

Financial Viability Assessment

Braemar Avenue Baptist Church
London N22 7BY

Prepared on behalf of Spacelab

October 2022

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1. Executive Summary

The appraisal and report presented consider the economic viability of the submitted proposals at Braemar Avenue Baptist Church, Braemar Avenue, Wood Green, London, N22 7BY. The appraisal establishes the scheme's capacity to support any planning gain requirements, including affordable housing, or other planning gain contributions.

In order to determine viability, the residual profit of the proposed development has been compared to an appropriate benchmark profit. We summarise the results of this assessment in the table below:

Residualised Profit	Benchmark Profit	Viable planning gain contributions
£673,360 (9.91% of GDV)	£1,359,400 (20% of GDV)	NIL

The appraisal generates a total residual profit of £673,360 or 9.91% of the estimated Gross Development Value; £686,040 below the total benchmark profit of £1,359,400 (20% of the GDV), which shows that proceeding with this scheme is a financial risk for the developer.

Based on the outcome of the objective viability appraisal assessment the scheme is not economically viable. It is therefore conclusive that the provision of additional affordable housing, section 106 obligations, or other planning gain contributions, exceeds the maximum viable level at the site in planning terms.

2. Summary of instruction & terms of reference

In accordance with our instructions provided, we have appraised the financial viability of the development proposals herein to establish the scheme's ability to support planning obligations, including affordable housing, Section 106 contributions, or other planning gain contributions.

Property	Braemar Avenue Baptist Church, Braemar Avenue, Wood Green, London, N22 7BY
Date of report	20 th October 2022
Client	Spacelab
For the attention of	Andrew Budgen
Addressee	Spacelab, 18 Wenlock Road, London, N1 7TA
Sources of information	In accordance with our instructions, we have relied upon the floor areas provided to us. We have undertaken research where applicable and obtained information from third party sources.

3. Introduction and background

This Financial Viability Assessment has been prepared by Red Loft to accompany the detailed planning application for the proposals at Braemar Avenue Baptist Church. The application is submitted on behalf of Spacelab ("the Applicant").

This report and appendices include details of the planning proposals, planning policy, viability appraisal methodology, assumptions made to assess the scheme, and the results of the appraisal.

The financial viability appraisal is based on the proposals contained in the detailed planning application for the site. We have relied on information provided by the Applicant, other consultants appointed by the Applicant, and our own professional judgement in the preparation of the viability assessment detailed in this report.

4. Conflicts and impartiality

In preparing this financial viability assessment we have acted as external consultants, with objectivity, impartiality, without interference, and with reference to all appropriate available sources of information.

We can confirm that no performance related or contingent fees have been agreed in preparing this report.

We are not aware of any conflict of interest arising from undertaking this instruction, and hence we consider ourselves to be independent in terms of reporting to you.

5. Basis

The appraisal and figures in this report are not formal valuations and should not be relied upon as such. This is not a RICS (Royal Institution of Chartered Surveyors) compliant valuation report and is prepared in relation to financial viability analysis only.

We cannot accept responsibility for any errors or omissions in information provided to us.

6. Location and existing property

The application site is occupied by a religious facility comprising of two buildings. The main church building is a Grade II listed, late Gothic Revival church, which was built between 1907-08 by the Scottish architect George Baines and son Reginald Palmer Baines. Therefore, the building is considered of high aesthetic value. Adjacent to this is the Church Hall, which predates the main church. The Church Hall is not in good condition and currently being used as storage. We understand it does not form a critical part of the principal listed building's special interest.

The site also sits within the Trinity Gardens Conservation Area in Wood Green. The site is a short walk from Alexandra Park and Palace, as well as Alexandra Palace Station. Braemar Avenue is a predominately residential road, which leads off Bound Green Road. The subject site is located adjacent to a linear park called Nightingale Gardens. It is also a 10-minute walk from Wood Green Underground Station and a 14-minute walk from the high street and the Mall shopping centre.

7. Proposals

The development proposals seek the following:

The demolition of existing church hall structure and the construction of a residential development (Use Class C3) comprising 15 new homes and 2217 ft² of church/community floor space, and all associated infrastructure, access, plant, car/cycle parking, and hard and soft landscaping.

A breakdown of the accommodation schedule is set out below.

Unit reference	Floor	Unit type	Area M2	Area Ft2
0.1 (maisonette)	LG	2B3P apartment	73.2	788
0.2 (maisonette)	LG	2B3P apartment	70.7	761
0.3 (maisonette)	LG	2B3P apartment	70.7	761
0.4 (maisonette)	GF	3B4P apartment	84.2	906
0.5 (DDA)	GF	1B2P apartment	55.6	598
1.1	1 st	1B2P apartment	50	538
1.2	1 st	3B4P apartment	74	797
1.3	1 st	1B2P apartment	50	538
1.4	1 st	1B2P apartment	46.1	496
2.1	2 nd	1B2P apartment	50	538
2.2	2 nd	3B4P apartment	74	797
2.3	2 nd	1B2P apartment	50	538

2.4	2 nd	1B2P apartment	46.1	496
3.1	3 rd	2B3P apartment	63	678
3.2	3 rd	2B3P apartment	61	657
Total			918.6	9888

Full details of the proposed development can be viewed at **Appendix 1**.

8. Planning policy context

National

National Planning Policy Framework

The National Planning Policy Framework (NPPF), updated in July 2021, sets out the Government's planning policies for England and how these should be applied. It provides a framework within which locally prepared plans for housing and other development can be produced.

The NPPF states that all viability assessments should reflect the recommended approach in national planning guidance, including standardised inputs, and be made publicly available.

The NPPF (paragraph 58) states:

"It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage."

National Planning Practice Guidance

This National Planning Practice Guidance sets out the government's recommended approach to viability assessment for planning. Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Practice Guidance and be proportionate, simple, transparent and publicly available.

The NPPG states:

"In plan making and decision-making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission."

The NPPG states how land should be defined for purposes of viability assessment:

"To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner"

Regional

GLA Affordable Housing and Viability SPG (2017)

The Greater London Authority's (GLA) Affordable Housing and Viability Supplementary Planning Guidance 2017 outlines the Mayor's policy approach to affordable housing and viability. The Mayor advocates the 'Threshold Approach'; applications that meet or exceed the required affordable housing provision threshold will not be required to provide viability information, nor be subject to a review mechanism, provided an agreed level of progress is made following the grant of planning permission, where they:

- Deliver at least 35 / 50 per cent (applicable) affordable housing on-site without public subsidy;
- Are consistent with the relevant tenure split (see section on tenure below) and meet other obligations and requirements to the satisfaction of the LPA and the Mayor where relevant; and
- Have sought to increase the level of affordable housing beyond 35 / 50 per cent by accessing grant.

The minimum requirement for private sector land is 35 per cent affordable housing provision.

To ensure an applicant fully intends to build the permission, an Early Stage Viability Review will be triggered if an agreed level of progress on implementation is not made within two years of the permission being granted or as agreed with the LPA. Viability information will not be required at application stage for schemes following the Fast Track Route – if the review is triggered, changes in values and build costs will be determined at the point of review.

Where an application does not meet the threshold level, it must follow the Viability Tested Route. This requires detailed supporting viability evidence to be submitted as part of the application. The viability tested scheme will be subject to:

- An Early Stage Viability Review if an agreed level of progress on implementation is not made within two years permission being granted (or a period agreed by the borough);
- A Late Stage Viability Review which is triggered when 75% of the units in a scheme are sold or let (or a period agreed by the borough).

Local

London Borough of Haringey

Haringey Council's affordable housing policy for C3 residential developments is principally set out in the Development Management Development Plan Document (July 2017).

Section DM13 states any site that proposes more than 10 residential units, will be required to provide affordable housing.

Additionally, the Council will be seeking at least 40% of the dwellings to be of an affordable housing tenure. Off-site provision will only be acceptable in exceptional circumstance, where the proposed development can:

- a) Secure a higher level of affordable housing on an alternative site.
- b) Secure a more inclusive and mixed community in accordance with Policy DM11.
- c) Better address priority housing needs.

The policy also states that 60% of the affordable housing needs to be social/affordable rent and 40% intermediate housing.

It should be noted that the proposed development sits within a conservation area and can be identified within Haringey Council's Strategic Policies document, SP12 Conservation.

The Council states that development in these areas will not be permitted if there is a risk to the local views and the panoramic views of London, especially as Alexandra Palace is noted with the London Plan and London View Management Framework, as a strategically important Landmark Viewing Corridor: London Panorama 1.

Therefore, the Council will consider the impact of a development in terms of townscape, landscape and skyline and will seek to ensure the development is compatible with such views in terms of scale, setting and massing. The Council will also resist proposals that are considered harmful to these views.

9. Viability appraisal methodology

The approach to determining scheme viability in this report follows RICS guidance 'Assessing viability in planning under the National Planning Policy Framework 2019 for England (March 2021). Viability in planning is defined as:

'The process of assessing viability at the decision-taking stage by looking at whether the value generated by a development is more than the cost of developing it (PPG paragraph 010).'

The approach must be objective, with assumptions derived from reference to the market, specific to the proposals and not the applicant. In appraising the scheme, we have applied assumptions which are in line with established precedent and market expectations.

We have used the Argus Developer appraisal program to assess development viability. This is a widely used software package and is broadly accepted as an appropriate appraisal tool to assess scheme financial viability. Like most appraisal software, the gross value of the completed development is assessed, and the total cost of development subtracted from the value. Therefore, the output of the appraisal is the residual profit the developer would receive.

In order to determine viability, the residual profit is compared to a financial return which is comparable to the market's expectations. Taking into consideration the level of development risk associated with the project whilst providing an appropriate return in current market conditions.

Where the residual profit generated by the appraisal is greater than the benchmark profit, it is considered that the scheme is viable, conversely where the residual profit is less than the benchmark profit there will be a degree of profit erosion and the development is considered to be unviable.

10. Viability inputs

A summary report of our financial viability assessment appraisal can be found at **Appendix 2**.

10.1. Site value

We recognise that there is a value associated with the existing church and facilities. However, for the purpose of this assessment we did not include a value for the acquisition of the site. This reflects the terms agreed between Spacelab, the Applicant, and Braemar Avenue Baptist Church, the landowner.

10.2. Enabling costs

Enabling costs are included within the appraisal, in line with the understanding between the Applicant and the Church, who have agreed for development to commence onsite, the provision of a new church hall to replace the dilapidated hall currently on site as well as refurbishment works to the existing church.

Red Shell Consulting have estimated the build costs as set out below:

- Existing Church refurbishment - 

- Church community hall (new build) - [REDACTED]

Additionally, as part of the enabling agreement **Unit 1.2** will be assigned as a manse/vicar's residence and to be used at the Church's discretion. However, for the purpose of this viability assessment and in order to promote viability, we have included this unit within the development GDV, as a private unit. We reserve our position on this assumption.

- Manse/Vicar's Residence (Unit 1.2) - £545,000

10.3. Private residential values

An opinion of the open market sale value of the residential homes has been provided by Red Loft's Sales and Marketing team. The detailed Residential Pricing Report can be viewed at **Appendix 3**

The total private residential gross development value comes to the following figures:

- £6,797,000 GDV
- £687.40 per square foot average
- £453,133 average unit price

10.4. Sales

We have assumed 40% pre-sales and 2 units sold per month thereafter until the end of the sales programme.

10.5. Build costs

An estimate of build costs for the proposed development has been provided by Red Shell Consulting and can be found at **Appendix 4**.

The cost estimate is inclusive of demolition, preliminaries, overheads, contractor's profit, and risk / contingency.

The total build cost for the proposed residential development is estimated at [REDACTED], which equates to [REDACTED] per square foot. Total gross internal area equates to 12,292 ft².

We have allowed for a 22-month construction programme, which is considered appropriate for a scheme of this scale and nature.

10.6. Professional fees

Professional fees have been applied at 12% of total construction costs. These fees cover all professional fees associated with the design and procurement of the development.

Residential marketing fees are applied at 1.5% of the market residential sales values. Sales agency fees and sales legal costs are included at 1.5% and 0.35%.

These assumptions are in line with industry standards.

10.7. S106 and other planning obligations

We have assumed the Community Infrastructure Levy (CIL) contribution on the basis of the LB Haringey and the Mayoral CIL charging schedules. The CIL has been calculated using the gross residential area, as works for the church are exempt from these liabilities.

Haringey CIL – £261,697 (£229.21 per m2)

Mayoral CIL – £68,466 (£60 per m2)

Total CIL Liability - £330,163

The above obligations are estimates for the purpose of the viability assessment. Once finalised contributions are agreed with the Council, we reserve our position to include these sums within our assessment. Additional contributions sought will further erode the financial performance of the scheme and undermine viability.

10.8. Potential legal easements and insurance costs

No costs associated with extinguishing potential easements are included within our appraisal. Equally no allowance has been made for any indemnity policies required.

Owing to the stage of the project's development the Applicant has not established likely costs associated with extinguishing easements or putting in place any required indemnity policy. We therefore reserve our position on this assumption and if and when information comes forward, we will share this with the Council.

10.9. Finance costs

We have adopted an interest rate of 7%, which is considered reasonable in the current market. This rate is inclusive of finance arrangement fees, exit fees, and monitoring fees and makes no assumptions to reflect the cost of mezzanine funding. The finance rate is reflective of the borrowing rates for schemes of this scale and nature.

10.10. Benchmark profit

In the current market for a scheme of this nature banks are requiring a minimum return of 17.5 – 20% of GDV for mixed use developments.

The PPG states:

“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 the planned development. A lower figure may be more appropriate for delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk.”

The profit margin applied for site specific viability assessment should be sensitive to the risk associated with the development, taking account of uncertainty in the wider market also.

According to PwC's September 2022 Economic Forecast report, inflation is set to peak between 8-11% in 2022 depending on government intervention against rising energy prices to protect households and control inflation. It is likely that economic instability will persist for the rest of the year, as the government continue to announce new policies to combat rising inflation.

In line with guidance, the present viability assessment, and Red Shell Consulting's cost plan therein, is appraised at current day costs and values. It is important however to identify the risk associated with rising inflation, in particular in relation to construction cost elements. In Q2 2022 for example, BCIS recorded a 3.4% increase in the All-in TPI index compared to Q1 2022 indicating that tender price inflation will continue.

All of the above are risks associated with the development and the profit requirement for the purpose of the viability assessment should be informed by this. Therefore, 20% of GDV forms the benchmark profit allowance in our assessment.

11. Results and conclusion

The results of the viability test are summarised in the table below:

Residualised Profit	Benchmark Profit	Viable planning gain contributions
£673,360 (9.91% of GDV)	£1,359,400 (20% of GDV)	NIL

The appraisal generates a total residual profit of £673,360 or 9.91% of the estimated Gross Development Value; £686,040 below the total benchmark profit of £1,359,400 (20% of the GDV), which shows that proceeding with this scheme is a financial risk for the developer.

Based on the outcome of the objective viability appraisal assessment the scheme is not economically viable. It is therefore conclusive that the provision of additional affordable housing, section 106 obligations, or other planning gain contributions, exceeds the maximum viable level at the site in planning terms.

12. Sensitivity analysis

The above results clearly demonstrate that the financial viability of the scheme is challenging, when applying present day objective costs and values. To further test the scheme viability, we have conducted various sensitivity analyses of the key inputs.

Principally we have tested the impact on overall viability, subject to adjustments in private residential sale values and construction costs.

It is not possible to predict accurately how construction costs will fluctuate over the duration of the development period. Significant construction cost increases have been widely reported by BCIS over the past 6 months in particular, with 8.5% growth reported between Q2 2021 and Q2 2022. It is forecasted that build costs will continue to rise at this rate over the next year. The figures presented in our assessment reflect an objective assessment of construction costs. It is feasible however that costs may increase due to increases in energy prices and material/labour shortages. Or that an individual applicant may benefit from efficiencies in this area, enabling scheme delivery at a more economical rate.

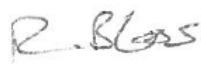
We have tested the scheme performance subject to incremental increases/decreases in build costs and sales.

A summary table of the above testing can be viewed below:



The results demonstrate that the scheme is sensitive to relatively small adjustments to the main viability inputs. However, an increase in private residential sale values, and a corresponding decrease in construction costs still demonstrates the profit level is still not in line with the market benchmark.

13. Authorised signatory



Robert Bloss MRICS

Head of Land & Viability

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Telephone 020 7729 0450



Barbara Nemeth

Senior Development Surveyor

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Telephone 020 7729 0450

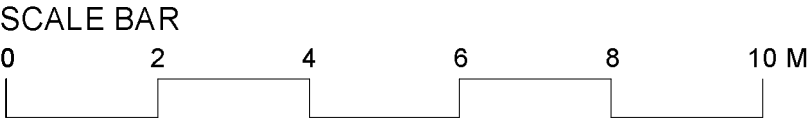


Appendices

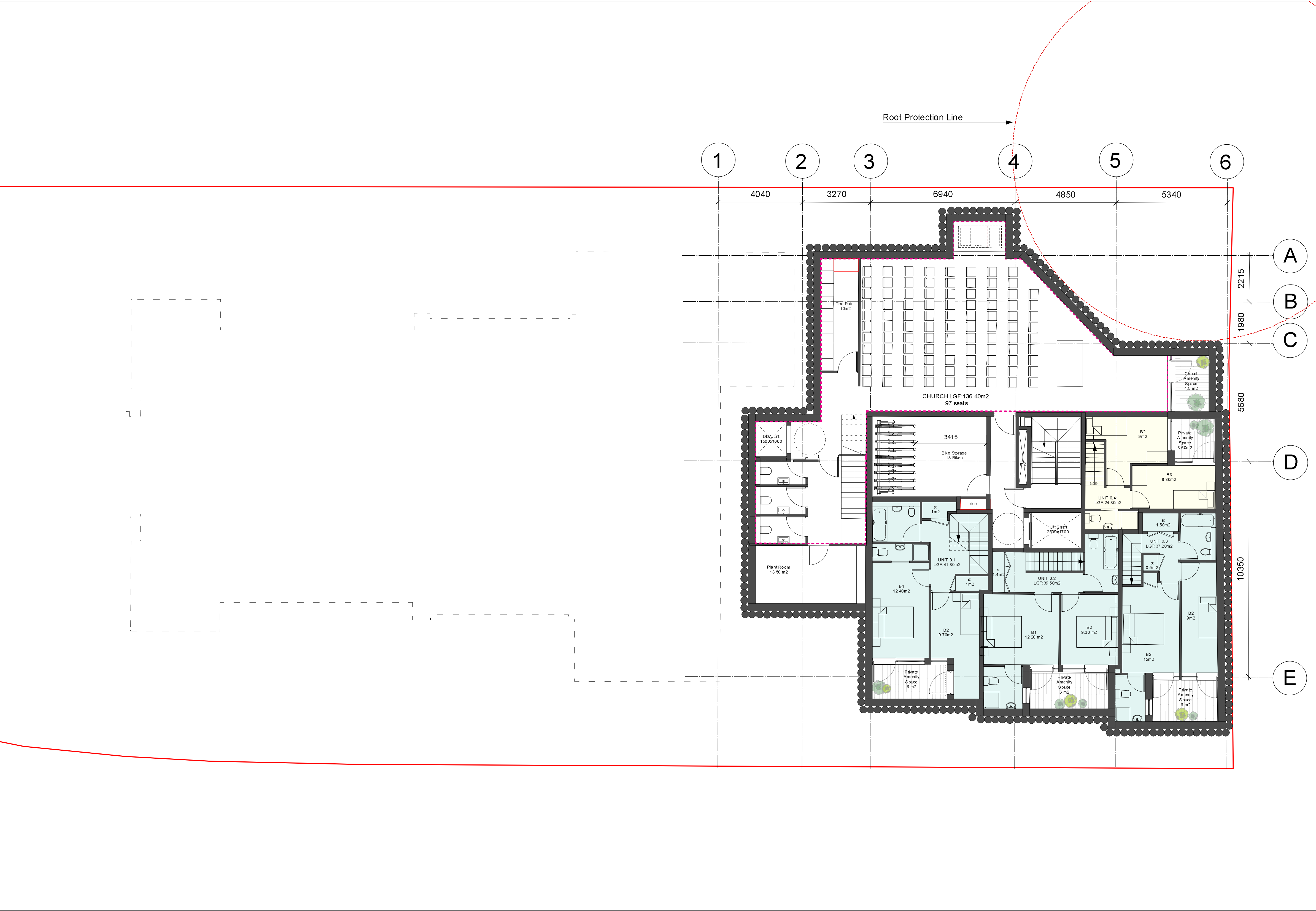
Appendix 1 – Scheme details



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KEY
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PROJECT

Braemar Avenue, Wood Green

DRAWING TITLE

Proposed Plans - Lower Ground Floor Plan

STATUS

Planning Application

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May 2022

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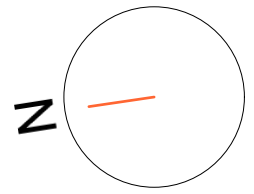
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REVISION

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- Indicates site boundary
- - - Indicates new space to be provided to the church
-  Indicates new trees to be planted

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Braemar Avenue, Wood Green

Proposed Plans - Ground Floor Plan

Planning Application

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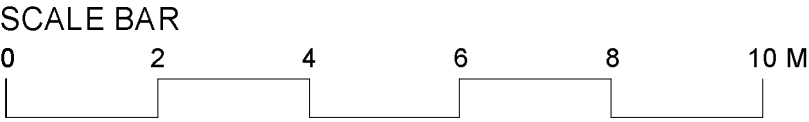
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PROJECT
Braemar Avenue, Wood Green

DRAWING TITLE
Proposed Plans - First Floor Plan

STATUS
Planning Application

DATE
May 2022

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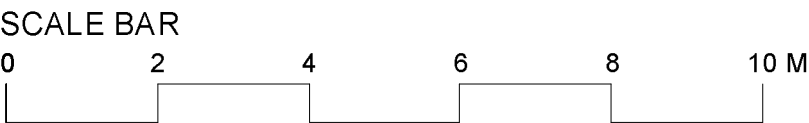
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PROJECT

Braemar Avenue, Wood Green

DRAWING TITLE
Proposed Plans - Second Floor Plan

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Planning Application

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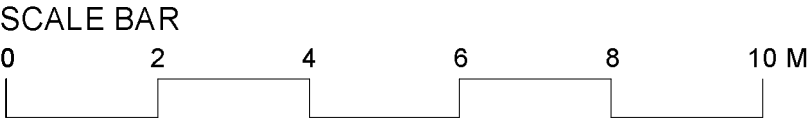
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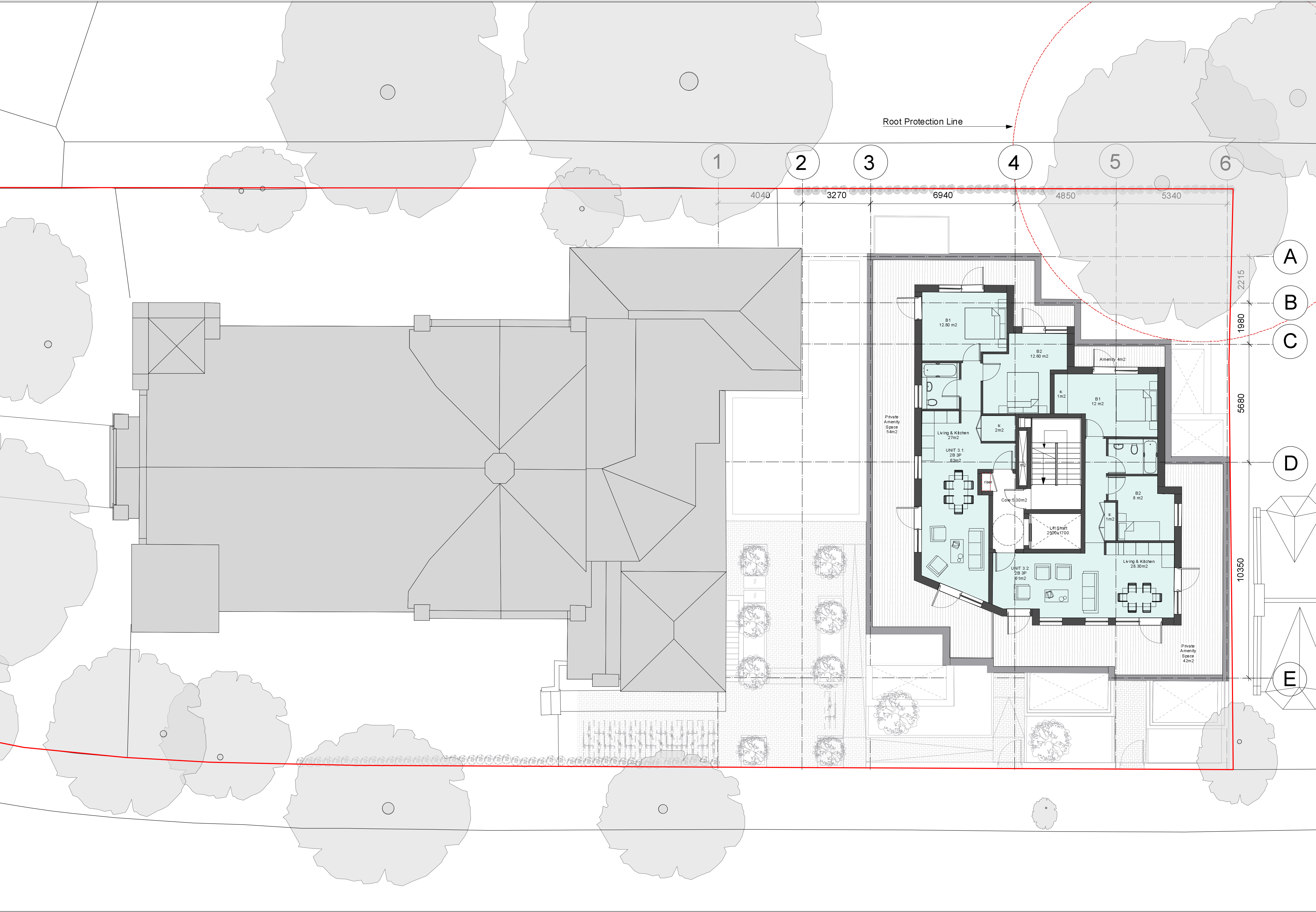
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PROJECT
Braemar Avenue, Wood Green

DRAWING TITLE
Proposed Plans - Third Floor Plan

STATUS
Planning Application

DATE
May 2022

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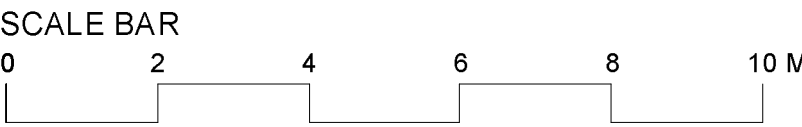
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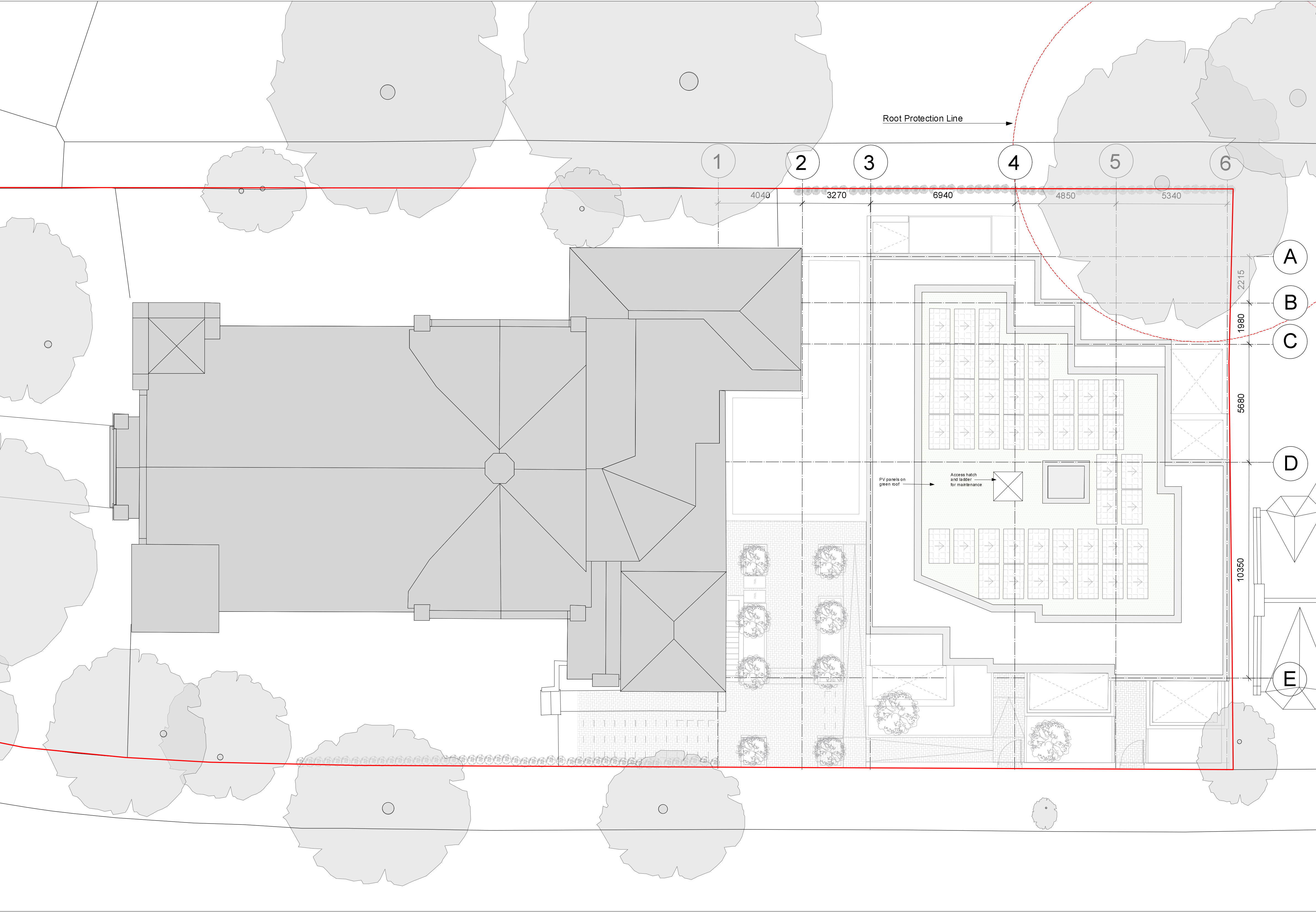
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- KEY
- Indicates site boundary
 - Indicates location of PV Panels



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PROJECT
Braemar Avenue, Wood Green

DRAWING TITLE
Proposed Plans - Roof Plan

STATUS
Planning Application

DATE
May 2022

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JOB NO.	TYPE	DRAWING NO.	REVISION
1802	GA	036	-

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Church Accommodation Schedule					
	Beds	People	Area [Sq M]	Amenity Space [Sq M]	Total

CHURCH/ COMMUNITY					
Existing					
Ground Floor Church	-	-	510	-	-
Tin Tabernacle	-	-	178	-	-
Proposal					
Lower Ground Floor	-	-	136.40	5	-
Ground Floor	-	-	65	-	-
TOTAL					
Additional Church Area					
	-	-	201.40	4.5	-
Additional Church Area with Existing	-	-	711.40	4.5	-

Residential Accommodation Schedule Option 1					
	Beds	People	Area [Sq M]	Amenity Space [Sq M]	Additional Amenity [Sq M]

RESIDENTIAL					
Lower Ground Floor					
Unit 0.1 [Maisonette]	2	3	73.2	6	11.5
Unit 0.2 [Maisonette]	2	3	70.70	6	9
Unit 0.3 [Maisonette]	2	3	70.70	6	5.50
Ground Floor					
Unit 0.4 (Maisonette)	3	4	84.20	26.60	-
Unit 0.5 [DDA]	1	2	55.6	6	-
First Floor					
Unit 1.1	1	2	50	5	-
Unit 1.2	3	4	74	9	-
Unit 1.3	1	2	50	5	-
Unit 1.4	1	1	46.1	6	-
Second Floor					
Unit 2.1	1	2	50	5	-
Unit 2.2	3	4	74	9	-
Unit 2.3	1	2	50	5	-
Unit 2.4	1	1	46.1	6	-
Third Floor					
Unit 3.1	2	3	63	54.65	-
Unit 3.2	2	3	61	46	-
TOTAL					
Total Residential Area	-	-	918.60	201.25	26
TOTAL UNITS					
[DDA]	1	2	-	-	1
	1	1			2
	1	2	-	-	4
	2	3	-	-	5
	3	4	-	-	3
Total Number of Units					
	-	-	-	-	15

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CLIENT SIGNATURE
CLIENT
-

PROJECT
Braemar Avenue, Wood Green

DRAWING TITLE
Accommodation Schedule

STATUS
Planning Application

DATE
May 2022

SCALE
-

JOB NO	TYPE	DRAWING NO	REVISION
1802	GA	080	-

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Appendix 2 – Financial viability appraisal

Appendix 3 – Residential Pricing Report

Residential Pricing Report

Braemar Avenue Baptist Church
London N22 7BY

Prepared on behalf of Spacelab

October 2022

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1. Executive summary

This residential pricing report is prepared for the proposed new build development at Braemar Avenue Baptist Church, Braemar Avenue, Wood Green, N22 7BY. The pricing exercise will inform the Financial Viability Assessment prepared by Red Loft in order to consider the level of affordable housing and associated S106 contributions to be provided within the development.

This is an assessment, applying comparative analysis, of the local housing market. This is not a RICS Red Book valuation and is prepared solely for use in relation to the Financial Viability Assessment.

We provide our pricing on the above scheme detailed in this report on the basis that it obtains planning permission, is completed to a good standard, and developed in accordance with the assumptions stated in this report.

In order to advise on the proposed development, we have been provided with various plans prepared by Spacelab. We understand that the scheme remains unchanged from this point in time. Full plans of the proposed scheme are contained within the planning application.

2. Economic context

According to The EY ITEM Club's Summer Forecast July 2022, it is predicted that GDP will grow by 3.7% this year, down by 0.4% forecasted in the spring. This will be followed by a 1% growth in 2023, and, as inflation falls back, the economy is expected to expand by 2.4% in 2024, a little faster than the company previously forecasted. EY ITEM Club are reluctant to point to a recession, as they believe the economy will narrowly miss two consecutive quarters of declining output, which would define a technical recession.

Additionally, at this moment, the Monetary Policy Committee are inclined not to overreact to the supply shocks and evoke a recession. However, KPMG's June 2022 Economic Outlook did not rule out the possibility of the UK falling into a mild recession next year if consumer spending decreases and the deterioration of the global economic scene continues. They predicted manufacturing and the financial services to be the worst affected sectors.

However, at the beginning of September, PwC released their UK Economic Outlook report, which took a far more dire viewpoint, suggesting the country could be hit with a recession this year. This forecast is based on a worst-case scenario regarding the energy crisis, and to what extent the government will intervene and provide support with rising energy bills. PwC has adopted a scenario-based analysis when forecasting the peak of inflation, which is predominantly based on energy price caps and government interventions. Therefore, they estimate that inflation could peak anywhere between 13% to 22% next year. The latter is assumed if no further price controls were introduced.

In September, the economy was placed into a tentative state due to several events:

- New Prime Minister – Liz Truss was elected Prime Minister, followed by a cabinet office reshuffle. Her 'Mini Budget' announcement took place on Friday 23rd September.
- The Ukraine War – In mid-September positive advancements were reported against Russia's invasion attempts.
- The Queen's Death – Most significantly, Her Majesty, Queen Elizabeth II passed away on Thursday 8th September, and the UK was placed into a 10-day mourning period, with a bank holiday for her funeral on Monday 19th September. There were several governing announcements scheduled, however these were postponed whilst the country mourned.

Chancellor Kwasi Kwarteng delivered a 'Mini Budget' on 23rd September, setting out the government's plan to tackle the energy crisis and the rising cost of living. As a result of the poorly

received 'Mini Budget', the Sterling Pound dropped to an all-time low against the US dollar, causing panic in the market, as reported by the BBC. For the time being, it is difficult to forecast the UK's economic outlook, as the government and the Bank of England try to mitigate the impact.

It is hoped in the coming months the UK will have a firmer understanding of its economic outlook. The Bank of England has also increased interest rates to 2.25%, which was widely predicted during the summer, and this has followed through to a rise in mortgage rates and a tightening of mortgage approval criteria. Additionally, there is currently a lot of confusion about whether the economy is slowing down or has fallen into a recession. Regardless, it does appear that a full recession is inevitable, due to external global factors and the government's rising debt. Many economic commentators such as PwC, EY and Capital Economics all predict a recession, with the latter forecasting it will take place this year.

3. Subject property

The surrounding context of the application site is pre-dominantly residential in nature, occupied by mostly terraced houses with gardens to the rear. The site in question comprises two church buildings. The main building is a grade II listed, late Gothic Revival church, which was built between 1907-08 by the Scottish architect George Baines and son Reginald Palmer Baines and therefore considered to be of high aesthetic value. Adjacent to this is the Church Hall, which predates the main church. This building is not in good condition and currently being used as storage. We understand it does not form a critical part of the principal listed building's special interest.

The site also sits within the Trinity Gardens Conservation Area in Wood Green and is a short walk from Alexandra Park and Palace, as well as Alexandra Palace Station. The site is also a 10-minute walk from Wood Green Underground Station and a 14-minute walk from 'the Mall' shopping centre and other amenities on the high street.

4. Local market profile

This section looks at trends evidenced in transaction prices on the Land Registry database.

Appendix 1 sets out the relevant data for Haringey between September 2021 and July 2022, the latest data set available. Over the course of this period, the average price paid for residential properties in the area has increased from £579,727 to £606,699. It should be noted that detached properties performed very well whilst semi-detached houses, terraced houses and flats saw a moderate increase. Detached property prices went from £2,079,165 to £2,184,562, with the greater increases seen between April and July 2022. This growth is likely to have been driven in part by a shift in consumer trends, such as increasingly seeking outdoor space and larger properties due to the need to work from home during the lockdowns endured over the past few years. Flats and maisonettes saw the least uplift, with pricing increasing from £480,615 to £495,099.

It should also be noted that the Help to Buy scheme is due to come to an end in March 2023, with buyers needing to secure reservations by the end of October 2022 to still be eligible. There is a level of uncertainty forming in the market, as mortgage rates continue to rise and stepping onto the property ladder will become significantly harder with the end of this scheme, especially within London. In September 2022, the government did announce increases in Stamp Duty thresholds, which will benefit first time buyers most and it is hoped this will keep the market active. Furthermore, it is assumed that the many buyers who would have qualified for Help to Buy will now look towards the government's other buying schemes, such as Shared Ownership and First Homes, as affordability remains a growing concern across the market.

5. Development description

The proposed scheme is described as follows: ‘

The demolition of existing church hall structure and the construction of a residential development (Use Class C3) comprising 15 new homes and 2217 ft² of church/community floor space, and all associated infrastructure, access, plant, car/cycle parking, and hard and soft landscaping.

We include a breakdown of the residential element in the table below:

Unit reference	Floor	Unit type	Area M2	Area Ft2
0.1 (maisonette)	LG	2B3P apartment	73.2	788
0.2 (maisonette)	LG	2B3P apartment	70.7	761
0.3 (maisonette)	LG	2B3P apartment	70.7	761
0.4 (maisonette)	GF	3B4P apartment	84.2	906
0.5 (DDA)	GF	1B2P apartment	55.6	598
1.1	1 st	1B2P apartment	50	538
1.2	1 st	3B4P apartment	74	797
1.3	1 st	1B2P apartment	50	538
1.4	1 st	1B2P apartment	46.1	496
2.1	2 nd	1B2P apartment	50	538
2.2	2 nd	3B4P apartment	74	797
2.3	2 nd	1B2P apartment	50	538
2.4	2 nd	1B2P apartment	46.1	496
3.1	3 rd	2B3P apartment	63	678
3.2	3 rd	2B3P apartment	61	657
Total			918.6	9887.7

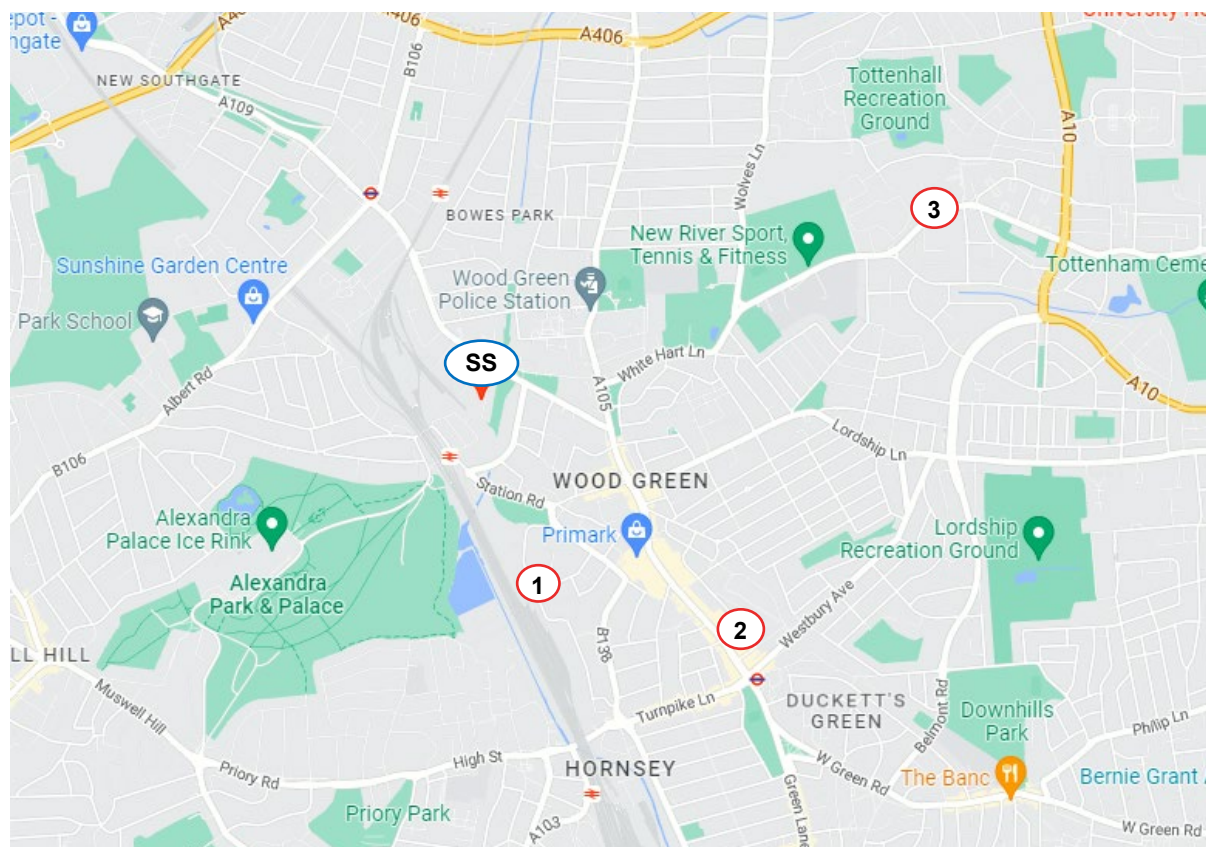
6. Market comparables

6.1. New build comparables

We have undertaken research of recent new build schemes within a 2-mile radius of the subject site and considered those we believe to be the most comparable in nature to the proposed development.

The schemes we have analysed are listed and set out on the map below (SS - Subject Site):

1. Clarendon
2. The Icon
3. The Lane



We summarise the comparable evidence analysed below:

St Williams: Clarendon, N8 0ER



Clarendon is a development by the Berkeley Group and sits within its St Williams branch. This is a large scale regeneration scheme, with nearly 1700 units due to be built and includes a residents' concierge, gym with swimming pool and sauna, spa facilities, landscaped courtyards, playground, residents only courtyards, bike storage, and underground parking (at an additional cost).

The apartments are designed to a high specification and offer the choice of three interior styles, all units come with built in wardrobes to the master bedroom, and well sized private balconies/terraces. Kitchens

are well designed with the option of adding a breakfast bar and dropdown lighting. Certain units also offer views of the iconic Alexandra Palace.

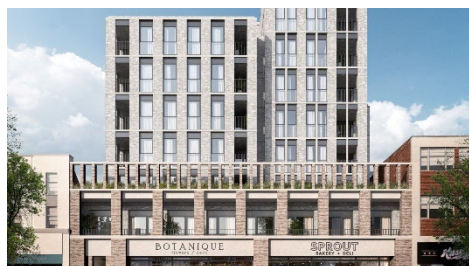
The scheme is now selling its second phase, and below we include the latest transactions recorded at the first phase of the development, which began marketing in September 2018 and completed in January 2021.

Beds	Average price	M2	Ft2	£/ft2
1	£436,606	52.9	570	£769
2	£556,252	69	592	£747
3	£737,500	107	1147	£643

Sold prices within the development can be summarised as follows:

Unit	Beds	Achieved price	Date	M2	Ft2	£/ft2
FLAT 114	1	£454,080	30/06/2021	52	560	£811
FLAT 121	1	£443,680	30/06/2021	55	592	£749
FLAT 34	2	£549,900	30/06/2021	69	743	£740
FLAT 43	2	£547,000	30/06/2021	70	753	£725
FLAT 117	2	£552,370	30/06/2021	70	753	£733
FLAT 154	2	£600,000	28/06/2021	72	775	£774
FLAT 165	2	£510,000	25/06/2021	60	646	£789
FLAT 95	2	£540,000	25/06/2021	65	700	£771
FLAT 28	2	£493,950	25/06/2021	71	764	£646
FLAT 10	1	£432,250	21/06/2021	57	614	£704
FLAT 156	1	£370,360	15/06/2021	41	441	£839
FLAT 169	3	£750,000	01/06/2021	105	1,130	£663
FLAT 135	1	£458,880	28/05/2021	55	592	£775
FLAT 150	2	£585,000	28/05/2021	69	743	£787
FLAT 152	2	£590,000	28/05/2021	70	753	£783
FLAT 99	2	£555,000	24/05/2021	70	753	£736
FLAT 151	2	£585,000	24/05/2021	71	764	£765
FLAT 62	2	£600,000	20/05/2021	69	743	£807
FLAT 93	1	£434,700	07/05/2021	55	592	£734
FLAT 24	2	£515,200	04/05/2021	70	753	£683
FLAT 46	1	£415,625	28/04/2021	51	549	£757
FLAT 167	3	£725,000	28/04/2021	108	1,163	£623
FLAT 146	1	£446,400	26/04/2021	55	592	£754
FLAT 164	2	£582,180	26/04/2021	68	732	£795
FLAT 166	2	£564,480	26/04/2021	71	764	£738
FLAT 155	1	£480,000	23/04/2021	57	614	£782
FLAT 29	2	£515,060	20/04/2021	70	753	£683
FLAT 33	2	£547,400	20/04/2021	70	753	£726
FLAT 161	2	£580,000	20/04/2021	70	753	£769
FLAT 32	1	£430,080	19/04/2021	51	549	£783

Clarendon is considered a suitable comparable to the subject development due to its close proximity. However, this is a large scale regeneration scheme, which offers multiple residential amenities and will provide future employment opportunities with a shopping quarter planned as part of the wider development. This scheme will help to masterplan and improve the local community. It is expected to drive house price growth in the area in the future.

The Icon, N22 6BX

The Icon is a new development that is due to launch in October 2022, and consists of 99 private units, with commercial space, bike storage, car parking and a residents' landscaped roof terrace. There are one, two and three bedroom apartments available. The development is a short walk from Turnpike Lane Station.

The apartments are designed to a high specification, which includes stone worktops, integrated appliances, engineered wood flooring and each apartment has access to a private balcony/terrace. All units are well laid out and are a good size.

Asking prices within the development can be summarised as follows:

Flat	Beds	M2	Ft2	Asking price	£/ft2	Date
A.704	Studio	39	421	£350,000	£831	Sep-22
A.501	1	50	540	£435,000	£806	Sep-22
B.802	1	50	539	£450,000	£835	Sep-22
A.504	2	62	666	£540,000	£811	Sep-22
B.701	2	81	871	£620,000	£712	Sep-22
A.605	3	78	841	£675,000	£803	Sep-22

The Icon is considered a good comparable due to its close proximity to the development. Although, the apartments are designed to a high specification, the site sits on Wood Green High Street which is not as desirable when compared against local high streets such as those in Crouch End and Muswell Hill. However, it does benefit from being within a short walk of Turnpike Lane Underground Station, which will be a key selling point against competitors in the area.

The Lane

The Lane is a Fairview development located towards Tottenham, which sits on White Hart Lane and is a short walk from White Hart Lane Station.

The development offers 115 units with a mix of one, two and three bedroom apartments, landscaped courtyards, and parking (limited availability). The units are designed to a good standard but not to the same level as the other comparables and is set within a less desirable area. The apartments include fully integrated kitchen appliances, black Brazil worktops, carpeted bedrooms. Built-in

wardrobes are not provided. However, the apartments are very generous in size when compared to the other developments.

Sold prices within the development can be summarised as follows:

Beds	Average price	M2	Ft2	£/ft2
1	£344,350	55	592	£581
2	£442,682	75	804	£551
3	£505,214	86	929	£543

Full breakdown of sales:

Unit	Beds	Achieved price	Date	M2	Ft2	£/ft2
FLAT 26	3	£500,000	26/02/2021	88	947	£527
FLAT 36	1	£340,000	19/02/2021	53	570	£595
FLAT 31	3	£504,000	16/02/2021	85	915	£550
FLAT 35	1	£355,000	10/02/2021	57	614	£578
FLAT 33	2	£452,000	08/02/2021	78	840	£538
FLAT 34	2	£450,000	05/02/2021	71	764	£588
FLAT 29	1	£373,000	29/01/2021	57	614	£607
FLAT 28	2	£449,000	29/01/2021	71	764	£587
FLAT 13	2	£442,500	29/01/2021	75	807	£548
FLAT 30	1	£340,000	25/01/2021	53	570	£595
FLAT 15	2	£415,000	25/01/2021	78	840	£494
FLAT 27	2	£468,000	25/01/2021	78	840	£557
FLAT 12	2	£425,000	22/12/2020	70	753	£564
FLAT 13	3	£490,000	22/12/2020	85	915	£535
FLAT 18	1	£345,000	18/12/2020	53	570	£604
FLAT 24	1	£345,000	18/12/2020	53	570	£604
FLAT 17	1	£333,000	18/12/2020	57	614	£542
FLAT 23	1	£346,000	18/12/2020	57	614	£563
FLAT 4	2	£430,000	18/12/2020	69	743	£578
FLAT 21	2	£453,000	18/12/2020	78	840	£539
FLAT 19	3	£510,000	18/12/2020	85	915	£557
FLAT 20	3	£520,000	18/12/2020	88	947	£548
FLAT 11	2	£450,000	17/12/2020	76	818	£550
FLAT 8	3	£513,000	17/12/2020	88	947	£541
FLAT 7	3	£499,500	11/12/2020	85	915	£545
FLAT 11	1	£346,000	09/12/2020	57	614	£563
FLAT 9	2	£435,000	09/12/2020	78	840	£518
FLAT 12	1	£320,500	08/12/2020	53	570	£561

The Lane is considered a very good example as this site sits between Wood Green and Tottenham and therefore is a similar distance away from local amenities when compared to the subject scheme. Additionally, the apartments are designed to a good basic specification, and the subject units are expected to be completed to a similar style. It also offers limited residential amenities, which is similar to the subject development too. Furthermore, it should be noted that the subject site is located in a more desirable area due to its close proximity to Alexandra Palace, and that prices can vary significantly within Haringey due to its diverse submarkets.

6.2. Re-sale comparables

In order to establish the baseline values for the proposal at the subject site we have also given due regard to re-sale properties of in the surrounding area. The re-sale data compiled, can be viewed in full at **Appendix 2**.

We summarise the data in the table below:

Unit type	Sold price range	Average size (ft2)	Average £/ft2
1 bed flat	£275,000 - £412,500	506	£670
2 bed flat	£310,000 - £550,000	691	£623
3 bed flat	£500,000 - £606,000	824	£676

All the collected re-sale comparable units are within 2 miles of the application site. They were sold between January 2021 and October 2022.

7. Pricing

7.1. Private units

With consideration to the comparables detailed above, the below table provides an overview of the price level we consider appropriate for the different unit types in the proposed scheme.

Unit reference	Floor	Unit type	Area M2	Area Ft2	Price	£psf
0.1 (maisonette)	LG	2B3P apartment	73.2	788	£532,000	£675
0.2 (maisonette)	LG	2B3P apartment	70.7	761	£535,000	£703
0.3 (maisonette)	LG	2B3P apartment	70.7	761	£530,000	£696
0.4 (maisonette)	GF	3B4P apartment	84.2	906	£605,000	£668
0.5 (DDA)	GF	1B2P apartment	55.6	598	£405,000	£677
1.1	1 st	1B2P apartment	50	538	£375,000	£697
1.2	1 st	3B4P apartment	74	797	£545,000	£684
1.3	1 st	1B2P apartment	50	538	£375,000	£697
1.4	1 st	1B2P apartment	46.1	496	£345,000	£695
2.1	2 nd	1B2P apartment	50	538	£375,000	£697
2.2	2 nd	3B4P apartment	74	797	£545,000	£684
2.3	2 nd	1B2P apartment	50	538	£375,000	£697
2.4	2 nd	1B2P apartment	46.1	496	£345,000	£695
3.1	3 rd	2B3P apartment	63	678	£470,000	£693
3.2	3 rd	2B3P apartment	61	657	£440,000	£670
Total			918.6	9888	£6,797,000	

7.2. Assumptions

Below is a list of assumptions we have made while undertaking the pricing of the scheme:

- We have priced the properties on a unit-by-unit basis. We note that there will be some variation in the pricing subject to the following factors: specification, floor level and position, car parking, internal unit layouts and amenity space.
- Our pricing has been carried out on the basis that the units are completed to a reasonable specification.
- We have assumed all flats for private sale will be sold on leases of 125 years or longer.
- We have made an assumption that the external amenity spaces will be landscaped to a high quality.
- We have assumed that the noise insulation to all apartments will be to a high industry standard.
- Prices assume that the blocks do not have their own designated concierge / porter service.

8. Sales period

8.1. Sales rate

We would expect 40% of the private residential units to be sold prior to practical completion.

9. Authorised signatory

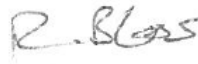


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APPENDICES

APPENDIX 1 – Haringey Land Registry Data

Period	Sales volume	Average price All property types	% Change (monthly)	% Change (yearly)	Average price Flats and maisonettes
2021-09	284	£579,727	0.79	1.56	£480,615
2021-10	116	£593,323	2.35	1.18	£489,990
2021-11	135	£585,911	-1.25	0.94	£484,971
2021-12	142	£578,248	-1.31	-0.84	£478,069
2022-01	136	£590,447	2.11	-0.04	£486,302
2022-02	107	£592,676	0.38	1.71	£487,766
2022-03	141	£594,257	0.27	3.19	£488,586
2022-04	123	£585,109	-1.54	4.9	£480,034
2022-05	112	£591,484	1.09	6.06	£483,216
2022-06		£590,997	-0.08	5.18	£482,642
2022-07		£606,699	2.66	8.53	£495,099

APPENDIX 2 – Re-sale comparables

Unit reference	Unit type	Size (ft2)	Sold price	£/ft2	Sold date
Flat 42 Cornwall Avenue	3 bed flat	753	£500,000	£664	Jun-22
51 Bounds Green Road	2 bed flat	678	£452,000	£667	Nov-21
47a Park Avenue	2 bed flat	657	£550,000	£575	Jun-21
Flat 4 46 Park Avenue	1 bed flat	506	£350,000	£692	Aug-21
18 Imperial Road	1 bed flat	530	£412,500	£779	May-21
70 Trinity Road	2 bed flat	667	£415,000	£622	Jun-21
Flat 27 Madderfield Court, Bailey Close	1 bed flat	474	£310,000	£655	Oct-21
Flat 6 Noel House, 78 Finsbury Road	3 bed flat	894	£606,000	£678	Mar-22
26 Whittington Road	3 bed flat	764	£550,000	£720	Jun-21
44 Whittington Road	2 bed flat	560	£510,000	£911	Jan-22
32a Clarence Road	2 bed flat	786	£484,000	£616	Mar-21
51 Eastern Road	1 bed flat	484	£275,000	£568	Feb-22
Flat B 41 Park Avenue	2 bed flat	560	£400,000	£715	May-22
17a Ranelagh Road	1 bed flat	538	£352,000	£654	Oct-21
4a Pellatt Grove	3 bed flat	883	£565,000	£640	Nov-21
3 Clarence Court	2 bed flat	726	£390,000	£537	Sep-21
Flat 2 14 Trinity Road	2 bed flat	743	£450,000	£606	Jun-21
128 Station Road	2 bed flat	689	£466,500	£677	Jun-21
12a Palace Gate Road	2 bed flat	663	£310,000	£467	Jun-21
Flat C 336 Alexandra Park Road	2 bed flat	872	£400,000	£459	Sep-21



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Appendix 4 – Cost estimate



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