

## Viability Report

**LAND AT STATUS PARK, NOBEL DRIVE, LONDON BOROUGH OF HILLINGDON, UB3 5EY**

**April 2023**



**James R Brown & Company Ltd**

T: 07802 746000  
E: [james.brown@jrb-c.com](mailto:james.brown@jrb-c.com)  
[www.jrb-c.com](http://www.jrb-c.com)

**Important Notice**

This report has been prepared for planning input purposes.

BMR Property Group,  
c/o Chris Brady,  
Savills,  
33 Margaret Street,  
London,  
W1G 0JD.

2/4/23

Dear Sirs,

**LAND AT STATUS PARK, NOBEL DRIVE, LONDON BOROUGH OF HILLINGDON, UB3 5EY.  
FINANCIAL VIABILITY ASSESSMENT ('FVA').**

**1.0 EXECUTIVE SUMMARY**

1.1 We understand that you are proposing a scheme comprising:-

*“Redevelopment of the existing site to provide a 6-storey residential building to provide 67no. residential units, together with associated landscaping and car parking. Reconfiguration of car parks at Nobel Drive and provision of additional landscaping.”*

1.2 We have assessed the financial viability of the proposed scheme to identify the maximum reasonable affordable housing provision.

1.3 Having done so, we conclude that it cannot viably sustain any affordable housing provision.

## **2.0 INSTRUCTIONS**

- 2.1 We have been instructed to provide a FVA of your current/proposed scheme to identify the maximum reasonable affordable housing provision.
- 2.2 We have agreed a fixed fee for this piece of work split between viability report and further discussions with the London Borough of Hillingdon ('LBH') and their advisors. No performance related or contingent fees have been agreed.
- 2.3 In preparing this report we can confirm that we have no conflicts of interest.
- 2.4 Our opinion is also:-
- Objective, and;
  - Impartial, and;
  - Without interference (notwithstanding NPPG and Mayoral guidance), and;
  - With reference to all appropriate sources of information (but limited to what NPPG and/or Mayoral guidance says is appropriate).

### 3.0 BASIS OF APPRAISALS HEREIN

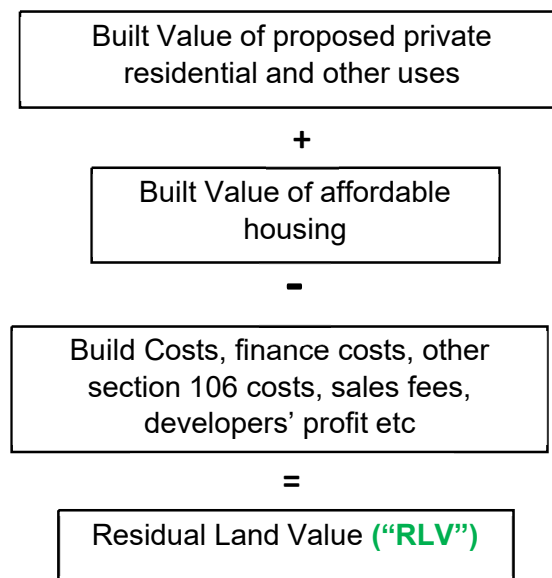
3.1 This report is to assist planning discussions with LBH.

3.2 It is not an RICS (Royal Institution of Chartered Surveyors) “Red Book” compliant valuation report and the figures referred to herein are not formal valuations. However, detailed justification for the indicative values and/or component valuation inputs we have used are provided herein.

### 4.0 VIABILITY AND PLANNING

4.1 Scheme viability is assessed using residual valuation methodology.

4.2 A summary of the residual process is:-



Residual Value is then compared to a **Benchmark Land Value ('BLV')**. If RLV is lower and/or not sufficiently higher than the BLV – project is not technically viable

4.3 If the RLV driven by a proposed scheme is reduced to significantly below an appropriate BLV, it follows that it is commercially unviable to pursue such a scheme, and the scheme is unlikely to proceed.

4.4 The 'land residual' approach (as summarised above) can be inverted so that it becomes a 'profit residual' based upon the insertion of a specific land cost/value (equivalent to the BLV) at the top. By doing this, the focus is moved onto the level of 'residual profit' driven by a scheme which can be compared to a reasonably necessary profit/rate. This is a purely presentational alternative and is how we have presented our appraisal herein.

## **5.0 APPROACH TO BENCHMARK LAND VALUE ('BLV')**

5.1 We have considered guidance provided by:-

- The RICS's Financial Viability in Planning (1<sup>st</sup> Edition 2012), and;
- The RICS's Financial Viability in Planning: Conduct & Reporting (1<sup>st</sup> Edition – May 2019), and;
- The RICS's 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' – 1<sup>st</sup> edition – March 2021), and;
- The London Plan 2021, and;
- National Planning Policy Guidance on Viability (September 2019), and;
- Recent Appeal cases, and;
- Our own professionally qualified judgement and obligation to provide an opinion that is: objective, impartial, without interference and with reference to all appropriate sources of information.

5.2 Without prejudice, we have considered the value of the existing site/property on a 'Existing Use Value plus land-owner's premium' ('EUV Plus') basis and a 'Alternative Use Value' basis.

## 6.0 THE SITE



6.1 Please see the photographs below:-



- 6.2 The site currently accommodates a car park comprising 85 spaces.
- 6.3 It comprises 0.2 hectares (0.49 acres).
- 6.4 Planning consent for a 140 bed hotel previously existed via 74423/APP/2018/4437 and we assume this has not been legally implemented.
- 6.5 We consider it reasonable to assume the hotel consent could be re-obtained.

## 7.0 BLV

7.1 In arriving at a EUV and/or BLV for the existing property, we have considered the following comparables:-

	<p><u>Tavistock Road, UB7 7QE:-</u></p> <p>0.34 hectare site known as COMAG.</p> <p>Cleared site last used as surface storage.</p> <p>Avison Young (acting for LBH) assumed a BLV of £2.025m for this site in Q1 2023.</p> <p>This points to a BLV of at least £1.2m for the subject site albeit we think AY's BLV for COMAG was/is too low (as we have explicitly stated in other formal discussions).</p>
	<p><u>Site adjacent to Airport, Cardinal Point, Newall Road, Heathrow, TW6 2BP:-</u></p> <p>50,520 sq.ft. of hardstanding.</p> <p>See <b>Appendix 1</b>.</p> <p>Recently let by De Souza for £293,016 p.a. Suitable for a variety of uses (including parking)</p> <p>The subject site comprises 21,528 sq.ft. and so we consider it reasonable to assume that it would let for around £125,000 p.a. Capitalised at 7% and less purchaser costs = a value of <u>at least</u> £1.67m.</p>



	<p><u>The Yard, 21 Willow Road, Poyle, SL3 0BS:-</u></p> <p>Hardstanding secure yard - 1,861 sq.ft.</p> <p>See <b>Appendix 2.</b></p> <p>Currently to let via De Souza.          Asking rent = £15,000 p.a. = £8.06 p.s.f.          The subject site 21,528 sq.ft. and so we consider it reasonable to assume that it would let for around £170,000 p.a. Capitalised at 7% and less purchaser costs = a value of <u>at least</u> £2.27m.</p>
	<p><u>2 Green Man Lane, Feltham:-</u></p> <p>0.19 acres.          Secure hard-standing.</p> <p>See <b>Appendix 3.</b></p> <p>Site for sale via Vokins Chartered Surveyors.          Freehold. Asking price = £950,000 = £5m per acre equivalent.          Points to at least £2.47m for the subject site allowing for size differential.          Current lease to SixT Rent a Car holding over following lease expiry in December 2021 @ £42,000 p.a.          RV = £18,837.25.</p>

- 7.2 Based upon the potential use of the site for hotel use, we note that the Arora Park Hotel (Bath Road, Colnbrook, Slough, SL3 0PH) which comprises 199 rooms sold for £12.5m on 3/7/20 which equates to £105,042 per key. We do not have drawings and/or costing for a new hotel proposal but, based upon the previous hotel consent, we assume that a hotel with a GDV of circa £14.7m could be pursued and that the land value driven by such a scheme would be circa 25% of this sum = £3.68m which more than under-pins our assumed BLV (see below) even if discounted to reflect planning risk.
- 7.3 Considering the above, we have assumed a conservative BLV of £2m.



## 8.0 PROPOSED SCHEME

8.1 Please refer to the proposed scheme plans in **Appendix 4**.

8.2 The proposed scheme (which contains 3 cores) comprises:-

Unit Count	Floor	Nos Bedrooms	Area (sq.m.)	Area (sq.ft.)
1	G	2	90	969
2	G	1	54	581
3	G	2	61	657
4	G	3	90	969
5	G	2	80	861
6	G	3	87	936
7	G	2	63	678
8	1	2	70	753
9	1	1	55	592
10	1	1	51	549
11	1	2	73	786
12	1	3	83	893
13	1	2	72	775
14	1	3	93	1,001
15	1	1	55	592
16	1	2	75	807
17	1	1	50	538
18	1	1	50	538
19	1	3	81	872
20	2	2	70	753
21	2	1	55	592
22	2	1	51	549
23	2	2	73	786
24	2	3	83	893
25	2	2	72	775
26	2	3	93	1,001
27	2	1	55	592
28	2	2	75	807
29	2	1	50	538
30	2	1	50	538
31	2	3	81	872
32	3	2	70	753
33	3	1	55	592
34	3	1	51	549
35	3	2	73	786
36	3	3	83	893
37	3	2	72	775
38	3	3	93	1,001
39	3	1	55	592
40	3	2	75	807
41	3	1	50	538
42	3	1	50	538
43	3	3	81	872
44	4	2	70	753
45	4	1	55	592
46	4	1	51	549
47	4	2	73	786
48	4	3	83	893
49	4	2	72	775
50	4	3	93	1,001
51	4	1	55	592
52	4	2	75	807
53	4	1	50	538
54	4	1	50	538
55	4	3	81	872
56	5	2	70	753
57	5	1	55	592
58	5	1	51	549
59	5	2	73	786
60	5	3	83	893
61	5	2	72	775
62	5	3	93	1,001
63	5	1	55	592
64	5	2	75	807
65	5	1	50	538
66	5	1	50	538
67	5	3	81	872
<b>Totals</b>				<b>49,137</b>

8.3 The total scheme GIA is 5,796 sq.m. (62,388 sq.ft.).

## **9.0 APPROACH TO VIABILITY ASSESSMENT**

- 9.1 We have financially appraised the proposed scheme using ARGUS, a widely used proprietary software package. We have used current day values and costs.
- 9.2 We consider that the residual profit from the proposed scheme needs to be at least 22.5% on cost for it to be considered viable by normal measures. This is based upon a hypothetical land cost input (equivalent to our assumed BLV of £2m).
- 9.3 We have initially appraised the scheme without any affordable housing provision based upon our local and recent experience of the likely outcome. Bearing in mind the result (i.e. a viability shortfall), we have not gone on to appraise the scheme with any affordable housing provision.

## **10.0 MAYORAL CIL 2, CIL, S.106 & S.278, CARBON OFF-SET**

- 10.1 We have assumed a combined cost in this regard of £1m.
- 10.2 We reserve the right to review our viability conclusion herein once these costs have been agreed with LBH.

## **11.0 BUILD COSTS**

- 11.1 You have provided us with the build cost assessment in **Appendix 5** which indicates a total build cost of £16,115,444 excluding a contingency and professional fees.
- 11.2 We have added a 5% contingency and professional fees at 10%.

## **12.0 EXTRAORDINARY COSTS**

- 12.1 At this stage, we have not accounted for any other extraordinary costs.

### 13.0 PRIVATE RESIDENTIAL GDV

- 13.1 Following the end of Help to Buy and increases in mortgage costs, the new homes market (in particular) is currently weak.
- 13.2 We note that the site/proposed scheme is close to the runways of Heathrow airport and air-craft noise will be detrimental to value.
- 13.3 There is a dearth of comparable evidence near Heathrow but we have considered the following:-



#### Kirk House, 97-109 High Street, UB7 7HJ:-

Small flats and so value rate p.s.f. will be higher than achievable on larger flats.

Most recent sales include:-

Unit	Address	Postcode	Unit Type	Tenure	Price Paid First Sale	Sale Completed	EPC Sq M	Sq Ft	EPSP
FLAT 18	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£280,000	16/03/2021	42.00	452	£619
FLAT 17	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£282,500	25/02/2021	42.00	452	£624
FLAT 21	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£295,000	18/01/2021	43.00	463	£637
FLAT 14	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£290,000	15/01/2021	42.00	452	£641
FLAT 5	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£285,000	10/12/2020	42.00	452	£630
FLAT 32	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£285,000	23/11/2020	42.00	452	£630
FLAT 8	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£295,000	30/10/2020	47.00	506	£583
FLAT 16	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£280,000	30/10/2020	42.00	452	£619
FLAT 9	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£295,000	31/07/2020	50.00	538	£548
FLAT 19	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Other	Leasehold	£285,000	30/06/2020	42.00	452	£630
FLAT 25	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Other	Leasehold	£310,000	26/06/2020	50.00	538	£575
FLAT 11	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Other	Leasehold	£245,000	22/05/2020	31.00	334	£734
FLAT 7	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£275,000	07/05/2020	42.00	452	£608
FLAT 1	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£320,000	17/04/2020	61.00	657	£487
FLAT 27	KIRK HOUSE, 97 HIGH STREET	UB7 7Gj	Flat	Leasehold	£245,000	09/04/2020	32.00	344	£711



#### Flat 29, Croxley Court, 4 Garnet Place, UB7 7GF:-

2 bed flat,  
Re-sale from Redrow development.  
753 sq.ft.  
Sold on 10/7/2019 for £345,000 = £457 p.s.f.



#### Flat 25, Waterways House, Bentinck Road, UB7 7SG:-

1 bed flat.  
527 sq.ft.  
Re-sale of recently built flat.  
Sold on 27/9/21 for £260,000 = £492 p.s.f.



### New Hayes, Pump Lane, UB3 3ND:-

Fairview scheme.

Recent sales include:-

Unit	Address	Postcode	Unit Type	Tenure	Price Paid First Sale	Sale Completed	EPC Sq M	Sq Ft	EPSF
FLAT 6	CARPENTER HOUSE, 45 PUMP LANE	UB3 3FF	Flat	Leasehold	£515,000	30/07/2021	103.00	1,109	£464
FLAT 22	CARPENTER HOUSE, 45 PUMP LANE	UB3 3FF	Flat	Leasehold	£439,000	23/09/2021	71.00	764	£574
FLAT 10	CARPENTER HOUSE, 45 PUMP LANE	UB3 3FF	Flat	Leasehold	£263,000	28/09/2021	42.00	452	£581
FLAT 25	CARPENTER HOUSE, 45 PUMP LANE	UB3 3FF	Flat	Leasehold	£271,000	11/10/2021	42.00	452	£599
2 CHAILEY PLACE		UB3 3FE	Flat	Leasehold	£522,000	20/10/2021	97.00	1,044	£499
6 CHAILEY PLACE		UB3 3FE	Flat	Leasehold	£525,000	25/10/2021	97.00	1,044	£502
12 CHAILEY PLACE		UB3 3FE	Flat	Leasehold	£294,000	12/11/2021	52.00	560	£525
FLAT 30	CARPENTER HOUSE, 10 CHAILEY PLACE	UB3 3FG	Flat	Leasehold	£340,000	25/11/2021	60.00	646	£526
FLAT 28	CARPENTER HOUSE, 45 PUMP LANE	UB3 3FF	Flat	Leasehold	£320,000	26/11/2021	49.00	527	£606



### Duval House, High Street, Hillingdon, UB7 0BT:-

Small flats and so value rate p.s.f. will be higher than achievable on larger flats.

Most recent sales include:-

Unit	Address	Postcode	Unit Type	Tenure	Price Paid First Sale	Sale Completed	EPC Sq M	Sq Ft	AEPSF
FLAT 10	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£265,000	19/12/2022	38.00	409	£647
FLAT 23	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£250,000	12/12/2022	36.00	388	£645
FLAT 1	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£270,000	09/12/2022	44.00	474	£570
FLAT 9	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£270,000	02/12/2022	30.00	323	£836
FLAT 12	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£260,000	02/12/2022	35.00	377	£690
FLAT 18	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£280,000	02/12/2022	33.00	355	£788
FLAT 4	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£250,000	21/10/2022	44.00	474	£527
FLAT 11	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£270,000	17/08/2022	42.00	452	£597
FLAT 24	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£206,500	24/05/2022	30.00	323	£639
FLAT 25	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£260,000	29/04/2022	44.00	474	£548
FLAT 21	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£205,000	25/04/2022	28.00	301	£680
FLAT 21	DUVAL HOUSE MEADOWLEA CLOSE	UB7 0BX	Flat	Leasehold	£205,000	25/04/2022	34.00	366	£560



### Padcroft Works, Hillingdon:-

Most recent sales include:-

Unit	Address	Postcode	Unit Type	Tenure	Price Paid First Sale	Sale Completed	EPC Sq M	Sq Ft	AEPSF
FLAT 31	CROXLEY COURT, 4 GARNET PLACE	UB7 7GF	Flat	Leasehold	£461,000	15/10/2021	81.00	872	£528
FLAT 26	CROXLEY COURT, 4 GARNET PLACE	UB7 7GF	Flat	Leasehold	£456,000	05/10/2021	80.00	861	£529
FLAT 32	CROXLEY COURT, 4 GARNET PLACE	UB7 7GF	Flat	Leasehold	£450,000	18/06/2021	80.00	861	£522
FLAT 20	CROXLEY COURT, 4 GARNET PLACE	UB7 7GF	Flat	Leasehold	£433,000	15/06/2021	80.00	861	£502
FLAT 8	CROXLEY COURT, 4 GARNET PLACE	UB7 7GF	Flat	Leasehold	£435,000	23/04/2021	80.00	861	£505
FLAT 14	CROXLEY COURT, 4 GARNET PLACE	UB7 7GF	Flat	Leasehold	£448,000	09/04/2021	80.00	861	£520

Source: MOLIOR, Rightmove & Land Registry

13.4 Based upon the comparables above, we have assumed the following proposed residential values:-

Unit Count	Floor	Nos Bedrooms	Area (sq.m.)	Area (sq.ft.)	Value (as private)	Value p.s.f.
1	G	2	90	969	£498,000	£514
2	G	1	54	581	£319,000	£549
3	G	2	61	657	£338,000	£515
4	G	3	90	969	£446,000	£460
5	G	2	80	861	£443,000	£514
6	G	3	87	936	£431,000	£460
7	G	2	63	678	£349,000	£515
8	1	2	70	753	£392,000	£520
9	1	1	55	592	£328,000	£554
10	1	1	51	549	£304,000	£554
11	1	2	73	786	£408,000	£519
12	1	3	83	893	£416,000	£466
13	1	2	72	775	£403,000	£520
14	1	3	93	1,001	£466,000	£466
15	1	1	55	592	£328,000	£554
16	1	2	75	807	£420,000	£520
17	1	1	50	538	£298,000	£554
18	1	1	50	538	£298,000	£554
19	1	3	81	872	£406,000	£466
20	2	2	70	753	£398,000	£528
21	2	1	55	592	£333,000	£562
22	2	1	51	549	£309,000	£563
23	2	2	73	786	£415,000	£528
24	2	3	83	893	£422,000	£472
25	2	2	72	775	£409,000	£528
26	2	3	93	1,001	£473,000	£473
27	2	1	55	592	£333,000	£562
28	2	2	75	807	£426,000	£528
29	2	1	50	538	£303,000	£563
30	2	1	50	538	£303,000	£563
31	2	3	81	872	£412,000	£473
32	3	2	70	753	£400,000	£531
33	3	1	55	592	£335,000	£566
34	3	1	51	549	£310,000	£565
35	3	2	73	786	£417,000	£531
36	3	3	83	893	£424,000	£475
37	3	2	72	775	£411,000	£530
38	3	3	93	1,001	£475,000	£475
39	3	1	55	592	£335,000	£566
40	3	2	75	807	£428,000	£530
41	3	1	50	538	£304,000	£565
42	3	1	50	538	£304,000	£565
43	3	3	81	872	£414,000	£475
44	4	2	70	753	£402,000	£534
45	4	1	55	592	£337,000	£569
46	4	1	51	549	£312,000	£568
47	4	2	73	786	£419,000	£533
48	4	3	83	893	£426,000	£477
49	4	2	72	775	£413,000	£533
50	4	3	93	1,001	£478,000	£478
51	4	1	55	592	£337,000	£569
52	4	2	75	807	£430,000	£533
53	4	1	50	538	£306,000	£569
54	4	1	50	538	£306,000	£569
55	4	3	81	872	£416,000	£477
56	5	2	70	753	£404,000	£536
57	5	1	55	592	£339,000	£573
58	5	1	51	549	£314,000	£572
59	5	2	73	786	£422,000	£537
60	5	3	83	893	£429,000	£480
61	5	2	72	775	£416,000	£537
62	5	3	93	1,001	£481,000	£480
63	5	1	55	592	£339,000	£573
64	5	2	75	807	£433,000	£536
65	5	1	50	538	£308,000	£572
66	5	1	50	538	£308,000	£572
67	5	3	81	872	£419,000	£481
<b>Totals</b>				<b>49,137</b>	<b>£25,578,000</b>	<b>£521</b>



## 14.0 PROFIT AND FINANCE COSTS

14.1 With regard to profit, NPPG and the RICS said the following in 2019:-

### **How should a return to developers be defined for the purpose of viability assessment?**

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of fully complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.


For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

See related policy: National Planning Policy Framework [paragraph 57](#)

Paragraph: 018 Reference ID: 10-018-20190509

Revision date: 09 05 2019 See [previous version](#)

### RICS:-

<div>Research</div> <div></div> <div>September 2019</div> <div>Performance metrics, required returns and achieved returns for UK real estate development</div>	<p>The review of published development appraisals and associated literature suggests that residential developers favour the use of cash-based target returns. From the survey, a figure of 20% profit on costs was mentioned regularly for sites without significant risks (for example, risks relating to planning permission), and 25% for those sites with higher levels of perceived risk. These levels of profit on cost imply a profit on gross development value (GDV) of around 15 to 20%. The larger developers, utilising cash-flow techniques and developing longer schemes, quoted target rates of return of around 10 to 12%, and this reconciles with higher cash returns that are typically required for longer projects. Inclusion of finance within development appraisals is common.</p>
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14.2 We target profit on cost as most investments are measured this way. However, this can be translated into a return on GDV.

14.3 Profit exists to cover risk and uncertainty which has substantially increased since the NPPG and RICS guidance referred to above because of and/or highlighted by:-

- Recent mortgage rate increases.
- Recent development finance rate increases.
- The end of Help to Buy.
- Build cost inflation.
- High general inflation.
- Cost of living crisis.
- Increased Corporation Tax for developers from April 2023.
- Building Safety Act 2022 (higher build costs over and above inflation).
- Gloomy house price predictions (N.B. even the main estate agents are predicting value falls in 2023/24).
- Net Zero Carbon requirements (higher build costs over and above inflation).
- Enhanced stair-core requirements in tall buildings (Q1 2023 onwards) – higher build costs and less sales revenue.
- Financially un-absorbable planning policies (followed by deliverability queries !).
- Substantially higher risk and uncertainty in connection with all of the above.
- The departure of and/or caution expressed by most of the major housebuilders in London (e.g. Redrow, Crest and even Berkely in terms of explicitly announcing a cautious approach to London).

14.4 NPPG does not state that the 15-20% range only applies to private residential and that different profit rates should be applied to different uses within schemes. It implies a single blended return should reasonably fall into this range on residential led projects and we are aware that the GLA has agreed single overall profit rates as a component of review clauses in Section 106 Agreements on a number of projects over the last 4 years.

14.5 Optimistically, we have assumed a reasonable profit requirement to be 22.5% on total cost (i.e. only slightly above what the RICS were guiding in much stronger market conditions in 2019).

14.6 The Base Rate had risen substantially over the last 12 months (i.e. by over 4%).

14.7 Hypothetical finance costs now typically break down as follows:-

60% Bank finance at 6% =	3.6%
20% equity finance at 10% =	2%
20% mezzanine finance at 16% =	3.2%

-----  
8.8% **plus a fixed 1.5% 'in/out' finance facility fee** on bank finance (and possibly the whole finance package if arranged via an Intermediary)

14.8 We have used an optimistic all-in finance rate of 8% herein.

## **15.0 OTHER ASSUMPTIONS**

- 15.1 Our other viability assumptions are explicitly evident from our residual profit appraisal in **Appendix 6**.

## **16.0 CONCLUSION**

- 16.1 The appraisal in **Appendix 6** drives a profit of £922,004 which only equates to 3.74% on cost.
- 16.2 As this falls below our target profit rate, we conclude that there is a viability shortfall without any affordable housing provision and that, as a consequence, the scheme cannot sustain any affordable housing provision.

## **17.0 SENSITIVITY TEST**

- 17.1 It is particularly difficult to predict what might happen in the short to medium term at the moment.
- 17.2 As such, we have not carried out any sensitivity tests at this stage.

## **18.0 DISCLOSURE AND STATUS OF REPORT**

- 18.1 We understand that you may provide a copy of this report to LBH and their advisors but we do not owe or offer them any duty of care.

Yours faithfully,



**James Brown BSc (Hons) MRICS**  
RICS Registered Valuer  
Director

# APPENDIX 1

# TO LET | SITE CLOSE TO HEATHROW AIRPORT



Commercial Property Consultants

11.16 Acres | 50,530 sq ft

Cardinal Point, Newall Road, Heathrow TW6 2BP



- Prominent site adjacent to Airport
- Two entrance/exit points on Newall Rd
- Mains electricity & water
- Suitable for a variety of uses (excluding airport parking)
- Available on a new lease for term to be agreed
- £295,000 per annum exclusive

For more information or to arrange a viewing contact:

**Paul Flannery**

**E: paulf@desouza.co.uk**

**T: 020 8707 3035**

**M: 07946422920**

**Simon Cressey**

**E: simonc@desouza.co.uk**

**T: 020 8707 3036**

**M: 07939 1294271**

**www.desouza.co.uk**

# APPENDIX 2



# TO LET | YARD SPACE CLOSE TO THE AIRPORT

1,861 sq ft (172.88 sq m)

21 WILLOW ROAD, POYLE, SLOUGH SL3 0BS



- Close to Terminal 5
- Secure site
- Hard standing surface
- Available on a new lease
- £115,000.00 per annum  
Exclusive of VAT and all other outgoings

For more information or to arrange a viewing contact:

Simon Cressey  
simonc@desouza.co.uk

M: 07939 129427  
T: 020 8707 3030

 **DE SOUZA**  
COMMERCIAL PROPERTY CONSULTANTS



# APPENDIX 3

## **LAND FOR SALE – FREEHOLD**

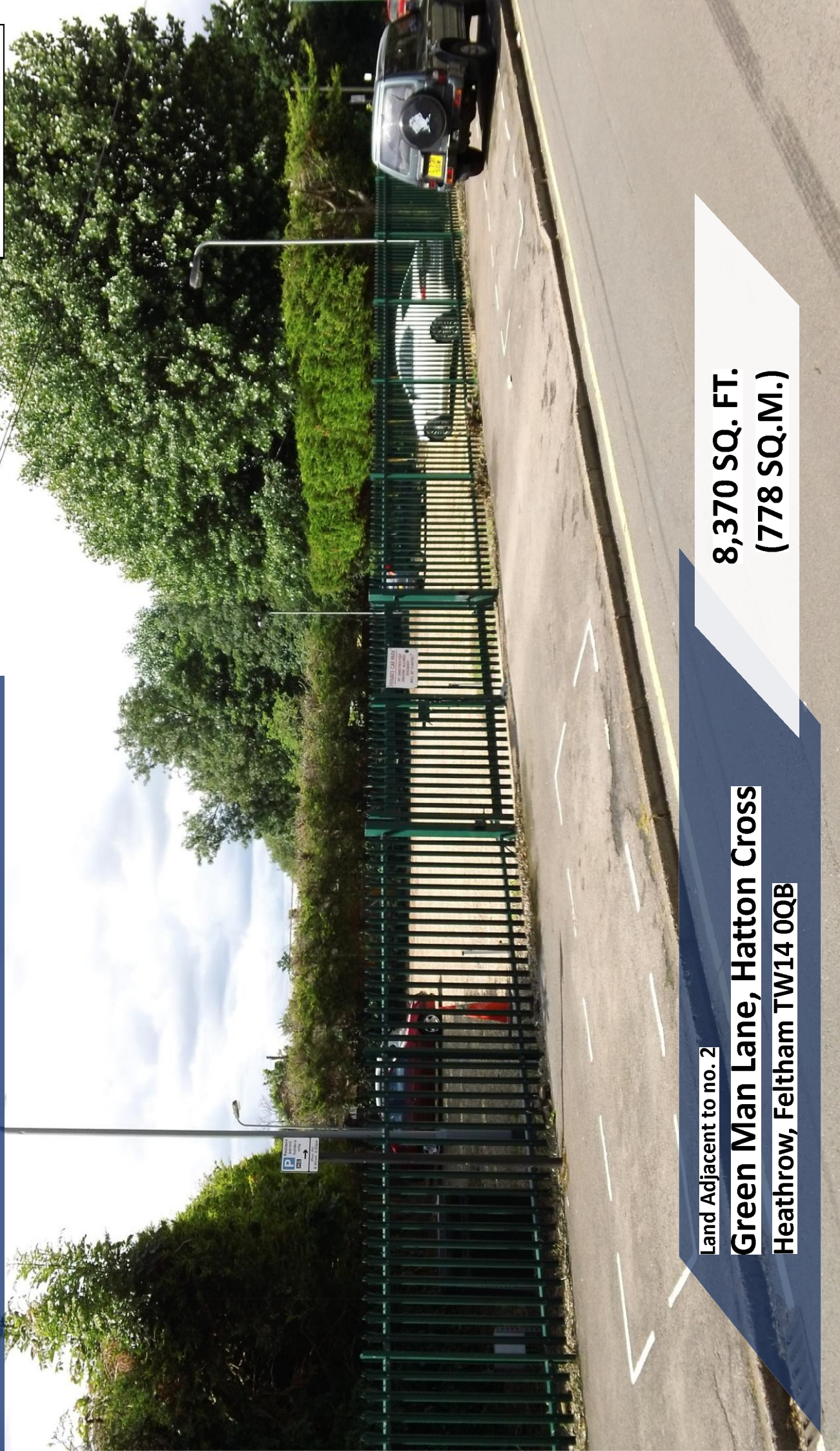
**— PRESENTLY USED FOR CAR PARKING — MAY BE SUITABLE FOR  
REDEVELOPMENT, SUBJECT TO NECESSARY PLANNING PERMISSIONS**

Land Adjacent to no. 2

**Green Man Lane, Hatton Cross**

**Heathrow, Feltham TW14 0QB**

**8,370 SQ. FT.  
(778 SQ.M.)**





# 2 Green Man Lane, Hatton Cross, Heathrow, Feltham, TW14 0BQ

## Location

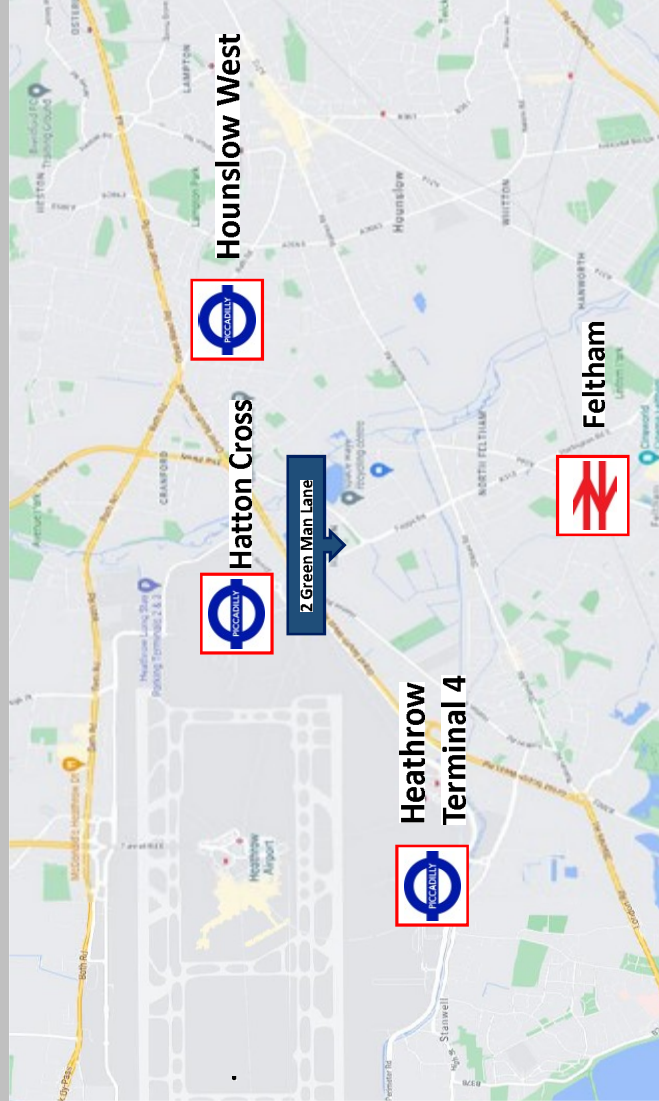
The Land is situated in Green Man Lane, which is due south of A30 Great South West Road, and Heathrow airport. Hatton Cross Underground station (Piccadilly Line) is circa. 0.25 miles north, and Heathrow airport itself, is circa. 0.3 miles north: A312 Causeway is circa. 0.1 mile to the south.

Local amenities include a Tesco Superstore within circa 0.5 miles to the south, Hilton Gardens Inn Hotel to the north, and the Green Man Public House, circa. 100 yards to the east.

## Property

The site which is fenced and gated, has been leased in recent years by companies requiring car parking close to Heathrow Airport.

We are advised that the site has electrical lighting, electrical power and water, and has a hard standing surface.



A4 – Great South West Road

Heathrow Airport

Heathrow Airport – Terminal 4

M25 – Heathrow (Junction 14)

Hatton Cross (Piccadilly)

Feltham (British Mainline)

Heathrow Terminal 4 (Piccadilly Line)

Hounslow West (Piccadilly Line)

0.2 miles

0.3 miles

1.7 miles

5.9 miles

0.3 miles

1.7 miles

1.7 miles

2.0 miles

# 2 Green Man Lane, Hatton Cross, Heathrow, Feltham, TW14 0BQ

## Freehold

Guide Price - £950,000 (Nine Hundred and Fifty Thousand Pounds).

## Terms

The property is available freehold.

Presently, there is a lease to SixT Rent A Car Ltd., in place, running until December 2021 at an annual rental of £42,000 per annum exclusive. We understand that the tenant would be willing to surrender that lease if required, as they have advised that presently, the premises are surplus to their operational requirements.

## Business Rates

Information taken from the Valuation Office website shows the site is assessed as 'car park and premises', with a rateable value of £18,837.25. Whilst normally, the rates payable would be at the standard 51.2% calculation of the rateable value, in the year April 2021 - March 2022 there is transitional relief, limiting the amount payable to £7,990.49

All applicants are to make their own enquiries through the London Borough of Hounslow billing authority to satisfy themselves in respect to this information.

## VAT

We understand that the property is not elected for VAT.

## Planning

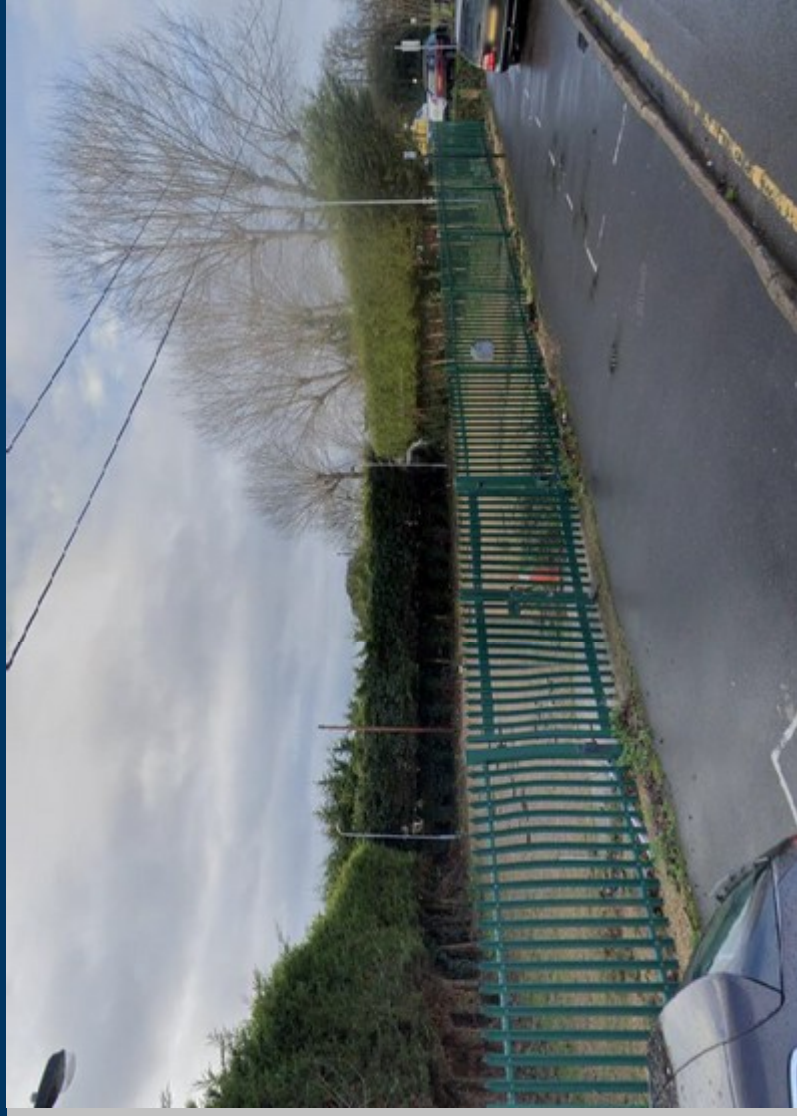
The site has been used as a car park for many years by companies seeking car parking in the Heathrow catchment area and contains 35-40 car parking spaces.

## Legal Costs

Each party to bear their own legal costs.

## Method of Sale

The property will be sold on an unconditional upon planning basis. The property is held in a SPV, being called Heathrow Parking Ltd. The structure of the sale will be the sale of the shares in the company in which this property is vested.



## Viewing

The site can be inspected externally without prior appointment.

### Misrepresentation Act 1967

Every care has been taken in presentation of these particulars, however any intending purchaser/tenant should satisfy themselves as to the correctness of each statement contained herein. They are expressly excluded from any contract. VAT may be applicable to rents/prices quoted in these particulars.

### Anti Money Laundering Legislation

In accordance with the Anti Money Laundering Legislation, buyers will be required to provide proof of identity and address to the selling agent once an offer has been submitted and accepted (subject to contract) prior to solicitors being instructed.

**Luke Storey**

[l.storey@vokins.co.uk](mailto:l.storey@vokins.co.uk)

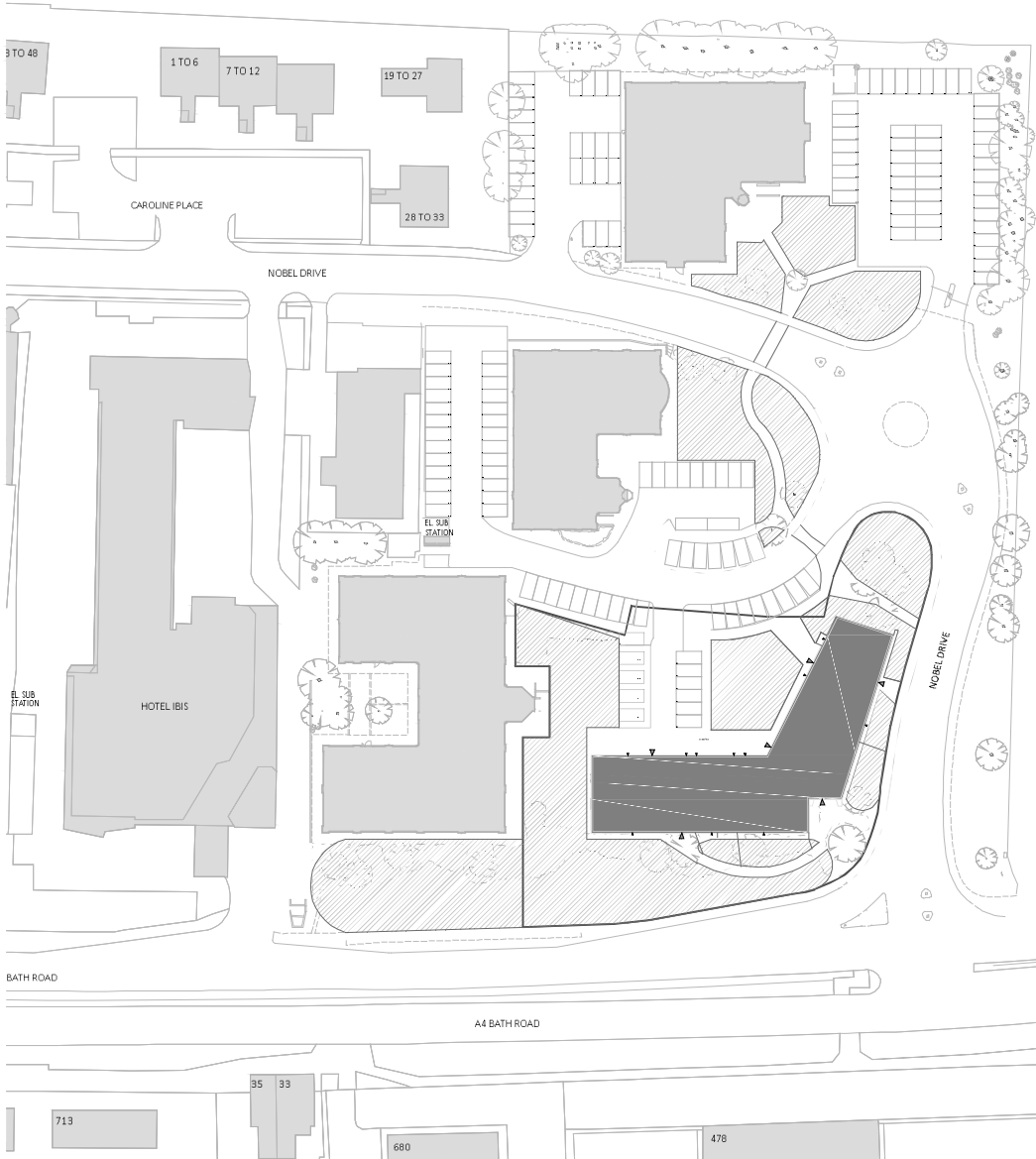
**020 8400 8876**

**John Vokins**

[j.vokins@vokins.co.uk](mailto:j.vokins@vokins.co.uk)

**020 8400 9000**

# APPENDIX 4



01 SITE ESTATE PLAN  
Scale 1:500

## PLANNING

## Osel architecture

PROJECT:  
STATUS PARK  
BATH ROAD  
HEATHROW

CLIENT:  
BMR HEATHROW

DRAWING:  
ESTATE MASTER  
PLAN

DRAWING No.:  
**E21-038/SIT100**

REV:  
**A**

SCALE: 1:500@A1  
DRAWN: WTM  
DATE: 12/12/2022

CHECKED:  
GJM | The Record Hall | 16-16A Baldock's Gardens | London | EC1N 7RJ  
Tel: 020 7228 2497

DATE:

Email: admin@oselarch.co.uk Web: www.oselarchitecture.co.uk  
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## PLANNING

## Osel architecture

PROJECT: STATUS PARK

CLIENT: BMR PROPERTY

DRAWING: PROPOSED PLANS  
GROUND FLOOR PLAN

DRAWING No.: E21-038/PRP00G A

SCALE: 1:200@A3

DRAWN: RC DATE: 12.01.23

CHECKED: \_\_\_\_\_ DATE: \_\_\_\_\_

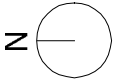
5.04 | The Record Hall | 16-16A Baldwin's Gardens | London | EC1N 7RJ  
Tel: 020 7224 2447

E-mail: [admin@oselarch.co.uk](mailto:admin@oselarch.co.uk) Web: [www.oselarchitecture.co.uk](http://www.oselarchitecture.co.uk)  
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SCALE 1-200

SCALE 1.20  
SCALE 1.1



THE CONTRACTOR MUST RESPECT ALL DIMENSIONS ON SITE BEFORE MAKING ANY DIMENSIONS TO BE SCALED FROM THIS DRAWING.

REV. DATE REVISION

Drawing Legend	
<span style="background-color: #ADD8E6; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	15 Unit
<span style="background-color: #FFFFE0; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	25 Unit
<span style="background-color: #FFDAB9; border: 1px solid black; display: inline-block; width: 15px; height: 10px;"></span>	35 Unit

PLANNING

# Osel architecture

PROJECT: STATUS PARK

CLIENT: BMR PROPERTY

DRAWING: PROPOSED PLANS  
TYPICAL FLOORPLAN

DRAWING No.: E21-038/PRP001

REV: -

SCALE: 1:200

DATE: 12.01.23

DRAWN: RC

CHECKED: [Signature]

1st floor: 1st floor (1st floor) (1st floor)

2nd floor: 2nd floor (2nd floor) (2nd floor)

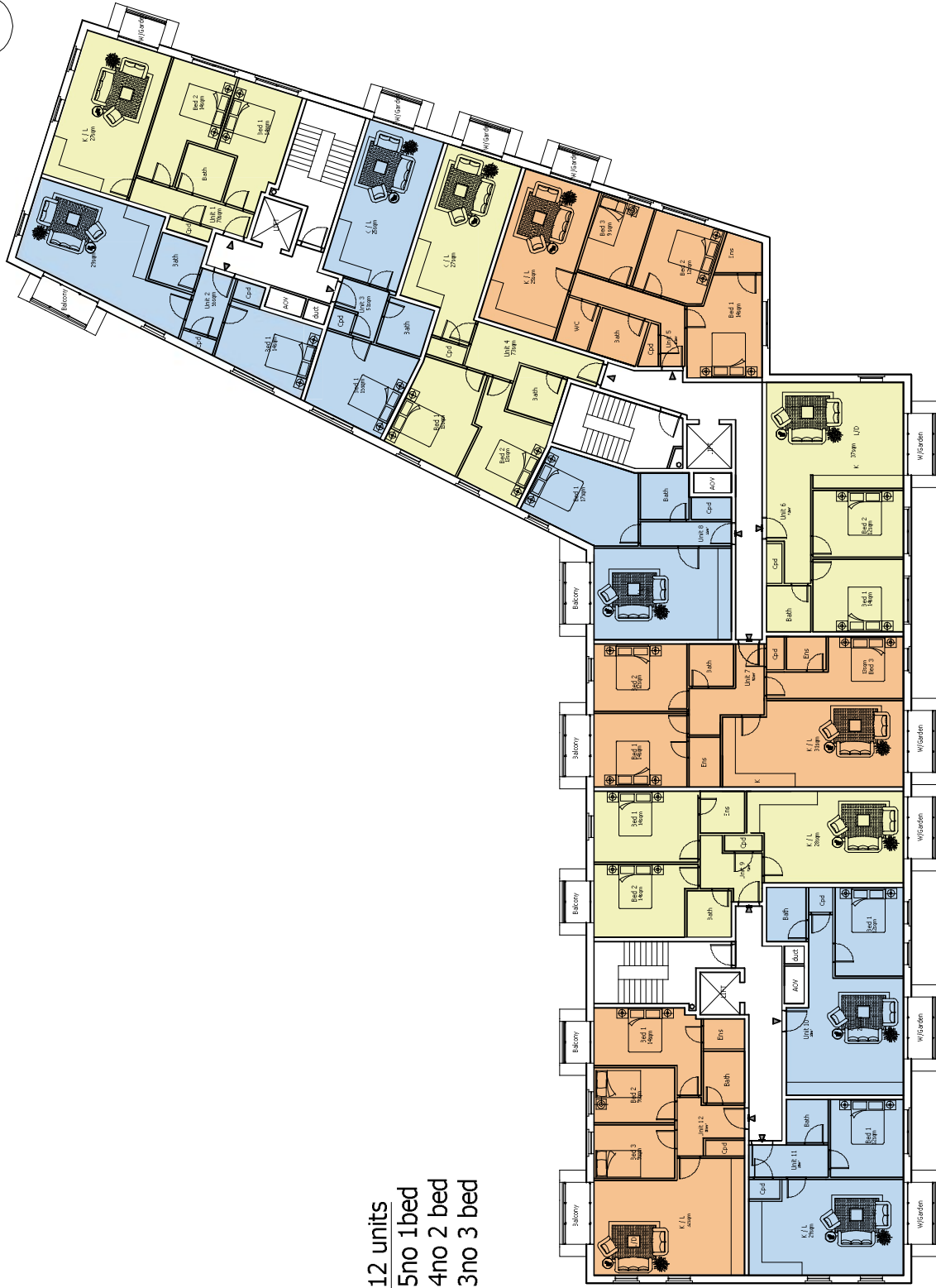
3rd floor: 3rd floor (3rd floor) (3rd floor)

4th floor: 4th floor (4th floor) (4th floor)

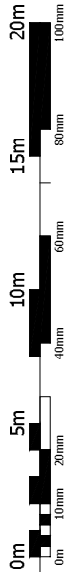
5th floor: 5th floor (5th floor) (5th floor)

12 units  
5no 1bed  
4no 2 bed  
3no 3 bed

01 Typical Floor  
Scale 1:200



SCALE 1:200  
SCALE 1:1



# APPENDIX 5

STATUS PARK, HEATHROW						
Construction of 67 New Build Units						
Initial Cost Plan Q2 2023						
Residential						
			Units			
Ground Floor Residential	525 m2	5,651			7	
Ground Floor Communal	441 m2	4,747				
First Floor	808 m2	8,697			12	
First Floor Communal	158 m2	1,701				
Second Floor	808 m2	8,697			12	
Second Floor Communal	158 m2	1,701				
Third Floor	808 m2	8,697			12	
Third Floor Communal	158 m2	1,701				
Fourth Floor	808 m2	8,697			12	
Fourth Floor Communal	158 m2	1,701				
Fifth Floor	808 m2	8,697			12	
Fifth Floor Communal	158 m2	1,701				
Gross Internal Area:			5,796 m2	62,388	67	
TOTAL GIA			5,796 m2	62,388	67	
No.	Element	%	Cost/m2 £	Cost/ft2 £	Total £	£/unit
0.0	DEMOLITION AND ALTERATIONS					
0.1	Demolition and Alterations	2.49	69.36	6.44	402,000	6,000
	Sub-Total	2.49	69.36	6.44	402,000	6,000
1.0	SUBSTRUCTURES					-
1.1	Substructures	3.56	98.87	9.19	573,071	8,553
1.2	Drainage	0.76	21.12	1.96	122,400	1,827
	Sub-Total	4.32	119.99	11.15	695,471	8,553
2.0	SUPERSTRUCTURES					
2.1	Upper Floors	13.42	373.19	34.67	2,163,032	32,284
2.2	Roof	5.64	156.94	14.58	909,640	13,577
2.3	Stairs	1.99	55.33	5.14	320,700	4,787
2.4	External Walls	4.10	113.86	10.58	659,955	9,850
2.5	Windows and External Doors	6.63	184.47	17.14	1,069,210	15,958
2.6	Internal Walls	3.58	99.48	9.24	576,606	8,606
2.7	Internal Doors	3.21	89.31	8.30	517,646	7,726
	Sub-Total	38.57	1072.58	99.65	6,216,789	92,788
3.0	FINISHES					
3.1	Wall Finishes	3.28	91.31	8.48	529,224	7,899
3.2	Floor Finishes	6.26	174.15	16.18	1,009,387	15,065
3.3	Ceiling Finishes	2.53	70.30	6.53	407,470	6,082
	Sub-Total	12.07	335.76	31.19	1,946,081	29,046
4.0	FITTING OUT					
4.1	Fitting-out	4.86	135.23	12.56	783,820	11,699
	Sub-Total	4.86	135.23	12.56	783,820	11,699
5.0	MECHANICAL AND ELECTRICAL					
5.1	Sanitary Appliances	1.45	40.20	3.73	233,000	3,478
5.2	Mechanical Installation	11.31	314.40	29.21	1,822,265	27,198
5.3	Electrical Installation	4.99	138.77	12.89	804,304	12,005
5.4	BWIC/Testing	0.73	20.41	1.90	118,269	1,765
	Sub-Total	18.48	513.78	47.73	2,977,838	44,446
6.0	EXTERNAL WORKS					
6.1	Site Works	2.00	55.56	5.16	322,000	4,806
6.2	External Services	2.19	61.02	5.67	353,680	5,279
	Sub-Total	4.19	116.58	10.83	675,680	10,085
7.0	PRELIMINARIES					
7.1	Preliminaries	5.91	164.38	15.27	952,725	14,220
7.2	Over Heads & Profit @ __10_____%	9.09	252.77	23.48	1,465,040	21,866
	Sub-Total	15.00	417.15	38.75	2,417,765	36,086
TOTAL		100	2,780	258	16,115,444	238,703

<div>STATUS PARK, HEATHROW</div> <div>Constrution of 67 New Build Units</div> <div>Initial Cost Plan Q2 2023</div>					
Ref	Description	Quantity	Unit	Rate £	Total £
0.1	DEMOLITION AND ALTERATIONS				
A	Strip out and demolish existing buildings				
	3 Nobel Drive	1	item		100,000
	4 Nobel Drive	1	item		100,000
B	Site clearance	1	item		150,000
C	Skips for the above/waste removal	1	item		50,000
D	Appoint asbestos surveyor, for refurbishment and demolition survey, pass report to CA	1	item		2,000
E	Allowance for asbestos/hazardous materials	1	item	P.Sum	Excl.
To summary					402,000

## STATUS PARK, HEATHROW

### Construction of 67 New Build Units

#### Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
1.1	<b>SUBSTRUCTURES &amp; Drainage</b> Note: Internal structural walls included with upper floors and frame				
	<b>Substructures</b>				
	<b>Piling</b>				
A	Piling matt; incl. removal etc	1,000	m2	60	60,000
B	Piling attendance	1	item		25,000
B	Piling (assumed quants)	100	nr	1,250	125,000
C	Disposal	113	m3	65	7,345
D	Testing etc.	1	item		10,000
	<b>Ground Floor Slab</b>				
E	Excavate to reduce levels	386	m3	21	8,106
F	Disposal ( Assume not contaminate soil : no SI report )	386	m3	65	25,090
G	50mm Lean mix for blinding	966	m2	30	28,980
G	150mm hardcore	145	m2	40	5,800
H	Cellcoren HX SM- Grade 18/24	966	m2	42	40,572
I	Membrane 1200 gauge	966	m2	16	15,456
J	Steel reinforcing to base- 115kg/m3	28	t	2,350	65,800
K	Dowel bars to piles	100	Nr	50	5,000
L	Concrete to slab 250mm thick	242	m3	280	67,760
M	General easy Float Finish	966	m2	7	6,762
	<b>Lift core s</b>				
N	Lift pits	3	nr	5,000	15,000
	<b>Preliminaries</b>				
O	Supervision , setting out, Site and trafic Management for delivery	16	wk	2,500	40,000
P	Concrete testing	1	Item	5,400	5,400
Q	Pump hire	16	Nos	1,000	16,000
To summary					573,071



STATUS PARK, HEATHROW

Constrution of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
1.2	Drainage				
	<u>Drainage Runs</u>				
A	Allowance for drainage runs	280	M	160	44,800
B	Allowance for manholes	16	nr	1,100	17,600
C	Conneciton to mains	1	item		10,000
D	Attenuation	1	item	P.Sum	50,000
To summary					122,400

STATUS PARK, HEATHROW

Constrution of 67 New Build Units  
Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
	FRAME AND UPPER FLOORS				
	Note: Assumes concrete framed building; 24nr 600x600 columns to each floor)				
A	Concrete works G-1st				
B	Columns formwork	173	m2	90	15,570
C	Concrete to columns	26	m3	280	7,280
D	Re-bar @ 200kg/m3	5	t	2,350	11,750
E	Slabs formwork	966	m2	70	67,620
F	Slab 200mm thick	193	m3	280	54,040
G	Re-bar @ 200kg/m3	39	t	2,350	91,650
H	Finish to slab	966	m2	7	6,762
I	Ancon brackets to perimeter	1,050	m	80	84,000
J	Lift cores	3	nr	5,000	15,000
	Upper floors (replicated)				
K	1st - 2nd	1	item		353,672
L	2nd - 3rd	1	item		353,672
M	3rd - 4th	1	item		353,672
N	4th - 5th	1	item		353,672
O	5th - Roof	1	item		353,672
	Concrete worker specialist prelims				
P	Management	20	wks	1,000	20,000
Q	Pump	16	wks	1,000	16,000
R	Testing etc	1	item		5,000
To summary					2,163,032

## STATUS PARK, HEATHROW

Construction of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
<b>2.2</b>	<b>ROOF(Structure with Frame/Upper Floors)</b>				
	<u>Upper Roof</u>				
A	Insulated flat plyroof	966	m2	165	159,390
B	Flashings & perimeters	175	m	120	21,000
C	Fascias and soffits	175	m	50	8,750
D	Allowance for guttering and downpipes	1	item		20,000
E	Rooftop duct	1	nr	2,500	2,500
F	Rooftop AOV opening	6	nr	3,500	21,000
	<u>Balconies</u>				
G	Bolt on structure for balconies/WINTER GARDENS	75	nr	2,500	187,500
H	External walls	75	nr	3,600	270,000
I	Glazing	188	m	500	94,000
J	Roofing	225	m2	200	45,000
K	Floor finish	225	m2	100	22,500
	<u>Green roof and PV area</u>				
L	Green roof to top roof	400	m2	120	48,000
M	PV cells	1	item	See specialist installation	
N	Mansafe system	1	item		10,000
To summary					909,640

STATUS PARK, HEATHROW

Constrution of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
2.3	STAIRS				
A	Pre-cast concrete staircase	30	fl	5,000	150,000
	3nr cores perfloor; 2nr pre-cast staircases per floor	15	nr	2,500	37,500
	E/o half landings				
B	Balustrades				
	3cores, 10m per core per floor	150	m	500	75,000
C	Handrails				
	3cores, 14m per core per floor	210	m	120	25,200
D	Decorate stairs (e/o wall and ceiling decs)	15	nr	2,200	33,000
To Summary					320,700



STATUS PARK, HEATHROW

Constrution of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
2.4	EXTERNAL WALLS				
	All Elevation				
A	Assumed block and brickwork cavity wall - no details				
B	Internal leaf cavity wall; block	1,854	m2	90	166,860
C	Insulation and cavity	1,854	m2	35	64,890
D	External brickwork	1,854	m2	145	268,830
E	Standing seam external wall incl. metsec and insulation	375	m2	425	159,375
To summary					659,955

## STATUS PARK, HEATHROW

### Construction of 67 New Build Units

### Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
2.5	<b>WINDOWS</b>				
	<b>Assumed aluminium window specification; tripple glazed for noise</b>				
	<b>Windows and Doors</b>				
	A Tripple balcony window; assumed 2700x2600mm overall	54	nr	4,914	265,356
	B Double balcony window; assumed 1800x2600mm overall	66	nr	3,276	216,216
	C Double window; assumed 1800x2600mm overall	72	nr	3,276	235,872
	D Single window; assumed 900x2600mm overall	132	nr	1,638	216,216
	<b>Window Surrounds</b>				
E	Window and door surrounds	2,711	m	50	135,550
	<b>To Summary</b>				<b>1,069,210</b>

# STATUS PARK, HEATHROW

---

## Construction of 67 New Build Units

### Initial Cost Plan Q2 2023

### Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
2.6	<b>INTERNAL WALLS</b> <b>Note: Skim is included in wall finisies</b>				
A	<u>External Wall Linings</u> Internal party walls	3,216	m2	68	218,688
b	Insulated wall lining to extenral walls	2,229	m2	32	71,328
C	Internal walls	3,618	m2	55	198,990
D	Patressing and the like	67	nr	300	20,100
E	Boxing to bathrooms	90	nr	300	27,000
F	Niches incl tiling	90	nr	450	40,500
1.	<u>Other Items, Contractor to specify:</u>				
2.					
3.					
<b>To Summary</b>					<b>576,606</b>

STATUS PARK, HEATHROW

Constrution of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
2.7	INTERNAL AND EXTERNAL DOORS				
	Residential Doors; DOORSETS TO INCL				
	Door types				
A	Flat front doors and surround	67	nr	1,100	73,700
B	Internal flat single doors	341	nr	750	255,750
C	Communal riser, AOV and fire doors	95	item	1,100	104,500
	Architraves				
D	MDF square esge architrave; 70x18mm; spray finished to match internal doors	5,231	m	16	83,696
To Summary					517,646



## STATUS PARK, HEATHROW

### Construction of 67 New Build Units

### Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
3.1	<b>WALL FINISHES</b>				
	Note for purposes of estimation finishes are taken across internal openings				
A	3mm skim finish to walls	15,897	m2	16	254,352
B	Paint to plaster and plasterboard areas generally	15,717	m2	16	251,472
	Tiling, as per typical room layouts ASSUME 20m2 per bath/ensuite - 4m2 per WC				
C	Supply PC supply sum Note wastage incl. in rate	180	m2	65	11,700
D	Install, including adhesive andgrout	180	m2	65	11,700
	To Summary				529,224

## STATUS PARK, HEATHROW

Construction of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
3.2	<b>FLOOR FINISHES</b>				
	<b><u>Residential</u></b>				
A	Insulated screed to GF	966	m2	90	86,940
B	Screed to upper floors solid floors	4830	m2	65	313,950
C	Carept tiles to core and circulation areas				
	Supply	790	PC sum	22	17,380
	Note wastage incl. in rate				
	Install, including adhesive andgrout	790	m2	22	17,380
	E/o stair nosings	240	nr	12	2,880
D	Tile to GF communal areas				
	Supply	441	m2	80	35,280
	Note wastage incl. in rate				
	Install, including adhesive andgrout	441	m2	65	28,665
E	120mm MDF skirting to walls	5,299	m	18	95,382
F	Tiling to Bath, ensuite and WC areas areas				
	Supply PC supply sum	350	m2	65	22,750
	Note wastage incl. in rate				
	Install, including adhesive andgrout	350	m2	65	22,750
G	Carpet to bedrooms				
	Supply PC supply sum	1,627	m2	25	40,675
	Note wastage incl. in rate				
	Install, including underlay	1,627	m2	25	40,675
H	Timber floor to general flat areas, hall, dining, storage etc.				
	Supply PC supply sum	2,588	m2	65	168,220
	Note wastage incl. in rate				
	Install, including adhesive andgrout	2,588	m2	45	116,460
	<b>To Summary</b>				<b>1,009,387</b>

STATUS PARK, HEATHROW

Constrution of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
3.3	CEILING FINISHES				
	<u>Roof Areas</u>				
A	Suspended ceiling	5796	m2	38	220,248
B	E/o moisture resistant	350	m2	5	1,750
A	3mm skim finish to walls	5,796	m2	16	92,736
B	Paint to plaster and plasterboard areas generally	5,796	m2	16	92,736
To Summary					407,470

STATUS PARK, HEATHROW					
Constrution of 67 New Build Units					
Initial Cost Plan Q2 2023					
Ref	Description	Quantity	Unit	Rate £	Total £
4.1	FITTINGS				
A	Supply and install new kitchens Kitchen	67	P.Sum	7,500.00	502,500
B	Built in wardrobes	127	P.Sum	1,800.00	228,600
C	Post boxes	67	P.Sum	90.00	6,030
D	Signage and way finding	67	P.Sum	150.00	10,050
E	Sheffield cycle strnads	112	nr	220.00	24,640
F	Bin store areas	3	nr	4,000.00	12,000
To Summary					783,820

STATUS PARK, HEATHROW

Constrution of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
5.1	SANITARYWARE				
	<u>Supply</u>				
A	Bathrooms	60	nr	1750	105,000
	En-suite	25	nr	1750	43,750
	WC	5	nr	350	1,750
	Mirrors	90	nr	250	22,500
	<u>Install</u>				
C	Bathrooms	60	nr	850	15,000
	En-suite	25	nr	850	15,000
	WC	5	nr	300	15,000
	Mirrors	90	nr	180	15,000
To Summary					233,000



## STATUS PARK, HEATHROW

Construction of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
5.3	<b>MECHANICAL</b>				
	<u>Residential</u>				
	<u>Heating &amp; Air Treatment and Ventilation</u>				
B	Underfloor heating throughout residential areas; trace to communal areas UFH	5796	m2	50	289,800
	Boilers to above and hot water	1	item		200,000
C	Ventilation to Residential Units	67	nr	1450	97,150
D	Cold water installation and distribution from core Property	5796	item	22	127,512
E	Cold water installation and distribution locally Property	5796	item	22	127,512
F	Hot water installation & distribution within flats Property	5796	item	22	127,512
G	<u>Drainage</u> Property	5796	item	22	127,512
	<u>Specialist sub-contractor costs</u>				
J	Design	1	item		27,425
K	Prelims and management	1	item		112,442
	<u>Specialist Installations</u>				
J	Sprinklers	67	fl	1200	80,400
K	Tanks and pumps	1	item		40,000
L	Lift rising G-5	3	nr	90000	270,000
M	Dry risers	3	nr	15,000	45,000
N	Mechanical AOV	3	nr	50,000	150,000
To Summary					1,822,265

## STATUS PARK, HEATHROW

### Construction of 67 New Build Units

#### Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
5.4	<b>ELECTRICAL</b>				
	<b><u>RESIDENTIAL</u></b>				
	<u>Electrical Installation and Distribution</u>				
A	Install and distribute LV power; including for meters	5796	m2	25	144,900
B	General power; sockets and lights measured below Throughiut	5796	m2	30	173,880
C	Supply of second fix goods				
	Allowance for general second fix	67	nr	1250	83,750
	Allowance for communal second fix	1	item	P.Sum	20,000
	<u>Communication Installation</u>				
C	Allowance for phone lines, broad band connections, aerial installation, cabling and containment (includes for Sky + system or equivalent)	5,796	m²	10	57,960
D	Access control and door entry systems Generally	70	nr	500	35,000
	<u>Protective Installation</u>				
H	Fire alarm and intruder system Generally	5,796	m²	20	115,920
I	Lightning Protection, Earthling and bonding	1	item		5,000
	<u>External Areas</u>				
J	External lighting to areas	67	nr	500	33,500
	<u>Specialist sub-contractor costs</u>				
L	Design	1	item		8,778
M	Prelims and management	1	item		25,616
	<u>Specialist Installations</u>				
N	PV cell installation	1	item		100,000
To Summary					804,304

STATUS PARK, HEATHROW

Constrution of 67 New Build Units

Initial Cost Plan Q2 2023

Ref	Description	Quantity	Unit	Rate £	Total £
	<b>BWIC and SUBCONTRACTOR PRELIMARIES</b>				
A	BWIC Mechanical Services	1	Item		54,668
	Testing and commissioning Mechanical Services	1	Item		27,407
B	BWIC Electrical Services	1	Item		24,129
	Testing and Commissioning Electrical Services	1	Item		12,065
	<u>Other Items, Contractor to specify:</u>				
1.					
2.					
3.					
To Summary					118,269

## STATUS PARK, HEATHROW

### Construction of 67 New Build Units

## CONSTRUCTION ESTIMATE NR. 1

Ref	Description	Quantity	Unit	Rate £	Total £
	SITE WORKS AND LANDSCAPING				
A	Private Gardens Private garden areas - patios	8	nr	2000	16,000
B	Private garden areas - grass	8	nr	2000	16,000
C	Fencing to private gardens	8	nr	2500	20,000
	Driveways and Parking				
D	Install new parking bays with base	29	nr	4000	116,000
E	Driveways	1	item	50000	50,000
	General landscaping				
F	Pedestrian walkways and entrnaces	300	m2	180	54,000
G	General soft landscaping	1	item		50,000
	To Summary				322,000

STATUS PARK, HEATHROW

Constrution of 67 New Build Units

CONSTRUCTION ESTIMATE NR. 1

Ref	Description	Quantity	Unit	Rate £	Total £
	<b>EXTERNAL SERVICES</b>				
	<u>Incoming supplies</u>				
A	Gas	1	item	P.Sum	100,000
B	Water	1	item	P.Sum	100,000
C	Electric	1	item	P.Sum	100,000
D	Allowance for draiange conneciton/licence	1	item	P.Sum	10,000
E	New meters	204	NR	120	24,480
F	On-site trenching FOR SERVICES	120	M	160.00	19,200
To Summary					353,680



## STATUS PARK, HEATHROW

Constnution of 67 New Build Units

CONSTRUCTION ESTIMATE NR. 1

Ref	Description	Quantity	Unit	Rate £	Total £
	<b>EXTERNAL SERVICES</b>				
	<u>Water</u>				
A	Site Manager (working)	78	wks	£1,200	£93,600
B	Finishing foreman (50% working	20	wks	£650	£13,000
B	PM/QS	78	wks	£550	£42,900
C	Labourer (non working time only)	78	wks	£1,100	£85,800
D	Site Offices & Storage	78	wks	£1,500	£117,000
E	Toilets	78	wks	£400	£31,200
F	Herras/Hoarding	1	item		£30,000
G	Electric - set up and temp supply movement	1	item wks		£15,000 By employer
H	Water	1	item wks		£15,000 By employer
I	Mobile Telephone	78	wks	£100	£7,800
J	Skips	156	nr	£350	£54,600
K	Road/parkingbay suspension	1	item		Excl.
L	Allwoance for access		item		inc.
M	Plant and Tools	156	wks	£200	£31,200
N	Protection	67	nr	£200	£13,400
O	CDM and H&S Plan	1	item	£15,000	£15,000
P	Scaffold and access	3,563	item	75.00	£267,225
Q	Craneage	1	item		120,000
To Summary					952,725

# APPENDIX 6

Status Park on 28/3/23

Development Appraisal  
Prepared by JRB  
James R Brown & Company Ltd  
28 March 2023

**APPRAISAL SUMMARY****JAMES R BROWN & COMPANY LTD****Status Park on 28/3/23****Summary Appraisal for Phase 1****Currency in £****REVENUE**

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales
Private Residential	67	3,292,179	7.77	381,761	25,578,000

**NET REALISATION****25,578,000****OUTLAY****ACQUISITION COSTS**

Fixed Price			2,000,000	
				2,000,000
Stamp Duty		4.50%	90,000	
Agent Fee		1.00%	20,000	
Legal Fee		0.80%	16,000	
				126,000

**CONSTRUCTION COSTS**

Construction	ft²	Rate ft²	Cost	
Private Residential	62,388 ft²	258.31 pf²	16,115,444	<b>16,115,444</b>
Contingency		5.00%	805,772	
MCIL2/CIL/S.106/Carbon			1,000,000	
				1,805,772

**PROFESSIONAL FEES**

Professionals	10.00%	1,611,544	
			1,611,544

**MARKETING & LETTING**

Marketing	1.25%	319,725	
			319,725

**DISPOSAL FEES**

Sales Agent Fee	1.25%	319,725	
Sales Legal Fee		100,000	
			419,725

**FINANCE**

Debit Rate 8.000%, Credit Rate 0.500% (Nominal)				
Land			381,663	
Construction			1,420,184	
Other			455,939	
Total Finance Cost				2,257,786

**TOTAL COSTS****24,655,996****PROFIT****922,004****Performance Measures**

Profit on Cost%	3.74%
Profit on GDV%	3.60%
Profit on NDV%	3.60%
IRR	10.61%
Profit Erosion (finance rate 8.000%)	6 mths

**This appraisal report does not constitute a formal valuation.**

# TIMESCALE AND PHASING GRAPH REPORT

JAMES R BROWN & COMPANY LTD

## Status Park on 28/3/23

### Project Timescale

Project Start Date	Mar 2023
Project End Date	Feb 2026
Project Duration (Inc Exit Period)	36 months

### Phase 1



This appraisal report does not constitute a formal valuation.

# DETAILED CASH FLOW

# JAMES R BROWN & COMPANY LTD

Status Park on 28/3/23

Detailed Cash flow Phase 1

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MonthlyB/F	001:Mar 2023	002:Apr 2023	003:May 2023	004:Jun 2023	005:Jul 2023	006:Aug 2023	007:Sep 2023	008:Oct 2023
	0	(2,126,000)	(2,126,000)	(2,154,347)	(2,154,347)	(3,299,018)	(3,670,784)	(4,151,718)
<b>Revenue</b>								
Sale - Private Residential	0	0	0	0	0	0	0	0
<b>Disposal Costs</b>								
Sales Agent Fee	0	0	0	0	0	0	0	0
Sales Legal Fee	0	0	0	0	0	0	0	0
<b>Unit Information</b>								
<b>Private Residential</b>								
<b>Acquisition Costs</b>								
Fixed Price	(2,000,000)	0	0	0	0	0	0	0
Stamp Duty	(90,000)	0	0	0	0	0	0	0
Agent Fee	(20,000)	0	0	0	0	0	0	0
Legal Fee	(16,000)	0	0	0	0	0	0	0
<b>Construction Costs</b>								
MCIL2/CIL/S.106/Carbon	0	0	0	0	(1,000,000)	0	0	0
Con. - Private Residential	0	0	0	0	(125,801)	(279,172)	(418,204)	(542,898)
Contingency	0	0	0	0	(6,290)	(13,959)	(20,910)	(27,145)
<b>Professional Fees</b>								
Professionals	0	0	0	0	(12,580)	(27,917)	(41,820)	(54,290)
<b>Marketing/Letting</b>								
Marketing	0	0	0	0	0	0	0	0
<b>Net Cash Flow Before Finance</b>	<b>(2,126,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,144,672)</b>	<b>(321,048)</b>	<b>(480,935)</b>	<b>(624,333)</b>
Debit Rate 8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%
Credit Rate 0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%
Finance Costs (All Sets)	0	(14,173)	(14,173)	(14,362)	(14,362)	(21,993)	(24,472)	(27,678)
<b>Net Cash Flow After Finance</b>	<b>(2,126,000)</b>	<b>(14,173)</b>	<b>(14,173)</b>	<b>(14,362)</b>	<b>(1,159,034)</b>	<b>(343,041)</b>	<b>(505,407)</b>	<b>(652,011)</b>
Cumulative Net Cash Flow Monthly	(2,126,000)	(2,140,173)	(2,154,347)	(2,168,709)	(3,327,743)	(3,670,784)	(4,176,190)	(4,828,201)

This appraisal report does not constitute a formal valuation.



DETAILED CASH FLOW

JAMES R BROWN & COMPANY LTD

Status Park on 28/3/23

Detailed Cash flow Phase 1

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009:Nov 2023 (4,776,051)	010:Dec 2023 (5,611,284)	011:Jan 2024 (6,472,947)	012:Feb 2024 (7,428,541)	013:Mar 2024 (8,591,663)	014:Apr 2024 (9,685,654)	015:May 2024 (10,824,110)	016:Jun 2024 (12,184,552)	017:Jul 2024 (13,362,471)	018:Aug 2024 (14,535,389)
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
(653,254)	(749,272)	(830,952)	(898,293)	(951,296)	(989,962)	(1,014,289)	(1,024,278)	(1,019,928)	(1,001,241)
(32,663)	(37,464)	(41,548)	(44,915)	(47,565)	(49,498)	(50,714)	(51,214)	(50,996)	(50,062)
(65,325)	(74,927)	(83,095)	(89,829)	(95,130)	(98,996)	(101,429)	(102,428)	(101,993)	(100,124)
0	0	0	0	0	0	0	0	0	0
(751,242)	(861,663)	(955,594)	(1,033,037)	(1,093,991)	(1,138,456)	(1,166,432)	(1,177,919)	(1,172,918)	(1,151,427)
8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%
0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%
(31,840)	(37,409)	(43,153)	(49,524)	(57,278)	(64,571)	(72,161)	(81,230)	(89,083)	(96,903)
(783,083)	(899,071)	(998,747)	(1,082,561)	(1,151,269)	(1,203,027)	(1,238,593)	(1,259,150)	(1,262,001)	(1,248,330)
(5,611,284)	(6,510,355)	(7,509,102)	(8,591,663)	(9,742,932)	(10,945,959)	(12,184,552)	(13,443,701)	(14,705,702)	(15,954,032)

This appraisal report does not constitute a formal valuation.

DETAILED CASH FLOW

JAMES R BROWN & COMPANY LTD

Status Park on 28/3/23

Detailed Cash flow Phase 1

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019:Sep 2024 (15,954,032)	020:Oct 2024 (17,067,480)	021:Nov 2024 (18,126,459)	022:Dec 2024 (19,455,468)	023:Jan 2025 (20,356,044)	024:Feb 2025 (21,152,686)	025:Mar 2025 (22,235,332)	026:Apr 2025 (22,774,637)	027:May 2025 (23,160,541)	028:Jun 2025 (13,671,383)
0	0	0	0	0	0	0	0	10,231,200	2,557,800
0	0	0	0	0	0	0	0	(127,890)	(31,973)
0	0	0	0	0	0	0	0	(100,000)	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
(968,215)	(920,852)	(859,150)	(783,110)	(692,732)	(588,016)	(468,961)	(335,568)	0	0
(48,411)	(46,043)	(42,957)	(39,155)	(34,637)	(29,401)	(23,448)	(16,778)	0	0
(96,822)	(92,085)	(85,915)	(78,311)	(69,273)	(58,802)	(46,896)	(33,557)	0	0
0	0	0	0	0	0	0	0	(127,890)	(31,973)
(1,113,448)	(1,058,980)	(988,022)	(900,576)	(796,642)	(676,218)	(539,305)	(385,904)	9,875,420	2,493,855
8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%
0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%
(106,360)	(113,783)	(120,843)	(129,703)	(135,707)	(141,018)	(148,236)	(151,831)	(86,196)	(74,091)
(1,219,808)	(1,172,763)	(1,108,866)	(1,030,280)	(932,349)	(817,236)	(687,541)	(537,735)	9,789,224	2,419,764
(17,173,840)	(18,346,603)	(19,455,468)	(20,485,748)	(21,418,096)	(22,235,332)	(22,922,873)	(23,460,607)	(13,671,383)	(11,251,619)

This appraisal report does not constitute a formal valuation.

# DETAILED CASH FLOW

# JAMES R BROWN & COMPANY LTD

## Status Park on 28/3/23

### Detailed Cash flow Phase 1

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029:Jul 2025 (11,177,528)	030:Aug 2025 (9,930,600)	031:Sep 2025 (8,881,432)	032:Oct 2025 (7,634,505)	033:Nov 2025 (6,387,577)	034:Dec 2025 (5,267,762)	035:Jan 2026 (4,020,834)	036:Feb 2026 (2,773,907)
1,278,900	1,278,900	1,278,900	1,278,900	1,278,900	1,278,900	1,278,900	3,836,700
(15,986)	(15,986)	(15,986)	(15,986)	(15,986)	(15,986)	(15,986)	(47,959)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(15,986)	(15,986)	(15,986)	(15,986)	(15,986)	(15,986)	(15,986)	(47,959)
<b>1,246,928</b>	<b>1,246,928</b>	<b>1,246,928</b>	<b>1,246,928</b>	<b>1,246,928</b>	<b>1,246,928</b>	<b>1,246,928</b>	<b>3,740,783</b>
8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%
0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%	0.500%
(65,991)	(57,678)	(50,684)	(42,371)	(34,058)	(26,592)	(18,280)	0
<b>1,180,937</b>	<b>1,189,249</b>	<b>1,196,244</b>	<b>1,204,557</b>	<b>1,212,870</b>	<b>1,220,335</b>	<b>1,228,648</b>	<b>3,740,783</b>
(10,070,682)	(8,881,432)	(7,685,188)	(6,480,632)	(5,267,762)	(4,047,427)	(2,818,779)	922,004

This appraisal report does not constitute a formal valuation.