



## Neasden Stations Growth Area - Draft Design Options: Financial Viability Assessment



Prepared for  
London Borough of Brent

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## Contents

1	Introduction	3
2	Description of the proposals	5
3	Methodology	13
4	Appraisal inputs	14
5	Appraisal outputs	22
6	High-level commercial analysis	26
7	Conclusions	35

## Appendices

Appendix 1 - Development options
Appendix 2 - BCIS costs
Appendix 3 - Development appraisals – Option 1
Appendix 4 - Development appraisals – Option 2a
Appendix 5 - Development appraisals – Option 2b
Appendix 6 - Development appraisals – Option 3
Appendix 7 - Development appraisals – Option 4
Appendix 8 - Development appraisals – Option 5a
Appendix 9 - Development appraisals – Option 5b
Appendix 10 - Development appraisals – Option 6
Appendix 11 - Development appraisal – Option 7

Anthony Lee MRTPI MRICS  
Senior Director - UK Development Consultancy  
BNP Paribas Real Estate  
5 Aldermanbury Square  
London EC2V 7BP

020 7338 4061  
anthony.lee@bnpparibas.com  
realestate.bnpparibas.co.uk

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# 1 Introduction

The London Borough of Brent ('the Council') has commissioned BNP Paribas Real Estate to test the financial viability of draft design options for development of six sites adjacent to Neasden Station in the London Borough of Brent. The six sites are located within the recently designated Neasden Station Growth Area.

The Council's Regeneration Master Planner has worked up options for mixed-use regeneration schemes for each site. This report tests the financial viability of these proposals, having regards to achievable sales values/investment values; build costs; and the existing use values of the sites.

## 1.1 BNP Paribas Real Estate

BNP Paribas Real Estate is a leading firm of chartered surveyors, town planning and international property consultants. The practice offers an integrated service from nine offices in eight cities within the United Kingdom and 150 offices, across 30 countries in Europe, Middle East, India and the US, including 15 wholly owned and 15 alliances.

BNP Paribas Real Estate has a wide ranging client base, acting for international companies and individuals, banks and financial institutions, private companies, public sector corporations, government departments, local authorities and registered providers ('RPs').

The full range of property services includes:

- Planning and development consultancy;
- Affordable housing consultancy;
- Valuation and real estate appraisal;
- Property investment;
- Agency and Brokerage;
- Property management;
- Building and project consultancy; and
- Corporate real estate consultancy.

This report has been prepared by Anthony Lee MRICS MRTPI, RICS Registered Valuer.

The Development Viability Consultancy of BNP Paribas Real Estate advises landowners, developers, local authorities and RPs on a range of viability issues in planning.

In 2007 we were appointed by the GLA to review its Development Control Toolkit Model (commonly referred to as the 'Three Dragons' model). This review included testing the validity of the Three Dragons' approach to appraising the value of residential and mixed use developments; reviewing the variables used in the model; and advising on areas that required amendment in the re-worked toolkit. We were appointed again in 2012 by the GLA to review the Three Dragons model and our recommendations were carried forward to the 2014 version of the Toolkit.

Anthony Lee was a member of the working group which drafted guidance for planning authorities on viability, which was published by the Local Housing Delivery Group in June 2012 as 'Viability Testing Local Plans: Advice to Planning Practitioners'. In 2019, he was a member of the MHCLG 'Developer Contributions Expert Panel' which assisted the department with drafting the new Planning Practice Guidance on viability. He has recently joined the Mayor of London's Housing Delivery Taskforce.

In addition, we were retained by Homes England to advise on better management of procurement of affordable housing through planning obligations.

The firm has extensive experience of advising landowners, developers, local authorities and RPs on the value of affordable housing and economically and socially sustainable residential developments.

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## **1.2 Report structure**

This report is structured as follows:

- Section two provides a brief description of the development options and the planning background;
- Section three describes the methodology that has been adopted;
- Section four reviews the assumptions we have adopted for our appraisals;
- Section five sets out the results of the appraisals and sensitivity analyses;
- Finally, in Section six, we draw conclusions from the analysis.

## **1.3 The status of our advice**

This report is not a valuation and should not be relied upon as such. Furthermore, in accordance with PS1 (5.2) of the RICS Valuation – Professional Standards – Global Standards 2017 (the 'Red Book'), the provision of VPS1 to VPS5 are not of mandatory application and accordingly this report should not be relied upon as a Red Book valuation.

The report is addressed to the London Borough of Brent only and should not be reproduced without our consent.

## 2 Description of the proposals

### 2.1 Location of the employment sites

The six employment sites cover an aggregate area extending to 11.72 hectares located in the Neasden area of the London Borough of Brent. The six sites are summarised in Table 2.1.1 and identified on the plan at Figure 2.1.2 (overleaf). A location plan is provided as Figure 2.1.3.

**Table 2.1.1: Growth area sites**

Site no	Description	Site area (ha)	Planning designation
1	McGovern's Yard	1.75	SIL
2	O'Hara	0.74	LSIS
3	College of North West London and adjacent LBB Housing Estate	5.8	-
4	Falcon Industrial Estate sites	2.54	-
5	Dephna House	0.68	-
6	Neasden Lane Service Station site	0.21	-
	Total area	11.72	

Sites 1 and 2 occupy a triangular shaped land area bounded on all three sides by railway lines and divided in two by an access road running north to south. Neasden Station is located immediately adjacent the Site's northern boundary.

Site 3 is roughly rectangular in shape and accommodates a College of North West London campus on the eastern portion and a LBB housing estate to the west. This estate comprises semi-detached and terraced houses, some of which remain within the Council's ownership, but 18 freehold titles have been acquired by secure tenants under the Right to Buy at various points since the Housing Act 1980 came into force.

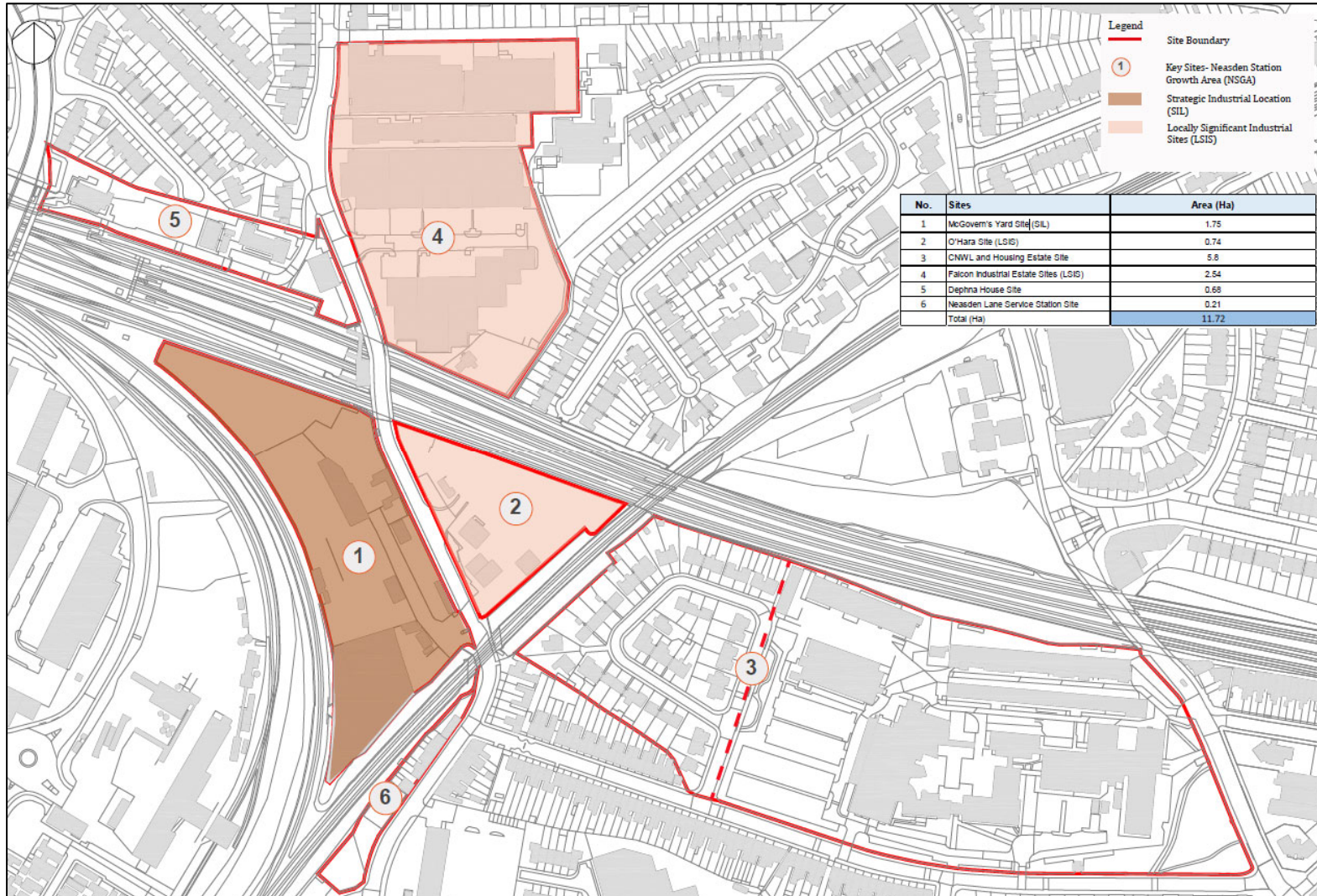
Site 4 is located the north of the Jubilee Line and to the east of Neasden Lane. The site is divided into three land ownerships; Falcon Industrial Estate which provides 11 modern industrial units; Electric House to the north of Falcon Industrial Estate; and warehouses at 60 Neasden Lane to the north of Electric House. 60 Neasden Lane has been acquired by London Square/Clarion and planning permission has been granted (reference 17/2477) for a mixed use scheme incorporating 2,131 square metres of commercial floorspace and 121 residential units. Although planning permission was granted for a mixed tenure scheme, it will now be delivered as a 100% affordable housing development.

Site 5 is a narrow land parcel to the north of the Jubilee Line to the west of Neasden Lane, accessed via Neasden Close. The site is part of a wider site owned by London Underground Limited accommodating the Neasden Train Depot.

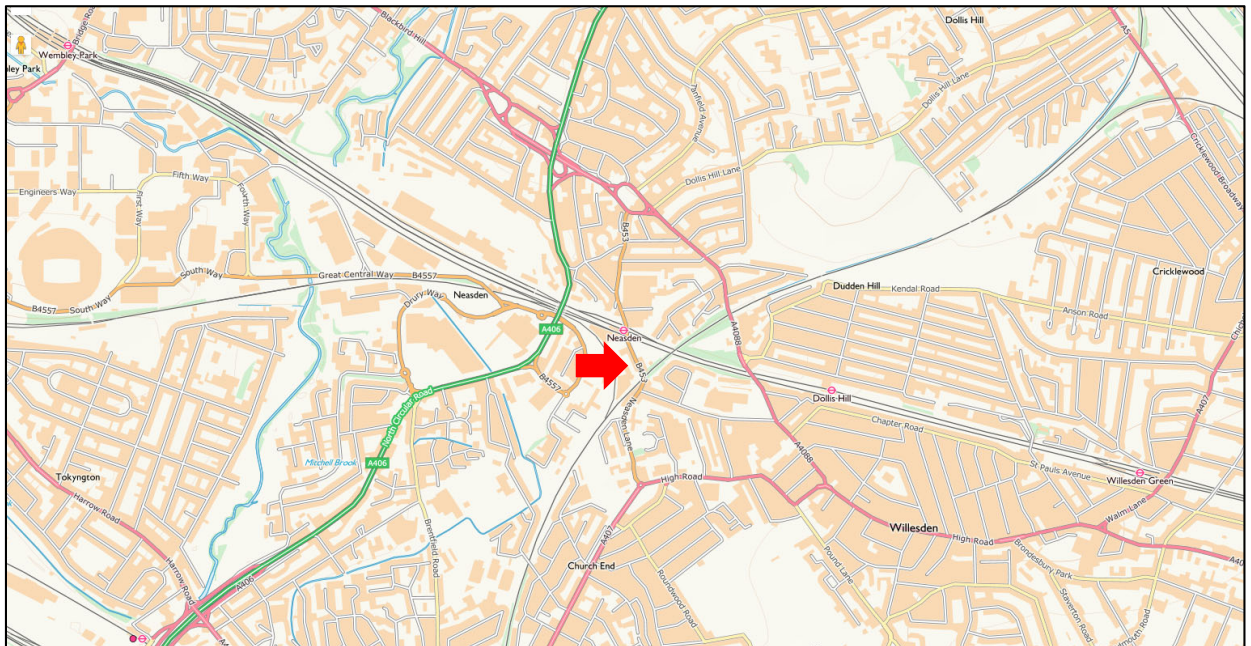
Site 6 is a narrow land parcel between railway lines and Neasden Lane Sites which accommodates a service station and a row of terraced houses.

Table 2.1.4 summarises our understanding of current ownership of the sites.

**Figure 2.1.2: Growth Area Sites**



**Figure 2.1.3: Location plan**



**Table 2.1.4: Land ownership**

Site no	Description	Freehold owner(s)	Leaseholder(s)
1	McGovern's Yard	McGovern Brothers (Haulage) Limited	-
2	O'Hara	O'Hara Property Investments Holdings Company Limited	X-Bert Haulage Limited
3	College of North West London and adjacent LBB Housing Estate	Mayor and Burgess of London Borough of Brent and various private individuals	
4	Falcon Industrial Estate sites	Universities Superannuation Scheme Limited	
	Electric House, 58 Neasden Lane	Skyelady Neasden Limited	-
	60 Neasden Lane	London Square Developments Limited	-
5	Dephna House		
6	Neasden Lane Service Station site	Various individuals and companies	-

The wider area is well served by public transport and London's strategic road network, including the North Circular Road (A406) providing links to the M1 and M11. The area's proximity to these strategic networks make it attractive to a variety of industries. However, intensification of the sites provides an opportunity to provide additional space for businesses to relocate to the area and for the area to contribute towards meeting the borough's housing requirements.

Sites 1, 2 and 4 (McGovern's; O'Hara Site and Falcon Industrial Estate) collectively provide circa 25,000 square metres of industrial floorspace, accommodating a range of businesses. The other sites accommodate an education campus used by College of North West London; an existing LBB housing estate; Dephna House; and Neasden Lane Service Station.

## 2.2 Planning

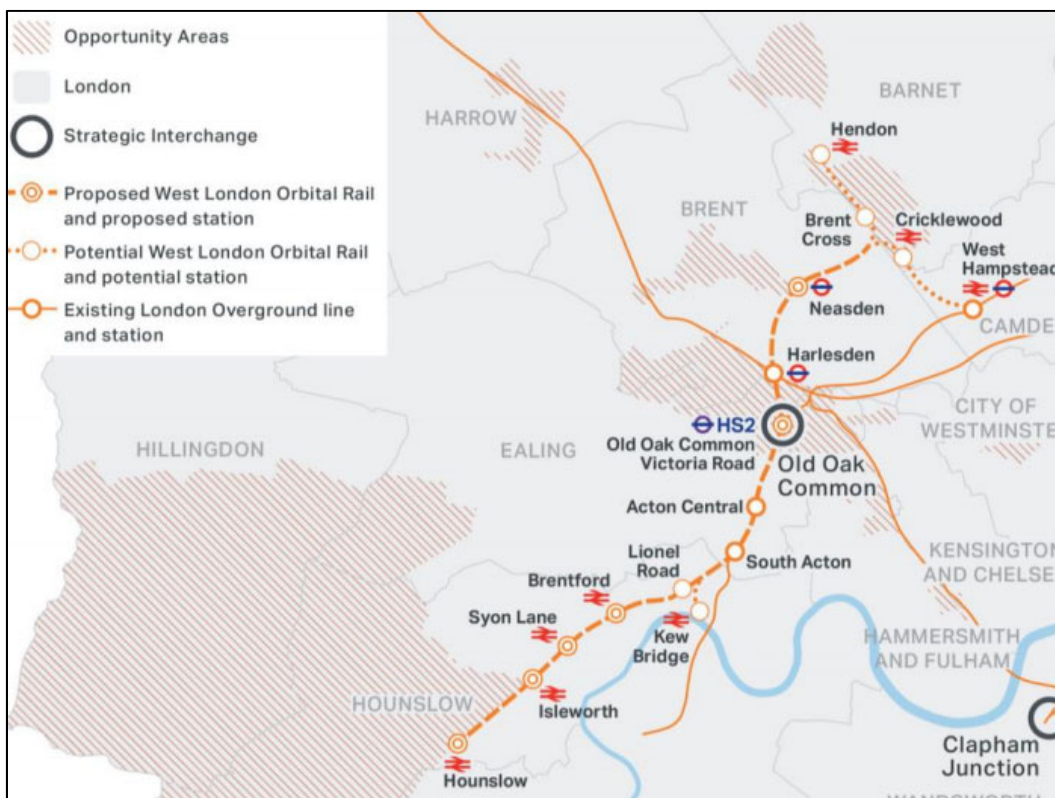
Neasden Stations Growth Area is one of eight growth areas proposed in Brent's new Local Plan. The Plan promotes mixed-use regeneration in Neasden which be a focus for new housing and employment provided in tall buildings and a new West London Orbital ('WLO') railway station. The Plan is seeking to improve the public realm and townscape, particularly along and around the North Circular Road and Neasden Junction.

Site 1 (McGovern's Yard) is designated as Strategic Industrial Land and sites 2 and 4 are designated as Locally Significant Industrial Sites.

## 2.3 West London Orbital Railway

The WLO is a project under consideration by TfL which would use under-utilised rail lines to extend the London Overground Network. The line would provide services between Hounslow and Kew Bridge towards Hendon and West Hampstead (see indicative route map at Figure 2.3.1).

Figure 2.3.1: WLO proposed route map



## 2.4 Description of the redevelopment options tested

The Council has identified a range of options for each of the sites within the Growth Area reflecting two distinct scenarios; the first is that the WLO does not proceed and the second is that WLO proceeds.

The proposals for each of the six sites are summarised in tables 2.4.1 to 2.4.7.



**Table 2.4.1: McGovern’s Yard – summary of development options**

Design option	Site area Ha	Existing floorspace sqm	Existing FAR	New industrial floorspace sqm	New commercial floorspace sqm	New FAR	Residential units
1 (w/o WLO)	1.75	10,686	0.61	10,750	-	0.61	208
2a (w/o WLO)	1.75	10,686	0.61	10,700	-	0.61	475
2b (w/o WLO)	1.75	10,686	0.61	10,700	-	-	475
3 (w/o WLO)	1.75	10,686	0.61	10,700	950	0.61	520
4 (with WLO)	1.75	10,686	0.61	10,750	-	0.61	270
5a (with WLO)	1.75	10,686	0.61	10,700	750	0.63	530
5b (with WLO)	1.75	10,686	0.61	6,200	4,500	-	530
6 (with WLO)	1.75	10,686	0.61	10,700	950	0.50	650

**Table 2.4.2: O’Hara Site – summary of development options**

Design option	Site area Ha	Existing floorspace sqm	Existing FAR	New industrial floorspace sqm	New commercial floorspace sqm	New FAR	Residential units
1 (w/o WLO)	0.74	806	0.10	1,300	1,075	0.16	275
2a (w/o WLO)	0.74	806	0.10	850	1,300	0.11	275
2b (w/o WLO)	0.74	806	0.10	850	1,300	0.13	275
3 (w/o WLO)	0.74	806	0.10	1,000	100	0.13	312
4 (with WLO)	0.74	806	0.10	820	1,200	0.16	225
5a (with WLO)	0.74	806	0.10	810	300	0.11	325
5b (with WLO)	0.74	806	0.10	850	1,300	0.13	325
6 (with WLO)	0.74	806	0.10	1,000	300	0.13	350

**Table 2.4.3: Falcon Industrial Estate – summary of development options**

Design option	Site area Ha	Existing floorspace sqm	Existing FAR	New industrial floorspace sqm	New commercial floorspace sqm	New FAR	Residential units
1 (w/o WLO)	1.61	13,900	0.86	14,798	-	0.91	121
2a (w/o WLO)	1.61	13,900	0.86	14,798	-	0.91	209
2b (w/o WLO)	1.61	13,900	0.86	14,798	-	0.91	209
3 (w/o WLO)	1.61	13,900	0.86	14,000	-	0.86	341
4 (with WLO)	1.61	13,900	0.85	14,798	-	0.91	409
5a (with WLO)	1.61	13,900	0.85	14,798	-	0.85	332
5b (with WLO)	1.61	13,900	0.85	14,798	-	-	332
6 (with WLO)	1.61	13,900	0.85	14,000	-	0.92	341

**Table 2.4.4: College of North West London site – summary of development options**

Design option	Site area Ha	Existing floorspace sqm	Existing FAR	New industrial floorspace sqm	New commercial floorspace sqm	New education floorspace	Residential units
1 (w/o WLO)	4.29	-	-	-	-	-	1,050
2a (w/o WLO)	4.29	-	-	-	-	-	1,050
2b (w/o WLO)	4.29	-	-	-	1,000	-	1,050
3 (w/o WLO)	4.29	-	-	-	550	-	1,100
4 (with WLO)	4.29	-	-	-	-	-	1,100
5a (with WLO)	4.29	-	-	-	-	-	1,200
5b (with WLO)	4.29	-	-	-	-	-	1,200
6 (with WLO)	4.29	-	-	-	550	-	1,250
7 (with WLO)	4.29	-	-	-	550	24,820	795

**Table 2.4.5: Housing estate adjacent to College of North West London – summary of development options**

Design option	Site area Ha	Existing floorspace sqm	Existing FAR	New industrial floorspace sqm	New commercial floorspace sqm	New FAR	Residential units
1 (w/o WLO)	1.55	-	-	-	-	-	-
2a (w/o WLO)	1.55	-	-	-	-	-	-
2b (w/o WLO)	1.55	-	-	-	-	-	-
3 (w/o WLO)	1.55	-	-	-	-	-	-
4 (with WLO)	1.55	-	-	-	-	-	-
5a (with WLO)	1.55	-	-	-	-	-	-
5b (with WLO)	1.55	-	-	-	-	-	-
6 (with WLO)	1.55	-	-	-	-	-	359

**Table 2.4.6: Dephna House site – summary of development options**

Design option	Site area Ha	Existing floorspace sqm	Existing FAR	New industrial floorspace sqm	New commercial floorspace sqm	New FAR	Residential units
1 (w/o WLO)	0.68	-	-	460	-	-	65
2a (w/o WLO)	0.68	-	-	460	-	-	65
2b (w/o WLO)	0.68	-	-	860	-	-	65
3 (w/o WLO)	0.68	-	-	460	-	-	65
4 (with WLO)	0.68	-	-	460	-	-	65
5a (with WLO)	0.68	-	-	460	-	-	65
5b (with WLO)	0.68	-	-	460	-	-	65
6 (with WLO)	0.68	-	-	460	-	-	65

**Table 2.4.7: Neasden Lane Service Station Site– summary of development options**

Design option	Site area Ha	Existing floorspace sqm	Existing FAR	New industrial floorspace sqm	New commercial floorspace sqm	New FAR	Residential units
1 (w/o WLO)	0.21	-	-	460	-	-	65
2a (w/o WLO)	0.21	-	-	460	-	-	65
2b (w/o WLO)	0.21	-	-	860	-	-	65
3 (w/o WLO)	0.21	-	-	460	-	-	65
4 (with WLO)	0.21	-	-	460	-	-	65
5a (with WLO)	0.21	-	-	460	-	-	65
5b (with WLO)	0.21	-	-	460	-	-	65
6 (with WLO)	0.21	-	-	460	-	-	65

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## 3 Methodology

We have appraised the redevelopment options using Argus Developer ('Argus'). Argus is a cashflow-backed appraisal model in widespread use by valuers and developers for appraising development proposals for various purposes, including secured lending and financial viability assessments. The Argus cash-flow approach allows the finance charges to be accurately calculated over the development period. The difference between the total development value and total costs equates to either the profit (if the land cost has already been established) or the residual value. The model is normally set up to run over a development period from the date of the commencement of the project and is allowed to run until the project completion, when the development has been constructed and is occupied.

Essentially, such models all work on a similar basis:

- Firstly, the value of the completed development is assessed.
- Secondly, the development costs are calculated, using either the profit margin required or land costs (if, indeed, the land has already been purchased).

The difference between the total development value and total costs equates to either the profit (if the land cost has already been established) or the residual value. We have set up our appraisals so that the output is the residual land value.

The Planning Practice Guidance indicates that the Residual Land Value ('RLV') generated by an appraisal should be compared to a benchmark value, typically the Existing Use Value ('EUUV') plus a site-specific premium. In some circumstances, the benchmark land value can be informed by an Alternative Use Value (AUV), but any such schemes must be fully compliant with local plan policies and be commercially realistic. Development convention dictates that where a development proposal generates a RLV that is higher than EUV (or other relevant benchmark), it can be assessed as financially viable and likely to proceed. If the RLV generated by a development is lower than the benchmark, clearly a landowner would sell the site for existing use; or delay development until the RLV improves.

For proposals over a number sites which will deliver significant regenerative effects it is vital to undertake sensitivity analyses to test the impact of changes to key appraisal inputs, particularly residential sales values; capital values for the commercial floorspace; and construction costs. We have included sensitivity analyses in Section 5 of our report.

## 4 Appraisal inputs

In this section, we outline the assumptions we have adopted for the purposes of running our appraisals of the redevelopment options.

### 4.1 Gross Development Value ('GDV')

#### 4.1.1 Industrial floorspace

As noted in Section 2, the proposals will increase the quantum of industrial floorspace by varying amounts, with the extent of any increase varying between the six options. We have reviewed lettings of industrial and light industrial floorspace in the area to establish the capital value of the completed floorspace, as summarised in Table 4.1.1.1.

**Table 4.1.1.1: Industrial lettings**

Sign Date	Address	Floor	Total SF Leased	Rent psf	Term (years)	Rent free (months)
08/01/2020	Waxlow Rd	G	8,760	17.30	15	2
08/10/2019	Waxlow Rd	G	2,679	22.00	10	
01/10/2019	Steele Rd	G	784	18.49		
26/09/2019	Cobbold Rd	G,1	2,400	14.16		
19/07/2019	Dalmeyer Rd	G,M	1,920	13.54	10	
01/07/2019	North End Rd	G	1,148	20.03	5	
01/07/2019	High Rd	G,1	6,627	17.00		
24/06/2019	161 Acton Ln	G	2,895	16.96	10	
29/04/2019	Neasden Ln	G,1	25,574	15.08	10	7
02/01/2019	3 Enterprise Way	G	999	22.00		
13/11/2018	Brentfield Rd	G	1,724	30.00		
13/11/2018	Oxgate Ln	1	1,889	16.27	1	
13/11/2018	Oxgate Ln	1	991	15.13	1	
13/11/2018	Oxgate Ln	G	2,447	15.00		
23/10/2018	400 North Circular Rd	G	2,797	14.50		

The sites are well located with ready access to the North Circular Road. The lettings in a 1.5 mile radius from the area indicate a range of £13.50 to £22.00 per square foot (£145 to £237 per square metre). We have adopted a starting rent of £13.95 per square foot (£150 per square metre) increasing up to £18.58 per square foot (£200 per square metre).

Rent free periods ranged from 2 months to 7 months. We have adopted a cautious assumption of 6 months in our appraisals.

Knight Frank's March 2020 yield guide indicates that prime distribution and warehousing floorspace trades at an investment yield of 4% to 4.25%. We have applied a yield of 4.75% in our appraisals, which is a cautious assumption.

#### 4.1.2 Affordable workspace

The Council's draft New Local Plan policy BE1 requires that in growth areas "10% of new employment floorspace within major developments exceeding 3000 sqm is to be managed affordable workspace". At the time of drafting this report, the Local Plan is still in the process of being examined and policy BE1 may be subject to change following examination.

For the purposes of our appraisal, the Council has indicated that rents for affordable workspace should be let at 50% of market rent. This would result in a rent of £6.97 per square foot (£75 per square metre). We have applied a blended value for the industrial floorspace to reflect the provision of 90% of the space at market rents (£150 per square metre) and the remaining 10% at a discounted rent (£75 per square metre). This results in a value of £143 per square metre. Where we have increased the market rent to £200 per square metre, the blended value is £190 per square metre.

**Table 4.1.2.1: Industrial rents applied in appraisals**

Market rent (per square metre)	Discounted rent (per square metre)	Blended rent, assuming 10% of floorspace is provided as affordable
£150	£75	£143
£200	£100	£190

#### 4.1.3 Commercial floorspace revenue

The development options include varying quanta of commercial floorspace. We have reviewed lettings of office and retail floorspace in the area to establish the capital value of the completed floorspace, as summarised in Table 4.1.3.1. There have been no recent office lettings in the area in the past three years. We have therefore assumed that the space is used as a mix of retail and B1(c) floorspace at a blended rent of £18.58 per foot (£200 per square metre).

**Table 4.1.3.1: Retail lettings**

Sign date	Address	Floor	Total SF leased	Rent psf	Term (years)
10/02/2020	86 Craven Park Rd	G	735	19.84	
16/10/2019	Geron Way	G	2,163	20.00	
13/09/2019	Geron Way	G	2,013	19.67	
01/08/2019	787-789 Harrow Rd	G	1,432	17.46	
03/06/2019	245 High Rd	G	650	24.62	
15/04/2019	Hardie Close	G	1,683	21.39	10
15/04/2019	31-31A Walm Ln	G	1,886	18.77	15
02/04/2019	92 Cricklewood Broadway	G	800	20.62	
19/03/2019	393 Edgware Rd	G	2,453	61.15	
19/03/2019	Fourth Way	G	2,238	11.17	
09/02/2019	59-61 Cricklewood Broadway	B,G	1,424	22.47	
22/12/2018	5 Walm Ln	G	870	28.74	

Rent free periods ranged from 10 to 15 months and we have applied a 12 month rent free period in our appraisals.

The type of retailers is unknown at this stage, but we assume it will be a mix of A3 and foodstores. Knight Frank's March 2020 yield guide indicates that retail yields (outside prime areas) range from 5.25% to 8.5%. We have applied a yield of 6.5%.

#### 4.1.4 Private Residential Values

We have reviewed sales values achieved on residential developments in close proximity to the Neasden sites. The most useful comparables would have been 60 Neasden Lane (which forms part of the Falcon Industrial Estate, but as noted previously is to be delivered as 100% affordable housing) and Middle Yard, but the pricing on this scheme has not yet been released.

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### **Canaletto Court, Neasden Court**

Canaletto Court is located on Neasden Lane and provides 47 units (27 private) in a part 5-part 6 storey building developed by Higgins. The completed units were marketed in 2018 and 2019, achieving an average of £6,460 per square metre. This site is the most relevant comparable to the subject sites.

### **Craven Park (Church End Estate phases 3-5)**

Craven Park is a phased redevelopment of a former Council Estate by Catalyst Housing Association. Resales of units between 2017 and 2019 achieved an average of £6,022 per square metre. This scheme is further from local Underground Stations and we would expect schemes at the subject sites to achieve higher values.

### **Metropolitan Court, 38-42 High Road NW10**

Conversion of former pub and extension providing 37 residential units. Resales during 2019 achieved average values of £5,820 per square metre.

Consequently, we consider that the Neasden Station sites will achieve values in the region of £6,200 per square metre, with potential to increase as the regeneration proceeds. Values might also increase in response to the implementation of the WLO, although the area is already well served by the Jubilee Line running from Neasden Station. We have undertaken sensitivity analyses to test the impact of higher values.

#### **4.1.5 Affordable Housing Revenue**

To value the affordable housing units, we have used a bespoke model specifically created for this purpose. This model takes into account factors such as standard levels for individual Registered Providers ("RPs") management and maintenance costs; finance rates currently obtainable in the sector, and a view on the amount of grant that may be obtainable.

The 'Shared Ownership and Affordable Homes Programme 2016-2021 – Prospectus' document provides a clear indication that Section 106 schemes are unlikely to be allocated Grant funding, except in exceptional circumstances. It is therefore considered imprudent to assume that Grant will be secured. Therefore, our assessment relies upon the assumption that none is provided.

For rented tenures the model operates a 35 year discounted cashflow in order to arrive at a net present value of the units today. We have assumed that rented units will be let at London Affordable Rents, which were £159, £169, £178 and £187 per week for one, two, three and four bed units respectively. The model generates a capital value for the rented units of £2,245 per square metre (£209 per square foot).

For shared ownership units, we have assumed that the Registered Provider will sell initial 25% equity stakes and charge a rent of 2.75% on the retained equity. Based on these assumptions, our model generates a capita value of £3,866 per square metre. The overall blended value assuming 70% rented and 30% shared ownership housing is £2,703 per square metre.

It should however be noted that whilst it is standard market practice to appraise affordable housing opportunities on an income basis which is subject to a number of set parameters (such as London Affordable Rent Levels); each Registered Provider may have specific hurdle rates/assumptions. Furthermore, they may also have the ability to cross subsidise which allows them to vary their bid from the results of the income modelling dependant on the level of competitive tension and their own operational and funding objectives at the time of bidding.

#### **4.1.6 Ground Rents**

The government has issued several consultations on leasehold reform signalling its intentions to introduce legislation to require ground rents on new leases to be set at a peppercorn. Whilst there is a degree of uncertainty around the precise timing, the government has indicated that legislation is likely



to be brought before Parliament in this session or the next. Given that the residential units in the Neasden schemes are unlikely to be sold until 2022 at the earliest, we have assumed that no ground rent income will be received.

## 4.2 Development Costs

### 4.2.1 Construction Costs

At this stage, the options have been formulated at high level and there is insufficient detail for detailed cost estimates to be drawn up. Consequently, we have relied upon the RICS 'Building Cost Information Service' ('BCIS') database (see Appendix 2), which collates tender prices for construction contracts.

The mean average BCIS costs adjusted for Brent are summarised in Table 4.2.1.1. BCIS costs exclude external works, for which we have added 10% to the base costs.

**Table 4.2.1.1: BCIS build costs - £s per square metre GIA**

Use	Base	Externals	Total
Industrial and workspace (282.22 Purpose built factories/ offices – mixed facilities)	£1,060	10%	£1,166
Residential (flats – 6+ storeys)	£2,312	10%	£2,543
Retail (shops – generally)	£1,773	10%	£1,950
Colleges (722.8 – mixed facilities)	£2,603	10%	£2,863

In addition, we have incorporated a 5% contingency to reflect cost and design risk. This assumption is in line with normal market practice at this stage in the design process.

The masterplan incorporates a podium on the McGovern Site and O'Hara Site extending to 13,000 square metres and 5,800 square metres respectively. The cost of constructing these podia will depend on the design and we have incorporated a high level allowance of £500 per square metre in our appraisals.

For the two principal industrial sites (McGovern and O'Hara), we have assumed an allowance for decontamination of £640,000 per hectare, assuming that the sites were historically in uses which have moderate potential for contamination and that the new use is of moderate sensitivity with negligible to low water risk<sup>1</sup>.

Where existing buildings require demolition, we have incorporated an allowance of £75 per square metre of existing floorspace.

### 4.2.2 Professional fees

Our appraisals incorporate an allowance for professional fees equating to 10% of construction costs. This is within the normal range for mixed use schemes which will be complex to design and implement given the need to manage interaction between different uses in close proximity

### 4.2.3 Interest

We have applied a finance rate of 6%, applied to 100% of costs. This finance rate is in line with the rate typically applied in development appraisals and valuations and reflects typical rates charged by banks for development finance.

<sup>1</sup> As defined in Figure 2 of Homes and Communities Agency's 'Guidance on dereliction, demolition and remediation costs, March 2015. The cost for this classification of site ranges from £255,640 to £640,000 per hectare. We have adopted the top end of this range to reflect inflation over the intervening period.

Although a bank would not fund all the costs of a development, the finance rate is applied to 100% of costs to reflect the opportunity cost (or actual cost) of equity for the remaining costs.

#### 4.2.4 Developer's Profit

We have applied a target profit of 17.5% of gross development value on the private housing; 15% on the commercial floorspace; and 6% on the affordable housing. These assumptions are reflective of normal market assumptions for schemes at these price points.

#### 4.2.5 S106 and Community Infrastructure Levy

At this stage, the extent of any planning obligations to be secured through a Section 106 agreement is unknown. We have incorporated a notional allowance of £2,500 per residential unit to address any requirements that may emerge as plans evolve.

All net additional floorspace (with the exception of the affordable housing) will attract Mayoral CIL at a rate of £60 per square metre (subject to indexation). Brent's CIL Charging Schedule current applies a rate of £298.21 per square metre to private residential floorspace and a rate of £59.64 per square metre to retail floorspace. Our estimates of CIL liabilities for the options are summarised in Table 4.2.5.1. As there are no reliable records available regarding occupation of buildings, we have assumed that none of the existing space qualifies as existing floorspace against which CIL liability can be offset. Our appraisals therefore reflect a worst case scenario in terms of CIL liability and actual amounts paid when applications come forward could be significantly lower.

**Table 4.2.5.1: Estimated CIL liabilities (assuming 50% affordable housing)**

Design option	McGovern	O'Hara	Falcon	CNWL	Housing site	Dephna House	Neasden Lane
1 (w/o WLO)	3,811,576	4,329,079	2,729,975	15,407,508	-	1,017,155	-
2a (w/o WLO)	7,873,364	4,315,579	4,069,680	15,407,508	-	1,017,155	-
2b (w/o WLO)	7,873,364	4,315,579	4,069,680	15,467,508	-	1,041,155	57,000
3 (w/o WLO)	8,615,441	4,815,865	6,031,358	16,430,063	-	1,017,155	-
4 (with WLO)	4,755,460	3,546,583	7,114,465	16,397,063	-	1,017,155	-
5a (with WLO)	8,755,680	5,014,376	5,942,223	18,376,173	-	1,017,155	-
5b (with WLO)	8,710,680	5,076,776	5,942,223	18,376,173	-	1,017,155	-
6 (with WLO)	10,594,551	5,406,374	6,031,358	19,398,728	5,465,389	1,017,155	-

Given the high liability on the CNWL site due to the significant range of buildings, we have reflected the existing floorspace credit for this site. The Council does not have an indication of the floorspace on the Site, but we have estimated it to be circa 15,000 square metres of floorspace. Option 7 on the CNWL Site will not give rise to any additional liability, as educational buildings are nil rated in both Brent's and the Mayor of London's charging schedules.

#### 4.2.6 Marketing and disposal costs

We have adopted the following sales, letting and disposal fees in line with rates currently available in the market:

- Residential marketing: 2% of GDV;
- Residential sales agent fee: 1% of GDV;
- Residential sales legal fee: 0.5% of GDV;
- Purchaser's costs: 6.8% of capital value of commercial floorspace;
- Commercial sales agent: 1% of capital value;
- Commercial sales legal fee: 0.5% of capital value;
- Commercial lettings agent fees: 10% of first year's rent;

- Commercial lettings legal fees: 5% of first year's rent.

#### 4.2.7 Project Timetable

At this early stage, no phasing plans are available. We have therefore assumed the following broad development programmes. In all cases, we have assumed a 12 month pre-construction period to allow for any decanting issues that may arise.

Private sales values are assumed to be received monthly over the sales period, while the affordable housing capital value is assumed to be received over the construction period, in line with typical contractual arrangements between developers and registered providers.

**Table 4.2.7.1: Development programme (months)**

##### McGovern's Yard Site

Design option	Pre-construction	Construction	Sales
1 (w/o WLO)	12	24	6
2a (w/o WLO)	12	30	15
2b (w/o WLO)	12	30	15
3 (w/o WLO)	12	36	15
4 (with WLO)	12	24	6
5a (with WLO)	12	36	15
5b (with WLO)	12	36	15
6 (with WLO)	12	40	18

##### O'Hara Site

Design option	Pre-construction	Construction	Sales
1 (w/o WLO)	12	24	6
2a (w/o WLO)	12	24	6
2b (w/o WLO)	12	24	6
3 (w/o WLO)	12	24	6
4 (with WLO)	12	24	6
5a (with WLO)	12	24	6
5b (with WLO)	12	24	6
6 (with WLO)	12	24	6

##### Falcon Industrial Estate

Design option	Pre-construction	Construction	Sales
1 (w/o WLO)	12	24	6
2a (w/o WLO)	12	24	6
2b (w/o WLO)	12	24	6
3 (w/o WLO)	12	30	9
4 (with WLO)	12	30	12
5a (with WLO)	12	24	6
5b (with WLO)	12	24	6
6 (with WLO)	12	24	6

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**CNWL Site**

Design option	Pre-construction	Construction	Sales
1 (w/o WLO)	12	48	24
2a (w/o WLO)	12	48	24
2b (w/o WLO)	12	48	24
3 (w/o WLO)	12	48	24
4 (with WLO)	12	48	24
5a (with WLO)	12	48	24
5b (with WLO)	12	48	24
6 (with WLO)	12	48	24

**Housing site adjacent to CNWL**

Design option	Pre-construction	Construction	Sales
1 (w/o WLO)	-	-	-
2a (w/o WLO)	-	-	-
2b (w/o WLO)	-	-	-
3 (w/o WLO)	-	-	-
4 (with WLO)	-	-	-
5a (with WLO)	-	-	-
5b (with WLO)	-	-	-
6 (with WLO)	12	30	10

**Dephna House Site**

Design option	Pre-construction	Construction	Sales
1 (w/o WLO)	12	20	4
2a (w/o WLO)	12	20	4
2b (w/o WLO)	12	20	4
3 (w/o WLO)	12	20	4
4 (with WLO)	12	20	4
5a (with WLO)	12	20	4
5b (with WLO)	12	20	4
6 (with WLO)	12	20	4

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**Neasden Lane Service Station Site**

<b>Design option</b>	<b>Pre-construction</b>	<b>Construction</b>	<b>Sales</b>
1 (w/o WLO)	-	-	-
2a (w/o WLO)	-	-	-
2b (w/o WLO)	12	12	1
3 (w/o WLO)	-	-	-
4 (with WLO)	-	-	-
5a (with WLO)	-	-	-
5b (with WLO)	-	-	-
6 (with WLO)	-	-	-

## 5 Appraisal outputs

In this section, we consider the outputs of the appraisals and the implications for the viability of redevelopment options.

### 5.1 Benchmark land values

In order to assess the viability of a development proposal, the residual land value must be compared to a benchmark land value, reflecting the existing uses on the site and a reasonable, site-specific premium to incentivise release of the site for development, in accordance with the Planning Practice Guidance.

We have estimated the capital values of the existing buildings by a number of routes. Where available, we have referred to the Rateable Values of each hereditament, which represents the Valuation Office Agency's estimate of the market rent that would be payable should the unit be made available for re-letting. We have capitalised the notional rentals by applying a 5.75% investment yield, reflecting the more secondary nature of the existing space in comparison to new floorspace. For privately-owned domestic properties, we have incorporated value estimates based on recent sales of residential properties. Many of the residential units are owned by the Council and occupied by secure tenants. We have valued these properties on the basis of the capital value of the future rental income.

We have deducted purchaser's costs at 6.8% (SDLT, agent's fees and legal fees) and applied a notional 20% premium. For properties valued by reference to rateable values, we have applied indexation to the values by reference to the change in the MSCI Property Index, which increased by 21% between the end of 2015 and June 2020 (the most recently available data). The sum of the Rateable Values and the resulting benchmark land values for each site are summarised in Table 5.1.1.

**Table 5.1.1: Benchmark land values**

Site	Rateable value:	Indexed rateable value:	Yield	Gross capital value	Cap value net of purchaser's costs (6.8%)	Benchmark land value incl 20% premium
McGovern	£284,000	£343,640	6%	£5,727,333	£5,337,875	£6,405,450
O'Hara	£116,000	£140,360	6%	£2,339,333	£2,180,259	£2,616,310
CNWL2	-	-	-	£20,000,000	£18,620,000	£22,344,000
Housing Site <sup>3</sup>	-	-	-	£20,714,000 (£9,241,000)	£19,933,450 (£9,241,000)	£23,920,150 (£11,089,200)
Falcon Industrial Estate	£1,120,500	£1,355,790	6%	£22,597,000	£21,010,000	£25,272,000
Dephna House <sup>4</sup>	-	-	-	£6,795,600	£6,333,485	5£6,333,485
Neasden Lane	£37,645	£45,550	6%	Commercial: £759,150 Houses: £3,132,000	Commercial: £707,550 Houses: £3,132,000	Commercial: £849,060 Houses: £3,132,000

<sup>2</sup> Based on CNWL's asset value apportioned between Wembley and Willesden campuses

<sup>3</sup> Based on estimated market values for similar properties. Lower figure relates to privately owned units only, with the balance owned by LB Brent and occupied by secure tenants.

<sup>4</sup> Converted to residential under permitted development rights

<sup>5</sup> No premium included as these units are valued on comparable market evidence

## 5.2 Appraisal results

The residual land values generated by each development option are summarised in Table 5.2.1. The appraisals are attached as Appendix 3. In each case, the residual land value is compared to the relevant site's benchmark land value (comprised of existing use value plus premium), resulting in either a surplus or a deficit.

**Table 5.2.1: Appraisal results - £millions (base value and costs) – 50% affordable housing**

Site	BLV	Option 1	Option 2a	Option 2b	Option 3	Option 4	Option 5a	Option 5b	Option 6
McGovern	£6.41	£3.43	£2.35	£1.35	–£5.06	£3.01	£1.49	£0.14	£1.98
O'Hara	£2.62	–£1.15	–£1.32	–£1.32	–£5.42	–£0.90	£2.28	–£1.59	–£2.40
Falcon IE	£25.27	£7.32	£6.74	£6.74	£5.38	£3.69	£5.88	£5.88	£5.38
CNWL	£22.34	–£4.28	–£3.52	–£3.39	–£4.55	–£4.67	–£5.44	–£3.69	–£2.15
Housing Site	£23.92								–£2.28
Dephna House	£6.33	£0.01	£0.01	£0.27	£0.13	–£0.02	£0.01	£0.01	£0.01
Neasden Lane	£3.98			£0.62					

With 50% affordable housing (as required for industrial sites to qualify for the 'Fast Track' route in the emerging Local Plan and the Intend to Publish London Plan) all the schemes for Design Option 1 generate lower residual land values than the benchmark land values. We have therefore tested the schemes with lower proportions of affordable housing (35%, 25% and 15%) to determine whether the schemes generate a viable outcome. The results of these appraisals are summarised in tables 5.2.2, 5.2.3 and 5.2.4.

**Table 5.2.2: Appraisal results £ millions (base value and costs) – 35% affordable housing**

Site	BLV	Option 1	Option 2a	Option 2b	Option 3	Option 4	Option 5a	Option 5b	Option 6
McGovern	£6.41	£6.49	£9.38	£8.09	£3.35	£7.07	£9.08	£7.53	£12.36
O'Hara	£2.62	£3.18	£3.04	£3.04	–£0.01	£2.51	£2.80	£3.40	£3.19
Falcon IE	£25.27	£9.11	£9.81	£9.81	£10.42	£9.18	£10.82	£9.87	£10.42
CNWL	£22.34	£10.82	£9.08	£11.57	£11.59	£11.12	£11.84	£13.81	£16.27
Housing Site	£23.92								£3.34
Dephna House	£6.33	£0.96	£0.95	£1.21	£0.78	£0.91	£0.95	£0.95	£0.95
Neasden Lane	£3.98			£0.62					

**Table 5.2.3: Appraisal results £ millions (base value and costs) – 25% affordable housing**

Site	BLV	Option 1	Option 2a	Option 2b	Option 3	Option 4	Option 5a	Option 5b	Option 6
McGovern	£6.41	£8.57	£14.04	£12.55	£8.49	£9.74	£14.11	£12.42	£17.78
O'Hara	£2.62	£5.91	£5.71	£5.71	£3.07	£4.78	£6.06	£6.66	£6.65
Falcon IE	£25.27	£10.30	£11.89	£11.89	£13.78	£12.86	£14.08	£14.08	£13.78
CNWL	£22.34	£17.22	£28.39	£23.61	£21.84	£21.12	£22.75	£25.04	£28.22
Housing Site	£23.92								£6.52
Dephna House	£6.33	£1.68	£1.68	£1.93	£1.48	£1.63	£1.68	£1.68	£1.68
Neasden Lane	£3.98			£0.62					

As can be noted in Table 5.2.2, reducing the affordable housing from 50% to 35% would make the principal McGovern and O'Hara industrial – which are both in single ownership and might be expected to come forward for development first in the area – financially viable in the majority of tested scenarios.

**Table 5.2.4: Appraisal results £ millions (base value and costs) – 15% affordable housing**

Site	BLV	Option 1	Option 2a	Option 2b	Option 3	Option 4	Option 5a	Option 5b	Option 6
McGovern	£6.405	£10.64	£18.76	£17.11	£13.63	£12.40	£19.13	£17.30	£24.09
O'Hara	£2.616	£9.05	£8.47	£8.47	£6.13	£6.95	£9.23	£9.82	£10.11
Falcon IE	£25.272	£11.41	£13.96	£13.96	£17.14	£16.54	£17.34	£17.34	£17.14
CNWL	£22.344	£29.90	£33.55	£33.16	£32.10	£31.12	£33.65	£36.27	£40.17
Housing Site	£23.920								£10.10
Dephna House	£6.333	£2.31	£2.31	£2.56	£2.07	£2.25	£2.31	£2.31	£2.31
Neasden Lane	£3.981			£0.62					

As can be noted in Table 5.2.4, reducing the affordable housing quantum to 15% would not resolve viability issues on the Housing Site and Dephna House. The Housing Site is clearly difficult in terms of its high benchmark land value, driven by the value of the existing residential units. LBB tenants on the Site would need to re-housed and would be entitled to statutory compensation (which is not reflected in our assessment). Similarly, Dephna House has been largely converted into residential, which results in a high benchmark land value. Redevelopment options on both of these sites will therefore be difficult to bring forward unless there is a significantly higher quantum of development in comparison to the existing floorspace.

Design Option 6 for the Falcon Industrial Estate development incorporates 14,000 square metres of industrial floorspace, so the viability of this scheme would improve if rents increase. If rents increase from £150 to £200 per square metre, the residual land value would increase to £26.51 million, which is just above the Site's benchmark land value.

**Table 5.2.5: Appraisal results £ millions (industrial rents increased from £150 to £200 per square metre<sup>6</sup>) – 15% affordable housing**

Site	BLV	Option 6
McGovern	£6.405	£30.09
O'Hara	£2.616	£10.70
Falcon IE	£25.272	£25.59
CNWL	£22.344	£40.17
Housing Site	£23.920	£10.10
Dephna House	£6.333	£2.58
Neasden Lane	£3.981	£0.00

It is likely that the principal industrial sites would be brought forward first, as they are the least intensively used and provide significant scope for intensification. The Falcon Industrial Estate is likely to be a longer term prospect, as there will be less pressure to develop given that the existing units are of good quality and generating an income for the owner. If development on Falcon were to come forward in around 10 years time, it is possible that residential sales values would be significantly higher due to general market change but also due to the regenerative effects of the redevelopment of the principal sites in the masterplan area. Table 5.2.6 applies varying increases to sales values alongside changes to costs, and demonstrates that with relatively modest growth, a scheme providing 35% affordable housing would generate a residual land value that exceeds the Site's benchmark land value of £25.27 million. In this exercise, we retained industrial rents at their existing level in both the residual appraisal of the indicative scheme and the benchmark land value assessment.

<sup>6</sup> When blended with the requirement for 10% of floorspace to be provided as affordable workspace, the headline rents decrease to £143 and £190 respectively).



**Table 5.2.6: Falcon Industrial Estate sensitivity analysis (Option 6) – residual land values**

Construction	Sales: Rate				
	0%	+5%	+10%	+15%	+20%
-10%	£28,474,498	£36,939,635	£45,404,772	£53,869,909	£62,335,046
-5%	£20,415,136	£28,880,273	£37,345,410	£45,810,547	£54,275,684
0%	<b>£12,355,773</b>	£20,820,910	£29,286,047	£37,751,185	£46,216,322
+5%	£4,296,411	£12,761,548	£21,226,685	£29,691,822	£38,156,959
+10%	<b>(£4,361,611)</b>	£4,702,186	£13,167,323	£21,632,460	£30,097,597

Design Option 7 relates to the provision of education floorspace on the CNWL site (24,820 square metres) and a reduced quantum of residential floorspace (795 units), as noted in Table 2.4.4. For this option, the Council has instructed us to assume that the new college buildings would be funded by the residential development. As the College buildings are being replaced, we have assumed a nil benchmark land value as the College would not need to acquire space elsewhere.

In addition, the Council has indicated that the Scheme's LBB CIL contribution could be used 'in kind' towards the costs of the education floorspace. This would reduce the overall liability from £10,393,776 to £1,768,425 for Mayoral CIL only.

On the basis of these assumptions, this option would generate a negative residual land value of £11.94 million. However, if sales values increased from £6,200 to £6,510 per square metre, the negative residual land value would be eliminated.

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## 6 High-level commercial analysis

### 6.1 Current market conditions

The study area currently provides just over 25,000 square metres of industrial floorspace, with a mix of secondary industrial/storage/warehousing which despite large site areas provide relatively low numbers of jobs. The area also provides higher quality industrial units at Falcon Industrial Estate with higher number of employees.

60 Neasden Lane has been lost to residential but the proposed development will provide 2,131 square metres of replacement A2, A3 or B1 floorspace with residential above.

In terms of future supply of industrial floorspace, the area is likely to see continuing losses of employment floorspace to residential uses due to the attraction of low existing use values, particularly on the McGovern and O'Hara sites, which are developed at low plot ratios. In the absence of intervention, it is unlikely that these sites would be redeveloped for solus industrial use. Some element of cross subsidy from residential will be required to incentivise the owners to release these sites for development.

Almost all the existing floorspace is occupied and there is nothing to suggest that good levels of demand will not continue in the future.

### 6.2 Current supply and demand

- **Industrial:** the Borough as a whole accommodates circa 700,000 square metres of industrial floorspace, around 500,000 square metres of which is located within the ODPC Development Corporation area. Most of this space is located in Strategic Industrial Locations (East Lane, Staples Corner and Wembley). As noted above, the Neasden Growth Area accommodates just 25,000 square metres of space, which is relatively low in terms of generating a critical mass of occupiers. An expansion of space could make the area more viable as an industrial location but as noted above, this will require cross-subsidy from residential development. The introduction of residential uses will inevitably change the type of uses at ground level; away from storage of scaffolding and skips and towards light manufacturing, maker-space and distribution.
- **Commercial:** Both the office and retail sectors are likely to see a contraction over the next ten years as current trends towards online retailing and homeworking accelerate. There is a lack of retail floorspace on the approach road to Neasden Station (Neasden Lane) which is currently occupied both to the north and south by industrial uses and to the south, these are secondary spaces which give a negative perception of the area. There is a general lack of retail with only two units further down Neasden Lane (opposite and adjacent to Chancel House). Given the increased population in the area arising from the new development envisaged in the masterplan, there is likely to be demand for convenience retail floorspace adjacent to the Station. This would assist with marketing of private housing. In addition, there is likely to be increasing demand for flexible office/touchdown areas where people can work remotely from their office but outside of their home.
- **Residential:** there has been considerable anecdotal evidence of a desire for people to move out of urban areas as a result of home working during 2020. Clearly, there are limits to the extent to which employers will accept their staff working from home over the medium term and most would expect their staff to be available to work in their offices for a significant proportion of the working week. This will place constraints on outward migration to other areas. London remains an attractive location for both UK residents and those from overseas, despite perceptions that the current government does not view immigration positively. Medium term forecasts indicate that there will be an increase in population in London to 10.44 by 2041, an additional 1.62 million people in comparison to late 2019. Furthermore, household formation continues to increase as a result of smaller numbers of people per household. There are currently no signals that current and future planned housing growth will not be required and the housing envisaged in Neasden

will make an important contribution to this need. The area is currently well served by public transport which will make it attractive to potential purchasers.

## 6.3 Strengths, weaknesses, opportunity and threats

### 6.3.1 Industrial

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>■ Good transport accessibility for workers not living locally with Jubilee Line services and local buses</li> <li>■ Within close proximity to A406 providing access to other parts of north west London and M4, M40, M1 and M11 motorways</li> <li>■ Low rents in comparison to other industrial areas in the area</li> <li>■ Large sites providing scope for transformational change</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>■ Public transport at capacity at many points in the day</li> <li>■ Reliance on future transport improvements</li> <li>■ Pockets of worklessness, significant deprivation and lower skilled residents</li> <li>■ Lack of retail and leisure amenities within the masterplan area</li> <li>■ Road links to central London are poor in comparison to Park Royal which has direct access to A40</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>■ Other than Falcon Industrial Estate, the current industrial plot ratio is low and there is significant scope for intensification</li> <li>■ Ability to provide the right type of business premises at the right price for occupiers</li> <li>■ Some sites have low existing use values which results in maximum value uplift to deliver planning policy requirements and to cross-subsidise employment floorspace</li> <li>■ Access to local labour and from the wider area via good public transport accessibility</li> <li>■ Diversifying the employment offer within the area to include a range of uses complementary to industrial</li> <li>■ Change perceptions of the area through redevelopment of principal sites (McGovern and O'Hara)</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>■ Competing pressure for land between residential and commercial uses</li> <li>■ Ability to provide the right type of business premises at the right price for occupiers</li> <li>■ Competition for tenants from more established industrial locations at Park Royal and Wembley</li> <li>■ Co-location of uses will largely preclude certain types of industrial users</li> <li>■ Tenants increasingly mobile and willing to trade areas to achieve value</li> <li>■ Underground capacity from Neasden Station</li> <li>■ WLO not delivered</li> </ul>

6.3.2

**Commercial**

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>■ Good transport accessibility with direct access to both the West End; the City (via London Bridge); and Canary Wharf</li> <li>■ High resident population which will expand as a result of the developments envisaged in the masterplan</li> <li>■ Low rents offer opportunities for a range of businesses to locate in the area</li> <li>■ Within close proximity to A406 for access to other parts of London and motorway access to other parts of the country</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>■ Public transport at capacity at many points in the day.</li> <li>■ Reliance on future transport improvements</li> <li>■ Pockets of worklessness, significant deprivation and lower skilled residents</li> <li>■ Lack of retail and leisure amenities within the masterplan area</li> <li>■ Extensive secondary industrial area around the Station</li> <li>■ Not an established area for offices or managed workspace</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>■ Potential for providing ‘touch-down’ or flexible office space for office workers to work outside their homes when no travelling to corporates offices</li> <li>■ The area around the Station is currently under-served by retail and leisure amenities providing opportunities for new operators to meet needs</li> <li>■ Increased foot-fall around the station resulting from intensification of sites provides opportunities for new retailers to meet needs which currently leak out to neighbouring centres</li> <li>■ Capitalise on good transport links at Neasden Station to act as a spring board for introducing new retail and leisure amenities to support new residential</li> <li>■ Diversifying the employment offer within the area to attract more diversity of residents</li> <li>■ Change perceptions of the area through redevelopment of principal sites (McGovern and O’Hara) which currently create a negative perception of the area around the station</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>■ Stronger existing retail and leisure facilities at Wembley Park and Brent Cross may limit the extent to which retailers will wish to locate in the masterplan area</li> <li>■ General weakness of the retail sector may limit the ability of retailers to expand into this area</li> <li>■ Supply of commercial space available in more established centres in the Borough</li> <li>■ Tenants increasingly mobile and willing to trade areas to achieve value if rents increase in the area</li> <li>■ Underground capacity from Neasden Station</li> <li>■ WLO not delivered</li> <li>■ Negative perceptions of area due to high levels of existing social housing may be a limiting factor for workspace and managed workspace development</li> </ul>

### 6.3.3

### Residential

<p><b>Strengths</b></p> <p>Good transport accessibility with direct access to both the West End; the City (via London Bridge); and Canary Wharf</p> <ul style="list-style-type: none"> <li>■ Within close proximity to amenities at Wembley Park</li> <li>■ Good value pricing relative to other parts of London</li> <li>■ Within close proximity to A406 for access to Brent Cross Shopping Centre</li> <li>■ Extensive green space available nearby at Gladstone Park</li> <li>■ A range of schools available nearby</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>■ Public transport at capacity at many points in the day.</li> <li>■ Reliance on future transport improvements</li> <li>■ Pockets of worklessness, significant deprivation and lower skilled residents</li> <li>■ Lack of retail and leisure amenities within the masterplan area</li> <li>■ Extensive secondary industrial area around the Station</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>■ Existing housing stock is fairly uniform (period terraced and semi-detached houses) with opportunities for new development to diversity the market by introducing new housing products to enhance choice</li> <li>■ Capitalise on good transport links at Neasden Station to act as a spring board for introducing new retail and leisure amenities to support new residential</li> <li>■ Diversifying the employment offer within the area to attract more diversity of residents</li> <li>■ Change perceptions of the area through redevelopment of principal sites (McGovern and O'Hara) which currently create a negative perception of the area around the station</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>■ Potential cessation of Help to Buy at some point during delivery programme</li> <li>■ Supply from schemes at a similar price point.</li> <li>■ Purchasers increasingly mobile and willing to trade areas to achieve value</li> <li>■ Potential outward migration resulting from changes to working patterns</li> <li>■ Underground capacity from Neasden Station</li> <li>■ WLO not delivered</li> <li>■ Negative perceptions of area due to high levels of existing social housing</li> </ul>

## 6.4 Potential commercial uses

Neasden is located outside of the two key West London logistics locations within Brent (Wembley and Park Royal). Although it is located relatively close to the A406, the closest main route into central London (the A404) is of lower quality than the A40. This may limit the area's attractiveness as a last mile urban logistics base.

The emerging plans should be adequately flexible so that they can adopt to changing demand. We envisage that the industrial floorspace will be of most interest to small enterprises, similar to those currently occupying Falcon Industrial Estate. Most demand will be from E(g)(ii) and E(g)(iii) uses but there is likely to be demand for some 'last mile' distribution (B8) floorspace. In addition, the area is likely to attract interest from ecommerce operators for urban warehouses; cargo cycles/cycle logistics; and click and collect hub operators.

The area is currently under-provided for in terms of workspace for office workers who require touch-down space or renting a single desk when 'working from home'.

## 6.5 Current commercial rents and yields

Current rents in the area are summarised in tables 6.5.1, 6.5.2 and 6.5.3.

**Table 6.5.1: Industrial rents**

Sign Date	Address	Total SF Leased	Rent/SF/Yr	Rent Type	Rent PA	Term
18/09/2020	7 Coronation Rd	721	38.83	Achieved	27,996.43	10 yrs
07/09/2020	Victoria Rd	2,821	23.00	Asking	64,883.00	
07/09/2020	Victoria Rd	7,053	18.50	Asking	130,480.50	
03/09/2020	Victoria Rd	6,919	18.50	Asking	128,001.50	
01/09/2020	Brentfield Rd	1,601	20.61	Asking	32,996.61	1 yr
19/08/2020	3 Willen Field Rd	27,111	15.25	Achieved	413,442.80	15 yrs
15/07/2020	Abbey Rd	1,812	25.67	Achieved	46,514.04	10 yrs
26/06/2020	Fulton Rd	58,068	12.00	Asking	696,816.00	
09/06/2020	3-11 Gorst Rd	5,224	16.25	Asking	84,890.00	
12/05/2020	1-4 First Way	2,597	16.17	Asking	41,993.49	
07/05/2020	17 Wadsworth Rd	34,421	12.55	Effective	431,974.80	5 yrs
06/05/2020	Waxlow Rd	1,986	23.00	Achieved	45,678.00	10 yrs
15/04/2020	Horsenden Ln N	4,000	22.50	Asking	90,000.00	
01/04/2020	159 Dukes Rd	2,967	10.11	Achieved	29,996.37	1 yr
19/03/2020	49-55 Gorst Rd	5,589	17.00	Achieved	95,013.00	10 yrs
13/02/2020	Horsenden Ln S	9,174	14.95	Achieved	137,151.30	5 yrs
08/01/2020	Waxlow Rd	8,760	17.30	Effective	151,506.90	15 yrs
01/01/2020	Abbey Rd	1,754	23.05	Asking	40,429.70	
11/12/2019	Victoria Rd	6,997	17.50	Asking	122,447.50	
02/12/2019	High Rd	2,975	14.45	Achieved	42,988.75	10 yrs
05/11/2019	Abbey Rd	1,754	24.23	Effective	42,498.99	5 yrs
19/10/2019	89-91 Scrubs Ln	2,639	13.26	Achieved	34,993.14	5 yrs
08/10/2019	Waxlow Rd	2,679	22.00	Achieved	58,938.00	10 yrs
02/10/2019	Horsenden Ln S	33,446	12.50	Achieved	418,075.00	10 yrs
01/10/2019	Steele Rd	800	17.74	Effective	14,194.06	10 yrs
01/10/2019	Scrubs Ln	2,450	15.30	Asking	37,485.00	
26/09/2019	Standard Rd	6,645	19.95	Asking	132,567.80	
26/09/2019	Cobbold Rd	2,400	14.16	Asking	33,984.00	
19/09/2019	Scrubs Ln	3,000	12.83	Achieved	38,490.00	10 yrs
16/09/2019	55-57 Park Royal Rd	2,239	9.83	Effective	22,009.14	10 yrs

Sign Date	Address	Total SF Leased	Rent/SF/Yr	Rent Type	Rent PA	Term
13/09/2019	36A Cumberland Ave	9,020	16.77	Effective	151,291.50	10 yrs 8 mos
13/09/2019	Horsenden Ln S	7,189	12.73	Effective	83,189.62	5 yrs
01/09/2019	708C Abbey Rd	1,754	24.23	Achieved	42,499.42	5 yrs
23/08/2019	Abbey Rd	3,006	19.13	Effective	57,503.82	5 yrs
10/08/2019	Standard Rd	10,501	16.61	Effective	174,470.30	10 yrs
26/07/2019	98-100 Queensbury Rd	47,211	8.57	Effective	404,774.70	15 yrs
19/07/2019	Dalmeyer Rd	1,920	13.54	Asking	25,996.80	10 yrs
17/07/2019	Kendal Ave	4,171	20.00	Asking	83,420.00	
16/07/2019	28 Wadsworth Rd	1,200	9.00	Effective	10,799.64	3 yrs
12/07/2019	278 Abbeydale Rd	7,475	16.18	Effective	120,933.00	15 yrs
11/07/2019	36-38 Chase Rd	4,292	10.96	Achieved	47,040.32	2 yrs 1 mo
01/07/2019	North End Rd	1,148	20.03	Achieved	22,994.44	5 yrs
01/07/2019	High Rd	6,627	17.00	Asking	112,659.00	
27/06/2019	Britannia Way	4,000	8.75	Effective	35,463.58	10 yrs
26/06/2019	Neasden Ln	12,570	15.63	Effective	196,485.70	5 yrs
24/06/2019	161 Acton Ln	2,895	16.96	Effective	49,103.89	10 yrs
13/06/2019	23-25 Sunbeam Rd	7,147	22.84	Effective	163,852.50	10 yrs
11/06/2019	Abbey Rd	6,482	21.72	Effective	140,790.90	10 yrs
09/06/2019	Victoria Rd	15,575	15.39	Effective	239,641.90	
04/06/2019	Manor Farm Rd	3,692	10.44	Effective	38,544.34	10 yrs
01/06/2019	Victoria Rd	6,958	17.00	Effective	118,286.00	3 yrs
17/05/2019	28 Wadsworth Rd	1,500	13.33	Effective	19,994.79	10 yrs
08/05/2019	12 Scrubs Ln	882	33.45	Effective	29,506.91	10 yrs
08/05/2019	Standard Rd	9,085	16.52	Effective	150,102.00	10 yrs
01/05/2019	20 Hythe Rd	4,140	18.07	Effective	74,790.89	6 yrs 1 mo
01/05/2019	89 Manor Farm Rd	2,949	14.95	Asking	44,087.55	
29/04/2019	Neasden Ln	9,687	16.24	Effective	157,320.60	10 yrs
29/04/2019	Neasden Ln	25,574	15.08	Effective	385,783.20	10 yrs
10/04/2019	59-61 Minerva Rd	5,195	19.25	Effective	19,249.83	10 yrs
01/04/2019	School Rd	1,817	18.16	Asking	32,996.72	
01/04/2019	Commercial Way	5,469	15.00	Asking	80,667.75	8 yrs
28/03/2019	Commercial Way	6,160	15.50	Achieved	95,480.00	5 yrs
25/03/2019	Abbey Rd	17,233	15.23	Effective	262,455.10	10 yrs
25/03/2019	Dukes Rd	16,500	8.06	Asking	132,990.00	
20/03/2019	Abbey Rd	1,695	23.00	Effective	38,984.25	
19/03/2019	Britannia Way	2,703	14.60	Asking	39,463.80	
10/03/2019	275 Abbeydale Rd	37,996	13.00	Asking	493,948.00	
01/03/2019	Commercial Way	7,700	15.50	Asking	119,350.00	
15/02/2019	Victoria Rd	2,880	20.42	Effective	58,795.38	3 yrs 1 mo

Sign Date	Address	Total SF Leased	Rent/SF/Yr	Rent Type	Rent PA	Term
04/02/2019	Gorst Rd	7,046	12.45	Effective	87,701.21	7 yrs 8 mos
30/01/2019	Trading Estate Rd	7,750	14.10	Effective	109,269.30	15 yrs
30/01/2019	Trading Estate Rd	10,064	12.52	Effective	126,012.00	15 yrs
10/01/2019	Abbey Rd	1,735	23.00	Effective	39,904.66	10 yrs

**Table 6.5.2: Office rents**

Sign Date	Address	Total SF Leased	Rent/SF/Yr	Rent Type	Term	Rent Free (months)
01/09/2020	2 Chandos Rd	17,556	25.00	Achieved	10 yrs	
27/09/2019	Kendal Ave	8,728	18.40	Effective	10 yrs	9
13/08/2019	65 North Acton Rd	8,804	9.01	Effective	10 yrs	3
11/07/2019	2 Chandos Rd	4,428	24.50	Effective	5 yrs	
04/06/2019	Manor Farm Rd	1,095	10.44	Effective	10 yrs	
31/05/2019	West Gate	3,538	22.50	Asking		
01/05/2019	6 Chase Rd	193	27.98	Effective	1 yr	
28/03/2019	325-327 Oldfield Ln N	6,250	10.81	Effective	10 yrs	11
18/03/2019	West Gate	238	36.00	Achieved	3 yrs	
11/02/2019	9-23 Park Royal Rd	282	30.00	Achieved		
09/01/2019	Bridgewater Rd	309	15.00	Achieved	1 yr	
09/01/2019	Bridgewater Rd	435	15.00	Achieved	1 yr	

**Table 6.5.3: Retail rents**

Sign Date	Address	Total SF Leased	Rent/SF/Yr	Rent Type	Term	Rent Free
18/09/2020	6 Coronet Parade	826	30.27	Achieved		
03/08/2020	7C Ealing Rd	350	27.43	Achieved		
19/06/2020	236-238 North Circular Rd	2,185	10.98	Achieved	10 yrs	3
15/06/2020	600 High Rd	700	32.86	Asking	24 yrs	
01/06/2020	8-10 Harrow Rd	1,145	24.45	Asking	10 yrs	
01/06/2020	Sudbury Heights Ave	580	20.95	Asking		
29/04/2020	2 Atlip Rd	17,942	1.67	Achieved		
02/03/2020	27 High St	580	38.79	Asking		
01/03/2020	198 Ealing Rd	1,018	58.94	Asking		
28/02/2020	Ealing Rd	680	14.71	Asking		
13/02/2020	1 Victoria Rd	1,819	24.74	Asking		
10/02/2020	86 Craven Park Rd	735	19.84	Achieved		
21/01/2020	Sudbury Heights Ave	528	23.01	Asking		
01/01/2020	133 Wembley Park Dr	1,923	14.56	Effective	15 yrs	
28/11/2019	4 Heather Park Dr	750	128.00	Asking	2 yrs	
18/10/2019	427 High Rd	5,512	18.50	Effective	7 yrs 11 mos	
27/09/2019	228 Ealing Rd	786	48.35	Effective	15 yrs	0
27/09/2019	233 Harrow Rd	650	18.46	Achieved	15 yrs	
02/09/2019	High Rd	3,696	21.65	Asking	10 yrs	



Sign Date	Address	Total SF Leased	Rent/SF/Yr	Rent Type	Term	Rent Free
20/08/2019	348 High Rd	189	63.49	Asking	10 yrs	
07/08/2019	8 High St	883	31.24	Effective	10 yrs	3
05/08/2019	197 Ealing Rd	1,080	23.15	Asking	2 yrs	
05/08/2019	224 High Rd	452	30.76	Effective	20 yrs	1
01/08/2019	787-789 Harrow Rd	1,432	17.46	Asking		
03/06/2019	245 High Rd	650	24.62	Asking		
31/05/2019	192 Victoria Rd	2,412	21.13	Effective	15 yrs	9
18/04/2019	276 Ealing Rd	1,477	17.61	Asking		
18/04/2019	7 Mount Pleasant	700	14.28	Effective	11 mos	
15/04/2019	Hardie Close	1,683	21.39	Achieved	10 yrs	
25/03/2019	480 High Rd	1,430	34.62	Effective	10 yrs	
19/03/2019	Fourth Way	2,238	11.17	Achieved		
15/03/2019	399-405 High Rd	4,877	56.39	Effective	10 yrs	
01/02/2019	181 Ealing Rd	1,532	24.80	Achieved	10 yrs	
26/01/2019	7 Court Parade	1,774	10.15	Asking		

## 6.6 Medium and longer term forecasts

### 6.6.1 Industrial

Between 2017 and 2020, industrial rents increased by approximately one third due to increasing scarcity of space, caused by losses of existing industrial space for residential redevelopment. Recently adopted planning policies across London are seeking to protect some industrial floorspace, but this tends to be limited to Strategic Industrial Land and Locally Significant Industrial Sites. Outside these protected areas, losses of industrial floorspace continue.

As a consequence of the continuing imbalance between supply of industrial floorspace and demand, we would expect rents to continue to increase at a rate fast than inflation over the medium term. While this will help to enhance the residual land values generated by developments, it will also increase existing use values.

### 6.6.2 Commercial

Both the retail and office sectors are currently facing an uncertain future. There is currently surplus of retail floorspace available due to the collapse of several major retailers and contraction by others due to a long term shift in buying patterns towards on-line retailing. These long terms trends have been accelerated by the lockdown measures introduced earlier in the year by the UK government.

New office space is responding to changing demand from users. Offices are increasingly moving towards agile working models with a focus on collaborative working and consequently space is being configured to meet these needs and away from traditional corporate headquarters-style layouts. Working patters have changed as a result of the lockdown measures introduced by the UK government, with five days per week in central London headquarters offices being increasingly rare. This may generate demand in the medium to longer term for a more decentralised approach to offices, with flexible spaces provided at neighbourhood level for occupants of smaller residential properties to use on a flexible 'pay per use' basis.

New retail floorspace is likely to be focused around key transport nodes where footfall is highest. Outside key town centres, this is likely to be convenience retail serving local needs.

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### 6.6.3 Residential

London continues to face severe housing supply pressures which have resulted in house prices and rents increasing in excess of incomes. This has resulted in a significant deterioration in affordability, with house prices and rents now out of reach of many households. Successive London Plans have sought to increase housing supply but the capital continues to under-deliver, due to inadequate housing land supply, high existing use values and strong competition for land from other uses.

The GLA's current forecasts based on its population trends monitoring indicate that the Capital's population will increase to cover 10 million by 2041. Pre-existing trends of decreasing household size will also contribute towards increasing demand, although by necessity it is possible at some point that sharing of dwellings will also increase.

It is unlikely that there will be any significant change in current supply trends and we therefore expect house prices and rents to continue to follow long term growth trends of at least 3% per annum in real terms. Neasden is a well-connected area with direct Underground services into central London, Canary Wharf and Canada Water (the latter subject to a masterplan envisaging a new urban quarter providing a similar volume of office and retail floorspace as Canary Wharf). Current house prices are relatively low to many similar locations and it is therefore conceivable that values will surpass wider trends in response to the development envisaged by the masterplan.

### 6.7 Indicative commercial lease terms and potential incentives

We consider that the market will require the following lease terms:

- **Retail:** Lease lengths of 2 to 15 years, with rent free periods ranging from 2 to 6 months. Turnover rents may become increasingly common if increasing volumes of trade move online.
- **Offices:** corporate offices will require lease lengths of 1 to 10 years with rent free periods ranging from 6 to 24 months. Flexible and co-working space will be let on licences or pay per use basis.
- **Industrial:** lease lengths of 1 to 15 years with rent free periods of up to 6 months.

Current yields advised by major agents are summarised in Table 6.7.1.

**Table 6.7.1: Investment yields**

Use	CBRE	Knight Frank	Savills
Industrial	4.25%	4 – 4.25%	4.50%
Offices	5.35%	5.25%	5.25%
Retail	6.25%	5.25%	6.00%

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## 7 Conclusions

This report tests the viability of development options for the regeneration of sites within the Neasden Stations Growth Area. The Council has identified a range of design options for each site, which involve re-provision of existing employment floorspace with the addition of residential and retail floorspace.

Our appraisals indicate that there are viable options for the four sites which make up the bulk of the identified land area (8.39 hectares out of a total of 11.83 hectares, or 71%).

We have appraised the schemes with 50% and 35% affordable housing, noting that where existing industrial floorspace is replaced, the Intend to Publish London Plan requirement is for 35% affordable housing under the 'fast track' route. The design options for the McGovern and O'Hara sites would be viable at 35% affordable housing. However, proposals for Falcon Industrial Estate and CNWL would only be viable at reduced proportions of affordable housing, as well as growth in rents for the former. However, with reasonable growth in sales values resulting from the regenerative effects of earlier development of the principal industrial sites, the other sites would benefit from improved residual values. This would facilitate higher levels of affordable housing on these sites.

The Housing Site adjacent to CNWL and Dephna House both incorporate existing residential units. On the Housing Site, many of the units are owned by the Council, but the balance of units is owned by private individuals whose units would need to be purchased at market value. The design options for this site do not result in any viable outcomes due to the Site's high existing value. There are similar issues at Dephna House, which was largely converted to residential a few years ago. A significantly higher quantum of development would be required on these sites to result in viable outcomes.

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## Appendix 1 - Development options

**Neasden Station Masterplan Options**

Decontamination £640,000 per ha 85 sqm per unit  
Demolition £75 per sqm

**McGovern's Yard Site**

Decontamination £1,120,000 Demo: £801,450

Design option	Site area Ha	Existing floorspace	Existing FAR	New industrial floorspace sqm	New commercial floorspace	New FAR	Residential units
1 (w/o WLO)	1.75	10,686	0.61	10,750	-	0.61	208
2a (w/o WLO)	1.75	10,686	0.61	10,700	-	0.61	475
2b (w/o WLO)	1.75	10,686	0.61	10,700	-	-	475
3 (w/o WLO) - PODIUM	1.75	10,686	0.61	10,700	950	0.61	520
4 (with WLO)	1.75	10,686	0.61	10,750	-	0.61	270
5a (with WLO)	1.75	10,686	0.61	10,700	750	0.63	530
5b (with WLO)	1.75	10,686	0.61	6,200	4,500	-	530
6 (with WLO)	1.75	10,686	0.61	10,700	950	0.50	650

**O'Hara Site**

Decontamination £473,600 Demo: £60,450

Design option	Site area Ha	Existing floorspace	Existing FAR	New industrial floorspace sqm	New commercial floorspace	New FAR	Residential units
1 (w/o WLO)	0.74	806	0.10	1,300	1,075	0.16	275
2a (w/o WLO)	0.74	806	0.10	850	1,300	0.11	275
2b (w/o WLO)	0.74	806	0.10	850	1,300	0.13	275
3 (w/o WLO) - PODIUM	0.74	806	0.10	1,000	100	0.13	312
4 (with WLO)	0.74	806	0.10	820	1,200	0.16	225
5a (with WLO)	0.74	806	0.10	810	300	0.11	325
5b (with WLO)	0.74	806	0.10	850	1,300	0.13	325
6 (with WLO)	0.74	806	0.10	1,000	300	0.13	350

**Falcon Industrial Estate**

Demo: £1,042,500

Design option	Site area Ha	Existing floorspace	Existing FAR	New industrial floorspace sqm	New commercial floorspace	New FAR	Residential units
1 (w/o WLO)	1.61	13,900	0.86	14,798	-	0.91	121
2a (w/o WLO)	1.61	13,900	0.86	14,798	-	0.91	209
2b (w/o WLO)	1.61	13,900	0.86	14,798	-	0.91	209
3 (w/o WLO)	1.61	13,900	0.86	14,000	-	0.86	341
4 (with WLO)	1.61	13,900	0.85	14,798	-	0.91	409
5a (with WLO)	1.61	13,900	0.85	14,798	-	0.85	332
5b (with WLO)	1.61	13,900	0.85	14,798	-	-	332
6 (with WLO)	1.61	13,900	0.85	14,000	-	0.92	341

**CNWL Site**

Demo: £1,125,000

Design option	Site area Ha	Existing floorspace	Existing FAR	New industrial floorspace sqm	New commercial floorspace	New FAR	Residential units
1 (w/o WLO)	5.84	15,000	-	-	-	-	1,050
2a (w/o WLO)	5.84	-	-	-	-	-	1,050
2b (w/o WLO)	5.84	-	-	-	1,000	-	1,050
3 (w/o WLO)	5.84	-	-	-	550	-	1,100
4 (with WLO)	5.84	-	-	-	-	-	1,100
5a (with WLO)	5.84	-	-	-	-	-	1,200
5b (with WLO)	5.84	-	-	-	-	-	1,200
6 (with WLO)	5.84	-	-	-	550	-	1,250
7 (with WLO)	5.84	-	-	-	550	-	795

CIL summary

Design option	McGovern	O'Hara	Falcon	CNWL	Housing site	Dephna House	Neasden Lane
1 (w/o WLO)	3,811,576	3,073,106	2,729,975	15,407,508	-	1,017,155	-
2a (w/o WLO)	7,873,364	3,059,606	4,069,680	15,407,508	-	1,017,155	-
2b (w/o WLO)	7,873,364	3,059,606	4,069,680	15,467,508	-	1,041,155	57,000
3 (w/o WLO)	8,615,441	3,390,905	6,031,358	16,430,063	-	1,017,155	-
4 (with WLO)	4,755,460	2,518,968	7,114,465	16,397,063	-	1,017,155	-
5a (with WLO)	8,755,680	3,530,043	5,942,223	18,376,173	-	1,017,155	-
5b (with WLO)	8,710,680	3,592,443	5,942,223	18,376,173	-	1,017,155	-
6 (with WLO)	10,594,551	3,807,862	6,031,358	19,398,728	5,465,389	1,017,155	-

MCIL £60.00 £60.00 £60.00 £60.00  
L.B.L. CIL £0.00 £0.00 £59.64 £298.21

Totals

Industrial	Commercial	Retail	Residential	Totals
645,000	-	-	3,166,576	3,811,576
642,000	-	-	7,231,364	7,873,364
642,000	-	-	7,231,364	7,873,364
642,000	57,000	-	7,916,441	8,615,441
645,000	-	-	4,110,460	4,755,460
642,000	45,000	-	8,068,680	8,755,680
372,000	270,000	-	8,068,680	8,710,680
642,000	57,000	-	9,895,551	10,594,551

Industrial	Commercial	Retail	Residential	Totals
78,000	64,500	-	2,930,606	3,073,106
51,000	78,000	-	2,930,606	3,059,606
51,000	78,000	-	2,930,606	3,059,606
60,000	6,000	-	3,324,905	3,390,905
49,200	72,000	-	2,397,768	2,518,968
48,600	18,000	-	3,463,443	3,530,043
51,000	78,000	-	3,463,443	3,592,443
60,000	18,000	-	3,729,862	3,807,862

Industrial	Commercial	Retail	Residential	Totals
887,880	-	-	1,842,095	2,729,975
887,880	-	-	3,181,800	4,069,680
887,880	-	-	3,181,800	4,069,680
840,000	-	-	5,191,358	6,031,358
887,880	-	-	6,226,585	7,114,465
887,880	-	-	5,054,343	5,942,223
887,880	-	-	5,054,343	5,942,223
840,000	-	-	5,191,358	6,031,358

Industrial	Commercial	Retail	Residential	Totals
-	-	-	15,407,508	15,407,508
-	-	-	15,407,508	15,407,508
-	60,000	-	15,407,508	15,467,508
-	33,000	-	16,397,063	16,430,063
-	-	-	16,397,063	16,397,063
-	-	-	18,376,173	18,376,173
-	-	-	18,376,173	18,376,173
-	33,000	-	19,398,728	19,398,728
-	33,000	-	10,360,776	10,393,776

Existing floorspace: 15,000 square metres  
Estimated from OS map

CNWL - Mayoral CIL only

Industrial	Commercial	Retail	Residential	Totals
-	-	-	2,580,750	2,580,750
-	-	-	2,580,750	2,580,750
-	60,000	-	2,580,750	2,640,750
-	33,000	-	2,746,500	2,779,500
-	-	-	2,746,500	2,746,500
-	-	-	3,078,000	3,078,000
-	-	-	3,078,000	3,078,000
-	33,000	-	3,243,750	3,276,750
-	33,000	-	1,735,425	1,768,425

Existing floorspace: 15,000 square metres  
Estimated from OS map

**CNWL Site (existing housing site)**

Demo: £432,000

Design option	Site area Ha	Existing floorspace	Existing FAR	New industrial floorspace sqm	New commercial floorspace	New FAR	Residential units
1 (w/o WLO)	5.760	-	-	-	-	-	-
2a (w/o WLO)	-	-	-	-	-	-	-
2b (w/o WLO)	-	-	-	-	-	-	-
3 (w/o WLO)	-	-	-	-	-	-	-
4 (with WLO)	-	-	-	-	-	-	-
5a (with WLO)	-	-	-	-	-	-	-
5b (with WLO)	-	-	-	-	-	-	-
6 (with WLO)	-	-	-	-	-	-	359

**Dephna House Site**

Demo: £0

Design option	Site area Ha	Existing floorspace	Existing FAR	New industrial floorspace sqm	New commercial floorspace	New FAR	Residential units
1 (w/o WLO)	0.68	-	-	460	-	-	65
2a (w/o WLO)	0.68	-	-	460	-	-	65
2b (w/o WLO)	0.68	-	-	860	-	-	65
3 (w/o WLO)	0.68	-	-	460	-	-	65
4 (with WLO)	0.68	-	-	460	-	-	65
5a (with WLO)	0.68	-	-	460	-	-	65
5b (with WLO)	0.68	-	-	460	-	-	65
6 (with WLO)	0.68	-	-	460	-	-	65

**Neasden Lane Service Station Site**

Design option	Site area Ha	Existing floorspace	Existing FAR	New industrial floorspace sqm	New commercial floorspace	New FAR	Residential units
1 (w/o WLO)	0.21	-	-	-	-	-	-
2a (w/o WLO)	0.21	-	-	-	-	-	-
2b (w/o WLO)	0.21	-	-	-	950	-	-
3 (w/o WLO)	0.21	-	-	-	-	-	-
4 (with WLO)	0.21	-	-	-	-	-	-
5a (with WLO)	0.21	-	-	-	-	-	-
5b (with WLO)	0.21	-	-	-	-	-	-
6 (with WLO)	0.21	-	-	-	-	-	-

Industrial	Commercial	Retail	Residential	Totals
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	5,465,389	5,465,389

Industrial	Commercial	Retail	Residential	Totals
27,600	-	-	989,555	1,017,155
27,600	-	-	989,555	1,017,155
51,600	-	-	989,555	1,041,155
27,600	-	-	989,555	1,017,155
27,600	-	-	989,555	1,017,155
27,600	-	-	989,555	1,017,155
27,600	-	-	989,555	1,017,155
27,600	-	-	989,555	1,017,155

Industrial	Commercial	Retail	Residential	Totals
-	-	-	-	-
-	-	-	-	-
-	57,000	-	-	57,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

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## Appendix 2 - BCIS costs

£/m2 study

**Description:** Rate per m2 gross internal floor area for the building Cost including prelims.

**Last updated:** 10-Oct-2020 00:48

› Rebased to London Borough of Brent ( 120; sample 27 )

**Maximum age of results:** Default period

Building function (Maximum age of projects)	£/m <sup>2</sup> gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
<b>282. Factories</b>							
Generally (20)	1,270	291	705	1,056	1,539	4,776	103
Up to 500m2 GFA (20)	1,608	1,030	1,159	1,364	2,019	2,760	13
500 to 2000m2 GFA (20)	1,326	291	784	1,179	1,485	4,776	43
Over 2000m2 GFA (20)	1,126	501	636	875	1,444	2,711	47
<b>282.1 Advance factories</b>							
Generally (15)	1,011	516	706	1,014	1,248	1,802	38
Up to 500m2 GFA (15)	1,233	1,030	1,058	1,200	1,364	1,613	9
500 to 2000m2 GFA (15)	992	516	671	957	1,270	1,802	20
Over 2000m2 GFA (15)	830	596	621	838	955	1,221	9
<b>282.12 Advance factories/offices - mixed facilities (class B1)</b>							
Generally (20)	1,410	556	852	1,338	1,763	2,760	22
Up to 500m2 GFA (20)	2,449	2,019	-	2,568	-	2,760	3
500 to 2000m2 GFA (20)	1,400	556	1,258	1,539	1,692	1,860	6
Over 2000m2 GFA (20)	1,174	581	729	919	1,606	2,711	13
<b>282.2 Purpose built factories</b>							
Generally (25)	1,453	291	760	1,240	2,155	4,776	64
Up to 500m2 GFA (25)	1,693	850	1,217	1,758	2,158	2,466	6
500 to 2000m2 GFA (25)	1,692	291	880	1,386	2,384	4,776	21
Over 2000m2 GFA (25)	1,279	418	697	1,168	1,761	2,516	37
<b>282.22 Purpose built factories/Offices - mixed facilities (15)</b>	1,060	530	886	1,054	1,167	1,871	24
<b>284. Warehouses/stores</b>							
Generally (15)	1,116	436	669	911	1,309	5,071	49
Up to 500m2 GFA (15)	2,019	726	1,118	1,403	2,405	5,071	8
500 to 2000m2 GFA (15)	1,035	518	779	972	1,204	1,769	16
Over 2000m2 GFA (15)	878	436	647	757	1,042	1,745	25
284.1 Advance warehouses/stores (15)	903	503	663	956	1,095	1,439	11
<b>284.2 Purpose built warehouses/stores</b>							

Building function (Maximum age of projects)	£/m <sup>2</sup> gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
Generally (15)	1,183	436	719	900	1,354	5,071	36
Up to 500m <sup>2</sup> GFA (15)	2,327	726	1,354	1,817	2,950	5,071	6
500 to 2000m <sup>2</sup> GFA (15)	994	518	740	890	1,122	1,769	13
Over 2000m <sup>2</sup> GFA (15)	923	436	647	767	1,085	1,745	17
284.5 Cold stores/refrigerated stores (25)	1,528	1,036	1,130	1,336	2,067	2,069	5
<b>345. Shops</b>							
Generally (30)	1,773	690	1,016	1,355	2,315	4,845	22
1-2 storey (30)	1,785	690	996	1,262	2,351	4,845	21
3-5 storey (30)	1,518	-	-	-	-	-	1
<b>816. Flats (apartments)</b>							
Generally (15)	1,776	881	1,477	1,684	1,999	6,147	903
1-2 storey (15)	1,684	1,031	1,433	1,608	1,869	3,050	215
3-5 storey (15)	1,747	881	1,470	1,680	1,975	3,706	587
6 storey or above (15)	2,144	1,288	1,733	2,007	2,312	6,147	98



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## Appendix 3 - Development appraisals – Option 1

**Neasden Station Growth Area  
Design Option 1 (w/o WLO)**

**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
McGovern Private Residential	135	9,753.75	6,200.00	447,950	60,473,250
McGovern Affordable Residential	<u>73</u>	<u>5,274.25</u>	2,703.00	195,292	<u>14,256,298</u>
<b>Totals</b>	<b>208</b>	<b>15,028.00</b>			<b>74,729,548</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	10,750.00	143.00	1,537,250	1,537,250	1,537,250
<b>Totals</b>	<b>1</b>	<b>10,750.00</b>			<b>1,537,250</b>	<b>1,537,250</b>

**Investment Valuation**

<b>McGovern Industrial</b>						
Market Rent	1,537,250	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	31,620,874	
					<b>31,620,874</b>	

**GROSS DEVELOPMENT VALUE**

**106,350,422**

Purchaser's Costs	6.80%	(2,150,219)	(2,150,219)
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**NET DEVELOPMENT VALUE**

**104,200,203**

**NET REALISATION**

**104,200,203**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			6,492,092	
Stamp Duty	5.00%		324,605	
Agent Fee	1.00%		64,921	
Legal Fee	0.80%		51,937	
				6,933,554

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
McGovern Industrial	10,750.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	12,534,500
McGovern Private Residential	11,475.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	29,180,925
McGovern Affordable Residential	<u>6,205.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>15,779,315</u>
<b>Totals</b>	<b>28,430.00 m<sup>2</sup></b>		<b>57,494,740</b>

Contingency	5.00%	2,874,737	
Demolition		801,450	
			3,676,187

**Other Construction**

Decontamination		1,120,000	1,120,000
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**Municipal Costs**

LBTH CIL - residential	11,475.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	3,421,960
MCIL - all uses	22,225.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,333,500
S106	208.00 un	2,500.00 /un	520,000
			5,275,460

**PROFESSIONAL FEES**

Professional fees	10.00%	5,861,474	5,861,474
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,209,465	
Letting Agent Fee	10.00%	153,725	
Letting Legal Fee	5.00%	76,863	
			1,440,052

**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,042,002	
Sales Legal Fee	0.25%	260,501	
			1,302,503

**MISCELLANEOUS FEES**

**Neasden Station Growth Area**

**Design Option 1 (w/o WLO)**

Profit on private residential	17.50%	10,582,819	
Profit on affordable	6.00%	855,378	
Profit on commercial	15.00%	4,743,131	
			16,181,328

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land		1,312,196	
Construction		3,258,527	
Other		344,182	
Total Finance Cost			4,914,905

**TOTAL COSTS**

**104,200,203**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.48%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.68%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 1 (w/o WLO)**

**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	179	12,932.75	6,200.00	447,950	80,183,050
O'Hara Affordable Residential	<u>96</u>	<u>6,936.00</u>	2,703.00	195,292	<u>18,748,008</u>
<b>Totals</b>	<b>275</b>	<b>19,868.75</b>			<b>98,931,058</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
O'Hara Industrial	1	1,300.00	143.00	185,900	185,900	185,900
O'Hara Commercial	<u>1</u>	<u>1,075.00</u>	200.00	215,000	<u>215,000</u>	<u>215,000</u>
<b>Totals</b>	<b>2</b>	<b>2,375.00</b>			<b>400,900</b>	<b>400,900</b>

**Investment Valuation**

<b>O'Hara Industrial</b>						
Market Rent	185,900	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	3,823,920	
<b>O'Hara Commercial</b>						
Market Rent	215,000	YP @	6.5000%	15.3846		
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	3,105,814	
					<b>6,929,734</b>	

**GROSS DEVELOPMENT VALUE**

**105,860,792**

Purchaser's Costs	6.80%	(471,222)	(471,222)
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**NET DEVELOPMENT VALUE**

**105,389,570**

**NET REALISATION**

**105,389,570**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			3,183,260
Stamp Duty	5.00%	159,163	
Agent Fee	1.00%	31,833	
Legal Fee	0.80%	25,466	
			<b>3,399,722</b>

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	1,300.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,515,800
O'Hara Commercial	1,075.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,253,450
O'Hara Private Residential	15,215.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	38,691,745
O'Hara Affordable Residential	<u>8,160.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>20,750,880</u>
<b>Totals</b>	<b>25,750.00 m<sup>2</sup></b>		<b>62,211,875</b>

Contingency	5.00%	3,110,594	
Demolition		60,450	
			<b>3,171,044</b>

**Other Construction**

Decontamination		473,600	473,600
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**Municipal Costs**

LBTH CIL - residential	15,215.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	4,537,265
MCIL - all uses	17,590.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,055,400
S106	275.00 un	2,500.00 /un	687,500
			<b>6,280,165</b>

**PROFESSIONAL FEES**

Professional fees	10.00%	6,268,547	6,268,547
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,603,661	
Letting Agent Fee	10.00%	40,090	
Letting Legal Fee	5.00%	20,045	
			<b>1,663,796</b>

**DISPOSAL FEES**

**Neasden Station Growth Area  
Design Option 1 (w/o WLO)**

Sales Agent Fee	1.00%	1,053,896	
Sales Legal Fee	0.25%	263,474	
			1,317,370

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	14,032,034	
Profit on affordable	6.00%	1,124,880	
Profit on commercial	15.00%	1,039,460	
			16,196,374

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		632,195	
Construction		3,211,810	
Other		563,072	
Total Finance Cost			4,407,077

**TOTAL COSTS**

**105,389,570**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.38%
Equivalent Yield% (Nominal)	5.55%
Equivalent Yield% (True)	5.75%
IRR	5.60%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 1 (w/o WLO)**

**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	79	5,707.75	6,200.00	447,950	35,388,050
Falcon IE Affordable Residential	<u>42</u>	<u>3,034.50</u>	2,703.00	195,292	<u>8,202,254</u>
<b>Totals</b>	<b>121</b>	<b>8,742.25</b>			<b>43,590,304</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,798.00	143.00	2,116,114	2,116,114	2,116,114
<b>Totals</b>	<b>1</b>	<b>14,798.00</b>			<b>2,116,114</b>	<b>2,116,114</b>

**Investment Valuation**

<b>Falcon IE Industrial</b>					
Market Rent	2,116,114	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	43,527,972
					<b>43,527,972</b>

**GROSS DEVELOPMENT VALUE**

**87,118,276**

Purchaser's Costs	6.80%	(2,959,902)	
			(2,959,902)

**NET DEVELOPMENT VALUE**

**84,158,374**

**NET REALISATION**

**84,158,374**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			9,107,658	
Stamp Duty	5.00%		455,383	
Agent Fee	1.00%		91,077	
Legal Fee	0.80%		72,861	
				9,726,979

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,798.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	17,254,468	
Falcon IE Private Residential	6,715.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	17,076,245	
Falcon IE Affordable Residential	<u>3,570.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>9,078,510</u>	
<b>Totals</b>	<b>25,083.00 m<sup>2</sup></b>		<b>43,409,223</b>	<b>43,409,223</b>

Contingency	5.00%		2,170,461	
Demolition			1,042,500	
				3,212,961

**Municipal Costs**

LBTH CIL - residential	6,715.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	2,002,480	
MCIL - all uses	21,513.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,290,780	
S106	121.00 un	2,500.00 /un	302,500	
				3,595,760

**PROFESSIONAL FEES**

Professional fees	10.00%		4,340,922	
				4,340,922

**MARKETING & LETTING**

Marketing & sales agent	2.00%		707,761	
Letting Agent Fee	10.00%		211,611	
Letting Legal Fee	5.00%		105,806	
				1,025,178

**DISPOSAL FEES**

Sales Agent Fee	1.00%		841,584	
Sales Legal Fee	0.25%		210,396	
				1,051,980

**MISCELLANEOUS FEES**

Profit on private residential	17.50%		6,192,909	
Profit on affordable	6.00%		492,135	
Profit on commercial	15.00%		6,529,196	

**Neasden Station Growth Area  
Design Option 1 (w/o WLO)**

	13,214,240
<b>FINANCE</b>	
Debit Rate 6.000% Credit Rate 0.000% (Nominal)	
Land	1,843,588
Construction	2,602,402
Other	135,141
Total Finance Cost	4,581,130
<b>TOTAL COSTS</b>	<b>84,158,374</b>
<b>PROFIT</b>	<b>0</b>

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	2.51%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.76%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 1 (w/o WLO)**
**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
CNWL Private Residential	683	49,346.75	6,200.00	447,950	305,949,850
CNWL Affordable Residential	<u>367</u>	<u>26,515.75</u>	2,703.00	195,292	<u>71,672,072</u>
<b>Totals</b>	<b>1,050</b>	<b>75,862.50</b>			<b>377,621,922</b>

**NET REALISATION**
**377,621,922**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price				10,819,257	
Stamp Duty		5.00%		540,963	
Agent Fee		1.00%		108,193	
Legal Fee		0.80%		86,554	
					11,554,967

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
CNWL Private Residential	58,055.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	147,633,865	
CNWL Affordable Residential	<u>31,195.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>79,328,885</u>	
<b>Totals</b>	<b>89,250.00 m<sup>2</sup></b>		<b>226,962,750</b>	<b>226,962,750</b>

Contingency		5.00%	11,348,137	
Demolition			1,125,000	
				12,473,137

**Municipal Costs**

CIL (all)			15,407,508	
S106	1,050.00 un	2,500.00 /un	2,625,000	
				18,032,508

**PROFESSIONAL FEES**

Professional fees		10.00%	22,696,275	
				22,696,275

**MARKETING & LETTING**

Marketing & sales agent		2.00%	6,118,997	
				6,118,997

**DISPOSAL FEES**

Sales Agent Fee		1.00%	3,776,219	
Sales Legal Fee		0.25%	944,055	
				4,720,274

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	53,541,224	
Profit on affordable		6.00%	4,300,324	
				57,841,548

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			3,886,194	
Construction			13,318,296	
Other			16,976	
Total Finance Cost				17,221,466

**TOTAL COSTS**
**377,621,922**
**PROFIT**
**0**
**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR	5.78%
Profit Erosion (finance rate 6.000%)	N/A



**Neasden Station Growth Area  
Design Option 1 (w/o WLO)**

**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Dephna House Industrial	1	460.00	143.00	65,780	65,780	65,780
<b>Totals</b>	<b>1</b>	<b>460.00</b>			<b>65,780</b>	<b>65,780</b>

**Investment Valuation**

<b>Dephna House Industrial</b>						
Market Rent	65,780	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	1,353,079	
					<b>1,353,079</b>	

**GROSS DEVELOPMENT VALUE**

				<b>24,658,690</b>
Purchaser's Costs		6.80%	(92,009)	(92,009)

**NET DEVELOPMENT VALUE**

				<b>24,566,680</b>
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**NET REALISATION**

				<b>24,566,680</b>
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**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			954,640	
Stamp Duty		5.00%	47,732	
Agent Fee		1.00%	9,546	
Legal Fee		0.80%	7,637	
				<b>1,019,556</b>

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Dephna House Industrial	460.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	536,360	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>5,985.00 m<sup>2</sup></b>		<b>14,586,435</b>	<b>14,586,435</b>

Contingency		5.00%	729,322	729,322
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610	
MCIL - all uses	4,030.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	241,800	
S106	65.00 un	2,500.00 /un	162,500	
				<b>1,468,910</b>

**PROFESSIONAL FEES**

Professional fees		10.00%	1,458,643	1,458,643
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**MARKETING & LETTING**

Marketing & sales agent		2.00%	376,278	
Letting Agent Fee		10.00%	6,578	
Letting Legal Fee		5.00%	3,289	
				<b>386,145</b>

**DISPOSAL FEES**

Sales Agent Fee		1.00%	245,667	
Sales Legal Fee		0.25%	61,417	
				<b>307,084</b>

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	3,292,433	
Profit on affordable		6.00%	269,503	
Profit on commercial		15.00%	202,962	
				<b>3,764,897</b>

**Neasden Station Growth Area  
Design Option 1 (w/o WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	166,190	
Construction	603,285	
Other	76,213	
Total Finance Cost		845,689

**TOTAL COSTS****24,566,680****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.27%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.47%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

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## Appendix 4 - Development appraisals – Option 2a

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
McGovern Private Residential	309	22,325.25	6,200.00	447,950	138,416,550
McGovern Affordable Residential	<u>166</u>	<u>11,993.50</u>	2,703.00	195,292	<u>32,418,431</u>
<b>Totals</b>	<b>475</b>	<b>34,318.75</b>			<b>170,834,981</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	10,700.00	143.00	1,530,100	1,530,100	1,530,100
<b>Totals</b>	<b>1</b>	<b>10,700.00</b>			<b>1,530,100</b>	<b>1,530,100</b>

**Investment Valuation**

<b>McGovern Industrial</b>					
Market Rent	1,530,100	YP @	4.7500%	21.0526	
		PV 1yr 2mths @	4.7500%	0.9473	30,514,986
					<b>30,514,986</b>

**GROSS DEVELOPMENT VALUE**

**201,349,966**

Purchaser's Costs	6.80%	(2,075,019)	(2,075,019)
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**NET DEVELOPMENT VALUE**

**199,274,947**

**NET REALISATION**

**199,274,947**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			9,384,542
Stamp Duty	5.00%		469,227
Agent Fee	1.00%		93,845
Legal Fee	0.80%		75,076
			<b>10,022,691</b>

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
McGovern Industrial	10,700.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	12,476,200
McGovern Private Residential	26,265.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	66,791,895
McGovern Affordable Residential	<u>14,110.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>35,881,730</u>
<b>Totals</b>	<b>51,075.00 m<sup>2</sup></b>		<b>115,149,825</b>

Contingency	5.00%	5,757,491
Demolition		801,450
		<b>6,558,941</b>

**Other Construction**

Decontamination		1,120,000	1,120,000
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**Municipal Costs**

LBTH CIL - residential	26,265.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	7,832,486
MCIL - all uses	36,965.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	2,217,900
S106	475.00 un	2,500.00 /un	1,187,500
			<b>11,237,886</b>

**PROFESSIONAL FEES**

Professional fees	10.00%	11,626,983	11,626,983
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	2,768,331	2,768,331
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**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,992,749
Sales Legal Fee	0.25%	498,187
		<b>2,490,937</b>

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	24,222,896
Profit on affordable	6.00%	1,945,106

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

Profit on commercial	15.00%	4,577,248	30,745,250
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**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land		2,250,496	
Construction		5,102,709	
Other		200,899	
Total Finance Cost			7,554,104

**TOTAL COSTS**

**199,274,947**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.77%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.65%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	179	12,932.75	6,200.00	447,950	80,183,050
O'Hara Affordable Residential	<u>96</u>	<u>6,936.00</u>	2,703.00	195,292	<u>18,748,008</u>
<b>Totals</b>	<b>275</b>	<b>19,868.75</b>			<b>98,931,058</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
O'Hara Industrial	1	850.00	143.00	121,550	121,550	121,550
O'Hara Commercial	<u>1</u>	<u>1,300.00</u>	200.00	260,000	<u>260,000</u>	<u>260,000</u>
<b>Totals</b>	<b>2</b>	<b>2,150.00</b>			<b>381,550</b>	<b>381,550</b>

**Investment Valuation**

<b>O'Hara Industrial</b>						
Market Rent	121,550	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,500,255	
<b>O'Hara Commercial</b>						
Market Rent	260,000	YP @	6.5000%	15.3846		
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	3,755,869	
					<b>6,256,124</b>	

**GROSS DEVELOPMENT VALUE**

**105,187,182**

Purchaser's Costs	6.80%	(425,416)		(425,416)	
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**NET DEVELOPMENT VALUE**

**104,761,765**

**NET REALISATION**

**104,761,765**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price				3,037,513	
Stamp Duty		5.00%		151,876	
Agent Fee		1.00%		30,375	
Legal Fee		0.80%		24,300	
					3,244,063

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	850.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	991,100
O'Hara Commercial	1,300.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,515,800
O'Hara Private Residential	15,215.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	38,691,745
O'Hara Affordable Residential	<u>8,160.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>20,750,880</u>
<b>Totals</b>	<b>25,525.00 m<sup>2</sup></b>		<b>61,949,525</b>

**61,949,525**

Contingency	5.00%	3,097,476	
Demolition		60,450	
			3,157,926

**Other Construction**

Decontamination			473,600
			473,600

**Municipal Costs**

LBTH CIL - residential	15,215.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	4,537,265
MCIL - all uses	17,365.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,041,900
S106	275.00 un	2,500.00 /un	687,500
			6,266,665

**PROFESSIONAL FEES**

Professional fees	10.00%	6,242,312	
			6,242,312

**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,603,661	
Letting Agent Fee	10.00%	38,155	
Letting Legal Fee	5.00%	19,078	
			1,660,893

**DISPOSAL FEES**

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

Sales Agent Fee	1.00%	1,047,618	
Sales Legal Fee	0.25%	261,904	
			1,309,522

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	14,032,034	
Profit on affordable	6.00%	1,124,880	
Profit on commercial	15.00%	938,419	
			16,095,333

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		602,612	
Construction		3,194,199	
Other		565,114	
Total Finance Cost			4,361,925

**TOTAL COSTS**

**104,761,765**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.36%
Equivalent Yield% (Nominal)	5.82%
Equivalent Yield% (True)	6.04%
IRR	5.60%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**
**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	136	9,826.00	6,200.00	447,950	60,921,200
Falcon IE Affordable Residential	<u>73</u>	<u>5,274.25</u>	2,703.00	195,292	<u>14,256,298</u>
<b>Totals</b>	<b>209</b>	<b>15,100.25</b>			<b>75,177,498</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,798.00	143.00	2,116,114	2,116,114	2,116,114
<b>Totals</b>	<b>1</b>	<b>14,798.00</b>			<b>2,116,114</b>	<b>2,116,114</b>

**Investment Valuation**

<b>Falcon IE Industrial</b>						
Market Rent	2,116,114	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	43,527,972	
					<b>43,527,972</b>	

**GROSS DEVELOPMENT VALUE**
**118,705,470**

Purchaser's Costs	6.80%	(2,959,902)			(2,959,902)
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**NET DEVELOPMENT VALUE**
**115,745,568**
**NET REALISATION**
**115,745,568**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			9,812,190		
Stamp Duty	5.00%		490,610		
Agent Fee	1.00%		98,122		
Legal Fee	0.80%		78,498		
					10,479,419

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,798.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	17,254,468	
Falcon IE Private Residential	11,560.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	29,397,080	
Falcon IE Affordable Residential	<u>6,205.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>15,779,315</u>	
<b>Totals</b>	<b>32,563.00 m<sup>2</sup></b>		<b>62,430,863</b>	<b>62,430,863</b>

Contingency	5.00%		3,121,543		
Demolition			1,042,500		
					4,164,043

**Municipal Costs**

LBTH CIL - residential	11,560.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	3,447,308		
MCIL - all uses	26,358.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,581,480		
S106	209.00 un	2,500.00 /un	522,500		
					5,551,288

**PROFESSIONAL FEES**

Professional fees	10.00%		6,243,086		6,243,086
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**MARKETING & LETTING**

Marketing & sales agent	2.00%		1,218,424		
Letting Agent Fee	10.00%		211,611		
Letting Legal Fee	5.00%		105,806		
					1,535,841

**DISPOSAL FEES**

Sales Agent Fee	1.00%		1,157,456		
Sales Legal Fee	0.25%		289,364		
					1,446,820

**MISCELLANEOUS FEES**

Profit on private residential	17.50%		10,661,210		
Profit on affordable	6.00%		855,378		
Profit on commercial	15.00%		6,529,196		



**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

	18,045,784
<b>FINANCE</b>	
Debit Rate 6.000% Credit Rate 0.000% (Nominal)	
Land	1,984,947
Construction	3,552,168
Other	311,309
Total Finance Cost	5,848,424
<b>TOTAL COSTS</b>	<b>115,745,568</b>
<b>PROFIT</b>	<b>0</b>

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.83%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.71%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
CNWL Private Residential	813	58,739.25	6,200.00	447,950	364,183,350
CNWL Affordable Residential	437	<u>31,573.25</u>	2,703.00	195,292	<u>85,342,495</u>
<b>Totals</b>	<b>1,250</b>	<b>90,312.50</b>			<b>449,525,845</b>

**NET REALISATION**

**449,525,845**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			9,076,787	
Stamp Duty		5.00%	453,839	
Agent Fee		1.00%	90,768	
Legal Fee		0.80%	72,614	
				9,694,008

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
CNWL Private Residential	69,105.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	175,734,015	
CNWL Affordable Residential	<u>37,145.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>94,459,735</u>	
<b>Totals</b>	<b>106,250.00 m<sup>2</sup></b>		<b>270,193,750</b>	<b>270,193,750</b>

Contingency		5.00%	13,509,687	
Demolition			1,125,000	
				14,634,687

**Municipal Costs**

LBTH CIL - residential	69,105.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	20,607,802	
MCIL - all uses	69,105.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	4,146,300	
S106	1,250.00 un	2,500.00 /un	3,125,000	
				27,879,102

**PROFESSIONAL FEES**

Professional fees		10.00%	27,019,375	
				27,019,375

**MARKETING & LETTING**

Marketing & sales agent		2.00%	7,283,667	
				7,283,667

**DISPOSAL FEES**

Sales Agent Fee		1.00%	4,495,258	
Sales Legal Fee		0.25%	1,123,815	
				5,619,073

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	63,732,086	
Profit on affordable		6.00%	5,120,550	
				68,852,636

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			3,195,199	
Construction			15,154,347	
Total Finance Cost				18,349,546

**TOTAL COSTS**

**449,525,845**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR	5.74%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Dephna House Industrial	1	460.00	143.00	65,780	65,780	65,780
<b>Totals</b>	<b>1</b>	<b>460.00</b>			<b>65,780</b>	<b>65,780</b>

**Investment Valuation**

<b>Dephna House Industrial</b>						
Market Rent	65,780	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	1,353,079	
					<b>1,353,079</b>	

**GROSS DEVELOPMENT VALUE**

**24,658,690**

Purchaser's Costs	6.80%	(92,009)		(92,009)
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**NET DEVELOPMENT VALUE**

**24,566,680**

**NET REALISATION**

**24,566,680**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			954,640	
Stamp Duty	5.00%		47,732	
Agent Fee	1.00%		9,546	
Legal Fee	0.80%		7,637	
				1,019,556

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Dephna House Industrial	460.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	536,360	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>5,985.00 m<sup>2</sup></b>		<b>14,586,435</b>	<b>14,586,435</b>

Contingency	5.00%	729,322		729,322
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610	
MCIL - all uses	4,030.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	241,800	
S106	65.00 un	2,500.00 /un	162,500	
				1,468,910

**PROFESSIONAL FEES**

Professional fees	10.00%	1,458,643		1,458,643
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	376,278		
Letting Agent Fee	10.00%	6,578		
Letting Legal Fee	5.00%	3,289		
				386,145

**DISPOSAL FEES**

Sales Agent Fee	1.00%	245,667		
Sales Legal Fee	0.25%	61,417		
				307,084

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	3,292,433		
Profit on affordable	6.00%	269,503		
Profit on commercial	15.00%	202,962		
				3,764,897

**Neasden Station Growth Area  
Design Option 2a (w/o WLO)**

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	166,190	
Construction	603,285	
Other	76,213	
Total Finance Cost		845,689

**TOTAL COSTS**

**24,566,680**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.27%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.47%
Profit Erosion (finance rate 6.000%)	N/A

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## Appendix 5 - Development appraisals – Option 2b

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**
**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
McGovern Private Residential	309	22,325.25	6,200.00	447,950	138,416,550
McGovern Affordable Residential	<u>166</u>	<u>11,993.50</u>	2,703.00	195,292	<u>32,418,431</u>
<b>Totals</b>	<b>475</b>	<b>34,318.75</b>			<b>170,834,981</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	10,700.00	143.00	1,530,100	1,530,100	1,530,100
<b>Totals</b>	<b>1</b>	<b>10,700.00</b>			<b>1,530,100</b>	<b>1,530,100</b>

**Investment Valuation**

<b>McGovern Industrial</b>						
Market Rent	1,530,100	YP @	4.7500%	21.0526		
		PV 0yrs 11mths @	4.7500%	0.9584	30,871,070	
					<b>30,871,070</b>	

**GROSS DEVELOPMENT VALUE**
**201,706,050**

Purchaser's Costs	6.80%	(2,099,233)			(2,099,233)
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**NET DEVELOPMENT VALUE**
**199,606,817**
**NET REALISATION**
**199,606,817**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			8,090,758		
Stamp Duty	5.00%	404,538			
Agent Fee	1.00%	80,908			
Legal Fee	0.80%	64,726			
					8,640,929

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
McGovern Industrial	10,700.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	12,476,200	
McGovern Private Residential	26,265.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	66,791,895	
McGovern Affordable Residential	<u>14,110.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>35,881,730</u>	
<b>Totals</b>	<b>51,075.00 m<sup>2</sup></b>		<b>115,149,825</b>	<b>115,149,825</b>

Contingency	5.00%	5,757,491		
Demolition		801,450		
				6,558,941

**Other Construction**

Decontamination		1,120,000		1,120,000
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**Municipal Costs**

LBTH CIL - residential	26,265.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	7,832,486	
MCIL - all uses	36,965.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	2,217,900	
S106	475.00 un	2,500.00 /un	1,187,500	
				11,237,886

**PROFESSIONAL FEES**

Professional fees	10.00%	11,626,983		11,626,983
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	2,768,331		2,768,331
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**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,996,068		
Sales Legal Fee	0.25%	499,017		
				2,495,085

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	24,222,896		
Profit on affordable	6.00%	1,945,106		

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

Profit on commercial	15.00%	4,630,660	30,798,663
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**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land		1,938,649	
Construction		6,478,446	
Other		793,079	
Total Finance Cost			9,210,175

**TOTAL COSTS**

**199,606,817**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.77%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.73%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**
**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	179	12,932.75	6,200.00	447,950	80,183,050
O'Hara Affordable Residential	<u>96</u>	<u>6,936.00</u>	2,703.00	195,292	<u>18,748,008</u>
<b>Totals</b>	<b>275</b>	<b>19,868.75</b>			<b>98,931,058</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
O'Hara Industrial	1	850.00	143.00	121,550	121,550	121,550
O'Hara Commercial	<u>1</u>	<u>1,300.00</u>	200.00	260,000	<u>260,000</u>	<u>260,000</u>
<b>Totals</b>	<b>2</b>	<b>2,150.00</b>			<b>381,550</b>	<b>381,550</b>

**Investment Valuation**
**O'Hara Industrial**

Market Rent	121,550	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,500,255

**O'Hara Commercial**

Market Rent	260,000	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	3,755,869
					<b>6,256,124</b>

**GROSS DEVELOPMENT VALUE**
**105,187,182**

Purchaser's Costs	6.80%	(425,416)		(425,416)
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**NET DEVELOPMENT VALUE**
**104,761,765**
**NET REALISATION**
**104,761,765**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price				3,037,513
Stamp Duty		5.00%	151,876	
Agent Fee		1.00%	30,375	
Legal Fee		0.80%	24,300	
				3,244,063

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	850.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	991,100
O'Hara Commercial	1,300.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,515,800
O'Hara Private Residential	15,215.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	38,691,745
O'Hara Affordable Residential	<u>8,160.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>20,750,880</u>
<b>Totals</b>	<b>25,525.00 m<sup>2</sup></b>		<b>61,949,525</b>

Contingency	5.00%	3,097,476	
Demolition		60,450	
			3,157,926

**Other Construction**

Decontamination		473,600	
			473,600

**Municipal Costs**

LBTH CIL - residential	15,215.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	4,537,265
MCIL - all uses	17,365.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,041,900
S106	275.00 un	2,500.00 /un	687,500
			6,266,665

**PROFESSIONAL FEES**

Professional fees	10.00%	6,242,312	
			6,242,312

**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,603,661	
Letting Agent Fee	10.00%	38,155	
Letting Legal Fee	5.00%	19,078	
			1,660,893

**DISPOSAL FEES**



**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

Sales Agent Fee	1.00%	1,047,618	
Sales Legal Fee	0.25%	261,904	
			1,309,522

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	14,032,034	
Profit on affordable	6.00%	1,124,880	
Profit on commercial	15.00%	938,419	
			16,095,333

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		602,612	
Construction		3,194,199	
Other		565,114	
Total Finance Cost			4,361,925

**TOTAL COSTS**

**104,761,765**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.36%
Equivalent Yield% (Nominal)	5.82%
Equivalent Yield% (True)	6.04%
IRR	5.60%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	136	9,826.00	6,200.00	447,950	60,921,200
Falcon IE Affordable Residential	<u>73</u>	<u>5,274.25</u>	2,703.00	195,292	<u>14,256,298</u>
<b>Totals</b>	<b>209</b>	<b>15,100.25</b>			<b>75,177,498</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,798.00	143.00	2,116,114	2,116,114	2,116,114
<b>Totals</b>	<b>1</b>	<b>14,798.00</b>			<b>2,116,114</b>	<b>2,116,114</b>

**Investment Valuation**

Falcon IE Industrial					
Market Rent	2,116,114	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	43,527,972
					<b>43,527,972</b>

**GROSS DEVELOPMENT VALUE**

**118,705,470**

Purchaser's Costs	6.80%	(2,959,902)	(2,959,902)
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**NET DEVELOPMENT VALUE**

**115,745,568**

**NET REALISATION**

**115,745,568**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			9,812,190	
Stamp Duty	5.00%		490,610	
Agent Fee	1.00%		98,122	
Legal Fee	0.80%		78,498	
				10,479,419

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,798.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	17,254,468	
Falcon IE Private Residential	11,560.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	29,397,080	
Falcon IE Affordable Residential	<u>6,205.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>15,779,315</u>	
<b>Totals</b>	<b>32,563.00 m<sup>2</sup></b>		<b>62,430,863</b>	<b>62,430,863</b>

Contingency	5.00%		3,121,543	
Demolition			1,042,500	
				4,164,043

**Municipal Costs**

LBTH CIL - residential	11,560.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	3,447,308	
MCIL - all uses	26,358.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,581,480	
S106	209.00 un	2,500.00 /un	522,500	
				5,551,288

**PROFESSIONAL FEES**

Professional fees	10.00%		6,243,086	6,243,086
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**MARKETING & LETTING**

Marketing & sales agent	2.00%		1,218,424	
Letting Agent Fee	10.00%		211,611	
Letting Legal Fee	5.00%		105,806	
				1,535,841

**DISPOSAL FEES**

Sales Agent Fee	1.00%		1,157,456	
Sales Legal Fee	0.25%		289,364	
				1,446,820

**MISCELLANEOUS FEES**

Profit on private residential	17.50%		10,661,210	
Profit on affordable	6.00%		855,378	
Profit on commercial	15.00%		6,529,196	

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

		18,045,784
<b>FINANCE</b>		
Debit Rate 6.000% Credit Rate 0.000% (Nominal)		
Land	1,984,947	
Construction	3,552,168	
Other	311,309	
Total Finance Cost		5,848,424
<b>TOTAL COSTS</b>		<b>115,745,568</b>
<b>PROFIT</b>		<b>0</b>

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.83%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.71%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
CNWL Private Residential	683	49,346.75	6,200.00	447,950	305,949,850
CNWL Affordable Residential	<u>367</u>	<u>26,515.75</u>	2,703.00	195,292	<u>71,672,072</u>
<b>Totals</b>	<b>1,050</b>	<b>75,862.50</b>			<b>377,621,922</b>

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
CNWL Commercial	<u>1</u>	<u>1,000.00</u>	200.00	200,000	<u>200,000</u>	<u>200,000</u>
<b>Totals</b>	<b>1</b>	<b>1,000.00</b>			<b>200,000</b>	<b>200,000</b>

**Investment Valuation**

<b>CNWL Commercial</b>						
Market Rent	200,000	YP @	6.5000%	15.3846		
		PV 2yrs 6mths @	6.5000%	0.8543	2,628,710	
					<b>2,628,710</b>	

**GROSS DEVELOPMENT VALUE**

**380,250,632**

Purchaser's Costs	6.80%	(178,752)			(178,752)
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**NET DEVELOPMENT VALUE**

**380,071,880**

**NET REALISATION**

**380,071,880**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price				11,572,519	
Stamp Duty		5.00%		578,626	
Agent Fee		1.00%		115,725	
Legal Fee		0.80%		92,580	
					12,359,450

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>
CNWL Commercial	1,000.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,166,000
CNWL Private Residential	58,055.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	147,633,865
CNWL Affordable Residential	<u>31,195.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>79,328,885</u>
<b>Totals</b>	<b>90,250.00 m<sup>2</sup></b>		<b>228,128,750</b>

Contingency		5.00%	11,406,438	
Demolition			1,125,000	
				12,531,438

**Municipal Costs**

CIL (all)			15,467,508	
S106	1,050.00 un	2,500.00 /un	2,625,000	
				18,092,508

**PROFESSIONAL FEES**

Professional fees		10.00%	22,812,875	
				22,812,875

**MARKETING & LETTING**

Marketing & sales agent		2.00%	6,118,997	
				6,118,997

**DISPOSAL FEES**

Sales Agent Fee		1.00%	3,800,719	
Sales Legal Fee		0.25%	950,180	
				4,750,898

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	53,541,224	
Profit on affordable		6.00%	4,300,324	
				57,841,548

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land				4,154,905

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

Construction	13,263,534	
Other	16,976	
Total Finance Cost		17,435,415

**TOTAL COSTS****380,071,880****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.05%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%

IRR 5.78%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 6.000%) 0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Dephna House Industrial	1	860.00	143.00	122,980	122,980	122,980
<b>Totals</b>	<b>1</b>	<b>860.00</b>			<b>122,980</b>	<b>122,980</b>

**Investment Valuation**

<b>Dephna House Industrial</b>						
Market Rent	122,980	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,529,670	
					<b>2,529,670</b>	

**GROSS DEVELOPMENT VALUE**

**25,835,280**

Purchaser's Costs	6.80%	(172,018)		(172,018)
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**NET DEVELOPMENT VALUE**

**25,663,263**

**NET REALISATION**

**25,663,263**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price				1,207,057	
Stamp Duty		5.00%		60,353	
Agent Fee		1.00%		12,071	
Legal Fee		0.80%		9,656	
					1,289,137

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Dephna House Industrial	860.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,002,760	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>6,385.00 m<sup>2</sup></b>		<b>15,052,835</b>	<b>15,052,835</b>

Contingency	5.00%	752,642		752,642
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610	
MCIL - all uses	4,430.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	265,800	
S106	65.00 un	2,500.00 /un	162,500	
				1,492,910

**PROFESSIONAL FEES**

Professional fees	10.00%	1,505,283		1,505,283
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	376,278		
Letting Agent Fee	10.00%	12,298		
Letting Legal Fee	5.00%	6,149		
				394,725

**DISPOSAL FEES**

Sales Agent Fee	1.00%	256,633		
Sales Legal Fee	0.25%	64,158		
				320,791

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	3,292,433		
Profit on affordable	6.00%	269,503		
Profit on commercial	15.00%	379,450		
				3,941,386

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	211,159	
Construction	628,953	
Other	73,443	
Total Finance Cost		913,555

**TOTAL COSTS****25,663,263****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.48%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.49%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 2b (w/o WLO)**

Summary Appraisal for Phase 7 Neasden Ln SS

Currency in £

**REVENUE**

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Neasden Ln Commercial	1	950.00	200.00	190,000	190,000	190,000
<b>Totals</b>	<b>1</b>	<b>950.00</b>			<b>190,000</b>	<b>190,000</b>

**Investment Valuation**

**Neasden Ln Commercial**

Market Rent	190,000	YP @	6.5000%	15.3846		
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	2,744,673	
					<b>2,744,673</b>	

**GROSS DEVELOPMENT VALUE**

**2,744,673**

Purchaser's Costs	6.80%	(186,638)		(186,638)		
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**NET DEVELOPMENT VALUE**

**2,558,035**

**NET REALISATION**

**2,558,035**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price				624,836		
Stamp Duty		5.00%		31,242		
Agent Fee		1.00%		6,248		
Legal Fee		0.80%		4,999		
					667,325	

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Neasden Ln Commercial	950.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,107,700	<b>1,107,700</b>
Contingency		5.00%	55,385	55,385

**Municipal Costs**

MCIL - all uses	950.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	57,000	57,000
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**PROFESSIONAL FEES**

Professional fees	10.00%	110,770		110,770
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**MARKETING & LETTING**

Letting Agent Fee	10.00%	19,000		
Letting Legal Fee	5.00%	9,500		
				28,500

**DISPOSAL FEES**

Sales Agent Fee	1.00%	25,580		
Sales Legal Fee	0.25%	6,395		
				31,975

**MISCELLANEOUS FEES**

Profit on commercial	15.00%	383,705		383,705
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**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			80,709	
Construction			34,966	
Total Finance Cost				115,675

**TOTAL COSTS**

**2,558,035**

**PROFIT**

**0**

**Performance Measures**



**Neasden Station Growth Area****Design Option 2b (w/o WLO)**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.43%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR	11.13%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	N/A

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## Appendix 6 - Development appraisals – Option 3

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**
**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
McGovern Private Residential	338	24,420.50	6,200.00	447,950	151,407,100
McGovern Affordable Residential	<u>182</u>	<u>13,149.50</u>	2,703.00	195,292	<u>35,543,099</u>
<b>Totals</b>	<b>520</b>	<b>37,570.00</b>			<b>186,950,199</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	10,700.00	143.00	1,530,100	1,530,100	1,530,100
McGovern Commercial	<u>1</u>	<u>950.00</u>	200.00	190,000	<u>190,000</u>	<u>190,000</u>
<b>Totals</b>	<b>2</b>	<b>11,650.00</b>			<b>1,720,100</b>	<b>1,720,100</b>

**Investment Valuation**
**McGovern Industrial**

Market Rent	1,530,100	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	31,473,801

**McGovern Commercial**

Market Rent	190,000	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	2,744,673
					<b>34,218,474</b>

**GROSS DEVELOPMENT VALUE**
**221,168,672**

Purchaser's Costs	6.80%	(2,326,856)		(2,326,856)
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**NET DEVELOPMENT VALUE**
**218,841,816**
**NET REALISATION**
**218,841,816**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			3,351,717	
Stamp Duty	5.00%	167,586		
Agent Fee	1.00%	33,517		
Legal Fee	0.80%	26,814		
				<b>3,579,633</b>

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
McGovern Industrial	10,700.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	12,476,200	
McGovern Commercial	950.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,107,700	
McGovern Private Residential	28,730.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	73,060,390	
McGovern Affordable Residential	15,470.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	39,340,210	
McGovern Podium cost	<u>13,000.00 m<sup>2</sup></u>	500.00 pm <sup>2</sup>	<u>6,500,000</u>	
<b>Totals</b>	<b>68,850.00 m<sup>2</sup></b>		<b>132,484,500</b>	<b>132,484,500</b>

Contingency	5.00%	6,624,225		
Demolition		801,450		
				<b>7,425,675</b>

**Other Construction**

Decontamination		1,120,000		1,120,000
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**Municipal Costs**

LBTH CIL - residential	28,730.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	8,567,573	
MCIL - all uses	40,380.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	2,422,800	
S106	520.00 un	2,500.00 /un	1,300,000	
				<b>12,290,373</b>

**PROFESSIONAL FEES**

Professional fees	10.00%	13,360,450		13,360,450
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	3,028,142		
Letting Agent Fee	10.00%	172,010		
Letting Legal Fee	5.00%	86,005		
				<b>3,286,157</b>

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**

**DISPOSAL FEES**

Sales Agent Fee	1.00%	2,188,418	
Sales Legal Fee	0.25%	547,105	
			2,735,523

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	26,496,243	
Profit on affordable	6.00%	2,132,586	
Profit on commercial	15.00%	5,132,771	
			33,761,599

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		665,194	
Construction		7,133,958	
Other		998,754	
Total Finance Cost			8,797,905

**TOTAL COSTS**

**218,841,816**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.79%
Equivalent Yield% (Nominal)	4.90%
Equivalent Yield% (True)	5.05%
 IRR	 5.59%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**

**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	203	14,666.75	6,200.00	447,950	90,933,850
O'Hara Affordable Residential	<u>109</u>	<u>7,875.25</u>	2,703.00	195,292	<u>21,286,801</u>
<b>Totals</b>	<b>312</b>	<b>22,542.00</b>			<b>112,220,651</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale
O'Hara Industrial	1	1,000.00	143.00	143,000	143,000
O'Hara Commercial	<u>1</u>	<u>100.00</u>	200.00	20,000	<u>20,000</u>
<b>Totals</b>	<b>2</b>	<b>1,100.00</b>			<b>163,000</b>

**Investment Valuation**

<b>O'Hara Industrial</b>					
Market Rent	143,000	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,941,477
<b>O'Hara Commercial</b>					
Market Rent	20,000	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	288,913
					<b>3,230,390</b>

**GROSS DEVELOPMENT VALUE**

**115,451,040**

Purchaser's Costs	6.80%	(219,666)	(219,666)
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**NET DEVELOPMENT VALUE**

**115,231,374**

**NET REALISATION**

**115,231,374**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)	(10,597)	(10,597)
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**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	1,000.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,166,000
O'Hara Commercial	100.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	116,600
O'Hara Private Residential	17,255.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	43,879,465
O'Hara Affordable Residential	9,265.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	23,560,895
O'Hara Podium cost	<u>5,800.00 m<sup>2</sup></u>	500.00 pm <sup>2</sup>	<u>2,900,000</u>
<b>Totals</b>	<b>33,420.00 m<sup>2</sup></b>		<b>71,622,960</b>

Contingency	5.00%	3,581,148	
Demolition		60,450	3,641,598

**Other Construction**

Decontamination	473,600	473,600
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**Municipal Costs**

LBTH CIL - residential	17,255.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,145,614
MCIL - all uses	18,355.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,101,300
S106	312.00 un	2,500.00 /un	780,000
			7,026,914

**PROFESSIONAL FEES**

Professional fees	10.00%	7,209,656	7,209,656
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,818,677	
Letting Agent Fee	10.00%	16,300	
Letting Legal Fee	5.00%	8,150	
			1,843,127

**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,152,314	
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**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**

Sales Legal Fee	0.25%	288,078	1,440,392
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**MISCELLANEOUS FEES**

Profit on private residential	17.50%	15,913,424	
Profit on affordable	6.00%	1,277,208	
Profit on commercial	15.00%	441,222	17,631,853

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		(1,164)	
Construction		3,699,499	
Other		653,535	
Total Finance Cost			4,351,871

**TOTAL COSTS**

**115,231,374**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.14%
Equivalent Yield% (Nominal)	4.91%
Equivalent Yield% (True)	5.07%
IRR	5.56%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**

**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	222	16,039.50	6,200.00	447,950	99,444,900
Falcon IE Affordable Residential	119	8,597.75	2,703.00	195,292	23,239,718
<b>Totals</b>	<b>341</b>	<b>24,637.25</b>			<b>122,684,618</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,000.00	143.00	2,002,000	2,002,000	2,002,000
<b>Totals</b>	<b>1</b>	<b>14,000.00</b>			<b>2,002,000</b>	<b>2,002,000</b>

**Investment Valuation**

Falcon IE Industrial					
Market Rent	2,002,000	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	41,180,674
					<b>41,180,674</b>

**GROSS DEVELOPMENT VALUE**

**163,865,292**

Purchaser's Costs	6.80%	(2,800,286)	(2,800,286)
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**NET DEVELOPMENT VALUE**

**161,065,006**

**NET REALISATION**

**161,065,006**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			10,420,736	
Stamp Duty	5.00%		521,037	
Agent Fee	1.00%		104,207	
Legal Fee	0.80%		83,366	
				11,129,346

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,000.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	16,324,000	
Falcon IE Private Residential	18,870.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	47,986,410	
Falcon IE Affordable Residential	10,115.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	25,722,445	
<b>Totals</b>	<b>42,985.00 m<sup>2</sup></b>		<b>90,032,855</b>	<b>90,032,855</b>

Contingency	5.00%	4,501,643	
Demolition		1,042,500	5,544,143

**Municipal Costs**

LBTH CIL - residential	18,870.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,627,223	
MCIL - all uses	32,870.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,972,200	
S106	341.00 un	2,500.00 /un	852,500	8,451,923

**PROFESSIONAL FEES**

Professional fees	10.00%	9,003,286	9,003,286
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,988,898	
Letting Agent Fee	10.00%	200,200	
Letting Legal Fee	5.00%	100,100	
			2,289,198

**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,610,650	
Sales Legal Fee	0.25%	402,663	
			2,013,313

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	17,402,858	
Profit on affordable	6.00%	1,394,383	
Profit on commercial	15.00%	6,177,101	

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**

	24,974,342
<b>FINANCE</b>	
Debit Rate 6.000% Credit Rate 0.000% (Nominal)	
Land	2,105,499
Construction	4,921,930
Other	599,173
Total Finance Cost	7,626,602
<b>TOTAL COSTS</b>	<b>161,065,006</b>
<b>PROFIT</b>	<b>0</b>

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.24%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.67%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths



**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**
**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
CNWL Private Residential	683	49,346.75	6,200.00	447,950	305,949,850
CNWL Affordable Residential	<u>367</u>	<u>26,515.75</u>	2,703.00	195,292	<u>71,672,072</u>
<b>Totals</b>	<b>1,050</b>	<b>75,862.50</b>			<b>377,621,922</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
CNWL Commercial	<u>1</u>	<u>550.00</u>	200.00	110,000	<u>110,000</u>	<u>110,000</u>
<b>Totals</b>	<b>1</b>	<b>550.00</b>			<b>110,000</b>	<b>110,000</b>

**Investment Valuation**
**CNWL Commercial**

Market Rent	110,000	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	1,589,021
					<b>1,589,021</b>

**GROSS DEVELOPMENT VALUE**
**379,210,944**

Purchaser's Costs	6.80%	(108,053)	
			(108,053)

**NET DEVELOPMENT VALUE**
**379,102,890**
**NET REALISATION**
**379,102,890**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			11,589,741	
Stamp Duty	5.00%	579,487		
Agent Fee	1.00%	115,897		
Legal Fee	0.80%	92,718		
				12,377,843

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
CNWL Commercial	550.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	641,300	
CNWL Private Residential	58,055.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	147,633,865	
CNWL Affordable Residential	<u>31,195.00 m<sup>2</sup></u>	<u>2,543.00 pm<sup>2</sup></u>	<u>79,328,885</u>	
<b>Totals</b>	<b>89,800.00 m<sup>2</sup></b>		<b>227,604,050</b>	<b>227,604,050</b>

Contingency	5.00%	11,380,202	
Demolition		1,125,000	
			12,505,202

**Municipal Costs**

CIL (all)			16,430,063	
S106	1,050.00 un	2,500.00 /un	2,625,000	
				19,055,063

**PROFESSIONAL FEES**

Professional fees	10.00%	22,760,405	
			22,760,405

**MARKETING & LETTING**

Marketing & sales agent	2.00%	6,118,997	
Letting Agent Fee	10.00%	11,000	
Letting Legal Fee	5.00%	5,500	
			6,135,497

**DISPOSAL FEES**

Sales Agent Fee	1.00%	3,791,029	
Sales Legal Fee	0.25%	947,757	
			4,738,786

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	53,541,224	
Profit on affordable	6.00%	4,300,324	
Profit on commercial	15.00%	222,145	
			58,063,693

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	2,306,357	
Construction	11,331,513	
Other	2,224,479	
Total Finance Cost		15,862,350

**TOTAL COSTS****379,102,890****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.03%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR	5.59%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)**
**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Dephna House Industrial	1	460.00	143.00	65,780	65,780	65,780
<b>Totals</b>	<b>1</b>	<b>460.00</b>			<b>65,780</b>	<b>65,780</b>

**Investment Valuation**

<b>Dephna House Industrial</b>						
Market Rent	65,780	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	1,353,079	
					<b>1,353,079</b>	

**GROSS DEVELOPMENT VALUE**
**24,658,690**

Purchaser's Costs	6.80%	(92,009)		(92,009)
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**NET DEVELOPMENT VALUE**
**24,566,680**
**NET REALISATION**
**24,566,680**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			784,839	
Stamp Duty	5.00%		39,242	
Agent Fee	1.00%		7,848	
Legal Fee	0.80%		6,279	
				838,208

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Dephna House Industrial	460.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	536,360	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>5,985.00 m<sup>2</sup></b>		<b>14,586,435</b>	<b>14,586,435</b>

Contingency	5.00%	729,322		729,322
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610	
MCIL - all uses	4,030.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	241,800	
S106	65.00 un	2,500.00 /un	162,500	
				1,468,910

**PROFESSIONAL FEES**

Professional fees	10.00%	1,458,643		1,458,643
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	376,278		
Letting Agent Fee	10.00%	6,578		
Letting Legal Fee	5.00%	3,289		
				386,145

**DISPOSAL FEES**

Sales Agent Fee	1.00%	245,667		
Sales Legal Fee	0.25%	61,417		
				307,084

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	3,292,433		
Profit on affordable	6.00%	269,503		
Profit on commercial	15.00%	202,962		
				3,764,897

**Neasden Station Growth Area  
Design Option 3 (w/o WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	155,715	
Construction	738,472	
Other	132,850	
Total Finance Cost		1,027,036

**TOTAL COSTS****24,566,680****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.27%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.60%
Profit Erosion (finance rate 6.000%)	N/A

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## Appendix 7 - Development appraisals – Option 4

**Neasden Station Growth Area  
Design Option 4 (with WLO)**
**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
McGovern Private Residential	176	12,716.00	6,200.00	447,950	78,839,200
McGovern Affordable Residential	94	6,791.50	2,703.00	195,292	18,357,425
<b>Totals</b>	<b>270</b>	<b>19,507.50</b>			<b>97,196,625</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	10,750.00	143.00	1,537,250	1,537,250	1,537,250
<b>Totals</b>	<b>1</b>	<b>10,750.00</b>			<b>1,537,250</b>	<b>1,537,250</b>

**Investment Valuation**

McGovern Industrial					
Market Rent	1,537,250	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	31,620,874
					<b>31,620,874</b>

**GROSS DEVELOPMENT VALUE**
**128,817,499**

Purchaser's Costs	6.80%	(2,150,219)	(2,150,219)
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**NET DEVELOPMENT VALUE**
**126,667,280**
**NET REALISATION**
**126,667,280**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			7,066,182	
Stamp Duty	5.00%		353,309	
Agent Fee	1.00%		70,662	
Legal Fee	0.80%		56,529	
				7,546,683

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
McGovern Industrial	10,750.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	12,534,500	
McGovern Private Residential	14,960.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	38,043,280	
McGovern Affordable Residential	7,990.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	20,318,570	
<b>Totals</b>	<b>33,700.00 m<sup>2</sup></b>		<b>70,896,350</b>	<b>70,896,350</b>

Contingency	5.00%	3,544,817	
Demolition		801,450	
			4,346,267

**Other Construction**

Decontamination		1,120,000	
			1,120,000

**Municipal Costs**

LBTH CIL - residential	14,960.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	4,461,222	
MCIL - all uses	25,710.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,542,600	
S106	270.00 un	2,500.00 /un	675,000	
				6,678,822

**PROFESSIONAL FEES**

Professional fees	10.00%	7,201,635	
			7,201,635

**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,576,784	
Letting Agent Fee	10.00%	153,725	
Letting Legal Fee	5.00%	76,863	
			1,807,371

**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,266,673	
Sales Legal Fee	0.25%	316,668	
			1,583,341

**MISCELLANEOUS FEES**

**Neasden Station Growth Area**

**Design Option 4 (with WLO)**

Profit on private residential	17.50%	13,796,860	
Profit on affordable	6.00%	1,101,445	
Profit on commercial	15.00%	4,743,131	
			19,641,437

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land		1,426,952	
Construction		3,940,195	
Other		478,226	
Total Finance Cost			5,845,374

**TOTAL COSTS**

**126,667,280**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.21%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%

IRR 5.66%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 6.000%) 0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 4 (with WLO)**

**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	146	10,548.50	6,200.00	447,950	65,400,700
O'Hara Affordable Residential	<u>79</u>	<u>5,707.75</u>	2,703.00	195,292	<u>15,428,048</u>
<b>Totals</b>	<b>225</b>	<b>16,256.25</b>			<b>80,828,748</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
O'Hara Industrial	1	820.00	143.00	117,260	117,260	117,260
O'Hara Commercial	<u>1</u>	<u>1,200.00</u>	200.00	240,000	<u>240,000</u>	<u>240,000</u>
<b>Totals</b>	<b>2</b>	<b>2,020.00</b>			<b>357,260</b>	<b>357,260</b>

**Investment Valuation**

<b>O'Hara Industrial</b>						
Market Rent	117,260	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,412,011	
<b>O'Hara Commercial</b>						
Market Rent	240,000	YP @	6.5000%	15.3846		
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	3,466,956	
					<b>5,878,966</b>	

**GROSS DEVELOPMENT VALUE**

**86,707,715**

Purchaser's Costs	6.80%	(399,770)		(399,770)
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**NET DEVELOPMENT VALUE**

**86,307,945**

**NET REALISATION**

**86,307,945**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price				2,505,573	
Stamp Duty		5.00%		125,279	
Agent Fee		1.00%		25,056	
Legal Fee		0.80%		20,045	
					2,675,952

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	820.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	956,120
O'Hara Commercial	1,200.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,399,200
O'Hara Private Residential	12,410.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	31,558,630
O'Hara Affordable Residential	<u>6,715.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>17,076,245</u>
<b>Totals</b>	<b>21,145.00 m<sup>2</sup></b>		<b>50,990,195</b>

**50,990,195**

Contingency	5.00%	2,549,510	
Demolition		60,450	
			2,609,960

**Other Construction**

Decontamination			473,600
			473,600

**Municipal Costs**

LBTH CIL - residential	12,410.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	3,700,786
MCIL - all uses	14,430.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	865,800
S106	225.00 un	2,500.00 /un	562,500
			5,129,086

**PROFESSIONAL FEES**

Professional fees	10.00%	5,146,380	
			5,146,380

**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,308,014	
Letting Agent Fee	10.00%	35,726	
Letting Legal Fee	5.00%	17,863	
			1,361,603

**DISPOSAL FEES**



**Neasden Station Growth Area  
Design Option 4 (with WLO)**

Sales Agent Fee	1.00%	863,079	
Sales Legal Fee	0.25%	215,770	
			1,078,849

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	11,445,122	
Profit on affordable	6.00%	925,683	
Profit on commercial	15.00%	881,845	
			13,252,650

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		497,237	
Construction		2,634,033	
Other		458,400	
Total Finance Cost			3,589,670

**TOTAL COSTS**

**86,307,945**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.41%
Equivalent Yield% (Nominal)	5.80%
Equivalent Yield% (True)	6.02%
IRR	5.60%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 4 (with WLO)**
**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	266	19,218.50	6,200.00	447,950	119,154,700
Falcon IE Affordable Residential	143	10,331.75	2,703.00	195,292	27,926,720
<b>Totals</b>	<b>409</b>	<b>29,550.25</b>			<b>147,081,420</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,798.00	143.00	2,116,114	2,116,114	2,116,114
<b>Totals</b>	<b>1</b>	<b>14,798.00</b>			<b>2,116,114</b>	<b>2,116,114</b>

**Investment Valuation**

<b>Falcon IE Industrial</b>						
Market Rent	2,116,114	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	43,527,972	
					<b>43,527,972</b>	

**GROSS DEVELOPMENT VALUE**
**190,609,392**

Purchaser's Costs	6.80%	(2,959,902)			(2,959,902)
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**NET DEVELOPMENT VALUE**
**187,649,490**
**NET REALISATION**
**187,649,490**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			9,175,985		
Stamp Duty	5.00%		458,799		
Agent Fee	1.00%		91,760		
Legal Fee	0.80%		73,408		
					9,799,952

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,798.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	17,254,468	
Falcon IE Private Residential	22,610.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	57,497,230	
Falcon IE Affordable Residential	12,155.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	30,910,165	
<b>Totals</b>	<b>49,563.00 m<sup>2</sup></b>		<b>105,661,863</b>	<b>105,661,863</b>

Contingency	5.00%	5,283,093		
Demolition		1,042,500		
				6,325,593

**Municipal Costs**

LBTH CIL - residential	22,610.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	6,742,528	
MCIL - all uses	37,408.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	2,244,480	
S106	409.00 un	2,500.00 /un	1,022,500	
				10,009,508

**PROFESSIONAL FEES**

Professional fees	10.00%	10,566,186		
				10,566,186

**MARKETING & LETTING**

Marketing & sales agent	2.00%	2,383,094		
Letting Agent Fee	10.00%	211,611		
Letting Legal Fee	5.00%	105,806		
				2,700,511

**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,876,495		
Sales Legal Fee	0.25%	469,124		
				2,345,619

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	20,852,072		
Profit on affordable	6.00%	1,675,603		
Profit on commercial	15.00%	6,529,196		

**Neasden Station Growth Area  
Design Option 4 (with WLO)**

		29,056,872
<b>FINANCE</b>		
Debit Rate 6.000% Credit Rate 0.000% (Nominal)		
Land	2,205,369	
Construction	7,312,051	
Other	1,665,966	
Total Finance Cost		11,183,387
<b>TOTAL COSTS</b>		<b>187,649,490</b>
<b>PROFIT</b>		<b>0</b>

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.13%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.81%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 4 (with WLO)**

**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
CNWL Private Residential	715	51,658.75	6,200.00	447,950	320,284,250
CNWL Affordable Residential	<u>385</u>	<u>27,816.25</u>	2,703.00	195,292	<u>75,187,324</u>
<b>Totals</b>	<b>1,100</b>	<b>79,475.00</b>			<b>395,471,574</b>

**NET REALISATION**

**395,471,574**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price				11,121,648	
Stamp Duty		5.00%		556,082	
Agent Fee		1.00%		111,216	
Legal Fee		0.80%		88,973	
					11,877,920

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
CNWL Private Residential	60,775.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	154,550,825	
CNWL Affordable Residential	<u>32,725.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>83,219,675</u>	
<b>Totals</b>	<b>93,500.00 m<sup>2</sup></b>		<b>237,770,500</b>	<b>237,770,500</b>

Contingency		5.00%	11,888,525	
Demolition			1,125,000	
				13,013,525

**Municipal Costs**

CIL (all)			16,397,063	
S106	1,100.00 un	2,500.00 /un	2,750,000	
				19,147,063

**PROFESSIONAL FEES**

Professional fees		10.00%	23,777,050	
				23,777,050

**MARKETING & LETTING**

Marketing & sales agent		2.00%	6,405,685	
				6,405,685

**DISPOSAL FEES**

Sales Agent Fee		1.00%	3,954,716	
Sales Legal Fee		0.25%	988,679	
				4,943,395

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	56,049,744	
Profit on affordable		6.00%	4,511,239	
				60,560,983

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			3,993,859	
Construction			13,963,869	
Other			17,724	
Total Finance Cost				17,975,453

**TOTAL COSTS**

**395,471,574**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR	5.78%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 4 (with WLO)**
**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Dephna House Industrial	1	460.00	143.00	65,780	65,780	65,780
<b>Totals</b>	<b>1</b>	<b>460.00</b>			<b>65,780</b>	<b>65,780</b>

**Investment Valuation**

<b>Dephna House Industrial</b>						
Market Rent	65,780	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	1,353,079	
					<b>1,353,079</b>	

**GROSS DEVELOPMENT VALUE**
**24,658,690**

Purchaser's Costs	6.80%	(92,009)			
				(92,009)	

**NET DEVELOPMENT VALUE**
**24,566,680**
**NET REALISATION**
**24,566,680**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			909,586		
Stamp Duty		5.00%	45,479		
Agent Fee		1.00%	9,096		
Legal Fee		0.80%	7,277		
					971,438

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Dephna House Industrial	460.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	536,360	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>5,985.00 m<sup>2</sup></b>		<b>14,586,435</b>	<b>14,586,435</b>

Contingency	5.00%	729,322			729,322
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610		
MCIL - all uses	4,030.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	241,800		
S106	65.00 un	2,500.00 /un	162,500		
					1,468,910

**PROFESSIONAL FEES**

Professional fees	10.00%	1,458,643			1,458,643
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	376,278			
Letting Agent Fee	10.00%	6,578			
Letting Legal Fee	5.00%	3,289			
					386,145

**DISPOSAL FEES**

Sales Agent Fee	1.00%	245,667			
Sales Legal Fee	0.25%	61,417			
					307,084

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	3,292,433			
Profit on affordable	6.00%	269,503			
Profit on commercial	15.00%	202,962			
					3,764,897

**Neasden Station Growth Area  
Design Option 4 (with WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	158,184	
Construction	603,285	
Other	132,337	
Total Finance Cost		893,807

**TOTAL COSTS****24,566,680****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.27%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.52%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

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## Appendix 8 - Development appraisals – Option 5a

**Neasden Station Growth Area  
Design Option 5a (with WLO)**
**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
McGovern Private Residential	345	24,926.25	6,200.00	447,950	154,542,750
McGovern Affordable Residential	<u>185</u>	<u>13,366.25</u>	2,703.00	195,292	<u>36,128,974</u>
<b>Totals</b>	<b>530</b>	<b>38,292.50</b>			<b>190,671,724</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	10,700.00	143.00	1,530,100	1,530,100	1,530,100
McGovern Commercial	<u>1</u>	<u>750.00</u>	200.00	150,000	<u>150,000</u>	<u>150,000</u>
<b>Totals</b>	<b>2</b>	<b>11,450.00</b>			<b>1,680,100</b>	<b>1,680,100</b>

**Investment Valuation**
**McGovern Industrial**

Market Rent	1,530,100	YP @	4.7500%	21.0526	
		PV 1yr 3mths @	4.7500%	0.9436	30,397,206

**McGovern Commercial**

Market Rent	150,000	YP @	6.5000%	15.3846	
		PV 1yr 9mths @	6.5000%	0.8956	2,066,884
					<b>32,464,090</b>

**GROSS DEVELOPMENT VALUE**
**223,135,814**

Purchaser's Costs	6.80%	(2,207,558)	(2,207,558)
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**NET DEVELOPMENT VALUE**
**220,928,256**
**NET REALISATION**
**220,928,256**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			9,080,457
Stamp Duty	5.00%	454,023	
Agent Fee	1.00%	90,805	
Legal Fee	0.80%	72,644	
			9,697,928

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
McGovern Industrial	10,700.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	12,476,200
McGovern Commercial	750.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	874,500
McGovern Private Residential	29,325.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	74,573,475
McGovern Affordable Residential	<u>15,725.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>39,988,675</u>
<b>Totals</b>	<b>56,500.00 m<sup>2</sup></b>		<b>127,912,850</b>

Contingency	5.00%	6,395,642	
Demolition		801,450	
			7,197,092

**Other Construction**

Decontamination		1,120,000	1,120,000
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**Municipal Costs**

LBTH CIL - residential	29,325.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	8,745,008
MCIL - all uses	40,775.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	2,446,500
S106	530.00 un	2,500.00 /un	1,325,000
			12,516,508

**PROFESSIONAL FEES**

Professional fees	10.00%	12,903,285	12,903,285
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	3,090,855	3,090,855
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**DISPOSAL FEES**

Sales Agent Fee	1.00%	2,209,283	
Sales Legal Fee	0.25%	552,321	



**Neasden Station Growth Area  
Design Option 5a (with WLO)**

2,761,603

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	27,044,981
Profit on affordable	6.00%	2,167,738
Profit on commercial	15.00%	4,869,613

34,082,333

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land		2,535,871
Construction		7,006,575
Other		103,355

9,645,801

**TOTAL COSTS**

**220,928,256**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.76%
Equivalent Yield% (Nominal)	4.87%
Equivalent Yield% (True)	5.02%

IRR 5.71%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 6.000%) N/A

**Neasden Station Growth Area  
Design Option 5a (with WLO)**

**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	211	15,244.75	6,200.00	447,950	94,517,450
O'Hara Affordable Residential	<u>114</u>	<u>8,236.50</u>	2,703.00	195,292	<u>22,263,260</u>
<b>Totals</b>	<b>325</b>	<b>23,481.25</b>			<b>116,780,710</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
O'Hara Industrial	1	810.00	143.00	115,830	115,830	115,830
O'Hara Commercial	<u>1</u>	<u>300.00</u>	200.00	60,000	<u>60,000</u>	<u>60,000</u>
<b>Totals</b>	<b>2</b>	<b>1,110.00</b>			<b>175,830</b>	<b>175,830</b>

**Investment Valuation**

O'Hara Industrial					
Market Rent	115,830	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,382,596
<b>O'Hara Commercial</b>					
Market Rent	60,000	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	866,739
					<b>3,249,335</b>

**GROSS DEVELOPMENT VALUE**

**120,030,045**

Purchaser's Costs	6.80%	(220,955)	(220,955)
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**NET DEVELOPMENT VALUE**

**119,809,090**

**NET REALISATION**

**119,809,090**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			2,800,228
Stamp Duty	5.00%	140,011	
Agent Fee	1.00%	28,002	
Legal Fee	0.80%	22,402	
			<b>2,990,644</b>

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	810.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	944,460
O'Hara Commercial	300.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	349,800
O'Hara Private Residential	17,935.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	45,608,705
O'Hara Affordable Residential	<u>9,690.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>24,641,670</u>
<b>Totals</b>	<b>28,735.00 m<sup>2</sup></b>		<b>71,544,635</b>

**71,544,635**

Contingency	5.00%	3,577,232
Demolition		60,450
		<b>3,637,682</b>

**Other Construction**

Decontamination		473,600	473,600
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**Municipal Costs**

LBTH CIL - residential	17,935.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,348,396
MCIL - all uses	19,045.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,142,700
S106	325.00 un	2,500.00 /un	812,500
			<b>7,303,596</b>

**PROFESSIONAL FEES**

Professional fees	10.00%	7,201,824	7,201,824
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,890,349
Letting Agent Fee	10.00%	17,583
Letting Legal Fee	5.00%	8,792
		<b>1,916,724</b>

**DISPOSAL FEES**

**Neasden Station Growth Area  
Design Option 5a (with WLO)**

Sales Agent Fee	1.00%	1,198,091	
Sales Legal Fee	0.25%	299,523	
			1,497,614

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	16,540,554	
Profit on affordable	6.00%	1,335,796	
Profit on commercial	15.00%	487,400	
			18,363,750

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		551,587	
Construction		3,648,873	
Other		678,563	
Total Finance Cost			4,879,023

**TOTAL COSTS**

**119,809,090**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.15%
Equivalent Yield% (Nominal)	5.23%
Equivalent Yield% (True)	5.41%
IRR	5.58%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 5a (with WLO)**

**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	216	15,606.00	6,200.00	447,950	96,757,200
Falcon IE Affordable Residential	<u>116</u>	<u>8,381.00</u>	2,703.00	195,292	<u>22,653,843</u>
<b>Totals</b>	<b>332</b>	<b>23,987.00</b>			<b>119,411,043</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,798.00	143.00	2,116,114	2,116,114	2,116,114
<b>Totals</b>	<b>1</b>	<b>14,798.00</b>			<b>2,116,114</b>	<b>2,116,114</b>

**Investment Valuation**

Falcon IE Industrial					
Market Rent	2,116,114	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	43,527,972
					<b>43,527,972</b>

**GROSS DEVELOPMENT VALUE**

**162,939,015**

Purchaser's Costs	6.80%	(2,959,902)	(2,959,902)
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**NET DEVELOPMENT VALUE**

**159,979,113**

**NET REALISATION**

**159,979,113**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			10,818,766	
Stamp Duty	5.00%		540,938	
Agent Fee	1.00%		108,188	
Legal Fee	0.80%		86,550	
				11,554,442

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,798.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	17,254,468	
Falcon IE Private Residential	18,360.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	46,689,480	
Falcon IE Affordable Residential	<u>9,860.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>25,073,980</u>	
<b>Totals</b>	<b>43,018.00 m<sup>2</sup></b>		<b>89,017,928</b>	<b>89,017,928</b>

Contingency	5.00%	4,450,896	
Demolition		1,042,500	
			5,493,396

**Municipal Costs**

LBTH CIL - residential	18,360.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,475,136	
MCIL - all uses	33,158.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,989,480	
S106	332.00 un	2,500.00 /un	830,000	
				8,294,616

**PROFESSIONAL FEES**

Professional fees	10.00%	8,901,793	
			8,901,793

**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,935,144	
Letting Agent Fee	10.00%	211,611	
Letting Legal Fee	5.00%	105,806	
			2,252,561

**DISPOSAL FEES**

Sales Agent Fee	1.00%	1,599,791	
Sales Legal Fee	0.25%	399,948	
			1,999,739

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	16,932,510	
Profit on affordable	6.00%	1,359,231	
Profit on commercial	15.00%	6,529,196	

**Neasden Station Growth Area  
Design Option 5a (with WLO)**

		24,820,936
<b>FINANCE</b>		
Debit Rate 6.000% Credit Rate 0.000% (Nominal)		
Land	2,186,506	
Construction	4,884,803	
Other	572,392	
Total Finance Cost		7,643,702
<b>TOTAL COSTS</b>		<b>159,979,113</b>
<b>PROFIT</b>		<b>0</b>
<b>Performance Measures</b>		
Profit on Cost%	0.00%	
Profit on GDV%	0.00%	
Profit on NDV%	0.00%	
Development Yield% (on Rent)	1.32%	
Equivalent Yield% (Nominal)	4.75%	
Equivalent Yield% (True)	4.89%	
IRR	5.68%	
Profit Erosion (finance rate 6.000%)	N/A	

**Neasden Station Growth Area  
Design Option 5a (with WLO)**
**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
CNWL Private Residential	780	56,355.00	6,200.00	447,950	349,401,000
CNWL Affordable Residential	<u>420</u>	<u>30,345.00</u>	2,703.00	195,292	<u>82,022,535</u>
<b>Totals</b>	<b>1,200</b>	<b>86,700.00</b>			<b>431,423,535</b>

**NET REALISATION**
**431,423,535**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			11,841,113	
Stamp Duty		5.00%	592,056	
Agent Fee		1.00%	118,411	
Legal Fee		0.80%	94,729	
				12,646,309

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
CNWL Private Residential	66,300.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	168,600,900	
CNWL Affordable Residential	<u>35,700.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>90,785,100</u>	
<b>Totals</b>	<b>102,000.00 m<sup>2</sup></b>		<b>259,386,000</b>	<b>259,386,000</b>

Contingency		5.00%	12,969,300	
Demolition			1,125,000	
				14,094,300

**Municipal Costs**

CII (all)			18,376,173	
S106	1,200.00 un	2,500.00 /un	3,000,000	
				21,376,173

**PROFESSIONAL FEES**

Professional fees		10.00%	25,938,600	
				25,938,600

**MARKETING & LETTING**

Marketing & sales agent		2.00%	6,988,020	
				6,988,020

**DISPOSAL FEES**

Sales Agent Fee		1.00%	4,314,235	
Sales Legal Fee		0.25%	1,078,559	
				5,392,794

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	61,145,175	
Profit on affordable		6.00%	4,921,352	
				66,066,527

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			4,250,628	
Construction			15,264,849	
Other			19,336	
Total Finance Cost				19,534,812

**TOTAL COSTS**
**431,423,535**
**PROFIT**
**0**
**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR	5.78%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 5a (with WLO)**

**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Dephna House Industrial	1	460.00	143.00	65,780	65,780	65,780
<b>Totals</b>	<b>1</b>	<b>460.00</b>			<b>65,780</b>	<b>65,780</b>

**Investment Valuation**

Dephna House Industrial	Market Rent				
(0yrs 6mths Rent Free)	65,780	YP @	4.7500%	21.0526	
		PV 0yrs 6mths @	4.7500%	0.9771	1,353,079
					<b>1,353,079</b>

**GROSS DEVELOPMENT VALUE**

**24,658,690**

Purchaser's Costs	6.80%	(92,009)	(92,009)
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**NET DEVELOPMENT VALUE**

**24,566,680**

**NET REALISATION**

**24,566,680**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			954,640	
Stamp Duty	5.00%		47,732	
Agent Fee	1.00%		9,546	
Legal Fee	0.80%		7,637	
				1,019,556

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Dephna House Industrial	460.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	536,360	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>5,985.00 m<sup>2</sup></b>		<b>14,586,435</b>	<b>14,586,435</b>

Contingency	5.00%	729,322	729,322
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610	
MCIL - all uses	4,030.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	241,800	
S106	65.00 un	2,500.00 /un	162,500	
				1,468,910

**PROFESSIONAL FEES**

Professional fees	10.00%	1,458,643	1,458,643
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	376,278	
Letting Agent Fee	10.00%	6,578	
Letting Legal Fee	5.00%	3,289	
			386,145

**DISPOSAL FEES**

Sales Agent Fee	1.00%	245,667	
Sales Legal Fee	0.25%	61,417	
			307,084

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	3,292,433	
Profit on affordable	6.00%	269,503	
Profit on commercial	15.00%	202,962	
			3,764,897

**Neasden Station Growth Area  
Design Option 5a (with WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	166,190	
Construction	603,285	
Other	76,213	
Total Finance Cost		845,689

**TOTAL COSTS****24,566,680****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.27%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.47%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths



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## Appendix 9 - Development appraisals – Option 5b

**Neasden Station Growth Area  
Design Option 5b (with WLO)**
**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
McGovern Private Residential	345	24,926.25	6,200.00	447,950	154,542,750
McGovern Affordable Residential	<u>185</u>	<u>13,366.25</u>	2,703.00	195,292	<u>36,128,974</u>
<b>Totals</b>	<b>530</b>	<b>38,292.50</b>			<b>190,671,724</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	6,200.00	143.00	886,600	886,600	886,600
McGovern Commercial	<u>1</u>	<u>4,500.00</u>	200.00	900,000	<u>900,000</u>	<u>900,000</u>
<b>Totals</b>	<b>2</b>	<b>10,700.00</b>			<b>1,786,600</b>	<b>1,786,600</b>

**Investment Valuation**
**McGovern Industrial**

Market Rent	886,600	YP @	4.7500%	21.0526	
		PV 1yr 1mth @	4.7500%	0.9510	17,750,091

**McGovern Commercial**

Market Rent	900,000	YP @	6.5000%	15.3846	
		PV 1yr 7mths @	6.5000%	0.9051	12,532,151
					<b>30,282,242</b>

**GROSS DEVELOPMENT VALUE**
**220,953,965**

Purchaser's Costs	6.80%	(2,059,192)	(2,059,192)
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**NET DEVELOPMENT VALUE**
**218,894,773**
**NET REALISATION**
**218,894,773**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			7,533,946	
Stamp Duty		5.00%	376,697	
Agent Fee		1.00%	75,339	
Legal Fee		0.80%	60,272	
				8,046,254

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
McGovern Industrial	6,200.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	7,229,200	
McGovern Commercial	4,500.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	5,247,000	
McGovern Private Residential	29,325.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	74,573,475	
McGovern Affordable Residential	<u>15,725.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>39,988,675</u>	
<b>Totals</b>	<b>55,750.00 m<sup>2</sup></b>		<b>127,038,350</b>	<b>127,038,350</b>

Contingency	5.00%	6,351,918	
Demolition		801,450	
			7,153,368

**Other Construction**

Decontamination		1,120,000	
			1,120,000

**Municipal Costs**

LBTH CIL - residential	29,325.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	8,745,008	
MCIL - all uses	40,025.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	2,401,500	
S106	530.00 un	2,500.00 /un	1,325,000	
				12,471,508

**PROFESSIONAL FEES**

Professional fees	10.00%	12,815,835	
			12,815,835

**MARKETING & LETTING**

Marketing & sales agent	2.00%	3,090,855	
			3,090,855

**DISPOSAL FEES**

Sales Agent Fee	1.00%	2,188,948	
Sales Legal Fee	0.25%	547,237	

**Neasden Station Growth Area  
Design Option 5b (with WLO)**

2,736,185

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	27,044,981	
Profit on affordable	6.00%	2,167,738	
Profit on commercial	15.00%	4,542,336	
			33,755,056

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		2,101,830	
Construction		8,157,120	
Other		408,413	
Total Finance Cost			10,667,363

**TOTAL COSTS**

**218,894,773**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.82%
Equivalent Yield% (Nominal)	5.50%
Equivalent Yield% (True)	5.69%
IRR	5.75%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 5b (with WLO)**
**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	211	15,244.75	6,200.00	447,950	94,517,450
O'Hara Affordable Residential	<u>114</u>	<u>8,236.50</u>	2,703.00	195,292	<u>22,263,260</u>
<b>Totals</b>	<b>325</b>	<b>23,481.25</b>			<b>116,780,710</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
O'Hara Industrial	1	850.00	143.00	121,550	121,550	121,550
O'Hara Commercial	<u>1</u>	<u>1,300.00</u>	200.00	260,000	<u>260,000</u>	<u>260,000</u>
<b>Totals</b>	<b>2</b>	<b>2,150.00</b>			<b>381,550</b>	<b>381,550</b>

**Investment Valuation**
**O'Hara Industrial**

Market Rent	121,550	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,500,255

**O'Hara Commercial**

Market Rent	260,000	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	3,755,869
					<b>6,256,124</b>

**GROSS DEVELOPMENT VALUE**
**123,036,833**

Purchaser's Costs	6.80%	(425,416)		(425,416)
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**NET DEVELOPMENT VALUE**
**122,611,417**
**NET REALISATION**
**122,611,417**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price				3,395,250
Stamp Duty		5.00%	169,762	
Agent Fee		1.00%	33,952	
Legal Fee		0.80%	27,162	
				3,626,127

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	850.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	991,100
O'Hara Commercial	1,300.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,515,800
O'Hara Private Residential	17,935.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	45,608,705
O'Hara Affordable Residential	<u>9,690.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>24,641,670</u>
<b>Totals</b>	<b>29,775.00 m<sup>2</sup></b>		<b>72,757,275</b>

Contingency	5.00%	3,637,864	
Demolition		60,450	
			3,698,314

**Other Construction**

Decontamination		473,600	
			473,600

**Municipal Costs**

LBTH CIL - residential	17,935.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,348,396
MCIL - all uses	20,085.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,205,100
S106	325.00 un	2,500.00 /un	812,500
			7,365,996

**PROFESSIONAL FEES**

Professional fees	10.00%	7,323,088	
			7,323,088

**MARKETING & LETTING**

Marketing & sales agent	2.00%	1,890,349	
Letting Agent Fee	10.00%	38,155	
Letting Legal Fee	5.00%	19,078	
			1,947,582

**DISPOSAL FEES**

**Neasden Station Growth Area  
Design Option 5b (with WLO)**

Sales Agent Fee	1.00%	1,226,114	
Sales Legal Fee	0.25%	306,529	
			1,532,643

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	16,540,554	
Profit on affordable	6.00%	1,335,796	
Profit on commercial	15.00%	938,419	
			18,814,768

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		672,386	
Construction		3,730,277	
Other		669,362	
Total Finance Cost			5,072,025

**TOTAL COSTS**

**122,611,417**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.31%
Equivalent Yield% (Nominal)	5.82%
Equivalent Yield% (True)	6.04%
IRR	5.59%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 5b (with WLO)**

**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	216	15,606.00	6,200.00	447,950	96,757,200
Falcon IE Affordable Residential	<u>116</u>	<u>8,381.00</u>	2,703.00	195,292	<u>22,653,843</u>
<b>Totals</b>	<b>332</b>	<b>23,987.00</b>			<b>119,411,043</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,798.00	143.00	2,116,114	2,116,114	2,116,114
<b>Totals</b>	<b>1</b>	<b>14,798.00</b>			<b>2,116,114</b>	<b>2,116,114</b>

**Investment Valuation**

Falcon IE Industrial					
Market Rent	2,116,114	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	43,527,972
					<b>43,527,972</b>

**GROSS DEVELOPMENT VALUE**

**162,939,015**

Purchaser's Costs	6.80%	(2,959,902)	(2,959,902)
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**NET DEVELOPMENT VALUE**

**159,979,113**

**NET REALISATION**

**159,979,113**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			9,865,693	
Stamp Duty		5.00%	493,285	
Agent Fee		1.00%	98,657	
Legal Fee		0.80%	78,926	
				10,536,560

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,798.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	17,254,468	
Falcon IE Private Residential	18,360.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	46,689,480	
Falcon IE Affordable Residential	<u>9,860.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>25,073,980</u>	
<b>Totals</b>	<b>43,018.00 m<sup>2</sup></b>		<b>89,017,928</b>	<b>89,017,928</b>

Contingency		5.00%	4,450,896	
Demolition			1,042,500	5,493,396

**Other Construction**

Decontamination			1,042,500	1,042,500
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**Municipal Costs**

LBTH CIL - residential	18,360.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,475,136	
MCIL - all uses	33,158.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,989,480	
S106	332.00 un	2,500.00 /un	830,000	8,294,616

**PROFESSIONAL FEES**

Professional fees		10.00%	9,006,043	9,006,043
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**MARKETING & LETTING**

Marketing & sales agent		2.00%	1,935,144	
Letting Agent Fee		10.00%	211,611	
Letting Legal Fee		5.00%	105,806	
				2,252,561

**DISPOSAL FEES**

Sales Agent Fee		1.00%	1,599,791	
Sales Legal Fee		0.25%	399,948	
				1,999,739

**MISCELLANEOUS FEES**

**Neasden Station Growth Area  
Design Option 5b (with WLO)**

Profit on private residential	17.50%	16,932,510	
Profit on affordable	6.00%	1,359,231	
Profit on commercial	15.00%	6,529,196	
			24,820,936

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land		1,993,428	
Construction		4,949,014	
Other		572,392	
Total Finance Cost			7,514,834

**TOTAL COSTS**

**159,979,113**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.32%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.67%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 5b (with WLO)**

**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
CNWL Private Residential	780	56,355.00	6,200.00	447,950	349,401,000
CNWL Affordable Residential	<u>420</u>	<u>30,345.00</u>	2,703.00	195,292	<u>82,022,535</u>
<b>Totals</b>	<b>1,200</b>	<b>86,700.00</b>			<b>431,423,535</b>

**NET REALISATION**

**431,423,535**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price				13,811,592	
Stamp Duty		5.00%		690,580	
Agent Fee		1.00%		138,116	
Legal Fee		0.80%		110,493	
					14,750,780

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
CNWL Private Residential	66,300.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	168,600,900	
CNWL Affordable Residential	<u>35,700.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>90,785,100</u>	
<b>Totals</b>	<b>102,000.00 m<sup>2</sup></b>		<b>259,386,000</b>	<b>259,386,000</b>

Contingency		5.00%	12,969,300	
Demolition			1,125,000	
				14,094,300

**Municipal Costs**

CIL (all)			18,376,173	
S106	1,200.00 un	2,500.00 /un	3,000,000	
				21,376,173

**PROFESSIONAL FEES**

Professional fees		10.00%	25,938,600	
				25,938,600

**MARKETING & LETTING**

Marketing & sales agent		2.00%	6,988,020	
				6,988,020

**DISPOSAL FEES**

Sales Agent Fee		1.00%	4,314,235	
Sales Legal Fee		0.25%	1,078,559	
				5,392,794

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	61,145,175	
Profit on affordable		6.00%	4,921,352	
				66,066,527

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			4,741,358	
Construction			12,688,983	
Total Finance Cost				17,430,340

**TOTAL COSTS**

**431,423,535**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR	5.74%
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths



**Neasden Station Growth Area  
Design Option 5b (with WLO)**

**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Dephna House Industrial	1	460.00	143.00	65,780	65,780	65,780
<b>Totals</b>	<b>1</b>	<b>460.00</b>			<b>65,780</b>	<b>65,780</b>

**Investment Valuation**

<b>Dephna House Industrial</b>					
Market Rent	65,780	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	1,353,079
					<b>1,353,079</b>

**GROSS DEVELOPMENT VALUE**

**24,658,690**

Purchaser's Costs	6.80%	(92,009)		(92,009)
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**NET DEVELOPMENT VALUE**

**24,566,680**

**NET REALISATION**

**24,566,680**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			954,640	
Stamp Duty		5.00%	47,732	
Agent Fee		1.00%	9,546	
Legal Fee		0.80%	7,637	
				1,019,556

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>	
Dephna House Industrial	460.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	536,360	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>5,985.00 m<sup>2</sup></b>		<b>14,586,435</b>	<b>14,586,435</b>

Contingency	5.00%	729,322		729,322
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610	
MCIL - all uses	4,030.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	241,800	
S106	65.00 un	2,500.00 /un	162,500	
				1,468,910

**PROFESSIONAL FEES**

Professional fees	10.00%	1,458,643		1,458,643
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	376,278		
Letting Agent Fee	10.00%	6,578		
Letting Legal Fee	5.00%	3,289		
				386,145

**DISPOSAL FEES**

Sales Agent Fee	1.00%	245,667		
Sales Legal Fee	0.25%	61,417		
				307,084

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	3,292,433		
Profit on affordable	6.00%	269,503		
Profit on commercial	15.00%	202,962		
				3,764,897

**Neasden Station Growth Area  
Design Option 5b (with WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	166,190	
Construction	603,285	
Other	76,213	
Total Finance Cost		845,689

**TOTAL COSTS****24,566,680****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.27%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.47%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

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## Appendix 10 - Development appraisals – Option 6

**Neasden Station Growth Area  
Design Option 6 (with WLO)**

**Summary Appraisal for Phase 1 McGovern's Yard**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales	Adjustment	Net Sales
McGovern Private Residential	423	30,561.75	6,200.00	447,950	189,482,850	0	189,482,850
McGovern Affordable Residential	<u>227</u>	<u>16,400.75</u>	2,703.00	195,292	<u>44,331,227</u>	<u>0</u>	<u>44,331,227</u>
<b>Totals</b>	<b>650</b>	<b>46,962.50</b>			<b>233,814,077</b>	<b>0</b>	<b>233,814,077</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
McGovern Industrial	1	10,700.00	143.00	1,530,100	1,530,100	1,530,100
McGovern Commercial	<u>1</u>	<u>950.00</u>	200.00	190,000	<u>190,000</u>	<u>190,000</u>
<b>Totals</b>	<b>2</b>	<b>11,650.00</b>			<b>1,720,100</b>	<b>1,720,100</b>

**Investment Valuation**

<b>McGovern Industrial</b>						
Market Rent	1,530,100	YP @	4.7500%	21.0526		
		PV 1yr 11mths @	4.7500%	0.9149	29,471,188	
<b>McGovern Commercial</b>						
Market Rent	190,000	YP @	6.5000%	15.3846		
		PV 2yrs 5mths @	6.5000%	0.8588	2,510,414	
					<b>31,981,602</b>	

**GROSS DEVELOPMENT VALUE**

**265,795,679**

Purchaser's Costs	6.80%	(2,174,749)	(2,174,749)
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**NET DEVELOPMENT VALUE**

**263,620,930**

**NET REALISATION**

**263,620,930**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			5,516,168
Stamp Duty	5.00%		275,808
Agent Fee	1.00%		55,162
Legal Fee	0.80%		44,129
			<b>5,891,267</b>

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
McGovern Industrial	10,700.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	12,476,200

**Neasden Station Growth Area  
Design Option 6 (with WLO)**

McGovern Commercial	950.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,107,700	
McGovern Private Residential	35,955.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	91,433,565	
McGovern Affordable Residential	19,295.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	49,067,185	
McGovern Podium cost	<u>13,000.00 m<sup>2</sup></u>	500.00 pm <sup>2</sup>	<u>6,500,000</u>	
<b>Totals</b>	<b>79,900.00 m<sup>2</sup></b>		<b>160,584,650</b>	<b>160,584,650</b>
Contingency		5.00%	8,029,233	
Demolition			801,450	
				8,830,683
<b>Other Construction</b>				
Decontamination			1,120,000	
				1,120,000
<b>Municipal Costs</b>				
LBTH CIL - residential	35,955.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	10,722,141	
MCIL - all uses	47,605.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	2,856,300	
S106	650.00 un	2,500.00 /un	1,625,000	
				15,203,441
<b>PROFESSIONAL FEES</b>				
Professional fees		10.00%	16,170,465	
				16,170,465
<b>MARKETING &amp; LETTING</b>				
Marketing & sales agent		2.00%	3,789,657	
				3,789,657
<b>DISPOSAL FEES</b>				
Sales Agent Fee		1.00%	2,636,209	
Sales Legal Fee		0.25%	659,052	
				3,295,262
<b>MISCELLANEOUS FEES</b>				
Profit on private residential		17.50%	33,159,499	
Profit on affordable		6.00%	2,659,874	
Profit on commercial		15.00%	4,797,240	
				40,616,613
<b>FINANCE</b>				
Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			1,681,833	
Construction			6,412,654	
Other			24,407	
Total Finance Cost				8,118,894
<b>TOTAL COSTS</b>				<b>263,620,930</b>
<b>PROFIT</b>				<b>0</b>

**Neasden Station Growth Area  
Design Option 6 (with WLO)****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.65%
Equivalent Yield% (Nominal)	4.90%
Equivalent Yield% (True)	5.05%
IRR	5.66%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 6 (with WLO)**

**Summary Appraisal for Phase 2 O' Hara Site**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
O'Hara Private Residential	228	16,473.00	6,200.00	447,950	102,132,600
O'Hara Affordable Residential	<u>122</u>	<u>8,814.50</u>	2,703.00	195,292	<u>23,825,594</u>
<b>Totals</b>	<b>350</b>	<b>25,287.50</b>			<b>125,958,194</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
O'Hara Industrial	1	1,000.00	143.00	143,000	143,000	143,000
O'Hara Commercial	<u>1</u>	<u>300.00</u>	200.00	60,000	<u>60,000</u>	<u>60,000</u>
<b>Totals</b>	<b>2</b>	<b>1,300.00</b>			<b>203,000</b>	<b>203,000</b>

**Investment Valuation**

**O'Hara Industrial**

Market Rent	143,000	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	2,941,477

**O'Hara Commercial**

Market Rent	60,000	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	866,739
					<b>3,808,216</b>

**GROSS DEVELOPMENT VALUE**

**129,766,409**

Purchaser's Costs	6.80%	(258,959)	(258,959)
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**NET DEVELOPMENT VALUE**

**129,507,450**

**NET REALISATION**

**129,507,450**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			3,193,707
Stamp Duty	5.00%	159,685	
Agent Fee	1.00%	31,937	
Legal Fee	0.80%	25,550	
			<b>3,410,879</b>

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
O'Hara Industrial	1,000.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	1,166,000
O'Hara Commercial	300.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	349,800
O'Hara Private Residential	19,380.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	49,283,340
O'Hara Affordable Residential	<u>10,370.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>26,370,910</u>
<b>Totals</b>	<b>31,050.00 m<sup>2</sup></b>		<b>77,170,050</b>

Contingency	5.00%	3,858,502	
Demolition		60,450	
			<b>3,918,952</b>

**Other Construction**

Decontamination		473,600	
			<b>473,600</b>

**Municipal Costs**

LBTH CIL - residential	19,380.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,779,310
MCIL - all uses	20,680.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,240,800
S106	350.00 un	2,500.00 /un	875,000
			<b>7,895,110</b>

**PROFESSIONAL FEES**

Professional fees	10.00%	7,764,365	
			<b>7,764,365</b>

**MARKETING & LETTING**

Marketing & sales agent	2.00%	2,042,652	
Letting Agent Fee	10.00%	20,300	
Letting Legal Fee	5.00%	10,150	
			<b>2,073,102</b>

**DISPOSAL FEES**

**Neasden Station Growth Area  
Design Option 6 (with WLO)**

Sales Agent Fee	1.00%	1,295,075	
Sales Legal Fee	0.25%	323,769	
			1,618,843

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	17,873,205	
Profit on affordable	6.00%	1,429,536	
Profit on commercial	15.00%	571,232	
			19,873,973

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)			
Land		630,277	
Construction		3,945,695	
Other		732,604	
Total Finance Cost			5,308,576

**TOTAL COSTS**

**129,507,450**

**PROFIT**

**0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.16%
Equivalent Yield% (Nominal)	5.16%
Equivalent Yield% (True)	5.33%
IRR	5.59%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	N/A



**Neasden Station Growth Area  
Design Option 6 (with WLO)**

**Summary Appraisal for Phase 3 Falcon Ind Est**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Falcon IE Private Residential	222	16,039.50	6,200.00	447,950	99,444,900
Falcon IE Affordable Residential	119	8,597.75	2,703.00	195,292	23,239,718
<b>Totals</b>	<b>341</b>	<b>24,637.25</b>			<b>122,684,618</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Falcon IE Industrial	1	14,000.00	143.00	2,002,000	2,002,000	2,002,000
<b>Totals</b>	<b>1</b>	<b>14,000.00</b>			<b>2,002,000</b>	<b>2,002,000</b>

**Investment Valuation**

Falcon IE Industrial					
Market Rent	2,002,000	YP @	4.7500%	21.0526	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	41,180,674
					<b>41,180,674</b>

**GROSS DEVELOPMENT VALUE**

**163,865,292**

Purchaser's Costs	6.80%	(2,800,286)	(2,800,286)
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**NET DEVELOPMENT VALUE**

**161,065,006**

**NET REALISATION**

**161,065,006**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			10,420,736	
Stamp Duty	5.00%		521,037	
Agent Fee	1.00%		104,207	
Legal Fee	0.80%		83,366	
				11,129,346

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Falcon IE Industrial	14,000.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	16,324,000	
Falcon IE Private Residential	18,870.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	47,986,410	
Falcon IE Affordable Residential	10,115.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	25,722,445	
<b>Totals</b>	<b>42,985.00 m<sup>2</sup></b>		<b>90,032,855</b>	<b>90,032,855</b>

Contingency	5.00%		4,501,643	
Demolition			1,042,500	
				5,544,143

**Municipal Costs**

LBTH CIL - residential	18,870.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,627,223	
MCIL - all uses	32,870.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,972,200	
S106	341.00 un	2,500.00 /un	852,500	
				8,451,923

**PROFESSIONAL FEES**

Professional fees	10.00%		9,003,286	
				9,003,286

**MARKETING & LETTING**

Marketing & sales agent	2.00%		1,988,898	
Letting Agent Fee	10.00%		200,200	
Letting Legal Fee	5.00%		100,100	
				2,289,198

**DISPOSAL FEES**

Sales Agent Fee	1.00%		1,610,650	
Sales Legal Fee	0.25%		402,663	
				2,013,313

**MISCELLANEOUS FEES**

Profit on private residential	17.50%		17,402,858	
Profit on affordable	6.00%		1,394,383	
Profit on commercial	15.00%		6,177,101	

**Neasden Station Growth Area  
Design Option 6 (with WLO)**

		24,974,342
<b>FINANCE</b>		
Debit Rate 6.000% Credit Rate 0.000% (Nominal)		
Land	2,105,499	
Construction	4,921,930	
Other	599,173	
Total Finance Cost		7,626,602
<b>TOTAL COSTS</b>		<b>161,065,006</b>
<b>PROFIT</b>		<b>0</b>

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	1.24%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.67%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

**Neasden Station Growth Area  
Design Option 6 (with WLO)**

**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
CNWL Private Residential	813	58,739.25	6,200.00	447,950	364,183,350
CNWL Affordable Residential	<u>437</u>	<u>31,573.25</u>	2,703.00	195,292	<u>85,342,495</u>
<b>Totals</b>	<b>1,250</b>	<b>90,312.50</b>			<b>449,525,845</b>

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
CNWL Commercial	<u>1</u>	<u>500.00</u>	200.00	100,000	<u>100,000</u>	<u>100,000</u>
<b>Totals</b>	<b>1</b>	<b>500.00</b>			<b>100,000</b>	<b>100,000</b>

**Investment Valuation**

<b>CNWL Commercial</b>					
Market Rent	100,000	YP @	6.5000%	15.3846	
		PV 3yrs @	6.5000%	0.8278	1,273,614
					<b>1,273,614</b>

**GROSS DEVELOPMENT VALUE**

**450,799,459**

Purchaser's Costs	6.80%	(86,606)		
			(86,606)	

**NET DEVELOPMENT VALUE**

**450,712,853**

**NET REALISATION**

**450,712,853**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price			16,267,069	
Stamp Duty	5.00%	813,353		
Agent Fee	1.00%	162,671		
Legal Fee	0.80%	130,137		
				17,373,230

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>
CNWL Commercial	500.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	583,000
CNWL Private Residential	69,105.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	175,734,015
CNWL Affordable Residential	<u>37,145.00 m<sup>2</sup></u>	<u>2,543.00 pm<sup>2</sup></u>	<u>94,459,735</u>
<b>Totals</b>	<b>106,750.00 m<sup>2</sup></b>	<b>270,776,750</b>	<b>270,776,750</b>

Contingency	5.00%	13,538,837	
Demolition		1,125,000	
			14,663,837

**Municipal Costs**

CIL (all)			19,398,728
S106	1,250.00 un	2,500.00 /un	3,125,000
			22,523,728

**PROFESSIONAL FEES**

Professional fees	10.00%	27,077,675	
			27,077,675

**MARKETING & LETTING**

Marketing & sales agent	2.00%	7,283,667	
			7,283,667

**DISPOSAL FEES**

Sales Agent Fee	1.00%	4,507,129	
Sales Legal Fee	0.25%	1,126,782	
			5,633,911

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	63,732,086	
Profit on affordable	6.00%	5,120,550	
Profit on commercial	15.00%	178,051	
			69,030,687

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

**Neasden Station Growth Area  
Design Option 6 (with WLO)**

Land	5,650,748	
Construction	10,698,619	
Total Finance Cost		16,349,368

**TOTAL COSTS****450,712,853****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.02%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%

IRR 5.75%

Profit Erosion (finance rate 6.000%) N/A

**Neasden Station Growth Area  
Design Option 6 (with WLO)**
**Summary Appraisal for Phase 5 Housing Estate**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Housing Estate Private Residential	233	16,834.25	6,200.00	447,950	104,372,350
Housing Estate Affordable Residential	<u>126</u>	<u>9,103.50</u>	2,703.00	195,292	<u>24,606,761</u>
<b>Totals</b>	<b>359</b>	<b>25,937.75</b>			<b>128,979,111</b>

**NET REALISATION**
**128,979,111**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price				3,335,046	
Stamp Duty		5.00%		166,752	
Agent Fee		1.00%		33,350	
Legal Fee		0.80%		26,680	
					3,561,830

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Housing Estate Private Residential	19,805.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	50,364,115	
Housing Estate Affordable Residential	<u>10,710.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>27,235,530</u>	
<b>Totals</b>	<b>30,515.00 m<sup>2</sup></b>		<b>77,599,645</b>	<b>77,599,645</b>
Contingency		5.00%	3,879,982	
				3,879,982

**Municipal Costs**

LBTH CIL - residential	19,805.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	5,906,049	
MCIL - all uses	19,805.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	1,188,300	
S106	359.00 un	2,500.00 /un	897,500	
				7,991,849

**PROFESSIONAL FEES**

Professional fees		10.00%	7,759,964	
				7,759,964

**MARKETING & LETTING**

Marketing & sales agent		2.00%	2,087,447	
				2,087,447

**DISPOSAL FEES**

Sales Agent Fee		1.00%	1,289,791	
Sales Legal Fee		0.25%	322,448	
				1,612,239

**MISCELLANEOUS FEES**

Profit on private residential		17.50%	18,265,161	
Profit on affordable		6.00%	1,476,406	
				19,741,567

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)				
Land			784,688	
Construction			3,908,768	
Other			51,132	
Total Finance Cost				4,744,587

**TOTAL COSTS**
**128,979,110**
**PROFIT**
**0**
**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
IRR	5.56%
Profit Erosion (finance rate 6.000%)	N/A

**Neasden Station Growth Area  
Design Option 6 (with WLO)**
**Summary Appraisal for Phase 6 Dephna House**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
Dephna House Private Residential	42	3,034.50	6,200.00	447,950	18,813,900
Dephna House Affordable Residential	<u>23</u>	<u>1,661.75</u>	2,703.00	195,292	<u>4,491,710</u>
<b>Totals</b>	<b>65</b>	<b>4,696.25</b>			<b>23,305,610</b>

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Dephna House Industrial	1	460.00	143.00	65,780	65,780	65,780
<b>Totals</b>	<b>1</b>	<b>460.00</b>			<b>65,780</b>	<b>65,780</b>

**Investment Valuation**

<b>Dephna House Industrial</b>						
Market Rent	65,780	YP @	4.7500%	21.0526		
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	4.7500%	0.9771	1,353,079	
					<b>1,353,079</b>	

**GROSS DEVELOPMENT VALUE**
**24,658,690**

Purchaser's Costs	6.80%	(92,009)		(92,009)
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**NET DEVELOPMENT VALUE**
**24,566,680**
**NET REALISATION**
**24,566,680**
**OUTLAY**
**ACQUISITION COSTS**

Residualised Price			954,640	
Stamp Duty	5.00%	47,732		
Agent Fee	1.00%	9,546		
Legal Fee	0.80%	7,637		
				1,019,556

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
Dephna House Industrial	460.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	536,360	
Dephna House Private Residential	3,570.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	9,078,510	
Dephna House Affordable Residential	<u>1,955.00 m<sup>2</sup></u>	2,543.00 pm <sup>2</sup>	<u>4,971,565</u>	
<b>Totals</b>	<b>5,985.00 m<sup>2</sup></b>		<b>14,586,435</b>	<b>14,586,435</b>

Contingency	5.00%	729,322		729,322
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**Municipal Costs**

LBTH CIL - residential	3,570.00 m <sup>2</sup>	298.21 pm <sup>2</sup>	1,064,610	
MCIL - all uses	4,030.00 m <sup>2</sup>	60.00 pm <sup>2</sup>	241,800	
S106	65.00 un	2,500.00 /un	162,500	
				1,468,910

**PROFESSIONAL FEES**

Professional fees	10.00%	1,458,643		1,458,643
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**MARKETING & LETTING**

Marketing & sales agent	2.00%	376,278		
Letting Agent Fee	10.00%	6,578		
Letting Legal Fee	5.00%	3,289		
				386,145

**DISPOSAL FEES**

Sales Agent Fee	1.00%	245,667		
Sales Legal Fee	0.25%	61,417		
				307,084

**MISCELLANEOUS FEES**

Profit on private residential	17.50%	3,292,433		
Profit on affordable	6.00%	269,503		
Profit on commercial	15.00%	202,962		
				3,764,897

**Neasden Station Growth Area  
Design Option 6 (with WLO)****FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)

Land	166,190	
Construction	603,285	
Other	76,213	
Total Finance Cost		845,689

**TOTAL COSTS****24,566,680****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.27%
Equivalent Yield% (Nominal)	4.75%
Equivalent Yield% (True)	4.89%
IRR	5.47%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 6.000%)	0 yrs 0 mths

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## Appendix 11 - Development appraisal – Option 7



**Neasden Station Growth Area  
Design Option 7 (with WLO)**

**Summary Appraisal for Phase 4 CNWL**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Unit Price	Gross Sales
CNWL Private Residential	795	57,438.75	6,200.00	447,950	356,120,250
Education floorspace	<u>1</u>	<u>24,820.00</u>	0.00	1	<u>1</u>
<b>Totals</b>	<b>796</b>	<b>82,258.75</b>			<b>356,120,251</b>

**Additional Sales Revenue**

CIL subsidy to education - Education floorspace 2,482,000

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
CNWL Commercial	<u>1</u>	<u>500.00</u>	200.00	100,000	<u>100,000</u>	<u>100,000</u>
<b>Totals</b>	<b>1</b>	<b>500.00</b>			<b>100,000</b>	<b>100,000</b>

**Investment Valuation**

**CNWL Commercial**

Market Rent	100,000	YP @	6.5000%	15.3846	
		PV 3yrs @	6.5000%	0.8278	1,273,614
					<b>1,273,614</b>

**GROSS DEVELOPMENT VALUE**

**359,875,865**

Purchaser's Costs 6.80% (86,606) (86,606)

**NET DEVELOPMENT VALUE**

**359,789,259**

**NET REALISATION**

**359,789,259**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land) (11,941,424) (11,941,424)

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost
CNWL Commercial	500.00 m <sup>2</sup>	1,166.00 pm <sup>2</sup>	583,000
CNWL Private Residential	67,575.00 m <sup>2</sup>	2,543.00 pm <sup>2</sup>	171,843,225
Education floorspace	<u>24,820.00 m<sup>2</sup></u>	<u>2,863.00 pm<sup>2</sup></u>	<u>71,059,660</u>
<b>Totals</b>	<b>92,895.00 m<sup>2</sup></b>		<b>243,485,885</b>

Contingency 5.00% 12,174,294  
Demolition 1,125,000  
13,299,294

**Municipal Costs**

CIL (all) 1,768,425  
S106 795.00 un 2,500.00 /un 1,987,500  
3,755,925

**PROFESSIONAL FEES**

Professional fees 10.00% 24,348,589  
24,348,589

**MARKETING & LETTING**

Marketing & sales agent 2.00% 7,122,405  
7,122,405

**DISPOSAL FEES**

Sales Agent Fee 1.00% 3,573,073  
Sales Legal Fee 0.25% 893,268  
4,466,341

**MISCELLANEOUS FEES**

Profit on private residential 17.50% 62,321,044  
Profit on commercial 15.00% 178,051  
62,499,095

**FINANCE**

Debit Rate 6.000% Credit Rate 0.000% (Nominal)  
Land (2,935,091)

**Neasden Station Growth Area  
Design Option 7 (with WLO)**

Construction	15,688,241	
Total Finance Cost		12,753,150

**TOTAL COSTS** **359,789,259**

**PROFIT** **0**

**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.03%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%

IRR 6.25%

Profit Erosion (finance rate 6.000%) N/A