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GROSVENOR

GC Bankside LLP

PLANNING

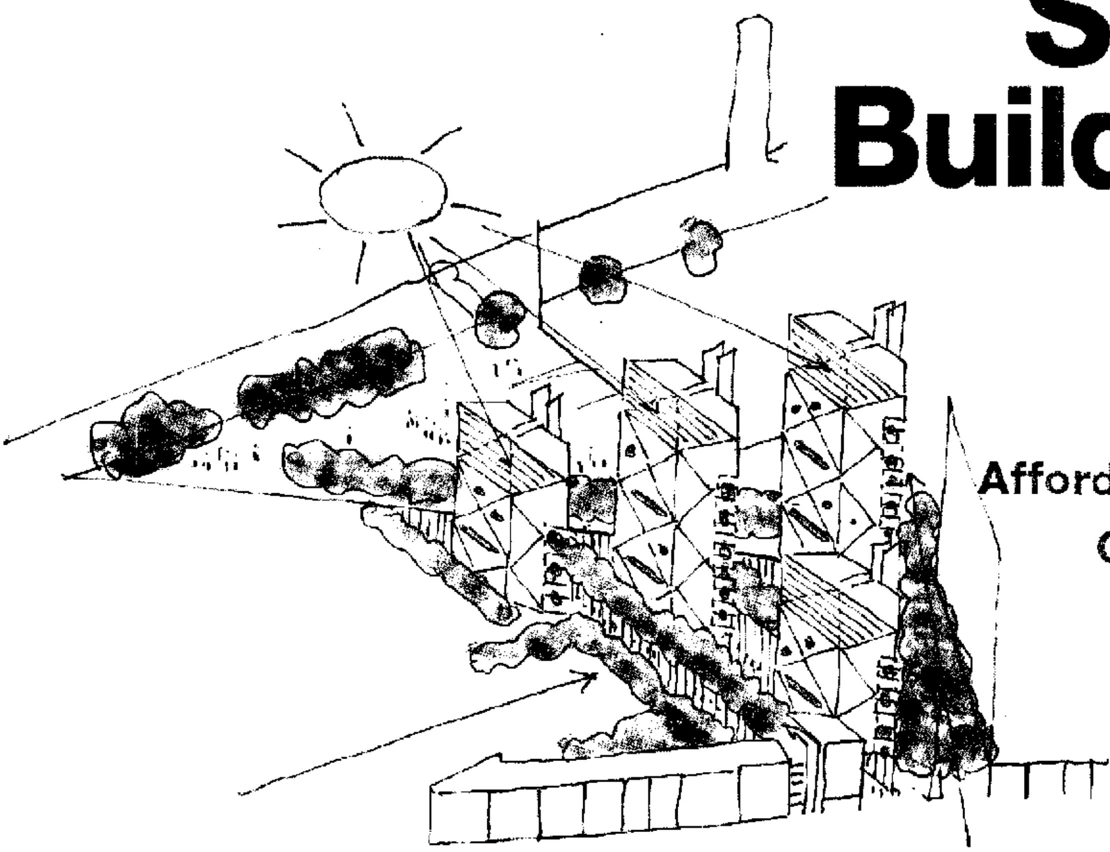
12 OCT 2007

DELEGATED

19 JUN 2007

APPROVED

The Holland Street Buildings



Affordable Housing Offer Analysis

Sept 2006

Contents

1.0 Introduction

The report is submitted on a private and confidential basis in support of the planning application (ref.no. 06-AP-1481) which was submitted to LB Southwark on 26th July 2006 ("the Current Application"). The Current Application site includes Bankside Industrial Estate, 118-122 Southwark Street and the land to the north of Holland Street, known as 44 Holland Street and 47 Hopton Street, SE1 (which is the site of the consented 20 storey Hopton Street Tower). The Current Application site area is shown on Site Plan DP1 in **Appendix 1**.

The report has been compiled by Native Land on behalf of GC Bankside ("the Applicant") and includes input from DP9 (Planning Consultants) and a 3 Dragons Toolkit and Open Book financial appraisal, as prepared by Knight Frank and Montagu Evans respectively.

This report provides a financial assessment of the Current Application in order to justify the proposed affordable housing provision within the scheme. Due to the site specific circumstances of the proposed development, a financial assessment of two alternative development scenarios has also been undertaken to further support the affordable housing offer made within the Current Application, as compared to what other scenarios might have delivered.

A summary of the background to the Current Application and the proposed development that is relevant to the assessment is set out in the following sections. For full details of the Current Application, please refer to the planning application submission.

2.0 History of the Site

Prior to the submission of the Current Application, the Applicant had commenced discussions with Officers at LB Southwark regarding a residential led mixed use scheme on the area of the site located to the south of Holland Street, as shown on Site Plan DP2 (**Appendix 2**). This land was purchased from Land Securities in December 2005 and is subject to a contract whereby the Applicant is required to provide additional payments to Land Securities by way of overage payments linked to planning area and sales values achieved for the private residential units.

More recently, the opportunity arose to purchase an adjoining site owned by Meyer Bergman, known as 44 Holland Street and 47 Hopton Street, as shown on Site Plan DP3 (**Appendix 3**). This site has an extensive planning history associated with an existing consent for a twenty storey predominately residential building, known as the Hopton Street Tower. The proposals are the subject of a significant amount of local opposition. A summary of the planning history of the Hopton Street Tower site is set out below.

A planning application for the development of a 32 storey tower was originally submitted in July 2001, however more than a hundred letters of objection were submitted to the Council and therefore the application was subsequently withdrawn in December 2001.

A revised planning application for a 20 storey tower was subsequently submitted in June 2002. These proposals were the subject of considerable objection from local residents, adjacent landowners (including Tate Modern) and members of Southwark Council which resulted in 144 letters of objection being submitted to the Council. The application was subsequently refused by LB Southwark in October 2002. On 9th June 2003 planning permission was subsequently granted at appeal. A judicial review was lodged against the appeal decision and this was not eventually quashed by the House of Lords until November 2004, more than three years from the submission of the original application.

During the public consultation exercise undertaken by the Applicant prior to the submission of the Current Application, it became clear that incorporating the Hopton Street Tower site for use as open space or a community building would be seen as a major planning benefit by the local community and Tate Modern, forming a key strategic part of a wider open space plan for the Southbank area. It also provided tangible benefits to the Applicant in terms of planning certainty, development programme and improved amenity for the proposed residential units.

As a result, following extensive and complex negotiations with Meyer Bergman, and Land Securities (to agree a revised cap to the planning overage) as well as discussions with local stakeholders and statutory consultees, including TATE, BROAD, CABE, GLA and LBS, the Applicant has signed a Sale & Purchase Agreement to acquire the Hopton Street Tower site from Meyer Bergman, subject to a resolution to grant planning permission for the Current Application by 18th October 2006.

The construction of the Hopton Street Tower has been suspended whilst the Current Application is considered and there is therefore a very limited period of opportunity within which these proposals can be delivered; if a resolution to grant is not delivered, then the construction of the Hopton Street Tower will recommence.

3.0 Acquisition Terms of the Site

As mentioned in the preceding section, the Applicant has acquired the land identified on Site Plan DP2 from Land Securities and entered into a conditional upon planning agreement with Meyer Bergman for the land identified on Site Plan DP3.

Set out below is a summary of the principle terms and conditions relating to the acquisition of the 2 sites:

Land Securities Acquisition

Vendor: The City of London Real Property Company Ltd (Land Securities)

Purchaser: GC Bankside LLP

Tenure: Freehold

Purchase Price: £24.188m

Conditions: The purchase is not conditional on planning. However, Land Securities are entitled to additional payments by way of an overage mechanism linked to planning and sale values achieved for the private residential accommodation.

Planning overage becomes payable, upon the grant of planning permission, at a rate of £133 for each additional square foot of private residential net sales area achieved over an agreed threshold of 184,123 sqft.

The formula set out within the Agreement is as follows:

(Consented Net Private Residential Area – 184,123 sqft) x £133 = Overage Amount

At the time of acquiring the Land Securities land, the purchase of the Hopton Street Tower site was never envisaged and therefore the Agreement and the overage provisions contained within it had no regard to this acquisition. As a result, in the event that the Applicant completes on the purchase of the Hopton Street Tower site then Land Securities have agreed to vary the planning overage provisions so that a one off payment of £3m is paid by the Applicant to Land Securities; should the acquisition of the Hopton Street Tower site not take place then the overage provisions contained within the Agreement will apply.

Meyer Bergman Acquisition

Vendor: Meyer Bergman Investments BV

Purchaser: GC Bankside LLP

Tenure: Company acquisition of the freehold interest

Purchase Price: £22m

Conditions: The purchase is conditional upon a resolution to grant a satisfactory planning permission, which is defined by the Current Application, by 18th October 2006. In *the event that a satisfactory resolution to grant planning permission is not secured,* then the Agreement falls away and the Hopton Street Tower will be built out by Meyer Bergman.

It should be highlighted that a determining factor in the successful acquisition of the Meyer Bergman land was the parallel renegotiation with Land Securities of the overage provisions. Without this amendment the transaction would not have been possible as the overage provisions contained within the Agreement, as mentioned above, never envisaged the costs associated with acquiring the Hopton Street Tower site. The rationale behind Land Securities agreeing to the variation is down to the fact that the Current Application offers greater planning certainty and hence the potential for an earlier and more certain payment when compared with the alternative development scenarios identified in Section 6 of this report.

4.0 Affordable Housing Policy

The London Plan sets a strategic target of 50% affordable housing provision for all housing developments within London, however it acknowledges that this target takes into account higher levels of provision in social housing-only schemes, with lower levels of provision anticipated within market-led developments. The GLA's strategic targets for affordable housing provision are subject to viability assessments where the Plan targets cannot be met.

The Adopted Southwark UDP merely indicates that proposals for new residential developments that have more than 20 dwellings should '...contain a proportion of affordable housing'.

Draft policy 4.4 of the emerging UDP reflects the strategic target of 50%, but takes into account the Council's own provision of affordable units and consequently seeks lower levels of provision for private schemes within the Borough. Within the Central Activities Zone, draft policy 4.4 requires that at least 40% of housing on large schemes is affordable.

The Adopted Southwark Housing SPG (2002) advises that where affordable housing is to be provided on site, a minimum of 25% of the gross increase in residential content should be made available as affordable accommodation. Where an off site or in lieu payment solution is considered acceptable, the SPG advises that affordable housing equivalent to a minimum of 33% will normally be sought. The affordable housing provision that is proposed as part of the Current Application would meet these standards.

The draft Southwark Affordable Housing SPG (November 2004) recognises that the amount of affordable housing which can be feasibly delivered within private schemes is less than 50% and this is reflected within the policies of the emerging UDP. The draft SPG advises that the proportion of affordable housing will normally be measured by habitable room and that the Mayor's overall target of 70% social rented and 30% intermediate housing should generally be applied in Southwark.

The draft SPG advises that generally, affordable housing should be on-site, however recognises that in some cases this is not possible and therefore the housing should be on an alternative site provided by the developer and secured via legal agreement. The draft SPG also recognises that there will be circumstances where the full requirement for affordable housing will not be possible on a particular site, including when a development would provide another exceptional benefit that, in the Council's opinion, outweighs the provision of affordable housing on a site and where this benefit could not be provided if the full proportion of affordable housing was sought. In such cases, a full economic appraisal must be submitted to justify a departure from the policy.

The affordable housing policies of the Adopted Southwark UDP have effectively been superseded by the London Plan. As a result, the affordable housing provision of the Current Application will primarily be assessed against the London Plan and also the more up to date policies of the Emerging UDP and draft Affordable Housing SPG.

5.0 The Current Application

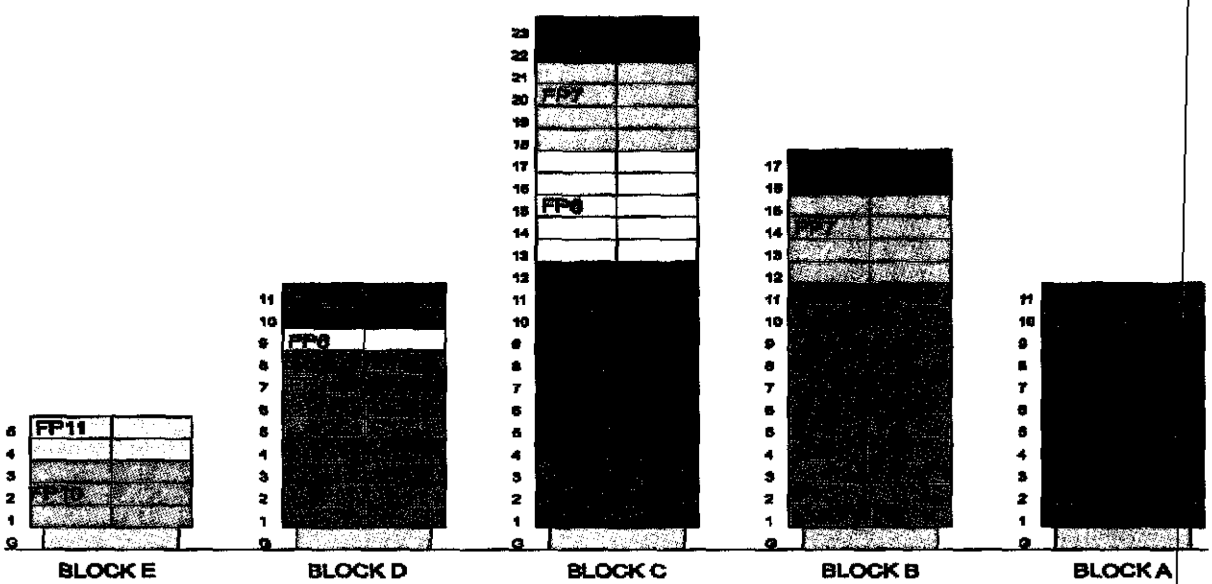
As already mentioned, the *Current Application for the Holland Street Buildings* was submitted to LB Southwark on 26th July 2006. The planning application site included Bankside Industrial Estate, 118-122 Southwark Street and the land to the north of Holland Street, known as 44 Holland Street and 47 Hopton Street, SE1 (which is the site of the consented 20 storey Hopton Street Tower).

The scheme provides for a total of 229 residential units within five new buildings rising from ground plus five to ground plus 23 storeys across the area of the site that is located to the south of Holland Street. Each of the buildings include retail uses at ground floor level. The landscaped area around the base of the buildings is publicly accessible and the scheme has basement levels for parking and ancillary uses such as plant.

The scheme is designed to a very high standard commensurate with and complementary to the emerging local area, the adjoining Tate Modern as existing and the proposed 'TM²' extension, a planning permission for which is to be submitted in September.

It is proposed that the remainder of the site (which is the site of the consented 20 storey Hopton Street Tower) will be dedicated as an important area of open space which may incorporate a small pavilion style structure for community, cultural and/or recreational purposes and/or any other purposes to facilitate and define the use of the open space.

The scheme provides for 64 affordable housing units located on site within buildings D and E, which amounts to 28% of all units on the site (or 23% by habitable room). 32 of the affordable units are shared ownership and 32 are social rented. The diagram below illustrates how the affordable housing is distributed within the scheme – the social rented units (32) will be located across floors 1 to 5 of block E (FP10, FP11) and floors 1-4 of block D (FP2). The shared equity units (32) will be located on floors 5 to 8 of block D (FP1).



The affordable accommodation is split as follows:

	Studio	1 Bed	2 Bed	3 Bed	4 Bed`	Total
Social Rented		14	8	9	1	32
Shared Equity	8	8	16			32
Total	8	22	24	9	1	64

In addition to the provision of affordable housing on site, the application proposes an off site payment of £1,000,000 in lieu of 9 additional affordable units. This, therefore, amounts to a total off and on site provision of 31% affordable housing (by units).

The scheme can be summarised as follows:

Height of buildings	12, 18, 24, 12 and 6 storey buildings
Total Units	229
Affordable Units on site	64 (28%)
Social Rented on site	32
Shared Equity on site	32
Equivalent Affordable Units Off Site	9
Provision of strategic open space	Yes

In terms of affordable housing to be provided on site, the Current Application proposals would not provide the strategic target of 50% set out in the London Plan nor the 40% requirement set out in the Emerging UDP. However, the Current Application represents exceptional circumstances where there is substantial planning benefit arising from the provision of a strategic new area of open space *which is sought by local residents and key stakeholders within the area,* including Tate Modern. Furthermore, the layout, design and uses proposed as part of the application have also been well received by local stakeholders.

Section 7, *in addition to the detailed appendices of this report, provides the financial justification* which supports the affordable housing provision set out above.

6.0 Alternative Development Scenarios

It has been agreed with LB Southwark and the GLA that in addition to a financial assessment of the Current Application to justify the affordable housing provision, two alternative development scenarios are to be tested. We understand that the rationale behind appraising these two alternative scenarios is to test what affordable housing provision could have been provided in the event that the opportunity for the Applicant to acquire the Hopton Street Tower site never existed.

Set out below is a description of the two alternative scenarios:

Scenario A

This scenario is based upon the scheme the Applicant is likely to pursue for planning if the Hopton Street Tower land is not incorporated into the site. This scenario assumes, therefore, that the scheme summarised below would be developed in addition to the Hopton Street Tower. As a result this scheme is much more likely to encounter opposition from local residents and stakeholders as it would provide additional buildings in the vicinity without the same level of public benefit in the form of open space.

The scheme can be summarised as follows:

Height of buildings	10, 15, 20, 10 and 6 storey buildings
Total Units	189
Affordable Units on site	60 (31.7%)
Social Rented on site	44
Shared Equity on site	16
Affordable Units Off Site	0
Provision of strategic open space	No

The affordable accommodation is split as follows:

	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
Social Rented		18	12	13	1	44
Shared Equity	4	4	8			16
Total	4	22	20	13	1	60

Notwithstanding the potential for local opposition, the Applicant believes that this scenario is likely to gain planning permission given the development plan framework and also the site specific response of the proposals to the context of the site.

The financial assessment undertaken assumes that planning permission would be granted within a period of 12 months although given the delays associated with the planning application process for the Hopton Street Tower site it is possible that this period could be extended to account for an appeal and / or judicial review process. If this extension was assumed for the purposes of the financial assessment undertaken then this would have an adverse impact on the viability of the scheme based on the affordable housing provision referred to above.

Compared to the Current Application whilst this scenario offers a similar level of affordable housing provision it offers less certainty in terms of the potential to gain planning permission and would result in a delay to the provision of housing on to the market. Furthermore, this scenario would not deliver new open space.

Scenario B

This scenario is broadly based upon achieving the same number of units as in the Current Application but again assumes that the Hopton Street Tower is built out rather than offered as public open space.

The scheme can be summarised as follows:

Height of buildings	12, 18, 24,12 and 6 storey buildings
Total Units	227
Affordable Units on site	66 (29%)
Social Rented on site	50
Shared Equity on site	16
Affordable Units Off Site	0
Provision of strategic open space	No

The affordable accommodation is split as follows:

	Studio	1 Bed	2 Bed	3 Bed	4 Bed	Total
Social Rented		20	14	15	1	50
Shared Equity	4	4	8			16
Total	4	24	22	15	1	66

This scenario is likely to gain the support of the GLA, however it would encounter total opposition from local residents and stakeholders as not only would it be developed in addition to the Hopton Street Tower, it assumes a similar level of development when compared with the Current Application without the major benefit of the key open space.

This scenario would therefore be subject to the greatest planning risk due to the substantial local opposition that is likely to be encountered. As a result, a period of 18 months has been allowed for within the financial assessment to secure a planning permission although the likelihood of a consent being forthcoming for this scenario is extremely uncertain.

As such it is extremely unlikely that the Applicant would ever, in reality, propose this scenario as an alternative to the Current Application.

As with the Current Application, both of the above scenarios depart from policy in terms of the affordable housing provision. All three schemes are broadly consistent in terms of the level of affordable housing offered but the Current Application carries the significant planning benefit of public open space and the support of key stakeholders in the area.

The financial justification for these scenarios, along with the Current Application, is set out within Section 7 of this report.

7.0 Financial Assessment

Attached as **Appendix 4, 5 and 6** are the 3 Dragons and Open Book appraisals undertaken by Knight Frank and Montagu Evans respectively for each of the Current Application and the 2 alternative development scenarios, A & B.

These appraisals support the level of affordable housing provision for each of the three schemes and are based upon the following assumptions:

Flat Types and Sizes

The appraisals relating to the Current Application relate directly to the planning submission drawings. Scenarios A & B are based upon the planning submission drawings although the number and disposition of units across the scheme differ reflecting the different heights of the proposed buildings, the different setting if the Hopton Street Tower were to remain and the different split of the affordable tenure.

Private Residential Sale Values

These have been provided by Montagu Evans supported by the comparables attached as **Appendix 7**. The average sales value assumed for the Current Application is £754/sqft. The values assumed for Scenarios A & B are 4% lower to reflect the imposition of the Hopton Street Tower in the views from the flats and the reduction in local amenity space (area and quality).

Affordable Tenure Mix

The Current Application assumes a 50/50 mix between social rented and shared equity whereas Scenarios A & B assume an approximate 70/30 split.

Open Space

The Current Application carries the benefit of a major piece of strategic open space. Scenarios A & B do not.

Build Costs

Within the 3 Dragons appraisals build costs are calculated on the net space whereas the Open Book appraisals assume costs quoted against the gross internal area. The Net to Gross is assumed at 80%. The costs have been provided by the Applicant's quantity surveyor, WT Partnership, and represent a post-value engineering budget for the buildings (see **Appendix 8** for a break down of costs). These costs are broadly consistent with actual out turn costs incurred on the Montevetro and Albion Riverside developments in Battersea designed by Richard Rogers Architect and Fosters and Partners respectively both of which are considered to be comparable examples.

The basement cost in all appraisals has been treated separately to avoid 'distorting' costs.

The Professional Fees

The professional fees are greater than the 3 Dragons tool kit default. This reflects the cost of consultants for buildings of high architectural significance. The fees for Scenarios A & B are higher than the Current Application to reflect the different degrees of planning risk associated with the 3 schemes, for example Scenario B is assumed to proceed only on the basis of an appeal.

The Developer's Return

The *developer's return for the Current Application* is lower than the 3 Dragons tool kit default reflecting the Applicant's attitude towards risk associated with the particular planning circumstances, chiefly the assumption for a swift resolution to grant due to local support and consensus. The 3 Dragons and Open Book appraisals for the Current Application show a return of 13% and 11.15% on gross development value respectively.

The developer's return for Scenario A although *still lower than the 3 Dragons default, is higher than* that used for the Current Application to reflect the greater planning risk. The 3 Dragons appraisal returns 14% on GDV and the Open Book returns 13.18% on GDV.

The developer's return for Scenario B is set at the 3 Dragon default of 15% on GDV and the Open Book appraisal returns 14.24% on GDV. It is considered unlikely that equity investors would see this return as sufficient to cover the risk associated with this scenario but we have used this figure to show that if they did accept the default return, the affordable provision would be similar to that of the Current Application.

The difference between the returns in the 2 appraisal methods, given that the principal inputs in both the 3 Dragons and Open Book appraisals for the relevant scheme are the same, is due to the Open Book appraisal being more able to measure the holding and time related costs of the development.

S106 Contributions

For the Current Application the S.106 contribution in both appraisals has been capped at £1m (the £2.035m *on the planning obligations page* within the 3 Dragons appraisal includes the off site affordable payment of £1m, plus £35k of primarily legal expenses). This has not yet been concluded with the local authority but it is believed to be realistic given the wider benefits of the application as a whole.

The S.106 contribution assumed within Scenarios A & B (£2.1m and £2.4m) is higher than the Current Application (£1m) as *neither of these schemes offer the benefit of the public open space.* There is no off site payment in either of these scenarios.

Car Parking and Retail

As advised by Montagu Evans a value of £3.92m has been attributed to the car parking within the Current Application and Scenario B and £3.307m for Scenario A.

A net benefit of £3.075m has been assumed for all three schemes to take account of the income from the retail, again as advised by Montagu Evans.

Affordable Housing Values

The values assumed for the affordable housing are taken from a series of averaged unit type offers provided by Housing Associations who were asked by Knight Frank to provide indicative proposals for the project. They therefore represent competitive values assuming no grant input. A breakdown of the affordable values is attached as **Appendix 9**.

The Land Cost

The land costs referred to below are based upon the Agreement entered into with Land Securities as it relates to the site identified on Site Plan DP2 **(Appendix 2)** and the Agreement with Meyer Bergman as it relates to the site identified on Site Plan DP3 (**Appendix 3**).

For the Current Application the Land Cost is made up as follows:

Base 'Land Securities' land:	£24,188,000
Stamp Duty:	£968,000
'Meyer Bergman' land:	£22,000,000
Stamp Duty and Tax Liability:	£1,341,000
Land Securities Overage:	£3,000,000
Stamp Duty:	£120,000
TOTAL:	£51,617,000

As mentioned in Section 3 of this report the overage payment of £3m reflects what has been agreed with Land Securities to enable the Applicant to enter into the Agreement with the owners of the Hopton Street Tower site. The original Agreement with Land Securities never envisaged the purchase of the Hopton Street Tower site and therefore without this cap the purchase of the Hopton Street Tower site would not have been possible. The £3m agreed with Land Securities reflects the planning certainty of the Current Application when compared with the other alternative scenarios and also the potential for an earlier payment.

For Scenario A the Land Cost is made up as follows:

Base 'Land Securities' land:	£24,188,000
Stamp Duty:	£968,000
Land Securities Overage:	£3,433,000
Stamp Duty:	£137,000
TOTAL:	£28,726,000

For Scenario B the Land Cost is made up as follows:

Base 'Land Securities' land:	£24,188,000
Stamp Duty:	£968,000
Land Securities Overage:	£10,212,000
Stamp Duty:	£408,000
TOTAL:	£35,776,000

The overage payment in Scenarios A & B is based upon the agreed formula contained within the Applicant's Agreement with Land Securities which is set out within Section 3 of this report.

Development Programme

The pre-planning programme period for the Current Application is shorter than Scenarios A & B to reflect the different planning profile; a 6 and 12 month "delay" is assumed for Scenarios A & B respectively. Thereafter, the programme assumes a similar phased construction build out of the scheme across all 3 alternatives.

It should be noted that to draw a comparison between the Current Application and the 2 alternative development scenarios is a complex process. Each appraisal has a number of fundamental differences as a result of the varying risk profile and nature of the scheme as identified above. It is these differences, and the interrelationships between them, that explain why on the one hand the land costs associated with the Current Application are significantly higher and yet on the other the *affordable housing provision* is broadly similar to the 2 alternative development scenarios.

8.0 Conclusions

The opportunity for the Applicant to acquire the Hopton Street Tower site and incorporate it within its scheme as key open space for the benefit of the wider community is unique and only open for a very limited period of time.

The purchase of the Hopton Street Tower site is conditional upon the receipt of a satisfactory planning permission by October 2006 and this satisfactory planning permission assumes the affordable housing offer proposed is acceptable. If not, the opportunity will be lost and the Hopton Street Tower built out.

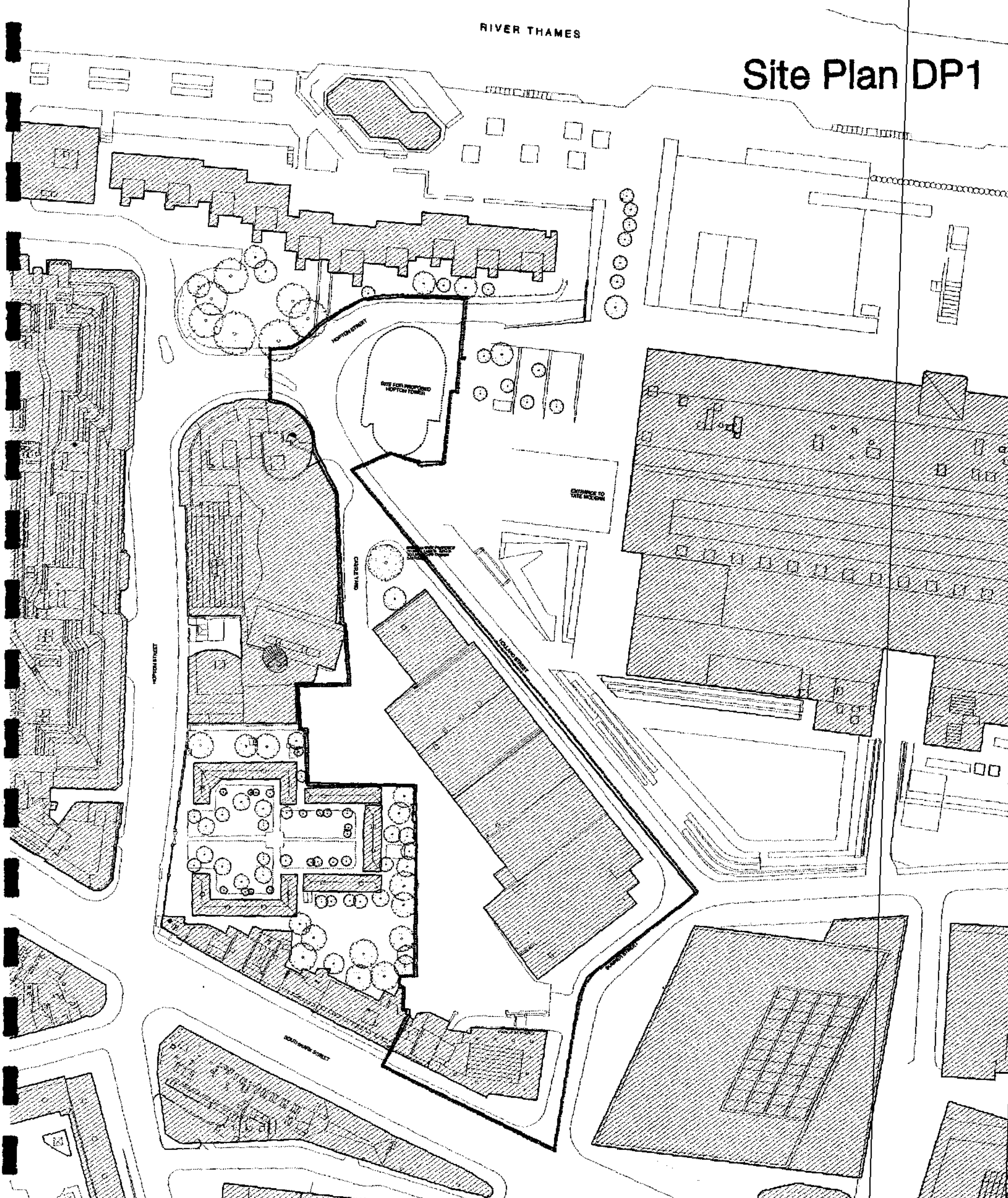
The 3 Dragons appraisal and Open Book appraisal for the Current Application clearly justifies the affordable housing provision and, despite the complexities of comparison, this is further supported by the financial assessment of the 2 alternative development scenarios where similar affordable housing provisions apply as summarised below.

	CURRENT APPLICATION	SCENARIO A	SCENARIO B
Total Affordable units	64 on site 9 off site	60 on site	66 on site
% of AH by Unit No.	31%	32%	29%
Tenure	50% social rent 50% shared equity	70% social rent 30% shared equity	70% social rent 30% shared equity
Wider benefit	New, unified, open space for residents and visitors	No unified open space	No unified open space

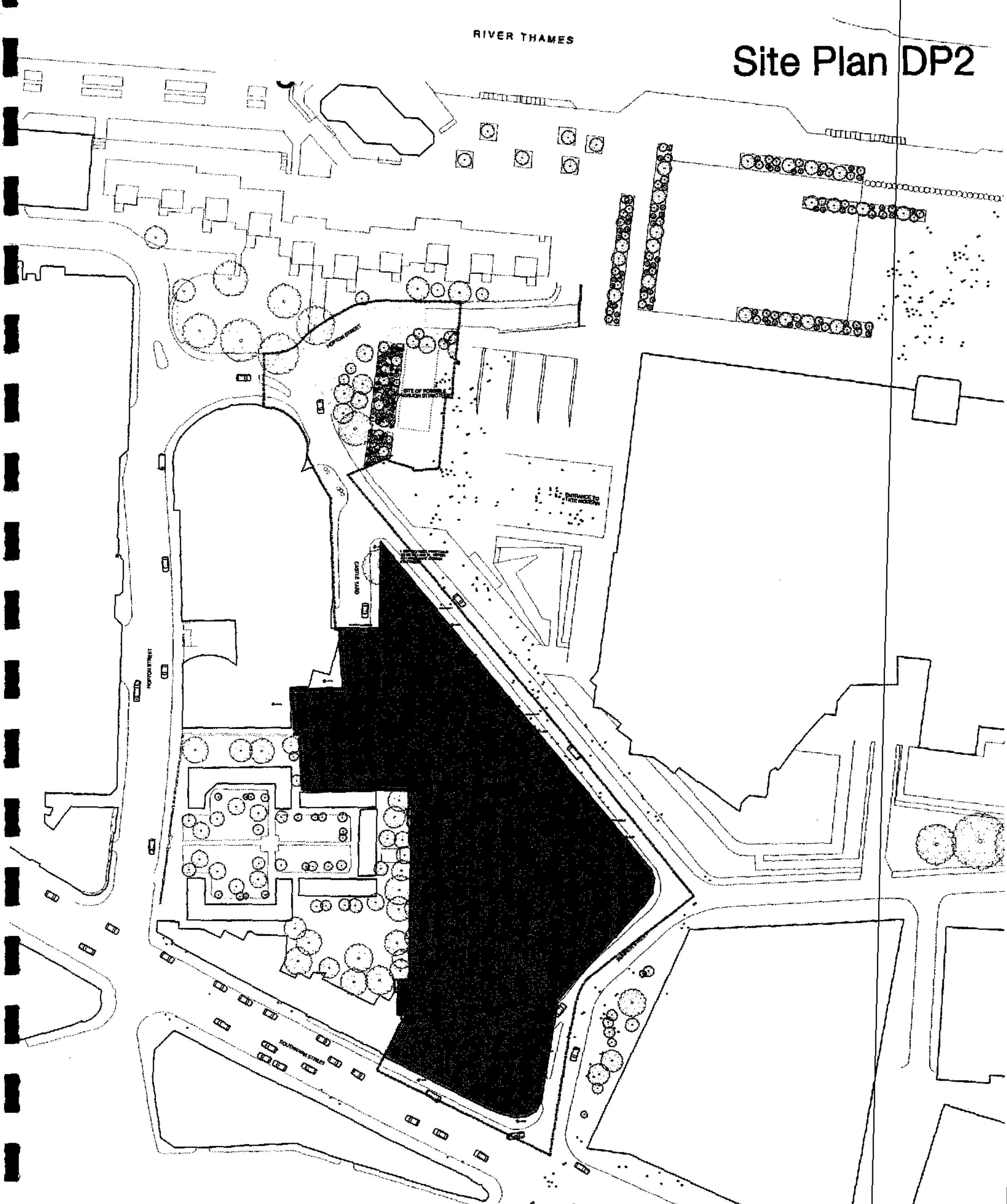
There is no doubt that the circumstances surrounding the Current Application are exceptional. It offers an opportunity to return an important area of land to open space which would otherwise not be the case and has the widespread support of the local community and Tate Modern amongst others; with this support it offers a far greater degree of planning certainty when compared to the alternative development scenarios and therefore the earlier delivery of the affordable housing proposed.

Accordingly, the Applicant looks forward to receiving confirmation that the principles of the affordable housing offer proposed as part of the Current Application set out within this report are acceptable.

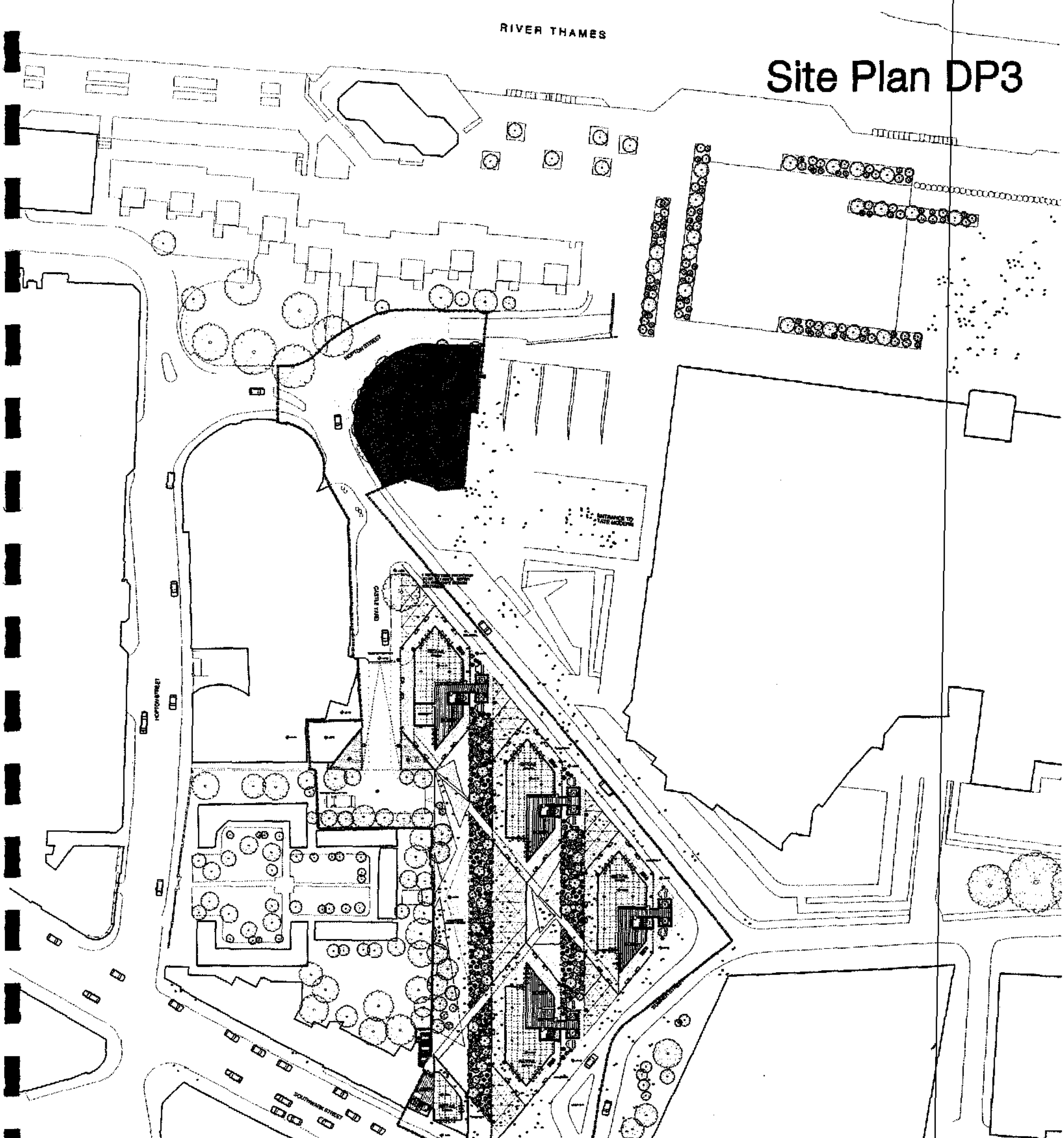
Site Plan DP1



Site Plan DP2



Site Plan DP3



Site Details

Site Address	Holland Street
Site Reference	
Application Number	
NLUD Reference	
UPRN or Grid Reference	
Scheme Description	Current Application (Hopton Street Tower *Returned to Open Space)*

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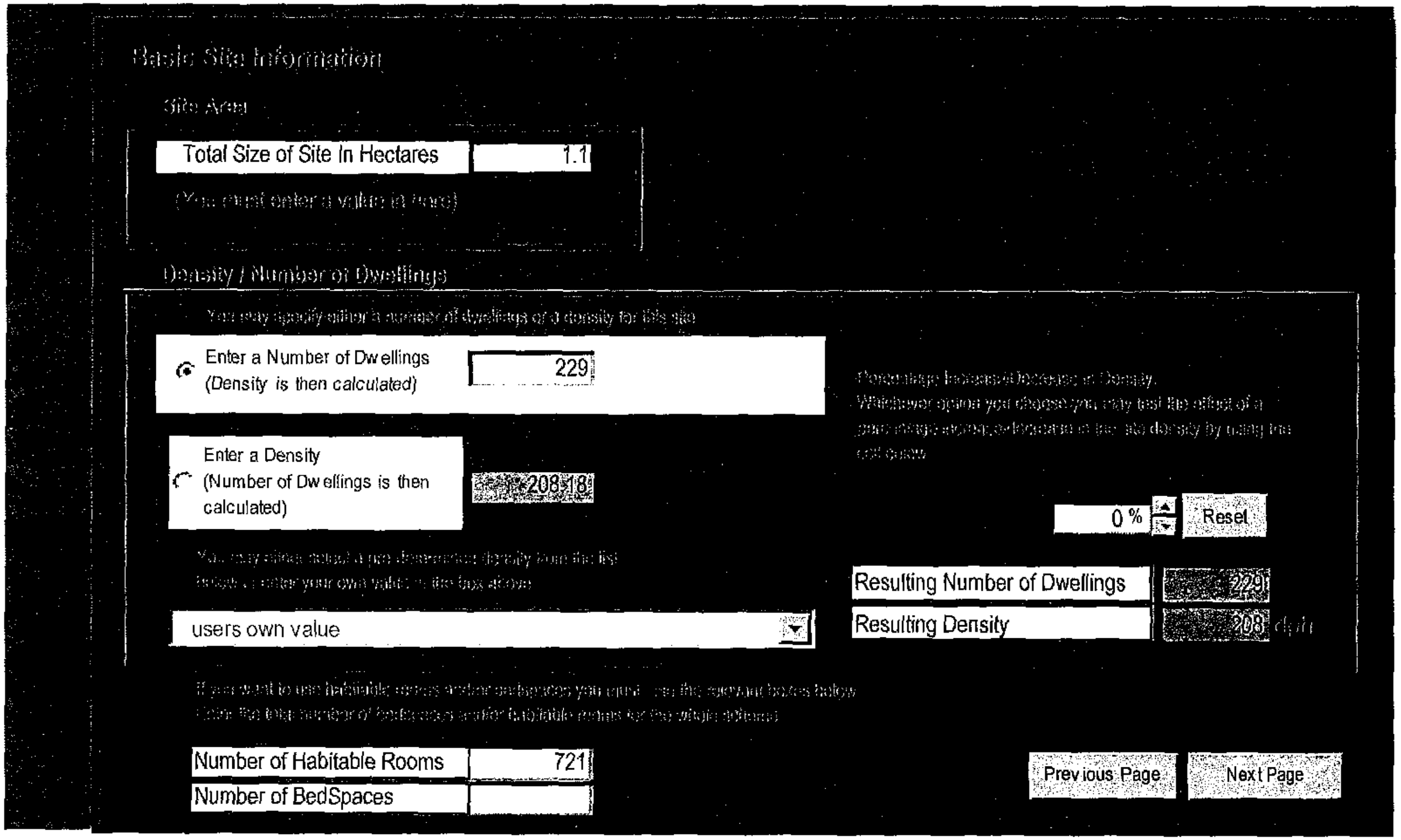
Development Control Model 2006-2007 Update


Basic Site Information
Site Area
Total Size of Site In Hectares
1.1
Density / Number of Dwellings
Enter a Number of Dwellings
(Density is then calculated)
229
Enter a Density
(Number of Dwellings is then calculated)
208.18
users own value
0 %
Reset
Resulting Number of Dwellings
229
Resulting Density
208
Number of Habitable Rooms
721
Number of BedSpaces
Previous Page
Next Page

Unit Types and Details

0%

Ref.	Description of Unit Type (for the users reference only)	Number of BED Rooms	Person Occupancy	Is a Wheel-chair Unit?	Is a Flat?	No. Of Storeys (1-99)	Has a Lift?	Size in sq m	Market Value	Adjusted Market Value	Intermed-iate Rent	No of Units
1	SR 1 Bed	1		NO	YES	5	YES	65	£ 1	£ 1	£ 1	6
2	SR 3 Bed	3		NO	YES	5	YES	106	£ 1	£ 1	£ 1	1
3	SR 4 Bed	4		NO	YES	5	YES	138	£ 1	£ 1	£ 1	1
4	SR 1 Bed	1		NO	YES	12	YES	52	£ 1	£ 1	£ 1	8
5	SR 2 Bed	2		NO	YES	12	YES	77	£ 1	£ 1	£ 1	8
6	SR 3 Bed	3		NO	YES	12	YES	105	£ 1	£ 1	£ 1	8
7	SE Studio	1		NO	YES	12	YES	32	£ 1	£ 1	£ 1	8
8	SE 1 Bed	1		NO	YES	12	YES	52	£ 1	£ 1	£ 1	8
9	SE 2 Bed	2		NO	YES	12	YES	73	£ 1	£ 1	£ 1	16
10	Private 1 Bed	1		NO	YES	24	YES	52	£ 421,720	£ 421,720	£ 1	22
11	Private 2 Bed	2		NO	YES	24	YES	105	£ 851,550	£ 851,550	£ 1	45
12	Private 2 Bed	2		NO	YES	24	YES	131	£ 1,062,410	£ 1,062,410	£ 1	21
13	Private 3 Bed	3		NO	YES	24	YES	131	£ 1,062,410	£ 1,062,410	£ 1	24
14	Private 3 Bed	3		NO	YES	24	YES	185	£ 1,500,350	£ 1,500,350	£ 1	22
15	Private 3 Bed	3		NO	YES	24	YES	236	£ 1,913,960	£ 1,913,960	£ 1	9
16	Private 3 Bed Penthouse	4		NO	YES	24	YES	249	£ 2,019,390	£ 2,019,390	£ 1	16
17	Private 4 Ben Penhouse	4		NO	YES	24	YES	354	£ 2,870,940	£ 2,870,940	£ 1	4
18	Private 4 Ben Penhouse	4		NO	YES	24	YES	708	£ 5,741,880	£ 5,741,880	£ 1	2
19										£		
20										£		
	Percentage Wheelchair Units			0%	Total Number of units							229

Expected Total Number of Units	229

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Tenure

You may decide the distribution of the units across the tenures in two ways:

By Percentage, in which case you enter a percentage of the total number of units to assign to each tenure. These percentages are applied equally across all unit types

By Quantity, in which case enter the exact number of units of each type to assign to each tenure in the table below

○ Input by Percentages ● Input by Quantity

Ref.	Description	No of Rooms	SALE	Affordable: Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	Total % Affordable
			72%	14%	14%	0%	0%	0%	28%
									No of Units
1	SR 1 Bed	1		6.00					6.00
2	SR 3 Bed	3		1.00					1.00
3	SR 4 Bed	4		1.00					1.00
4	SR 1 Bed	1		8.00					8.00
5	SR 2 Bed	2		8.00					8.00
6	SR 3 Bed	3		8.00					8.00
7	SE Studio	1			8.00				8.00
8	SE 1 Bed	1			8.00				8.00
9	SE 2 Bed	2			16.00				16.00
10	Private 1 Bed	1	22.00						22.00
11	Private 2 Bed	2	45.00						45.00
12	Private 2 Bed	2	21.00						21.00
13	Private 3 Bed	3	24.00						24.00
14	Private 3 Bed	3	22.00						22.00
15	Private 3 Bed	3	9.00						9.00
16	Private 3 Bed Penthouse	4	16.00						16.00
17	Private 4 Ben Penhouse	4	4.00						4.00
18	Private 4 Ben Penhouse	4	2.00						2.00
19									0.00
20									0.00
Total			165.00	32.00	32.00	0.00	0.00	0.00	229.00

Percentage purchased by purchaser for New build HomeBuy	75%
Percentage purchased by purchaser for Low Cost Sale	50%
Percentage purchased by purchaser for Equity Share	50%

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Development Costs

Build Costs per sq m

If you wish to use your own values then you can enter them in the white cells below. If you leave any blank the Toolkit Value for that row will be used.

	Toolkit Values	User Values
Flats (40+ storeys)	£2,783	
Flats (16-40 storeys)	£2,507	£3,100
Flats (6-15 storeys)	£2,029	£2,454
Flats (5 & less storeys)	£1,515	£2,242
Houses <= 75m2	£1,292	
Houses > 75m2	£1,131	

You must enter your own values for build costs if the scheme is a conversion

Other Development Costs

If you wish to use your own values then you can enter them in the white cells below. If you leave any blank the Toolkit Value for that row will be used

	Toolkit Values	User Values	
Professional Fees %	12%	13%	of build costs
Internal Overheads	10%		of build costs (Sale, Equity Share and Low Cost Sale units only)
Finance (Market)	7%		of market value
Finance (Affordable Housing)	7%		of development costs
Marketing Fees	4%	3%	of market value
Developers Return	15%	13%	*of market value applies to market housing*
Contractors Return	10%		of development costs (excl finance) appies to affordable housing

Exceptional Development Costs

You may enter a value for exceptional development costs in one of four ways. Choose one of the options and enter a value in the relevant box.

Per Dwelling	
Per Hectare	
Per Habitable	
Total For Scheme	£6,391,000

You may also enter SCHEME totals for other exceptional costs. The first row is for offsite highway works. The other three rows are for user defined costs. You can enter the name of the cost in the left hand cells and the SCHEME value in the right hand cell

Offsite Highway Works	£	-
Costs of 2 level basement	£	6,391,000
<Enter cost description>	£	-
<Enter cost description>	£	-

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Social Rent and Intermediate Rent Costs and Capitalisation

[illegible]

Social Rent		ToolKit Values	User Values	
Costs per annum	Management	£646		per dwelling (+30% for flats)
	Maintenance	£526		per dwelling (+10% for flats)
	Voids/bad debts	4.38%		of gross rent
	Service charge	12.49%		of Man'+Main'
	Repairs reserve	0.384%		of development costs
Capitalisation		5.40%		of net rent

New build HomeBuy		ToolKit Values	User Values	
	Rent	2.75%		of gross rent
Capitalisation		5.40%		of net rent

Intermediate Rent		ToolKit Values	User Values	
Costs per annum	Management costs	6.00%		of gross rent
	Maintenance	£1,200		per dwelling
	Voids/bad debts	6.00%		of gross rent
	Service charge	4.20%		of gross rent
	Letting fee	1.50%		of gross rent
Capitalisation		5.40%		of net rent

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Planning Obligations

	Input by Total		Input by Unit						Calculated Total (Affordable and Sale)
				Affordable					
	Enter Total?	User Total	Sale	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	
Education Contribution	☐								£0
Highway works	☐								£0
Contribution to public transport	☐								£0
Contribution to community facilities	☐								£0
Provision for open space	☐								£0
Contribution to public art	☐								£0
Environmental improvements	☐								£0
Town centre improvements	☐								£0
Waterfront improvements	☐								£0
Support for employment development	☐								£0
Employment related training	☐								£0
Other	☑	£2,035,000							£2,035,000

Total for Scheme	£2,035,000
Total for Scheme per hectare	£1,350,000
Total for Scheme divided by total number of units	£8,886
Total for Scheme divided by number of sale units	£12,333

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Capital contribution From Other Sources

	Input by Total		Input by Unit						Calculated Total (Affordable and Sale)
				Affordable					
	Enter Total?	User Total	Sale	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	
Cross-subsidy to (-) or from (+) non-housing elements of a mixed use scheme	☐								£0
European Union funding	☐								£0
English Partnership funding	☐								£0
London Development Agency grant	☐								£0
Local Authority capital grant	☐								£0
Other regeneration funding	☐								£0
English Heritage grant	☐								£0
Lottery grant	☐								£0
Contribution from Payment in Lieu fund	☐								£0
Employer contribution	☐								£0
Other	☑	£6,995,000							£6,995,000

Total for Scheme	£6,995,000
Total for Scheme per hectare	£6,359,091
Total for Scheme divided by total number of units	£30,546
Total for Scheme divided by number of sale units	£42,394

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Scheme Revenue from Affordable Housing

Please choose the method by which the payment is made by the affordable housing provider to the developer

- Payment by affordable housing provider to developer based on fixed assumption on social housing grant (including no grant)
- Payment by affordable housing provider to developer fixed. No information available on grant availability or affordable housing provider's revenue income.

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Known Payment for Affordable Housing

	Affordable Housing Tenures					Total
	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	No. Of Affordable Units
Number of units	32.0	32.0	0.0	0.0	0.0	64
Payment By Unit						
Or Payment By Tenure						
Or Scheme Total	Enter a lump sum payment for all Affordable Housing Tenures					£ 6,536,000
Tenure Total	£	£	£	£	£	
Method by which Affordable Housing Revenue is calculated	By Scheme Total	By Scheme Total	N/A	N/A	N/A	
Total Known Payment for Affordable Housing	£ 6536000					

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Grant

Grant

[illegible]

- No - Grant is not available
- Yes - Grant is available and is a known value

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On-costs

[illegible] You have one of 3 options [illegible] use the Toolkit default percentages [illegible] enter your own [illegible] or [illegible] If there are no on-costs, clear the tick box called 'Apply on-costs'.

Apply On-costs

	Affordable Housing Tenures				Total
	Social rent	New build HomeBuy	Equity share	Intermediate rent	Affordable Units
Number of units	32.0	32.0	0.0	0.0	64
Toolkit default on-costs rate	15.50%	18.00%		17.00%	
User on-cost rate (%)					
User rate per unit (£)					
On-cost per unit	£	£	£	£	
Total on-cost per tenure	£	£	£	£	
Total on-costs for affordable housing	£				

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Scheme Results

Site Reference Details	
Site Reference Number	0
Application Number	0
NLUD Reference Number	0
UPRN or Grid Reference	0

Site Details	
Site	Holland Street
Address	
Scheme Description	Current Application (Hopton Street Tower Returned to Open Space)

TOTAL NUMBER OF UNITS	
Dwellings	229
Habitable rooms	721
Bedspaces	No Info
% Wheelchair Units	0%

DENSITY (per hectare)	
Dwellings	208.2
Habitable rooms	655.5
Bedspaces	No Info

AFFORDABLE UNITS	Quantity	% of All Units
Total	64.0	28%
Social rent	32.0	14%
Intermediate	32.0	14%

REVENUE AND COSTS	
Total scheme revenue	**£214,448,000**
Contribution to revenue from:	
Market housing	£200,917,000
Affordable Housing	£6,536,000
- Social rent	£0
- New build HomeBuy	£0
- Intermediate Rent	£0
- Low Cost Sale	£0
- *Equity Share*	£0
Capital Contribution	£6,995,000

Total scheme costs	**£162,827,000**
Contribution to costs from:	
Market housing	£140,573,746
Affordable Housing	£13,826,778
- *Social rent*	£6,913,389
- New build HomeBuy	£6,913,389
- Intermediate Rent	£0
- Low Cost Sale	£0
- Equity Share	£0
Planning Obligations	£2,035,000
Exceptional Development Costs	£6,391,000

PUBLIC SUBSIDY (GRANT)	
Whole scheme	**£0**
Per social rental dwelling	£0
Per Newbuild Homebuy dwelling	£0
Per Intermediate Rent dwelling	£0

RESIDUAL VALUE	
Whole scheme	£51,621,000
Per hectare	£46,928,000
Per dwelling	£225,000
Per market dwelling	£313,000
Per habitable room	£72,000
Per bedspace	No Info

Alternative Site Values	Against residual
Exisiting Use Value	£0
Acquisition Cost	£4,000
Alternative Use Value 1	£0
Alternative Use Value 2	£0
Alternative Use Value 3	£0

View Results

Montagu Evans
Open Book Appraisal
Current Application (Hopton Street Tower site returned to open space)

REVENUE

Sales Valuation	**ft²**	**Rate ft²**	**Grs.Value**
Block A	53,550	£720.00	38,556,000
Parking A	14 units at	£35,000	490,000
Block B	84,669	£745.00	63,078,405
Parking B	26 units at	£35,000	910,000
Block C	115,152	£775.00	89,242,800
Parking C	38 units at	£35,000	1,330,000
Block D private	12,615	£755.00	9,524,325
Block D affordable	40,076	£139.00	5,570,564
Block E affordable	6,857	£139.00	953,123
Parking D	34 units at	£35,000	1,190,000
	312,919		210,845,217

Rental Area Summary	**ft²**	**Rate ft²**	**Grs. Rent pa**
Ground Rents	229 units at	£350	80,150
Retail & lobby A	2,723	£30.00	81,690
Retail & lobby B	2,723	£30.00	81,690
Retail & lobby C	2,723	£30.00	81,690
Retail & lobby D	2,723	£30.00	81,690
	10,892		406,910

Investment Valuation			**Yield**	**Factor**	**Cap. Rent**
Ground Rents					
Valuation Rent	80,150	YP @	6.0000%	16.6667	1,335,833
Retail & lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
					6,056,093

GROSS DEVELOPMENT VALUE				216,901,310
Purchaser's Costs	5.76%	-349,013		
NET DEVELOPMENT VALUE				216,552,298
ADDITIONAL REVENUE				
Interim Income		626,000		
			626,000	
NET REALISATION				**217,178,298**

Montagu Evans
Open Book Appraisal
Current Application (Hopton Street Tower site returned to open space)

OUTLAY

ACQUISITION COSTS				
Acquisition Price			24,188,000	
Stamp Duty		4.00%	967,520	
Acquisition Agent Fees		1.00%	241,880	
Acquisition Legal Fees		0.50%	120,940	
Planning overage			3,000,000	
Stamp duty on planning overage			120,000	
Second land payment			22,000,000	
Tax liability on part of land cost			1,341,000	
Town Planning			939,000	
				52,918,340
CONSTRUCTION COSTS				
Summary	**ft²**	**Rate ft²**	**Cost**	
Retail & lobby	10,892	£120.00	1,307,040	
Block A	65,666	£220.00	14,446,520	
60% basement cost	67 units at	-43,000	2,881,000	
Block B	103,187	£230.00	23,733,010	
Block C	140,711	£235.00	33,067,085	
Phase 2 parking construction	45 units at	-43,000	1,935,000	
Block D private	15,635	£220.00	3,439,700	
Block D affordable	50,031	£190.00	9,505,890	
Block E affordable	8,228	£170.00	1,398,760	
	394,350			91,714,005
Contingency		5.00%	4,660,700	
Demolition			500,000	
Landscaping			1,000,000	
Enabling			750,000	
				6,910,700
Other Construction				
Insurances/ rights to light etc			1,000,000	
				1,000,000
Section 106 Costs				
Section 106			1,000,000	
Affordable housing off site payment			1,035,000	
				2,035,000
PROFESSIONAL FEES				
Professional fees		13.50%	12,381,391	
Banking & valuation fees			1,700,000	
				14,081,391
MARKETING				
Marketing		2.00%	4,086,431	
Letting Agent Fees		10.00%	40,691	
Letting Legal Fees		5.00%	20,346	
				4,147,468

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Open Book Appraisal
Current Application (Hopton Street Tower site returned to open space)

DISPOSAL FEES				
Sales Agent Fees		2,071,230		
Sales Legal Fees	0.50%	1,082,761		
			3,153,992	
ADDITIONAL COSTS				
Tenants compensation		312,000		
			312,000	
FINANCE				
Debit Rate 6.500%				
Total Finance Cost			16,720,120	
TOTAL COSTS				**192,993,014**
PROFIT				**24,185,283**

Performance Measures

Profit on Cost%	***12.53%***
***Profit on* GDV%**	**11.15%**

Site Details

Site Address	Holland Street
Site Reference	
Application Number	
NLUD Reference	
UPRN or Grid Reference	
Scheme Description	Scenario A (No purchase of Hopton Street Tower Site)

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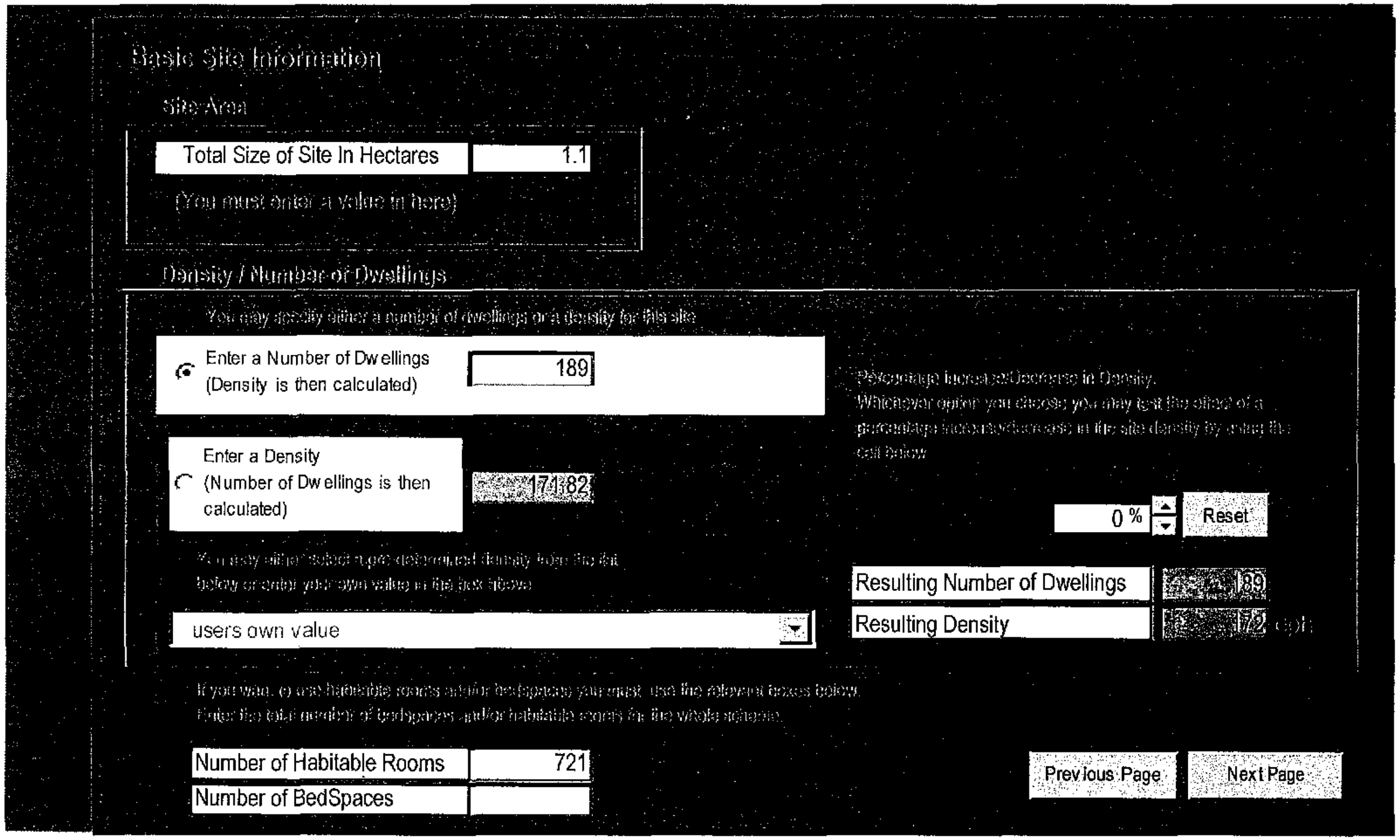
Development Control Model 2006-2007 Update


Basic Site Information
Site Area
Total Size of Site In Hectares
1.1
(You must enter a value in here)
Density / Number of Dwellings
You may specify either a number of dwellings or a density for this site
Enter a Number of Dwellings
(Density is then calculated)
189
Enter a Density
(Number of Dwellings is then calculated)
171.82
users own value
0 %
Reset
Resulting Number of Dwellings
189
Resulting Density
172
Number of Habitable Rooms
721
Number of BedSpaces
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Unit Types and Details

-4%

Ref.	Description of Unit Type (for the users reference only)	Number of BED Rooms	Person Occupancy	Is a Wheel-chair Unit?	Is a Flat?	No. Of Storeys (1-99)	Has a Lift?	Size in sq m	Market Value	Adjusted Market Value	Intermed-iate Rent	No of Units
1	SR 1 Bed	1		NO	YES	5	YES	65	£ 1	£ 1	£ 1	6
2	SR 3 Bed	3		NO	YES	5	YES	106	£ 1	£ 1	£ 1	1
3	SR 4 Bed	4		NO	YES	5	YES	138	£ 1	£ 1	£ 1	1
4	SR 1 Bed	1		NO	YES	12	YES	52	£ 1	£ 1	£ 1	12
5	SR 2 Bed	2		NO	YES	12	YES	77	£ 1	£ 1	£ 1	12
6	SR 3 Bed	3		NO	YES	12	YES	105	£ 1	£ 1	£ 1	12
7	SE Studio	1		NO	YES	12	YES	32	£ 1	£ 1	£ 1	4
8	SE 1 Bed	1		NO	YES	12	YES	52	£ 1	£ 1	£ 1	4
9	SE 2 Bed	2		NO	YES	12	YES	73	£ 1	£ 1	£ 1	8
10	Private 1 Bed	1		NO	YES	24	YES	52	£ 421,720	£ 404,851	£ 1	18
11	Private 2 Bed	2		NO	YES	24	YES	105	£ 851,550	£ 817,488	£ 1	33
12	Private 2 Bed	2		NO	YES	24	YES	131	£ 1,062,410	£ 1,019,914	£ 1	15
13	Private 3 Bed	3		NO	YES	24	YES	131	£ 1,062,410	£ 1,019,914	£ 1	18
14	Private 3 Bed	3		NO	YES	24	YES	185	£ 1,500,350	£ 1,440,336	£ 1	16
15	Private 3 Bed	3		NO	YES	24	YES	236	£ 1,913,960	£ 1,837,402	£ 1	7
16	Private 3 Bed Penthouse	4		NO	YES	24	YES	249	£ 2,019,390	£ 1,938,614	£ 1	16
17	Private 4 Ben Penhouse	4		NO	YES	24	YES	354	£ 2,870,940	£ 2,756,102	£ 1	2
18	Private 4 Ben Penhouse	4		NO	YES	24	YES	708	£ 5,741,880	£ 5,512,205	£ 1	2
19	Private Studio in affordable block	1		NO	YES	24	YES	32	£ 200,000	£ 192,000	£ 1	2
20										£		
	Percentage Wheelchair Units			0%				Total Number of units				189

Expected Total Number of Units 189

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Tenure

You may decide the distribution of the units across the tenures in two ways.

By Percentage, in which case you enter a percentage of the total number of units to assign to each tenure. These percentages are applied equally across all unit types.

By Quantity, in which case enter the exact number of units of each type to assign to each tenure in the table below.

○ Input by Percentages ◉ Input by Quantity

Ref.	Description	No of Rooms	SALE	Affordable: Social rent	Affordable: New build HomeBuy	Affordable: Low cost sale	Affordable: Equity share	Affordable: Intermediate rent	Total % Affordable
			68%	23%	8%	0%	0%	0%	32%
									No of Units
1	SR 1 Bed	1		6.00					6.00
2	SR 3 Bed	3		1.00					1.00
3	SR 4 Bed	4		1.00					1.00
4	SR 1 Bed	1		12.00					12.00
5	SR 2 Bed	2		12.00					12.00
6	SR 3 Bed	3		12.00					12.00
7	SE Studio	1			4.00				4.00
8	SE 1 Bed	1			4.00				4.00
9	SE 2 Bed	2			8.00				8.00
10	Private 1 Bed	1	18.00						18.00
11	Private 2 Bed	2	33.00						33.00
12	Private 2 Bed	2	15.00						15.00
13	Private 3 Bed	3	18.00						18.00
14	Private 3 Bed	3	16.00						16.00
15	Private 3 Bed	3	7.00						7.00
16	Private 3 Bed Penthouse	4	16.00						16.00
17	Private 4 Ben Penthouse	4	2.00						2.00
18	Private 4 Ben Penthouse	4	2.00						2.00
19	Private Studio in affordable block	1	2.00						2.00
20									0.00
	Total		129.00	44.00	16.00	0.00	0.00	0.00	189.00

Percentage purchased by purchaser for New build HomeBuy	75%
Percentage purchased by purchaser for Low Cost Sale	50%
Percentage purchased by purchaser for Equity Share	50%

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Development Costs

Build Costs per sq m

If you wish to use your own values then you can enter them in the white cells below. If you leave any blank the Toolkit Value for that row will be used

	Toolkit Values	User Values
Flats (40+ storeys)	£2,783	
Flats (16-40 storeys)	£2,507	£3,100
Flats (6-15 storeys)	£2,029	£2,454
Flats (5 & less storeys)	£1,515	£2,242
Houses <= 75m2	£1,292	
Houses > 75m2	£1,131	

You must enter your own values for build costs if the scheme is a conversion

Other Development Costs

If you wish to use your own values then you can enter them in the white cells below. If you leave any blank the Toolkit Value for that row will be used

	Toolkit Values	User Values	
Professional Fees %	12%	14%	of build costs
Internal Overheads	10%		of build costs (Sale, Equity Share and Low Cost Sale units only)
Finance (Market)	7%		of market value
Finance (Affordable Housing)	7%		of development costs
Marketing Fees	4%	3%	of market value
Developers Return	15%	14%	of market value applies to market housing
Contractors Return	10%		of development costs (excl finance) appies to affordable housing

Exceptional Development Costs

You may enter a value for exceptional development costs in one of four ways. Choose one of the options and enter a value in the relevant box

Per Dwelling	
Per Hectare	
Per Habitable	
Total For Scheme	£6,391,000

You may also enter SCHEME totals for other exceptional costs. The first row is for offsite highway works. The other three rows are for user defined costs. You can enter the name of the cost in the left hand cells and the SCHEME value in the right hand cell.

Offsite Highway Works	£	-
Cost of 2 level Basements	£	6,391,000
<Enter cost description>	£	-
<Enter cost description>	£	-

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Social Rent and Intermediate Rent Costs and Capitalisation

These values are used to calculate capitalised value where no grant is available.
If you wish to use your own values then you can enter them in the white cells below. If you leave any blank then the Toolkit Value for that row will be used.

Social Rent		ToolKit Values	User Values	
Costs per annum	*Management*	£646		per dwelling (+30% for flats)
	Maintenance	£626		per dwelling (+10% for flats)
	Voids/bad debts	4.38%		of gross rent
	Service charge	12.49%		of Man'+Main'
	Repairs reserve	0.384%		of development costs
Capitalisation		5.40%		of net rent

New build HomeBuy		ToolKit Values	User Values	
	Rent	2.75%		*of gross rent*
Capitalisation		5.40%		of net rent

Intermediate Rent		ToolKit Values	User Values	
Costs per annum	Management costs	6.00%		of gross rent
	Maintenance	£1,200		per dwelling
	Voids/bad debts	6.00%		of gross rent
	Service charge	4.20%		of gross rent
	Letting fee	[illegible]		of gross rent
Capitalisation		5.40%		of net rent

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Planning Obligations

	Input by Total		Input by Unit						Calculated Total (Affordable and Sale)
				Affordable					
	Enter Total?	User Total	Sale	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	
Education Contribution	☐								£0
Highway works	☐								£0
Contribution to public transport	☐								£0
Contribution to community facilities	☐								£0
Provision for open space	☐								£0
Contribution to public art	☐								£0
Environmental improvements	☐								£0
Town centre improvements	☐								£0
Waterfront improvements	☐								£0
Support for employment development	☐								£0
Employment related training	☐								£0
Other	☑	£2,100,000							£2,100,000

Total for Scheme	£2,100,000
Total for Scheme per hectare	£1,909,091
Total for Scheme divided by total number of units	£11,[illegible]
Total for Scheme divided by number of sale units	£16,279

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Capital contribution From Other Sources

	Input by Total		Input by Unit						Calculated Total (Affordable and Sale)
				Affordable					
	Enter Total?	User Total	Sale	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	
Cross-subsidy to (-) or from (+) non-housing elements of a mixed use scheme	☐								£0
European Union funding	☐								£0
English Partnership funding	☐								£0
London Development Agency grant	☐								£0
Local Authority capital grant	☐								£0
Other regeneration funding	☐								£0
English Heritage grant	☐								£0
Lottery grant	☐								£0
Contribution from Payment in Lieu fund	☐								£0
Employer contribution	☐								£0
Other	☑	£6,382,500							£6,382,500

Total for Scheme	£6,382,500
Total for Scheme per hectare	£6,802,273
Total for Scheme divided by total number of units	£38,770
Total for Scheme divided by number of sale units	£49,477

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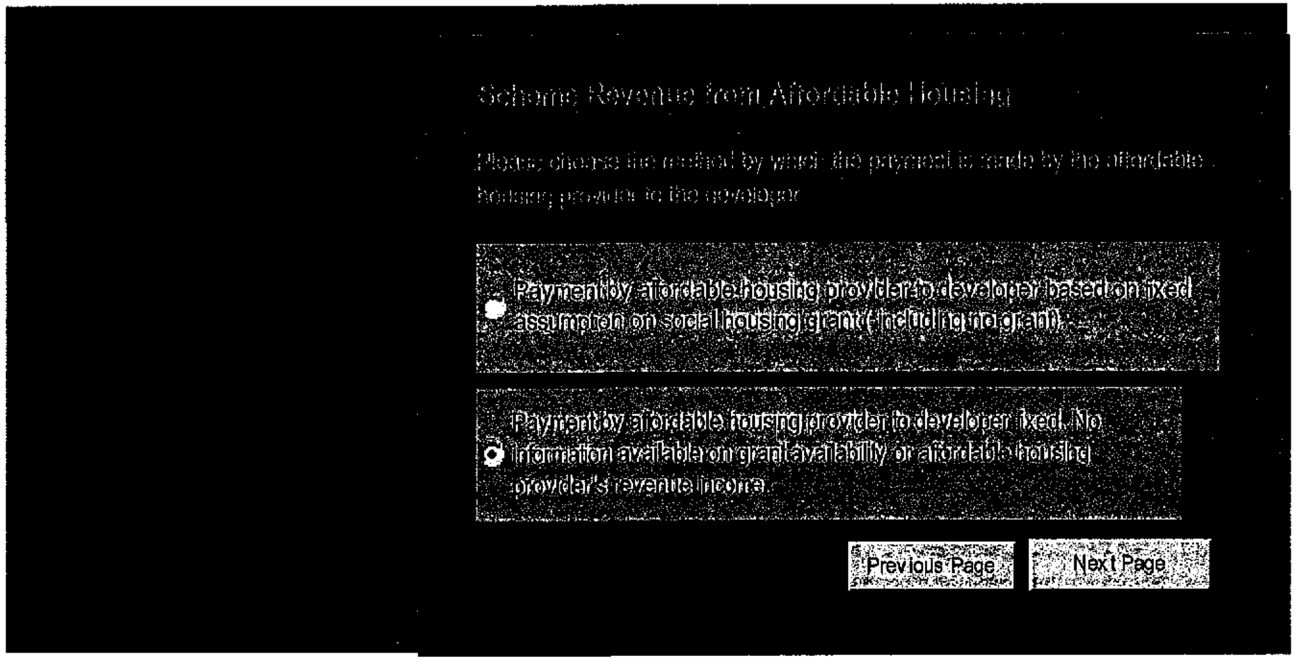
Scheme Revenue from Affordable Housing
Please choose the method by which the payment is made by the affordable housing provider to the developer
Payment by affordable housing provider to developer based on fixed assumption on social housing grant (including no grant)
Payment by affordable housing provider to developer fixed. No information available on grant availability or affordable housing provider's revenue income.
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Known Payment for Affordable Housing

	Affordable Housing Tenures					Total
	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	No. Of Affordable Units
Number of units	44.0	16.0	0.0	0.0	0.0	60
Payment By Unit						
Or Payment By Tenure						
Or Scheme Total	Enter a lump sum payment for all Affordable Housing Tenures					£ 5,569,111
Tenure Total	£	£	£	£	£	
Method by which Affordable Housing Revenue is calculated	By Scheme Total	By Scheme Total	N/A	N/A	N/A	
Total Known Payment for Affordable Housing	£ 5569111					

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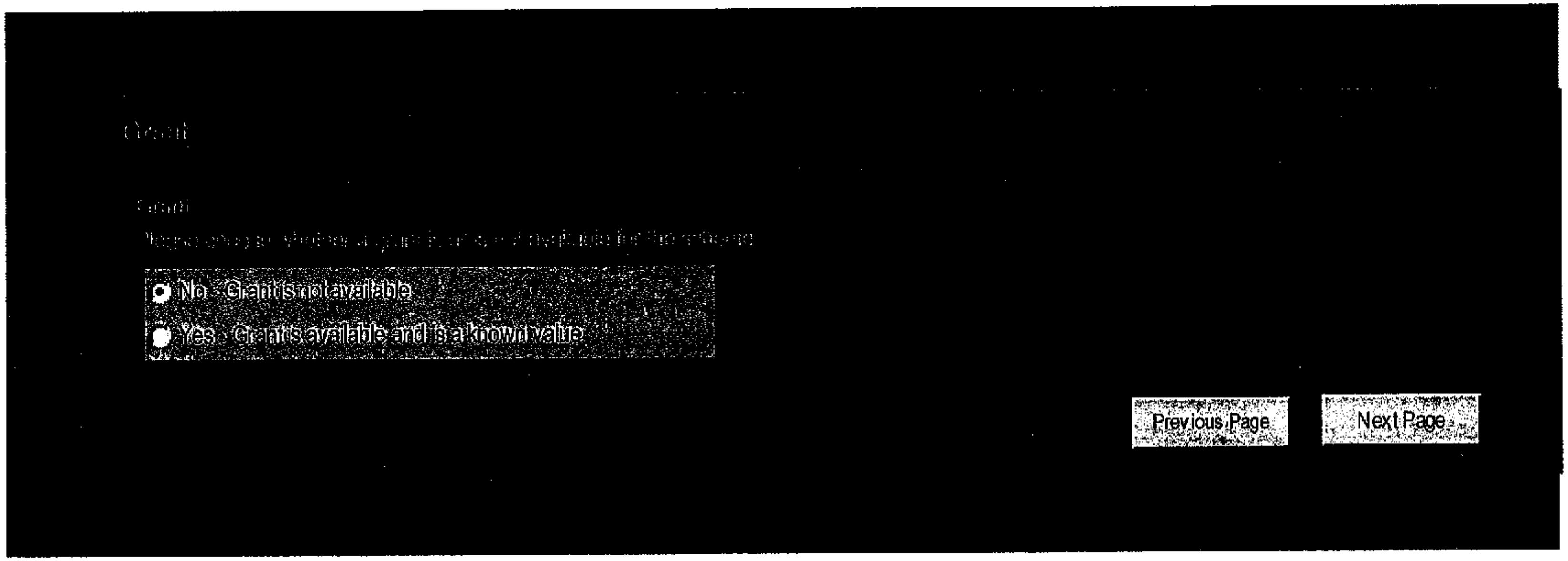

No - Grant is not available
Yes - Grant is available and is a known value
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On costs:

[illegible] the user can provide information about on costs. You have one of 3 options: i) use the Toolkit default percentages ii) enter your own % iii) enter your own on cost value (in £s per unit). If there are no on-costs clear the tick box called 'Apply on [illegible] costs'

Apply On costs

	Affordable Housing Tenures				Total
	Social rent	New build HomeBuy	Equity share	Intermediate rent	Affordable Units
Number of units	44.0	16.0	0.0	0.0	60
Toolkit default on-costs rate	15.50%	18.00%		17.00%	
User on-cost rate (%)					
User rate per unit (£)					
On-cost per unit	£	£	£	£	
Total on-cost per tenure	£	£	£	£	

Total on-costs for affordable housing	£

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Scheme Results

Site Reference Details	
Site Reference Number	0
Application Number	0
NLUD Reference Number	0
UPRN or Grid Reference	0

Site Details	
Site	Holland Street
Address	
Scheme Description	Scenario A (No purchase of Hopton Street Tower Site)

TOTAL NUMBER OF UNITS	
Dwellings	189
Habitable rooms	721
Bedspaces	No Info
% Wheelchair Units	0%

DENSITY (per hectare)	
Dwellings	171.8
Habitable rooms	655.5
Bedspaces	No Info

AFFORDABLE UNITS	Quantity	% of All Units
Total	**60.0**	32%
Social rent	44.0	23%
Intermediate	16.0	8%

REVENUE AND COSTS	
Total scheme revenue	**£163,719,000**
Contribution to revenue from:	
Market housing	£151,767,000
Affordable Housing	£5,569,000
- Social rent	£0
- New build HomeBuy	£0
- Intermediate Rent	£0
- Low Cost Sale	£0
- Equity Share	£0
Capital Contribution	£6,383,000

Total scheme costs	£135,003,000
Contribution to costs from:	
Market housing	£112,505,373
Affordable Housing	£14,006,227
- Social rent	£10,271,233
- New build HomeBuy	£3,734,994
- Intermediate Rent	£0
- Low Cost Sale	£0
- Equity Share	£0
Planning Obligations	£2,100,000
Exceptional Development Costs	£6,391,000

PUBLIC SUBSIDY (GRANT)	
Whole scheme	**£0**
Per social rental dwelling	£0
Per Newbuild Homebuy dwelling	£0
Per Intermediate Rent dwelling	£0

RESIDUAL VALUE	
Whole scheme	£28,716,000
Per hectare	£26,105,000
Per dwelling	£152,000
Per market dwelling	£223,000
Per habitable room	£40,000
Per bedspace	No Info

Alternative Site Values	Against residual
Exisiting Use Value	£0
Acquisition Cost	-£10,000
Alternative Use Value 1	£0
Alternative Use Value 2	£0
Alternative Use Value 3	£0

View Results

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Open Book Appraisal
Scenario A (No purchase of Hopton Street Tower Site)

REVENUE

Sales Valuation	**ft²**	**Rate ft²**	**Grs.Value**
Block A	43,184	£690.00	29,796,960
Parking A	12 units at	£35,000	420,000
Block B	69,879	£715.00	49,963,485
Parking B	20 units at	£35,000	700,000
Block C	95,110	£745.00	70,856,950
Parking C	63 units at	£35,000	2,205,000
Block D private	1,765	£745.00	1,314,925
Block D affordable	39,357	£120.00	4,722,840
Block E affordable	6,857	£120.50	826,269
	256,152		160,806,429

Rental Area Summary	**ft²**	**Rate ft²**	**Grs. Rent pa**
Ground Rents	189 units at	£350	66,150
Retail & lobby A	2,723	£30.00	81,690
Retail & lobby B	2,723	£30.00	81,690
Retail & lobby C	2,723	£30.00	81,690
Retail & lobby D	2,723	£30.00	81,690
	10,892		392,910

Investment Valuation			**Yield**	**Factor**	**Cap. Rent**
Ground Rents					
Valuation Rent	66,150	YP @	6.0000%	16.6667	1,102,500
Retail & lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
					5,822,760
GROSS DEVELOPMENT VALUE					166,629,189
Purchaser's Costs		5.76%	-335,566		
NET DEVELOPMENT VALUE					166,293,623

ADDITIONAL REVENUE

Interim Income		926,000		
			926,000	
NET REALISATION				**167,219,623**

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Open Book Appraisal
Scenario A (No purchase of Hopton Street Tower Site)

OUTLAY

ACQUISITION COSTS				
Acquisition Price			24,188,000	
Stamp Duty		4.00%	967,520	
Acquisition Agent Fees		1.00%	241,880	
Acquisition Legal Fees		0.50%	120,940	
Planning overage			3,433,395	
Stamp duty on planning overage			137,336	
Town Planning			714,000	
				29,803,071
CONSTRUCTION COSTS				
Summary	**ft²**	**Rate ft²**	**Cost**	
Retail & lobby	10,892	£120.00	1,307,040	
Block A	53,158	£220.00	11,694,760	
60% basement cost	57 units at	-43,000	2,451,000	
Block B	84,427	£230.00	19,418,210	
Block C	115,696	£235.00	27,188,560	
Phase 2 parking construction	38 units at	-43,000	1,634,000	
Block D private	3,127	£220.00	687,940	
Block D affordable	48,383	£190.00	9,192,770	
Block E affordable	8,228	£170.00	1,398,760	
	323,911			74,973,040
Contingency		5.00%	3,823,652	
Demolition			500,000	
Landscaping			2,000,000	
Enabling			750,000	
				7,073,652
Other Construction				
Insurances/ rights to light etc			1,000,000	
				1,000,000
Section 106 Costs				
Section 106			2,100,000	
				2,100,000
PROFESSIONAL FEES				
Professional fees		14.50%	10,871,091	
Banking & valuation fees			1,200,000	
				12,071,091
MARKETING				
Marketing		2.00%	3,105,147	
Letting Agent Fees		10.00%	39,291	
Letting Legal Fees		5.00%	19,646	
				3,164,084

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Scenario A (No purchase of Hopton Street Tower Site)

DISPOSAL FEES				
Sales Agent Fees		1,601,888		
Sales Legal Fees	0.50%	831,468		
			2,433,356	
ADDITIONAL COSTS				
Tenants compensation		312,000		
			312,000	
FINANCE				
Debit Rate 6.500%				
Total Finance Cost			12,324,198	
TOTAL COSTS				**145,254,491**
PROFIT				**21,965,133**
Performance Measures				
Profit on Cost%	**15.12%**			
Profit on GDV%	**13.18%**			

Site Details

Site Address	Holland Street
Site Reference	
Application Number	
NLUD Reference	
UPRN or Grid Reference	
Scheme Description	Scenario B (No Puchase of Hopton Street Tower Site)

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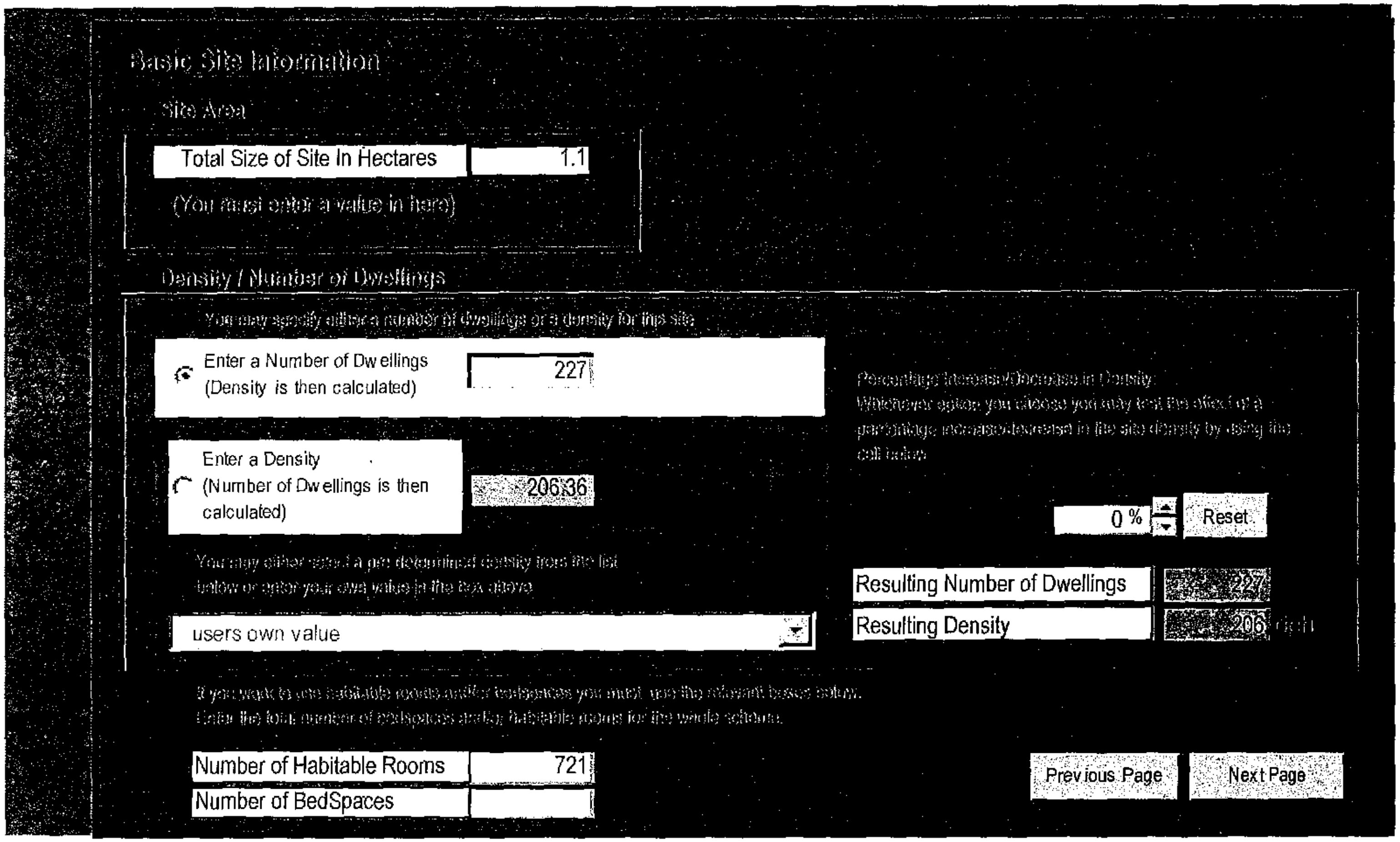
Development Control Model 2006-2007 Update


Basic Site Information
Site Area
Total Size of Site In Hectares
1.1
(You must enter a value in here)
Density / Number of Dwellings
You may specify either a number of dwellings or a density for this site
Enter a Number of Dwellings
(Density is then calculated)
227
Enter a Density
(Number of Dwellings is then calculated)
206.36
You may either select a pre determined density from the list below or enter your own value in the box above
users own value
Percentage Increase/Decrease in Density
0 %
Reset
Resulting Number of Dwellings
227
Resulting Density
206
Number of Habitable Rooms
721
Number of BedSpaces
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Unit Types and Details

Percentage increase / decrease in market value: -4%

Ref.	Description of Unit Type (for the users reference only)	Number of BED Rooms	Person Occupancy	Is a Wheel-chair Unit?	Is a Flat?	No. Of Storeys (1-99)	Has a Lift?	Size in sq m	Market Value	Adjusted Market Value	Intermed-iate Rent	No of Units
1	SR 1 Bed	1		NO	YES	5	YES	65	£ 1	£ 1	£ 1	6
2	SR 3 Bed	3		NO	YES	5	YES	106	£ 1	£ 1	£ 1	1
3	SR 4 Bed	4		NO	YES	5	YES	138	£ 1	£ 1	£ 1	1
4	SR 1 Bed	1		NO	YES	12	YES	52	£ 1	£ 1	£ 1	14
5	SR 2 Bed	2		NO	YES	12	YES	77	£ 1	£ 1	£ 1	14
6	SR 3 Bed	3		NO	YES	12	YES	105	£ 1	£ 1	£ 1	14
7	SE Studio	1		NO	YES	12	YES	32	£ 1	£ 1	£ 1	4
8	SE 1 Bed	1		NO	YES	12	YES	52	£ 1	£ 1	£ 1	4
9	SE 2 Bed	2		NO	YES	12	YES	73	£ 1	£ 1	£ 1	8
10	Private 1 Bed	1		NO	YES	24	YES	52	£ 421,720	£ 406,960	£ 1	22
11	Private 2 Bed	2		NO	YES	24	YES	105	£ 851,550	£ 821,746	£ 1	43
12	Private 2 Bed	2		NO	YES	24	YES	131	£ 1,062,410	£ 1,025,226	£ 1	21
13	Private 3 Bed	3		NO	YES	24	YES	131	£ 1,062,410	£ 1,025,226	£ 1	22
14	Private 3 Bed	3		NO	YES	24	YES	185	£ 1,500,350	£ 1,447,838	£ 1	22
15	Private 3 Bed	3		NO	YES	24	YES	236	£ 1,913,960	£ 1,846,971	£ 1	9
16	Private 3 Bed Penthouse	4		NO	YES	24	YES	249	£ 2,019,390	£ 1,948,741	£ 1	16
17	Private 4 Ben Penhouse	4		NO	YES	24	YES	354	£ 2,870,940	£ 2,770,457	£ 1	4
18	Private 4 Ben Penhouse	4		NO	YES	24	YES	708	£ 5,741,880	£ 5,540,914	£ 1	2
19										£		
20										£		
	Percentage Wheelchair Units			0%	Total Number of units							227

Expected Total Number of Units	227

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Tenure

You may allocate the distribution of the units across the tenures in two ways

By Percentage: in which case you enter a percentage of the total number of units to assign to each tenure. These percentages are applied equally across all unit types.

By Quantity: in which case enter the exact number of units of each type to assign to each tenure in the table below.

Input by Percentages | Input by Quantity

				Affordable					
			SALE	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	Total % Affordable
			71%	22%	7%	0%	0%	0%	29%
Ref.	Description	No of Rooms							No of Units
1	SR 1 Bed	1		6.00					6.00
2	SR 3 Bed	3		1.00					1.00
3	SR 4 Bed	4		1.00					1.00
4	SR 1 Bed	1		14.00					14.00
5	SR 2 Bed	2		14.00					14.00
6	SR 3 Bed	3		14.00					14.00
7	SE Studio	1			4.00				4.00
8	SE 1 Bed	1			4.00				4.00
9	SE 2 Bed	2			8.00				8.00
10	Private 1 Bed	1	22.00						22.00
11	Private 2 Bed	2	43.00						43.00
12	Private 2 Bed	2	21.00						21.00
13	Private 3 Bed	3	22.00						22.00
14	Private 3 Bed	3	22.00						22.00
15	Private 3 Bed	3	9.00						9.00
16	Private 3 Bed Penthouse	4	16.00						16.00
17	Private 4 Bed Penhouse	4	4.00						4.00
18	Private 4 Bed Penhouse	4	2.00						2.00
19									0.00
20									0.00
	Total		161.00	50.00	16.00	0.00	0.00	0.00	227.00

Percentage purchased by purchaser for New build HomeBuy	75%
Percentage purchased by purchaser for Low Cost Sale	50%
Percentage purchased by purchaser for Equity Share	50%

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Development Costs

Build Costs per sq m

If you wish to use your own values then you can enter them in the white cells below. If you leave any blank the Toolkit Value for that row will be used.

	Toolkit Values	User Values
Flats (40+ storeys)	£2,783	
Flats (16-40 storeys)	£2,507	£3,100
Flats (6-15 storeys)	£2,029	£2,454
Flats (5 & less storeys)	£1,515	£2,242
Houses <= 75m2	£1,292	
Houses > 75m2	£1,131	

You must enter your own values for build costs if the scheme is a conversion.

Other Development Costs

If you wish to use your own values then you can enter them in the white cells below. If you leave any blank the Toolkit Value for that row will be used.

	Toolkit Values	User Values	
Professional Fees %	12%	14%	of build costs
Internal Overheads	10%		of build costs (Sale, Equity Share and Low Cost Sale units only)
Finance (Market)	7%		of market value
Finance (Affordable Housing)	7%		of development costs
Marketing Fees	4%	3%	of market value
Developers Return	15%	15%	of market value applies to market housing
Contractors Return	10%		of development costs (excl finance) applies to affordable housing

Exceptional Development Costs

You may enter a value for exceptional development costs in one of four ways. Choose one of the options and enter a value in the relevant box.

Per Dwelling	
Per Hectare	
Per Habitable	-
Total For Scheme	£6,391,000

You may also enter SCHEME totals for other exceptional costs. The first row is for offsite highway works. The other three rows are for user defined costs. You can enter the name of the cost in the left hand cell and the SCHEME value in the right hand cell.

Offsite Highway Works	£ -
costs of 2 level basement	£ 6,391,000
<Enter cost description>	£ -
<Enter cost description>	£ -

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Social Rent and Intermediate Rent Costs and Capitalisation

These values are used to calculate capitalised value where no grant is available.
If you wish to use your own values then you can enter them in the white cells below. If you leave any blank then the Toolkit Value for that row will be used.

Social Rent		ToolKit Values	User Values	
Costs per annum	Management	£646		per dwelling (+30% for flats)
	Maintenance	£526		per dwelling (+10% for flats)
	Voids/bad debts	4.38%		of gross rent
	Service charge	12.49%		of Man'+Main'
	Repairs reserve	0.384%		of development costs
Capitalisation		5.40%		of net rent

New build HomeBuy		ToolKit Values	User Values	
	Rent	2.75%		of gross rent
Capitalisation		5.40%		of net rent

Intermediate Rent		ToolKit Values	User Values	
Costs per annum	Management costs	6.00%		of gross rent
	Maintenance	£1,200		per dwelling
	Voids/bad debts	6.00%		of gross rent
	Service charge	4.20%		of gross rent
	Letting fee	1.50%		of gross rent
Capitalisation		5.40%		of net rent

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Planning Obligations

	Input by Total		Input by Unit						Calculated Total (Affordable and Sale)
				Affordable					
	Enter Total?	User Total	Sale	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	
Education Contribution	☐								£0
Highway works	☐								£0
Contribution to public transport	☐								£0
Contribution to community facilities	☐								£0
Provision for open space	☐								£0
Contribution to public art	☐								£0
Environmental improvements	☐								£0
Town centre improvements	☐								£0
Waterfront improvements	☐								£0
Support for employment development	☐								£0
Employment related training	☐								£0
Other	☑	£2,400,000							£2,400,000

Total for Scheme	£2,400,000
Total for Scheme per hectare	£2,181,818
Total for Scheme divided by total number of units	£10,573
Total for Scheme divided by number of sale units	£14,907

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Capital contribution From Other Sources

	Input by Total		Input by Unit						Calculated Total (Affordable and Sale)
				Affordable					
	Enter Total?	User Total	Sale	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	
Cross-subsidy to (-) or from (+) non-housing elements of a mixed use scheme	☐								£0
European Union funding	☐								£0
English Partnership funding	☐								£0
London Development Agency grant	☐								£0
Local Authority capital grant	☐								£0
Other regeneration funding	☐								£0
English Heritage grant	☐								£0
Lottery grant	☐								£0
Contribution from Payment in Lieu fund	☐								£0
Employer contribution	☐								£0
Other	☑	£6,995,000							£6,995,000

Total for Scheme	£6,995,000
Total for Scheme per hectare	£6,359,091
Total for Scheme divided by total number of units	£30,813
Total for Scheme divided by number of sale units	£43,447

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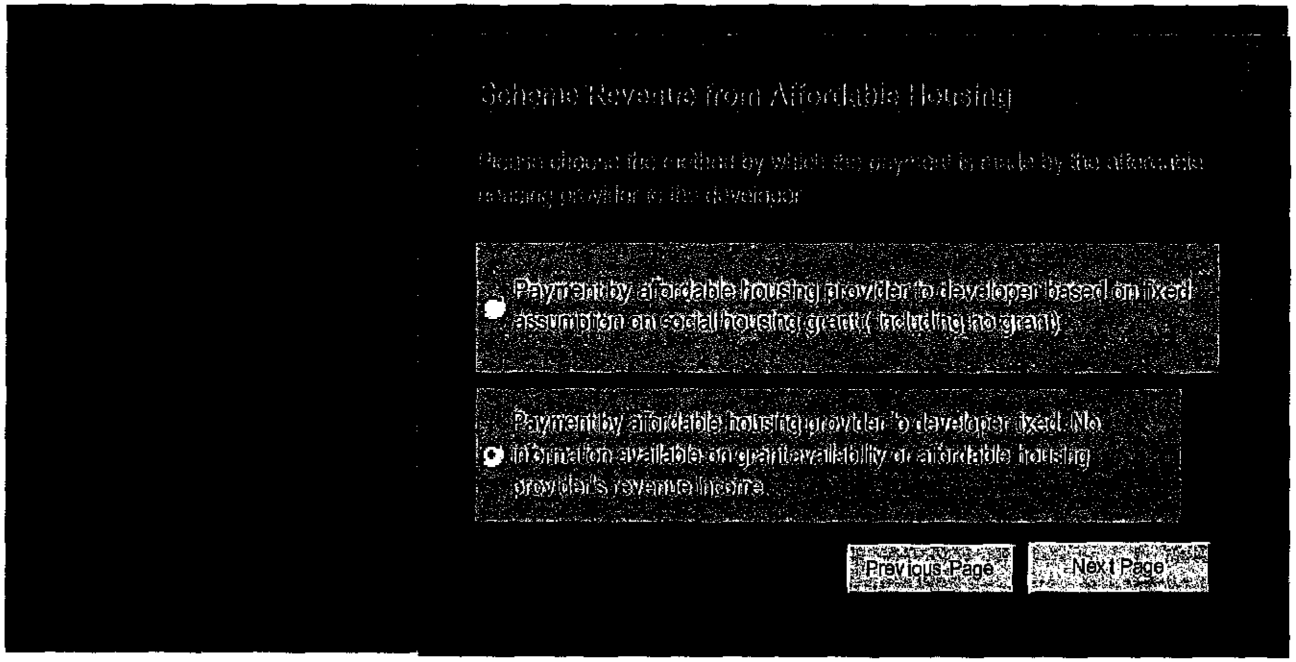
Scheme Revenue from Affordable Housing
Please choose the method by which the payment is made by the affordable housing provider to the developer
Payment by affordable housing provider to developer based on fixed assumption on social housing grant (including no grant)
Payment by affordable housing provider to developer fixed. No information available on grant availability or affordable housing provider's revenue income
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Known Payment for Affordable Housing

	Affordable Housing Tenures					Total
	Social rent	New build HomeBuy	Low cost sale	Equity share	Intermediate rent	No. Of Affordable Units
Number of units	50.0	16.0	0.0	0.0	0.0	66
Payment By Unit						
Or Payment By Tenure						
Or Scheme Total	Enter a lump sum payment for all Affordable Housing Tenures					£ 6,070,600
Tenure Total	£	£	£	£	£	
Method by which Affordable Housing Revenue is calculated	By Scheme Total	By Scheme Total	N/A	N/A	N/A	
Total Known Payment for Affordable Housing	£ 6070600					

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Grant

Grant

Please choose whether a grant is or is not available for the scenario.

- No - Grant is not available
- Yes - Grant is available and is a known value

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On-costs

Apply On-costs

	Affordable Housing Tenures				Total
	Social rent	New build HomeBuy	Equity share	Intermediate rent	Affordable Units
Number of units	50.0	16.0	0.0	0.0	66
Toolkit default on-costs rate	15.50%	18.00%		17.00%	
User on-cost rate (%)					
User rate per unit (£)					
On-cost per unit	£	£	£	£	
Total on-cost per tenure	£	£	£	£	
Total on-costs for affordable housing	£				

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Scheme Results

Site Reference Details	
Site Reference Number	0
Application Number	0
NLUD Reference Number	0
UPRN or Grid Reference	0

Site Details	
Site	Holland Street
Address	
Scheme Description	Scenario B (No Puchase of Hopton Street Tower Site)

TOTAL NUMBER OF UNITS	
Dwellings	227
Habitable rooms	721
Bedspaces	No Info
% Wheelchair Units	0%

DENSITY (per hectare)	
Dwellings	206.4
Habitable rooms	655.5
Bedspaces	No Info

AFFORDABLE UNITS		
	Quantity	% of All Units
Total	**66.0**	**29%**
Social rent	50.0	22%
Intermediate	16.0	7%

REVENUE AND COSTS	
Total scheme revenue	**£203,257,000**
Contribution to revenue from:	
Market housing	£190,191,000
Affordable Housing	£6,071,000
- *Social rent*	£0
- New build HomeBuy	£0
- Intermediate Rent	£0
- Low Cost Sale	£0
- Equity Share	£0
Capital Contribution	£6,995,000

PUBLIC SUBSIDY (GRANT)	
Whole scheme	£0
Per social rental dwelling	£0
Per Newbuild Homebuy dwelling	£0
Per Intermediate Rent dwelling	£0

RESIDUAL VALUE	
Whole scheme	£35,785,000
Per hectare	£32,532,000
Per dwelling	£158,000
Per market dwelling	£222,000
Per habitable room	£50,000
Per bedspace	No Info

Total scheme costs	**£167,472,000**
Contribution to costs from:	
Market housing	£143,102,587
Affordable Housing	£15,578,340
- Social rent	£11,801,773
- New build HomeBuy	£3,776,567
- Intermediate Rent	£0
- Low Cost Sale	£0
- Equity Share	£0
Planning Obligations	£2,400,000
Exceptional Development Costs	£6,391,000

Alternative Site Values	**Against residual**
Exisiting Use Value	£0
Acquisition Cost	£9,000
Alternative Use Value 1	£0
Alternative Use Value 2	£0
Alternative Use Value 3	£0

View Results

Montagu Evans
Open Book Appraisal
Scenario B (no purchase of Hopton Street Tower site)

REVENUE

Sales Valuation	**ft²**	**Rate ft²**	**Grs.Value**
Block A	53,550	£700.00	37,485,000
Parking A	14 units at	£35,000	490,000
Block B	84,669	£725.00	61,385,025
Parking	26 units at	£35,000	910,000
Block C	115,152	£755.00	86,939,760
Parking	38 units at	£35,000	1,330,000
Block D private	7,535	£735.00	5,538,225
Block D affordable	45,247	£116.00	5,248,652
Block E affordable	6,857	£116.00	795,412
Parking D	34 units at	£35,000	1,190,000
	313,010		201,312,074

Rental Area Summary	**ft²**	**Rate ft²**	**Grs. Rent pa**
Ground Rents	227 units at	£350	79,450
Retail & lobby A	2,723	£30.00	81,690
Retail & lobby B	2,723	£30.00	81,690
Retail & lobby C	2,723	£30.00	81,690
Retail & lobby D	2,723	£30.00	81,690
	10,892		406,210

Investment Valuation			**Yield**	**Factor**	**Cap. Rent**
Ground Rents					
Valuation Rent	79,450	YP @	6.0000%	16.6667	1,324,167
Retail & lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
Retail & Lobby					
Valuation Rent	81,690	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1y 0m @	6.5000%	0.9390	1,180,065
					6,044,427

GROSS DEVELOPMENT VALUE				207,356,501
Purchaser's Costs	5.76%	-348,340		
NET DEVELOPMENT VALUE				207,008,160
ADDITIONAL REVENUE				
Interim Income		1,226,000		
			1,226,000	
NET REALISATION				**208,234,160**

Montagu Evans
Open Book Appraisal
Scenario B (no purchase of Hopton Street Tower site)

OUTLAY

ACQUISITION COSTS				
Acquisition Price			24,188,000	
Stamp Duty		4.00%	967,520	
Acquisition Agent Fees		1.00%	241,880	
Acquisition Legal Fees		0.50%	120,940	
Planning overage			10,212,139	
Stamp duty on overage			408,485	
Town Planning			939,000	
				37,077,964
CONSTRUCTION COSTS				
Summary	**ft²**	**Rate ft²**	**Cost**	
Retail & lobby	10,892	£120.00	1,307,040	
Block A	65,666	£220.00	14,446,520	
60% basement cost	67 units at	-43,000	2,881,000	
Block B	103,187	£230.00	23,733,010	
Block C	140,711	£235.00	33,067,085	
Phase 2 parking construction	45 units at	-43,000	1,935,000	
Block D private	9,381	£220.00	2,063,820	
Block D affordable	56,284	£190.00	10,693,960	
Block E affordable	8,228	£170.00	1,398,760	
	394,349			91,526,195
Contingency		5.00%	4,651,310	
Demolition			500,000	
Landscaping			1,000,000	
Enabling			750,000	
				6,901,310
Other Construction				
Insurances/ rights to light etc			1,000,000	
				1,000,000
Section 106 Costs				
Section 106			2,400,000	
				2,400,000
PROFESSIONAL FEES				
Professional fees		15.50%	14,186,560	
Banking & valuation fees			1,700,000	
				15,886,560
MARKETING				
Marketing		2.00%	3,905,361	
Letting Agent Fees		10.00%	40,621	
Letting Legal Fees		5.00%	20,311	
				3,966,293

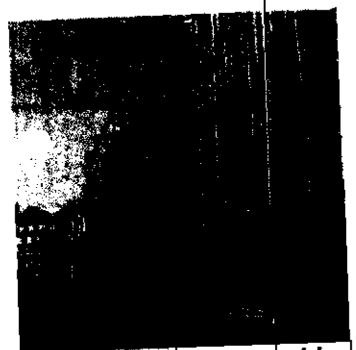
Montagu Evans
Open Book Appraisal
Scenario B (no purchase of Hopton Street Tower site)

DISPOSAL FEES				
Sales Agent Fees		1,990,550		
Sales Legal Fees	0.50%	1,035,041		
			3,025,591	
ADDITIONAL COSTS				
Tenants compensation		312,000		
			312,000	
FINANCE				
Debit Rate 6.500%				
Total Finance Cost			16,609,012	
TOTAL COSTS				**178,704,923**
PROFIT				**29,529,237**
Performance Measures				
Profit on Cost%	**16.52%**			
Profit on GDV%	**14.24%**			

Private Residential Sales Values

Recent sales of apartments in Southwark are in respect generally of schemes of a lower height and specification than that proposed at the Holland Street Buildings. In addition most of the current units available are within small schemes of less than 20 units. The only large scheme with landscaping and amenity areas is at Tabard Square where higher sales prices are being achieved than within smaller schemes in the area.

<u>The Bench, 20-24 Kings Bench Street, London SE1</u>



Development by North Star (2000) Ltd of 12 apartments over 5 storeys with offices on the ground floor. The scheme comprises of 5 one bedroom, 6 two bedroom and 1 three bedroom apartment. Construction completed at the end of 2005. The development is located to the south east of Southwark station. Only one unit remains available, a two bedroom duplex apartment at a sales price of £475,000.

The sales prices of the remaining apartments are set out below:-

Unit No	Floor Level	No. of Beds	Size sq ft	Price	Price per sq ft	Date sold
1	2	1	667	£290,000	£435	21/04/2006
2	2	1	646	£280,000	£434	27/09/2005
3	2	1	646	£280,000	£434	31/12/2005
4	2	1	581	£265,000	£456	31/12/2005
5	2	2	732	£345,000	£471	31/12/2005
6	2	2	861	£380,000	£441	21/04/2006
7	3	1	614	£295,000	£481	31/12/2005
8	3/4	2	1,184	£525,000	£443	27/09/2005
9	3/4	2	1,109	£495,000	£446	31/12/2005
11	3/4	3	1,163	£550,000	£473	21/04/2006
12	3/4	2	990	£495,000	£500	21/04/2006

The sales show an average price per square foot overall of £460. This is, however, a small scheme with no amenity space or views of the river/open space.

Tabard Square, 34-70 Long Lane, SE1

Berkeley Homes scheme of 392 one, two and three bedroom apartments within three 4-8 storey buildings and 22 storey tower set around a landscaped public square located just to the east of Borough underground station. Construction is due for completion at the end of 2006 and nearly 70% of the units have been sold to date.

The most recent sales from 2006 are set out below:-

Unit No.	Floor Level	No. of Beds	Size sq ft	Price	Price per sq ft
A0101	1	3	1,141	£465,000	£408
A0103	1	2	818	£365,000	£446
A0104	1	2	840	£375,000	£447
A0110	1	2	807	£415,000	£514
A0112	1	2	904	£450,000	£498
A0209	2	2	926	£420,000	£454
A0303	3	2	818	£385,000	£471
A0304	3	2	850	£375,000	£441
A0306	3	2	861	£385,000	£447
A0310	3	2	807	£425,000	£526
A0314	3	2	840	£430,000	£512
C1003	10	2	883	£495,000	£561
C1005	10	1	463	£335,000	£724
C1104	11	2	700	£475,000	£679
C1203	12	2	883	£530,000	£600
C1204	12	2	721	£485,000	£673
C1205	12	1	463	£345,000	£745
C1504	15	2	700	£525,000	£750
C1901	19	2	807	£650,000	£805

The average price achieved within the scheme since the first release in March 2005 is £550 per sq ft although the maximum, in respect of a two bedroom apartment on the 19th floor, is currently £805 per sq ft.

Wireworks, Great Suffolk Street, London W1

Oakmayne scheme comprising 14 one and two bedroom apartments over ground and four upper floors, located near to Southwark station.

Construction completed in May 2005 and only the 2 two bedroom penthouse units remain available at £525,000 and £550,000.

The sale of the other units were all achieved at the end of 2005 at the following prices:-

Unit No	Floor Level	No. of Beds	Size sq ft	Price	Price per sq ft
1	2	1	592	£279,000	£471
2	2	1	592	£279,000	£471
3	2	1	592	£275,000	£465
4	2	1	560	£265,000	£473
5	3	1	592	£285,000	£481
6	3	1	592	£285,000	£481
7	3	1	592	£280,000	£473
8	3	1	560	£275,000	£491
9	4	1	592	£295,000	£498
10	4	1	592	£295,000	£498
11	4	1	592	£290,000	£490
12	4	1	560	£285,000	£509
13 (pent)	5	2	915	£550,000	£601
14 (pent)	5	2	915	£525,000	£574

The average price achieved within the scheme is £505 per sq ft with the maximum being the asking price of penthouse number 13 at £601 per sq ft.

Tower View, Druid Street, London SE1

Scheme located close to London Bridge station comprising 14 two and three bedroom apartments over 6 floors.

The scheme is due for completion at the end of August 2006 and only the penthouse remains available at a sales price of £920,000.

The other units were all sold in 2005 at the following prices:-

Unit No	Floor Level	No. of Beds	Size sq ft	Price	Price per sq ft
1	1	2	678	£345,000	£509
2	1	2	614	£315,000	£513
3	1	2	581	£315,000	£542
4	2	2	678	£350,000	£516
5	2	2	614	£320,000	£522
6	2	2	581	£320,000	£551
7	3	2	678	£360,000	£531
8	3	2	614	£330,000	£538
9	3	2	581	£330,000	£568
10	4	2	678	£360,000	£531
11	4	2	614	£330,000	£538
12	4	2	581	£330,000	£568
13 (pent)	5	3	1,098	£595,000	£542

The average price achieved in the scheme is £574 per sq ft with the maximum being the asking price in respect of the remaining available penthouse at £929 per sq ft.

Bermondsey Building, Bermondsey Street, London SE1

Small scheme of 14 one, two and three bedroom flats due for completion at the end of 2006, located to the south of Bermondsey underground station.

Only 1 two bedroom unit remains available at an asking price of £400,000.

Recent sales prices from 2006 are set out below:-

Unit No	Floor Level	No. of Beds	Size sq ft	Price	Price per sq ft
1	1	2	990	£575,000	581
2	1	1	624	£350,000	561
3	1	2	614	£395,000	644
4	1	2	624	£400,000	641
5	1	1	495	£335,000	677
6	2	2	990	£580,000	586
7	2	1	624	£355,000	569
9	2	2	624	£405,000	649
10	2	1	495	£340,000	687
11	3	2	624	£425,000	681
12	3	2	904	£535,000	592
13	4	1	484	£345,000	712
14	4	1	495	£345,000	697

The average price achieved within the scheme is £629 psf with the maximum being in respect of Unit 13 at £712 psf.

GC Bankside
Hopton Street Buildings

PARTNERSHIP

Commentary on construction cost figures used for Appraisal

1 Introduction

We have been requested to comment on the construction cost allowances used for the latest Appraisal.

2 Construction cost allowances

We are advised that the following construction cost allowances are being used:

	£/ft2 of GIA
Block A - Private	220
Block A - Retail and Lobby	120
Block B - Private	230
Block B - Retail and Lobby	120
Block C - Private	235
Block C - Retail and Lobby	120
Block D - Private	220
Block D - Retail and Lobby	120
Block D - Affordable	190
Block E - Affordable	170

We would comment as follows:

1 Whilst the design and specification information is still at a fairly early level of development, we have carried out initial cost studies on a typical private block that indicate construction cost levels that are slightly higher than those stated above. Following discussion with the Client, however, we consider that in the light of the likely standard of specification required, the above figures represent a reasonable target that is achievable.

2 We assume that the costs are current as at 3Q06, with no allowance for future construction cost inflation.

3 In addition to the above allowances, costs for the basement, external works, incoming services, demolitions and enabling works, etc need to be included.

pp WT Partnership
2nd August 2006

Affordable Value Break Down

Current Application (Hopton Street Tower Returned to Open Space)

	Social Rented				Shared Equity			
Type	1 Bed	2 Bed	3 Bed	4 Bed	Studio	1 Bed	2 Bed	Total
Number Of Units	14	8	9	1	8	8	16	64
Unit Rate Average	£61,248	£85,955	£103,525	£119,970	£109,616	£109,616	£136,558	
Value of Units	£857,472	£687,640	£931,725	£119,970	£876,928	£876,928	£2,184,928	£6,535,591

Scenario A (No Purchase of Hopton Street Tower Site)

	Social Rented				Shared Equity			
Type	1 Bed	2 Bed	3 Bed	4 Bed	Studio	1 Bed	2 Bed	Total
Number Of Units	18	12	13	1	4	4	8	60
Unit Rate Average	£61,248	£85,955	£103,525	£119,970	£109,616	£109,616	£136,558	
Value of Units	£1,102,464	£1,031,460	£1,345,825	£119,970	£438,464	£438,464	£1,092,464	£5,569,111

Scenario B (No Purchase of Hopton Street Tower Site)

	Social Rented				Shared Equity			
Type	1 Bed	2 Bed	3 Bed	4 Bed	Studio	1 Bed	2 Bed	Total
Number Of Units	20	14	15	1	4	4	8	66
Unit Rate Average	£61,248	£85,955	£103,525	£119,970	£109,616	£109,616	£136,558	
Value of Units	£1,224,960	£1,203,370	£1,552,875	£119,970	£438,464	£438,464	£1,092,464	£6,070,567