

Staples Corner Growth Area

Financial Viability Assessment

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Prepared for:
London Borough of Brent

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Summary

Colliers International Property Consultants Limited (Colliers / We) were instructed by the London Borough of Brent ('The Council') on 24th May 2023 to provide a financial viability review for the Staples Corner Growth Area ('SCGA') Masterplan Supplementary Planning Document ('SPD'). We are instructed to review the viability of both the SCGA Masterplan and six Development Brief sites within the overall masterplan area. To model the viability of the proposals we have created bespoke development appraisals.

The SCGA is a collection of adjacent industrial sites of approximately 43 ha in northwest London. They currently comprise 90 commercial units and 179,300 sq m (1,930,000 sq ft) of accommodation of a range of typologies and sizes. The SCGA Masterplan vision is to intensify and diversify the area by providing a total of 317,000 sq m (3,416,000 sq ft) of industrial floorspace and 3,066 new homes on the site. We have been provided with designs and area schedules for the masterplan area as well as proposals on six development brief sites. We have reviewed the proposals in detail and have undertaken due diligence for the masterplan area.

We have reviewed the market at both national and local levels for the existing and proposed uses. This comprises a review of the economy, market trends and local comparable evidence. We have analysed the industrial, office, retail and residential markets to arrive at a position on value for the existing and proposed uses in the masterplan and development brief proposals. We have used bespoke models to provide an assessment of affordable housing values and have provided commentary on potential alternative uses that are not included in the proposals.

For the construction costs we have relied on expert advice from AECOM and have also relied on evidence from the RICS' BCIS cost indices. We have applied other development costs including externals, CIL, infrastructure, professional fees, agency fees and developer profit as appropriate.

In accordance with policy and guidance we have provided an assessment of benchmark land value. For the purposes of the masterplan we consider it most reasonable to adopt a land value based on industrial values in the area. For the Development Brief scenarios we have adopted a land value based on the existing floor areas.

The appraisal results show that the masterplan proposals produce a deficit, although the residual land value would be positive and therefore can be said to be marginally viable. The sensitivity analysis undertaken indicates that delivery of the masterplan would be achievable where market conditions improve.

The development brief appraisals show that 3 scenarios, all stacked industrial, show surpluses and can be said to be viable and deliverable. A further 5 scenarios show more marginal viability deficits and 12 of the appraisals are unviable. We have undertaken sensitivity analysis on profit, contingency, CIL, infrastructure costs, affordable housing contributions, GDV, development cost and growth which have varying impact on the deliverability of the proposals.

Financial Viability Appraisal – Mandatory Requirements

We confirm that this report complies with the requirements of RICS Professional Statement – RICS Financial Viability in Planning: Conduct and Reporting (2019; 1st ed.) We highlight the following in relation to our report:

- That we have acted with objectivity, impartiality, without interference and with reference to all appropriate sources of information.
- We confirm that in preparing a report, no performance related or contingent fees have been agreed.
- We can confirm that we have no conflicts of interest.
- We have prepared this report with the skill, care and diligence that can be reasonably expected of a competent and experienced financial viability consultant, but my responsibility is to my instructing client and my client only.
- We have not previously provided advice in relation to this planning application.
- We have justified our adopted inputs in our report and have explained how supporting evidence has been analysed within our assessment.
- Our assessment includes a sensitivity analysis which has been provided with an accompanying explanation and interpretation of the results.
- The contents of this report and any appendices attached to it are for the sole use of the applicant and the LPA. Unless explicitly agreed in writing by both Colliers International and our instructing client the contents of this report and its appendices shall remain private and confidential and shall not be used for any purposes other than the subject financial viability assessment, nor be published, referred to or quoted in any way.
- This report has been signed and dated, and we have allowed adequate time to produce this report and have advised my client on the timeframes.

Corporate Disclaimer

All information, analysis and recommendations made for clients by Colliers International are made in good faith and represent Colliers International's professional judgement on the basis of information obtained from the client and elsewhere during the course of the assignment. However, since the achievement of recommendations, forecasts and valuations depends on factors outside Colliers International's control, no statement made by Colliers International may be deemed in any circumstances to be a representation, undertaking or warranty, and Colliers International cannot accept any liability should such statements prove to be inaccurate or based on incorrect premises. In particular, and without limiting the generality of the foregoing, any projections, financial and otherwise, in this report are intended only to illustrate particular points of argument and do not constitute forecasts of actual performance.

Colliers is the licensed trading name of Colliers International Property Consultants Limited which is a limited company registered in England and Wales with registered number 7996509. Our registered office is at 95 Wigmore Street, London, W1U 1FF.

This report is not a valuation as defined by the RICS. It offers advice and opinion on the viability of the proposed development through market research and development experience. Comments made as to the value of the land, the viability of development or the suitability of the proposed schemes are based on the assumptions set out in this report. We reserve the right to amend our report in light of new information or whenever we deem necessary.

1. Introduction

1.1. Instruction

1.1.1. Colliers International Property Consultants Limited (Colliers / We) were instructed by the London Borough of Brent ('The Council') on 24th May 2023 to provide a financial viability review for the Staples Corner Growth Area ('SCGA') Masterplan Supplementary Planning Document ('SPD'). We are instructed to review the viability of both the SCGA Masterplan and six Development Brief sites within the overall masterplan area.

1.2. Background

1.2.1. The SCGA is a collection of adjacent industrial sites of approximately 43 ha in northwest London. They currently comprises 90 commercial units and 179,300 sq m (1,930,000 sq ft) of accommodation of a range of typologies and sizes. The quality of accommodation also varies significantly from poor to Grade A. The masterplan area suffers from inefficient access and egress, due in part to the area having developed and grown over time and having not been planned or managed as a single estate.

1.2.2. The Council's Local Plan allocates Staples Corner as a growth area, and it is designated as Strategic Industrial Land. The SPD will set a planning framework and guidance for future redevelopment in the area which is intended for beyond 2030.

1.2.3. The SCGA Masterplan vision is to intensify and diversify the area by providing a total of 317,000 sq m (3,416,000 sq ft,) of industrial floorspace and 3,066 new homes on the site. This will be delivered across the whole of the masterplan area, including several locations which will include the co-location of uses. The masterplan proposals are being prepared by a wider Design Team. This report has been prepared in accordance with the following design documents where further information on the proposals can be found:

- *Stage 2 Report: 19/12/23 (5th Studio, RCKa, Alan Baxter, PRD, XCO2)*
- *Stage 3 Development Briefs: 20/12/23 (5th Studio)*

1.2.4. We have been provided with an existing area schedule for both the masterplan and Development Brief sites. We have been provided with area schedules for the illustrative masterplan area and the Development Brief proposals. More information on the proposals is provided in Section 2 of this report where many of the plans, sections and diagrams have been taken from the design reports.

1.2.5. This report will outline the results of our financial viability examination to inform the design and development of the SPD, as well as providing robust evidence to support the Council's consultation and adoption of the SPD.

2. Viability Methodology

2.1.1. In order to test the viability of the proposals we have created bespoke development appraisals created using Microsoft Excel Software. Development appraisals adopt assumptions on development revenue and cost to provide a residual outcome for a proposed scheme. The outcome can vary depending on the structure of the appraisal, be it residual profit or residual land value.

2.1.2. We have considered and adhered to the following guidance when appraising the viability of the proposals in this assessment:

- *National Planning Policy Guidance (NPPG): Viability in plan making & Viability and decision taking*, last updated 1st September 2019
- *RICS Professional Standard: Valuation of development property*, 1st edition, effective 1st February 2020
- *RICS Professional Standard: Assessing viability in planning under the National Planning Policy Framework 2019 for England*, 1st edition, effective July 2021
- *RICS Professional Standard: Financial viability in planning: conduct and reporting*, 1st edition, effective from July 2021

2.1.3. For the purposes of this assessment we have created the appraisal with land value and developer profit included in the development costs, which means the appraisals produce a residual surplus or deficit. Therefore where the development revenues exceed the costs, and a surplus is produced, the scheme can be concluded to be viable and likely to proceed. Where the development costs exceed the revenues, and the development produces a deficit, a development can be said to be unviable and unlikely to come forward in its present iteration or until market conditions improve. We consider this most clearly demonstrates the deliverability of each appraisal.

2.1.4. The adopted structure of our development appraisals is therefore as follows:

Gross Development Value

LESS

Gross Development Cost
(Including Land Value & Profit)

EQUALS

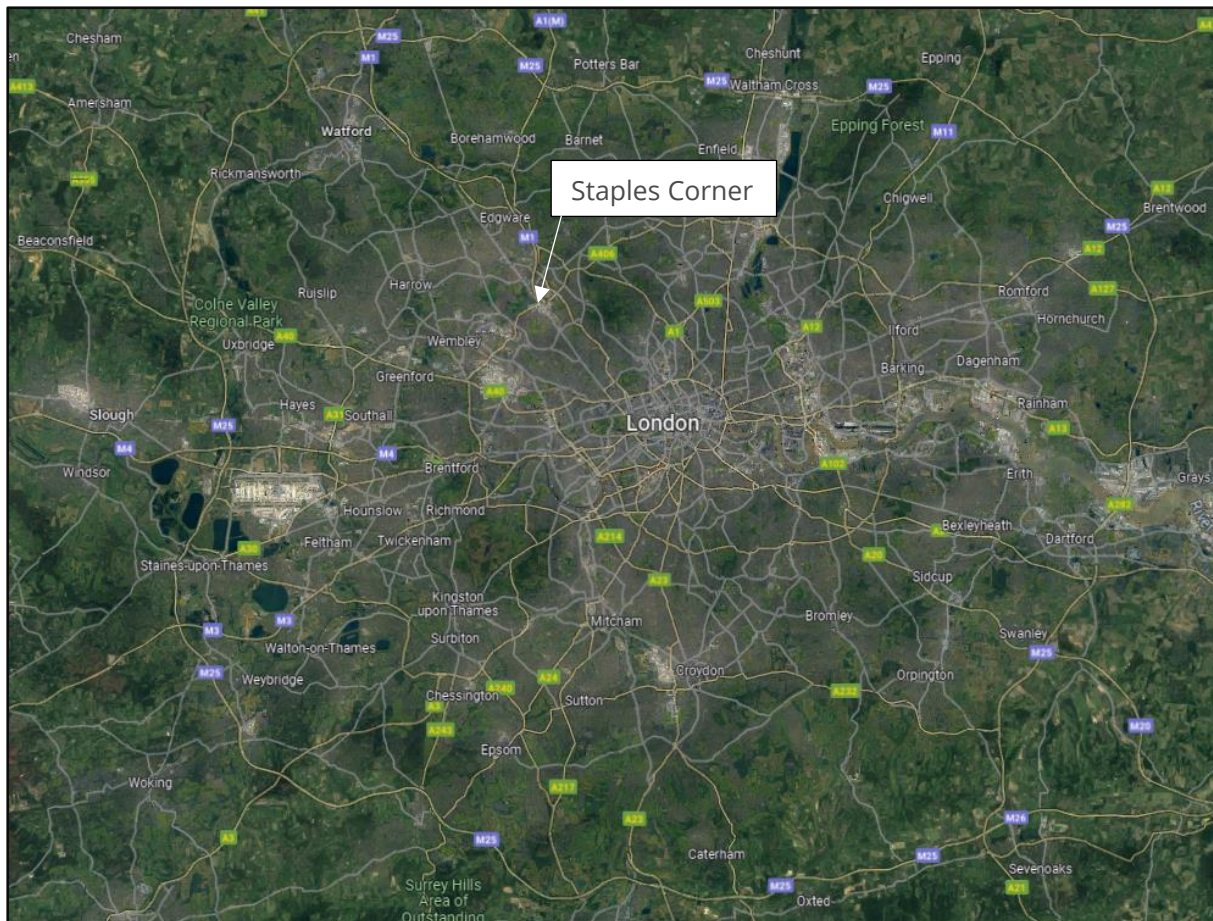
Residual Surplus or Deficit

2.1.5. We have analysed the proposals, development revenues and costs in this report to provide an opinion on the viability of the proposed masterplan and development briefs.

3. SCGA Masterplan Site

3.1. Site Location

3.1.1. The site is located in North West London as shown on the map below:



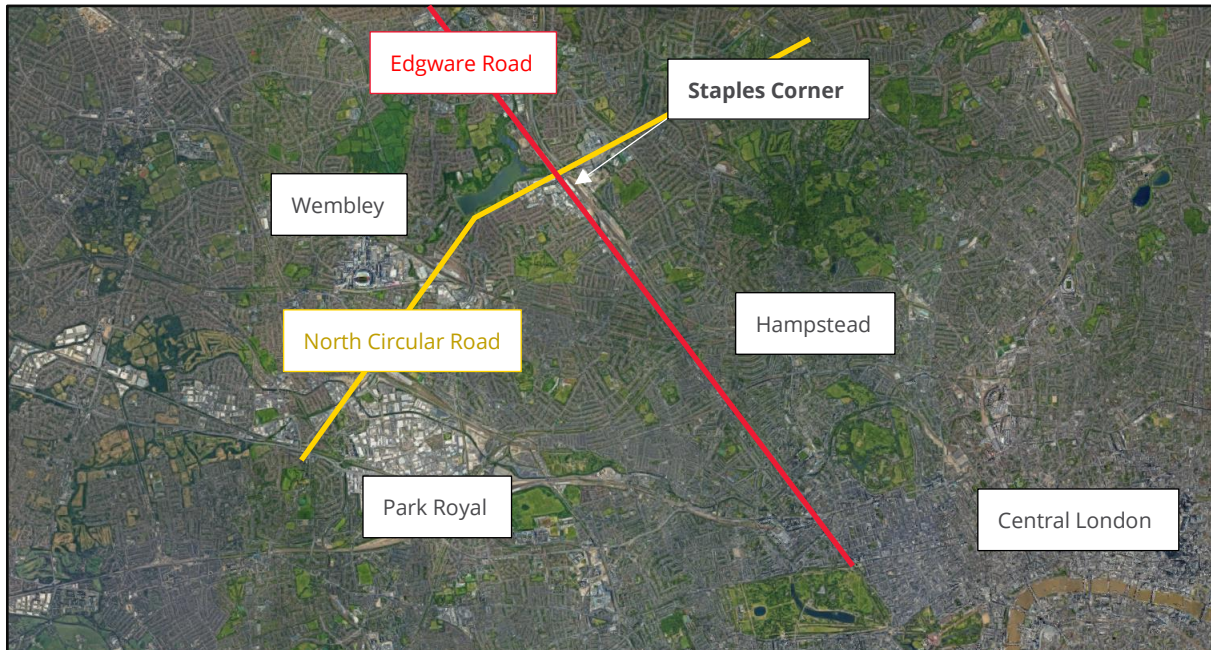
Source: Google Maps

3.1.2. At its closest the site is approximately 1km north of Cricklewood and 1km west of Brent Cross. The Brent Reservoir (Welsh Harp) is on the north-western corner of the site.

3.1.3. The study site is located on the corner of the A5 (Edgware Road) and A406 (North Circular Road). Road access to certain parts of the site is significantly restricted by the dual carriage ways as they can only be accessed from one direction of travel. There are several bus routes along Edgware Road providing North/South access in and out of Central London, as well as along the North Circular providing East/West access.

3.1.4. The PTAL rating for the site ranges between 1b-3. The closest tube stations are Brent Cross on the Northern Line, approximately 1.5km from the site, and Neasden on the Jubilee Line which is approximately 2km south west of the subject site. Cricklewood Station, which is served by Thameslink trains between St Albans and Sutton, is approximately 1.5km south of the site. Brent

Cross West Station, which is due to open in Autumn 2023, is on the southeast corner of the site and will significantly improve the public transport connectivity of the area by providing a train service between London St Pancras International (12 minutes) and London Luton Airport, and beyond. The West London Orbital Overground Service, connecting Hounslow with Hendon and West Hampstead, would additionally improve connectivity in the area and is current being feasibility tested with services possibly commencing in the early 2030s.

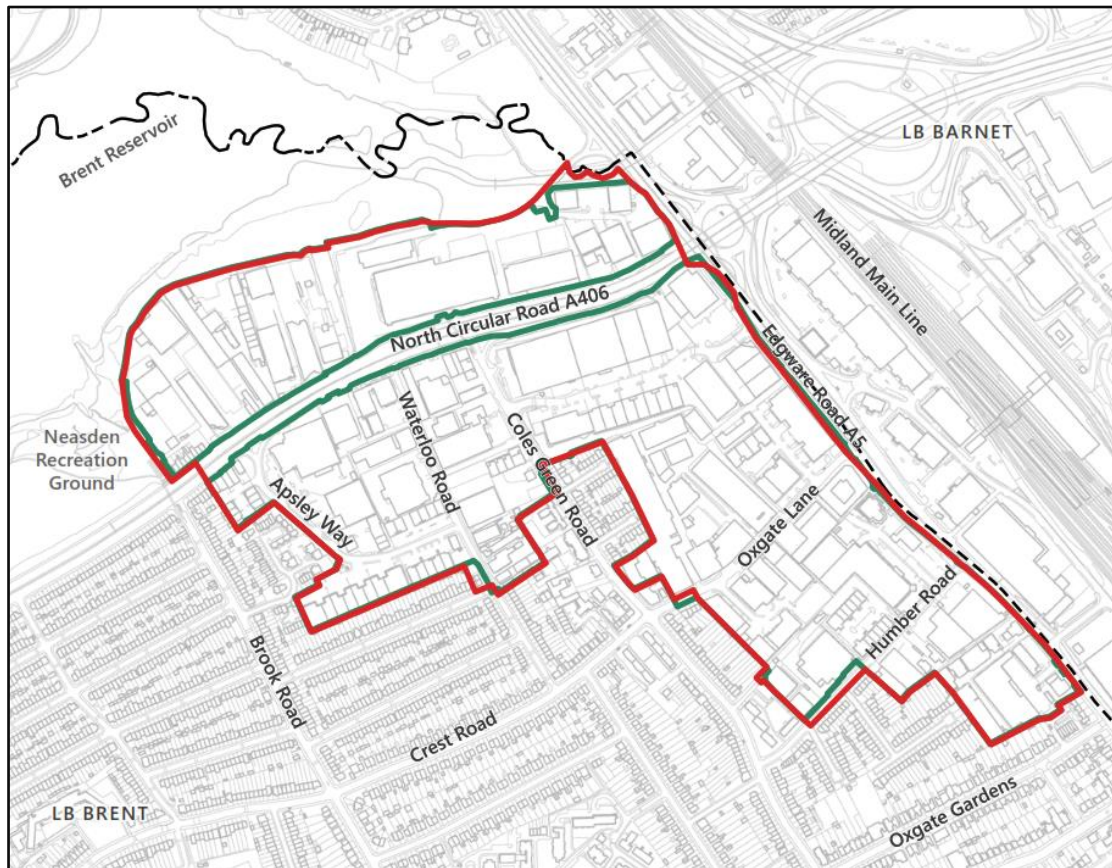


Source: Google Maps

3.1.5. In the wider surrounding area, there are several large redevelopment sites including the Brent Cross Growth Area (Brent Cross Town), the Cricklewood Bus Depot and the West Hendon Regeneration Area. The most significant of these is Brent Cross Town, which was initially allocated for up to 9,500 new homes in the London Plan. Presently delivering 6,700 homes set around 50 acres of parks and playing fields, the development will also cater for 25,000 jobs in various different office buildings of approx. 300,000 sq m. A new retail high street will complete the vision, which aims to be carbon neutral by 2030.

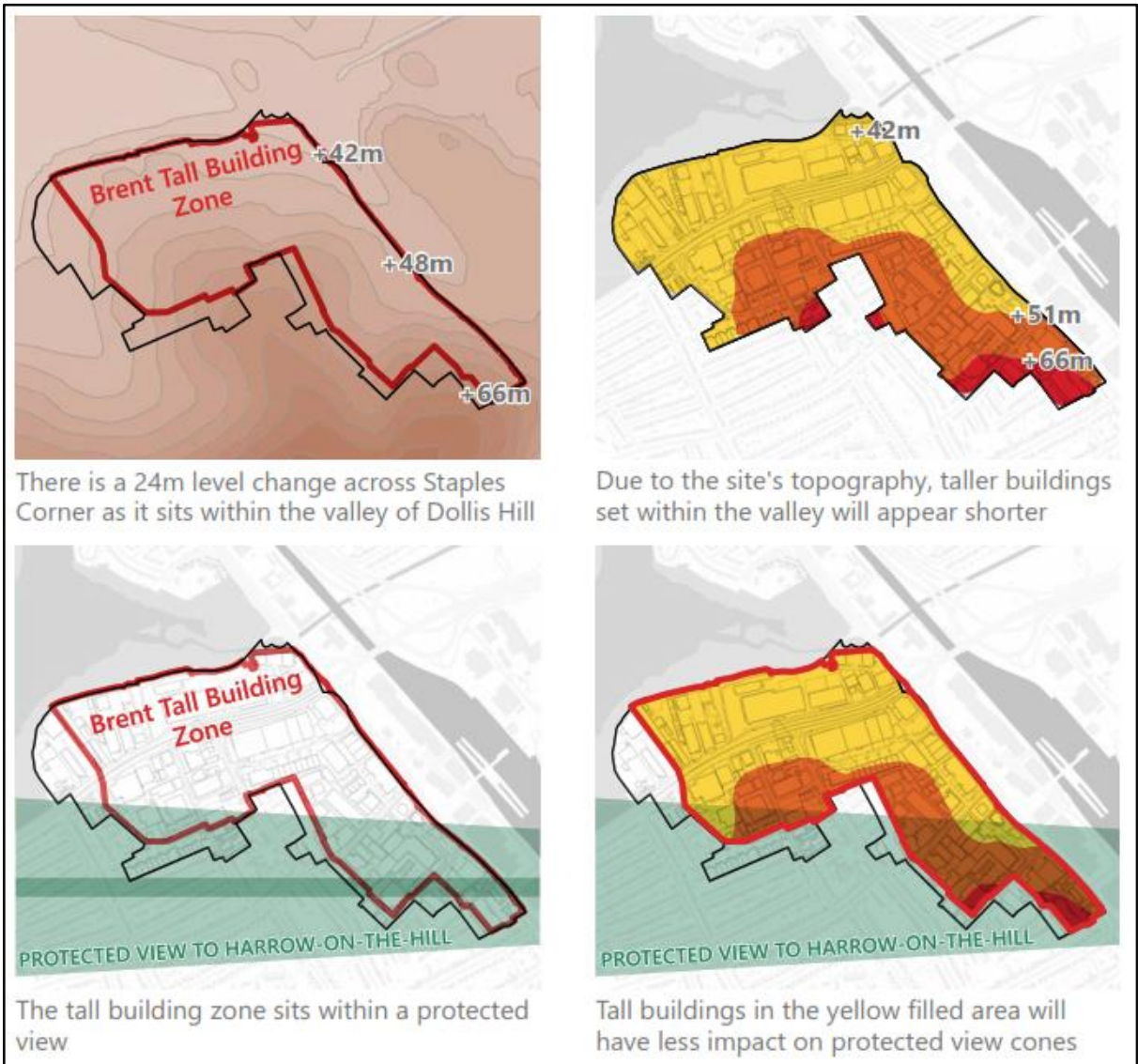
3.2. SCGA Description

3.2.1. The SCGA is 43 ha in gross size with approximately 90 different commercial units across the site. The area comprises predominantly industrial uses with a few other commercial (office and retail) properties on site. The industrial properties range from large, modern higher quality units to dated, low specification units. There are also retail warehouses and business centres with smaller office units on site.



3.2.2. The layout across the SCGA is in many places inefficient. Several of the units have restricted access and limited manoeuvrability for HGVs.

3.2.3. The surrounding uses are predominantly residential to the west and south. The Welsh Harp Reservoir is to the north west and there are predominantly commercial uses, including Staples Corner Retail Park, to the east. Brent Cross shopping centre is also located to the east of the SCGA.



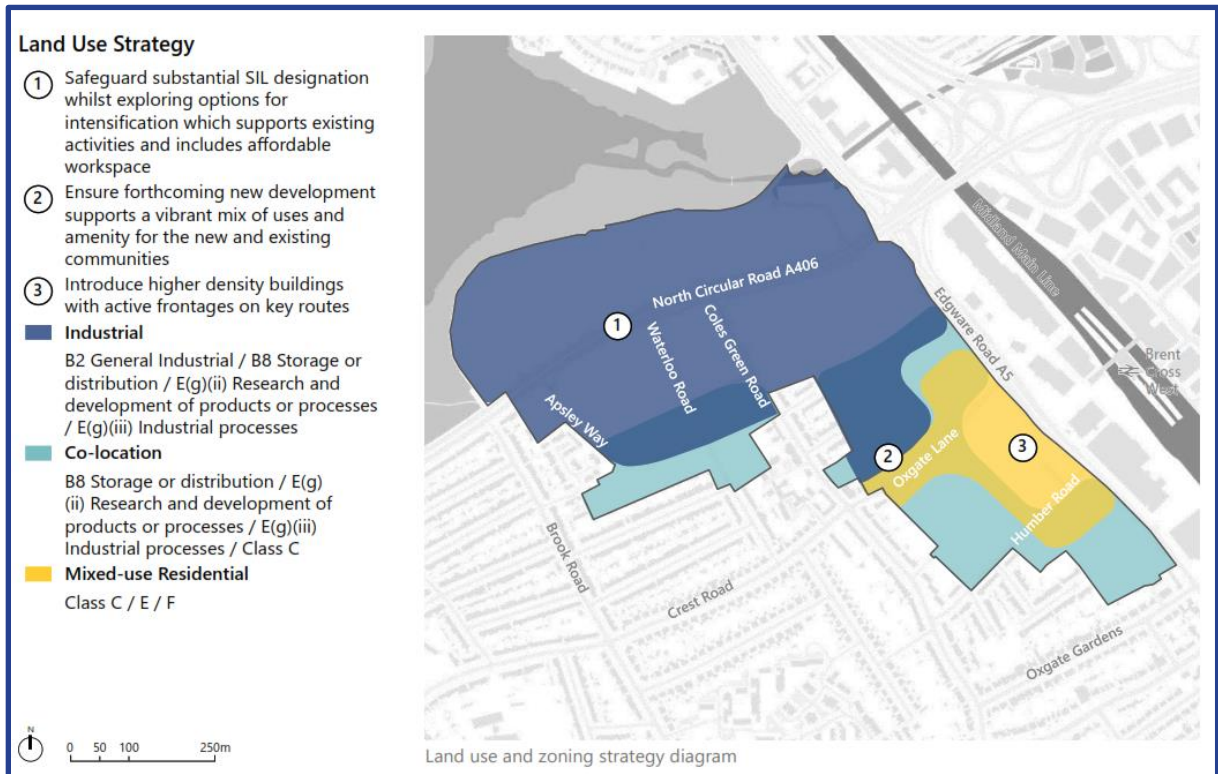
3.2.4. The SCGA is located on undulating land (top left image) with a difference of 24m between the north and south of the subject site, with the majority of the area allocated as an area suitable for tall buildings. The southern most area is located within the Harrow-on-the-Hill protected view zone.

3.3. Masterplan Proposals

3.3.1. The vision for the SCGA Masterplan is to create industrial intensification and residential led development on the subject site.

3.3.2. We have been provided with the Urban Design Framework Stage 2 Report, dated 19th December 2023, which has been produced by the Design Team. The Stage 2 Report outlines the vision, spatial strategies, illustrative masterplan and infrastructure to support the masterplan and urban framework for the SPD. We have been provided with a schedule of proposed areas for the masterplan.

3.3.3. The illustrative masterplan proposes separate use zones across the SCGA. These are shown on the map below which is taken from the Stage 2 report:



3.3.4. The northern and western sections are to remain as industrial with uses intensified compared to the present. The central section comprises co-location of industrial and residential uses. The south eastern section is the primary residential area, which adjacent to the new train station.

3.3.5. The SCGA is then sub-divided into 10 separate sub-areas for which we have been provided with an existing area schedule, proposed floor areas and unit numbers.

3.3.6. The industrial intensification zones predominantly comprise stacked industrial units. These range from heavier, general industrial and B8 warehousing to lighter industrial and workshop uses. In many cases the access is restricted to smaller vehicles and goods lift access on the upper levels. The proposals also aim to improve the access and servicing of the completed accommodation, something compared to the existing units.

3.3.7. The co-location areas comprise a mixture of industrial and residential uses side by side as well as vertically adjacent with industrial uses on the ground floors. Industrial uses range from Use Class E (Light Industrial) to B2/B8 (General Industrial / Warehousing). Several of the residential uses are located above industrial units. The residential units in these locations are predominantly flatted schemes with a variety of sizes, densities and unit mixes.

3.3.8. The residential areas include some commercial uses on the ground floors and residential accommodation on the upper floors. The residential units are predominantly provided in apartment blocks, often on podiums above mixed commercial (office, retail and light industrial) uses. There are also 42x4 bed, 3 storey townhouses included in the masterplan area.

3.3.9. The masterplan has a range of amenities including parks, play space and car parking. The transport infrastructure includes new access roads, a green bridge over the North Circular to provide access to the Welsh Harp, at grade crossings, pocket parks and play space. There is car parking included across the area which is predominantly for commercial uses and is typically provided at ground floor level.

3.3.10. We have also been provided with an alternative masterplan which has a slight variation to the designs in sub area 8. The alternative plan includes a replacement supermarket and shows a reduction in the residential massing on this sub area and a resultant reduction in unit numbers.

3.4. Appraisal Assumptions – Gross / Net Ratios

3.4.1. For the masterplan appraisal we have discounted any existing space that is to be retained from our development appraisal.

3.4.2. For the SCGA masterplan we have only been provided with gross development areas. We have made the following assumptions on gross / net areas, other than for residential where they have been provided by the design team, for the purposes of our appraisal.

Use Class	Description	GIA Sq M	GIA Sq Ft	G/N	NIA Sq Ft
B2/B8	General industrial / Storage & Distribution	213,237	2,295,258	95%	2,180,495
E(g)ii/E(g)iii	Light industrial	55,191	594,071	90%	534,664
C	Residential / Hotel	305,896	3,292,636	73%	2,411,587
E(a) / E(b)	Café / Retail	9,793	105,406	90%	94,865
E(c)	Office/Services	24	258	85%	220
F	Community	1,134	12,206	95%	11,596
Total		661,718	7,122,671	74%	5,240,189

3.4.3. We have also adopted these in the development brief sites where net areas have not been provided. We consider these assumptions to be appropriate for the nature of this assessment although would highlight that where more detailed designs are available the actual gross / net ratios should be adopted, for example in multi-let industrial buildings where there is circulation space.

3.5. Development Brief Proposals

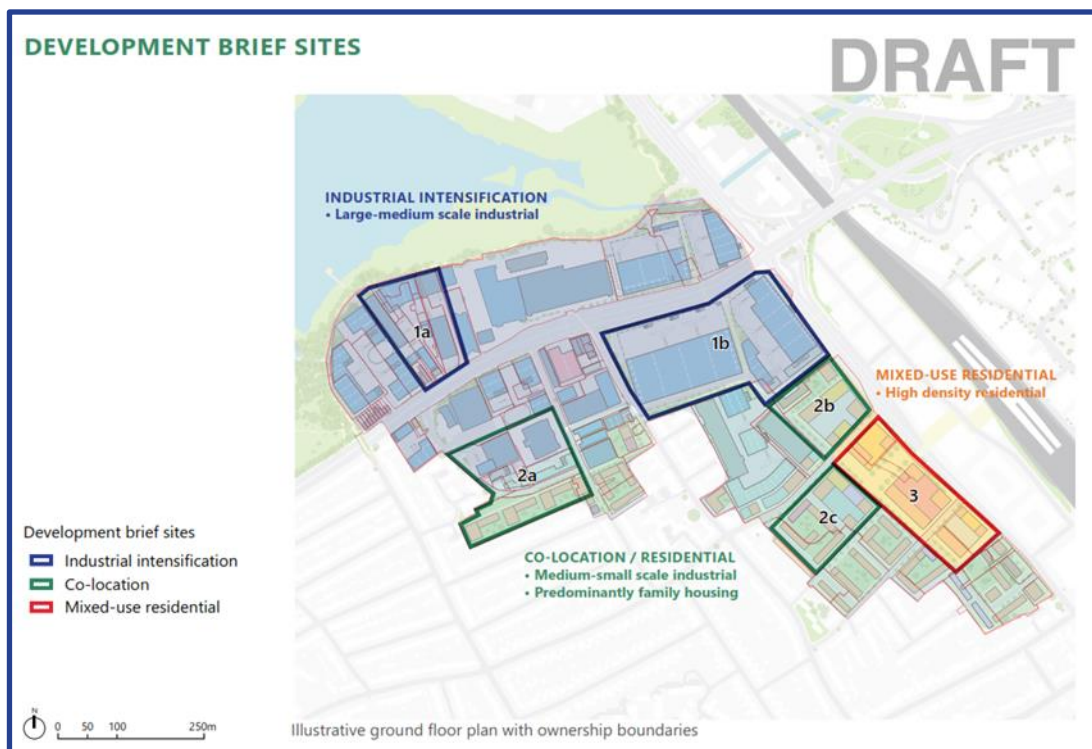
3.5.1. We have been provided with detailed development design briefs for 6 individual plots in the masterplan area. The 6 development brief sites are typologies for the various types of development across the SCGA masterplan area. Each site has up to 4 redevelopment scenarios. The development briefs are categorised numerically as follows:

- 1: Intensified Industrial
- 2: Co-location of Industrial and Residential
- 3: Mixed-Use Residential

3.5.2. Detail and proposals on the individual sites is shown in the table below:

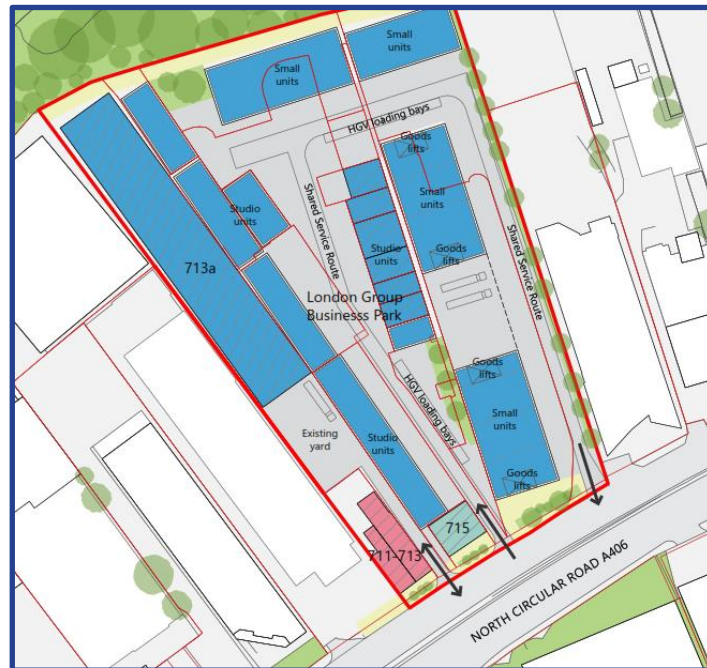
Site Code	Location	Existing Use	Proposed Uses
1a	North West of the SCGA, North of North Circular	Variety of light undustrial, low quality offices, small sheds.	Replacement industrial, stacked in parts, some revised access / vehicle loops.
1b	NE corner of the site, between N Circular and Edgware Road	Staples Corner Business Park. Larger sheds, self storage and Land Rover dealership.	Stacked industrial, HGV access ramps, some adjacent light industrial.
2a	West in the SCGA, south of the N Circular backing on to residential	Light industrial and larger sheds.	Stacked industrial and light industrial in NE corner. Residential uses along southern border, in some scenarios adjacent to the light industrial.
2b	East of the Site, fronting Edgware Road	Oxgate Centre (Industrial), sheds and retail showrooms.	Lower floors industrial / light industrial, upper floors residential, parking.
2c	South of the site, set back from Edgware Road backing on to Residential	Horseshoe Close, Smaller Light Industrial units.	Ground floor commercial (light industrial, retail, supermarket, community), upper floors residential.
3a & b	East of the Site, fronting Edgware Road	Wing Yip Supermarket, Industrial, cafes, Low quality offices.	Ground floor & basement retail (supermarket), light industrial, community, upper floors residential, parking.

3.5.3. The map below, taken from shows the locations of the development brief sites:



3.5.4. We discuss each of the development brief sites and proposals in more detail below:

1a – Stacked Industrial



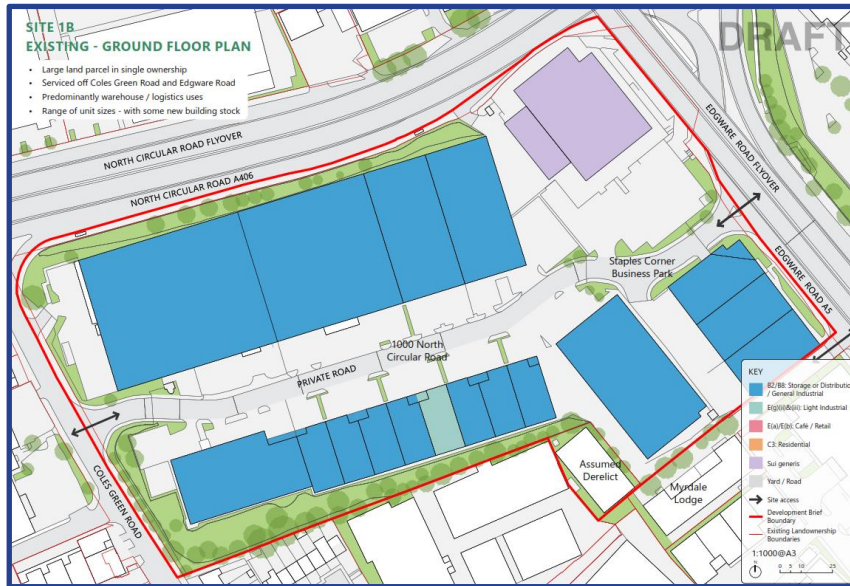
3.5.5. The site is located on the north side of the North Circular Road, with restricted vehicle access. Vehicles can only access the properties by turning left from the North Circular Road. Vacancy levels in this location are higher than across the study area, which we consider is predominantly due to this restricted access. The units on the site are a mixture of general industrial, offices and light industrial accommodation, in a variety of sizes demonstrating that the site has been developed over a number of years, by different owners and occupiers. There are some smaller retail units with residential above fronting the North Circular.

3.5.6. The existing area schedule we have been provided with shows an estimated 143,000 sq ft GIA of existing industrial space and 6,006 sq ft of residential and retail. Two existing retail units with residential on upper floors, 711 and 713 North Circular, are retained in all scenarios.

3.5.7. The proposed scenarios are discussed in more detail below:

- Scenario 1: Intensified (stacked) scheme using roughly the same land ownerships as the existing sites. One way HGV loop around most of the site which provides access to most units, 713a (Eurosteel) which is largely retained has separate two-way access. Up to 3 storeys, upper floors accessed via goods lifts. Small light industrial unit, 715 North Circular, retained.
- Scenario 2: Partial land assembly, two-way access as existing. Up to 2 storeys, upper floors accessed via vehicle ramps for smaller vehicles for larger units and goods lifts for smaller units. Light industrial units fronting North Circular.
- Scenario 3: Comprehensive land assembly. HGV Access to ground floor via single two way entry. Van ramp to 3 storeys of upper shared yards, goods lift access to 4th floor which comprises smaller studios on the top floor.

1b – Stacked industrial



3.5.8. The existing site comprises Staples Corner Business Park and is in a single ownership. It is accessed both ways from Edgware Road in the east and Coles Green Road in the west. The occupiers include a number of retail warehouses, medical user, light industrial, self-storage and a Land Rover showroom in the north-western Corner with frontage on to both Edgware Road and the North Circular Road.

3.5.9. The proposed scenarios include the demolition of all existing buildings and the provision of stacked industrial with vehicular ramps providing access to the upper floors. The units are predominantly larger warehousing units with some smaller light industrial units. The scenarios are discussed in more detail below:

- Scenario 1: Two separate 3 storey stacked industrial blocks with some light industrial. Access from Edgware Road (on a new service road) and Coles Green Road. Access to upper floors via straight HGV ramp. North South pedestrian route through site.
- Scenario 2: Single 5 storey stacked industrial logistics and distribution centre, access to upper floors via oval shaped HGV ramp. Smaller light industrial block with upper floors accessed via goods lifts, ground floor cafe. One way access from Coles Green Road leaving via Edgware Road (new service road).

2a – Co-location



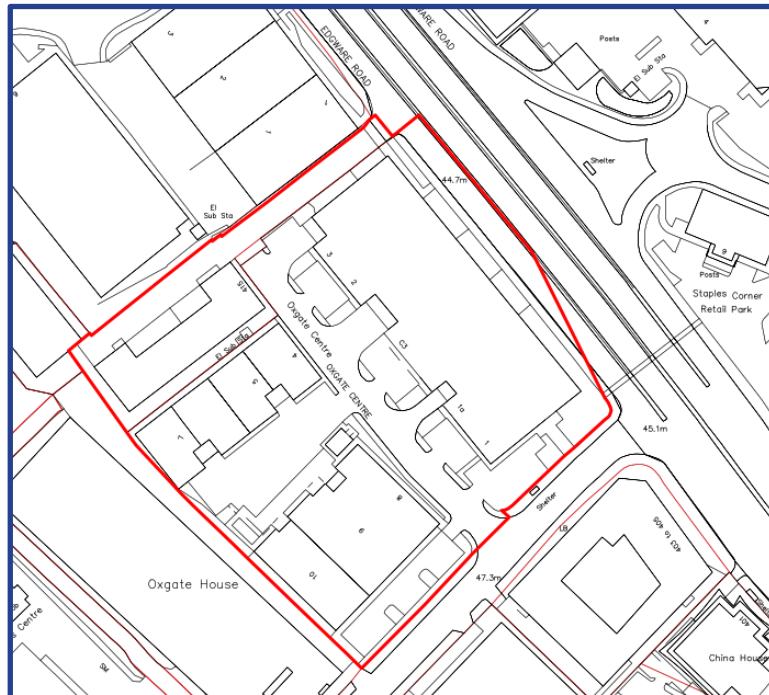
3.5.10. The site currently comprises Phoenix Park (a row of predominantly lighter industrial units along the Southern boundary), Wellington Park Estate (larger industrial units on Waterloo Road to the east), The Aspley Centre (smaller trade counter units) and Wellesley Court (lighter industrial units). The units appear to trade well and the occupiers vary with medical users, dark kitchens, fashion companies and car workshops occupying the units which are mostly accessed from Apsley Way. There is low rise residential to the south and west of the site and it is held in several ownerships.

3.5.11. All of the proposed scenarios include residential blocks (mostly 4 storey) along the southern boundary where the Aspley Centre and Phoenix Park are currently located, including townhouses, adjacent to the existing residential. The northern section retains industrial uses and the uses in the middle section vary. Each scenario includes the demolition of all existing buildings and are described in further detail below:

- Scenario 1: 3 storey stacked industrial accessed via Apsley Way and Waterloo Road with goods lifts to the upper floors. 4 storey light industrial with one way access from the two afore mentioned roads with lift access to upper floors. Minimal land assembly.
- Scenario 2: Two way access to the site from both Waterloo Road and Apsley Way. 3 storey stacked industrial to the north, lift access to upper floors. Two storey light industrial with lift access to upper floor. Light industrial is on southern side and shares a structure with an additional residential tower of 8 storeys, partly overlapping light industrial.
- Scenario 3: Two way access to the site from Apsley Way and Waterloo Road. Larger industrial unit of 2 storeys, lift access to upper floors. 4 storey light industrial unit, smaller plot with lift access to upper floors. B2 General industrial unit is adjacent to 10 storey residential tower

which has shared amenity on the roof space of the industrial units, tower slightly overlaps the industrial unit.

2b – Co-location



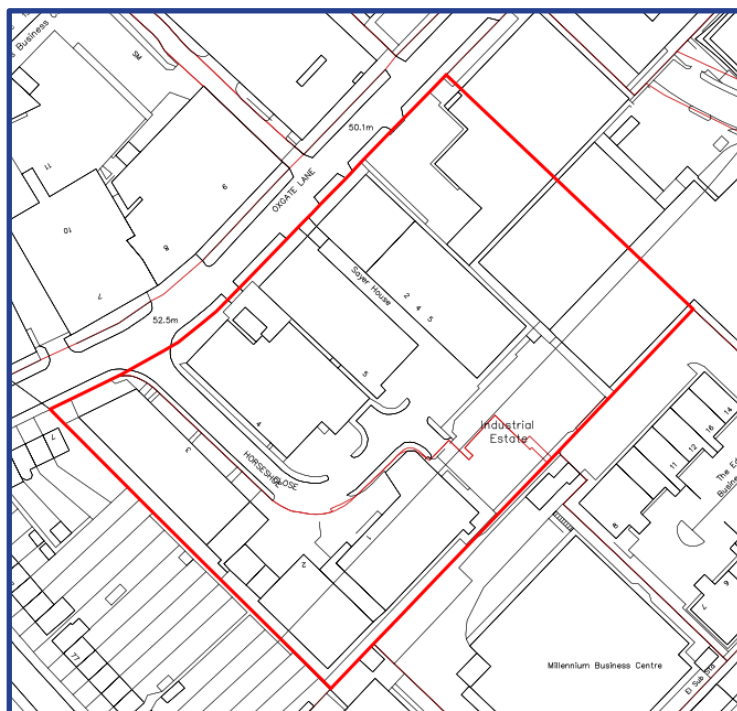
3.5.12. The site is located in the eastern section, between Edgware Road to the east and Oxgate Lane to the south with access from the latter. The site comprises the Oxgate Centre, a mixture of general industrial and retail warehouses which is fully let to a range of occupiers and is held in a single ownership. The site also includes Myrddale Lodge, a 7 storey former office building which has been converted into residential under permitted development rights although this is unchanged by the proposals. Car parking included in all scenarios at ground level and is proposed for the commercial units.

3.5.13. The proposed scenarios include light industrial uses on the ground floor with residential on upper floors. These are described in more detail below:

- Scenario 1: Large industrial unit on the ground floor and mezzanine floor, parking to the rear accessed from Oxgate Lane but vehicle access from Edgware Road with no service yard. Light industrial unit on the 2nd floor which is accessed via internal goods lifts. 5 residential towers ranging from 7-19 storeys, one of which is standalone and 4 are above the industrial unit. Several of the residential cores have external access to the units to the units on the upper floors with no internal core and there is a podium garden.
- Scenario 2: 2 separate blocks with ground floor industrial units, mezzanine floor. 1st floor light industrial units on the upper floors accessed via goods lifts. Central access to all units from Oxgate Lane with no allocated yards. 5 residential towers above ranging from 7-19 storeys with central cores. Podium communal garden.

- Scenario 3: Two blocks. 5 storey light industrial fronting Edgware Road with goods lifts to access upper floors, general industrial unit on the ground floor. and a residential block to the rear with some ground floor community space. Vehicle access for the light industrial is from Oxgate Lane in a communal yard, buildings are two storeys. Residential towers are hexagonal in shape around a single core, one is 15 storeys one is 19 storeys.
- Scenario 4: 2 residential blocks, 4 cores, ranging between 7 and 27 storeys. Ground and mezzanine floor light industrial with service yard to the east. Podium amenity and blue badge parking provided.

2c – Co-location



3.5.14. The site currently comprises a range of predominantly lighter industrial units, offices and general industrial units which are typically of lower quality. Most of the site is accessed from Horseshoe Close, or from Oxgate Lane to the west. There is also some surface car parking.

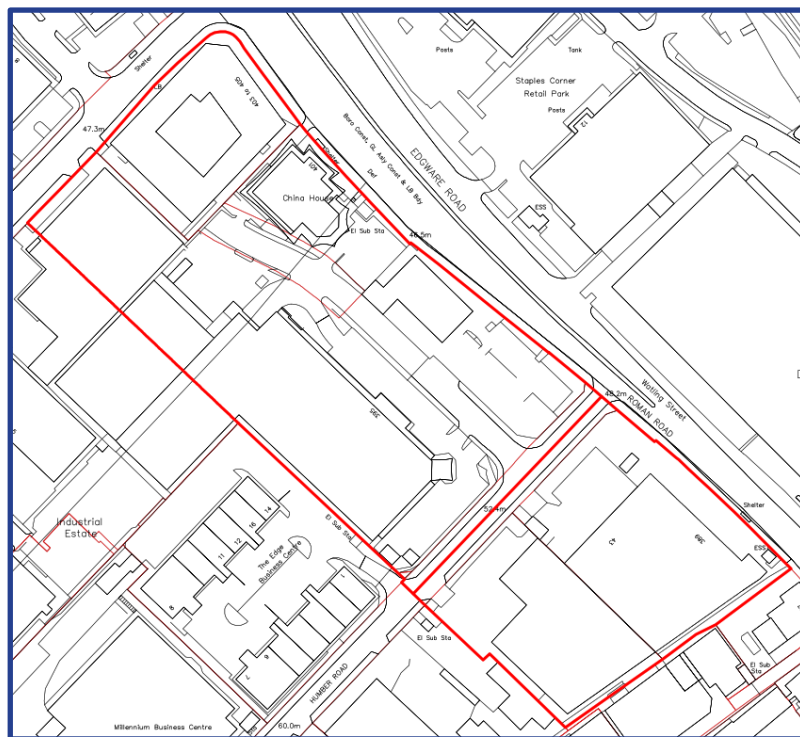
3.5.15. The proposed scenarios all include a range of commercial uses on the ground and first floors with residential uses above. Each includes some car parking for commercial uses. The scenarios are described in more detail below:

- Scenario 1: One larger block with ground floor light industrial and community uses on the ground and basement floor. Three additional blocks with ground floor residential or retail. Upper floors residential arranged over 6 blocks ranging from 7-11 storeys, external access to most units. Podium amenity for the residential in the larger block and a residential amenity courtyard in the centre.
- Scenario 2: 7 blocks, 3 of which have ground and first floor light industrial, commercial and retail, all with residential above in towers ranging from 7-11 storeys. Ground floor service

yard accessed from a new service road off Oxgate Lane. Shared amenity across the site including some on podium above commercial uses and ground floor courtyards.

- Scenario 3: Phased Wing Yip replacement store with customer parking and café in the basement and retail unit on the ground. Serviced via new spine route from Oxgate Lane to the north. 10 residential towers and cores mostly with external access, ranging in height from 4-12 storeys. Podium amenity.
- Scenario 4: 8 residential towers with ground floor café and ground / mezzanine light industrial. Vehicular access from Oxgate Lane for light industrial with small service yard. Residential courtyard and podium garden with new residential street running through the site. Heights ranging between 6-14 storeys.

Site 3a + 3b – Residential



3.5.16. The existing site comprises the Wing Yip supermarket, business centre, car showroom and two industrial units on Humber Road. There is surface car parking for the supermarket. The site borders Edgware Road to the east and vehicular access is from Humber Road.

3.5.17. The proposals are for mixed use development with commercial uses on the lower floors and residential on the upper. Several of the plans include office blocks. The site is the closest geographically to the new Brent Cross West Thameslink station. Each scenario is described in more detail below:

- Scenario 1: Two blocks with 11 cores. Basement parking and servicing area in the eastern block. Ground floor café, and first floor commercial and community space, some serviced

from Humber road. 8 residential blocks in total ranging between 6 - 19 storeys. All existing buildings demolished.

- Scenario 2: Mixture of residential typologies with a public square, ground floor retail and community space. Residential units located across 10 blocks, podium amenity in two locations with servicing for commercial uses below. No land assembly required and scheme can be delivered across multiple phases.
- Scenario 3: Wing Yip retained in south eastern boundary in preparation for phased relocation. Car park and other buildings demolished. In north mixed use development of 19 storeys, 4 blocks, inclusion office space, community hub. Larger block with 3 residential towers and ground floor retail. Residential towers 3-18 storeys with central cores.
- Scenario 4: 3 separate blocks of property with ground floor retail in 2 and light industrial in the other at ground and 1st floors. Service yards for each block. Residential development in 6 separate blocks with 12 cores ranging between 8-31 storeys. Public square which provides access to a proposed pedestrian crossing on Edgware Road.

4. Planning

4.1. Conservation Area

4.1.1. None of the SCGA is covered by a Conservation Area. The only listed building in the immediate vicinity of the SCGA is the Grade II* Listed 'The Old Oxgate' on Coles Green Road. We do not consider any of the proposals affect or would be affected by this property.

4.2. Affordable Housing & Workspace Policy

4.2.1. LB Brent's Local Plan was adopted in February 2022.

4.2.2. Policy H5 requires that 50% of all new homes are delivered as affordable housing. The required tenure split is 70% be provided as social rent or London Affordable Rent (LAR) and the remaining 30% be provided intermediate products including shared ownership and London Living Rent (LLR).

4.2.3. Policies BE1 & BE2 require 10% of all new workspace in major developments exceeding 3,000 sq m of employment floorspace to be affordable. The policy requires that this that affordable workspace is provided at a discount of no more than 50% of open market rent for a term of at least 15 years. The space is to be disposed to an Affordable Workspace operator (including the Council) and we do not understand there to be a restriction on the type of occupier. The 2020 Affordable Workspace SPD published by the Council gives a typology recommendation for Staples Corner of commercial industrial uses, makerspace and kitchens which can be co-located with new residential schemes. Where the requirement of affordable workspace is under 465 sq m (5,000 sq ft) a financial contribution may be accepted by the council, which would be delivered as a payment in lieu (PIL).

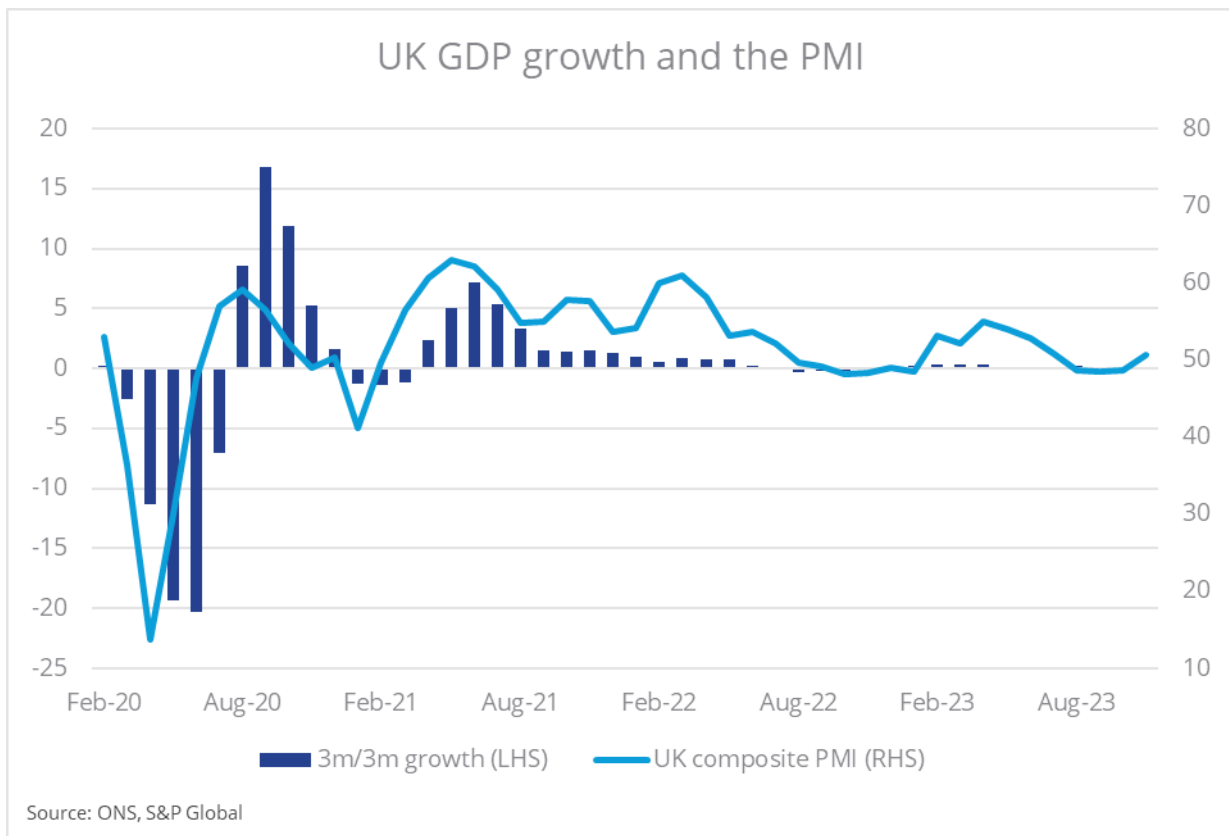
5. Market Commentary

5.1. Economy

5.1.1. GDP fell by 0.3% m/m in October, following a 0.2% m/m rise in September. Service-sector output fell by 0.2%, construction output grew by 0.4%, while production output was flat. The UK economy stagnated in the three months to October. The Flash UK Composite PMI rose to a six-month high of 51.7 in December, suggesting the economy may have avoided contraction in Q4.

5.1.2. CPI inflation fell to 4.2% in November, which was the lowest rate since September 2021. Retail sales volumes fell 0.3% m/m in October, following a 1.1% m/m decline in September. Sales volumes hit the lowest level since February 2021. The unemployment rate stood at 4.2% in the three months to October. The number of job vacancies fell further but remained well above pre-Covid highs. Nominal wage growth slowed marginally, but real wages continued to grow.

5.1.3. HM Treasury forecasts show interest rates are expected to be cut next year. Some analysts believe rates may fall to 4% by the end of 2024. At the time of writing, the GBP/USD exchange rate stands at 1.27 up from 1.21 at the start of the year. Gilt yields have fallen from a recent high of 4.60% in mid-October to around 3.73%. The two-year 75% LTV mortgage rate stands at 5.28% at the end of November, down from July's recent peak of 6.22%.

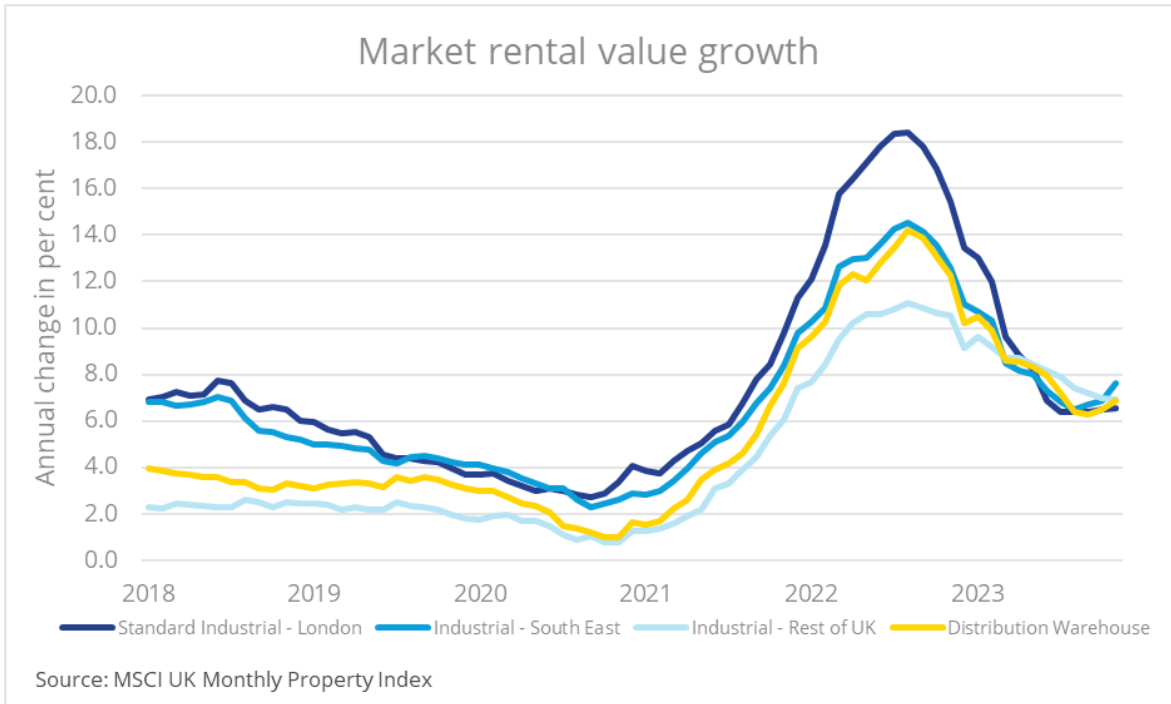


5.1.4. Monthly investment volumes slowed from a revised £2.6bn (previously reported as £1.8bn) in October to £1.7bn in November. The November figure was 38% below the five-year monthly average of £4.7bn. In the year to date, investment volumes stand at £34.7bn. This is 41% below the corresponding 2022 figure. Cross border capital accounts for 52% of all sales volumes in the year-to-date, with US buyers the most active at £8.4bn. Between January and November, industrial accounted for 26% each of all activity by value, followed by offices at 24%, and retail at 16%. In one of November's largest transactions by value, Vistry sold almost 3,000 homes across 70 sites to Blackstone-backed operators Leaf Living and Sage Homes for £819m. Elsewhere, iQ Student (Blackstone owned) acquired a two-asset PBSA portfolio across London and Edinburgh for £370m. November's MSCI data shows sustained outward movement in All Property net initial yields. Office yields recorded the strongest rise.

5.1.5. The slowdown in real estate market performance is expected to continue as the UK's economic position remains benign. Whilst the risk of a technical and prolonged recession (two quarters of falling output) appears to have abated with a return to very marginal growth, this remains at below pre pandemic levels. High energy costs, inflation, and interest rates remain the key risks. The full extent of this uncertainty on property rental and capital values continues to crystallise in the short to medium term and whilst the rate of change may have slowed in certain sectors, there remains a risk of further correction in some sectors.

5.2. Industrial

5.2.1. Industrial investment rose marginally from £110m in October to £140m in November but remained well below the five-year monthly average of £1.1bn. The £8.9bn transacted between January and November is 49% below the corresponding 2022 figure, but ahead of both 2019 and 2020 levels. In the year to date, industrial accounts for 26% of all investment by value. The largest November transaction by value was the unconfirmed £92m sale of an 844,000 sq ft warehouse in Corby. MSCI data suggests that the pace at which "All Industrial" net initial yields have risen recently has slowed in November.



5.2.2. Take-up for industrial units sized 100,000+ sq ft reached 4.8m sq ft in Q3, taking the annual reading so far to 16m sq ft. The Q1-Q3 figure is down by 51% on a year ago. Looking at longer term trends, take-up activity is down by 26% on the ten-year pre-Covid average. Due to the slowing demand, availability increased by 5.5% in Q3 2023 to 33.6m sq ft. Colliers currently tracks circa 9.5m sq ft of speculative construction, which is scheduled to complete over the next 12 months “All Industrial” annual rental growth nudged up to a five-month high of 7.4% y/y in November. However, this is down from 11.8% a year ago.

5.3. Office

5.3.1. Office investment fell slightly from £330m in October to £300m in November. Eight assets transacted in November, down from 32 in November 2022, low by historical standards. In the year to date, investment volumes stand at £7.9bn. This is 60% lower than the corresponding 2022 figure. The largest November transaction was the £135m sale of 43 Fetter Lane in London to UBS. The MSCI Digest Index suggests that “All Office” initial yields rose by 9 bps in November, extending the outward movement that started in mid-2022 to 17 months.

5.3.2. London office take-up reached 2.8m sq ft in Q3, up from 2.3m sq ft in Q2 and only marginally below the ten-year quarterly average. Regional office markets demonstrated an improvement in demand in Q3 2023, with take-up rising by 25% q/q. Birmingham saw further uplift in prime rents with the current figure standing at £45 psf. Average prime rent across the four centres (Birmingham, Manchester, Leeds and Bristol) now stands at £41.88 psf, a rise of 5.7% year-on-year. “All Office” rental growth was sustained in November. The rate of growth accelerated to 2.1% y/y, the strongest since January 2020.

5.4. Retail

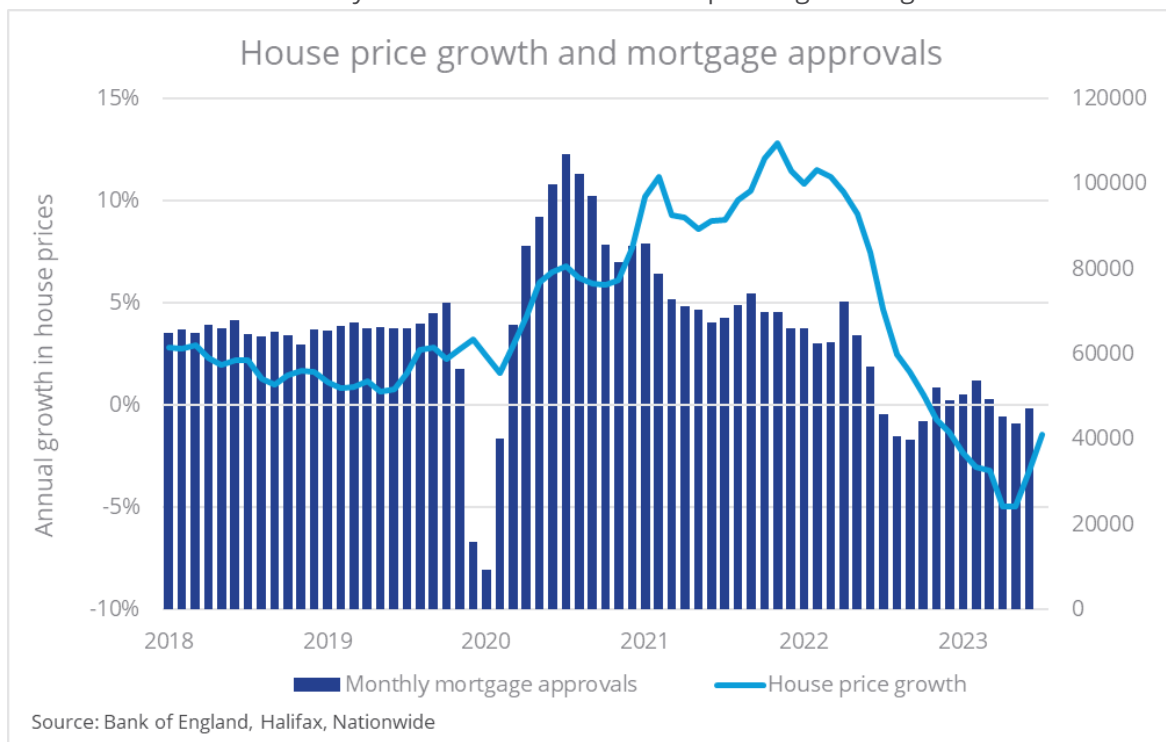
5.4.1. Retail investment volumes rose from £130m in October to £250m in November. 14 assets traded during November 2023, down from 22 in November 2022. In the year to date, investment volumes stand at £6.3bn. This is 16% lower than the corresponding 2022 figure. The largest transaction was the £145m sale of Churchill Square SC in Brighton to Ingka Group at an 11% yield. Ingka Group are planning on opening a new IKEA City Store in the centre. “All Retail” net initial yields rose by 6 bps in November and are now over 100 bps higher than in mid-2022.

5.4.2. Retail sales volumes fell by 0.3% m/m in October, following a 1.1% m/m decline in August. Sales volumes were down by 2.7% on a year ago and are the lowest level since February 2021. Annual retail price inflation fell to a two-year 5.3% in November, down from 14% a year ago. The GfK consumer confidence index improved to -24 in November but remained well below its long-term average of -12. The Centre for Retail Research reports that 62 retailers went into administration between January and October, affecting 6,421 stores. “All Retail” rents rose by 0.6% y/y in November, the strongest increase since September 2017.

5.5. Residential

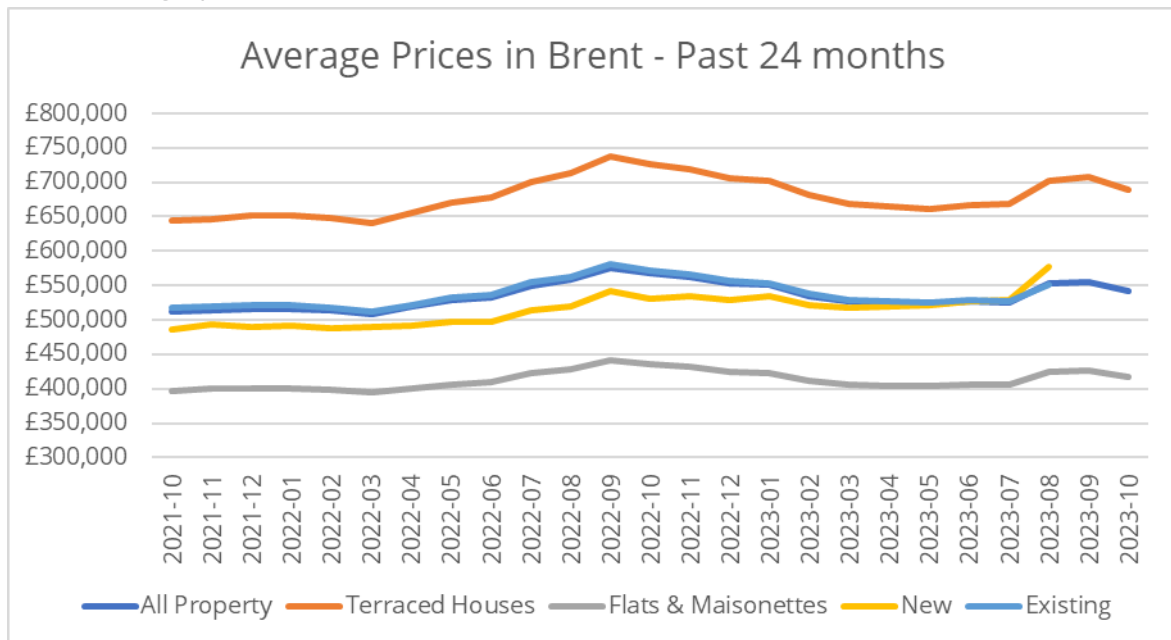
National Market Commentary

5.5.1. Residential investment volumes rose from £530m in October to £960m in November, thanks to Leaf Living and Sage Homes’ £819m acquisition of 2,915 homes across 70 sites. The £4.7bn transacted so far in 2023 is only marginally below the corresponding 2022 figure of £4.8bn. London, Birmingham, Leeds, and Manchester have been the most active markets so far in 2023. Four PBSA transactions were recorded in October, totalling £400m. The £2.4bn transacted in the PBSA sector so far this year is 64% below the corresponding 2022 figure.



5.5.2. House prices in November were 1.4% lower than a year ago, but 1.0% higher than in September. Rental growth accelerated further in October, with the ONS Index of Private Housing Rental Prices reaching a record high of 6.1% y/y. The 83,000 property transactions recorded in October are down by 21% on a year ago and remain well below the five-year monthly average of 101,000. The number of monthly mortgage approvals rose to a three-month low of 47,383 in November but remained well below the five-year monthly average of 65,400. The 75% 2-year fixed BoE mortgage rate fell from July's recent high of 6.22% to 5.28% at the end of November.

5.5.3. We have identified HM Land Registry House Price Index (HPI) data in the borough from the past 24 months for the relevant residential unit types in the masterplan. This data is shown in the graph below:



5.5.4. The data indicates moderate growth over the past 24 months of 6% across all unit types. The largest growth over the 24 month period has been for new build properties at 19%.

5.5.5. There were notable spikes in values in September 2022 and in August 2023 which were followed by moderately declining values. While there has been a slight downturn in values nationally and regionally over the past 15 months the scale of the peak was more exacerbated in Brent than it was Nationally.

6. Comparable evidence

6.1.1. In order to support this FVA we have identified a range of comparable evidence.

6.1.2. For the commercial uses rental data is provided in Appendix 2 and investment / occupational sales data is provided in Appendix 3.

6.2. Residential

6.2.1. We have identified comparable evidence for residential developments in the surrounding area in Appendix 4.

6.2.2. We have identified local transactional data of second hand units using Hometrack and examined 10 comparable developments from the surrounding area. The most directly comparable developments, Brent Cross Town and The Gladstone, only have marketing data available. There is transactional data available from Hendon Waterside and other nearby developments.

6.2.3. We have also provided an assessment of local Build to Rent (BTR) schemes which is included in Appendix 4.

6.3. Industrial

6.3.1. We have compiled a list of industrial transactions from the SCGA and surrounding area. The data sources we have used include EG Radius Data Exchange, Property Link and CoStar.

6.3.2. The rental values range between £8.00 to £27.00 per sq ft. The capital values range between

6.3.3. For stacked industrial we have looked achieved leases from other stacked industrial schemes. The lettings data from X2 Heathrow is dated but indicates an initial discount for units on the upper floors between 30-40% of the rent that was achieved on the ground floor. We are aware of two stacked industrial schemes which are currently on the market, Segro V-Park Grand Union and Industria Barking. Both schemes are more suited to light industrial uses with smaller units and van access to the upper floors at Industria and goods lifts to the all floors at V-Park. From discussions with the lettings agents we understand that the units are being marketed at a consistent rent across all floors with no discounts applied for height, and that there has been strong interest in the units.

6.3.4. We have identified investment transactions for industrial units which are provided in Appendix 3. The capital values range significantly between £139.00 to £486.00 per sq ft. 4 of the transactions reported Net Initial Yields (NIY) which range between 2.64% to 5.77%.

6.4. Office

6.5. We have identified a range of office transactions for lettings and sales in the wider surrounding area.

6.5.1. There is limited comparable data for new build, Grade A offices which we anticipate the proposed scheme would deliver. This is primarily due to the location which is not prime for offices in Greater London.

6.5.2. Second hand office rental transactions and asking prices range for rents range between £10.00 and £30.00 per sq ft.

6.5.3. Costar lists new build, Grade A units on the market at 2-5 Brent Cross Town at £48.00 per sq ft. These units are due to be completed in 2025 and have strong ESG credentials and provide high quality space. We consider these asking rents to be high and at the very upper limit of what would potentially be achieved in this location and understand that the actual asking rents are somewhat below this figure.

6.5.4. Sale prices for offices range between £280.00 to £358.00 per sq ft which are all asking prices.

6.6. Retail / Other Commercial

6.7. We have identified a range of retail and other Use Class E, D1 transactions for lettings and sales in the wider surrounding area.

6.8. Rental values range between £15.00 and £42.00 per sq ft.

6.9. Capital sales values range between £107.00 - £877.00 per sq ft, the upper end of which was an investment sale for Matalan Cricklewood.

6.10. We understand that several automotive brands would be interested in units along the North Circular Road and Edgware Road. We note that currently Jaguar Land Rover are located on the corner of the two roads which provides premium advertising presence. No automotive retail units are included in the current proposals.

6.11. The proposals include Use Class F community space. It is unclear what the intended uses of the space but we consider this would include community hubs and sports facilities. It is unclear whether any income or revenue would be generated from such spaces.

6.12. We understand that all car parking included is ancillary to the commercial uses and therefore will not be revenue generating.

7. Benchmark Land Value (BLV)

7.1. Policy

7.1.1. The 2019 National Planning Policy Guidance (NPPG) on viability and decision taking provides guidance for decision makers on how best to approach the assessment of benchmark land value. There is further guidance in the RICS guidance note *Assessing viability in planning under the National Planning Policy Framework 2019 for England* (March 2021). NPPG sets a clear preference for Existing Use Value (EUV) to be used as the primary basis of benchmark land value:

How should land value be defined for the purpose of viability assessment?

To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).

In order to establish benchmark land value, plan makers, landowners, developers, infrastructure and affordable housing providers should engage and provide evidence to inform this iterative and collaborative process.

See related policy: National Planning Policy Framework paragraph 57

Paragraph: 013 Reference ID: 10-013-20190509

Revision date: 09 05 2019 See previous version

7.1.2. The preference for the EUV+ approach is also considered the most appropriate in the GLA's affordable housing and viability SPD (2017). EUV is further defined as follows:

What is meant by existing use value in viability assessment?

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

See related policy: National Planning Policy Framework paragraph 57

Paragraph: 015 Reference ID: 10-015-20190509

Revision date: 09 05 2019 See previous version

7.1.3. The above is also clear that under no circumstance should price paid be used as a justification for benchmark land value which is reiterated throughout the NPPG and the GLA's affordable housing and viability SPD (2017).

7.1.4. It is common practice to apply a premium to the existing use value as part of a BLV assessment. The premium provides an incentive for the landowner to release the site for development. This is known as an Existing Use Value Plus (EUV+). NPPG sets the following advice on the setting of landowner premiums:

How should the premium to the landowner be defined for viability assessment?

The premium (or the 'plus' in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a landowner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements.

See related policy: National Planning Policy Framework paragraph 57

Paragraph: 016 Reference ID: 10-016-20190509

Revision date: 09 05 2019 See previous version

7.1.5. Alternative Use Value (AUV) is another approach that can be taken to assess the BLV. NPPG requires that any AUV assessment is only undertaken in certain circumstances:

Can alternative uses be used in establishing benchmark land value?

For the purpose of viability assessment alternative use value (AUV) refers to the value of land for uses other than its existing use. AUV of the land may be informative in establishing benchmark land value. If applying alternative uses when establishing benchmark land value these should be limited to those uses which would fully comply with up to date development plan policies, including any policy requirements for contributions towards affordable housing at the relevant levels set out in the plan. Where it is assumed that an existing use will be refurbished or redeveloped this will be considered as an AUV when establishing BLV.

Plan makers can set out in which circumstances alternative uses can be used. This might include if there is evidence that the alternative use would fully comply with up to date development plan policies, if it can be demonstrated that the alternative use could be implemented on the site in question, if it can be demonstrated there is market demand for that use, and if there is an explanation as to why the alternative use has not been pursued. Where AUV is used this should be supported by evidence of the costs and values of the alternative use to justify the land value. Valuation based on AUV includes the premium to the landowner. If evidence of AUV is being considered the premium to the landowner must not be double counted.

See related policy: National Planning Policy Framework paragraph 57

Paragraph: 017 Reference ID: 10-017-20190509

Revision date: 09 05 2019 See previous version

7.2. The SCGA Area

7.2.1. The area is 42.7 ha (105.5 acres) gross with a net developable area of 37.1 ha (91.7 acres). We have measured the area of the units which are being retained in the masterplan to be 8.3ha which we have deducted from the total net developable area to give a 'red line area' of 28.8 ha (71.2 acres).

7.2.2. There are approximately 90 different commercial units in the SCGA. They predominantly comprise industrial uses with a few other commercial properties including lighter industrial, offices, retail warehouses and shops. The units range from large, modern higher quality units to dated, low specification units.

7.2.3. The total areas by use are summarised in the table below:

GIA	Industrial	Non Industrial	Vacant	Total
Sq M	179,281	46,100	12,307	237,688
Sq Ft	1,929,765	496,212	132,471	2,558,448

7.2.4. The measurements have been provided by the Design Team and we understand are taken from VOA business rates assessments. We have not measured the individual units nor the SCGA area.

7.3. Existing Use Value (EUV)

Valuation of floor area

7.3.1. Given the scale of the SCGA we consider a detailed existing use valuation reflecting the current leases, property condition and individual unit specifications would not be appropriate nor possible. For a site of this scale with a significant quantity of leases it is not feasible to provide a valuation of each unit. We do not have sufficient information on the leases nor individual units to undertake a satisfactory valuation in the first instance.

7.3.2. For the purposes of this assessment therefore, we have undertaken a high-level EUV assessment. We have discounted the existing areas which are being retained in the masterplan area. The values for each area have been determined based on the comparable evidence and adopted values in the masterplan appraisals.

GIA	Industrial	Non Industrial	Vacant	Total
Sq M	133,370	31,260	12,307	176,937
Sq Ft	1,435,583	336,476	132,471	1,904,531
£ Sq Ft	£300	£200	£250	£279
EUV	£430,674,955	£67,295,214	£33,117,829	£531,087,999

7.3.3. This shows a rounded EUV of £531,088,000 which is equivalent to a blended price of £279.00 per sq ft. This valuation does not include any discount to existing space that is retained where the value may be decreased by the proposals.

Valuation per acre

7.3.4. A valuation based on land values per acre is a higher level assessment in this instance provides a high level indication of industrial land values in the area. Our calculations are based on the net developable area of 30.8 ha (76 acres).

7.3.5. Industrial land values have significantly increased in recent years. This is due to a significantly increased demand for last mile logistics and warehousing which was only exacerbated by the Covid-19 Pandemic. This is particularly pertinent in London where there is ever increasing demand for industrial space with many industrial sites having been redeveloped for residential uses.

7.3.6. Colliers H1 2023 Industrial Rents Map lists industrial land values at £4 million per acre (£10 million per ha) for Staples Corner. It is noted that due to the weakening market caused by increasing construction costs, decreased tenant demand, yields moving out and increased borrowing costs the average land value halved during the second half of 2022. We note that other consultancies quote some quite different ranges, with some listing industrial land values in North London at approximately £10 million per acre (£25 million per ha).

7.4. Landowner premium

7.4.1. NPPG allows for a premium to be applied to the EUV to provide an incentive for the landowner to release a site for redevelopment.

7.4.2. Our assessment does not provide a detailed valuation of the existing units and therefore it is difficult to estimate a premium that would be satisfactory to incentivise the landowner to release the site for redevelopment. For the masterplan appraisal we have not worked to the assumption that a single developer will deliver the site. On an individual plot basis it is reasonable to expect a premium to be required.

7.4.3. For the purposes of this assessment, we have not included a landowner premium and reserve the right to revisit this position.

7.5. Conclusion

7.5.1. We have not included an Alternative Use Valuation (AUV) for the purposes of this report. We consider the wider area could suit a range of possible uses although the designation as an LSIS is significant in retaining industrial uses in the SCGA.

7.5.2. We consider it appropriate to adopt the EUV as the benchmark land value and have used the comparable method to cross reference this value.

7.5.3. For the purposes of this assessment, we have adopted a benchmark land value of £4,000,000 per acre which equates to **£303,989,000** for the net developable area of 76 acres (30.8 ha).

8. Development Revenues

8.1.1. Following the market commentary we have reviewed the potential development values for all of the potential uses in the SCGA proposals. To support our position on values we have identified transactional and marketing evidence where possible. We have also relied on Colliers market knowledge and advice where appropriate.

8.1.2. The assumptions detailed below are those made in the appraisal for the SCGA Masterplan wide appraisal. The assumptions for the development briefs are outlined separately in Section 10 of this report.

8.1.3. For the commercial valuations we have used gross initial yields (GIYs) which make allowances for tenant incentives and void periods.

8.2. Residential

8.2.1. The proposed masterplan includes 315,858 sq m (3,399,865 sq ft) GIA of residential floorspace.

8.2.2. We have used the evidence provided in the residential marketing report which is attached in Appendix 2 of this report. We have identified a range of new build residential evidence in the surrounding area as well as local and national market data.

8.2.3. We have used the comparable evidence and analysis identified in the report to arrive at a position on values for the proposals. The two local schemes, The Gladstone and Brent Cross Town, are only asking price data to which limited weight should be applied and we understand the former has not sold well. Hendon Waterside benefits from superior views, although is less well connected for public transport. We also consider the subject location and adjacency to intensified industrial uses will not be supportive of premium residential values.

8.2.4. In adopting values for the masterplan appraisal, we have taken the average value we consider could be achieved across the masterplan area. Values in the surrounding area range significantly with premiums at the units closer to Hampstead and in Brent Cross Town and discounts achieved in Hendon and further North. We have assumed an average specification for the units as can be seen at the Hendon Waterside and The Gladstone. Some units will achieve premiums on the adopted average values, particularly where taller apartment blocks with superior views, design and amenity are present. Several units would be discounted against the average, particularly those on lower levels, fronting Edgware Road and in close proximity to heavier industrial uses. All of the values below are reflective of a level of uplift from a residential led redevelopment of the area, noting that most of the residential units are located in the southern section of the SCGA adjacent to the new Thameslink Station.

8.2.5. The adopted values are summarised in the table below:

Unit	No Units	Av Sq Ft	Av Price	£ Sq Ft
1b2p	499	538	£420,000	£780
2b4p	996	753	£550,000	£730
3b6p	471	1,098	£650,000	£592
4B Townhouse	27	1,163	£720,000	£619
Average	1,993	787	£543,387	£691

8.2.6. This shows an average sales value per sq ft of approximately £691.

8.3. Affordable Residential

8.3.1. For the purposes of the masterplan modelling we have modelled a base rate of 35% affordable housing with greater contributions modelled in the sensitivity analysis. Local Plan Policy BH5 requires a tenure split of 70% social rent / London Affordable Rent (LAR) and 30% intermediate housing including Shared Ownership and London Living Rent (LLR) which we have modelled to.

8.3.2. To value the affordable residential units we have relied on a bespoke valuation model. The model reflects the valuation a Registered Provider (RP) would undertake when purchasing an affordable housing block. Our model includes a discount cash flow (DCF) and makes assumptions based on the proposed tenure, affordability and policy requirements. We have used a discount factor of 5% in our DCF and have made allowances for maintenance and management costs.

8.3.3. Each tenure is valued separately and is described in detail below:

London Affordable Rent (LAR)

8.3.4. For the LAR we have adopted the following weekly rental values based on the 2022/23 LAR rates indexed to present day in accordance with mayoral and statutory guidance:

- 1 bed: £181
- 2 bed: £191
- 3 bed: £202

8.3.5. The capital value produced by the LAR is a blended rate of approximately £207 per sq ft which is equivalent to 30% of capital value.

Shared Ownership

8.3.6. For the purposes of this assessment we have modelled all of the intermediate housing as Shared Ownership. We consider this to be appropriate and able to satisfy the affordability criteria in this location.

8.3.7. We have made the following valuation assumptions:

- Initial equity sale: 30%
- Deposit: 5%
- Rent on unsold equity: 1.5%
- Staircasing: 1% pa

8.3.8. We have tested these assumptions against affordability criteria noting the threshold income for London is £90,000 pa.

8.3.9. Based upon this information, we arrive at an approximate value of £395 psf, equivalent to 57% of open market value. We consider this to be a broadly appropriate value for an intermediate product in this location.

8.4. BTR

8.4.1. We have provided an assessment of the proposed scheme were it to be delivered as purpose designed and build to rent (BTR). We note none of the proposals in the development brief or masterplan include a BTR scheme, which differ from market residential in terms of the unit design, mix and amenity provision, and have not included any BTR provision within our appraisals.

8.4.2. We consider BTR development would be a good residential option in the co-located schemes with industrial uses on lower floors and with the proximity to the new Station. For the purposes of this assessment we have assumed that a good level of amenity would be provided including concierge, gyms, gardens, lounges, cinema rooms and terraces which would create additional cost compared to the specification assumed in the market housing assessment.

8.4.3. As part of the Residential market research in Appendix 4 we have identified rental evidence from the surrounding area. There is very limited evidence for purpose built BTR schemes in the surrounding area with more developments in the pipeline in Hendon and at Brent Cross Town.

8.4.4. We consider the units would achieve a premium compared to units in the office conversion schemes in the SCGA and surrounding area due to the design and specification premium. The best comparable data we have is for market housing in the new build developments at Hendon and Fellows Square, to which we have applied a small premium to the subject to reflect superior BTR amenities and proximity to the Brent Cross Station. Our assumed rental values are shown in the table below:

Beds	Sq M	Sq Ft	Rent PCM	PA	£ Sq Ft
1	50	538	£2,000	£24,000	£45
2	70	753	£2,800	£33,600	£45
3	103	1,109	£3,600	£43,200	£39

8.4.5. We have undertaken a hypothetical valuation of a BTR scheme. The assumptions are as follows:

- Opex: 27.5%
- Net Initial Yield (NIY): 4.5%
- Purchasers Costs: 6.8%

8.4.6. This calculates to a total capital value of £643 per sq ft, approximately a 7% discount compared to the market sale GDV. It should be noted that the current Bank of England Base rate

sits at 5.25%, therefore the adoption of a NIY below this rate is extremely optimistic as no investor would risk money in a BTR scheme when the bank is providing a higher return. The costs of delivering a BTR scheme will be significantly higher owing to the reduced gross/net ratio and fit out costs, while we would anticipate a reduced developer profit target on GDV would be required.

8.4.7. Based on our assessment we consider BTR would be slightly less viable than market sale housing, although we do consider a purpose designed BTR scheme would need to be designed to be thoroughly assessed. The location would be favourable for BTR now the station is opened and the delivery of some BTR in larger residential sites would help with absorption rates for market sale housing. For the purposes of the masterplan we do not think this will have a significant impact the viability of the development.

8.5. Student Accommodation

8.5.1. We have not included an assessment of value for student accommodation as there is none included in the SCGA Masterplan proposal.

8.5.2. We note that Middlesex University is approximately 2km north of the SCGA in Hendon and there will be a new Sheffield Hallam campus in Brent Cross Town with capacity for 5,000 students. The improved transport links to Central London would open the subject location to a variety of potential students from other London Universities. Similarly to BTR we consider student units above industrial has the potential to work although has proven challenging from our knowledge of similar developments.

8.6. Hotel

8.6.1. We understand that there would be demand for a budget hotel operator in this location. There are several competing operators in the area including the Holiday Inn at Brent Cross and a range of operators in Wembley.

8.6.2. We consider there could be demand for a conference hotel but a full and separate feasibility study would be required to determine this. In this location we consider there would be demand for a large events space with the capacity to host weddings of 400+ guests. Such a venue would require car parking, good public transport access and a certain level of placemaking that would be difficult to acquire in the SCGA.

8.6.3. There are no plans for a hotel included in the Masterplan and we accordingly have not included one as part of this assessment. We note one of the development brief sites includes a hotel with conference facilities for which we have not been provided with plans nor areas.

8.7. Industrial

8.7.1. The proposed masterplan includes 213,237 sq m (2,295,258 sq ft) of Use Class B2 / B8 General Industrial / Storage & Distribution space. We note that much of the space is provided on upper floors which are to be predominantly accessed by goods lifts. Much of the space does not include private yards which we consider would reduce demand from occupants. Some of the proposals have vehicle ramps to the upper floors which are predominantly for smaller vans, while others have HGV access ramps to the upper floors. Access to the North Circular and Edgware Road

is also vital, particularly for distribution units, and the SCGA does not provide two way access to either road.

8.7.2. For the purposes of the masterplan we have made the following valuation assumptions:

- Rent psf: £25
- GIY: 4%
- Capital value: £585 psf

8.7.3. We note this is capital value is at the upper end of the range we would reasonably expect for new build units in the area and is at the very upper end of the range identified by the comparable evidence.

8.7.4. We consider that a high specification, purpose built warehousing unit in this location would achieve a prime rental value of £40 per sq ft. We do not consider any of the proposed units would achieve such a value. Our adopted rental value assumes that some of the higher quality units in the SCGA would achieve rental values close to this prime rate, with some significantly below, and therefore the rate of £25 per sq ft reflects an average value.

8.8. Light Industrial

8.8.1. The masterplan proposal includes 55,191 sq m (594,071 sq ft) of Use Class E(g)ii / E(g)iii Light industrial. Similarly to the industrial much of the space is only accessible by goods lifts and we note there are limited service yards. There is limited difference in terms of design and specification between the general industrial and light industrial other than the light industrial typically having worse access and more limited yard space.

8.8.2. For the purposes of this assessment we have adopted the following valuation assumptions:

- Rent psf: £25.00
- GIY: 4.50%
- Capital Value: £520 psf

8.8.3. The yield has been pushed out compared to the industrial to reflect the greater uncertainty in letting the units.

8.9. Office

8.9.1. The masterplan proposals include 24 sq m (258 sq ft) GIA of Use Class E(c) office space. We note there is limited comparable evidence and this is not an established location for Grade A space which we have assumed is being delivered. We consider significant tenant incentives would be required.

8.9.2. We have adopted the following valuation assumptions:

- Rent: £40.00 psf
- GIY: 7.00%
- Capital value: £535 psf.

8.9.3. We consider this rental value to be optimistic for the location in the current market and therefore reflects a level of uplift from enhanced placemaking.

8.10. Retail / Commercial

8.10.1. The masterplan proposal includes 9,793 sq m (105,406 sq ft) of Use Class E(a) / E(b) retail or café. The retail offering ranges significantly in size across the masterplan and most of the space is located in the south eastern corner at ground to first floor levels underneath residential uses.

8.10.2. We have made the following valuation assumptions for the retail space:

- Rent psf: £30.00
- GIY: 7.00%
- Capital value: £401 psf

8.10.3. The masterplan proposal also includes 1,134 sq m (12,206 sq ft) of Use Class F community space. We have assumed this space will be operated on commercial leases and have made the following valuation assumptions:

- Rent: £20.00 psf
- GIY: 5.00%
- Capital Value: £375

8.11. Affordable Workspace

8.11.1. In accordance with the afore mentioned Local Plan Policies BE1 we have included an on-site affordable workspace contribution as 10% of all employment space. This has been valued on the basis that the space will be disposed of to an affordable workspace provider for a 15 year term. Policy also allows for a payment in lieu (PIL) to be provided as the affordable workspace contribution for smaller units (smaller than 465 sq m) or where on-site delivery is not possible.

8.11.2. We have modelled this at a 50% discount to open market value in accordance with the policy requirement. For the purposes of this assessment we have not adjusted the yield from the open market units.

8.11.3. We have used a term and reversion model to value the units, whereby after the 15 year term the space is provided as affordable it reverts to open market housing. We note the PIL calculation in the Council's Affordable Workspace SPD does not allow for reversion, ut we consider this appropriate for the calculation of on-site delivery.

8.11.4. Using the valuation assumptions outlined above we arrive at a capital value of £142 per sq ft for the affordable workspace. The cost of providing this workspace is approximately £87 million, as calculated by the difference between the open market value (OMV) and the affordable workspace. The PIL for the masterplan affordable workspace provision is £70 million, therefore there is a significant cost saving to make the contribution as a PIL rather than on-site.

8.11.5. We would note that affordable workspace should be specifically designed into schemes, rather than assumed to be provided as a section of a typical open market unit. We note that none of the designs for the Masterplan nor Development Brief sites specifically allocate any affordable workspace. We consider the provision of on-site space as a gross percentage in the masterplan appraisal is an appropriate assumption to make. In accordance with the Affordable Workspace SPD it is reasonable to expect that some developments will make an affordable workspace contribution, particularly where under the threshold of 465 sq m (5,000 sq ft) of affordable workspace.

9. Development Costs

9.1. Site preparation costs

9.1.1. We have been provided with a draft contaminated land screening assessment by Create Consulting Engineers Ltd dated January 2022. The report concludes that the contamination risk across the SCGA varies from low to high risk, with the residential section in the south east of the SCGA being a high risk area.

9.1.2. In accordance with the advice from our AECOM we have adopted a cost estimate of £5 per sq ft for the subject area. We consider a more robust decontamination study would provide a more detailed estimate and would note that this is mainly pertinent for the residential sites rather than the industrial sites. We also consider contaminated land to be less of an issue where flatted development is proposed and the contamination can be contained or restricted.

9.1.3. We have also applied a demolition cost of £5 per sq ft.

9.2. Construction Costs

9.2.1. For the base construction costs we have used RICS Build Cost Information Services (BCIS) data which NPPG lists as an appropriate source of data to estimate construction costs in viability assessments. We have cross checked the estimates against the costs provided by AECOM and adopted their proposed rates where these significantly differ.

9.2.2. The adopted construction rates per sq ft are shown in the table below:

Area	Name	£ Sq Ft	Justification
B2/B8	General industrial / Storage & Distribution	122	BCIS, Median
E(g)ii/E(g)iii	Light industrial	122	BCIS, Median
Sui Generis	Electrical substation	435	BCIS, Median
C	Residential / Hotel	290	AECOM
E(a) / E(b)	Café / Retail	168	BCIS, Median
E(c)	Office/Services	274	BCIS, Median
F	Community	168	BCIS, Median
Sui generis	Car parking	200	AECOM

9.2.3. Within all our appraisals we have included a 10% allowance for external works and 5% allowance for additional infrastructure. We have included a 5% contingency allowance, which is below the level recommended by AECOM, which we consider ambitious given the limited detail known at this stage but appropriate given the robust estimates from AECOM. We have included professional fees at 8% which we consider appropriate for developments of this scale.

9.3. Planning Obligations

9.3.1. We have calculated CIL and MCIL2 charges in accordance with the current charging schedules. No CIL has been charged on affordable housing nor existing floor space. The current rates per sq ft are as follows:

LBB CIL

- Residential £29
- Hotel: £15
- Retail: £6
- Leisure: £8

MCIL2

- All floorspace £6

9.3.2. We understand that most statutory contributions are included in the CIL allowance and therefore a reduced additional S106 charge is typically required in the Borough. On this basis we have made an allowance of £2,500 per unit for additional S106 costs.

9.4. Agency and Legal Fees

9.4.1. We have included the following agents fees:

- 2% agents and marketing fees (private residential)
- £1,000 per unit legal fees (all residential)
- 1.5% disposal fees (commercial capital values)
- 15% letting fees (commercial ERV)
- 6.8% purchasers costs (commercial)

9.4.2. We consider the agents fees above are reflective of the quality of accommodation and prices adopted in our assessment which will require a robust marketing campaign and strategy.

9.5. Finance Costs

9.5.1. For the masterplan assessment we have not included a development cash flow. We consider this is not relevant for a scheme of this size and have not assumed the development will be delivered by a single master developer, therefore including a development cashflow and making phasing assumptions would be meaningless. The redevelopment will be developed in numerous phases and is in multiple land ownerships. Any development cash flow would not be representative of the reality of any development and we consider this unnecessary for the purposes of this assessment. For the purposes of this assessment we have included a nominal cost on finance of 7% of the total development cost.

9.5.2. For the development brief sites we have included development cash flows as we consider it more reasonable that these will be delivered as a single development, even if delivered over several phases. Noting the recent interest rate rises we have adopted a finance rate of 8%. In all scenarios the pre construction period is 6 months, construction variable dependent on scale of development, affordable housing revenue received throughout construction period, commercial revenue received on practical completion and residential sales reflecting a sales rate of approximately 5 units per month.

9.6. Profit and risk

9.6.1. For the purposes of this assessment we have adopted the following developer profit benchmarks on GDV:

- Private Residential: 20%
- Affordable Residential: 6%
- BTR, Student, Commercial, Industrial: 15%

9.6.2. For the masterplan appraisal this calculates to a blended profit on GDV of 16.10% and a profit on cost of 17.11%.

9.6.3. We have considered the potential for the viability to be undertaken at 17.50% profit (we have been using 20.00%). We have undertaken this as a sensitivity option, rather than change the base models. We have two main reasons for resisting this approach:

- Firstly, this is a masterplan and not a detailed planning application. We have very little detail in the buildings and no detailed unit or core design for the residential or layouts for the proposed commercial accommodation. This uncertainty needs to have an appropriate contingency and as far as the owner / developer is concerned an appropriate level of risk / profit.
- Secondly is time. As more detailed plans and methodologies are received when a planning application is being prepared, we would expect many of these uncertainties to have been eliminated, thereby enabling a reduced risk and contingency to be utilised.

9.6.4. It would be unwise at this early stage to be reducing the two main indicators of risk.

10. Masterplan Appraisal

10.1. Development Appraisal

10.1.1. We have modelled the viability of the masterplan using a bespoke development appraisal created in Microsoft Excel. This model allows more flexibility than other development appraisal software.

10.1.2. The development appraisal is populated with the data outlined in this report. We have fixed the land cost to the BLV figure of £303,989,000 and included developer profit as a fixed profit target. This means the scheme produces a residual surplus ('super profit') or deficit which is shown at the bottom of the appraisal.

10.1.3. It would be unrealistic to assume the development appraisal would be delivered by a single / master developer given the number of land ownerships and scale of the proposals.

10.2. Appraisal Results

10.2.1. The appraisal summary is attached in Appendix 7. The results are summarised in the table below:

Masterplan Appraisal	
Development Revenue	£2,784,945,826
LESS	
Benchmark Land Value	£303,989,000
LESS	
Development Costs	£2,563,363,175
EQUALS	
Surplus / Deficit	-£82,406,349
% GDV	-2.96%
% Cost	-2.87%

10.2.2. This shows the masterplan scheme shows a residual deficit of -£82,406,000. This is equivalent to 3% of the GDV and 2.9% of the total development costs and therefore we consider this to be a marginal viability position. It is also worth highlighting that the deficit is below the adopted BLV, indicating that the masterplan proposals produce a positive residual land value.

10.2.3. We have also modelled the alternative masterplan appraisal using consistent valuation and cost assumptions. The results are in the table below:

Alternative Masterplan Appraisal

Development Revenue	£2,744,319,271
LESS	
Benchmark Land Value	£303,989,000
LESS	
Development Costs	£2,536,716,087
EQUALS	
Surplus / Deficit	-£96,385,817
% GDV	-3.51%
% Cost	-3.39%

10.2.4. This shows a deficit of -£96,386,000 which is an increased of £14 million when compared to the preferred masterplan scheme. The deficit in the alternative masterplan is equivalent to 3.5% on GDV and 3.4% on cost. Similarly to the masterplan the deficit is lower than the BLV, indicating that the residual land value of the scheme is positive, and therefore the viability position is marginal.

10.3. Sensitivity Analysis

10.3.1. We have tested the impact of changing several of the inputs has on the viability of the proposed scheme. This shows the impact that specific appraisal inputs have on the viability of the proposed scheme.

10.3.2. The first sensitivity analysis is to test the impact that changing construction costs and sales values, for all use classes and construction costs, has on the viability of the development. The results are shown in the table below:

Sensitivity Analysis						
Surplus / Deficit		Construction				
		20%	10%	0%	-10%	-20%
Sales	20%	£98,581,034	£286,581,925	£474,582,817	£662,583,708	£850,584,599
	10%	-£179,913,549	£8,087,343	£196,088,234	£384,089,125	£572,090,017
	0%	-£458,408,131	-£270,407,240	-£82,406,349	£105,594,543	£293,595,434
	-10%	-£736,902,714	-£548,901,823	-£360,900,931	-£172,900,040	£15,100,852
	-20%	-£1,015,397,297	-£827,396,405	-£639,395,514	-£451,394,622	-£263,393,731

10.3.3. It can be seen that with a 10% reduction in costs or a 10% increase in GDV the masterplan produces a surplus and is viable.

10.3.4. We have first tested a scenario with a reduced profit target of 17.5%. We would expect this figure to be appropriate at a planning application stage where more detail is known on the scheme. The results are shown below:

Masterplan Appraisal	
17.5% Private Residential Profit	
Development Revenue	£2,784,945,826
LESS	
Benchmark Land Value	£303,989,000
LESS	
Development Costs	£2,534,393,727
EQUALS	
Surplus / Deficit	-£53,436,901
% GDV	-1.92%
% Cost	-1.88%

10.3.5. With the reduced profit target the masterplan is still in deficit, albeit to a reduced figure of -£53,437,000.

10.3.6. The next separate sensitivity option is to increase the affordable housing contribution to an overall contribution of 50%. The results of this appraisal are shown in the table below:

Masterplan Appraisal	
50% Affordable Housing	
Development Revenue	£2,630,359,826
LESS	
Benchmark Land Value	£303,989,000
LESS	
Development Costs	£2,492,137,725
EQUALS	
Surplus / Deficit	-£165,766,899
% GDV	-6.30%
% Cost	-5.93%

10.3.7. This shows that the deficit has increased and therefore the masterplan cannot viably provide a 50% affordable housing contribution.

10.3.8. We have also modelled a scenario based on 100% private housing with the results as follows:

Masterplan Appraisal	
100% Private Housing	
Development Revenue	£3,145,885,826
LESS	
Benchmark Land Value	£303,989,000
LESS	
Development Costs	£2,729,836,310
EQUALS	
Surplus / Deficit	£112,060,516
% GDV	3.56%
% Cost	3.69%

10.3.9. This model shows a surplus of £112,061,000 and can therefore be said to be viable and deliverable.

10.3.10. We have also modelled a 'break even' affordable housing contribution, whereby the maximum reasonable affordable housing contribution is provided (to the nearest whole percentage) before the scheme produces a deficit. Our model shows that a 20% affordable housing contribution can be provided, while still producing a small surplus, as demonstrated in the table below:

Masterplan Appraisal	
20% Affordable Housing	
Development Revenue	£2,939,664,826
LESS	
Benchmark Land Value	£303,989,000
LESS	
Development Costs	£2,634,729,559
EQUALS	
Surplus / Deficit	£946,267
% GDV	0.03%
% Cost	0.03%

10.3.11. The second approach to benchmark land value is to adopt an EUV calculated by use on a capital value per sq ft. This increases the benchmark land value to £531,088,000. The results are shown below:

Masterplan Appraisal	
Alternative EUV	
Development Revenue	£2,784,945,826
LESS	
Benchmark Land Value	£531,088,000
LESS	
Development Costs	£2,595,783,828
EQUALS	
Surplus / Deficit	-£341,926,002
% GDV	-12.28%
% Cost	-10.94%

10.3.12. This shows that adopting a higher benchmark land value would increase the viability deficit and subsequently the masterplan becomes less deliverable. The deficit remains below the benchmark land value figure and the viability position accordingly remains marginal.

11. Development Brief Appraisals

11.1. Appraisal inputs

11.1.1. For all of the scenarios we have relied on site area measurements from AECOM as outlined in their report. We have relied on the AECOM cost estimates provided in their report, dated September 2023, for each of the scenarios. There have been several updates to the designs since the issuing of their report and we have continued to adopt the cost rates as outlined by AECOM. The AECOM Report is attached in Appendix 5.

11.1.2. We have adopted benchmark land values based on values per sq ft on the existing buildings. We consider this a more detailed approach than a land area assessment however it should be noted we still do not have sufficient information to undertake a detailed valuation of each of the existing uses of the development brief sites. The adopted values are outlined in the appraisal summary tables.

11.1.3. We have varied the appraisal inputs from our Masterplan report to reflect the more specific designs of each scenario. Where possible we have kept these consistent with our assumptions for the masterplan appraisal. The adjustments are predominantly surrounding the valuation of the commercial units where we have considered the access, design, ground floor space, yard availability, location and design of the units. For the purposes of this assessment we have adopted the same residential values across all the scenarios apart from Site 2a Scenario 1 where we have applied a £10,000 per unit premium to the residential units reflecting the provision of grade separation.

11.1.4. We have made adjustments to rental values, yields and residential prices based on the designs, location, setting and access for each of the scenarios.

11.1.5. The variances from the Masterplan appraisal assumptions are detailed in the table attached in Appendix 6.

11.1.6. For the purposes of analysing the appraisal results we have categorised the viability outcome into each of the following:

- Viable: The scheme produces a viability surplus
- Marginal: The scheme produces a deficit, but the scale of the deficit is lower than the adopted BLV. This implies that the scheme produces a positive residual land value and that if a different approach is taken to land cost in the appraisal the development could be deliverable.
- Unviable: The scheme produces a deficit that is greater than the adopted BLV and therefore has limited chance of delivery.

11.2. Appraisal Results

11.2.1. We have created development appraisals for all of the development brief scenarios. The results and key matrices are shown in the table below:

Base Appraisal						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	2,784,945,826	303,989,000	5,233,427	- 82,406,349	-2.96%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	45,157,328	12,836,000	103,900	- 4,018,481	-8.90%
1a	2	64,920,988	22,468,000	154,330	- 9,434,892	-14.53%
1a	3	158,798,558	28,565,000	355,718	22,222,587	13.99%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	386,060,577	125,321,000	708,141	8,746,743	2.27%
1b	2	472,939,058	125,321,000	900,895	38,580,980	8.16%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	182,404,671	52,257,000	330,143	- 22,077,681	-12.10%
2a	2	220,127,267	52,257,000	421,229	- 29,253,100	-13.29%
2a	3	204,016,558	52,257,000	417,461	- 64,565,346	-31.65%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	191,566,726	27,086,000	347,850	- 67,038,821	-35.00%
2b	2	219,543,494	27,086,000	417,530	- 55,700,868	-25.37%
2b	3	186,071,103	27,086,000	371,085	- 17,719,452	-9.52%
2b	4	318,475,299	27,086,000	551,165	- 103,791,834	-32.59%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	173,226,339	41,211,000	350,048	- 104,907,629	-60.56%
2c	2	168,674,533	41,211,000	336,737	- 88,740,264	-52.61%
2c	3	188,344,265	41,211,000	390,480	- 125,495,075	-66.63%
2c	4	220,202,410	41,211,000	403,679	- 112,631,953	-51.15%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	282,182,963	40,237,000	553,063	- 114,779,034	-40.68%
3	2	392,741,761	40,237,000	778,360	- 102,800,041	-26.17%
3	3	156,003,284	16,904,000	298,240	- 61,743,950	-39.58%
3	4	487,373,842	40,237,000	895,903	- 185,292,202	-38.02%

11.2.2. It can be seen that only 3 of the Scenarios are viable, 5 of the Scenarios are marginal and 12 of the Scenarios are unviable.

11.2.3. The appraisal summaries are attached in Appendix 8.

11.3. Sensitivity Analysis

11.3.1. We have undertaken several rounds of sensitivity analysis on the Development Brief appraisals, and for the purposes of consistency have also compared the results against the Masterplan Appraisal.

11.3.2. The first sensitivity analysis reduces the developer profit target to 17.5%. The results are shown in the table below:

1 17.5% Profit Residential GDV						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	2,784,945,826	303,989,000	5,233,427	- 53,436,901	-1.92%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	45,157,328	12,836,000	103,900	- 4,018,481	-8.90%
1a	2	64,920,988	22,468,000	154,330	- 9,434,892	-14.53%
1a	3	158,798,558	28,565,000	355,718	22,222,587	13.99%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	386,060,577	125,321,000	708,141	8,746,743	2.27%
1b	2	472,939,058	125,321,000	900,895	38,580,980	8.16%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	182,404,671	52,257,000	330,143	- 20,771,719	-11.39%
2a	2	220,127,267	52,257,000	421,229	- 27,317,650	-12.41%
2a	3	204,016,558	52,257,000	417,461	- 62,094,846	-30.44%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	191,566,726	27,086,000	347,850	- 63,210,421	-33.00%
2b	2	219,543,494	27,086,000	417,530	- 51,962,568	-23.67%
2b	3	186,071,103	27,086,000	371,085	- 15,683,129	-8.43%
2b	4	318,475,299	27,086,000	551,165	- 97,285,762	-30.55%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	173,226,339	41,211,000	350,048	- 101,829,269	-58.78%
2c	2	168,674,533	41,211,000	336,737	- 85,677,327	-50.79%
2c	3	188,344,265	41,211,000	390,480	- 121,839,214	-64.69%
2c	4	220,202,410	41,211,000	403,679	- 108,601,423	-49.32%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	282,182,963	40,237,000	553,063	- 109,178,469	-38.69%
3	2	392,741,761	40,237,000	778,360	- 94,882,036	-24.16%
3	3	156,003,284	16,904,000	298,240	- 58,761,725	-37.67%
3	4	487,373,842	40,237,000	895,903	- 175,763,872	-36.06%

11.3.3. We would anticipate the developer profit could be reduced to these levels when planning applications are submitted and more detail available. It can be seen that reducing the profit target has a significant impact in reducing the deficit in the masterplan appraisal and several other scenarios but however this does not change the overall conclusions.

11.3.4. We have also tested a situation where infrastructure costs are removed from the appraisals on the basis that the cost is covered by grant funding or CIL held by the Council. The results are shown in the table below:

2 Nil Infrastructure						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	2,784,945,826	303,989,000	5,233,427	- 2,209,454	-0.08%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	45,157,328	12,836,000	103,900	- 3,176,325	-7.03%
1a	2	64,920,988	22,468,000	154,330	- 8,046,326	-12.39%
1a	3	158,798,558	28,565,000	355,718	25,952,220	16.34%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	386,060,577	125,321,000	708,141	15,150,123	3.92%
1b	2	472,939,058	125,321,000	900,895	46,877,799	9.91%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	182,404,671	52,257,000	330,143	- 18,685,270	-10.24%
2a	2	220,127,267	52,257,000	421,229	- 24,849,314	-11.29%
2a	3	204,016,558	52,257,000	417,461	- 60,098,260	-29.46%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	191,566,726	27,086,000	347,850	- 62,456,359	-32.60%
2b	2	219,543,494	27,086,000	417,530	- 50,296,046	-22.91%
2b	3	186,071,103	27,086,000	371,085	- 13,277,134	-7.14%
2b	4	318,475,299	27,086,000	551,165	- 95,608,674	-30.02%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	173,226,339	41,211,000	350,048	- 100,310,775	-57.91%
2c	2	168,674,533	41,211,000	336,737	- 84,564,477	-50.13%
2c	3	188,344,265	41,211,000	390,480	- 119,211,731	-63.29%
2c	4	220,202,410	41,211,000	403,679	- 106,765,739	-48.49%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	282,182,963	40,237,000	553,063	- 108,002,003	-38.27%
3	2	392,741,761	40,237,000	778,360	- 94,084,956	-23.96%
3	3	156,003,284	16,904,000	298,240	- 58,507,500	-37.50%
3	4	487,373,842	40,237,000	895,903	- 172,663,627	-35.43%

11.3.5. It can be seen that the viability deficit has significantly reduced on those scenarios in deficit but the overall conclusions remain unchanged.

11.3.6. We have tested the Development Briefs with an affordable housing provision of 80% and the overall conclusions are unchanged from the 65% affordable housing provision. We have tested an option with 100% private housing for which the results are shown in the table below:

3 100% private housing						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	3,145,885,826	303,989,000	5,233,427	112,060,516	3.56%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	45,157,328	12,836,000	103,900	- 4,018,481	-8.90%
1a	2	64,920,988	22,468,000	154,330	- 9,434,892	-14.53%
1a	3	158,798,558	28,565,000	355,718	22,222,587	13.99%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	386,060,577	125,321,000	708,141	8,746,743	2.27%
1b	2	472,939,058	125,321,000	900,895	38,580,980	8.16%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	199,243,671	52,257,000	330,143	- 14,095,610	-7.07%
2a	2	245,196,267	52,257,000	421,229	- 18,152,889	-7.40%
2a	3	236,121,558	52,257,000	417,461	- 49,074,494	-20.78%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	237,537,726	27,086,000	347,850	- 44,525,647	-18.74%
2b	2	266,562,494	27,086,000	417,530	- 30,504,117	-11.44%
2b	3	211,230,103	27,086,000	371,085	- 4,247,169	-2.01%
2b	4	396,203,299	27,086,000	551,165	- 63,052,349	-15.91%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	213,093,339	41,211,000	350,048	- 94,077,680	-44.15%
2c	2	206,873,533	41,211,000	336,737	- 77,485,092	-37.46%
2c	3	233,127,265	41,211,000	390,480	- 114,004,467	-48.90%
2c	4	272,082,410	41,211,000	403,679	- 99,637,269	-36.62%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	355,463,963	40,237,000	553,063	- 74,958,092	-21.09%
3	2	498,005,761	40,237,000	778,360	- 44,908,478	-9.02%
3	3	193,223,284	16,904,000	298,240	- 42,874,271	-22.19%
3	4	608,891,842	40,237,000	895,903	- 123,225,779	-20.24%

11.3.7. The masterplan appraisal shows a surplus however all of the residential Development Brief Scenarios remain in deficit. The viability deficit has decreased on all scenarios and 4 of the Scenarios show a marginal viability position. On this basis there is no maximum reasonable contribution of affordable housing across the Development Brief Scenarios.

11.3.8. We have also modelled stacked sensitivity analysis whereby several inputs have been changed at once. We have included private residential profit at 17.5% of GDV, nil infrastructure costs and 100% private housing. The results are shown below:

4 Stacked: 17.5% Profit, Nil Infrastructure, 100% Private Housing						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	3,145,885,826	303,989,000	5,233,427	236,826,388	7.53%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	45,157,328	12,836,000	103,900	- 3,176,325	-7.03%
1a	2	64,920,988	22,468,000	154,330	- 8,046,326	-12.39%
1a	3	158,798,558	28,565,000	355,718	25,952,220	16.34%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	386,060,577	125,321,000	708,141	15,150,123	3.92%
1b	2	472,939,058	125,321,000	900,895	46,877,799	9.91%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	199,243,671	52,257,000	330,143	- 8,681,441	-4.36%
2a	2	245,196,267	52,257,000	421,229	- 10,762,543	-4.39%
2a	3	236,121,558	52,257,000	417,461	- 40,812,408	-17.28%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	237,537,726	27,086,000	347,850	- 34,059,537	-14.34%
2b	2	266,562,494	27,086,000	417,530	- 19,647,399	-7.37%
2b	3	211,230,103	27,086,000	371,085	3,062,633	1.45%
2b	4	396,203,299	27,086,000	551,165	- 44,862,905	-11.32%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	213,093,339	41,211,000	350,048	- 84,832,962	-39.81%
2c	2	206,873,533	41,211,000	336,737	- 68,793,057	-33.25%
2c	3	233,127,265	41,211,000	390,480	- 102,445,227	-43.94%
2c	4	272,082,410	41,211,000	403,679	- 87,711,058	-32.24%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	355,463,963	40,237,000	553,063	- 59,564,866	-16.76%
3	2	498,005,761	40,237,000	778,360	- 24,002,608	-4.82%
3	3	193,223,284	16,904,000	298,240	- 35,059,551	-18.14%
3	4	608,891,842	40,237,000	895,903	- 95,954,848	-15.76%

11.3.9. 3 of the Scenarios are now viable and a further 6 of the Development Brief Scenarios show a marginal viability position.

11.3.10. We have sensitivity tested all scenarios against a 10% increase in all GDV and a 10% decrease in construction costs. The results are shown in the table below:

5 10% GDV -10% construction						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	3,063,440,408	303,989,000	5,233,427	384,089,125	12.54%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	49,673,061	12,836,000	103,900	2,908,683	5.86%
1a	2	71,413,087	22,468,000	154,330	323,085	0.45%
1a	3	174,678,414	28,565,000	355,718	44,774,751	25.63%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	424,666,634	125,321,000	708,141	61,359,487	14.45%
1b	2	520,232,964	125,321,000	900,895	103,240,610	19.85%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	200,645,138	52,257,000	330,143	6,231,753	3.11%
2a	2	242,139,994	52,257,000	421,229	6,159,555	2.54%
2a	3	224,418,214	52,257,000	417,461	- 29,363,328	-13.08%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	210,723,399	27,086,000	347,850	- 32,785,612	-15.56%
2b	2	241,497,844	27,086,000	417,530	- 16,562,527	-6.86%
2b	3	204,678,213	27,086,000	371,085	13,187,013	6.44%
2b	4	350,322,829	27,086,000	551,165	- 45,007,171	-12.85%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	173,226,339	41,211,000	350,048	- 72,221,808	-37.90%
2c	2	185,541,986	41,211,000	336,737	- 57,943,231	-31.23%
2c	3	188,344,265	41,211,000	390,480	- 88,603,328	-42.77%
2c	4	242,222,651	41,211,000	403,679	- 71,348,177	-29.46%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	310,401,259	40,237,000	553,063	- 61,860,930	-19.93%
3	2	392,741,761	40,237,000	778,360	- 31,761,558	-7.35%
3	3	171,603,613	16,904,000	298,240	- 31,916,434	-18.60%
3	4	536,111,226	40,237,000	895,903	- 91,489,255	-17.07%

11.3.11. 9 of the scenarios now show a surplus and are viable where market conditions improve significantly. 3 of the Scenarios have marginal viability and 9 Scenarios remain unviable.

11.3.12. We have modelled a scenario with further improvements to market conditions whereby there is a 20% increase in revenues and a 20% decrease in costs which we consider to be extremely optimistic. The results are shown in the table below:

6 20% inc GDV 20% decrease construction						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	3,341,934,991	303,989,000	5,233,427	850,584,599	25.45%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	54,188,794	12,836,000	103,900	9,835,848	18.15%
1a	2	77,905,185	22,468,000	154,330	10,081,063	12.94%
1a	3	190,558,270	28,565,000	355,718	67,326,915	35.33%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	463,272,692	125,321,000	708,141	113,972,231	24.60%
1b	2	567,526,870	125,321,000	900,895	167,900,240	29.58%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	218,885,605	52,257,000	330,143	34,541,188	15.78%
2a	2	264,152,721	52,257,000	421,229	41,572,209	15.74%
2a	3	244,819,870	52,257,000	417,461	5,838,690	2.38%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	229,880,072	27,086,000	347,850	1,467,597	0.64%
2b	2	263,452,193	27,086,000	417,530	22,575,814	8.57%
2b	3	223,285,323	27,086,000	371,085	44,065,460	19.74%
2b	4	382,170,359	27,086,000	551,165	13,777,492	3.61%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	173,226,339	41,211,000	350,048	- 39,535,987	-19.02%
2c	2	202,409,440	41,211,000	336,737	- 27,146,197	-13.41%
2c	3	188,344,265	41,211,000	390,480	- 51,711,581	-22.88%
2c	4	264,242,892	41,211,000	403,679	- 30,064,400	-11.38%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	338,619,556	40,237,000	553,063	- 8,942,826	-2.64%
3	2	392,741,761	40,237,000	778,360	39,276,924	8.33%
3	3	187,203,941	16,904,000	298,240	- 2,088,919	-1.12%
3	4	584,848,610	40,237,000	895,903	2,313,691	0.40%

11.3.13. 15 of the Scenarios are now viable, 5 show marginal viability and 1 remains unviable.

11.3.14. We have undertaken a high level growth modelling assessment. There are no accurate forecasts for construction cost, commercial or residential price growth over the masterplan period. Even shorter term forecasts can be unreliable. Our position on values for the residential units already assumes a certain level of placemaking and uplift is generated by the scale of the proposals and if sites came forward in isolation it is unlikely the values adopted would be achievable. For the purposes of sensitivity testing the appraisals we have applied 20% increases to both GDV and construction costs with the following results:

Growth 20% inc GDV 20% inc construction						
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
-	Masterplan	3,341,934,991	303,989,000	5,233,427	98,581,034	2.95%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1a	1	54,188,794	12,836,000	103,900	190,121	0.35%
1a	2	77,905,185	22,468,000	154,330	- 2,989,344	-3.84%
1a	3	190,558,270	28,565,000	355,718	40,637,682	21.33%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
1b	1	463,272,692	125,321,000	708,141	57,945,485	12.51%
1b	2	567,526,870	125,321,000	900,895	98,437,343	17.34%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2a	1	218,885,605	52,257,000	330,143	- 5,734,683	-2.62%
2a	2	264,152,721	52,257,000	421,229	- 12,027,502	-4.55%
2a	3	244,819,870	52,257,000	417,461	- 53,362,759	-21.80%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2b	1	229,880,072	27,086,000	347,850	- 58,918,549	-25.63%
2b	2	263,452,193	27,086,000	417,530	- 46,160,151	-17.52%
2b	3	223,285,323	27,086,000	371,085	- 5,119,090	-2.29%
2b	4	382,170,359	27,086,000	551,165	- 93,971,041	-24.59%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
2c	1	173,226,339	41,211,000	350,048	- 100,988,736	-48.58%
2c	2	202,409,440	41,211,000	336,737	- 82,864,518	-40.94%
2c	3	188,344,265	41,211,000	390,480	- 123,940,863	-54.84%
2c	4	264,242,892	41,211,000	403,679	- 107,118,541	-40.54%
Site	Scenario	NDV	BLV	Sq Ft NIA	Surplus / Deficit	% NDV
3	1	338,619,556	40,237,000	553,063	- 107,742,057	-31.82%
3	2	392,741,761	40,237,000	778,360	- 87,780,302	-18.63%
3	3	187,203,941	16,904,000	298,240	- 58,997,667	-31.52%
3	4	584,848,610	40,237,000	895,903	- 177,948,559	-30.43%

11.3.15. It can be seen that the masterplan and 1a Scenario 1 are now viable, a further 3 Scenarios have marginal viability and the remainder are unviable.

11.4. Commentary

11.4.1. The results indicate that the masterplan is currently unviable when compared to the benchmark land value although it does produce a positive residual land value. The Development Brief appraisals show that three of the proposals are viable; five are considered marginally viable and twelve are considered to have more significant viability challenges. The sensitivity analysis indicates that improvements to market conditions or assumptions would result in several of the scenarios becoming deliverable.

11.4.2. At the time of writing, we are perceived to be in the dip of a property cycle. We are experiencing value stagnation and decline, dependent on the asset class, and development costs have increased significantly above inflation in recent years. This has caused a perfect storm in the development world, with existing projects stalling and new developments failing to begin.

11.4.3. It is realistic to assume that conditions will improve in the coming years. However, we have to conduct viability assessments on a present-day basis.

11.4.4. It is worth indicating that the only viable Development Brief scenarios are for stacked industrial schemes. While stacked industrial schemes have their own challenges, we consider that schemes can be delivered where properly designed.

11.4.5. Co-location is more challenging. The balancing of both industrial and residential uses is extremely difficult as they have conflicting interests. It is difficult to design a scheme which successfully meets the needs of both industrial and residential users, consequently meaning the usability for both users is restricted which potentially reduces occupational demand, which in turn dampens values and absorption, and therefore project viability. One of the most significant challenges to the co-location appraisals is the residential values and gross net efficiencies. In order to make the schemes viable we would have to adopt residential values far in excess from values that are currently achievable. The other significant issue is the high existing use values from the industrial and retail warehousing units which have both performed well in recent years. The high existing land values makes any redevelopment difficult as no landowner would realistically bring the site forward for redevelopment unless there is a financial incentive.

11.4.6. Looking forward there are reasons for the viability results to improve in the SCGA. Brent Cross West station opened in December 2023 which has significantly improved the transport accessibility in the area and should benefit businesses and more significantly residents. This could have the impact of regenerating the location for residential users and providing the residential value growth required for residential development to be required. At the time of writing inflation is decreasing (4.20%) and should reduce further. This in turn will assist to stabilise development costs.

11.4.7. There are several co-location and stacked industrial schemes under construction and with planning consents being submitted across London, these relatively new asset classes continue to emerge as decent long term investments. Our understanding of how they can work will become more apparent offering new opportunities to the property industry.

12. Conclusion

12.1. Conclusion

12.1.1. This report details the inputs and assumptions made in testing the viability of the SCGA Masterplan.

12.1.2. The appraisal results for the masterplan area show that the masterplan appraisal is unviable with the current benchmark land value assumption by a margin of 3% on cost and GDV. We consider this to be a marginal position, and would highlight that the appraisal indicates a positive residual land value for the masterplan, suggesting delivery is possible dependent on the adopted benchmark land values. The sensitivity analysis indicates that minor improvements to market conditions or assumptions increase the prospect of delivery.

12.1.3. The development brief scenarios produced three viable appraisals, all of which are for stacked industrial schemes, with a five further scenarios showing a marginal viability position. Twelve of the scenarios produced significant viability deficits and therefore face deliverability challenges.

12.1.4. We have undertaken a range of sensitivity analysis on the appraisals which show a variety of factors are needed for some of the marginal scenarios to become viable, while some of the proposals show such a significant deficit that it is unlikely that they will be deliverable.

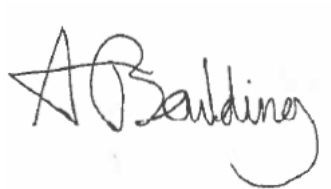
12.1.5. We consider the negative viability position is due to a variety of factors including high benchmark land values, high build costs due to recent inflation, difficulties in land assembly and access and the co-location of industrial and residential uses.

12.1.6. Where sites are owner occupied and remain in that ownership for development, the EUV and capital profit have far less importance than their own future occupation of the facility.

12.1.7. It is unlikely that the regeneration of the SCGA will be undertaken by a single developer. Each site will have the ability to be brought forward, in accordance with the masterplan, and these smaller developments will have different viability dynamics depending upon the existing occupation and whether a site is to be bought and sold to enable the redevelopment.

12.2. Author Sign Off

12.2.1. This report and its contents was prepared by the following individuals on behalf of Colliers:



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Appendix 1 – Glossary of terms

Glossary of Terms

Abbreviation	Name	Description
SCGA	Staples Corner Growth Area	
SPD	Supplementary Planning Document	
LBB	London Borough of Brent	
PTAL	Public Transport Accessibility Level	Measure of accessibility of a point to the public transport network
Ha	Hectare	
HGV	Heavy Goods Vehicle	
Grade A Office		State of the art space, high quality furnishing and systems (AC, M&E etc.)
HM	His Majesty's	
ESG	Environmental, Social and Governance	
GDP	Gross Domestic Product	
PMI	Purchasing Managers' Index	
CPI	Cost Price Inflation	
GBP	Great British Pound	
MSCI	Morgan Stanley Capital International	
CBD	Central Business District	
BTR	Build to Rent	
HPI	House Price Index	
PSF	Per Square Foot	
PSM	Per Square Metre	
NPPG	National Planning Policy Guidance	
NPPF	National Planning Policy Framework	
RICS	Royal Institution of Chartered Surveyors	
BLV	Benchmark Land Value	
EUV	Existing Use Value	
AUV	Alternative Use Value	
GIY	Gross Initial Yield	
NIY	Net Initial Yield	
LAR	London Affordable Rent	
DCF	Discounted Cash Flow	
RP	Registered Provider	
Opex	Operating Expenditure	
GDV	Gross Development Value	
NDV	Net Development Value	
PIL	Payment in Lieu	
BCIS	Build Cost Information Service	
CIL	Community Infrastructure Levy	
MCIL	Mayoral Community Infrastructure Levy	
S106	Section 106	



Appendix 2 – Commercial Rental Data

Address	Floor/Unit name	Sq Ft	Primary use type	Date	Lease end date	Years	Lease type	Achieved rent (£/Sq Ft)*	Achieved rent (£/annum)*	Tenant	Landlord
Phoenix Park, Apsley Way, London, NW2 7LN	Unit - 1st Floor, Unit - Warehouse & Ancillary	5,552	Industrial - General Industrial (B2)	18/10/2021	17/10/2036	15.0	Lease	16.50	91,608	Deliveroo SP Limited	CBRE Global Investors Limited
The Former Robins & Days Showroom And Workshop North Circular Road, Brent Cross, London NW2 1LY	Showroom & Workshop	23,500	Industrial - General Industrial (B2)	04/11/2021	03/11/2023	2.0	Lease	18.09	425,000	Renault Retail Group UK Ltd	Vauxhall Motors Ltd
Land At Apsley Way, London, NW2 7HF		1,000	Industrial - General Industrial (B2)	01/02/2022	01/02/2024	2.0	Licence	8.10	8,100	Milan Scaffolding Ltd	
Coles Green Road, Staples Corner, London, NW2 7HW	Ground Floor, First Floor	3,494	Industrial - Mixed Industrial (B1/2/8)	01/01/2023	31/12/2037	15.0	Lease	13.59	47,500		
Marbec Meats, Units B And C, The Apsley Centre, Apsley Way, London, NW2 7LZ		6,656	Industrial - Mixed Industrial (B1/2/8)	26/07/2021	25/07/2031	10.0	Lease Renewal	14.87	99,000	MARBEC MEATS LIMITED	Dorset Council
Unit 5, Oxgate Centre, Oxgate Lane, London, C		3,843	Industrial - Mixed Industrial (B1/2/8)	16/08/2021	15/08/2031	10.0	Lease	16	61,500	EKONG INTERNATIONAL (UK) LIMITED	SOUTH YORKSHIRE PENSIONS AUTHORITY
The Hope Centre, 228 Walm Lane, NW2 3BS	Non-Residential Premises	6,400	Other - General (D1)	01/08/2022		#VALUE!	Lease	23.44	150,000		
50, Dawpool Road, London, NW2 7LB		6	Residential - General (C3)	15/07/2022	14/07/2042	20.0	Lease		92,446	REDEMPTION PROJECT CIC	HOME HOLDINGS 2 LIMITED
12, Nutfield Road, London, NW2 7EB		7	Residential - General (C3)	15/07/2022	14/07/2042	20.0	Lease		92,446	REDEMPTION PROJECT CIC	HOME HOLDINGS 2 LIMITED
103, Warren Road, London, NW2 7NH		6	Residential - General (C3)	15/07/2022	14/07/2042	20.0	Lease		92,446	REDEMPTION PROJECT CIC	HOME HOLDINGS 2 LIMITED
3 Oxgate Court Parade, Coles Green Road, London, NW2 7ET		1,319	Retail - General Retail (A1)	31/01/2022	30/01/2042	20.0	Lease Renewal	5.92	7,800	Private Individual	Private Individual
Unit 3a, Staples Corner Retail Park, Geron Way, London, NW2 6LW		7,544	Retail - Non Food Retail Warehouse (A1)	20/09/2021	12/09/2036	15.0	Lease	26.51	200,000	THE GYM LIMITED	BLACKROCK UK PROPERTY FUND
Unit G2, Brent South Shopping Park, Tilling Road, London, NW2 1LS	UNIT G2	5,170	Retail - Non Food Retail Warehouse (A1)	26/11/2021	31/03/2031	9.3	Lease Renewal	42.55	220,000	NOVIA FURNITURE LTD	THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF BARNET
136-140 Cricklewood Broadway, London, NW2 3EE		5,921	Retail - Restaurants and Cafes (Food & Drink) (A3)	04/03/2022	12/10/2031	9.6	Lease	15.20	90,000	MCDONALD'S RESTAURANTS LIMITED	KLINE PROPERTIES LIMITED
Ground Floor Shop, 58 Cricklewood Broadway, London, NW2 3ET		922	Retail - Restaurants and Cafes (Food & Drink) (A3)	12/10/2021	11/10/2041	20.0	Lease	31.44	29,000	MANGO FOOD LTD	Private Individual
31 Cricklewood Broadway, London, NW2 3JX		429	Retail - Restaurants and Cafes (Food & Drink) (A3)	23/08/2021	17/08/2036	15.0	Lease	36.67	15,750	Private Individual	Private Individual
93, Cricklewood Broadway, London, NW2 3JG	Ground Floor	477	Retail - Restaurants and Cafes (Food & Drink) (A3)	01/01/2023	31/12/2031	9.0	Lease	36.69	17,500	Café Prego	
51 Cricklewood Broadway, London, NW2 3JX		434	Retail - Restaurants and Cafes (Food & Drink) (A3)	09/09/2021	08/09/2035	14.0	Lease	38.73	16,800	Private Individual	Private Individual

Property Address	Property Name	Post Code	Property Type	Total Available Space (SF)	Rent/SF/Yr	Secondary Type	For Sale Price	Year Built
717A North Circular Rd		NW2 7AH	Industrial	36,253	£11.61 - 14.20 (Est.)	Warehouse		1983
Oxgate Ln		NW2 6FA	Industrial	7,308	£11.63			1990
Oxgate Ln	Sayer House	NW2 7JN	Industrial	4,351	£12.50	Warehouse		1899
1000 North Circular Rd		NW2 7JP	Industrial	5,442	£12.64 - 15.45 (Est.)	Warehouse		1984
37 Humber Rd		NW2 6EN	Industrial	10,909	£14.39	Service		1979
Edgware Rd		NW2 6LU	Industrial	24,745	£14.68 - 17.94 (Est.)	Showroom		1990
Oxgate Ln		NW2 7HJ	Industrial	15,404	£18.00 - 27.48	Distribution		1960
Oxgate Ln	Wingate House	NW2 7JN	Industrial	3,650	£34.17	Warehouse		1967
16 Wotton Rd		NW2 6PX	Light industrial	5,889	£21.50	Light Manufacturing	2,500,000	1980
Humber Rd	Millennium Business Centre	NW2 6DW	Office	23,499	£10.29 - 12.57 (Est.)			1980
715 North Circular Rd	Ethan Davids House	NW2 7AX	Office	7,131	£20.00	Industrial Live/Work Unit	2,000,000	1980
2A Langton Rd		NW2 6QA	Office	8,040	£24.59 - 30.05 (Est.)			2022
Waterloo Rd	2 Brent Cross Town	NW2 7TS	Office	97,135	£47.50	Office Building		2025
Waterloo Rd	4 Brent Cross Town	NW2 7TS	Office	244,574	£48.00	Office Building		2025
Waterloo Rd	3 Brent Cross Town	NW2 7TS	Office	115,348	£48.00	Office Building		2025
395 Edgware Rd	China House	NW2 6LN	Retail	540	£17.00	Storefront Retail/Office		2008
275-283 Cricklewood Broadway		NW2 6ZZ	Retail	2,340	Not Disclosed	Storefront		1984



Appendix 3 – Commercial Sales Data

Address	Size	Primary use type	Deal date	Achieved price (£)	£ PSF	NIY	Income PA	Purchaser
Brent Cottages Caravans, Brent Park Road, Brent Cross, London, NW9 7AP		Hotels and Leisure - Apart-Hotel (C1)	22/06/2022	2,300,000	#VALUE!			Alaris Properties Limited
Crown Moran Hotel, 142-146, Cricklewood Broadway, Cricklewood, London, NW2 3ED	152	Hotels and Leisure - Hotel (C1)	12/05/2022	21,000,000	138,158			AG Hotels Group
665 North Circular Rd	50,465	Industrial	17/09/2021	7,000,000	139			Dominion Mosaic & Tile Co. Ltd
The Link, Edgware Road, London, NW2 6LU	370,000	Industrial - Industrial Park (B1/2/8)	12/10/2022	180,000,000	486	2.64	5,081,669	Goodman Logistics II (Staples Corner) Unit Trust
717, North Circular Road, London, NW2 7AH	35,359	Industrial - Mixed Industrial (B1/2)	27/08/2021	10,525,000	298			Sackville Uk Property Select Iii Nominee (3) Limited
717 North Circular Road, London, NW2 7AH	36,253	Industrial - Mixed Industrial (B1/2/8)	06/09/2021	10,525,000	290			Confidential
Apsley Way	0.942 acre	Land	24/03/2022	171,000		4.64		
Land To The Rear Of 40 Exeter Road, London, NW2 4SB	3,290	Land - Land Area	01/10/2022	394,000	120			
Humber Rd	29,715	Light industrial	04/10/2021	6,500,000	219	1.08		
721 North Circular Rd	13,665	Light industrial	23/09/2021	3,500,000	256			Pure Data Centres Group Limited
15 Oak Grove, London, NW2 3LS	972	Residential - General (C3)	01/09/2022	672,000	691	5.77	40,800	
7 Elm Grove, London, NW2 3AE		Residential - General (C3)	04/10/2022	1,115,000	#DIV/0!			
393 Edgware Rd	7,346	Retail	02/11/2022	3,540,000	482			Wing Yip
160-162, Cricklewood Broadway, Cricklewood, London, NW2 3ED	3,814	Retail - Financial (A2)	29/09/2022	410,000	107			Swishbrook Limited
71, Cricklewood Broadway, London, NW2 3JR	538	Retail - General Retail (A1)	12/11/2021	1,352,500	2,514			Dads Property Limited
659 North Circular Road, Neasden, NW2 7AY	420	Retail - General Retail (A1)	01/07/2022		#VALUE!			
The Link, Edgware Road, London, NW2 6LU	370000	Industrial - Industrial Park (B1/2/8)	12/10/2022	180,000,000	486	2.82%	5081669	Goodman Logistics II (Staples Corner) Unit Trust

Address	Name	Postcode	Property Type	Size (SF)	Asking	Price/SF	Sale Type	Land Area (AC)	Price Per AC Land
150A Coles Green Rd	Vacant Land At	NW2 7JL	Land		10,000,000		Investment	1.0	10,482,180
2A Langton Rd		NW2 6QA	Office	8,040			Investment or Owner User	0.22	
715 North Circular Rd	Ethan Davids House	NW2 7AX	Office	7,131	2,000,000	280	Investment or Owner User	0.3	6,896,552
23 Oaklands Road, Cricklewood	Oaklands Works	NW2 6DL	Office	7,519	2,850,000	379	Investment or Owner User		
16 Wotton Road, Cricklewood	Wotton Works	NW2 6PX	Office	6,979	2,500,000	358	Investment or Owner User		
317 Cricklewood Broadway	Matalan	NW2 6PH	Retail	34,211	30,000,000	877	Investment	2.3	13,315,579



Appendix 4 – Residential Market Research

Residential Research – Comparable Developments

We have identified a range of comparable new build evidence from the surrounding area. All of the data and imagery has been taken from Moliar, a residential research tool. We have collected comparable data from Hometrack, a residential research tool, and identified market sale and Build to Rent (BTR) developments in the surrounding area. The transactions and asking prices have been taken from Moliar, Rightmove and individual marketing websites.

Hometrack Data

We have used Hometrack to identify average rental and transactional values in the immediately surrounding area. We have used the postcode NW2 6LN as the basis of the search. The data is displayed in the tables below:

Hometrack Ward Rental Data							
Flat/Maisonette							
Beds	Minimum	Average	Upper Quartile	90th Percentile	Maximum	Count	Median
1	£758	£1,467	£1,789	£1,831	£1,898	45	£1,399
2	£1,399	£1,926	£2,045	£2,400	£2,998	32	£1,835
3	£1,600	£2,677	£3,187	£3,299	£3,302	8	£2,650
4	£3,848	£3,848	£3,848	£3,848	£3,848	1	£3,848

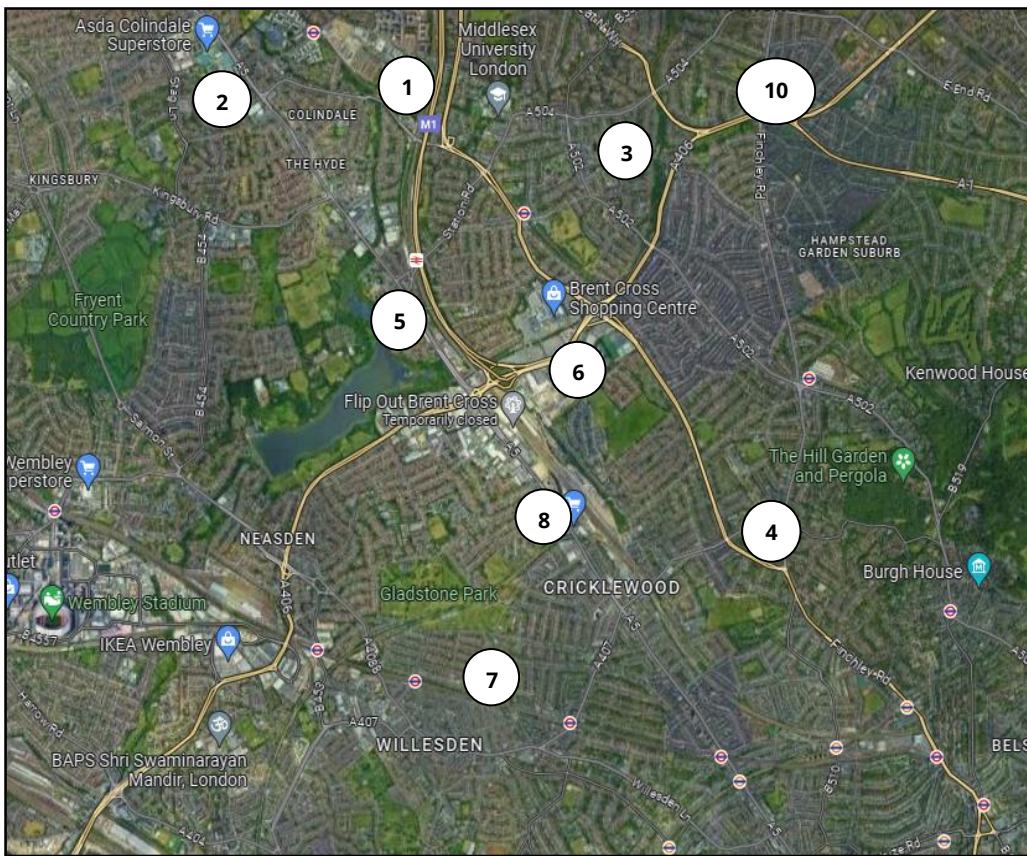
Hometrack Ward Rental Data							
Terraced							
Beds	Minimum	Average	Upper Quartile	90th Percentile	Maximum	Count	Median
1	£1,048	£1,118	£1,148	£1,177	£1,196	5	£1,100
2	No data	No data	No data	No data	No data	No data	No data
3	£2,050	£2,536	£2,700	£2,880	£3,000	7	£2,500
4	£2,101	£2,176	£2,213	£2,235	£2,250	2	£2,176

Hometrack Ward Sales Data							
Flat/Maisonette							
Beds	Minimum	Average	Upper Quartile	90th Percentile	Maximum	Count	Median
1	£217,000	£309,500	£493,750	£401,000	£462,000	18	£408,000
2	£200,000	£427,842	£460,000	£523,400	£692,000	57	£395,000
3	£123,000	£548,375	£578,750	£609,900	£626,000	8	£532,500
4	No data	No data	No data	No data	No data	No data	No data
5	£400,000	£891,000	£470,000	£891,000	£891,000	1	£470,000

Hometrack Ward Rental Data							
Terraced							
Beds	Minimum	Average	Upper Quartile	90th Percentile	Maximum	Count	Median
1	No data	No data	No data	No data	No data	No data	No data
2	£484,000	£563,857	£665,000	£655,800	£672,000	7	£534,000
3	£379,000	£579,526	£700,000	£670,800	£782,000	19	£592,000
4	£411,000	£779,111	£645,000	£924,800	£972,000	9	£577,000
5	£537,000	£671,000	£602,500	£777,200	£820,000	3	£562,000

Market Sale Data

We have first identified market sale developments from the surrounding area. The comparable developments are shown on the map below:



- 1 – Beaufort Park - £714 psf
- 2 – The Northern Quarter - £564 psf
- 3 – Spectrum - £778 psf
- 4 – Oakley Gardens- £950 psf
- 5 – Hendon Waterside – Average £639 psf
- 6 – Brent Cross Town, The Ashbee & The Delamarre (asking prices only) £810 – 826 psf (Asking)
- 7 – Clifton Mansions (Willesden Green garage) – Average Psf £979 psf (Asking)

8 – The Gladstone (Zero London / Uniquely Cricklewood) - £733 psf (Asking)

9 – 399 Edgware Road - £580 psf

10 – London mews - £796 psf (asking)

1. Beaufort Park, NW9 5HA



Multi phase development by master developer Berkeley, individual phases delivered by a variety of developers over 10+ year period. In Colindale, approximately 2.5km north of the subject site. Closest phases are adjacent to Colindale Underground station, some phases adjacent to M1 and Thameslink tracks.

Phases F1/2/8/9 gained full planning permission from the London Borough of Barnet in January 2015 and are being delivered by Berkeley St George for 4 blocks of flats comprising 383 new units including 177 units for affordable rent for Notting Hill. This includes a range of 1, 2, and 3 bedroom flats. This phase sold out in Q1 2023 having completed in Q4 2021. The flats benefit from landscaped parkland, a courtyard and residents gym and spa.

	Asking		Achieved	
	£	£ Psf	£	£ Psf
Studio	£427,950	£893	£319,474	£781
1 Bed	£445,984	£840	£408,199	£728
2 Bed	£568,639	£729	£537,789	£678
3 Bed	£874,807	£801	£766,656	£685

2. The Northern Quarter, Edgware Road, NW9 0EQ



In 2009, the London Borough of Brent granted permission to RLAM & Kitewood Estates for a 4 storey and 6 storey block above two-storey podium decks and a frontage block of 17 storeys above the podium. The permission was for 460 flats including 165 affordable units, 5,360m² of retail, 734m² of garden centre and 1,922m² of floorspace for alternative uses including a creche, residential car and cycle parking, an energy centre, bin stores and landscaped courtyards. Development was delayed by cladding issues. Each apartment also benefits from a balcony or terrace and the development includes a gym. Approximately 3km north west of the subject in Colindale, fronting Edgware Road.

Having completed in Q1 2021, the scheme sold out in Q1 2023. Asking and achieved prices are shown in the table below:

	Asking		Achieved	
	£	£Psf	£	£Psf
1 Bed	£364,000	£628	£355,801	£615
2 Bed	£459,063	£565	£432,471	£527
3 Bed	£698,750	£620	£606,188	£522

3. Spectrum, Hillview Gardens, NW4 2JR



In September 2019, The London Borough of Barnet approved a planning application for the development of the existing site into a part two, part three, and part four storey building containing 41 self-contained flats with basement parking with lift access, gated landscaped communal gated garden and cycle storage. The project saw the change of the previous office space to residential whilst delivering 100% private units. Approximately 2.5km north east of the subject site in a residential location in Hendon.

The scheme was launched in July 2020 and at the end of Q2 2023, 17 units remain unsold. Asking and achieved prices are listed below:

	Asking		Achieved	
	£	£ Psf	£	£ Psf
1 Bed	£460,000	£815	£445,889	£780
2 Bed	£736,833	£817	£692,045	£778
3 Bed	£999,000	£797	£990,000	£766

4. Oakley Gardens, Church Walk, NW2 2TJ



The London Borough of Barnet gave planning permission in 2016 to Goldenstone Development for the demolition of an existing care home and construction of 35 units including 31 flats and four houses. The scheme includes 1, 2 and 3 bedroom units over two-part three-storey building with basement level to provide parking over a 0.39 hectare site. Development includes concierge, underground car parking and landscaped grounds. Approximately 2.5km south east of the subject on the edge of Hampstead.

Development completed in Q2 2020. Sales launched in Q2 2018 and sold out Q4 2022. Asking prices and achieved values are summarised in the table below:

	Asking		Achieved	
	£	£Psf	£	£Psf
1 Bed	£621,000	£982	£628,885	£995
2 Bed	£880,545	£1,040	£801,278	£950

3 Bed	£1,392,844	£1,084	£1,271,881	£932
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5. Hendon Waterside, Tyrell Way, NW9 7GS



This development is part of the larger West Hendon Estate Regeneration Scheme by Barratt Homes. Planning permission was granted in July 2017 by the London Borough of Barnet to Barratt London to commence the works. Within Phase 4 there are four sub plots comprising 611 residential units of 1, 2 and 3 bedroom flats and houses (418 market value units and 193 affordable units) over a 2.49 Hectare site. All apartments have their own private balcony or terrace. There is also lift to each floor which reaches residents parking for all homes. At its closest approximately 750m north of the subject site, adjacent to the Welsh Harp reservoir which units benefit from having views over. Approximately 500m from Hendon station.

Of the sub plots, one has completed and sold entirely, another has completed with one unit remaining to be sold with the remaining blocks either unlaunched or yet to start construction. In total 61 units currently remain on the market with 299 having completed and 308 having sold. Asking and achieved prices are summarised in the table below:

	Asking		Achieved	
	Price	£PSF	Price	£PSF
1 Bed	£400,389	£726	£380,702	£689
2 Bed	£522,019	£659	£499,027	£601
3 Bed	£619,000	£626	£583,435	£547

6. Brent Cross Town

The Masterplan for Brent Cross town was given resolution to grant in October 2010. The proposals include up to 7,550 residential units, a range of town centre uses, rail based facilities, waste handling facility, petrol station, hotel and conference facilities, public realm enhancements and new rail and bus stations and other associated infrastructure and amenities. The site is adjacent to the subject on the eastern side and comprises multiple phases with development having started on several of these.

We have identified two comparable developments.

A) The Ashbee (1C, Plot 13), NW2 1AJ



In March 2019, The London Borough of Barnet approved planning permission to Related Argent for 348 residential units, flexible retail (Use Classes A1/A3), Cinema (Use Class D2) and a Community Facility (Use Class D1), basement car parking and cycle parking. units would be split across two buildings of 6 blocks with heights ranging between 8 to 16 storeys arranged around a private courtyard with a tertiary publicly accessible street for access. The site, originally an industrial estate had permission for entirely private units with no affordable housing and will be delivered in part with 250 BTR units and 107 private sale.

The scheme was launched in April 2022 marketing studio, 1, 2 and 3 bed flats without the availability of Help to Buy. Construction began in Q2 2022 and is due to complete in Q1 2025. The scheme has remained at 50% sold since September 2022 with earlier phases of the development taking priority. 250 of the Units are held by an Invesco / Related Argent JV. The BTR scheme will benefit from a concierge, gym, lounge and gardens but is not yet under construction nor on the market. Asking prices for the market sale units are summarised below:

Asking	Max	Avg	Min
Price:	£815,000	£598,000	£415,000
£psf	£976	£826	£710
Sq. ft	931	724	491

Asking	Max	Average	Min
Studio:	£420,000	£417,500	£415,000
1 Bedroom	£615,000	£484,375	£430,000
2 Bedroom	£815,000	£725,000	£615,000

B) The Delamarre, NW2 1AJ



In February 2018, The London Borough of Barnet approved planning permission to Related Argent relating to Plot 12 of the wider redevelopment of the Brent Cross Cricklewood Area. The development includes 292 residential units with flexible retail, café, basement car parking and plant across two buildings of 6 and 13 storeys arranged around a public park and private courtyard over 0.91 hectares. Delamarre benefits from a gym and fitness studio, lounge, workspace, meeting room, screening room, bar and private dining room.

The scheme was launched in April 2022 and marketed in the UK and Hong Kong before construction with construction commencing in Q2 2022. The Delamarre is entirely private with 182 build to sell units. Sales slowed significantly during 2023 and it is reported the scheme was 60% sold at the end of Q4 2023, to a mixture of domestic and international buyers, with construction due to complete in Q4 2024. Asking prices are summarised below:

Asking	Max	Avg	Min
Price:	£820,000	£625,348	£400,000
£psf	£903	£810	£728
Sq. ft	1,021	774	533

Asking	Max	Avg	Min
Studio:	£400,000	£400,000	£400,000
1 Bedroom	£500,000	£476,875	£450,000
2 Bedroom	£800,000	£694,444	£585,000
3 Bedroom	£820,000	£783,600	£715,000

7. Clifton Mansions, (Willesden Green garage), St Paul Avenue, NW2 5TG



The London Borough of Brent provided Meadow Partners with full planning permission to demolish the existing MOT site and build 76 residential units including 63 private and 13 affordable in August 2021. The scheme includes a range of 1, 2 and 3 bed flats within a stepped apartment block with a maximum height of seven storeys on a 0.2 hectare site. The affordable allocation including nine London affordable rent and four intermediate units. Amenities include private outside space, communal landscape gardens, basement parking and cycle storage. Approximately 2 km south of the subject in Willesden, adjacent to Jubilee Line tracks in a residential location.

The scheme commenced construction during Q3 2021 and was almost complete at the end of Q2 2023. Total sales are reported to have reached 18 in June 2023. Asking prices are summarised below:

	Max	Avg	Min
Price:	£1,150,000	£731,667	£520,000
£psf	£1,089	£979	£860
Sq. ft	1,154	751	537

	Max	Avg	Min
1 Bedroom	£585,000	£549,000	£520,000
2 Bedroom	£740,000	£721,000	£680,000
3 Bedroom	£1,150,000	£1,028,333	£950,000

8. The Gladstone (Zero London / Uniquely Cricklewood), Gladstone Parade, NW2 6JS



The London Borough of Brent granted planning permission for the demolition of the existing mixed-use building and garages and construction of a part three to six storey building providing 225 sqm of Use Class E flexible floorspace and 155 sqm for Class A4 public house at ground floor level, and 54 residential units. The residential units comprise 19 x 1 bed, 21 x 2 bed and 14 x 3 bed units with shared private terraces, basement car and cycling spaces, bin storage and landscaping. Approximately 300m south of the subject site fronting Edgware Road.

The scheme was launched in August 2022 but by completion in Q2 2023 only two units had sold. The remaining units have been let out which appears to be due to a lack of interest in sales. The former asking prices summarised below:

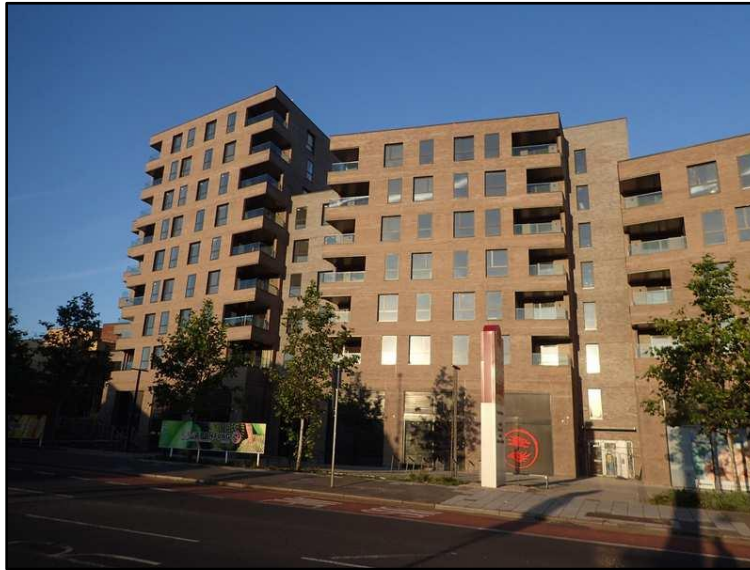
Asking	Max	Avg	Min
Price:	£795,000	£560,375	£415,000
£psf	£813	£733	£664
Sq. ft	1,056	754	541

Asking	Max	Avg	Min
1 Bedroom	£455,000	£436,429	£415,000
2 Bedroom	£600,000	£562,083	£527,500
3 Bedroom	£795,000	£682,857	£610,000

We are aware that since we began our research prices have reduced. The following units are currently on the market on Rightmove with asking prices listed as of August 2023:

- 1 bed, 593 sq ft, 1st floor,, £400,000 (£675 psf)
- 1 bed, 627 sq ft, 2nd floor, £445,000 (£710 psf)
- 2 bed, 704 sq ft, 2nd floor, £500,000 (£710 psf)
- 2 bed, 808 sq ft, 4th floor, £600,000 (£742 psf)
- 3 bed, 976 sq ft, 1st floor, £650,000, (£666 psf)
- 3 bed, 947 sq ft, 3rd floor, £675,000 (£713 psf)
- 3 bed, 1,056 sq ft, townhouse, £770,000 (£729 psf)

9. 399 Edgware Road (Oriental City), NW9 0JJ



Development by Landsec (U+I) providing 183 residential units (flats and townhouses) in part 2 part 9 storey buildings. Approximately 2.5km north of the subject site in Colindale, approximately 700m from the station and adjacent to the Northern Quarter (Comparable number 2). Development includes landscaped gardens, playground parking, ground floor commercial units, supermarket and oriental foodhall.

Sales launched in November 2017 and the development completed in August 2019. Sales completed in August 2021. We have identified 41 transactions from Molior from 2021 which are summarised in the table below, with the number of bedrooms estimated on the number of unit sizes from the marketing particulars.

Beds	Count	Sq M	Sq Ft	Price	£ Sq Ft
1	12	54	578	£373,125	£646
2	15	79	846	£493,000	£582
3	8	95	1018	£578,750	£569
4	6	145	1564	£720,000	£461

We have identified several re-sales over the past 18 months which have either marginally grown or slightly decreased in value since the original sale. The average resale price was £601 per sq ft while the average initial achieved value across the whole scheme was £580 per sq ft.

10. London Mews, North Circular, N3 3BA



New build development designed by Peter Barber Architects. Development comprises 97 residential units, 35 of which are affordable, and 2 commercial units. Units are constructed around a central mews road, limited amenity and several back on to North Circular. 3.5km north east of the subject in Finchley, more affluent location but the site is fronting the North Circular.

Sales launched in May 2021 and the scheme completed in September 2022. As of December 2023 only a 3 bedroom flat remains unsold. 80% of units were sold off plan while the remaining 12 experienced slow sales over the following 18 months. We have identified the following achieved and asking prices, with the latter indicated where the month given indicates the asking date:

Flat	Beds	Price	Date	Sq M	Sq Ft	£ Sq Ft
72 EDGEWOOD MEWS	3	£600,000	28/03/2022	100	1,076	£557
84 EDGEWOOD MEWS	3	£600,000	31/03/2022	100	1,076	£557
102 EDGEWOOD MEWS	3	£600,000	30/03/2022	100	1,076	£557
FLAT 2	2	£550,000	16/06/2022	64	689	£798
28B	3	£875,000	Jun-23	104	1119	£782
17J	3	£700,000	Mar-23	89	958	£731
25A	3	£850,000	Mar-23	113	1216	£699
27B	3	£945,000	Mar-23	103	1109	£852
34C	3	£825,000	Mar-23	102	1098	£751

The average asking price for the whole development is £796.

BTR

We have searched for BTR schemes in the immediately surrounding area and have been unable to identify many comparable new build developments on the market from which to obtain rental values. There are several schemes in the local area which are currently on the market.

We have identified the following comparable evidence:

Fellows Square, Geron Way, NW2 6GP

BTR block providing 54 units, part of a larger development of 230 units total (61 affordable) in several blocks up to 7 storeys by A2 Dominion. Approximately 200m south of the subject site between Edgware Road and the train line. Includes residents gym, concierge, gardens, car parking. Completed 2018.

There are several units available to rent on Rightmove which may not be part of the BTR development:

Beds	Size Sq Ft	Rent PCM	Comments
1	593	£1,798	Ground Floor, 2x Terraces
3	1124	£2,700	5th floor, 2 bathrooms

We consider this to be strongly comparable evidence given the proximity to the subject site.

Nylon Court, 372 Edgware Road, Barnet, NW2 6ND

Office conversion on Edgware Road providing 45 units which are all studios. Development by Sheen Lane. The units are all studios.

No units currently on the market but the letting agent lists prices as starting from £1,020 PCM.

We consider this scheme is less desirable than the subject given its status as a conversion from office uses.

Hendon Waterside, Shearwater Drive

New build market sale scheme in Hendon with waterside views. At its closest approximately 750m north of the subject site, adjacent to the Welsh Harp reservoir which units benefit from having views over. Residents gym, each unit has a balcony or private outdoor amenity and car parking included for all units. Most units are delivered unfurnished.

We have identified the following units the market on Rightmove as of August 2023:

Beds	Size Sq Ft	Rent PCM	Comments
1	483	£1,450	Ground floor, utility room
1		£1,473	
1	625	£1,800	6th floor
1	550	£1,800	9th floor
1	554	£1,800	7th floor
1	551	£1,800	6th floor
1	515	£1,850	Ground floor, utility room
1	549	£1,885	Utility
1	741	£2,000	12th floor, 2 bathroom
1	515	£2,600	Ground floor, short term let
2		£1,900	4th floor
2		£2,400	3 bathroom
3	1,104	£2,396	Duplex (G&1st), 2.5 bathroom
3	974	£2,999	2nd floor, 2 bathroom
3	1039	£3,250	3rd floor, 2 bathroom, reservoir view
3	1,039	£5,500	3rd floor, 2 bathroom, reservoir view

Student Accommodation

Ivy Hall

Middlesex University's Ivy Hall is the closest comparable student site with 181 single bedrooms arranged over 14 blocks. The average sized room is 10.8m². Each room is grouped around a large communal kitchen. The accommodation includes services weekly kitchen and bathroom cleaning, on site laundry facilities, internet access and bills included.

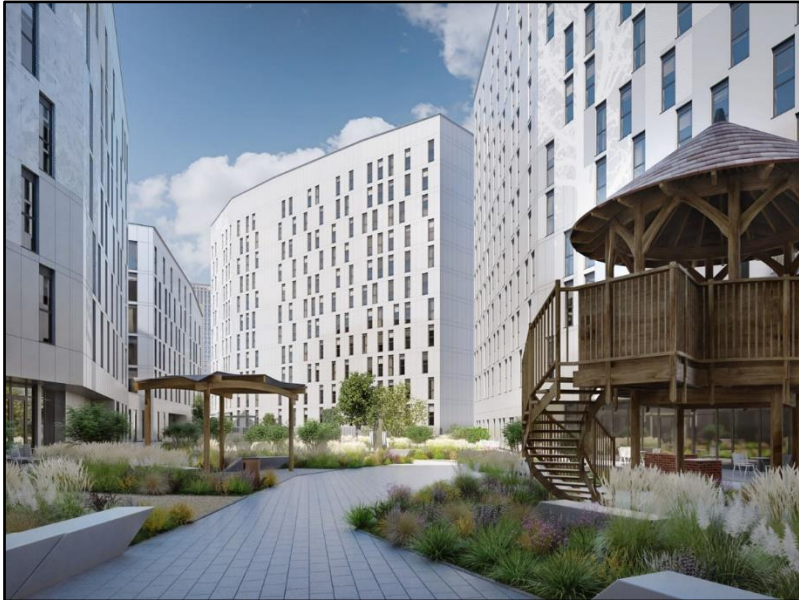
Room Size	Price Per Room Per Week
Standard Single Room	£163
Standard Large Room	£168
En-Suite Single Room	£181
En-Suite Large Room	£185



Pavilion Court

Award winning student halls in Wembley. This recently opened student halls is located in Wembley with close proximity to UWL and transport links to the city. The accommodation includes access to gaming pods, a private dining room, games area, multimedia room, fitness studio, gym, and cinema.

Room Type	51 weeks	Size
Affordable	£164pw	
En-Suite Rooms	£220pw - £247pw	13sqm - 20sqm
Studio's	£277pw - £351pw	20sqm - 37sqm





Appendix 5 – AECOM Report

Staples Corner
Feasibility Cost Estimate

For Colliers

September 2023

DOCUMENT ISSUE SHEET

Issue Nr.	Document	File Path	Issue Date	Parties Sent To	Prepared By	Checked By	Reviewed By
1.0	Staples Corner - DRAFT Feasibility Est Report (090823)		09/08/2023	Colliers: A Boulding, A. Shapland	HJ	AG	DLP
2.0	Staples Corner - DRAFT Feasibility Est Report (140823)		14/08/2023	Colliers: A Boulding, A. Shapland	HJ	AG	DLP
3.0	Staples Corner - DRAFT Feasibility Est Report (160823)		16/08/2023	Colliers: A Boulding, A. Shapland	HJ	AG	DLP
4.0	Staples Corner - Feasibility Est Report Issue (190823)		19/09/2023	Colliers: A Boulding, A. Shapland	HJ	AG	DLP

Authorised by Director:	David Peters
Date:	19/09/23

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2.0 Basis & Assumptions	5
3.0 Exclusions	7

APPENDIX

Appendix A | Site Cost Summaries

1.0 Executive Summary

Executive Summary

1.1 This Feasibility Cost Estimate represents the development brief proposals for several sites at Staples Corner, dated August 2023. The estimates are based upon the Development Scenarios area schedule and typical plans dated 03/08/23 and the rates are based on 3Q 2023 price levels. Costs include Preliminaries, OH&P, Risk / Contingency @ 10%, but exclude Client Contingency, future inflation, VAT and other items listed in Section 3.0.

1.2 The cost estimates for each Site can be summarised below:-

Site	Scenario	Use Description	Area (GIA)		Estimate		
			sqft	m2	£/sqft	£/m2	Total
1a	1	Light Industry, General Industry	124,268	11,545	£ 204	£ 2,198	£ 25,370,000
1a	2	Light Industry, General Industry	172,244	16,002	£ 187	£ 2,014	£ 32,230,000
1a	3	Light Industry, General Industry	448,606	41,677	£ 163	£ 1,752	£ 73,030,000

Site	Scenario	Use Description	Area (GIA)		Estimate		
			sqft	m2	£/sqft	£/m2	Total
1b	1	Light Industry, General Industry	898,597	83,482	£ 171	£ 1,844	£ 153,910,000
1b	2	Light Industry, General Industry	997,403	92,661	£ 171	£ 1,838	£ 170,350,000

Site	Scenario	Use Description	Area (GIA)		Estimate		
			sqft	m2	£/sqft	£/m2	Total
2a	1	Light Industry, General Industry & Residential	427,876	39,751	£ 240	£ 2,587	£ 102,820,000
2a	2	Light Industry, General Industry & Residential	503,895	46,813	£ 257	£ 2,771	£ 129,700,000
2a	3	Light Industry, General Industry & Residential	515,655	47,906	£ 279	£ 3,003	£ 143,880,000

Site	Scenario	Use Description	Area (GIA)		Estimate		
			sqft	m2	£/sqft	£/m2	Total
2b	1	Light Industry, General Industry & Residential	532,965	49,514	£ 293	£ 3,156	£ 156,280,000
2b	2	Light Industry, General Industry & Residential	526,162	48,882	£ 309	£ 3,331	£ 162,840,000
2b	3	Light Industry, General Industry & Residential	426,995	39,669	£ 257	£ 2,767	£ 109,750,000

Site	Scenario	Use Description	Area (GIA)		Estimate		
			sqft	m2	£/sqft	£/m2	Total
2c	1	Light Industry & Residential	448,147	41,634	£ 326	£ 3,504	£ 145,890,000
2c	2	Light Industry & Residential	406,814	37,794	£ 324	£ 3,492	£ 131,980,000
2c	3	Light Industry & Residential	550,950	51,185	£ 313	£ 3,370	£ 172,470,000

Site	Scenario	Use Description	Area (GIA)		Estimate		
			sqft	m2	£/sqft	£/m2	Total
3a / 3b	1	Office, Retail & Residential	807,526	75,021	£ 321	£ 3,458	£ 259,410,000
3a / 3b	3	Office, Retail & Residential	959,094	89,102	£ 330	£ 3,548	£ 316,130,000

Site	Scenario	Use Description	Area (GIA)		Estimate		
			sqft	m2	£/sqft	£/m2	Total
3a	4	Retail & Residential	339,227	31,515	£ 323	£ 3,477	£ 109,570,000

- 1.3 A Risk / Contingency allowance of 10% allowance has been included. Client retained Contingency and Future Inflation have been excluded.
- 1.4 No allowances have been included for fees for pre-construction services should a negotiated two-stage approach be adopted.
- 1.5 A number of assumptions have had to be made in compiling this estimate with regards to specification / quality and scope. We would strongly recommend that all assumptions and exclusions made are thoroughly reviewed to re-confirm our base assumptions. These are outlined in section 2.0.
- 1.6 This estimate has been prepared solely for the use of Colliers and should not be relied upon by any third party.
- 1.7 This residential estimates assume a traditional developer / contractor model as opposed to a volume house builder model.
- 1.8 A number of assumptions have been made in estimating the costs of each site/scenario. This includes assumptions relating to the extent of external works, utilities and plant locations within the immediate vicinity of each site. We recommend that a detailed review of these elements is undertaken to validate these cost allowances.
- 1.9 There remains a high level of uncertainty in the construction market due to the on-going impacts of conflict in eastern Europe and post Brexit trading agreements, and as a result labour and material supply, exchange rates and market capacity remain volatile. Construction market feedback suggests there are currently shortages of certain materials and fluctuating demand and availability is impacting material prices. We will continue to monitor the construction market and report inflation forecasts as they evolve.

2.0 BASIS & ASSUMPTIONS

Basis and Assumptions: Generally

- 2.1 This Feasibility Cost Estimate represents the development brief proposals for several sites at Staples Corner, dated July 2023. Exclusions are listed in section 3.0.
- 2.2 For the purpose of preparing this cost model we have assumed a competitively tendered Design & Build procurement route.
- 2.3 Risk / Contingency has been included at 10% and Client retained Contingency has been excluded.
- 2.4 The basis of pricing has been adjusted to reflect rates prevailing in the UK during 3Q 2023. Future Inflation has been excluded.
- 2.5 In compiling this estimate, we have assumed that the design will be developed within a controlled sequence to facilitate a competitive tender on the basis of completed design (RIBA Stage 3/4) information within normal and stable market conditions.
- 2.6 Residential storey heights have been assumed at 3.15m.
- 2.7 A façade measure has not been carried out due to lack of design information at this stage.
- 2.8 There is no information regarding whether the buildings are targeting a specific BREEAM rating, we have made an allowance for housing to meet CSH Level 4 (or equivalent), and the commercial spaces to achieve "BREEAM Excellent".
- 2.9 No Section 106 / 278 costs have been included.
- 2.10 The rates utilised in this Cost Estimate are target rates and assume an efficient design will be developed.
- 2.11 This estimate comprises costs based on Traditional Build model.
- 2.12 The general quality and specification of fit-out and finishes to the residential units has been assumed for the purposes of cost estimating but are broadly informed by precedent in similar locations.
- 2.13 Rates for uses will vary depending on location and the extent of structural intervention required (e.g. excavation for basements)
- 2.14 Allowances for site preparation and demolition have been assumed until further information on the existing structures is available.
- 2.15 Allowances for the remediation of ground contamination have been assumed until further survey information is available.
- 2.16 It has been assumed that connections for new Utility Services will be located at the perimeter of the site. An allowance has been made for utilities diversions and upgrades within the site boundary.
- 2.17 The following information forms the basis of costs expressed within this report:
 - Email update from Arthur Boulding on 11/08 regarding area updates
 - SCM-5TH-XX-XX-SH-A-9012-Area Schedule-Development Scenarios-DRAFT-230803
 - SCM-Stage 3-Development Brief Drawings-DRAFT-230803

2.0 BASIS & ASSUMPTIONS

Basis and Assumptions: Industrial

- 2.18 General/Light Industrial Units are assumed to be shell and core only
- 2.19 Fitout and MEP upgrades (e.g. chiller units) assumed to be tenant fitout

Basis and Assumptions: Residential

- 2.20 Residential rates reflect deck access arrangement indicated on the plans.
- 2.21 Residential fitout rates assume a typical mix of market sale and affordable tenures and unit types.
- 2.22 An allowance has been included for transfer structure / podium above other uses and this assumes the structural requirements.

Basis and Assumptions: Office

- 2.23 Office use rates assume Shell & Core and CAT A fitout.

Basis and Assumptions: Community Use

- 2.24 Community use rates assume shell only.

Basis and Assumptions: Café/Retail use

- 2.25 Café/retail use rates assume shell only.

Basis and Assumptions: Parking

- 2.26 Parking use rates assume mechanical ventilation will be required and the extent of this will be dependent on location and potential for natural ventilation.

3.0 EXCLUSIONS

Exclusions: Generally

The Following Costs are excluded:-

- 3.1 Value Added Tax (VAT)
- 3.2 Site, building or other surveys, including statutory service investigations
- 3.3 Archaeological works (Consultants fees, investigation and attendance costs or resultant delays / disruption)
- 3.4 Professional Fees; design Fees; legal fees; planning / building control fees; statutory fees; site surveys; monitoring costs; environmental audits; wind studies; third party fees / costs; other fees
- 3.5 Site acquisition fees / costs and other developers costs
- 3.6 Cost in respect of rights exercised by Adjoining Owners (Rights of Light, Party Wall Awards, Oversail Rights, Projection Licences etc.)
- 3.7 Capital allowances or other incentives / grants
- 3.8 Boundary Issues
- 3.9 Adjoining owners negotiations / costs
- 3.10 Impact of sustainability requirements that may be required over an above those noted
- 3.11 Finance charges, developers costs and profit
- 3.12 Works associated with Section 106 and 278 agreements; road stopping, etc.
- 3.13 Exploration for / and removal of unexploded ordinance (UXO)
- 3.14 Show floors, room mock-ups and marketing suites; any other marketing costs (including brochures, etc.)
- 3.15 Monitoring of existing building & adjacent buildings / structures
- 3.16 Energy from waste
- 3.17 En-vac Waste Management System
- 3.18 Abnormal ground conditions (contamination etc.) beyond current allowances
- 3.19 The removal of asbestos or other contamination within existing buildings
- 3.20 Loose fittings, fixtures and equipment
- 3.21 Artwork
- 3.22 Feature lighting to landlords areas/ circulation
- 3.23 External power sockets to terraces
- 3.24 Security system to apartments
- 3.25 Rain water harvesting
- 3.26 Leak detection facilities
- 3.27 Air treatment / cooling to main residential receptions
- 3.28 Code for Sustainable Homes Assessment (equivalent) Costs
- 3.29 Out of hours working
- 3.30 Refuge/ disabled emergency voice communication system
- 3.31 Incoming services contribution beyond the allowances specifically identified
- 3.32 Utilities network reinforcement beyond the allowances specifically identified
- 3.33 Mock-ups and samples
- 3.34 Sub-Phasing of the works
- 3.35 PCSA allowance should a two stage procurement strategy be pursued
- 3.36 Highways / road closures and the like.
- 3.37 Costs associated with NHBC
- 3.38 Client retained Design Reserve & Contingency - we recommend at least 5% is retained by the Client
- 3.39 Temporary works
- 3.40 Fitout to community use (Shell only included)
- 3.41 CAT B Fitout to office (CAT A included)
- 3.42 Fitout to Café/Retail use (Shell only included)
- 3.43 Fitout to General/Light Industrial use (Shell only included)
- 3.44 Public realm areas



Appendix A

Site Cost Summaries

SUMMARY COST - SITE 1A

Scenario 1	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core				Excluded
General Industry Shell and Core	124,268	sqft	£130	£16,154,834
Café/Retail (Shell only)				Excluded
External Works Allowance	111,354	sqft	£35	£3,897,375
Site preparation / Demolition allowance	213,978	sqft	£5	£1,069,888
Utilities Diversions / Connections allowance	124,268	sqft	£7	£869,876
Ground contamination - remediation allowance	213,978	sqft	£5	£1,069,888
	Sub total			£23,061,860
Risk / Contingency			10%	£2,306,186
Scenario 1 - Total Construction Cost	124,268	sqft	£204 / ft²GIA	£25,370,000

SUMMARY COST - SITE 1A

Scenario 2	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	38,320	sqft	£120	£4,598,400
General Industry Shell and Core	133,924	sqft	£130	£17,410,120
Café/Retail (Shell only)				Excluded
External Works Allowance	112,656	sqft	£35	£3,942,961
Site preparation / Demolition allowance	213,978	sqft	£5	£1,069,888
Utilities Diversions / Connections allowance	172,244	sqft	£7	£1,205,708
Ground contamination - remediation allowance	213,978	sqft	£5	£1,069,888
	Sub total			£29,296,964
Risk / Contingency			10%	£2,929,696
Scenario 2 - Total Construction Cost	172,244	sqft	£187 / ft²GIA	£32,230,000

SUMMARY COST - SITE 1A

Scenario 3	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	90,804	sqft	£120	£10,896,480
General Industry Shell and Core	357,802	sqft	£130	£46,514,260
Café/Retail (Shell only)				Excluded
External Works Allowance	105,466	sqft	£35	£3,691,299
Site preparation / Demolition allowance	213,978	sqft	£5	£1,069,888
Utilities Diversions / Connections allowance	448,606	sqft	£7	£3,140,242
Ground contamination - remediation allowance	213,978	sqft	£5	£1,069,888
	Sub total			£66,382,056
Risk / Contingency			10%	£6,638,206
Scenario 3 - Total Construction Cost	448,606	sqft	£163 / ft²GIA	£73,030,000

SUMMARY COST - SITE 1B

Scenario 1	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	246,181	sqft	£120	£29,541,720
General Industry Shell and Core	649,348	sqft	£130	£84,415,240
Café/Retail (Shell only)	3,068	sqft	£140	£429,520
External Works Allowance	374,878	sqft	£35	£13,120,724
Site preparation / Demolition allowance	611,535	sqft	£5	£3,057,676
Utilities Diversions / Connections allowance	898,597	sqft	£7	£6,290,179
Ground contamination - remediation allowance	611,535	sqft	£5	£3,057,676
	Sub total			£139,912,734
Risk / Contingency			10%	£13,991,273
Scenario 1 - Total Construction Cost	898,597	sqft	£171 / ft²GIA	£153,910,000

SUMMARY COST - SITE 1B

Scenario 2	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	163,644	sqft	£120	£19,637,280
General Industry Shell and Core	829,432	sqft	£130	£107,826,160
Café/Retail (Shell only)	4,327	sqft	£140	£605,780
Parking	Cost included within multi-level vehicle access structure			
Multi-level vehicle access structure	1	Item	£1,500,000	£1,500,000
External Works Allowance	348,431	sqft	£35	£12,195,074
Site preparation / Demolition allowance	611,535	sqft	£5	£3,057,676
Utilities Diversions / Connections allowance	997,403	sqft	£7	£6,981,821
Ground contamination - remediation allowance	611,535	sqft	£5	£3,057,676
	Sub total			£154,861,466
Risk / Contingency			10%	£15,486,147
Scenario 2 - Total Construction Cost	997,403	sqft	£171 / ft²GIA	£170,350,000

SUMMARY COST - SITE 2A

Scenario 1	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	141,287	sqft	£120	£16,954,451
General Industry Shell and Core	136,045	sqft	£130	£17,685,858
Residential (S&C + Fitout)	150,544	sqft	£298	£44,862,127
External Works Allowance	217,917	sqft	£35	£7,627,101
Site preparation / Demolition allowance	333,899	sqft	£5	£1,669,496
Utilities Diversions / Connections allowance	427,876	sqft	£7	£2,995,133
Ground contamination - remediation allowance	333,899	sqft	£5	£1,669,496
	Sub total			£93,463,664
Risk / Contingency			10%	£9,346,366
Scenario 1 - Total Construction Cost	427,876	sqft	£240 / ft²GIA	£102,820,000

SUMMARY COST - SITE 2A

Scenario 2	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	58,782	sqft	£120	£7,053,806
General Industry Shell and Core	212,936	sqft	£130	£27,681,678
Residential (S&C + Fitout)	232,178	sqft	£298	£69,188,909
External Works Allowance	203,192	sqft	£35	£7,111,721
Site preparation / Demolition allowance	333,899	sqft	£5	£1,669,496
Utilities Diversions / Connections allowance	503,895	sqft	£7	£3,527,267
Ground contamination - remediation allowance	333,899	sqft	£5	£1,669,496
	Sub total			£117,902,373
Risk / Contingency			10%	£11,790,237
Scenario 2 - Total Construction Cost	503,895	sqft	£257 / ft²GIA	£129,700,000

SUMMARY COST - SITE 2A

Scenario 3	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	18,858	sqft	£120	£2,263,005
General Industry Shell and Core	199,734	sqft	£130	£25,965,426
Residential (S&C + Fitout)	297,062	sqft	£298	£88,524,595
External Works Allowance	202,600	sqft	£35	£7,091,000
Site preparation / Demolition allowance	333,899	sqft	£5	£1,669,496
Utilities Diversions / Connections allowance	515,655	sqft	£7	£3,609,584
Ground contamination - remediation allowance	333,899	sqft	£5	£1,669,496
	Sub total			£130,792,602
Risk / Contingency			10%	£13,079,260
Scenario 3 - Total Construction Cost	515,655	sqft	£279 / ft²GIA	£143,880,000

SUMMARY COST - SITE 2B

Scenario 1	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	67,328	sqft	£120	£8,079,360
General Industry Shell and Core	71,688	sqft	£130	£9,319,471
Residential (S&C + Fitout)	387,544	sqft	£294	£113,947,082
Parking (LG)	6,405	sqft	£200	£1,281,000
E/O Transfer structure / Podium allowance	163,839	sqft	£20	£3,276,777
External Works Allowance	17,696	sqft	£35	£619,361
Site preparation / Demolition allowance	181,535	sqft	£5	£907,674
Utilities Diversions / Connections allowance	532,965	sqft	£7	£3,730,757
Ground contamination - remediation allowance	181,535	sqft	£5	£907,674
	Sub total			£142,069,156
Risk / Contingency			10%	£14,206,916
Scenario 1 - Total Construction Cost	532,965	sqft	£293 / ft²GIA	£156,280,000

SUMMARY COST - SITE 2B

Scenario 2	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	58,653	sqft	£120	£7,038,360
General Industry Shell and Core	39,676	sqft	£130	£5,157,880
Residential (S&C + Fitout)	424,733	sqft	£294	£124,881,526
Parking (LG)	3,100	sqft	£200	£620,000
E/O Transfer structure / Podium allowance	101,192	sqft	£20	£2,023,847
External Works Allowance	80,342	sqft	£35	£2,811,987
Site preparation / Demolition allowance	181,535	sqft	£5	£907,674
Utilities Diversions / Connections allowance	526,162	sqft	£7	£3,683,134
Ground contamination - remediation allowance	181,535	sqft	£5	£907,674
	Sub total			£148,032,083
Risk / Contingency			10%	£14,803,208
Scenario 2 - Total Construction Cost	526,162	sqft	£309 / ft²GIA	£162,840,000

SUMMARY COST - SITE 2B

Scenario 3	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	155,808	sqft	£120	£18,696,960
General Industry Shell and Core	41,226	sqft	£130	£5,359,396
Community Use (Shell only)	12,917	sqft	£200	£2,583,400
Residential (S&C + Fitout)	213,922	sqft	£294	£62,831,583
Parking (LG)	3,122	sqft	£200	£624,400
E/O Transfer structure / Podium allowance	99,050	sqft	£20	£1,981,007
External Works Allowance	82,485	sqft	£35	£2,886,959
Site preparation / Demolition allowance	181,535	sqft	£5	£907,674
Utilities Diversions / Connections allowance	426,995	sqft	£7	£2,988,966
Ground contamination - remediation allowance	181,535	sqft	£5	£907,674
	Sub total			£99,768,018
Risk / Contingency			10%	£9,976,802
Scenario 3 - Total Construction Cost	426,995	sqft	£257 / ft²GIA	£109,750,000

SUMMARY COST - SITE 2C

Scenario 1	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	18,514	sqft	£120	£2,221,680
Café/Retail (Shell only)	11,668	sqft	£140	£1,633,545
Community Use (Shell only)	45,854	sqft	£200	£9,170,728
Residential (S&C + Fitout)	364,254	sqft	£294	£107,052,318
Parking (LG)	7,858	sqft	£200	£1,571,544
E/O Transfer structure / Podium allowance	79,546	sqft	£20	£1,590,919
External Works Allowance	121,030	sqft	£35	£4,236,065
Site preparation / Demolition allowance	200,576	sqft	£5	£1,002,882
Utilities Diversions / Connections allowance	448,147	sqft	£7	£3,137,031
Ground contamination - remediation allowance	200,576	sqft	£5	£1,002,882
			Sub total	£132,619,594
Risk / Contingency			10%	£13,261,959
Scenario 1 - Total Construction Cost	448,147	sqft	£326 / ft²GIA	£145,890,000

SUMMARY COST - SITE 2C

Scenario 2	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Light Industry Shell and Core	25,941	sqft	£120	£3,112,920
Café/Retail (Shell only)	26,221	sqft	£150	£3,933,166
Community Use (Shell only)	17,362	sqft	£200	£3,472,400
Residential (S&C + Fitout)	337,290	sqft	£293	£98,706,166
E/O Transfer structure / Podium allowance	74,465	sqft	£20	£1,489,307
External Works Allowance	126,111	sqft	£35	£4,413,886
Site preparation / Demolition allowance	200,576	sqft	£5	£1,002,882
Utilities Diversions / Connections allowance	406,814	sqft	£7	£2,847,698
Ground contamination - remediation allowance	200,576	sqft	£5	£1,002,882
	Sub total			£119,981,306
Risk / Contingency			10%	£11,998,131
Scenario 2 - Total Construction Cost		406,814 sqft	£324 / ft²GIA	£131,980,000

SUMMARY COST - SITE 2C

Scenario 3	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Café/Retail (Shell only)	80,826	sqft	£150	£12,123,900
Residential (S&C + Fitout)	412,591	sqft	£293	£120,742,765
Parking (LG)	57,533	sqft	£200	£11,506,600
E/O Transfer structure / Podium allowance	65,284	sqft	£20	£1,305,673
External Works Allowance	135,293	sqft	£35	£4,735,245
E/O Fenced MUGA	6,771	sqft	£75	£507,792
Site preparation / Demolition allowance	200,576	sqft	£5	£1,002,882
Utilities Diversions / Connections allowance	550,950	sqft	£7	£3,856,653
Ground contamination - remediation allowance	200,576	sqft	£5	£1,002,882
			Sub total	£156,784,392
Risk / Contingency			10%	£15,678,439
Scenario 3 - Total Construction Cost	550,950	sqft	£313 / ft²GIA	£172,470,000

SUMMARY COST - SITE 3A & 3B

Scenario 1	Quantity	Unit	Rate	Total	
Total Cost (including on-costs)					
Office (S&C + CAT A)	69,019	sqft	£264	£18,220,955	
Café/Retail (Shell only)	108,157	sqft	£140	£15,141,934	
Residential (S&C + Fitout)	623,160	sqft	£295	£183,792,051	
Parking (Basement/LG)	7,190	sqft	£243	£1,745,269	
E/O Transfer structure / Podium allowance	164,937	sqft	£20	£3,298,735	
External Works Allowance	140,502	sqft	£35	£4,917,587	
Site preparation / Demolition allowance	305,439	sqft	£5	£1,527,196	
Utilities Diversions / Connections allowance	807,526	sqft	£7	£5,652,682	
Ground contamination - remediation allowance	305,439	sqft	£5	£1,527,196	
	Sub total			£235,823,607	
Risk / Contingency			10%	£23,582,361	
Scenario 1 - Total Construction Cost		807,526	sqft	£321 / ft²GIA	£259,410,000

SUMMARY COST - SITE 3A & 3B

Scenario 3	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Office (S&C + CAT A)	47,319	sqft	£264	£12,492,096
Café/Retail (Shell only)	75,337	sqft	£146	£10,999,895
Community Use (Shell only)	9,042	sqft	£175	£1,582,308
Residential (S&C + Fitout)	812,101	sqft	£298	£241,960,767
Parking (Basement/LG)	15,296	sqft	£217	£3,320,854
E/O Transfer structure / Podium allowance	228,272	sqft	£20	£4,565,443
External Works Allowance	77,167	sqft	£35	£2,700,849
Site preparation / Demolition allowance	305,439	sqft	£5	£1,527,196
Utilities Diversions / Connections allowance	959,094	sqft	£7	£6,713,657
Ground contamination - remediation allowance	305,439	sqft	£5	£1,527,196
	Sub total			£287,390,262
Risk / Contingency			10%	£28,739,026
Scenario 3 - Total Construction Cost	959,094	sqft	£330 / ft²GIA	£316,130,000

SUMMARY COST - SITE 3A

Scenario 4	Quantity	Unit	Rate	Total
Total Cost (including on-costs)				
Office (S&C + CAT A)				Excluded
Café/Retail (Shell only)	49,181	sqft	£140	£6,885,300
Residential (S&C + Fitout)	288,055	sqft	£295	£84,957,751
Parking	1,991	sqft	£200	£398,268
External Works Allowance	85,498	sqft	£35	£2,992,446
Site preparation / Demolition allowance	199,952	sqft	£5	£999,760
Utilities Diversions / Connections allowance	339,227	sqft	£7	£2,374,592
Ground contamination - remediation allowance	199,952	sqft	£5	£999,760
	Sub total			£99,607,878
Risk / Contingency			10%	£9,960,788
Scenario 4 - Total Construction Cost	339,227	sqft	£323 / ft²GIA	£109,570,000

Submitted by:

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Appendix 6 – Development Brief Summary inputs

Appraisal Use	Masterplan	1a			1b			2a			2b			2c			3			4	5
		1	2	3	1	2	3	1	2	3	1	2	3	4	1	2	3	4			
Sq Ft NIA																					
B2/B8	1,962,445	93,510	117,774	274,897	502,695	683,358	113,394	173,370	159,958	-	33,923	35,204	-	-	-	-	-	-	-	-	-
E(g)ii/E(g)iii	481,198	-	21,123	45,249	132,147	123,420	80,640	49,322	14,973	42,067	47,509	134,356	58,125	15,868	21,479	-	-	48,438	-	-	27,609
E(a) / E(b)	85,379	-	-	-	2,485	4,028	-	-	-	-	-	-	-	9,451	21,239	66,755	3,488	63,272	61,023	16,880	67,262
E(c)	198	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,696
F	10,436	-	-	-	-	-	-	-	-	-	-	11,044	-	39,205	14,845	-	-	-	7,731	4,712	-
Affordable Workspace	282,184	10,390	15,433	35,572	70,814	90,089	21,559	24,744	19,437	4,674	9,048	20,067	6,458	7,169	6,396	7,417	5,769	7,030	7,639	3,365	10,541
Market Resi	1,567,525	-	-	-	-	-	74,013	112,698	145,237	195,860	212,533	111,256	316,340	180,597	177,551	206,000	225,525	313,811	455,894	172,298	514,450
LAR	590,443	-	-	-	-	-	27,663	42,474	54,239	73,022	79,997	42,604	119,286	68,889	66,295	78,706	84,992	118,920	171,307	65,337	193,675
Intermediate	253,619	-	-	-	-	-	12,874	18,622	23,616	32,227	34,520	16,555	50,956	28,869	28,933	31,603	35,467	50,031	74,766	26,953	82,365
Rent & PSE																					
B2/B8	25	25	22.5	24	26	27.5	26	25	22.5	30	27.5	26	30	26	27.5	30	26	27.5	30	20	30
E(g)ii/E(g)iii	25		20	20	25	26	32.5	27.5	25												
E(a) / E(b)	30				30	30								30	30	20	30	20	20	30	20
E(c)	40																				
F	20											20		20	20					20	
Yield																					
B2/B8	4.00%	5.00%	4.50%	4.50%	4.00%	4.50%	4.00%	4.00%	4.50%	5.00%	5.00%	4.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
E(g)ii/E(g)iii	4.50%		5.00%	5.00%	4.50%	4.50%	5.00%	5.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
E(a) / E(b)	7.00%				7.00%	7.00%								7.00%	7.00%	0.06	7.00%	7.00%	7.00%	7.00%	7.00%
E(c)	7.00%													5.00%	5.00%						
F	5.00%											0.05		5.00%	5.00%						
Cap Val EPSE																					
B2/B8	585	468	468	499	609	572	609	585	468	-	515	541									
E(g)ii/E(g)iii	520		375	375	520	541	609	468	468	562	468	487	562	487	515			562			562
E(a) / E(b)	401				401	401								401	401	312	401	268	268	401	268
E(c)	535																	92	94	146	
F	375											375		375	375			-	375		
Affordable Workspace	151	133	121	129	147	150	159	143	125	159	138	137	159	119	133	99	158	-	94	146	112
Market Resi	691						678	673	680	708	690	704	745	668	663	669	701	700	681	679	726
LAR	207						205	211	215	212	230	230	229	209	210	215	216	210	194	229	231
Intermediate	395						389	387	389	403	394	401	426	382	379	383	402	400	389	386	415
Total Construction Cost	1,554,882,900	21,231,309	28,732,176	58,689,356	123,130,696	152,539,389	88,012,757	117,515,421	129,797,025	129,167,124	148,021,862	104,917,249	222,485,145	132,577,244	120,100,160	155,549,805	166,235,457	213,683,138	274,799,576	123,082,332	389,871,489
BLV EUV & PSE																					
B2/B8	300	150	150	200	300	300	300	300	300	300	300	300	300	250	250	250	250	250	250	250	250
E(g)ii/E(g)iii	250	150	200	200	250	250	250	250	250					0	200	200	200	200	200	250	150
C														0							
E(a) / E(b)	200									200	200	200	200	0	200	200	200	200	200	200	200
E(c)														0	200	200	200	200	200	200	200
F														0							
Sui generis							250	250	250					0					0	0	0



Appendix 7 – Masterplan Appraisals

Masterplan Appraisal
SCGA
LB Brent


Date:

06/02/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
B2/B8	General industrial / Storage & Distribution	1,962,445	1,148,434,794	585	
E(g)ii/E(g)iii	Light industrial	481,198	250,310,860	520	
E(a) / E(b)	Café / Retail	85,379	34,261,057	401	
E(c)	Office/Services	198	105,740	535	
F	Community	10,436	3,908,751	375	
	Affordable Workspace	282,184	42,734,623	151	1,479,755,826
Tenure					
Units					
Market Resi		1,993	1,567,525	1,082,970,000	691
LAR		751	590,443	122,124,000	207
Intermediate		322	253,619	100,096,000	395
Total		3,066	5,233,427	532	1,305,190,000

TOTAL CAPITAL VALUE **2,784,945,826**
DEVELOPMENT COSTS
Site Acquisition Costs

Land Value					£303,989,000
Stamp Duty	@	5.00%			£15,188,950
Agent and Legal Fees	@	1.80%			£5,471,802

TOTAL ACQUISITION FEES **324,649,752**
Construction Costs

Demolition	Existing Sq Ft	2,558,448	@	5	12,792,241
Decontamination			@	5	16,552,187
	Sq Ft GIA		@	£ PSE	
B2/B8		2,295,258		122	279,553,220
E(g)ii/E(g)iii		594,071		122	72,355,487
C		3,292,636		290	954,864,302
E(a) / E(b)		105,406		168	17,665,692
E(c)		258		274	70,753
F		12,206		168	2,045,738
External	@		10.00%		1,326,555,193
Infrastructure	@		5.00%		132,655,519
					66,327,760

TOTAL CONSTRUCTION COSTS **1,554,882,900**
Professional Fees & Payments

Contingency				5%	77,744,145
Professional Fees				8%	124,390,632
S106	3,066	@	2,500	per unit	7,665,000
CIL		@			63,307,706
MCIL2		@			19,485,378

TOTAL PROFESSIONAL FEES & PAYMENTS **292,592,861**
Agency Fees & Contributions

Residential Marketing and Agency	@	2.00%			21,659,400
Commercial letting fees	@	15.00%		ERV	10,112,602
Commercial Disposal	@	1.50%			22,196,337
Residential Legal Fees	@	£1,000		per unit	3,066,000

TOTAL AGENCY FEES AND CONTRIBUTIONS **57,034,339**
Profit

Private GDV	@	20.00%			216,594,000
Affordable GDV	@	6.00%			18,461,355
Commercial GDV	@	15.00%			215,553,180

450,608,535
Finance Costs

Finance - Interest	@	7.00%	Of Cost		187,583,787
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TOTAL FINANCE COSTS **187,583,787**
TOTAL DEVELOPMENT COSTS **2,867,352,175**
OUTPUT

	Surplus / Deficit	-82,406,349
	on GDV	-2.96%
	on Cost	-2.87%

Masterplan Appraisal

06/02/2024

Alternative Masterplan Appraisal

SCGA

LB Brent

Colliers

Date:

06/02/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
B2/B8	General industrial / Storage & Distribution	1,962,445	1,148,434,794	585	
E(g)ii/E(g)iii	Light industrial	424,369	220,749,413	520	
E(a) / E(b)	Café / Retail	193,796	77,767,427	401	
E(c)	Office/Services	198	105,740	535	
F	Community	10,436	3,908,751	375	
	Affordable Workspace	287,916	43,582,145	151	1,494,548,271
Tenure					
	Units				
Market Resi		1,908	1,500,983	1,036,980,000	691
LAR		720	566,396	117,101,000	207
Intermediate		308	242,338	95,690,000	395
Total		2,936	5,188,878	529	2,744,319,271
TOTAL CAPITAL VALUE					2,744,319,271

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value					£303,989,000
Stamp Duty	@		5.00%		£15,188,950
Agent and Legal Fees	@		1.80%		£5,471,802
TOTAL ACQUISITION FEES					324,649,752

Construction Costs

Demolition	Existing Sq Ft	2,558,448	@	5	12,792,241
Decontamination			@	5	16,552,187
	Sq Ft GIA		@	£_PSF	
B2/B8		2,295,258		122	279,553,220
E(g)ii/E(g)iii		523,912		122	63,810,380
C		3,203,467		290	929,005,514
E(a) / E(b)		239,255		168	40,098,454
E(c)		258		274	70,753
F		12,206		168	2,045,738
					1,314,584,060
External	@		10.00%		131,458,406
Infrastructure	@		5.00%		65,729,203
TOTAL CONSTRUCTION COSTS					1,541,116,098

Professional Fees & Payments

Contingency				5%	77,055,805
Professional Fees				8%	123,289,288
S106	2,936	@		2,500 per unit	7,340,000
CIL		@			62,359,644
MCIL2		@			19,519,282
TOTAL PROFESSIONAL FEES & PAYMENTS					289,564,019

Agency Fees & Contributions

Residential Marketing and Agency	@		2.00%		20,739,600
Commercial letting fees	@		15.00%	ERV	10,402,639
Commercial Disposal	@		1.50%		22,418,224
Residential Legal Fees	@		£1,000	per unit	2,936,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					56,496,463

Profit

Private GDV	@		20.00%		207,396,000
Affordable GDV	@		6.00%		17,997,317
Commercial GDV	@		15.00%		217,644,919
TOTAL PROFIT					443,038,236

Finance Costs

Finance - Interest	@		7.00%	Of Cost	185,840,520
TOTAL FINANCE COSTS					185,840,520
TOTAL DEVELOPMENT COSTS					2,840,705,087

OUTPUT

	Surplus / Deficit	96,385,817
	on GDV	-3.51%
	on Cost	-3.39%



Appendix 8 – Development Brief Appraisals

1a

Scenario 1

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
B2/B8	General industrial / Storage & Distribution	93,510	43,778,112	468
Affordable Workspace		-	10,390	133
Total		-	103,900	435
TOTAL CAPITAL VALUE				45,157,328

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				12,836,000
Stamp Duty		@	4.92%	631,300
Agent and Legal Fees		@	1.80%	231,048
TOTAL ACQUISITION FEES				13,698,348

Construction Costs

Demolition	Site Area	213,978	@	5	1,069,890
Decontamination			@	5	1,069,890
	Sq Ft GIA		£ PSF		
B2/B8		112,935		130	14,681,529
External		@	25.03%		3,675,000
Infrastructure		@	5.01%		735,000
TOTAL CONSTRUCTION COSTS				21,231,309.04	

Professional Fees & Payments

Contingency			5%		1,061,565
Professional Fees			8%		1,698,505
CIL		@			-
MCIL2		@			164,099
TOTAL PROFESSIONAL FEES & PAYMENTS				2,924,169	

Agency Fees & Contributions

Commercial letting fees		@	15.00%	ERV	370,144
Commercial Disposal		@	1.50%		677,360
TOTAL AGENCY FEES AND CONTRIBUTIONS				1,047,504	

Profit

Affordable GDV		@	6.00%		165,506
Commercial GDV		@	15.00%		6,566,717
TOTAL PROFIT				6,732,223	

Finance Costs

Finance - Interest		@	8.00%	Interest	3,542,257
TOTAL FINANCE COSTS				3,542,257	

TOTAL DEVELOPMENT COSTS 49,175,809

OUTPUT

Surplus / Deficit				-	4,018,481
on GDV					-8.90%
on Cost					-8.17%

1a

16/01/2024

1a

Scenario 2

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
B2/B8	General industrial / Storage & Distribution	117,774	55,137,806	468
E(g)ii/E(g)iii	Light industrial	21,123	7,911,104	375
Affordable Workspace	-	15,433	1,872,079	121
Total	-	154,330	64,920,988	421

TOTAL CAPITAL VALUE 64,920,988

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				22,468,000
Stamp Duty	@	4.95%		1,112,900
Agent and Legal Fees	@	1.80%		404,424
TOTAL ACQUISITION FEES				23,985,324

Construction Costs

Demolition	Site Area	213,978	@	5	1,069,890
Decontamination			@	5	1,069,890
	Sq Ft GIA		@	£ PSF	
B2/B8		142,240		130	18,491,142
E(g)ii/E(g)iii		25,510		120	3,061,253
					21,552,396
External	@	17.86%			3,850,000
Infrastructure	@	5.52%			1,190,000
TOTAL CONSTRUCTION COSTS					28,732,175.51

Professional Fees & Payments

Contingency		5%			1,436,609
Professional Fees		8%			2,298,574
CIL	@				-
MCIL2	@				191,746
TOTAL PROFESSIONAL FEES & PAYMENTS					3,926,929

Agency Fees & Contributions

Commercial letting fees	@	15.00%	ERV		486,460
Commercial Disposal	@	1.50%			973,815
Residential Legal Fees	@	£1,000	per unit		-
TOTAL AGENCY FEES AND CONTRIBUTIONS					1,460,274

Profit

Affordable GDV	@	6.00%			224,649
Commercial GDV	@	15.00%			9,457,336
					9,681,986

Finance Costs

Finance - Interest	@	8.00%	Interest		6,569,192
TOTAL FINANCE COSTS					6,569,192
TOTAL DEVELOPMENT COSTS					74,355,880

OUTPUT

				Surplus / Deficit	9,434,892
				on GDV	-14.53%
				on Cost	-12.69%

1a

16/01/2024

1a

Scenario 3

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
B2/B8	General industrial / Storage & Distribution	274,897	137,277,120	499
E(g)ii/E(g)iii	Light industrial	45,249	16,947,120	375
Affordable Workspace	-	35,572	4,574,318	129
Total	-	355,718	158,798,558	446

TOTAL CAPITAL VALUE 158,798,558

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				28,565,000
Stamp Duty	@	4.96%		1,417,750
Agent and Legal Fees	@	1.80%		514,170
TOTAL ACQUISITION FEES				30,496,920

Construction Costs

Demolition	Site Area	213,978	@	5	1,069,890
Decontamination			@	5	1,069,890
	Sq Ft GIA		@	£ PSF	
B2/B8		332,002		130	43,160,225
E(g)ii/E(g)iii		54,648		120	6,557,798
					49,718,024
External	@	7.42%			3,691,310
Infrastructure	@	6.32%			3,140,242
TOTAL CONSTRUCTION COSTS					58,689,355.54

Professional Fees & Payments

Contingency		5%			2,934,468
Professional Fees		8%			4,695,148
CIL	@				-
MCIL2	@				1,462,187
TOTAL PROFESSIONAL FEES & PAYMENTS					9,091,803

Agency Fees & Contributions

Commercial letting fees	@	15.00%	ERV		1,187,898
Commercial Disposal	@	1.50%			2,381,978
TOTAL AGENCY FEES AND CONTRIBUTIONS					3,569,877

Profit

Affordable GDV	@	6.00%			548,918
Commercial GDV	@	15.00%			23,133,636
TOTAL PROFIT					23,682,554

Finance Costs

Finance - Interest	@	8.00%	Interest		11,045,462
TOTAL FINANCE COSTS					11,045,462

TOTAL DEVELOPMENT COSTS 136,575,971

OUTPUT

	Surplus / Deficit	22,222,587
	on GDV	13.99%
	on Cost	16.27%

1a

16/01/2024

1b

Scenario 1

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
B2/B8	General industrial / Storage & Distribution	502,695	305,947,077	609
E(g)ii/E(g)iii	Light industrial	132,147	68,740,805	520
E(a) / E(b)	Café / Retail	2,485	997,129	401
Affordable Workspace		-	10,375,565	147
Total		708,141	386,060,577	545
TOTAL CAPITAL VALUE				386,060,577

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				125,321,000
Stamp Duty	@	4.99%		6,255,550
Agent and Legal Fees	@	1.80%		2,255,778
TOTAL ACQUISITION FEES				133,832,328

Construction Costs

Demolition	Site Area	611,535	@	5	3,057,675
Decontamination			@	5	3,057,675
	Sq Ft GIA		@	£ PSF	
B2/B8		607,116		130	78,925,113
E(g)ii/E(g)iii		159,596		120	19,151,561
E(a) / E(b)		3,068		140	429,480
					98,506,154
External	@		13.32%		13,120,730
Infrastructure	@		5.47%		5,388,462
TOTAL CONSTRUCTION COSTS				123,130,696	

Professional Fees & Payments

Contingency			5%		6,156,535
Professional Fees			8%		9,850,456
CIL	@				-
MCIL2	@				2,157,261
TOTAL PROFESSIONAL FEES & PAYMENTS				18,164,251	

Agency Fees & Contributions

Commercial letting fees	@	15.00%	ERV		2,604,312
Commercial Disposal	@	1.50%			5,790,909
TOTAL AGENCY FEES AND CONTRIBUTIONS				8,395,221	

Profit

Affordable GDV	@	6.00%			1,245,068
Commercial GDV	@	15.00%			56,352,752
TOTAL PROFIT				57,597,820	

Finance Costs

Finance - Interest	@	8.00%	Interest		36,193,518
TOTAL FINANCE COSTS				36,193,518	
TOTAL DEVELOPMENT COSTS				377,313,834	

OUTPUT

Surplus / Deficit			8,746,743
on GDV			2.27%
on Cost			2.32%

1b

16/01/2024

1b

Scenario 2

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
B2/B8	General industrial / Storage & Distribution	683,358	391,018,260	572
E(g)ii/E(g)iii	Light industrial	123,420	66,768,788	541
E(a) / E(b)	Café / Retail	4,028	1,616,399	401
Affordable Workspace		-	13,535,611	150
Total		900,895	472,939,058	525

TOTAL CAPITAL VALUE 472,939,058

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				125,321,000
Stamp Duty	@	4.99%		6,255,550
Agent and Legal Fees	@	1.80%		2,255,778
TOTAL ACQUISITION FEES				133,832,328

Construction Costs

Demolition	Site Area	611,535	@	5	3,057,675
Decontamination			@	5	3,057,675
	Sq Ft GIA		@	£ PSF	
B2/B8		825,311		130	107,290,465
E(g)ii/E(g)iii		149,057		120	17,886,889
Access Ramp		-		-	1,500,000
E(a) / E(b)		4,973		140	696,209
					127,373,563
External	@		9.57%		12,195,085
Infrastructure	@		5.38%		6,855,391
TOTAL CONSTRUCTION COSTS					152,539,389.48

Professional Fees & Payments

Contingency			5%		7,626,969
Professional Fees			8%		12,203,151
MCIL2	@				4,059,478
TOTAL PROFESSIONAL FEES & PAYMENTS					23,889,599

Agency Fees & Contributions

Commercial letting fees	@	15.00%	ERV		3,502,664
Commercial Disposal	@	1.50%			7,094,086
TOTAL AGENCY FEES AND CONTRIBUTIONS					10,596,750

Profit

Affordable GDV	@	6.00%			1,624,273
Commercial GDV	@	15.00%			68,910,517
TOTAL PROFIT					70,534,790

Finance Costs

Finance - Interest	@	8.00%	Interest		42,965,222
TOTAL FINANCE COSTS					42,965,222

TOTAL DEVELOPMENT COSTS 434,358,079

OUTPUT

	Surplus / Deficit	38,580,980
	on GDV	8.16%
	on Cost	8.88%

1b

16/01/2024

2a

Scenario 1

Colliers

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
B2/B8	General industrial / Storage & Distribution	113,394	69,013,114	609	
E(g)ii/E(g)iii	Light industrial	80,640	49,078,885	609	
Affordable Workspace	-	21,559	3,421,672	159	
Tenure					
Units					
Market Resi		91	74,013	50,210,000	678
LAR		34	27,663	5,675,000	205
Intermediate		16	12,874	5,006,000	389
Total		141	330,143	182,404,671	553

TOTAL CAPITAL VALUE 182,404,671

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				52,257,000
Stamp Duty	@	4.98%		2,602,350
Agent and Legal Fees	@	1.80%		940,626
TOTAL ACQUISITION FEES				55,799,976

Construction Costs

Demolition	Site Area	333,899	@	5	1,669,495
Decontamination			@	5	1,669,495
	Sq Ft GIA		@	£ PSF	
B2/B8		136,949		130	17,803,383
E(g)ii/E(g)iii		97,392		120	11,687,012
C		150,544		298	44,862,084
					74,352,479
External		@	10.26%		7,627,095
Infrastructure		@	3.62%		2,694,193
TOTAL CONSTRUCTION COSTS					88,012,757.24

Professional Fees & Payments

Contingency			5%		4,400,638
Professional Fees			8%		7,041,021
S106	91	@	2,500 per unit		227,500
CIL		@			2,724,413
MCIL2		@			1,204,773
TOTAL PROFESSIONAL FEES & PAYMENTS					15,598,344

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		1,004,200
Commercial letting fees		@	15.00%	ERV	881,767
Commercial Disposal		@	1.50%		1,822,705
Residential Legal Fees		@	£1,000	per unit	141,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					3,849,672

Profit

Private GDV		@	20.00%		10,042,000
Affordable GDV		@	6.00%		1,051,461
Commercial GDV		@	15.00%		17,713,800
					28,807,260

Finance Costs

Finance - Interest		@	8.00%	Interest	12,414,343
TOTAL FINANCE COSTS					12,414,343
TOTAL DEVELOPMENT COSTS					204,482,353

OUTPUT

	Surplus / Deficit	-	22,077,681
	on GDV		-12.10%
	on Cost		-10.80%

2a

16/01/2024

2a

Scenario 2

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
B2/B8	General industrial / Storage & Distribution	173,370	101,456,984	585
E(g)ii/E(g)iii	Light industrial	49,322	23,090,742	468
Affordable Workspace	-	24,744	3,528,541	143
Tenure				
Units				
Market Resi		143	112,698	75,900,000
LAR		54	42,474	8,950,000
Intermediate		24	18,622	7,201,000
Total		221	421,229	220,127,267

TOTAL CAPITAL VALUE 220,127,267

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				52,257,000
Stamp Duty	@	4.98%		2,602,350
Agent and Legal Fees	@	1.80%		940,626
TOTAL ACQUISITION FEES				55,799,976

Construction Costs

Demolition	Site Area	333,899	@	5	1,669,495
Decontamination			@	5	1,669,495
	Sq Ft GIA		@	£ PSF	
B2/B8		209,384		130	27,219,879
E(g)ii/E(g)iii		59,567		120	7,148,091
C		232,177		298	69,188,842
					103,556,812
External		@	6.87%		7,111,720
Infrastructure		@	3.39%		3,507,899
TOTAL CONSTRUCTION COSTS					117,515,421.49

Professional Fees & Payments

Contingency			5%		5,875,771
Professional Fees			8%		9,401,234
S106	143	@	2,500 per unit		357,500
CIL		@			4,283,899
MCIL2		@			1,732,948
TOTAL PROFESSIONAL FEES & PAYMENTS					21,651,352

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		1,518,000
Commercial letting fees		@	15.00%	ERV	901,010
Commercial Disposal		@	1.50%		1,921,144
Residential Legal Fees		@	£1,000	per unit	221,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					4,561,154

Profit

Private GDV		@	20.00%		15,180,000
Affordable GDV		@	6.00%		1,392,485
Commercial GDV		@	15.00%		18,682,159
					35,254,644

Finance Costs

Finance - Interest		@	8.00%	Interest	14,597,819
TOTAL FINANCE COSTS					14,597,819
TOTAL DEVELOPMENT COSTS					249,380,367

OUTPUT

	Surplus / Deficit	-	29,253,100
	on GDV		-13.29%
	on Cost		-11.73%

2a

16/01/2024

2a

Scenario 3

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
B2/B8	General industrial / Storage & Distribution	159,958	74,886,774	468	
E(g)ii/E(g)iii	Light industrial	14,973	7,009,839	468	
Affordable Workspace	-	19,437	2,424,945	125	
Tenure					
Units					
Market Resi		190	145,237	98,820,000	680
LAR		71	54,239	11,686,000	215
Intermediate		31	23,616	9,189,000	389
Total		292	417,461	204,016,558	489

TOTAL CAPITAL VALUE 204,016,558

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				52,257,000
Stamp Duty	@	4.98%		2,602,350
Agent and Legal Fees	@	1.80%		940,626
TOTAL ACQUISITION FEES				55,799,976

Construction Costs

Demolition	Site Area	333,899	@	5	1,669,495
Decontamination			@	5	1,669,495
	Sq Ft GIA		@	£ PSF	
B2/B8		193,186		130	25,114,202
E(g)ii/E(g)iii		18,083		120	2,170,002
C		297,062		298	88,524,509
					115,808,714
External		@	6.12%		7,091,000
Infrastructure		@	3.07%		3,558,321
TOTAL CONSTRUCTION COSTS					129,797,025.44

Professional Fees & Payments

Contingency			5%		6,489,851
Professional Fees			8%		10,383,762
S106	190	@	2,500 per unit		475,000
CIL		@			5,547,206
MCIL2		@			1,643,705
TOTAL PROFESSIONAL FEES & PAYMENTS					24,539,524

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		1,976,400
Commercial letting fees		@	15.00%	ERV	629,119
Commercial Disposal		@	1.50%		1,264,823
Residential Legal Fees		@	£1,000	per unit	292,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					4,162,342

Profit

Private GDV		@	20.00%		19,764,000
Affordable GDV		@	6.00%		1,543,493
Commercial GDV		@	15.00%		12,284,492
					33,591,985

Finance Costs

Finance - Interest		@	8.00%	Interest	20,691,051
TOTAL FINANCE COSTS					20,691,051
TOTAL DEVELOPMENT COSTS					268,581,905

OUTPUT

	Surplus / Deficit	-	64,565,346
	on GDV		-31.65%
	on Cost		-24.04%

2a

16/01/2024

2b

Scenario 1

Colliers

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
E(g)ii/E(g)iii	Light industrial	42,067	23,633,170	562
Affordable Workspace		-	4,674	744,556
				159
Tenure	Units			
Market Resi		252	195,860	138,700,000
LAR		94	73,022	15,499,000
Intermediate		41	32,227	12,990,000
Total		387	347,850	191,566,726
TOTAL CAPITAL VALUE				191,566,726

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				27,086,000
Stamp Duty		@	4.96%	1,343,800
Agent and Legal Fees		@	1.80%	487,548
TOTAL ACQUISITION FEES				28,917,348

Construction Costs

Demolition	Site Area	181,535	@	5	907,675
Decontamination			@	5	907,675
	Sq Ft GIA		@	£ PSF	
E(g)iii/E(g)iii		50,806		120	6,096,673
C		392,925		294	115,520,069
C		100,000		20	2,000,000
					123,616,742
External		@	0.51%		628,915
Infrastructure		@	2.51%		3,106,117
TOTAL CONSTRUCTION COSTS				129,167,124.30	

Professional Fees & Payments

Contingency			5%		6,458,356
Professional Fees			8%		10,333,370
S106	252	@	2,500	per unit	630,000
CIL		@			7,434,247
MCIL2		@			1,947,438
TOTAL PROFESSIONAL FEES & PAYMENTS				26,803,411	

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		2,774,000
Commercial letting fees		@	15.00%	ERV	199,818
Commercial Disposal		@	1.50%		365,666
Residential Legal Fees		@	£1,000	per unit	387,000
TOTAL AGENCY FEES AND CONTRIBUTIONS				3,726,484	

Profit

Private GDV		@	20.00%		27,740,000
Affordable GDV		@	6.00%		1,798,687
Commercial GDV		@	15.00%		3,544,976
TOTAL PROFIT				33,083,662	

Finance Costs

Finance - Interest		@	8.00%	Interest	36,907,518
TOTAL FINANCE COSTS				36,907,518	

TOTAL DEVELOPMENT COSTS 258,605,548

OUTPUT

		Surplus / Deficit	67,038,821
		on GDV	-35.00%
		on Cost	-25.92%

2b

16/01/2024

2b

Scenario 2

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
B2/B8	General industrial / Storage & Distribution	33,923	17,469,583	515	
E(g)ii/E(g)iii	Light industrial	47,509	22,241,815	468	
Affordable Workspace	-	9,048	1,251,096	138	
Tenure					
Units					
Market Resi		284	212,533	146,600,000	690
LAR		107	79,997	18,380,000	230
Intermediate		46	34,520	13,601,000	394
Total		437	417,530	219,543,494	526

TOTAL CAPITAL VALUE 219,543,494

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				27,086,000
Stamp Duty	@	4.96%		1,343,800
Agent and Legal Fees	@	1.80%		487,548
TOTAL ACQUISITION FEES				28,917,348

Construction Costs

Demolition	Site Area	181,535	@	5	907,675
Decontamination			@	5	907,675
	Sq Ft GIA		@	£ PSF	
B2/B8		39,676		130	5,157,846
E(g)ii/E(g)iii		58,652		120	7,038,299
C		424,733		294	124,871,423
C		101,192		20	2,023,840
Sui generis		3,100		200	620,001
					139,711,408
External	@	2.01%			2,811,970
Infrastructure	@	2.64%			3,683,134
TOTAL CONSTRUCTION COSTS				148,021,861.82	

Professional Fees & Payments

Contingency			5%		7,401,093
Professional Fees			8%		11,841,749
S106	284	@	2,500	per unit	710,000
CIL		@			7,427,438
MCIL2		@			2,446,574
TOTAL PROFESSIONAL FEES & PAYMENTS				29,826,854	

Agency Fees & Contributions

Residential Marketing and Agency	@	2.00%			2,932,000
Commercial letting fees	@	15.00%	ERV		335,760
Commercial Disposal	@	1.50%			614,437
Residential Legal Fees	@	£1,000	per unit		437,000
TOTAL AGENCY FEES AND CONTRIBUTIONS				4,319,197	

Profit

Private GDV	@	20.00%			29,320,000
Affordable GDV	@	6.00%			2,068,991
Commercial GDV	@	15.00%			5,956,710
				37,345,701	

Finance Costs

Finance - Interest	@	8.00%	Interest		26,813,399
TOTAL FINANCE COSTS				26,813,399	

TOTAL DEVELOPMENT COSTS 275,244,362

OUTPUT

			Surplus / Deficit	-	55,700,868
			on GDV		-25.37%
			on Cost		-20.24%

2b

16/01/2024

2b

Scenario 3

Colliers

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
B2/B8	General industrial / Storage & Distribution	35,204	19,045,250	541
E(g)ii/E(g)iii	Light industrial	134,356	65,416,816	487
F	Community	11,044	4,136,240	375
Affordable Workspace	-	20,067	2,751,797	137
<u>Tenure</u>	<u>Units</u>			
Market Resi	149	111,256	78,290,000	704
LAR	57	42,604	9,790,000	230
Intermediate	22	16,555	6,641,000	401
Total	228	371,085	186,071,103	501

TOTAL CAPITAL VALUE 186,071,103

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				27,086,000
Stamp Duty	@	4.96%		1,343,800
Agent and Legal Fees	@	1.80%		487,548
TOTAL ACQUISITION FEES				28,917,348

Construction Costs

Demolition	Site Area	181,535	@	5	907,675
Decontamination			@	5	907,675
	Sq Ft GIA		@	£ PSF	
B2/B8	42,517			130	5,527,263
E(g)ii/E(g)iii	162,266			120	19,471,895
C	229,960			294	67,608,228
E/O Transfer Slab	99,050			20	1,981,000
					97,171,722
External	@	2.97%			2,886,975
Infrastructure	@	3.13%			3,043,202
TOTAL CONSTRUCTION COSTS					104,917,249

Professional Fees & Payments

Contingency			5%		5,245,862
Professional Fees			8%		8,393,380
S106	149	@	2,500	per unit	372,500
CIL		@			4,001,744
MCIL2		@			2,346,383
TOTAL PROFESSIONAL FEES & PAYMENTS					20,359,870

Agency Fees & Contributions

Residential Marketing and Agency	@	2.00%			1,565,800
Commercial letting fees	@	15.00%	ERV		732,996
Commercial Disposal	@	1.50%			1,370,252
Residential Legal Fees	@	£1,000	per unit		228,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					3,897,047

Profit

Private GDV	@	20.00%			15,658,000
Affordable GDV	@	6.00%			1,316,076
Commercial GDV	@	15.00%			13,289,746
					30,263,822

Finance Costs

Finance - Interest	@	8.00%	Interest		15,435,219
TOTAL FINANCE COSTS					15,435,219

TOTAL DEVELOPMENT COSTS 203,790,555

OUTPUT

	Surplus / Deficit	-	17,719,452
	on GDV		-9.52%
	on Cost		-8.69%

2b

16/01/2024

2b

Scenario 4

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
E(g)ii/E(g)iii	Light industrial	58,125	32,654,528	562	
Affordable Workspace		-	6,458	1,028,771	
				159	
Tenure	Units				
Market Resi		452	316,340	235,710,000	
LAR		170	119,286	27,354,000	
Intermediate		73	50,956	21,728,000	
Total		695	551,165	318,475,299	
				TOTAL CAPITAL VALUE	318,475,299

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				27,086,000	
Stamp Duty		@	4.96%	1,343,800	
Agent and Legal Fees		@	1.80%	487,548	
				TOTAL ACQUISITION FEES	28,917,348

Construction Costs

Demolition	Site Area	181,535	@	5	907,675
Decontamination			@	5	907,675
	Sq Ft GIA		@	£ PSF	
E(g)ii/E(g)iii		79,190		120	9,502,801
C		713,205		294	209,682,344
Transfer Slab		165,000		20	3,300,000
Sui generis		-		200	-
					222,485,145
External		@	0.28%		628,915
Infrastructure		@	2.49%		5,546,767
				TOTAL CONSTRUCTION COSTS	230,476,176.84

Professional Fees & Payments

Contingency			5%		11,523,809
Professional Fees			8%		18,438,094
S106	452	@	2,500	per unit	1,130,000
CIL		@			9,240,111
MCIL2		@			4,228,467
				TOTAL PROFESSIONAL FEES & PAYMENTS	44,560,482

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		4,714,200
Commercial letting fees		@	15.00%	ERV	276,094
Commercial Disposal		@	1.50%		505,249
Residential Legal Fees		@	£1,000	per unit	695,000
				TOTAL AGENCY FEES AND CONTRIBUTIONS	6,190,544

Profit

Private GDV		@	20.00%		47,142,000
Affordable GDV		@	6.00%		3,068,373
Commercial GDV		@	15.00%		4,898,179
				TOTAL PROFIT	55,108,552

Finance Costs

Finance - Interest		@	8.00%	Interest	57,014,032
				TOTAL FINANCE COSTS	57,014,032
				TOTAL DEVELOPMENT COSTS	422,267,134

OUTPUT

	Surplus / Deficit	-	103,791,834
	on GDV		-32.59%
	on Cost		-24.58%

2b

16/01/2024

2c

Scenario 1

Colliers

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
E(g)ii/E(g)iii	Light industrial	15,868	7,726,061	487	
E(a) / E(b)	Café / Retail	9,451	3,792,590	401	
F	Community	39,205	14,683,653	375	
Affordable Workspace		-	7,169	851,035	119
Tenure	Units				
Market Resi		231	180,597	120,720,000	668
LAR		88	68,889	14,423,000	209
Intermediate		37	28,869	11,030,000	382
Total		356	350,048	173,226,339	495

TOTAL CAPITAL VALUE 173,226,339

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				41,211,000
Stamp Duty	@	4.97%		2,050,050
Agent and Legal Fees	@	1.80%		741,798
TOTAL ACQUISITION FEES				44,002,848

Construction Costs

Demolition	Site Area	200,576	@	5	1,002,880
Decontamination			@	5	1,002,880
	Sq Ft GIA		@	£ PSF	
E(g)ii/E(g)iii		19,590		120	2,350,836
C		363,540		294	106,880,748
E(a) / E(b)		11,668		140	1,633,529
F		45,854		200	9,170,843
C		79,546		20	1,590,920
Sui generis		7,858		200	1,571,529
External	@		3.44%		123,198,405
Infrastructure	@		2.55%		4,236,050
TOTAL CONSTRUCTION COSTS				132,577,244.25	

Professional Fees & Payments

Contingency			5%		6,628,862
Professional Fees			8%		10,606,180
S106	231	@	2,500	per unit	577,500
CIL		@			7,061,906
MCIL2		@			2,023,527
TOTAL PROFESSIONAL FEES & PAYMENTS				26,897,976	

Agency Fees & Contributions

Residential Marketing and Agency	@	2.00%			2,414,400
Commercial letting fees	@	12.50%	ERV		195,306
Commercial Disposal	@	1.50%			405,800
Residential Legal Fees	@	£1,000	per unit		356,000
TOTAL AGENCY FEES AND CONTRIBUTIONS				3,371,506	

Profit

Private GDV	@	20.00%			24,144,000
Affordable GDV	@	6.00%			1,629,304
Commercial GDV	@	15.00%			3,930,346
				29,703,650	

Finance Costs

Finance - Interest	@	8.00%	Interest		41,580,745
TOTAL FINANCE COSTS				41,580,745	

TOTAL DEVELOPMENT COSTS 278,133,969

OUTPUT

	Surplus / Deficit	104,907,629
	on GDV	-60.56%
	on Cost	-37.72%

2c

16/01/2024

2c

Scenario 2

Colliers

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
E(g)ii/E(g)iii	Light industrial	21,479	11,061,359	515
E(a) / E(b)	Café / Retail	21,239	8,522,832	401
F	Community	14,845	5,559,796	375
Affordable Workspace		-	6,396	849,546
133				
Tenure	Units			
Market Resi		228	177,551	117,760,000
LAR		85	66,295	13,948,000
Intermediate		37	28,933	10,973,000
Total		350	336,737	168,674,533

TOTAL CAPITAL VALUE 168,674,533

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				41,211,000
Stamp Duty	@		4.97%	2,050,050
Agent and Legal Fees	@		1.80%	741,798
TOTAL ACQUISITION FEES				44,002,848

Construction Costs

Demolition	Site Area	200,576	@	5	1,002,880
Decontamination			@	5	1,002,880
	Sq Ft GIA		@	£ PSF	
E(g)ii/E(g)iii		25,941		120	3,112,920
C		337,287		293	98,825,034
E(a) / E(b)		26,221		150	3,933,129
F		17,362		200	3,472,434
C		74,465		20	1,489,300
					110,832,817
External	@		3.98%		4,413,885
Infrastructure	@		2.57%		2,847,698
TOTAL CONSTRUCTION COSTS					120,100,160.38

Professional Fees & Payments

Contingency			5%		6,005,008
Professional Fees			8%		9,608,013
S106	228	@	2,500	per unit	570,000
CIL		@			6,399,189
MCIL2		@			1,804,902
TOTAL PROFESSIONAL FEES & PAYMENTS					24,387,112

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		2,355,200
Commercial letting fees		@	12.50%	ERV	201,181
Commercial Disposal		@	1.50%		389,903
Residential Legal Fees		@	£1,000	per unit	350,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					3,296,284

Profit

Private GDV		@	20.00%		23,552,000
Affordable GDV		@	6.00%		1,597,206
Commercial GDV		@	15.00%		3,771,598
					28,920,804

Finance Costs

Finance - Interest		@	8.00%	Interest	36,707,590
TOTAL FINANCE COSTS					36,707,590

TOTAL DEVELOPMENT COSTS 257,414,797

OUTPUT

	Surplus / Deficit	88,740,264
	on GDV	-52.61%
	on Cost	-34.47%

2c

16/01/2024

2c

Scenario 3

Colliers

Date:

16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
E(a) / E(b)	Café / Retail		66,755	20,834,798
Affordable Workspace		-	7,417	732,467
				99
Tenure	Units			
Market Resi		273	206,000	137,800,000
LAR		104	78,706	16,884,000
Intermediate		42	31,603	12,093,000
Total		419	390,480	188,344,265
TOTAL CAPITAL VALUE				188,344,265

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				41,211,000
Stamp Duty		@	4.97%	2,050,050
Agent and Legal Fees		@	1.80%	741,798
TOTAL ACQUISITION FEES				44,002,848

Construction Costs

Demolition	Site Area	200,576	@	5	1,002,880
Decontamination			@	5	1,002,880
	Sq Ft GIA		@	£ PSF	
C		408,264		293	119,621,341
E(a) / E(b)		80,622		150	12,093,242
C		65,284		20	1,305,680
Sui generis		57,533		200	11,506,609
					144,526,872
External		@	3.28%		4,735,255
Infrastructure		@	2.96%		4,281,918
TOTAL CONSTRUCTION COSTS				155,549,805	

Professional Fees & Payments

Contingency			5%		7,777,490
Professional Fees			8%		12,443,984
S106	273	@	2,500	per unit	682,500
CIL		@			7,566,294
MCIL2		@			2,449,390
TOTAL PROFESSIONAL FEES & PAYMENTS				30,919,659	

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		2,756,000
Commercial letting fees		@	12.50%	ERV	176,158
Commercial Disposal		@	1.50%		323,509
Residential Legal Fees		@	£1,000	per unit	419,000
TOTAL AGENCY FEES AND CONTRIBUTIONS				3,674,667	

Profit

Private GDV		@	20.00%		27,560,000
Affordable GDV		@	6.00%		1,826,516
Commercial GDV		@	15.00%		3,125,220
TOTAL PROFIT				32,511,736	

Finance Costs

Finance - Interest		@	8.00%	Interest	47,180,625
TOTAL FINANCE COSTS				47,180,625	
TOTAL DEVELOPMENT COSTS				313,839,340	

OUTPUT

	Surplus / Deficit	-	125,495,075
	on GDV		-66.63%
	on Cost		-39.99%

2c

16/01/2024

2c

Scenario 4

Colliers

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
E(g)ii/E(g)iii	Light industrial	48,438	27,212,107	562
E(a) / E(b)	Café / Retail	3,488	1,399,480	401
Affordable Workspace		-	5,769	910,824
158				
Tenure	Units			
Market Resi		297	225,525	158,060,000
LAR		112	84,992	18,373,000
Intermediate		47	35,467	14,247,000
Total		456	403,679	220,202,410
TOTAL CAPITAL VALUE				220,202,410

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				41,211,000
Stamp Duty	@	4.97%		2,050,050
Agent and Legal Fees	@	1.80%		741,798
TOTAL ACQUISITION FEES				44,002,848

Construction Costs

Demolition	Site Area	200,576	@	5	1,002,880
Decontamination			@	5	1,002,880
	Sq Ft GIA		@	£ PSF	
E(g)ii/E(g)iii		70,159		120	8,419,092
C		497,432		293	145,747,608
E(a) / E(b)		4,306		150	645,834
F		-		200	-
C		50,000		20	1,000,000
					155,812,534
External	@	2.83%			4,413,885
Infrastructure	@	2.57%			4,003,277
TOTAL CONSTRUCTION COSTS				166,235,456.86	

Professional Fees & Payments

Contingency			5%		8,311,773
Professional Fees			8%		13,298,837
S106	297	@	2,500	per unit	742,500
CIL		@			9,383,111
MCIL2		@			2,313,575
TOTAL PROFESSIONAL FEES & PAYMENTS				34,049,796	

Agency Fees & Contributions

Residential Marketing and Agency	@	2.00%			3,161,200
Commercial letting fees	@	12.50%	ERV		205,537
Commercial Disposal	@	1.50%			442,836
Residential Legal Fees	@	£1,000	per unit		456,000
TOTAL AGENCY FEES AND CONTRIBUTIONS				4,265,573	

Profit

Private GDV	@	20.00%			31,612,000
Affordable GDV	@	6.00%			2,066,499
Commercial GDV	@	15.00%			4,291,738
				37,970,237	

Finance Costs

Finance - Interest	@	8.00%	Interest		46,310,453
TOTAL FINANCE COSTS				46,310,453	

TOTAL DEVELOPMENT COSTS 332,834,363

OUTPUT

			Surplus / Deficit	-	112,631,953
			on GDV		-51.15%
			on Cost		-33.84%

2c

16/01/2024

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
E(a) / E(b)	Café / Retail	63,272	16,926,708	268	
Affordable Workspace		7,030	647,255	92	
Tenure					
	Units				
Market Resi		401	313,811	219,630,000	700
LAR		152	118,920	24,960,000	210
Intermediate		64	50,031	20,019,000	400
Total		617	553,063	282,182,963	510
				TOTAL CAPITAL VALUE	282,182,963

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				40,237,000	
Stamp Duty		@	4.97%	2,001,350	
Agent and Legal Fees		@	1.80%	724,266	
				TOTAL ACQUISITION FEES	42,962,616

Construction Costs

Demolition	Site Area	305,439	@	5	1,527,195
Decontamination			@	5	1,527,195
	Sq Ft GIA		@	£ PSF	
C		632,218		295	186,504,212
E(a) / E(b)		78,114		140	10,935,907
		164,937		20	3,298,740
Sui generis		-		243	-
					200,738,859
External		@	2.45%		4,917,570
Infrastructure		@	2.48%		4,972,319
				TOTAL CONSTRUCTION COSTS	213,683,137.76

Professional Fees & Payments

Contingency				5%	10,684,157
Professional Fees				8%	17,094,651
S106	401	@	2,500	per unit	1,002,500
CIL		@			11,805,060
MCIL2		@			3,527,949
				TOTAL PROFESSIONAL FEES & PAYMENTS	44,114,316

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		4,392,600
Commercial letting fees		@	15.00%	ERV	200,361
Commercial Disposal		@	1.50%		263,609
Residential Legal Fees		@	£1,000	per unit	617,000
				TOTAL AGENCY FEES AND CONTRIBUTIONS	5,473,571

Profit

Private GDV		@	20.00%		43,926,000
Affordable GDV		@	6.00%		2,776,411
Commercial GDV		@	15.00%		2,539,006
				TOTAL PROFIT	49,241,417

Finance Costs

Finance - Interest		@	8.00%	Interest	41,486,939
				TOTAL FINANCE COSTS	41,486,939
				TOTAL DEVELOPMENT COSTS	396,961,997

OUTPUT

	Surplus / Deficit	-	114,779,034
	on GDV		-40.68%
	on Cost		-28.91%

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
E(a) / E(b)	Café / Retail	61,023	16,324,932	268	
F	Community	7,731	2,895,368	375	
Affordable Workspace		-	7,639	715,462	94
Tenure		Units			
Market Resi		532	455,894	310,510,000	681
LAR		200	171,307	33,225,000	194
Intermediate		87	74,766	29,071,000	389
Total		819	778,360	392,741,761	505

TOTAL CAPITAL VALUE 392,741,761

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				40,237,000
Stamp Duty	@	4.97%		2,001,350
Agent and Legal Fees	@	1.80%		724,266
TOTAL ACQUISITION FEES				42,962,616

Construction Costs

Demolition	Site Area	305,439	@	5	1,527,195
Decontamination			@	5	1,527,195
	Sq Ft GIA		@	£ PSF	
F		9,042		175	1,582,293
C		829,089		298	247,068,640
E(a) / E(b)		75,337		146	10,999,134
E/O Transfer Slab		150,000		20	3,000,000
					262,650,068
External	@		1.03%		2,700,845
Infrastructure	@		2.43%		6,394,273
					274,799,576.29

Professional Fees & Payments

Contingency			5%		13,739,979
Professional Fees			8%		21,983,966
S106	532	@	2,500	per unit	1,330,000
CIL		@			16,918,144
MCIL2		@			4,092,397
TOTAL PROFESSIONAL FEES & PAYMENTS					58,064,486

Agency Fees & Contributions

Residential Marketing and Agency	@	2.00%			6,210,200
Commercial letting fees	@	15.00%	ERV		217,719
Commercial Disposal	@	1.50%			299,036
Residential Legal Fees	@	£1,000	per unit		819,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					7,545,955

Profit

Private GDV	@	20.00%			62,102,000
Affordable GDV	@	6.00%			3,823,615
Commercial GDV	@	15.00%			2,883,045
					68,808,660

Finance Costs

Finance - Interest	@	8.00%	Interest		43,360,509
TOTAL FINANCE COSTS					43,360,509

TOTAL DEVELOPMENT COSTS 495,541,803

OUTPUT

		Surplus / Deficit	102,800,041
		on GDV	-26.17%
		on Cost	-20.74%

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft
E(a) / E(b)	Café / Retail	16,880	6,773,482	401
E(c)	Office/Services	8,696	4,652,493	535
F	Community	4,712	1,764,796	375
Affordable Workspace		-	3,365	492,514
				146
Tenure				
	Units			
Market Resi		245	172,298	116,950,000
LAR		93	65,337	14,958,000
Intermediate		38	26,953	10,412,000
Total		376	298,240	156,003,284

TOTAL CAPITAL VALUE 156,003,284

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value				16,904,000
Stamp Duty	@		4.94%	834,700
Agent and Legal Fees	@		1.80%	304,272
TOTAL ACQUISITION FEES				18,042,972

Construction Costs

Demolition	Site Area	199,952	@	5	999,760
Decontamination			@	5	1,527,195
	Sq Ft GIA		£ PSF		
C		367,792		295	108,498,551
E(a) / E(b)		20,839		140	2,917,447
E(c)		11,367		264	3,000,803
F		5,511		140	771,556
					115,188,358
External	@		2.60%		2,992,430
Infrastructure	@		2.06%		2,374,589
TOTAL CONSTRUCTION COSTS				123,082,332	

Professional Fees & Payments

Contingency			5%		6,154,117
Professional Fees			8%		9,846,587
S106	245	@	2,500 per unit		612,500
CIL		@			7,119,822
MCIL2		@			1,662,463
TOTAL PROFESSIONAL FEES & PAYMENTS				25,395,488	

Agency Fees & Contributions

Residential Marketing and Agency	@		2.00%		2,339,000
Commercial letting fees	@		15.00%	ERV	150,171
Commercial Disposal	@		1.50%		205,249
Residential Legal Fees	@		£1,000	per unit	376,000
TOTAL AGENCY FEES AND CONTRIBUTIONS				3,070,420	

Profit

Private GDV	@		20.00%		23,390,000
Affordable GDV	@		6.00%		1,581,302
Commercial GDV	@		15.00%		1,978,616
				26,949,917	

Finance Costs

Finance - Interest	@		8.00%	Interest	21,206,105
TOTAL FINANCE COSTS				21,206,105	

TOTAL DEVELOPMENT COSTS 217,747,234

OUTPUT

	Surplus / Deficit	61,743,950
	on GDV	-39.58%
	on Cost	-28.36%

3 16/01/2024

Date: 16/01/2024

CAPITAL VALUE

Type	Description	Sq Ft NIA	NDV	£ Sq Ft	
E(g)ii/E(g)iii	Light industrial	27,609	15,510,901	562	
E(a) / E(b)	Café / Retail	67,262	17,994,200	268	
Affordable Workspace		-	1,176,741	112	
Tenure					
Units					
Market Resi		741	514,450	373,660,000	726
LAR		279	193,675	44,811,000	231
Intermediate		119	82,365	34,221,000	415
Total		1,139	895,903	487,373,842	544

TOTAL CAPITAL VALUE 487,373,842

DEVELOPMENT COSTS

Site Acquisition Costs

Land Value					40,237,000
Stamp Duty		@	4.97%		2,001,350
Agent and Legal Fees		@	1.80%		724,266
TOTAL ACQUISITION FEES					42,962,616

Construction Costs

Demolition	Site Area	305,439	@	5	1,527,195
Decontamination			@	5	1,527,195
	Sq Ft GIA		@	£ PSF	
C		1,188,152		295	350,504,714
E(a) / E(b)		93,420		140	13,078,784
E(g)ii/E(g)iii		-		264	-
		200,000		20	4,000,000
Sui generis		-		243	-
					372,633,920
External		@	1.32%		4,917,570
Infrastructure		@	2.49%		9,265,608
TOTAL CONSTRUCTION COSTS					389,871,488.63

Professional Fees & Payments

Contingency			5%		19,493,574
Professional Fees			8%		31,189,719
S106	741	@	2,500	per unit	1,852,500
CIL		@			22,769,489
MCIL2		@			6,223,119
TOTAL PROFESSIONAL FEES & PAYMENTS					81,528,401

Agency Fees & Contributions

Residential Marketing and Agency		@	2.00%		7,473,200
Commercial letting fees		@	15.00%	ERV	344,142
Commercial Disposal		@	1.50%		520,228
Residential Legal Fees		@	£1,000	per unit	1,139,000
TOTAL AGENCY FEES AND CONTRIBUTIONS					9,476,570

Profit

Private GDV		@	20.00%		74,732,000
Affordable GDV		@	6.00%		4,883,129
Commercial GDV		@	15.00%		5,025,765
					84,640,894

Finance Costs

Finance - Interest		@	8.00%	Interest	64,186,075
TOTAL FINANCE COSTS					64,186,075

TOTAL DEVELOPMENT COSTS 672,666,044

OUTPUT

	Surplus / Deficit	-	185,292,202
	on GDV		-38.02%
	on Cost		-27.55%



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We maximize the potential of property and real assets to accelerate the success of our clients, our investors and our people.

Our expert advice to property occupiers, owners and investors leads the industry into the future. We invest in relationships to create enduring value. What sets us apart is not what we do, but how we do it. Our people are passionate, take personal responsibility and always do what's right for our clients, people and communities. We attract and develop industry leaders, empowering them to think and act differently to drive exceptional results. What's more, our global reach maximizes the potential of property, wherever our clients do business.

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