



**GERALDEVE**

## **O2 Masterplan Site, Finchley Road, London**

On behalf of LS (Finchley Road) Limited

Update Financial Viability Report Addendum

November 2022

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### **Appendix 1: Updated Schedule of Accommodation**

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## Executive Summary - Inputs Table

Element	FVA – January 2022	FVA Addendum – November 2022
<b>Scheme Areas</b>		
Private Residential Area	1,185,827 sq. ft (GIA)	1,194,819 sq. ft (GIA)
Affordable Residential Area	639,626 sq. ft (GIA)	645,110 sq. ft (GIA)
Commercial Area (incl. service yard)	181,178 sq. ft (GIA)	179,432 sq. ft (GIA)
<b>Average private residential values</b>		
Average private residential values	£1,174 psf	£1,174 psf
Car parking values	No value attributable to blue badge	No value attributable to blue badge
Low cost rent residential values	£219 psf	£219 psf
Intermediate rent residential values	£405 psf	£405 psf
<b>Commercial Rents</b>		
Retail	£28.50 psf	£28.50 psf
Restaurant/Café/Bar/Drinking Establishment	£35 psf	£35 psf
Gym	£25 psf	£25 psf
Creche	£20 psf	£20 psf
Medical	£30 psf	£30 psf
Workspace/Office/Professional Services	£25 psf	£25 psf
Cinema	£15 psf	£15 psf
<b>Commercial Yields</b>		
Retail	5.5%	5.5%
Workspace/Office/Professional Services	5.5%	5.5%
Restaurant/Café/Bar/Drinking establishment	5.5%	5.5%
Creche	5.25%	5.25%
Gym	5.25%	5.25%
Cinema	5.25%	5.25%
<b>Costs</b>		
Total Construction costs (Including demolition, enabling works and externals)	£705,170,000	£716,228,000
Professional fees	10%	10%
Commercial letting and legal fees	15%	15%
Commercial sales agent fees	1%	1%
Commercial sales legal fees	0.5%	0.5%
Commercial marketing	0.25%	0.25%



Residential sales agents' fee	1.5%	1.5%
Residential sales legal fee	0.5%	0.5%
Residential Marketing	2%	2%
NHBC/Insurance Costs	£1,000 per residential unit	£1,000 per residential unit
Miscellaneous Costs	£44,573,713	£44,573,713
Planning Obligations CIL	£38,280,389	£43,170,329
Planning Obligations S106	£3,232,800	£3,232,800
Planning Obligations Carbon Offset	£2,546,152	£2,546,152
Finance	7%	7%
EUV (O2 Centre only)	£112,000,000	£112,000,000
Premium (O2 Centre only)	£18,000,000 (16%)	£18,000,000 (16%)
Benchmark Land Value	£170,000,000	£170,000,000
<b>Output</b>		
Target IRR (present-day)	13.2%	13.2%
Output IRR (present-day)	3.3%	2.2%
Target IRR (growth)	17.2%	17.2%
Output IRR (growth)	13.0%	11.8%

The above table includes those inputs included in our FVA report (January 2022) and those included in this November 2022 addendum. A number of the inputs have remained constant, whilst others have required adjustment to better reflect changes to the development.

## 1 Introduction

- 1.1 Gerald Eve LLP has been instructed by LS (Finchley Road) Limited (“**the Applicant**”), to prepare a Financial Viability Assessment (FVA) addendum, of the development proposal for the redevelopment of O2 Masterplan Site, Finchley Road, London (“**the Site**”) located within the administrative boundary of the London Borough of Camden (“LBC” or “the Council”) for a planning submission.
- 1.2 The purpose of this FVA addendum report is to provide updated information regarding the proposed scheme to inform discussions with the Council. This addendum demonstrates the effect changes to the Scheme have on its viability position and whether the Scheme is offering the maximum reasonable level of affordable housing. This addendum should be read in conjunction with our previous FVA dated January 2022, to which we refer throughout.
- 1.3 It should be noted that there are no significant changes to the height and massing of the Detailed Proposals. The internal layouts have been reconfigured to take account of technical responses, from various consultees. This leads to a reduction in some of the commercial floor areas from Plots N3E, N4 and N5. There is no proposed change to the number of residential units for the Detailed Proposals, but the affordable housing quantum (by floorspace) has increased to 36% (from 35%) and there are minor changes to the unit mix.
- 1.4 Regarding the Outline Phases, whilst no changes are proposed to the Parameter Plans as part of the scheme revisions to allow for design flexibility in the future, the changes to the Design Codes create more rules which must be followed to moderate and limit the scale and massing that can come forward in the fully designed development. The floor spaces in the Development Specification Document in relation to this Outline Application remain unchanged and as such do not affect the viability position.
- 1.5 The FVA addendum and corresponding appraisals help determine the potential financial contribution and planning obligations as an aggregated “pot”. The addendum also provides further detail regarding the growth (forecast) model described within the January 2022 FVA report which applies inflation to build costs, and revenue growth to the revenue items at varying rates.

## **Conflict**

- 1.6 We declare that to the best of our knowledge there is no conflict of interest (paragraph 1.1 of the Conflict of Interest Professional Statement of January 2018); and that our fee basis for undertaking this viability assessment is neither performance related nor involves contingent fees.

## **Reliability**

- 1.7 In preparing this FVA addendum, we have had regard to the reporting and conduct requirements of the RICS Professional Statement 'Financial Viability in Planning: conduct and reporting (1<sup>st</sup> edition 2018). This is a requirement of practice for RICS members and firms and is regulated by the RICS.
- 1.8 Members have acted with objectivity, impartially and without interference when carrying out viability assessments and reviews. In preparing this addendum, no performance-related or contingent fees have been agreed.
- 1.9 This addendum report has been prepared to inform the planning discussions with the London Borough of Camden. It has been prepared having regard to the NPPF (revised July 2021); National Planning Guidance ("NPG"); the Mayor's Affordable Housing and Viability SPG (August 2017); the London Borough of Camden Local Plan (2017); the RICS Professional Statement Financial Viability in Planning 2019 Conduct and Reporting ("the RICS Professional Statement"); the London Plan (March 2021); the RICS Guidance Note: Assessing viability in planning under the National Planning Policy Framework 2021 for England (March 2021) ("the RICS GN") and conduct and reporting Practice Statement 2019 ("the RICS PS"); and generally accepted principles of undertaking (site specific) FVAs.

## **Confidentiality**

- 1.10 We are aware that to seek to protect commercially sensitive information all further information is provided as Commercial-In-Confidence within the meaning of provisions of the Freedom of Information Act, Sections 41 and 43, and the Environmental Information Regulations. This approach to confidentiality has been agreed between the parties.



## Supporting Information

1.11 The Applicant has instructed the following consultants to provide information applied in the FVA addendum:

- Gerald Eve (Planning)
- G&T (Cost Consultants)
- AHMM (architects)
- Knight Frank (residential sales agents)

## 2 Summary of Updates to Scheme

2.1 Regarding the detailed elements of the application, the recent changes can be summarised as follows:

- Changes to cycle access and reconfiguration of cycle store to Plots N3E, N4 and N5;
- Commercial space is reconfigured along with refuse and bulk store for Plots N3E, N4 and N5
- Amendment to plant allocation at roof level to Plots N4 and N5;
- Additional plant in Plot N3E at podium level
- Façade adjustments to allow for internal plan configuration to Plots N3E, N4 and N5;
- Changes to unit size mix predominantly to Plots N4 and N5 but also a minor change to Block N3E;
- Introduction of pressurization plant and associated fire related amendments including but not limited to natural smoke shaft to Plots N3E, N4 and N5;
- Amendment to layout of blue badge parking to Plots N4 and N5;
- Residential entrance and floor layout reconfiguration to Blocks N5A and N5C including additional floorspace;
- Amendments to wheelchair units predominantly in Plots N4 but also a minor change to Plots N5;
- Reconfiguration of PV panels to Plots N4 and N5;
- Full basement to Plot N3E;
- Removal of one townhouse from Block N4C;
- Basements / semi-depressions now proposed below Plots N4 and N5; and
- Removal of two townhouses on ground floor of Block N5A.
- There is has been no proposed change to the number of residential units for the Detailed Proposals, but the affordable housing quantum has increased to 36% (from 35%) and there are minor changes to the unit mix.

2.2 As per the above it is the detailed phases of the proposed scheme that have been updated such that they impact on the viability case, the outline phases (in terms of viability) remain as per the January 2022 FVA. Below we detail the adjustments to the Detail Phase Scheme areas (see **Appendix 1** for full updated schedules).



**Table 1: Summary of Private Residential Area Changes**

Block/ Phase	Unit Numbers		NIA (sq. ft)		GIA (sq. ft)	
	Jan 2022	Oct 2022	Jan 2022	Oct 2022	Jan 2022	Oct 2022
N3-E	68	68	41,741 sq. ft	41,855 sq. ft	57,535 sq. ft	58,696 sq. ft
N4	46	46	28,951 sq. ft	25,746 sq. ft	38,365 sq. ft	41,705 sq. ft
N5	306	306	200,612 sq. ft	199,519 sq. ft	260,320 sq. ft	293,447 sq. ft

**Table 2: Summary of Affordable Housing Area Changes**

Block/ Phase	Unit Numbers		NIA (sq. ft)		GIA (sq. ft)	
	Jan 2022	Oct 2022	Jan 2022	Oct 2022	Jan 2022	Oct 2022
N4 LCR	104	107	89,989 sq. ft	87,032 sq. ft	117,813 sq. ft	118,633 sq. ft
N4 IR	84	85	61,525 sq. ft	61,607 sq. ft	74,545 sq. ft	79,776 sq. ft

- 2.3 The updated affordable housing provision now increases the onsite provision of the detailed phase from 35% in the January 2022 FVA to 36% (by floorspace). For the outline proposals the affordable housing provision remains at 35% by floorspace (GIA).
- 2.4 For the Detailed phase proposals, the affordable housing will include Low-Cost Rent and Intermediate Rent Housing at a ratio of 60:40.
- 2.5 In addition to the above, we further break down the commercial, workspace and community uses to demonstrate the revisions that have been made to this detailed phase element.

**Table 3: Summary of Commercial Area Changes**

Block/ Phase	FVA – January 2022 (GIA)	FVA Addendum – September 2022 (GIA)
N3-E Commercial	3,229 sq. ft	2,459.6 sq. ft
N4 Shared Workspace	1,668 sq. ft	1,733 sq. ft
N4 Community	2,906 sq. ft	2,883.6 sq. ft
N4 Commercial	2,002 sq. ft	983.8 sq. ft
N5 Commercial & Amenity	14,650 sq. ft	11,547 sq. ft

### 3 Summary of Cost Updates and Inputs

- 3.1 Due to the area revisions of the detailed phase scheme a number of the inputs included with the January 2022 FVA have been revised in order to reflect these changes. We detail these cost updates below.

#### **Build Costs**

- 3.2 The Applicant previously commissioned cost consultant G&T to estimate construction costs for the FVA Scheme. These have since been updated to reflect the latest detailed phase updates. The total construction costs now equate to £716,228,000; this is £11,058,000 above the figure previously reported in the January 2022 FVA. We are advised by G&T that this increase is due to changes to the proposed floorspace, an increase in OHP from 4% to 5% reflecting current market conditions, introduction of core and stair fire pressurisation system, water/drainage attenuation and connections, phasing allowances and fit out costs. These have been assessed as at Q3 2022, thus, taking account of the present day increases in overall construction costs. See **Appendix 2** for updated cost plan.

#### **Community Infrastructure Levy (CIL)**

- 3.3 CIL has been recalculated to take account of the revised GIA for the detailed phase and increased BCIS indexation through to Q4 2022, this increases the overall CIL cost to £43.17m.

#### **Section 106**

- 3.4 For the purposes of this assessment, we have not adjusted the S106 estimates beyond the figures included within January 2022 FVA as we understand these negotiations with the council are still ongoing, with an agreed pot yet to be established.

#### **Gross Development Value (GDV)**

- 3.5 Given the changes to the detailed scheme, Knight Frank have provided us with a letter confirming that their advice and estimated values contained within the January 2022 FVA report are still current and applicable to today's market (**See Appendix 3**). We have also maintained the rates applied to the affordable housing and commercial units.

3.6 With the above in mind, the GDV of the Scheme has decreased from £1,106.6m to £1,098.7m. This decrease is due to the reduction in residential and commercial NIA.

### **Benchmark Land Value (BLV)**

3.7 The basis for establishing the Benchmark Land Value (BLV) is set out in the NPG (September 2019) and in particular paragraphs 13 to 17. It is recognised that NPG expects that viability is determined with regard to a BLV which reflects the aggregate of the Site's existing use value ('EUV') (component 1) and a premium for incentivising the landowner to release the land for development (component 2), or an alternative use value ('AUV'), having regard to planning policy.

3.8 Having regard to the above policy in arriving at a Benchmark Land Value (BLV), we still consider it most appropriate to consider the following within this addendum:

- Existing Use Value (EUV) of the site (O2 Centre valuation as a shopping centre, 520 vehicle car park and homebase retail warehouse store);
- Premium to the landowner (O2 Centre);
- Enabling Costs;
- Overall Benchmark Land Value (development land comparables).

3.9 Taking the above into account, we have not chosen to adjust the Site's BLV and therefore continue to adopt a BLV of £170m in line with the FVA (January 2022).

### **Finance Rate**

3.10 There is currently considerable interest rate uncertainty which impacts not just finance rates, but also financial appraisals used for valuations and viability purposes. Following September 2022's interest rate increases we would expect increased target returns and finance rates.

3.11 It is highly likely that in the coming month leading up to the next Monetary Policy Committee meeting, that our GE inhouse view will lead to an increase in the spot rate applied. However, for the purposes of this report we are maintaining our previous finance rate of 7%, but we reserve right to change this in future if necessary.

**Growth**

- 3.12 The proposed Scheme will be a major mixed use development site with a commensurate programme of construction works. Whilst our assessment is based on a current day basis, given the length of the development programme, we consider it reasonable and appropriate to have regard to anticipated future movements in both costs and values. This provides further information that is helpful in understanding the deliverability of the Scheme. In carrying out this further assessment, it is recognised that it is based on growth figures that are estimates only.
- 3.13 In modelling the growth appraisal, we have applied cost inflation explicitly based on tender price forecasts as set out in the January 2022 FVA.
- 3.14 Forecasts of residential growth are regularly updated irrespective of market conditions. Forecasts form a fundamental role in analysing the residential market and are heavily relied upon by the development industry and funders. Opinions on growth will vary between consultancy practices although the margins of variance are generally consistent.
- 3.15 There is considerable short-term volatility in the market due to macro-economic conditions. Current residential sales sentiment is low across the market due to uncertainty surrounding interest rates and inflation. However, due to the long duration of the project with a 15-year programme it is unlikely to be affected by short term instabilities in market conditions; these trends are likely to be smoothed out. As such, we have sought to adopt growth rates that reflect long term average sales growth.
- 3.16 According to Land Registry house price data, long-term average residential growth rates in Camden has been 4.9% per annum (July 2002- July 2022), and we have adopted this rate for our growth appraisal.

**Table 4: Land Registry House Price Index**

	Camden	London	UK
HPI – July 2002	42.0	47.5	59.9
HPI – July 2022	108.4	134.9	153.2
% change per annum	4.9%	5.4%	4.8%

## 4 Appraisal Results and Sensitivity Analysis

- 4.1 In order to assess the robustness of the viability of the updated proposals, it is necessary to consider the pricing and cost inputs to the financial model. For the purposes of this exercise and with the above table in mind, we have run an updated financial appraisal to test the viability of the scheme (see **Appendix 4**).
- 4.2 Following the changes set out in this Addendum, the present-day output from the updated Scheme appraisal is set out in the table below:

**Table 5: Appraisal Summary- Scheme Present Day- IRR**

Scheme	Actual Return (IRR)	Blended Target Rate of Return (IRR)
Addendum FVA (November 2022)	2.2%	13.2%

- 4.3 Looking at the above table’s actual, versus, target rate of return, we can see that the proposed scheme achieves a return below the benchmark return level and is therefore unviable. Inclusion of any additional housing would therefore lead to a greater deficit and worsen the viability for the Scheme further.
- 4.4 With the above in mind and due to the timescales associated with the delivery of this Scheme, we have also undertaken our analysis on a growth basis. We attach at **Appendix 5** the growth scenario financial appraisal. Below we summarise the outcome of this appraisal:

**Table 6: Appraisal Summary- Scheme Growth- IRR**

Growth Scheme	Actual Return (IRR)	Blended Target Rate of Return (IRR)
Addendum FVA (November 2022)	11.8%	17.2%

- 4.5 Our growth-based analysis of the Scheme demonstrates an improved return when compared with our present-day analysis, albeit still below the target rate of return.

- 4.6 In order to assess the robustness of the viability of the proposal, it is necessary to consider the pricing and cost inputs to the financial model. For the purposes of this exercise, we have re-run a sensitivity analysis to take account of the aforementioned updates to various inputs included within this addendum report.
- 4.7 This sensitivity compares movements in sales values with those of construction costs and the effect these have on the target rate of return, and therefore the provision of affordable housing. In short, this is a straightforward deterministic approach from which a judgement needs to be made as to the appropriateness of the outcome. Benchmarks can be used as performance measures. A prudent developer will also consider the sensitivities of a development and assess the risks of the particular project.
- 4.8 We set out below sensitivity tables for the Scheme on the basis of a present-day analysis. The tables show the impact +/-7.5% changes to the base construction cost and the private sales values on a present-day basis.

**Table 7: Private Sales Values and Construction Costs – IRR – Present Day**

Private Residential Sales: Rate /ft <sup>2</sup>					
Construction: Gross Cost	-10%	-5%	0%	+5%	+10%
+10%	-5.0%	-2.9%	-0.9%	1.0%	2.8%
+5%	-3.3%	-1.3%	0.7%	2.5%	4.3%
0%	-1.7%	0.3%	<b>2.2%</b>	4.1%	5.8%
-5%	-0.0%	2.0%	3.8%	5.6%	7.4%
-10%	1.7%	3.6%	5.4%	7.2%	8.9%

**Table 8: Private Sales Values and Construction Costs- IRR- Growth**

Private Residential Sales: Rate /ft <sup>2</sup>					
Construction: Gross Cost	-10%	-5%	0%	+5%	+10%
+10%	5.6%	7.4%	9.2%	10.9%	12.5%
+5%	6.9%	8.7%	10.5%	12.2%	13.8%
0%	8.3%	10.1%	<b>11.8%</b>	13.5%	15.1%
-5%	9.6%	11.4%	13.1%	14.8%	16.4%
-10%	11.0%	12.8%	14.5%	16.1%	17.7%

- 4.9 The results demonstrate that the outturn of these updated inputs is sensitive to both changes in costs and residential sales values. The sensitivity analysis shows that whilst a positive variation in our assumptions may result in the Scheme achieving an improved rate of return, the potential to reach the target rate of return based on present day inputs is challenging. On a growth basis, the Scheme reaches the target rate of return with an increase of 10% in residential sales values and reduction in construction costs of 10%. We note that other factors such as an accelerated programme would also further improve the Scheme's viability position.
- 4.10 The analysis implies that the Scheme, including 35% affordable housing and a planning contributions package of c. £49m (S106 of c. £3m, carbon offset of c. £2.6m, CIL of c. £43.2m) as with the January 2022 FVA remains unviable on a present-day basis. Our sensitivity analysis undertaken on a growth basis, however, shows that the Scheme is potentially capable of being viable

## 5 Deliverability

- 5.1 We have demonstrated via a growth model that the Scheme is potentially capable of being viable. As demonstrated above, present day values show the viability position to be challenging in the context of the affordable housing offer. The inclusion of additional housing would therefore lead to a greater deficit and worsen the viability position. We have however shown through both a growth model and managed process of construction cost risk and private sales value performance the route to a viable and deliverable scheme.
- 5.2 Our appraisal for the Scheme demonstrates an IRR of below the target return. This shows that at 35% affordable housing, the Proposed Scheme is providing in excess of the maximum reasonable amount of affordable housing and planning obligations.
- 5.3 The anticipated development programme for the Scheme extends to c.15 years. Most recent market forecasts reflect the relatively unprecedented and significant volatility in the short-term macro-economic situation. For this reason, we have had regard to longer-term average historic growth for Camden over the past 15 years and adopted this as a more accurate reflection of the normalised growth trends over the lifespan of a development of this size.
- 5.4 Additionally, the nature of viability assessments means that they follow specific guidance and as a result cannot take account of special circumstances, which might include (as here) the ability of a particular developer to take a longer-term investment approach of proceeding with a development.
- 5.5 In the case of the Applicant, this includes alignment with the developer's wider strategic goals; a developer's investment model of investing, managing and operating long term sustainable places; current, forecasted and sustained disruption to the retail and leisure trading environment and the additional benefit of creating a sustainable neighbourhood over a much longer investment timeframe.
- 5.6 Additionally, the underlying asset value forms basis of the Benchmark Land Value, as required by government Planning Practice Guidance. The current existing use value of the centre has been confirmed by BPS as being reasonable and has been satisfactorily evidenced. This however may change over a long-term horizon, particularly against a back drop of sector occupier weakness. This is, acknowledged by BPS at paragraph 3.7 of their Independent





Viability Review (July 2022), however the Applicant is required to submit a planning application now (that addresses these structural market changes) to deliver this development over the next 15 years.

5.7 As such, the Applicant is cognisant of the wider benefits of delivering the Scheme, and LB Camden's affordable housing requirements, and is committed to delivering the scheme (and the level of affordable housing) proposed.

5.8 To conclude, although the Scheme is shown to be unviable on a standard present-day viability appraisal (discounting any special site-specific considerations as outlined above), it demonstrates the Applicant's commitment to delivering sustainable places over a long-term investment horizon, delivering much needed private and affordable housing whilst contributing to LBC's pressing housing needs.

## 6 Concluding Financial Justification Statement

- 6.1 Our instructions are to undertake a further addendum assessment of the Scheme’s viability in accordance with the RICS Financial Viability in Planning mandatory guidance (2019) to verify whether the updated Scheme reflects the maximum reasonable level of planning contributions, to assist in determination of the planning application against adopted planning policies and guidance.
- 6.2 We have provided detail regarding the updates to the Detailed and Outline applications which will provide 36% and 35% affordable housing (by floorspace) respectively. We conclude this to be the maximum reasonable level of affordable housing to be provided within this addendum FVA. As with the January 2022 FVA we have had regard to growth forecasts and sensitivity testing and the deliverability of the Scheme.
- 6.3 The FVA and corresponding appraisals help determine the potential financial contribution and planning obligations as an aggregated “pot”. We understand that the S106 contributions are subject to ongoing discussions between the Applicant and Camden and it should be noted that this is an indicative policy position.
- 6.4 We have relied upon IRR for viability testing, having regard to the risks associated with the Site and the Scheme. We have adopted an updated target rate of return of 13.2% IRR on a present-day basis and 17.2% on a growth basis. The outturns of the appraisal in respect of the updated scheme are summarised in the table below:

**Table 9: Appraisal Output Summary**

Scheme	Target IRR	Output IRR
Present Day IRR %	13.2%	2.2%
Growth IRR %	17.2%	11.8%

- 6.5 This shows that on a present-day basis the Scheme as with the January 2022 FVA, demonstrates a return below the blended target rate of return. The return improves in the growth model scenario, albeit it is still below the target.
- 6.6 We have undertaken sensitivity analysis to substantiate this assessment as per Section 2.9 of the RICS Practice Statement: Viability in Planning, Conduct and Reporting (2019). Within this, we test the inputs we have used in our appraisals to test the robustness of delivering the

Scheme. These show that the Scheme is potentially capable of being viable on a growth basis and is therefore deliverable.

- 6.7 It is concluded that the planning contributions package that we have tested, comprising 35% affordable housing by GIA (across the Scheme as a whole), and a planning contributions package of c. £49m (S106 of c. £3m, carbon offset of c. £2.6m, CIL of c. £43.2m) and works in kind, represents the maximum reasonable level that can be supported by the Scheme, represents the maximum reasonable level that can be supported by the Scheme having regard to growth forecasts and sensitivity testing. This has been determined in accordance with the London Plan's requirement of achieving the maximum reasonable level of affordable housing, having regard to economic viability and individual circumstances.

# APPENDIX 1

19066\_Finchley Road  
ACCOMMODATION SCHEDULE - OPTION 60 - PLANNING - DETAIL ONLY

Notes:

- This document describes approximate areas only. It is the responsibility of the appropriately qualified Chartered Surveyor to accurately define area / dimension measurements in accordance with RICS Code of Measuring Practice.
- Any decision to be made on the basis of these predictions, whether as to project viability, pre-letting, lease agreements or the like, should include due allowance for increases and decreases inherent in design development and tolerances during construction.
- Residential NIA is measured.

TENURE
MARKET RENT
SOCIAL RENT
INTERMEDIATE

BLOCK N3-E	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
B01	264	2,841	0	0	0	0	0	0	221	2,382
L00	669	7,198	229	2,460	83	894	367	3,955	596	6,414
L01	645	6,937	0	0	490	5,276	577	6,206	577	6,206
L02	644	6,935	0	0	577	6,206	577	6,206	577	6,206
L03	644	6,935	0	0	577	6,206	577	6,206	577	6,206
L04	644	6,935	0	0	577	6,206	577	6,206	577	6,206
L05	644	6,935	0	0	577	6,206	577	6,206	577	6,206
L06	644	6,935	0	0	577	6,206	577	6,206	577	6,206
L07	644	6,935	0	0	577	6,206	577	6,206	577	6,206
L08	644	6,935	0	0	577	6,206	577	6,206	577	6,206
L09	532	5,729	0	0	473	5,089	473	5,089	473	5,089
RF	0	0	0	0	0	0	0	0	0	0
<b>Sub Total</b>	6,619	71,251	229	2,460	5,082	54,705	5,453	58,696	5,903	63,537

BLOCK N4-A	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	793	8,536	91	984	111	1,192	520	5,592	611	6,576
L00 DUPLEX					131	1,414	131	1,414	131	1,414
L01	699	7,522	0	0	490	5,275	490	5,275	490	5,275
L00 DUPLEX					144	1,545	144	1,545	144	1,545
L02	708	7,622	0	0	640	6,888	640	6,888	640	6,888
L03	708	7,622	0	0	640	6,888	640	6,888	640	6,888
L04	708	7,622	0	0	640	6,888	640	6,888	640	6,888
L05	708	7,622	0	0	640	6,888	640	6,888	640	6,888
L06	708	7,622	0	0	640	6,888	640	6,888	640	6,888
L07	708	7,622	0	0	640	6,888	640	6,888	640	6,888
L08	618	6,653	0	0	558	6,006	558	6,006	558	6,006
L09	554	5,965	0	0	490	5,270	490	5,270	490	5,270
L10	554	5,965	0	0	490	5,270	490	5,270	490	5,270
L11	554	5,965	0	0	490	5,270	490	5,270	490	5,270
L12	554	5,965	0	0	490	5,270	490	5,270	490	5,270
RF	50	537	0	0	41	442	41	442	41	442
<b>Sub Total</b>	8,625	92,841	91	984	7,273	78,282	7,681	82,682	7,773	83,666

19066\_Finchley Road  
ACCOMMODATION SCHEDULE - OPTION 60 - PLANNING - DETAIL ONLY

Notes:

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- Any decision to be made on the basis of these predictions, whether as to project viability, pre-letting, lease agreements or the like, should include due allowance for increases and decreases inherent in design development and tolerances during construction.
- Residential NIA is measured.

BLOCK N4-B	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	911	9,804	268	2,884	94	1,008	603	6,492	871	9,375
L01	515	5,539	0	0	414	4,453	468	5,032	468	5,032
L02	515	5,538	0	0	467	5,030	467	5,030	467	5,030
L03	515	5,538	0	0	467	5,030	467	5,030	467	5,030
L04	515	5,538	0	0	467	5,030	467	5,030	467	5,030
L05	515	5,538	0	0	467	5,030	467	5,030	467	5,030
L06	515	5,538	0	0	467	5,030	467	5,030	467	5,030
L07	515	5,538	0	0	467	5,030	467	5,030	467	5,030
L08	515	5,538	0	0	468	5,033	468	5,033	468	5,033
RF	0	0	0	0	0	0	0	0	0	0
<b>Sub Total</b>	<b>5,027</b>	<b>54,109</b>	<b>268</b>	<b>2,884</b>	<b>3,779</b>	<b>40,674</b>	<b>4,342</b>	<b>46,737</b>	<b>4,610</b>	<b>49,621</b>

  

BLOCK N4-C	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	868	9,346	161	1,733	109	1,176	663	7,135	824	8,868
L01	601	6,472	0	0	532	5,723	532	5,723	532	5,723
L02	599	6,449	0	0	530	5,699	530	5,699	530	5,699
L03	599	6,449	0	0	530	5,699	530	5,699	530	5,699
L04	599	6,449	0	0	530	5,699	530	5,699	530	5,699
L05	599	6,449	0	0	530	5,699	530	5,699	530	5,699
L06	599	6,449	0	0	530	5,699	530	5,699	530	5,699
L07	599	6,449	0	0	530	5,699	530	5,699	530	5,699
L08	512	5,515	0	0	451	4,856	451	4,856	451	4,856
L09	512	5,515	0	0	451	4,856	451	4,856	451	4,856
L10	512	5,515	0	0	451	4,856	451	4,856	451	4,856
L11	512	5,515	0	0	451	4,856	451	4,856	451	4,856
L12	512	5,515	0	0	451	4,856	451	4,856	451	4,856
L13	512	5,515	0	0	451	4,856	451	4,856	451	4,856
RF	49	531	0	0	41	442	41	442	41	442
<b>Sub Total</b>	<b>8,188</b>	<b>88,134</b>	<b>161</b>	<b>1,733</b>	<b>6,566</b>	<b>70,673</b>	<b>7,119</b>	<b>76,631</b>	<b>7,280</b>	<b>78,364</b>

  

BLOCK N4-D	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	803	8,643	0	0	273	2,939	759	8,172	759	8,172
L01	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L02	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L03	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L04	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L05	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L06	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L07	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L08	491	5,281	0	0	434	4,674	434	4,674	434	4,674
L09	491	5,281	0	0	434	4,674	434	4,674	434	4,674
RF	0	0	0	0	0	0	0	0	0	0
<b>Sub Total</b>	<b>5,218</b>	<b>56,170</b>	<b>0</b>	<b>0</b>	<b>4,181</b>	<b>45,002</b>	<b>4,667</b>	<b>50,235</b>	<b>4,667</b>	<b>50,235</b>

19066\_Finchley Road  
ACCOMMODATION SCHEDULE - OPTION 60 - PLANNING - DETAIL ONLY

Notes:

- This document describes approximate areas only. It is the responsibility of the appropriately qualified Chartered Surveyor to accurately define area / dimension measurements in accordance with RICS Code of Measuring Practice.
- Any decision to be made on the basis of these predictions, whether as to project viability, pre-letting, lease agreements or the like, should include due allowance for increases and decreases inherent in design development and tolerances during construction.
- Residential NIA is measured.

BLOCK N5-A	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	1,058	11,387	299	3,222	69	745	711	7,653	1,010	10,875
L01	709	7,629	0	0	498	5,359	626	6,735	626	6,735
L02	716	7,706	0	0	637	6,858	637	6,858	637	6,858
L03	716	7,706	0	0	637	6,859	637	6,859	637	6,859
L04	716	7,706	0	0	637	6,859	637	6,859	637	6,859
L05	716	7,706	0	0	637	6,859	637	6,859	637	6,859
L06	716	7,706	0	0	637	6,859	637	6,859	637	6,859
L07	716	7,706	0	0	637	6,859	637	6,859	637	6,859
L08	626	6,734	0	0	555	5,976	555	5,976	555	5,976
L09	626	6,734	0	0	555	5,974	555	5,974	555	5,974
L10	626	6,734	0	0	555	5,974	555	5,974	555	5,974
L11	626	6,734	0	0	555	5,974	555	5,974	555	5,974
L12	626	6,734	0	0	555	5,974	555	5,974	555	5,974
L13	626	6,734	0	0	555	5,974	555	5,974	555	5,974
L14	626	6,734	0	0	555	5,974	555	5,974	555	5,974
RF	41	439	0	0	34	366	34	366	34	366
<b>Sub Total</b>	10,482	112,828	299	3,222	8,309	89,442	9,079	97,725	9,378	100,947

  

BLOCK N5-B	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	792	8,520	0	0	284	3,058	748	8,048	748	8,048
L01	502	5,405	0	0	411	4,425	445	4,792	445	4,792
L02	502	5,408	0	0	445	4,791	445	4,791	445	4,791
L03	502	5,408	0	0	445	4,791	445	4,791	445	4,791
L04	502	5,408	0	0	445	4,791	445	4,791	445	4,791
L05	502	5,408	0	0	445	4,791	445	4,791	445	4,791
L06	502	5,408	0	0	445	4,791	445	4,791	445	4,791
L07	502	5,408	0	0	445	4,791	445	4,791	445	4,791
L08	502	5,405	0	0	445	4,791	445	4,791	445	4,791
L09	339	3,651	0	0	292	3,146	292	3,146	292	3,146
RF	0	0	0	0	0	0	0	0	0	0
<b>Sub Total</b>	5,149	55,427	0	0	4,103	44,166	4,601	49,524	4,601	49,524

19066\_Finchley Road  
ACCOMMODATION SCHEDULE - OPTION 60 - PLANNING - DETAIL ONLY

Notes:

- This document describes approximate areas only. It is the responsibility of the appropriately qualified Chartered Surveyor to accurately define area / dimension measurements in accordance with RICS Code of Measuring Practice.
- Any decision to be made on the basis of these predictions, whether as to project viability, pre-letting, lease agreements or the like, should include due allowance for increases and decreases inherent in design development and tolerances during construction.
- Residential NIA is measured.

BLOCK N5-C	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	971	10,450	308	3,315	74	793	617	6,645	925	9,960
L01	775	8,341	243	2,616	327	3,524	454	4,890	697	7,506
L02	761	8,189	0	0	687	7,390	687	7,390	687	7,390
L03	761	8,189	0	0	687	7,390	687	7,390	687	7,390
L04	761	8,189	0	0	687	7,390	687	7,390	687	7,390
L05	761	8,189	0	0	687	7,390	687	7,390	687	7,390
L06	761	8,189	0	0	687	7,390	687	7,390	687	7,390
L07	761	8,189	0	0	687	7,390	687	7,390	687	7,390
L08	671	7,222	0	0	604	6,506	604	6,506	604	6,506
L09	664	7,145	0	0	315	3,386	583	6,271	583	6,271
L10	645	6,947	0	0	573	6,167	573	6,167	573	6,167
L11	645	6,947	0	0	573	6,167	573	6,167	573	6,167
L12	645	6,947	0	0	573	6,167	573	6,167	573	6,167
L13	645	6,947	0	0	573	6,167	573	6,167	573	6,167
RF	41	439	0	0	34	366	34	366	34	366
<b>Sub Total</b>	<b>10,268</b>	<b>110,519</b>	<b>551</b>	<b>5,931</b>	<b>7,765</b>	<b>83,585</b>	<b>8,704</b>	<b>93,687</b>	<b>9,255</b>	<b>99,618</b>

  

BLOCK N5-D	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
L00	952	10,252	223	2,395	115	1,239	664	7,148	887	9,543
L01	569	6,126	0	0	480	5,167	512	5,511	512	5,511
L02	585	6,294	0	0	529	5,693	529	5,693	529	5,693
L03	585	6,294	0	0	529	5,693	529	5,693	529	5,693
L04	585	6,294	0	0	529	5,693	529	5,693	529	5,693
L05	585	6,294	0	0	529	5,693	529	5,693	529	5,693
L06	585	6,294	0	0	529	5,693	529	5,693	529	5,693
L07	585	6,294	0	0	529	5,693	529	5,693	529	5,693
L08	584	6,290	0	0	529	5,693	529	5,693	529	5,693
RF	0	0	0	0	0	0	0	0	0	0
<b>Sub Total</b>	<b>5,614</b>	<b>60,430</b>	<b>223</b>	<b>2,395</b>	<b>4,297</b>	<b>46,257</b>	<b>4,878</b>	<b>52,511</b>	<b>5,101</b>	<b>54,906</b>

  

COMBINED	TOTAL GEA		COMMERCIAL, WORKSPACE & COMMUNITY GIA		RESIDENTIAL				TOTAL GIA	
					RESIDENTIAL GIA		TOTAL RESI. GIA			
	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft	sqm	sqft
	65,191	701,708	1,822	19,608	51,355	552,784	56,525	608,427	58,568	630,417



19066\_Finchley Road

OPTION 60 - GROUND & LOWER GROUND COMMERCIAL, WORKSPACE & COMMUNITY SCHEDULE - R04

DETAIL PLOTS ONLY

Notes:

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<b>N3 (E)</b>			
Unit number	Use Class	Area GIA (sqm)	Area GIA (sq.ft)
N3-E-00-01	E	228.5	2459.6
<b>N4</b>			
Unit number	Use Class	Area (sqm)	Area (sq.ft)
N4-00-01	E(c)	161	1733.0
N4-00-02	F2	267.9	2883.6
N4-00-03	E	91.4	983.8
<b>N5</b>			
Unit number	Use Class	Area (sqm)	Area (sq.ft)
N5-00-01	E	103.6	1115.1
N5-00-02	E	34.2	368.1
N5-00-03	E	188.3	2026.8
N5-00-04	E	204.4	2200.1
N5-00-05	E	233.7	2515.5
N5-00-06	E	65.6	706.1
<b>Podium</b>			
N5-01-01	E	243	2615.6

# APPENDIX 2

# **02 FINCHLEY ROAD (Option 60 - revised planning) INDICATIVE ORDER OF COST ESTIMATE**

**for Landsec**

**Date: 27th September 2022**

**CONTROL ISSUE SHEET**

Revision	Status	Prepared By	Authorised By	Comment
1	Issue	Ben Fluck, Paul Clarkson, Katie Metcalf 24th January 2022	Katie Metcalf Partner 31st January 2022	AHMM Option 60 Rev 4
2	Issue	Jack Lewis, Mihir Vyas, Katie Metcalf 20th September 2022	Katie Metcalf Partner 26th September 2022	AHMM Option 60 Rev 11
	Issue	Jack Lewis, Mihir Vyas, Katie Metcalf 27th September 2022	Katie Metcalf Partner 27th September 2022	

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**CONTENTS**

- 1 Overall Summary**
- 2 Notes and Assumptions**
- 3 Exclusions**
- 4 Construction Cost Summary - Building Plots**
- 5 Details of Estimate**
  - 5.1 Building Plots** Phase 1A  
Phase 1B  
Phase 1C  
Phase 2A  
Phase 2B  
Phase 3A  
Phase 3B
  - 5.2 Infrastructure** Demolitions & Site Preparation  
Service Diversions  
On Plot Landscaping  
Public Realm  
Service Yard  
Bus works  
Site wide works - utilities  
Phasing allowances

**1. OVERALL SUMMARY**

			<b>Total Cost £</b>	
<b>1</b>	<b>Buildings</b>	Phase 1A	£23,300,000	
		Phase 1B	£82,520,000	
		Phase 1C	£107,060,000	
		Phase 2A	£96,063,000	
		Phase 2B	£28,894,000	
		Phase 3A	£81,602,000	
		Phase 3B	£219,118,000	£638,557,000
<b>2</b>	<b>Demolitions &amp; Site Preparation</b>			£10,088,000
<b>3</b>	<b>Service Diversions</b>			£14,850,000
<b>4</b>	<b>On Plot Landscaping (podiums)</b>	Phase 1A	£0	
		Phase 1B	£700,000	
		Phase 1C	£585,000	
		Phase 2A	£170,000	
		Phase 2B	£0	
		Phase 3A	£365,000	
		Phase 3B	£700,000	£2,520,000
<b>5</b>	<b>Public Realm</b>	Phase 1A	£1,480,000	
		Phase 1B	£2,012,000	
		Phase 1C	£2,360,000	
		Phase 2A	£5,412,000	
		Phase 2B	£2,182,000	
		Phase 3A	£2,285,000	
		Phase 3B	£5,032,000	£20,763,000
<b>6</b>	<b>Service Yard</b>			£4,880,000
<b>7</b>	<b>Bus works</b>			£520,000
<b>8</b>	<b>Site wide works - utilities</b>			£20,700,000
<b>9</b>	<b>Phasing allowances</b>			£2,340,000
	<b>Phase 1 Logistics allowance</b>			£1,010,000
<b>10</b>	<b>Sustainability upgrades</b>			excluded
				<b>£710,228,000</b>
<b>11</b>	<b>Main Contractor's preliminaries &amp; overheads &amp; profit</b>			included above
<b>13</b>	<b>Design Development Risk Allowance (2.5%)</b>			included above
<b>14</b>	<b>Contractor's Risk Allowance (2.5%)</b>			included above
<b>15</b>	<b>Design Development Risk Allowance</b>			excluded
<b>16</b>	<b>Construction Risk Allowance</b>			excluded
				<b>£710,228,000</b>
<b>17</b>	<b>Inflation</b>			excluded
	<b>TOTAL</b>			<b>£710,228,000</b>
	<b>TOTAL ESTIMATED CONSTRUCTION COST AS AT 3Q2022 (ROUNDED)</b>			<b>£720,000,000</b>

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## 2. NOTES & ASSUMPTIONS

Changes shown in purple

### PROJECT OVERVIEW

- 1 This document provides an indicative order of cost estimate for the 02 Finchley Road masterplan Option 60.

### INFLATION

- 1 Inflation has been excluded. Costs as at 3Q2022 (inclusive of allowance for inflation for the construction duration only).

### STATUS OF DESIGN

- 1 Stage 2

### INFORMATION USE TO PREPARE THIS ESTIMATE

- 1 Stage 2 Design from AHMM, Pell Frishmann, Hoare Lea & East

The areas have been based on the AHMM Accommodation Schedule Option 60 Rev 11 for Phase 1, and Option 60 Rev 06 for Phases 2 & 3.

### KEY ASSUMPTIONS

- 1 Please refer to the descriptions included in the detailed cost sections for assumptions and allowances.
- 2 Estimated costs are construction costs as at 3Q 2022.
- 3 No inflation has been included to start date.
- 4 Allowances have been included for main contractor preliminaries (15%) and overheads and profit (5%), as well as an allowance for Design Development Risk (2.5%) and Main Contractor's construction risk (2.5%).
- 5 Design Development risk allowance and Construction risk allowance has been excluded - held by Landsec.
- 6 Employer Change and Employer Other risk allowances have been excluded.
- 7 Areas have been taken from AHMM Accommodation Schedule Option 60.
- 8 Allowance for statutory authority works associated with the increases in services capacity has been excluded. It is assumed that the current provision is adequate (note: off site electrical connection included for which results in increased power provision).

### PROCUREMENT

- 1 Costs are based on a single stage design and build competitive tendering of the infrastructure works and building works for each phase (see Appendix A for indicative site plan).

Review of procurement options is in progress for alternative options.

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**3. EXCLUSIONS**

The following should be read in conjunction with the Construction Cost Summary and are a list of items not yet able to be included within this indicative cost estimate; however, we would like to discuss them further with yourselves and your advisors to determine whether some or all of the following can be included in the indicative cost estimate:

- 1 Value Added Tax**
- 2 Land acquisition costs and fees**
- 3 Client finance costs**
- 4 Legal costs**
- 5 Project insurances**
- 6 Marketing costs**
- 7 Design and other fees and costs associated with rights of light agreement, party wall awards, oversailing agreements etc**
- 8 Statutory changes**
- 9 Party wall awards / contributions**
- 10 Rights of light payments**
- 11 Site investigations and surveys**
- 12 Section 106 Payments/ Community Infrastructure Levies**
- 13 Asbestos removal - beyond stated allowance**
- 14 Abnormal ground conditions**
- 15 Archaeological investigations and exploratory works**
- 16 Working outside of normal working hours**
- 17 Temporary accommodation including car parking**
- 18 Grey and black water recycling**
- 19 Changes to current building regulations, and improvements in Part L and CO2 emissions beyond those achieved in Stage 2 design**
- 20 Management set up costs, public relations and publicity costs.**
- 21 Public art contributions**
- 22 Park and ride contributions, and contributions to training and employment schemes**
- 23 Contributions to public transport**
- 24 Reinforcement of existing service mains**
- 25 Show flats and sales office**
- 26 Section 278 works and commuted payments for maintenance**
- 27 Payments to tenants for disruption to trading**
- 28 Attendance on tenant shop fitters and developer's contributions to tenants**
- 29 Fit Out works to ground floor uses (retail, community, healthcare, other) - provided in shell only**
- 30 Furniture to residential units**
- 31 Network Rail payments**
- 32 Payments to vacate retail units**
- 33 Floating floors, springs or other anti vibration techniques to residential units (beyond undefined provision at Ground, First and Second Floor in Blocks N3E, N4 & N5, as noted as required in response to railway vibration).**
- 34 Currency and exchange rate fluctuations**
- 35 Costs resulting from tariffs or other charges applied by foreign countries following the withdrawal of the UK from the European Union**
- 36 Landmark buildings / upgrades to elevations or roofline**



**4. CONSTRUCTION COST SUMMARY**

Areas updated for planning resubmission		Qty (GIA)	Unit	Rate	Total £	TOTAL £
Costs updated for BS9991 pressurisation and cost update to 3Q 2022						
<b>Building Plots</b>						
<b>Phase 1A</b>	Building N3-E	63,537	sqft	£367	<u>23,300,000</u>	23,300,000
<b>Phase 1B</b>	Building N4	261,891	sqft	£315	<u>82,520,000</u>	82,520,000
<b>Phase 1C</b>	Building N5	304,994	sqft	£351	<u>107,060,000</u>	107,060,000
<b>Phase 2A</b>	Building N6	58,567	sqft	£353	<u>20,663,000</u>	96,063,000
	Building N7	230,695	sqft	£327	<u>75,400,000</u>	
<b>Phase 2B</b>	Building S8	83,938	sqft	£344	<u>28,894,000</u>	28,894,000
<b>Phase 3A</b>	Building N3	234,884	sqft	£347	<u>81,602,000</u>	81,602,000
<b>Phase 3B</b>	Building N1	220,575	sqft	£333	<u>73,550,000</u>	219,118,000
	Building N2	258,961	sqft	£344	<u>89,011,000</u>	
	Building S1	173,721	sqft	£326	<u>56,557,000</u>	
		<u>1,891,763</u>	sqft			

**TOTAL TO SUMMARY**

**638,557,000**

*includes Main Contractor's preliminaries (15%), oh&p (5%), design and build risk (2.5%) and contractor's construction risk (2.5%)*

*all excluding service yard costs and podium landscaping (see site wide infrastructure)*

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation					
	Qty	Unit	Rate	Total £	TOTAL £
<b>PHASE 1A</b>	<b>63,537</b>	<b>sqft</b>	<b>£367</b>		<b>23,300,000</b>
<b>BUILDING N3-E</b>	See separate Stage 2 cost estimate				
<b>RESIDENTIAL</b>					
Shell & Core incl car park	61,077	sqft	£202	12,340,000	
Cost uplift (BS9991 + base date)	61,077	sqft	£16	959,000	
Fit Out Residential					
Market	41,855	sqft	£110	4,609,000	
Intermediate	-	sqft		-	
Low cost rent	-	sqft		-	
Residential Amenity Areas	724	sqft	£149	108,000	
<b>Sub Total</b>				<b>18,016,000</b>	
Main Contractor's preliminaries	15.0%	of	£18,016,000	2,693,000	
Main Contractor's OH&P	5.0%	of	£20,709,000	1,036,000	
<b>Sub Total</b>				<b>21,745,000</b>	
Main Contractor's risk	2.5%	of	£21,745,000	544,000	
Design Development risk	2.5%	of	£21,745,000	544,000	
<b>Residential TOTAL</b>	<b>61,077</b>	<b>sqft</b>	<b>£374</b>		<b>22,833,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	2,460	sqft	£146	358,000	
<b>Sub Total</b>				<b>358,000</b>	
Main Contractor's preliminaries	15.0%	of	£358,000	63,000	
Main Contractor's OH&P	5.0%	of	£421,000	22,000	
<b>Sub Total</b>				<b>443,000</b>	
Main Contractor's risk	2.5%	of	£443,000	12,000	
Design Development risk	2.5%	of	£443,000	12,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>2,460</b>	<b>sqft</b>	<b>£190</b>		<b>467,000</b>
<b>BUILDING N3E TOTAL</b>	<b>63,537</b>	<b>sqft</b>	<b>£367</b>		<b>£23,300,000</b>

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation

	Qty	Unit	Rate	Total £	TOTAL £
<b>PHASE 1B</b>	<b>261,891</b>	<b>sqft</b>	<b>£315</b>		<b>82,520,000</b>
<b>BUILDING N4 (see separate Stage 2 cost estimate)</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	256,291	sqft	£184	47,078,000	
Cost uplift (BS9991 + base date)	256,291	sqft	£10	2,445,000	
Fit Out Residential					
Market	28,882	sqft	£114	3,288,000	
Intermediate	58,471	sqft	£84	4,930,000	
Low cost rent	87,032	sqft	£71	6,217,000	
Residential Amenity Areas	2,074	sqft	£150	312,000	
<b>Sub Total</b>				<b>64,270,000</b>	
Main Contractor's preliminaries	15.0%	of	£64,270,000	9,642,000	
Main Contractor's OH&P	5.0%	of	£73,912,000	3,696,000	
<b>Sub Total</b>				<b>77,608,000</b>	
Main Contractor's risk	2.5%	of	£77,608,000	1,941,000	
Design Development risk	2.5%	of	£77,608,000	1,941,000	
<b>Residential TOTAL</b>	<b>256,291</b>	<b>sqft</b>	<b>£318</b>		<b>81,490,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	5,600	sqft	£145	810,000	
<b>Sub Total</b>				<b>810,000</b>	
Main Contractor's preliminaries	15.0%	of	£810,000	123,000	
Main Contractor's OH&P	5.0%	of	£933,000	47,000	
<b>Sub Total</b>				<b>980,000</b>	
Main Contractor's risk	2.5%	of	£980,000	25,000	
Design Development risk	2.5%	of	£980,000	25,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>5,600</b>	<b>sqft</b>	<b>£184</b>		<b>1,030,000</b>
<b>BUILDING N4 TOTAL</b>	<b>261,891</b>	<b>sqft</b>	<b>£315</b>		<b>£82,520,000</b>

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation

	Qty	Unit	Rate	Total £	TOTAL £
<b>PHASE 1C</b>	<b>304,994</b>	<b>sqft</b>	<b>£351</b>		<b>107,060,000</b>
<b>BUILDING N5</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	293,447	sqft	£191	55,925,000	
Cost uplift (BS9991 + base date)	293,447	sqft	£12	3,498,000	
Fit Out Residential					
Market	199,519	sqft	£108	21,530,000	
Intermediate	-	sqft		-	
Low cost rent	-	sqft		-	
Residential Amenity Areas	9,371	sqft	£232	2,170,000	
<b>Sub Total</b>				<b>83,123,000</b>	
Main Contractor's preliminaries	15.0%	of	£83,123,000	12,469,000	
Main Contractor's OH&P	5.0%	of	£95,592,000	4,780,000	
<b>Sub Total</b>				<b>100,372,000</b>	
Main Contractor's risk	2.5%	of	£100,372,000	2,504,000	
Design Development risk	2.5%	of	£100,372,000	2,504,000	
<b>Residential TOTAL</b>	<b>293,447</b>	<b>sqft</b>	<b>£359</b>		<b>105,380,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	11,547	sqft	£115	1,323,000	
<b>Sub Total</b>				<b>1,323,000</b>	
Main Contractor's preliminaries	15.0%	of	£1,323,000	200,000	
Main Contractor's OH&P	5.0%	of	£1,523,000	77,000	
<b>Sub Total</b>				<b>1,600,000</b>	
Main Contractor's risk	2.5%	of	£1,600,000	40,000	
Design Development risk	2.5%	of	£1,600,000	40,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>11,547</b>	<b>sqft</b>	<b>£145</b>		<b>1,680,000</b>
<b>BUILDING N5 TOTAL</b>	<b>304,994</b>	<b>sqft</b>	<b>£351</b>		<b>£107,060,000</b>

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation	Qty	Unit	Rate	Total £	TOTAL £
<b>PHASE 2A</b>	<b>289,263</b>	<b>sqft</b>	<b>£332</b>		<b>96,063,000</b>
<b>BUILDING N6</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	55,523	sqft	£190	10,550,000	
BS9991 pressurisation and costs update	55,523	sqft	£10	555,000	
Fit Out Residential					
Market	28,143	sqft	£113	3,180,000	
Intermediate	6,062	sqft	£84	510,000	
Low cost rent	9,092	sqft	£73	660,000	
Costs update	43,297	sqft	£2.50	108,000	
Residential Amenity Areas	572	sqft	£150	90,000	
<b>Sub Total</b>				<b>15,653,000</b>	
Main Contractor's preliminaries	15.0%	of	£15,653,000	2,350,000	
Main Contractor's OH&P	5.0%	of	£18,003,000	910,000	
<b>Sub Total</b>				<b>18,913,000</b>	
Main Contractor's risk	2.5%	of	£18,913,000	480,000	
Design Development risk	2.5%	of	£18,913,000	480,000	
<b>Residential TOTAL</b>	<b>55,523</b>	<b>sqft</b>	<b>£358</b>		<b>19,873,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	3,044	sqft	£200	610,000	
<b>Sub Total</b>				<b>610,000</b>	
Main Contractor's preliminaries	15.0%	of	£610,000	100,000	
Main Contractor's OH&P	5.0%	of	£710,000	40,000	
<b>Sub Total</b>				<b>750,000</b>	
Main Contractor's risk	2.5%	of	£750,000	20,000	
Design Development risk	2.5%	of	£750,000	20,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>3,044</b>	<b>sqft</b>	<b>£260</b>		<b>790,000</b>
<b>BUILDING N6 TOTAL</b>	<b>58,567</b>	<b>sqft</b>	<b>£353</b>		<b>£20,663,000</b>

## 5.1 BUILDINGS COST MODELLING

Costs updated for Sept 22 base date and BS 9991 pressurisation	Qty	Unit	Rate	Total £	TOTAL £
<b>BUILDING N7</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	213,974	sqft	£180	38,520,000	
BS9991 pressurisation and costs update <i>limited articulation and regular form</i>	213,974	sqft	£10	2,140,000	
Fit Out Residential					
Market	96,137	sqft	£113	10,860,000	
Intermediate	20,706	sqft	£84	1,740,000	
Low cost rent	31,060	sqft	£73	2,270,000	
Costs update	147,902	sqft	£2.50	370,000	
Residential Amenity Areas	2,547	sqft	£150	380,000	
<b>Sub Total</b>				<b>56,280,000</b>	
Main Contractor's preliminaries	15.0%	of	£56,280,000	8,450,000	
Main Contractor's OH&P	5.0%	of	£64,730,000	3,240,000	
<b>Sub Total</b>				<b>67,970,000</b>	
Main Contractor's risk	2.5%	of	£67,970,000	1,710,000	
Design Development risk	2.5%	of	£67,970,000	1,710,000	
<b>Residential TOTAL</b>	<b>213,974</b>	<b>sqft</b>	<b>£334</b>		<b>71,390,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core <i>limited articulation and regular form</i>	16,721	sqft	£190	3,180,000	
<b>Sub Total</b>				<b>3,180,000</b>	
Main Contractor's preliminaries	15.0%	of	£3,180,000	480,000	
Main Contractor's OH&P	4.0%	of	£3,660,000	150,000	
<b>Sub Total</b>				<b>3,810,000</b>	
Main Contractor's risk	2.5%	of	£3,810,000	100,000	
Design Development risk	2.5%	of	£3,810,000	100,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>16,721</b>	<b>sqft</b>	<b>£240</b>		<b>4,010,000</b>
<b>BUILDING N7 TOTAL</b>	<b>230,695</b>	<b>sqft</b>	<b>£327</b>		<b>£75,400,000</b>

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation					
	Qty	Unit	Rate	Total £	TOTAL £
<b>PHASE 2B</b>	<b>83,938</b>	<b>sqft</b>	<b>£344</b>		<b>28,894,000</b>
<b>BUILDING S8</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	75,387	sqft	£190	14,320,000	
Extra over: pitched roofs	75,387	sqft	£5	380,000	
BS9991 pressurisation and costs update	75,387	sqft	£10	754,000	
<b>Fit Out Residential</b>					
Market	33,795	sqft	£113	3,820,000	
Intermediate	7,279	sqft	£84	610,000	
Low cost rent	10,919	sqft	£73	800,000	
Costs update	51,993	sqft	£2.50	130,000	
Residential Amenity Areas	1,612	sqft	£150	240,000	
<b>Sub Total</b>				<b>21,054,000</b>	
Main Contractor's preliminaries	15.0%	of	£21,054,000	3,150,000	
Main Contractor's OH&P	5.0%	of	£24,204,000	1,220,000	
<b>Sub Total</b>				<b>25,424,000</b>	
Main Contractor's risk	2.5%	of	£25,424,000	640,000	
Design Development risk	2.5%	of	£25,424,000	640,000	
<b>Residential TOTAL</b>	<b>75,387</b>	<b>sqft</b>	<b>£354</b>		<b>26,704,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	8,551	sqft	£200	1,710,000	
<b>Sub Total</b>				<b>1,710,000</b>	
Main Contractor's preliminaries	15.0%	of	£1,710,000	260,000	
Main Contractor's OH&P	5.0%	of	£1,970,000	100,000	
<b>Sub Total</b>				<b>2,070,000</b>	
Main Contractor's risk	2.5%	of	£2,070,000	60,000	
Design Development risk	2.5%	of	£2,070,000	60,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>8,551</b>	<b>sqft</b>	<b>£256</b>		<b>2,190,000</b>
<b>BUILDING S8 TOTAL</b>	<b>83,938</b>	<b>sqft</b>	<b>£344</b>		<b>£28,894,000</b>

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation	Qty	Unit	Rate	Total £	TOTAL £
<b>PHASE 3A</b>	<b>234,884</b>	<b>sqft</b>	<b>£347</b>		<b>81,602,000</b>
<b>BUILDING N3</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	229,988	sqft	£190	43,700,000	
BS9991 pressurisation and costs update	229,988	sqft	£10	2,300,000	
Fit Out Residential					
Market	107,010	sqft	£113	12,090,000	
Intermediate	23,048	sqft	£84	1,940,000	
Low cost rent	34,572	sqft	£73	2,520,000	
Costs update	164,631	sqft	£2.50	412,000	
Residential Amenity Areas	1,375	sqft	£150	210,000	
<b>Sub Total</b>				<b>63,172,000</b>	
Main Contractor's preliminaries	15.0%	of	£63,172,000	9,690,000	
Main Contractor's OH&P	5.0%	of	£72,862,000	3,650,000	
<b>Sub Total</b>				<b>76,512,000</b>	
Main Contractor's risk	2.5%	of	£76,512,000	1,920,000	
Design Development risk	2.5%	of	£76,512,000	1,920,000	
<b>Residential TOTAL</b>	<b>229,988</b>	<b>sqft</b>	<b>£349</b>		<b>80,352,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	4,896	sqft	£200	980,000	
<b>Sub Total</b>				<b>980,000</b>	
Main Contractor's preliminaries	15.0%	of	£980,000	150,000	
Main Contractor's OH&P	5.0%	of	£1,130,000	60,000	
<b>Sub Total</b>				<b>1,190,000</b>	
Main Contractor's risk	2.5%	of	£1,190,000	30,000	
Design Development risk	2.5%	of	£1,190,000	30,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>4,896</b>	<b>sqft</b>	<b>£255</b>		<b>1,250,000</b>
<b>BUILDING N3 TOTAL</b>	<b>234,884</b>	<b>sqft</b>	<b>£347</b>		<b>£81,602,000</b>



**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation	Qty	Unit	Rate	Total £	TOTAL £
<b>PHASE 3B</b>	<b>653,257</b>	<b>sqft</b>	<b>£335</b>		<b>219,118,000</b>
<b>BUILDING N1</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	181,024	sqft	£190	34,390,000	
Extra over: pitched roofs	181,024	sqft	£5	910,000	
BS9991 pressurisation and costs update	181,024	sqft	£10	1,810,000	
Fit Out Residential					
Market	77,997	sqft	£113	8,810,000	
Intermediate	16,799	sqft	£84	1,410,000	
Low cost rent	25,199	sqft	£73	1,840,000	
Costs update	119,995	sqft	£2.50	300,000	
Residential Amenity Areas	4,025	sqft	£150	600,000	
<b>Sub Total</b>				<b>50,070,000</b>	
Main Contractor's preliminaries	15.0%	of	£50,070,000	7,520,000	
Main Contractor's OH&P	5.0%	of	£57,590,000	2,880,000	
<b>Sub Total</b>				<b>60,470,000</b>	
Main Contractor's risk	2.5%	of	£60,470,000	1,520,000	
Design Development risk	2.5%	of	£60,470,000	1,520,000	
<b>Residential TOTAL</b>	<b>181,024</b>	<b>sqft</b>	<b>£351</b>		<b>63,510,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	39,551	sqft	£200	7,910,000	
<b>Sub Total</b>				<b>7,910,000</b>	
Main Contractor's preliminaries	15.0%	of	£7,910,000	1,190,000	
Main Contractor's OH&P	5.0%	of	£9,100,000	460,000	
<b>Sub Total</b>				<b>9,560,000</b>	
Main Contractor's risk	2.5%	of	£9,560,000	240,000	
Design Development risk	2.5%	of	£9,560,000	240,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>39,551</b>	<b>sqft</b>	<b>£254</b>		<b>10,040,000</b>
<b>BUILDING N1 TOTAL</b>	<b>220,575</b>	<b>sqft</b>	<b>£333</b>		<b>£73,550,000</b>
	<i>service yard</i>	<i>15,584 sqft</i>	<i>measured elsewhere</i>		
	<i>total GIA</i>	<i>236,159 sqft</i>			

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation	Qty	Unit	Rate	Total £	TOTAL £
<b>BUILDING N2</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	235,874	sqft	£190	44,820,000	
BS9991 pressurisation and costs update	235,874	sqft	£10	2,359,000	
Fit Out Residential					
Market	117,608	sqft	£113	13,290,000	
Intermediate	25,331	sqft	£84	2,130,000	
Low cost rent	37,996	sqft	£73	2,770,000	
Costs update	180,935	sqft	£2.50	452,000	
Residential Amenity Areas	2,649	sqft	£150	400,000	
<b>Sub Total</b>				<b>66,221,000</b>	
Main Contractor's preliminaries	15.0%	of	£66,221,000	9,940,000	
Main Contractor's OH&P	4.0%	of	£76,161,000	3,050,000	
<b>Sub Total</b>				<b>79,211,000</b>	
Main Contractor's risk	2.5%	of	£79,211,000	1,990,000	
Design Development risk	2.5%	of	£79,211,000	1,990,000	
<b>Residential TOTAL</b>	<b>235,874</b>	<b>sqft</b>	<b>£353</b>		<b>83,191,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	23,087	sqft	£200	4,620,000	
<b>Sub Total</b>				<b>4,620,000</b>	
Main Contractor's preliminaries	15.0%	of	£4,620,000	700,000	
Main Contractor's OH&P	4.0%	of	£5,320,000	220,000	
<b>Sub Total</b>				<b>5,540,000</b>	
Main Contractor's risk	2.5%	of	£5,540,000	140,000	
Design Development risk	2.5%	of	£5,540,000	140,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>23,087</b>	<b>sqft</b>	<b>£252</b>		<b>5,820,000</b>
<b>BUILDING N2 TOTAL</b>	<b>258,961</b>	<b>sqft</b>	<b>£344</b>		<b>£89,011,000</b>

**5.1 BUILDINGS COST MODELLING**

Costs updated for Sept 22 base date and BS 9991 pressurisation	Qty	Unit	Rate	Total £	TOTAL £
<b>BUILDING S1</b>					
<b>RESIDENTIAL</b>					
Shell & Core incl car park	127,916	sqft	£190	24,300,000	
Extra over: pitched roofs	127,916	sqft	£5	640,000	
BS9991 pressurisation and costs update	127,916	sqft	£10	1,279,000	
Fit Out Residential					
Market	56,640	sqft	£113	6,400,000	
Intermediate	12,199	sqft	£84	1,020,000	
Low cost rent	18,299	sqft	£73	1,340,000	
Costs update	87,138	sqft	£2.50	218,000	
Residential Amenity Areas	4,259	sqft	£150	640,000	
<b>Sub Total</b>				<b>35,837,000</b>	
Main Contractor's preliminaries	15.0%	of	£35,837,000	5,380,000	
Main Contractor's OH&P	4.0%	of	£41,217,000	1,650,000	
<b>Sub Total</b>				<b>42,867,000</b>	
Main Contractor's risk	2.5%	of	£42,867,000	1,080,000	
Design Development risk	2.5%	of	£42,867,000	1,080,000	
<b>Residential TOTAL</b>	<b>127,916</b>	<b>sqft</b>	<b>£352</b>		<b>45,027,000</b>
<b>RETAIL / WORKSPACE / COMMUNITY</b>					
Shell & Core	45,805	sqft	£200	9,160,000	
<b>Sub Total</b>				<b>9,160,000</b>	
Main Contractor's preliminaries	15.0%	of	£9,160,000	1,380,000	
Main Contractor's OH&P	4.0%	of	£10,540,000	430,000	
<b>Sub Total</b>				<b>10,970,000</b>	
Main Contractor's risk	2.5%	of	£10,970,000	280,000	
Design Development risk	2.5%	of	£10,970,000	280,000	
<b>Retail, Workspace, Community TOTAL</b>	<b>45,805</b>	<b>sqft</b>	<b>£252</b>		<b>11,530,000</b>
<b>BUILDING S1 TOTAL</b>	<b>173,721</b>	<b>sqft</b>	<b>£326</b>		<b>£56,557,000</b>

**5.2 INFRASTRUCTURE COST MODELLING**

Costs updated to 3Q2022 base date

	Qty	Unit	Rate	Total £	TOTAL £
<b>DEMOLITION &amp; SITE PREPARATION</b>					
Allowance for demolition of existing Homebase store	4,453	m2	£100	448,000	
Extra over: ground floor slab works				75,000	
Allowance for demolition of car wash facility	1	Item	£25,000	30,000	
Demolition of Audi Garage	1,140	n2	£100	110,000	
Demoliton of VW garage	2,200		£100	220,000	
Demoliton of 02	25,772	m2	£125	3,220,000	
Demoliton of retail block to Finchley Road	4,320	m2	£150	650,000	
General site clearance, taking up existing surface	53,000	m2	£35	1,860,000	
Allowance for removal of obstructions & contamination say 10% of oversite to 0.5m	2,650	m3	£400	1,060,000	
Demolition of previous Phase 8	1,906	m2	£100	190,000	
General site clearance, taking up existing surface to previous Phase 8	2,650	m2	£35	90,000	
Allowance for removal of obstructions & contamination say 10% of oversite to 0.5m	133	m3	£400	50,000	
Main Contractor's Preliminaries	15 %			1,200,000	
Main Contractor's OH&P	5 %			460,000	
Design Development Risk	1.5 %			210,000	
Main Contractor's Risk	2.5 %			210,000	10,083,000
<b>Total to Summary</b>					<b>10,083,000</b>

**SERVICE DIVERSIONS**

Allowance for service diversions & terminations	1	Item		2,600,000	
Extra over: works to create space for new utilities in Blackburn West	1	Item		150,000	
Allowance for diversion of HV cabling	1	Item	£500,000	500,000	
Allowance for relocation of GGSM mast	1	Item	£2,000,000	2,000,000	
Decommision substations on site	6	Nr	£100,000	600,000	
Allowance to divert combined sewer and divert storm relief sewer (Thames Water quotation latest)	1	item	£5,200,000	5,200,000	
Allowance to divert shallow sewer (circa 150m), 2nr chambers and reconnection into existing sewers (plot N7 & S7)	1	item	£750,000	750,000	
Main Contractor's Preliminaries	15 %			1,770,000	
Main Contractor's OH&P	5 %			680,000	
Design Development Risk	1.5 %			300,000	
Main Contractor's Risk	2.5 %			300,000	14,850,000

**Total to Summary**
**14,850,000**

**5.2 INFRASTRUCTURE COST MODELLING - ON PLOT LANDSCAPING (PODIUMS)**

	<b>Qty</b>	<b>Unit</b>	<b>Rate</b>	<b>Total £</b>
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**5.2 INFRASTRUCTURE COST MODELLING - ON PLOT LANDSCAPING (PODIUMS)**

	Qty	Unit	Rate	Total £
<b>ON PLOT LANDSCAPING (PODIUM) - PHASE 1A</b>				
Landscaping to podium				-
Main Contractor's Preliminaries	15	%		-
Main Contractor's OH&P	5	%		-
Design Development Risk	2.5	%		-
Main Contractor's Risk	2.5	%		-
Rounding				-
<b>Total to Summary (Phase 1A)</b>				<b>£0</b>
<b>ON PLOT LANDSCAPING (PODIUM) - PHASE 1B</b>				
Landscaping to podium				560,000
Main Contractor's Preliminaries	15	%		80,000
Main Contractor's OH&P	5	%		30,000
Design Development Risk	2.5	%		14,000
Main Contractor's Risk	2.5	%		14,000
Rounding				2,000
<b>Total to Summary (Phase 1B)</b>				<b>£700,000</b>
<b>ON PLOT LANDSCAPING (PODIUM) - PHASE 1C</b>				
On Plot Landscaping (podium)				460,000
Main Contractor's Preliminaries	15	%		70,000
Main Contractor's OH&P	5	%		30,000
Design Development Risk	2.5	%		12,000
Main Contractor's Risk	2.5	%		12,000
Rounding				1,000
<b>Total to Summary (Phase 1C)</b>				<b>£585,000</b>
<b>ON PLOT LANDSCAPING (PODIUM) - PHASE 2A</b>				
Landscaping to podium				130,000
On Plot Landscaping (podium)				
Main Contractor's Preliminaries	15	%		20,000
Main Contractor's OH&P	5	%		10,000
Design Development Risk	2.5	%		3,000
Main Contractor's Risk	2.5	%		3,000
Rounding				4,000
<b>Total to Summary (Phase 2A)</b>				<b>£170,000</b>

**5.2 INFRASTRUCTURE COST MODELLING - ON PLOT LANDSCAPING (PODIUMS)**

	Qty	Unit	Rate	Total £
<b>ON PLOT LANDSCAPING (PODIUM) - PHASE 2B</b>				
Landscaping to podium				-
Main Contractor's Preliminaries	15	%		-
Main Contractor's OH&P	5	%		-
Design Development Risk	2.5	%		-
Main Contractor's Risk	2.5	%		-
Rounding				-
<b>Total to Summary (Phase 2B)</b>				<b>£0</b>

<b>ON PLOT LANDSCAPING (PODIUM) - PHASE 3A</b>				
Landscaping to podium				290,000
Main Contractor's Preliminaries	15	%		40,000
Main Contractor's OH&P	5	%		20,000
Design Development Risk	2.5	%		7,000
Main Contractor's Risk	2.5	%		7,000
Rounding				1,000
<b>Total to Summary (Phase 3A)</b>				<b>£365,000</b>

<b>ON PLOT LANDSCAPING (PODIUM) - PHASE 3B</b>				
Landscaping to podium				560,000
Main Contractor's Preliminaries	15	%		80,000
Main Contractor's OH&P	5	%		30,000
Design Development Risk	2.5	%		14,000
Main Contractor's Risk	2.5	%		14,000
Rounding				2,000
<b>Total to Summary (Phase 3B)</b>				<b>£700,000</b>

**5.2 INFRASTRUCTURE COST MODELLING - PUBLIC REALM**

	Qty	Unit	Rate	Total £
<b>PUBLIC REALM - PHASE 1A</b>				
Public Realm				1,090,000
Main Contractor's Preliminaries	15	%		160,000
Main Contractor's OH&P	5	%		60,000
Design Development Risk	2.5	%		33,000
Main Contractor's Risk	2.5	%		33,000
Rounding				4,000
Allowance for steps/ramps undrawn	1	item		100,000
<b>Total to Summary (Phase 1A)</b>			-	<b>£1,480,000</b>
<b>PUBLIC REALM - PHASE 1B</b>				
Public Realm				1,500,000
Main Contractor's Preliminaries	15	%		230,000
Main Contractor's OH&P	5	%		90,000
Design Development Risk	2.5	%		46,000
Main Contractor's Risk	2.5	%		46,000
Rounding				-
Allowance for steps/ramps undrawn	1	item		100,000
<b>Total to Summary (Phase 1B)</b>			-	<b>£2,012,000</b>
<b>PUBLIC REALM - PHASE 1C</b>				
Public Realm				1,800,000
Main Contractor's Preliminaries	15	%		270,000
Main Contractor's OH&P	5	%		100,000
Design Development Risk	2.5	%		45,000
Main Contractor's Risk	2.5	%		45,000
Rounding				-
Allowance for steps/ramps undrawn	1	item		100,000
<b>Total to Summary (Phase 1C)</b>			-	<b>£2,360,000</b>



**5.2 INFRASTRUCTURE COST MODELLING - PUBLIC REALM**

	Qty	Unit	Rate	Total £
<b>PUBLIC REALM - PHASE 2A</b>				
Public Realm				3,590,000
Main Contractor's Preliminaries	15	%		540,000
Main Contractor's OH&P	5	%		210,000
Design Development Risk	2.5	%		109,000
Main Contractor's Risk	2.5	%		109,000
Rounding				4,000
Allowance for upgrading Granny Dripping Steps				750,000
Allowance for steps/ramps undrawn	1	item		100,000
<b>Total to Summary (Phase 2A)</b>			-	<b>£5,412,000</b>
<b>PUBLIC REALM - PHASE 2B</b>				
Public Realm				1,640,000
Main Contractor's Preliminaries	15	%		250,000
Main Contractor's OH&P	5	%		90,000
Design Development Risk	2.5	%		50,000
Main Contractor's Risk	2.5	%		50,000
Rounding				2,000
Allowance for steps/ramps undrawn	1	item		100,000
<b>Total to Summary (Phase 2B)</b>			-	<b>£2,182,000</b>
<b>PUBLIC REALM - PHASE 3A</b>				
Public Realm				1,720,000
Main Contractor's Preliminaries	15	%		260,000
Main Contractor's OH&P	5	%		100,000
Design Development Risk	2.5	%		52,000
Main Contractor's Risk	2.5	%		52,000
Rounding				1,000
Allowance for steps/ramps undrawn	1	item		100,000
<b>Total to Summary (Phase 3A)</b>			-	<b>£2,285,000</b>

**5.2 INFRASTRUCTURE COST MODELLING - PUBLIC REALM**

	<b>Qty</b>	<b>Unit</b>	<b>Rate</b>	<b>Total £</b>
<b>PUBLIC REALM - PHASE 3B</b>				
Public Realm				3,840,000
Main Contractor's Preliminaries	15	%		580,000
Main Contractor's OH&P	5	%		220,000
Design Development Risk	2.5	%		116,000
Main Contractor's Risk	2.5	%		116,000
Rounding				-
Allowance for steps/ramps undrawn	1	item		160,000
<b>Total to Summary (Phase 3B)</b>			-	<b>£5,032,000</b>

**5.2 INFRASTRUCTURE COST MODELLING**

	Qty	Unit	Rate	Total £	TOTAL £
<b>SERVICE YARD</b>					
Service Yard	2,836	m2	£1,350	3,830,000	
Allowance for access controls				50,000	
Main Contractor's Preliminaries	15 %			580,000	
Main Contractor's OH&P	5 %			220,000	
Design Development Risk	2.5 %			100,000	
Main Contractor's Risk	2.5 %			100,000	4,880,000
<b>Total to Summary</b>					<b>4,880,000</b>

<b>BUS INTERCHANGE</b>					
Allowance for bus layby and bus stops	1	Item		420,000	
Main Contractor's Preliminaries	15 %			60,000	
Main Contractor's OH&P	5 %			20,000	
Design Development Risk	2.5 %			10,000	
Main Contractor's Risk	2.5 %			10,000	520,000
<b>Total to Summary</b>					<b>520,000</b>

<b>SITE WIDE UTILITIES</b>					
Site wide distribution to plots - combined utilities corridor	1,155	m	£2,000	2,310,000	
<u>Electricity</u>					
Allowance for Substations (1 per building)	12	Nr	£200,000	2,400,000	
<u>Water / Drainage</u>					
Thames Water statutory charges	1,796	Nr	£780	1,400,000	
Allowance for Attenuation (2,435m3 indicated in Stage 2)	2,600	m3	£400	1,040,000	
Increased attenuation required (updated total required 3,310m3)	710	m3	£400	280,000	
- Allowance for drainage connections outside building footprint, foul / storm sewers					
Phase 1A (N3E)	269	m	£300	80,000	
Phase 1B (N4)	531	m	£300	160,000	
Phase 1C (N5)	419	m	£300	130,000	
Phase 2A (N6/7)	516	m	£300	150,000	
Phase 2B (S8)	267	m	£300	80,000	
Phase 3A (N3)	479	m	£300	140,000	
Phase 3B (S1, S2 & N2)	829	m	£300	250,000	

**5.2 INFRASTRUCTURE COST MODELLING**

	Qty	Unit	Rate	Total £	TOTAL £
- Allowance for drainage manholes outside of building footprint only; storm / foul					
Phase 1A (N3E)	16	nr	£3,000	50,000	
Phase 1B (N4)	24	nr	£3,000	70,000	
Phase 1C (N5)	14	nr	£3,000	40,000	
Phase 2A (N6/7)	31	nr	£3,000	90,000	
Phase 2B (S8)	10	nr	£3,000	30,000	
Phase 3A (N3)	22	nr	£3,000	70,000	
Phase 3B (S1, S2 & N2)	24	nr	£3,000	70,000	
<b>Infrastructure upgrades</b>					
Power	1	Item		3,250,000	
Water / Drainage	1	Item		1,500,000	
Telecoms	1	Item		1,000,000	
Allowance for crossing to Finchley Road / Blackburn Rd junction	1	Item	£750,000	750,000	
Works to Blackburn Road levels	700	m2	£1,600	1,120,000	
Main Contractor's Preliminaries	15 %			2,470,000	
Main Contractor's OH&P	5 %			950,000	
Design Development Risk	2.5 %			410,000	
Main Contractor's Risk	2.5 %			410,000	20,700,000
<b>Total to Summary</b>					<b>20,700,000</b>

**PHASING ALLOWANCES**

Temporary pedestrian, servicing, bus routes	7	phases	£200,000	see detail below
Allowance for junction works	2	Item	£225,000	see detail below
<b>Phase 1A, 1B, 1C</b>				
- Allowance for alterations to existing car park at grade; retain existing surfacing; allowance for whitelining to suit new layout	10,527	m2	£10	110,000
- Allowance to remove trees	1	item	£10,000	10,000
- New tarmac surfacing to existing pedestrian route in centre of car park	234	m2	£75	20,000
- Existing drainage retained; allowance for minor alterations to gulleys	1	item	£10,000	10,000
- New access to surface car park (assumes no service diversions required)	1	item	£50,000	50,000
- Relocation of security booth	1	item	£10,000	10,000

**5.2 INFRASTRUCTURE COST MODELLING**

	Qty	Unit	Rate	Total £	TOTAL £
- Pedestrian / cycle route around car park; 5m wide	1,035	m2	£150	160,000	
- New bus route adjacent to Phase 1A east; one way	400	m2	£325	130,000	
- Realignment of kerbs to suit to bellmouths	2	nr	£30,000	60,000	
- Allowance for demarcation and surfacing to cycle route along Blackburn Road (South)	350	m	£150	50,000	
- Perimeter hoardings to Phase 1A, B & C; painted and lit	550	m	£250	140,000	
- Allowance for other measures for maintaining access for existing occupiers / UKPN	1	Item	£100,000	100,000	
<u>Phase 2A, 2B, 3A &amp; 3B</u>					
- Temporary pedestrian, servicing, bus routes	4	phases	£200,000	800,000	
- Allowance for new junctions	4	phases	£50,000	200,000	
Main Contractor's Preliminaries	15 %			280,000	
Main Contractor's OH&P	5 %			110,000	
Design Development Risk	2.5 %			50,000	
Main Contractor's Risk	2.5 %			50,000	2,340,000
<b>Total to Summary</b>					<b>2,340,000</b>

**PHASE 1 LOGISTICS**

Phase 1 logistics allowance	1	Item	£800,000	800,000	
Main Contractor's Preliminaries	15 %			120,000	
Main Contractor's OH&P	5 %			50,000	
Design Development Risk	2.5 %			20,000	
Main Contractor's Risk	2.5 %			20,000	1,010,000
<b>Total to Summary</b>					<b>1,010,000</b>

**02 Finchley Road**  
**Indicative Order of Cost Estimate**  
**for Landsec**  
**27th September 2022**

# APPENDIX 3

LS Finchley Road Ltd  
100 Victoria Street,  
London,  
SW1E 5JL

Date: 6 October 2022

FAO Timothy Trillo

Dear Mr Trillo

## O2 Centre Masterplan, NW3

Further to our market and pricing report for the above development dated January 2022, we write to advise you that having reviewed the latest submission materials we can confirm that the advice and estimated values contained within our previous report are still current and applicable in today's market.

If you require anything further, please don't hesitate to contact us.

Kind regards



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Partner  
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# APPENDIX 4

O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum)

Development Appraisal  
Gerald Eve LLP  
13 October 2022

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum)**

**Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
Block N4 - Private	42	25,746	1,170.71	717,644	30,141,043
Block N4 - Intermediate	85	58,872	405.00	280,508	23,843,160
Block N4 - LAR	107	89,767	219.00	183,729	19,658,973
Block N3-E - Private	68	41,855	1,222.98	752,764	51,187,978
Block N5 - Private	306	199,519	1,166.79	760,777	232,797,747
Block N7 - Private	132	78,021	1,180.41	697,701	92,096,573
Block N7 - Intermediate	42	28,225	405.00	272,170	11,431,125
Block N7 - LAR	54	41,656	219.00	168,938	9,122,664
Block N6 - Private	70	43,297	1,231.32	761,605	53,312,364
Block S8 - Private	42	34,448	1,089.24	893,386	37,522,230
Block S8 - Intermediate	9	7,728	405.00	347,760	3,129,840
Block S8 - LAR	18	9,817	219.00	119,440	2,149,923
Block N3 - Private	240	146,077	1,166.20	709,812	170,354,994
Block N3 - Intermediate	24	17,601	405.00	297,017	7,128,405
Block N3 - LAR	3	953	219.00	69,569	208,707
Block N2 - Private	125	88,479	1,154.36	817,093	102,136,652
Block N2 - Intermediate	92	69,267	405.00	304,925	28,053,135
Block N2 - LAR	30	23,189	219.00	169,280	5,078,391
Block N1 - Private	201	119,995	1,189.88	710,346	142,779,550
Block S1 - LAR	106	87,138	219.00	180,030	19,083,222
<b>Totals</b>	<b>1,796</b>	<b>1,211,650</b>			<b>1,041,216,676</b>

**Rental Area Summary**

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail - N4	1	886	28.50	25,240	25,240	25,240
Professional Services - N4	1	1,560	25.00	38,993	38,993	38,993
Community - N4	1	2,596		0	0	
Retail - N3-E	1	2,214	28.50	63,099	63,099	63,099
Retail - N5	1	13,185	28.50	375,773	375,773	375,773
Retail - N7	1	4,980	28.50	141,921	141,921	141,921
Food & Drink - N7	1	1,163	35.00	40,698	40,698	40,698
Drinking Establishment - N7	1	1,734	35.00	60,701	60,701	60,701
Creche - N7	1	1,734	20.00	34,686	34,686	34,686
Medical Services - N7	1	9,688	30.00	290,628	290,628	290,628
Office & Workspace - N7	1	1,734	25.00	43,358	43,358	43,358
Retail - N6	1	1,366	28.50	38,937	38,937	38,937
Food & Drink - N6	1	310	35.00	10,836	10,836	10,836
Drinking Establishment - N6	1	474	35.00	16,601	16,601	16,601
Creche - N6	1	474	20.00	9,486	9,486	9,486
Office & Workspace - N6	1	474	25.00	11,858	11,858	11,858
Retail - S8	1	1,986	28.50	56,610	56,610	56,610
Food & Drink - S8	1	465	35.00	16,286	16,286	16,286
Drinking Establishment - S8	1	698	35.00	24,413	24,413	24,413
Creche - S8	1	698	20.00	13,950	13,950	13,950
Office & Workspace - S8	1	698	25.00	17,438	17,438	17,438
Retail - N3	1	10,511	28.50	299,566	299,566	299,566
Food & Drink - N3	1	2,102	35.00	73,584	73,584	73,584
Drinking Establishment - N3	1	1,580	35.00	55,283	55,283	55,283
Sport & Recreation - N3	1	3,148	25.00	78,705	78,705	78,705
Cinema - N3	1	3,284	15.00	49,262	49,262	49,262
Professional Services - N3	1	1,318	25.00	32,940	32,940	32,940
Affordable Workspace - N3	1	659	15.00	9,882	9,882	9,882
Retail - N2	1	11,587	28.50	330,218	330,218	330,218
Food & Drink - N2	1	2,316	35.00	81,050	81,050	81,050
Drinking Establishment - N2	1	1,734	35.00	60,701	60,701	60,701
Sport & Recreation - N2	1	3,478	25.00	86,940	86,940	86,940
Cinema - N2	1	3,623	15.00	54,351	54,351	54,351
Professional Services - N2	1	1,444	25.00	36,090	36,090	36,090
Affordable Workspace - N2	1	726	15.00	10,895	10,895	10,895
Retail - N1	1	9,261	28.50	263,939	263,939	263,939
Food & Drink - N1	1	1,850	35.00	64,764	64,764	64,764
Drinking Establishment - N1	1	1,385	35.00	48,479	48,479	48,479
Sport & Recreation - N1	1	2,780	25.00	69,503	69,503	69,503

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum)**

Cinema - N1	1	2,896	15.00	43,443	43,443	43,443
Professional Services - N1	1	1,153	25.00	28,823	28,823	28,823
Affordable Workspace - N1	1	581	15.00	8,721	8,721	8,721
Retail - S1	1	7,392	28.50	210,663	210,663	210,663
Food & Drink - S1	1	1,482	35.00	51,881	51,881	51,881
Drinking Establishment - S1	1	1,114	35.00	38,997	38,997	38,997
Sport & Recreation - S1	1	2,219	25.00	55,463	55,463	55,463
Cinema - S1	1	2,306	15.00	34,587	34,587	34,587
Professional Services - S1	1	930	25.00	23,243	23,243	23,243
Affordable Workspace - S1	1	455	15.00	6,831	6,831	6,831
<b>Totals</b>	<b>49</b>	<b>132,430</b>			<b>3,540,306</b>	<b>3,540,306</b>

**Investment Valuation**

**Retail - N4**

Market Rent	25,240	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	434,978

**Professional Services - N4**

Market Rent	38,993	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	671,995

**Retail - N3-E**

Market Rent	63,099	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	1,087,445

**Retail - N5**

Market Rent	375,773	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	6,476,045

**Retail - N7**

Market Rent	141,921	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	2,445,867

**Food & Drink - N7**

Market Rent	40,698	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	692,062

**Drinking Establishment - N7**

Market Rent	60,701	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	1,004,935

**Creche - N7**

Market Rent	34,686	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	627,730

**Medical Services - N7**

Market Rent	290,628	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	5,259,640

**Office & Workspace - N7**

Market Rent	43,358	YP @	5.5000%	18.1818	
(9mths Rent Free)		PV 9mths @	5.5000%	0.9606	757,290

**Retail - N6**

Market Rent	38,937	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	671,033

**Food & Drink - N6**

Market Rent	10,836	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	184,264

**Drinking Establishment - N6**

Market Rent	16,601	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	274,832

**Creche - N6**

Market Rent	9,486	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	171,673

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum)**

**Office & Workspace - N6**

Market Rent	11,858	YP @	5.5000%	18.1818	
(9mths Rent Free)		PV 9mths @	5.5000%	0.9606	207,105

**Retail - S8**

Market Rent	56,610	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	975,606

**Food & Drink - S8**

Market Rent	16,286	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	276,932

**Drinking Establishment - S8**

Market Rent	24,413	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	404,164

**Creche - S8**

Market Rent	13,950	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	252,460

**Office & Workspace - S8**

Market Rent	17,438	YP @	5.5000%	18.1818	
(9mths Rent Free)		PV 9mths @	5.5000%	0.9606	304,567

**Retail - N3**

Market Rent	299,566	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	5,162,712

**Food & Drink - N3**

Market Rent	73,584	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	1,251,282

**Drinking Establishment - N3**

Market Rent	55,283	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	915,236

**Sport & Recreation - N3**

Market Rent	78,705	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	1,406,259

**Cinema - N3**

Market Rent	49,262	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	891,510

**Professional Services - N3**

Market Rent	32,940	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	567,686

**Affordable Workspace - N3**

Market Rent	9,882	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	170,306

**Retail - N2**

Market Rent	330,218	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	5,690,963

**Food & Drink - N2**

Market Rent	81,050	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	1,378,231

**Drinking Establishment - N2**

Market Rent	60,701	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	1,004,935

**Sport & Recreation - N2**

Market Rent	86,940	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	1,553,398

**Cinema - N2**

Market Rent	54,351	YP @	5.2500%	19.0476	
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**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum)**

(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	983,617
<b>Professional Services - N2</b>					
Market Rent	36,090	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	621,973
<b>Affordable Workspace - N2</b>					
Market Rent	10,895	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	187,755
<b>Retail - N1</b>					
Market Rent	263,939	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	4,548,703
<b>Food &amp; Drink - N1</b>					
Market Rent	64,764	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	1,101,299
<b>Drinking Establishment - N1</b>					
Market Rent	48,479	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	802,592
<b>Sport &amp; Recreation - N1</b>					
Market Rent	69,503	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	1,241,834
<b>Cinema - N1</b>					
Market Rent	43,443	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	786,210
<b>Professional Services - N1</b>					
Market Rent	28,823	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	496,726
<b>Affordable Workspace - N1</b>					
Market Rent	8,721	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	150,297
<b>Retail - S1</b>					
Market Rent	210,663	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	3,630,564
<b>Food &amp; Drink - S1</b>					
Market Rent	51,881	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	882,218
<b>Drinking Establishment - S1</b>					
Market Rent	38,997	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	645,620
<b>Sport &amp; Recreation - S1</b>					
Market Rent	55,463	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	990,975
<b>Cinema - S1</b>					
Market Rent	34,587	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	625,938
<b>Professional Services - S1</b>					
Market Rent	23,243	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	400,560
<b>Affordable Workspace - S1</b>					
Market Rent	6,831	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	117,725
<b>Total Investment Valuation</b>					<b>61,387,745</b>
<b>GROSS DEVELOPMENT VALUE</b>					<b>1,102,604,421</b>

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum)**

Purchaser's Costs		(3,908,583)	
Effective Purchaser's Costs Rate	6.8%		(3,908,583)

**NET DEVELOPMENT VALUE** **1,098,695,838**

<b>Additional Revenue</b>			
Rental Income - Existing Centre		51,925,000	51,925,000

**NET REALISATION** **1,150,620,838**

**OUTLAY**

**ACQUISITION COSTS**

Enabling Cost	40,000,000		
Fixed Price	130,000,000		
Total Acquisition		170,000,000	170,000,000

**Other Acquisition Costs**

Acquisition Costs	6.8000%	8,840,000	8,840,000
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**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost	
Block N4	256,285	341.62	87,552,000	
Block N3-E	58,696	414.05	24,303,000	
Block N5	293,447	411.79	120,838,000	
Block N7	231,427	365.15	84,506,000	
Block N6	65,164	410.36	26,741,000	
Block S8	90,349	388.71	35,120,000	
Block N3	263,237	362.24	95,354,000	
Block N2	272,385	373.73	101,798,000	
Block N1	181,024	447.22	80,957,000	
Block S1	127,916	461.71	59,060,000	
<b>Totals</b>	<b>1,839,930 ft<sup>2</sup></b>		<b>716,229,000</b>	716,229,000

**Other Construction Costs**

Other Costs		44,573,713	44,573,713
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**Section 106 Costs**

Camden CIL P1		12,265,964	
Mayoral CIL P1		3,223,247	
Section 106 Costs P1		1,922,748	
Camden CIL P2		7,397,049	
Mayoral CIL P2		1,998,638	
Section 106 Costs P2		1,200,241	
Camden CIL P3		13,929,339	
Mayoral CIL P3		4,356,092	
Section 106 Costs P3		2,655,963	48,949,281

**PROFESSIONAL FEES**

Professional fees	10.0%	71,622,900	71,622,900
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**DISPOSAL FEES**

Residential Marketing	2.0%	18,246,583	
Resi Sales Legal	0.5%	4,561,646	
Resi Sales Agent	1.0%	9,123,291	
Commercial Sales Agent & Legal	1.5%	847,953	
Commercial Letting Agent & Legal	15.0%	531,046	33,310,518

**Additional Costs**

NHBC Warranty	127 un	1,000.0 /un	127,000
NHBC Warranty	68 un	1,000.0 /un	68,000
NHBC Warranty	306 un	1,000.0 /un	306,000
NHBC Warranty	174 un	1,000.0 /un	174,000
NHBC Warranty	70 un	1,000.0 /un	70,000

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum)**

NHBC Warranty	51 un	1,000.0 /un	51,000	
NHBC Warranty	264 un	1,000.0 /un	264,000	
NHBC Warranty	217 un	1,000.0 /un	217,000	
NHBC Warranty	201 un	1,000.0 /un	201,000	
				1,478,000
<b>TOTAL COSTS BEFORE FINANCE</b>				<b>1,095,003,412</b>
<b>FINANCE</b>				
Debit Rate 7.000%, Credit Rate 0.000% (Effective)				
Total Finance Cost				264,306,408
<b>TOTAL COSTS</b>				<b>1,359,309,820</b>
<b>PROFIT</b>				
				<b>(208,688,982)</b>
<b>Performance Measures</b>				
Profit on GDV%		-18.9%		
IRR% (without Interest)		2.2%		



# APPENDIX 5

O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum) Growth Model

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum) Growth Model**

**Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales	Adjustment	Net Sales
‡ Block N4 - Private	42	25,746	1,170.71	717,644	30,141,043	5,239,655	35,380,699
‡ Block N4 - Intermediate	85	58,872	405.00	280,508	23,843,160	3,068,727	26,911,887
‡ Block N4 - LAR	107	89,767	219.00	183,729	19,658,973	842,300	20,501,273
‡ Block N3-E - Private	68	41,855	1,222.98	752,764	51,187,978	8,898,410	60,086,388
‡ Block N5 - Private	306	199,519	1,166.79	760,777	232,797,747	50,451,337	283,249,084
‡ Block N7 - Private	132	78,021	1,180.41	697,701	92,096,573	35,713,712	127,810,285
‡ Block N7 - Intermediate	42	28,225	405.00	272,170	11,431,125	3,822,867	15,253,992
‡ Block N7 - LAR	54	41,656	219.00	168,938	9,122,664	1,031,256	10,153,920
‡ Block N6 - Private	70	43,297	1,231.32	761,605	53,312,364	24,299,080	77,611,444
‡ Block S8 - Private	42	34,448	1,089.24	893,386	37,522,230	15,177,070	52,699,300
‡ Block S8 - Intermediate	9	7,728	405.00	347,760	3,129,840	1,110,959	4,240,799
‡ Block S8 - LAR	18	9,817	219.00	119,440	2,149,923	276,931	2,426,854
‡ Block N3 - Private	240	146,077	1,166.20	709,812	170,354,994	115,917,194	286,272,188
‡ Block N3 - Intermediate	24	17,601	405.00	297,017	7,128,405	4,352,183	11,480,588
‡ Block N3 - LAR	3	953	219.00	69,569	208,707	42,742	251,449
‡ Block N2 - Private	125	88,479	1,154.36	817,093	102,136,652	108,193,594	210,330,246
‡ Block N2 - Intermediate	92	69,267	405.00	304,925	28,053,135	26,266,550	54,319,685
‡ Block N2 - LAR	30	23,189	219.00	169,280	5,078,391	1,563,160	6,641,551
‡ Block N1 - Private	201	119,995	1,189.88	710,346	142,779,550	134,180,265	276,959,815
‡ Block S1 - LAR	106	87,138	219.00	180,030	19,083,222	5,175,808	24,259,030
<b>Totals</b>	<b>1,796</b>	<b>1,211,650</b>			<b>1,041,216,676</b>	<b>545,623,802</b>	<b>1,586,840,479</b>

**Rental Area Summary**

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV	
‡ Retail - N4	1	886	28.50	25,240	26,917	25,240	26,917
‡ Professional Services - N4	1	1,560	25.00	38,993	41,585	38,993	41,585
‡ Community - N4	1	2,596		0	0		
‡ Retail - N3-E	1	2,214	28.50	63,099	67,293	63,099	67,293
‡ Retail - N5	1	13,185	28.50	375,773	406,748	375,773	406,748
‡ Retail - N7	1	4,980	28.50	141,921	162,218	141,921	162,218
‡ Food & Drink - N7	1	1,163	35.00	40,698	46,518	40,698	46,518
‡ Drinking Establishment - N7	1	1,734	35.00	60,701	69,381	60,701	69,381
‡ Creche - N7	1	1,734	20.00	34,686	39,647	34,686	39,647
‡ Medical Services - N7	1	9,688	30.00	290,628	332,192	290,628	332,192
‡ Office & Workspace - N7	1	1,734	25.00	43,358	49,558	43,358	49,558
‡ Retail - N6	1	1,366	28.50	38,937	45,395	38,937	45,395
‡ Food & Drink - N6	1	310	35.00	10,836	12,633	10,836	12,633
‡ Drinking Establishment - N6	1	474	35.00	16,601	19,354	16,601	19,354
‡ Creche - N6	1	474	20.00	9,486	11,059	9,486	11,059
‡ Office & Workspace - N6	1	474	25.00	11,858	13,824	11,858	13,824
‡ Retail - S8	1	1,986	28.50	56,610	65,027	56,610	65,027
‡ Food & Drink - S8	1	465	35.00	16,286	18,707	16,286	18,707
‡ Drinking Establishment - S8	1	698	35.00	24,413	28,042	24,413	28,042
‡ Creche - S8	1	698	20.00	13,950	16,024	13,950	16,024
‡ Office & Workspace - S8	1	698	25.00	17,438	20,030	17,438	20,030
‡ Retail - N3	1	10,511	28.50	299,566	370,634	299,566	370,634
‡ Food & Drink - N3	1	2,102	35.00	73,584	91,041	73,584	91,041
‡ Drinking Establishment - N3	1	1,580	35.00	55,283	68,397	55,283	68,397
‡ Sport & Recreation - N3	1	3,148	25.00	78,705	97,377	78,705	97,377
‡ Cinema - N3	1	3,284	15.00	49,262	60,948	49,262	60,948
‡ Professional Services - N3	1	1,318	25.00	32,940	40,754	32,940	40,754
‡ Affordable Workspace - N3	1	659	15.00	9,882	12,226	9,882	12,226
‡ Retail - N2	1	11,587	28.50	330,218	444,430	330,218	444,430
‡ Food & Drink - N2	1	2,316	35.00	81,050	109,082	81,050	109,082
‡ Drinking Establishment - N2	1	1,734	35.00	60,701	81,695	60,701	81,695
‡ Sport & Recreation - N2	1	3,478	25.00	86,940	117,010	86,940	117,010
‡ Cinema - N2	1	3,623	15.00	54,351	73,149	54,351	73,149
‡ Professional Services - N2	1	1,444	25.00	36,090	48,572	36,090	48,572
‡ Affordable Workspace - N2	1	726	15.00	10,895	14,663	10,895	14,663
‡ Retail - N1	1	9,261	28.50	263,939	346,541	263,939	346,541
‡ Food & Drink - N1	1	1,850	35.00	64,764	85,033	64,764	85,033
‡ Drinking Establishment - N1	1	1,385	35.00	48,479	63,650	48,479	63,650
‡ Sport & Recreation - N1	1	2,780	25.00	69,503	91,254	69,503	91,254

**O2 Centre, Finchley Road**

**LS (Finchley Road) Limited**

**Proposed Scheme (Addendum) Growth Model**

‡ Cinema - N1	1	2,896	15.00	43,443	57,039	43,443	57,039
‡ Professional Services - N1	1	1,153	25.00	28,823	37,843	28,823	37,843
‡ Affordable Workspace - N1	1	581	15.00	8,721	11,450	8,721	11,450
‡ Retail - S1	1	7,392	28.50	210,663	276,593	210,663	276,593
‡ Food & Drink - S1	1	1,482	35.00	51,881	68,117	51,881	68,117
‡ Drinking Establishment - S1	1	1,114	35.00	38,997	51,202	38,997	51,202
‡ Sport & Recreation - S1	1	2,219	25.00	55,463	72,820	55,463	72,820
‡ Cinema - S1	1	2,306	15.00	34,587	45,411	34,587	45,411
‡ Professional Services - S1	1	930	25.00	23,243	30,517	23,243	30,517
‡ Affordable Workspace - S1	1	455	15.00	6,831	8,969	6,831	8,969
<b>Totals</b>	<b>49</b>	<b>132,430</b>			<b>4,368,572</b>	<b>3,540,306</b>	

**Investment Valuation**

**Retail - N4**

Market Rent	26,917	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	463,893

**Professional Services - N4**

Market Rent	41,585	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	716,665

**Retail - N3-E**

Market Rent	67,293	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	1,159,733

**Retail - N5**

Market Rent	406,748	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	7,009,879

**Retail - N7**

Market Rent	162,218	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	2,795,658

**Food & Drink - N7**

Market Rent	46,518	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	791,035

**Drinking Establishment - N7**

Market Rent	69,381	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	1,148,653

**Creche - N7**

Market Rent	39,647	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	717,503

**Medical Services - N7**

Market Rent	332,192	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	6,011,837

**Office & Workspace - N7**

Market Rent	49,558	YP @	5.5000%	18.1818	
(9mths Rent Free)		PV 9mths @	5.5000%	0.9606	865,592

**Retail - N6**

Market Rent	45,395	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	782,340

**Food & Drink - N6**

Market Rent	12,633	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	214,829

**Drinking Establishment - N6**

Market Rent	19,354	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	320,419

**Creche - N6**

Market Rent	11,059	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	200,149

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited**

**Proposed Scheme (Addendum) Growth Model**

**Office & Workspace - N6**

Market Rent	13,824	YP @	5.5000%	18.1818	
(9mths Rent Free)		PV 9mths @	5.5000%	0.9606	241,458

**Retail - S8**

Market Rent	65,027	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	1,120,665

**Food & Drink - S8**

Market Rent	18,707	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	318,108

**Drinking Establishment - S8**

Market Rent	28,042	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	464,258

**Creche - S8**

Market Rent	16,024	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	289,997

**Office & Workspace - S8**

Market Rent	20,030	YP @	5.5000%	18.1818	
(9mths Rent Free)		PV 9mths @	5.5000%	0.9606	349,851

**Retail - N3**

Market Rent	370,634	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	6,387,483

**Food & Drink - N3**

Market Rent	91,041	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	1,548,128

**Drinking Establishment - N3**

Market Rent	68,397	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	1,132,361

**Sport & Recreation - N3**

Market Rent	97,377	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	1,739,872

**Cinema - N3**

Market Rent	60,948	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	1,103,006

**Professional Services - N3**

Market Rent	40,754	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	702,361

**Affordable Workspace - N3**

Market Rent	12,226	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	210,708

**Retail - N2**

Market Rent	444,430	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	7,659,286

**Food & Drink - N2**

Market Rent	109,082	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	1,854,918

**Drinking Establishment - N2**

Market Rent	81,695	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	1,352,510

**Sport & Recreation - N2**

Market Rent	117,010	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	2,090,669

**Cinema - N2**

Market Rent	73,149	YP @	5.2500%	19.0476	
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**O2 Centre, Finchley Road  
LS (Finchley Road) Limited**

**Proposed Scheme (Addendum) Growth Model**

(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	1,323,819
<b>Professional Services - N2</b>					
Market Rent	48,572	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	837,094
<b>Affordable Workspace - N2</b>					
Market Rent	14,663	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	252,694
<b>Retail - N1</b>					
Market Rent	346,541	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	5,972,277
<b>Food &amp; Drink - N1</b>					
Market Rent	85,033	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	1,445,965
<b>Drinking Establishment - N1</b>					
Market Rent	63,650	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	1,053,773
<b>Sport &amp; Recreation - N1</b>					
Market Rent	91,254	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	1,630,481
<b>Cinema - N1</b>					
Market Rent	57,039	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	1,032,264
<b>Professional Services - N1</b>					
Market Rent	37,843	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	652,182
<b>Affordable Workspace - N1</b>					
Market Rent	11,450	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	197,335
<b>Retail - S1</b>					
Market Rent	276,593	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	4,766,794
<b>Food &amp; Drink - S1</b>					
Market Rent	68,117	YP @	5.5000%	18.1818	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.5000%	0.9353	1,158,319
<b>Drinking Establishment - S1</b>					
Market Rent	51,202	YP @	5.5000%	18.1818	
(1yr 9mths Rent Free)		PV 1yr 9mths @	5.5000%	0.9106	847,674
<b>Sport &amp; Recreation - S1</b>					
Market Rent	72,820	YP @	5.2500%	19.0476	
(1yr 3mths Rent Free)		PV 1yr 3mths @	5.2500%	0.9380	1,301,113
<b>Cinema - S1</b>					
Market Rent	45,411	YP @	5.2500%	19.0476	
(1yr Rent Free)		PV 1yr @	5.2500%	0.9501	821,834
<b>Professional Services - S1</b>					
Market Rent	30,517	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	525,920
<b>Affordable Workspace - S1</b>					
Market Rent	8,969	YP @	5.5000%	18.1818	
(1yr Rent Free)		PV 1yr @	5.5000%	0.9479	154,569
<b>Total Investment Valuation</b>					<b>75,737,932</b>

**GROSS DEVELOPMENT VALUE**

**1,662,578,411**

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited  
Proposed Scheme (Addendum) Growth Model**

Purchaser's Costs			(4,822,265)	
Effective Purchaser's Costs Rate		6.8%		(4,822,265)
<b>NET DEVELOPMENT VALUE</b>				<b>1,657,756,146</b>
<b>Additional Revenue</b>				
Rental Income - Existing Centre			51,925,000	51,925,000
<b>NET REALISATION</b>				<b>1,709,681,146</b>
<b>OUTLAY</b>				
<b>ACQUISITION COSTS</b>				
Enabling Cost		40,000,000		
Fixed Price		130,000,000		
Total Acquisition			170,000,000	170,000,000
<b>Other Acquisition Costs</b>				
Acquisition Costs		6.8000%	8,840,000	8,840,000
<b>CONSTRUCTION COSTS</b>				
<b>Construction</b>	<b>ft<sup>2</sup></b>	<b>Build Rate ft<sup>2</sup></b>	<b>Cost</b>	
Block N4	256,285	351.18	90,003,034	
Block N3-E	58,696	433.29	25,432,150	
Block N5	293,447	434.64	127,544,522	
Block N7	231,427	414.51	95,927,847	
Block N6	65,164	483.41	31,500,728	
Block S8	90,349	446.74	40,362,085	
Block N3	263,237	451.09	118,743,696	
Block N2	272,385	498.10	135,675,529	
Block N1	181,024	596.05	107,898,817	
Block S1	127,916	615.36	78,714,677	
<b>Totals</b>	<b>1,839,930 ft<sup>2</sup></b>		<b>851,803,085</b>	851,803,085
<b>Other Construction Costs</b>				
Other Costs			44,573,713	44,573,713
<b>Section 106 Costs</b>				
Camden CIL P1			12,265,964	
Mayoral CIL P1			3,223,247	
Section 106 Costs P1			1,922,748	
Camden CIL P2			7,855,626	
Mayoral CIL P2			2,122,542	
Section 106 Costs P2			1,200,241	
Camden CIL P3			15,806,609	
Mayoral CIL P3			4,943,166	
Section 106 Costs P3			2,655,963	51,996,106
<b>PROFESSIONAL FEES</b>				
Professional fees		10.0%	85,180,308	85,180,308
<b>DISPOSAL FEES</b>				
Residential Marketing		2.0%	28,207,989	
Resi Sales Legal		0.5%	7,051,997	
Resi Sales Agent		1.0%	14,103,994	
Commercial Sales Agent & Legal		1.5%	1,048,554	
Commercial Letting Agent & Legal		15.0%	655,286	51,067,821
<b>Additional Costs</b>				
NHBC Warranty	127 un	1,000.0 /un	127,000	
NHBC Warranty	68 un	1,000.0 /un	68,000	
NHBC Warranty	306 un	1,000.0 /un	306,000	
NHBC Warranty	174 un	1,000.0 /un	174,000	
NHBC Warranty	70 un	1,000.0 /un	70,000	

**O2 Centre, Finchley Road  
LS (Finchley Road) Limited**

**Proposed Scheme (Addendum) Growth Model**

NHBC Warranty	51 un	1,000.0 /un	51,000	
NHBC Warranty	264 un	1,000.0 /un	264,000	
NHBC Warranty	217 un	1,000.0 /un	217,000	
NHBC Warranty	201 un	1,000.0 /un	201,000	
				1,478,000

**TOTAL COSTS BEFORE FINANCE** **1,264,939,033**

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Effective)

Total Finance Cost 153,503,567

**TOTAL COSTS** **1,418,442,601**

**PROFIT**

**291,238,545**

**Performance Measures**

Profit on GDV% 17.5%

IRR% (without Interest) 11.8%

‡ Inflation/Growth applied

**Growth on Sales**

		<b>Ungrown</b>	<b>Growth</b>	<b>Total</b>
Block N4 - Private	Private Residential at 4.900%	30,141,043	5,239,655	35,380,699
Block N4 - Intermediate	Private Residential at 4.900%	23,843,160	3,068,727	26,911,887
Block N4 - LAR	Affordable at 2.000%	19,658,973	842,300	20,501,273
Block N3-E - Private	Private Residential at 4.900%	51,187,978	8,898,410	60,086,388
Block N5 - Private	Private Residential at 4.900%	232,797,747	50,451,337	283,249,084
Block N7 - Private	Private Residential at 4.900%	92,096,573	35,713,712	127,810,285
Block N7 - Intermediate	Private Residential at 4.900%	11,431,125	3,822,867	15,253,992
Block N7 - LAR	Affordable at 2.000%	9,122,664	1,031,256	10,153,920
Block N6 - Private	Private Residential at 4.900%	53,312,364	24,299,080	77,611,444
Block S8 - Private	Private Residential at 4.900%	37,522,230	15,177,070	52,699,300
Block S8 - Intermediate	Private Residential at 4.900%	3,129,840	1,110,959	4,240,799
Block S8 - LAR	Affordable at 2.000%	2,149,923	276,931	2,426,854
Block N3 - Private	Private Residential at 4.900%	170,354,994	115,917,194	286,272,188
Block N3 - Intermediate	Private Residential at 4.900%	7,128,405	4,352,183	11,480,588
Block N3 - LAR	Affordable at 2.000%	208,707	42,742	251,449
Block N2 - Private	Private Residential at 4.900%	102,136,652	108,193,594	210,330,246
Block N2 - Intermediate	Private Residential at 4.900%	28,053,135	26,266,550	54,319,685
Block N2 - LAR	Affordable at 2.000%	5,078,391	1,563,160	6,641,551
Block N1 - Private	Private Residential at 4.900%	142,779,550	134,180,265	276,959,815
Block S1 - LAR	Affordable at 2.000%	19,083,222	5,175,808	24,259,030

**Growth on Capitalised Rent**

		<b>Ungrown</b>	<b>Growth</b>	<b>Total</b>
Retail - N4	Commercial at 2.000%	434,978	28,915	463,893
Professional Services - N4	Commercial at 2.000%	671,995	44,671	716,665
Retail - N3-E	Commercial at 2.000%	1,087,445	72,288	1,159,733
Retail - N5	Commercial at 2.000%	6,476,045	533,834	7,009,879
Retail - N7	Commercial at 2.000%	2,445,867	349,791	2,795,658
Food & Drink - N7	Commercial at 2.000%	692,062	98,974	791,035
Drinking Establishment - N7	Commercial at 2.000%	1,004,935	143,719	1,148,653
Creche - N7	Commercial at 2.000%	627,730	89,774	717,503
Medical Services - N7	Commercial at 2.000%	5,259,640	752,197	6,011,837
Office & Workspace - N7	Commercial at 2.000%	757,290	108,302	865,592
Retail - N6	Commercial at 2.000%	671,033	111,306	782,340
Food & Drink - N6	Commercial at 2.000%	184,264	30,564	214,829
Drinking Establishment - N6	Commercial at 2.000%	274,832	45,587	320,419
Creche - N6	Commercial at 2.000%	171,673	28,476	200,149
Office & Workspace - N6	Commercial at 2.000%	207,105	34,353	241,458
Retail - S8	Commercial at 2.000%	975,606	145,059	1,120,665
Food & Drink - S8	Commercial at 2.000%	276,932	41,176	318,108
Drinking Establishment - S8	Commercial at 2.000%	404,164	60,093	464,258
Creche - S8	Commercial at 2.000%	252,460	37,537	289,997
Office & Workspace - S8	Commercial at 2.000%	304,567	45,285	349,851
Retail - N3	Commercial at 2.000%	5,162,712	1,224,771	6,387,483
Food & Drink - N3	Commercial at 2.000%	1,251,282	296,847	1,548,128



**O2 Centre, Finchley Road  
LS (Finchley Road) Limited**

**Proposed Scheme (Addendum) Growth Model**

Drinking Establishment - N3	Commercial at 2.000%	915,236	217,125	1,132,361
Sport & Recreation - N3	Commercial at 2.000%	1,406,259	333,613	1,739,872
Cinema - N3	Commercial at 2.000%	891,510	211,496	1,103,006
Professional Services - N3	Commercial at 2.000%	567,686	134,675	702,361
Affordable Workspace - N3	Commercial at 2.000%	170,306	40,402	210,708
Retail - N2	Commercial at 2.000%	5,690,963	1,968,324	7,659,286
Food & Drink - N2	Commercial at 2.000%	1,378,231	476,687	1,854,918
Drinking Establishment - N2	Commercial at 2.000%	1,004,935	347,575	1,352,510
Sport & Recreation - N2	Commercial at 2.000%	1,553,398	537,271	2,090,669
Cinema - N2	Commercial at 2.000%	983,617	340,202	1,323,819
Professional Services - N2	Commercial at 2.000%	621,973	215,121	837,094
Affordable Workspace - N2	Commercial at 2.000%	187,755	64,939	252,694
Retail - N1	Commercial at 2.000%	4,548,703	1,423,574	5,972,277
Food & Drink - N1	Commercial at 2.000%	1,101,299	344,666	1,445,965
Drinking Establishment - N1	Commercial at 2.000%	802,592	251,181	1,053,773
Sport & Recreation - N1	Commercial at 2.000%	1,241,834	388,648	1,630,481
Cinema - N1	Commercial at 2.000%	786,210	246,054	1,032,264
Professional Services - N1	Commercial at 2.000%	496,726	155,457	652,182
Affordable Workspace - N1	Commercial at 2.000%	150,297	47,037	197,335
Retail - S1	Commercial at 2.000%	3,630,564	1,136,231	4,766,794
Food & Drink - S1	Commercial at 2.000%	882,218	276,101	1,158,319
Drinking Establishment - S1	Commercial at 2.000%	645,620	202,055	847,674
Sport & Recreation - S1	Commercial at 2.000%	990,975	310,138	1,301,113
Cinema - S1	Commercial at 2.000%	625,938	195,895	821,834
Professional Services - S1	Commercial at 2.000%	400,560	125,360	525,920
Affordable Workspace - S1	Commercial at 2.000%	117,725	36,844	154,569