04/2020
9, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 0FJ	1	538	£450,000	£836	New Build	01/06/2020
13, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 0FJ	1	538	£455,000	£845	New Build	22/05/2020
2A Dunollie Road, London, Greater London, NW5 2XP	1	517	£455,000	£881		26/02/2021
17, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 0FJ	1	538	£460,000	£855	New Build	09/04/2020
82 Huddleston Road, London, Greater London, N7 0EG	1	495	£470,000	£949		11/09/2020
23C Bartholomew Road London, Greater London, NW5 2AH	1	517	£480,000	£929		04/12/2020
58B Lawford Road, London, Greater London, NW5 2LN	1	640	£570,000	£891		22/03/2021
First Floor Flat, 41 Prince of Wales Road, London, Greater London, NW5 3LJ	2	911	£480,000	£527		25/09/2020
Apartment 2, Founders House, 180 Kentish Town Road, London, Greater London, NW5 2AE	2	667	£525,000	£787		06/04/2021
First Floor Flat, 264 Camden Road, London, Greater London, NW1 9AB	2	689	£530,000	£769		04/06/2021

21, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 OFJ	2	667	£555,000	£832	New Build	31/03/2020
19, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 OFJ	2	657	£560,000	£853	New Build	09/04/2020
3A St Leonards Square, London, Greater London, NW5 3HL	2	592	£571,000	£965		22/01/2021
Hilldrop Lane, Islington, London, N7	2	730	£575,000	£788		Guide Price
10, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 OFJ	2	786	£580,000	£738	New Build	09/04/2020
Flat 24, Dickens House, 1 Willingham Terrace, London, Greater London, NW1 7EP	2	603	£595,000	£987	NB 2020	23/09/2020
20, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 OFJ	2	775	£600,000	£774	New Build	09/04/2020
18, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 OFJ	2	786	£600,000	£764	New Build	09/04/2020
14, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 OFJ	2	786	£600,000	£764	New Build	21/04/2020
7, Ikon Apartments, 1a, Dalmeny Avenue, London, Greater London N7 OFJ	2	786	£600,000	£764	New Build	15/05/2020
Flat 4, Dickens House, 1 Willingham Terrace, London, Greater London, NW1 7EP	2	549	£600,000	£1,093	NB 2020	30/10/2020
Flat 23, Dickens House, 1 Willingham Terrace, London, Greater London, NW1 7EP	2	614	£600,000	£978	NB 2020	30/09/2020
Flat 32, Dickens House, 1 Willingham Terrace, London, Greater London, NW1 7EP	2	614	£600,000	£978	NB 2020	30/09/2020
Flat 13, Dickens House, 1 Willingham Terrace, London, Greater London, NW1 7EP	2	549	£600,000	£1,093	NB 2020	09/09/2020
1C Orlestone Road, London, Greater London, N7 8LH	2	786	£605,000	£770		14/10/2020
ICON7, 1A Dalmeny Avenue, Holloway, London, N7	2	786	£625,000	£795		Guide Price
Flat 83, Loraine Mansions, Widdenham Road, London, Greater London, N7 9SE	2	947	£649,000	£685		13/11/2020
Top Floor Flat, 190 Tufnell Park Road, London, Greater London, N7 0EE	2	646	£660,000	£1,022		28/09/2020
43D Hilldrop Road, London, Greater London, N7 0JE	2	807	£700,000	£867		09/10/2020

Flat 2, Hambrook Court, Ingestre Road, London, Greater London, NW5 1XB	3	861	£499,000	£579		31/03/2021
Flat 46, Una House, Prince of Wales Road, London, Greater London, NW5 3LA	3	733	£550,000	£750		30/03/2021
First Floor Flat, 139 Widdenham Road, London, Greater London N7 9SF	3	832	£715,000	£859		15/01/2021

APPENDIX 4

APPRAISAL OF THE APPROVED SCHEME

**1 Hampshire Street, Camden
Approved Scheme**

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Residential Accommodation	16	10,636	822.68	546,875	8,750,000

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial Accommodation	1	3,541	45.00	159,345	159,345	159,345
Residential Ground Rent	16	1	1.00	0	1	1
Totals	17	3,542			159,346	159,346

Investment Valuation

Commercial Accommodation					
Current Rent	159,345	YP @	6.0000%	16.6667	2,655,750
Residential Ground Rent					
Current Rent	1	YP @	100.0000%	1.0000	1
Total Investment Valuation					2,655,751

GROSS DEVELOPMENT VALUE

11,405,751

Purchaser's Costs	(180,591)
Effective Purchaser's Costs Rate	6.80%
	(180,591)

NET DEVELOPMENT VALUE

11,225,160

Income from Tenants	26,558
---------------------	--------

NET REALISATION

11,251,718

OUTLAY

ACQUISITION COSTS

Residualised Price		3,944,648	
			3,944,648
Stamp Duty		186,732	
Effective Stamp Duty Rate	4.73%		
Agent Fee	1.00%	39,446	
Legal Fee	0.50%	19,723	
			245,902

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Residential and Commercial Accommodation	15,725	245.90	3,866,849
			3,866,849
Mayoral CIL			70,971
Camden CIL			158,969
S106 - Apprentice Default Contribut			7,000
S106 - Apprentice Support Contribut			1,700
S106 - Carbon Offset Contribution			22,068
S106 - Project Management Plan			3,240
S106 - Highways Contribution			18,058
S106 - Open Space Contribution			23,007
			305,013

MARKETING & LETTING

Letting Agent Fee	12.00%	19,121	
Letting Legal Fee	2.00%	3,187	
			22,308

DISPOSAL FEES

Residential Sales & Marketing	3.00%	257,082	
Office Investment Sale Agent Fees	1.00%	26,558	
Office Investment Sale Legal Fees	0.50%	13,279	
			296,919

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)			
Land		257,245	
Construction		119,489	
Letting		22,250	
Other		22,250	
Total Finance Cost			421,235

**1 Hampshire Street, Camden
Approved Scheme**

TOTAL COSTS 9,102,874

PROFIT 2,148,843

Performance Measures

Profit on Cost%	23.61%
Profit on GDV%	18.84%
Development Yield% (on Rent)	1.75%
IRR% (without Interest)	32.67%

APPENDIX 5

SUMMARY OF SENSITIVITY ANALYSIS

Sensitivity Analysis Summary Table

% Increase (Gross Residential Sales Receipts)	0%	1%	2%	3%	4%	5%	6%	7%	8%	9%	10%
Gross Residential Sales Receipts	£8,750,000	£8,837,500	£8,925,000	£9,012,500	£9,100,000	£9,187,500	£9,275,000	£9,362,500	£9,450,000	£9,537,500	£9,625,000
Residual Land Value	£3,944,648	£4,004,820	£4,064,992	£4,125,164	£4,185,336	£4,245,507	£4,305,679	£4,365,851	£4,426,023	£4,486,195	£4,546,366

APPENDIX 6

TERMS OF ENGAGEMENT

Your ref: CD
Our ref: SEM/AJH
DD:
E: simon.mills@bidwells.co.uk
Date: 19/08/2021

Redtree (North London) Limited,
c/o Cormac Dolan,
Redtree Ventures Limited,
44 Great Eastern Street,
London,
EC21 3EP

Dear Cormac,

1 HAMPSHIRE STREET, CAMDEN, LONDON – TERMS OF ENGAGEMENT

You have instructed Bidwells to prepare a Financial Viability Assessment (“FVA”) in connection to the Approved Scheme at the above site.

As per the S106 Agreement, a Viability Update Assessment is required in order to determine the appropriate contribution towards the Deferred Affordable Housing Contribution based on the outcome of the viability assessment.

This letter sets out our Terms of Engagement in producing the FVA.

Purpose of the FVA

You require an assessment of financial viability for the Approved Scheme at the above site.

The FVA will identify the level of contribution that the Approved Scheme can provide towards the Deferred Affordable Housing Contribution whilst remaining viable, in accordance with Planning Practice Guidance and local planning policy.

Details of the Approved Scheme

The Approved Scheme would see the redevelopment of the site to provide 3 commercial units and 16 apartments.

Valuation Date

The valuation date will be the date of our FVA report.

Identification of the Surveyors preparing the FVA

The FVA will be prepared by Simon Mills BSc. (Hons) MSc MRICS, a Surveyor at Bidwells, and will be checked by Andrew Haynes BSc. (J.Hons) MRICS, a Partner at Bidwells.

Special Assumptions

The FVA is carried out based on the Approved Scheme.

Bidwells, John Ormond House, 899 Silbury Boulevard, Central Milton Keynes MK9 3XJ
T: 01908 202190 E: info@bidwells.co.uk W: bidwells.co.uk

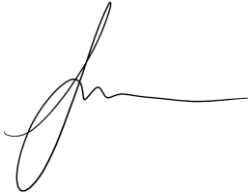
Fee Basis

Our instructions will be carried out for a fixed fee, with no contingent fee element.

Scope of Instructions

Our instructions are to prepare the FVA in order to demonstrate the level of affordable housing contribution that the Approved Scheme can provide whilst remaining viable.

Yours sincerely,



Simon Mills, MRICS
Surveyor



BIDWELLS