



U.L.L. Property

DEVELOPMENT | AFFORDABLE HOUSING

PRIVATE & CONFIDENTIAL

Financial Viability Assessment

**Seven Sisters Road/ Eade Road
Harringay Warehouse District
London N15 6RD**

London Borough of Haringey

Prepared for Provewell Limited

March 2023



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1. Executive Summary

- 1.1 The proposed development at the corner of Seven Sisters Road and Eade Road will be a Warehouse Living scheme, providing living and working accommodation for people of the Harringay Warehouse District.
- 1.2 In terms of planning and viability, the applicant's advisers have considered the most appropriate methodology for appraising the development in financial terms.
- 1.3 In relation to planning policy Warehouse Living is a new concept; the way the new spaces will be used relates to the evolving occupation of existing buildings in the Harringay Warehouse District. The planning use classes are sui generis for the 'living' element and Class E for the workspace. However in property and financial aspects the buildings will derive rents from residential occupiers; in this respect the property resembles a Build to Rent asset. For this reason we have appraised the development using Build to Rent financial methodology.
- 1.4 As part of the detailed planning application, Provewell Limited has instructed U.L.L. Property to assess, and report on, the financial viability of providing affordable housing and Section 106 financial contributions as part of the development proposal.
- 1.5 The London Borough of Haringey has policy targets for affordable housing provision as part of new residential developments, and these targets are not intended to restrain development, based on the outcome of economic viability testing. ^[1]_{SEP}
- 1.6 The Site is located at the corner of Eade Road and Seven Sisters Road, and occupies an area to the front of Cara House. The Site measures approximately 0.23 hectares.
- 1.7 The planning application seeks detailed planning permission for a mixed development comprising new warehouse living (sui generis) and other mixed commercial space (Class E). The description of development is:

'Construction of two new buildings to provide new warehouse living accommodation (Sui Generis (warehouse living)), ground floor café/ workspace (Use Class E) and associated waste collection and cycle parking. Erection of 10 stacked shipping containers (two storeys) to provide workspace/ artist studios (Use Class E), toilet facilities and associated waste collection and cycle parking. Landscape and public realm enhancements including the widening of and works to an existing alleyway that connects Seven Sisters and Tewkesbury Road, works to Tewkesbury Road, the creation of rain gardens, greening, seating, signage and artworks and all other associated infrastructure works, including the removal of an existing and the construction of a new substation to service the new development'
- 1.8 The viability of the proposed development has been tested in accordance with National Planning Guidance, London Plan policy and Supplementary Planning Guidance, and LB Haringey policy.
- 1.9 The Gross Development Value for the scheme is £20,574,000 (rounded) based on the investment value of the completed development.



- 1.10 The Argus appraisal for the proposed development calculates a residual return for the proposed development of £1,463,000.
- 1.11 The Benchmark Return is assessed as £2,607,000, based on market levels of return on GDV.
- 1.12 The net residual return is therefore -£1,144,000 (negative).
- 1.13 In conclusion, the subject proposals do not viably sustain an affordable housing contribution, or further Section 106 financial contributions.
- 1.14 We understand the Applicant wishes to discuss with the Council the prospect of providing subsidised affordable bedrooms during the application stage.



2. Instructions & Report Context

2.1 Provewell Limited (the 'Applicant') intends to submit a planning application to the London Borough of Haringey (the 'Council') in respect of the Site known as Seven Sisters Road/ Eade Road, London N15 6RD ('the Site').

2.2 The planning application seeks detailed planning permission for:

"Construction of two new buildings to provide new warehouse living accommodation (Sui Generis (warehouse living)), ground floor café/ workspace (Use Class E) and associated waste collection and cycle parking. Erection of 10 stacked shipping containers (two storeys) to provide workspace/ artist studios (Use Class E), toilet facilities and associated waste collection and cycle parking. Landscape and public realm enhancements including the widening of and works to an existing alleyway that connects Seven Sisters and Tewkesbury Road, works to Tewkesbury Road, the creation of rain gardens, greening, seating, signage and artworks and all other associated infrastructure works, including the removal of an existing and the construction of a new substation to service the new development".

2.3 As part of the planning application the Applicant has instructed ULL Property to assess, and report on, the economic viability of providing affordable housing and Section 106 financial contributions as part of the development proposal.

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2.4 This viability assessment has been prepared with regard to the policies and guidance available at national, regional and local levels, and carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) professional statement 'Financial viability in planning: conduct and reporting' (1st edition, May 2019, effective from September 2019).

2.5 U.L.L. is a property services company specialising in development consultancy, affordable housing, economic viability and project management. The company aims to find viable solutions, which facilitate development, while at the same time supporting the reasonable mitigation of development impact. In so doing, we operate at the centre of development economics; assisting developers and Local Planning Authorities reach effective solutions against a challenging financial background.

2.6 This report has been prepared by Richard Ashdown, who has in excess of 25 years experience in residential development and consultancy. Richard held numerous senior positions in the industry before starting ULL Property where he is now Managing Director. ULL Property currently advises house builders and developers on property assets valued at more than £4 billion.

Limitations

2.7 This report does not constitute a valuation and should not be relied upon for valuation purposes.

2.8 It is provided for the sole use of the party to whom it is addressed. It is confidential to the addressee and their professional advisors. ULL Property accepts no responsibility whatsoever to any person other than the client themselves.



2.9 Neither the whole nor any part of this report nor any reference thereto may be included in any published document, circular, or statement, or published in any way, without the prior written approval of ULL Property.

Information relied upon

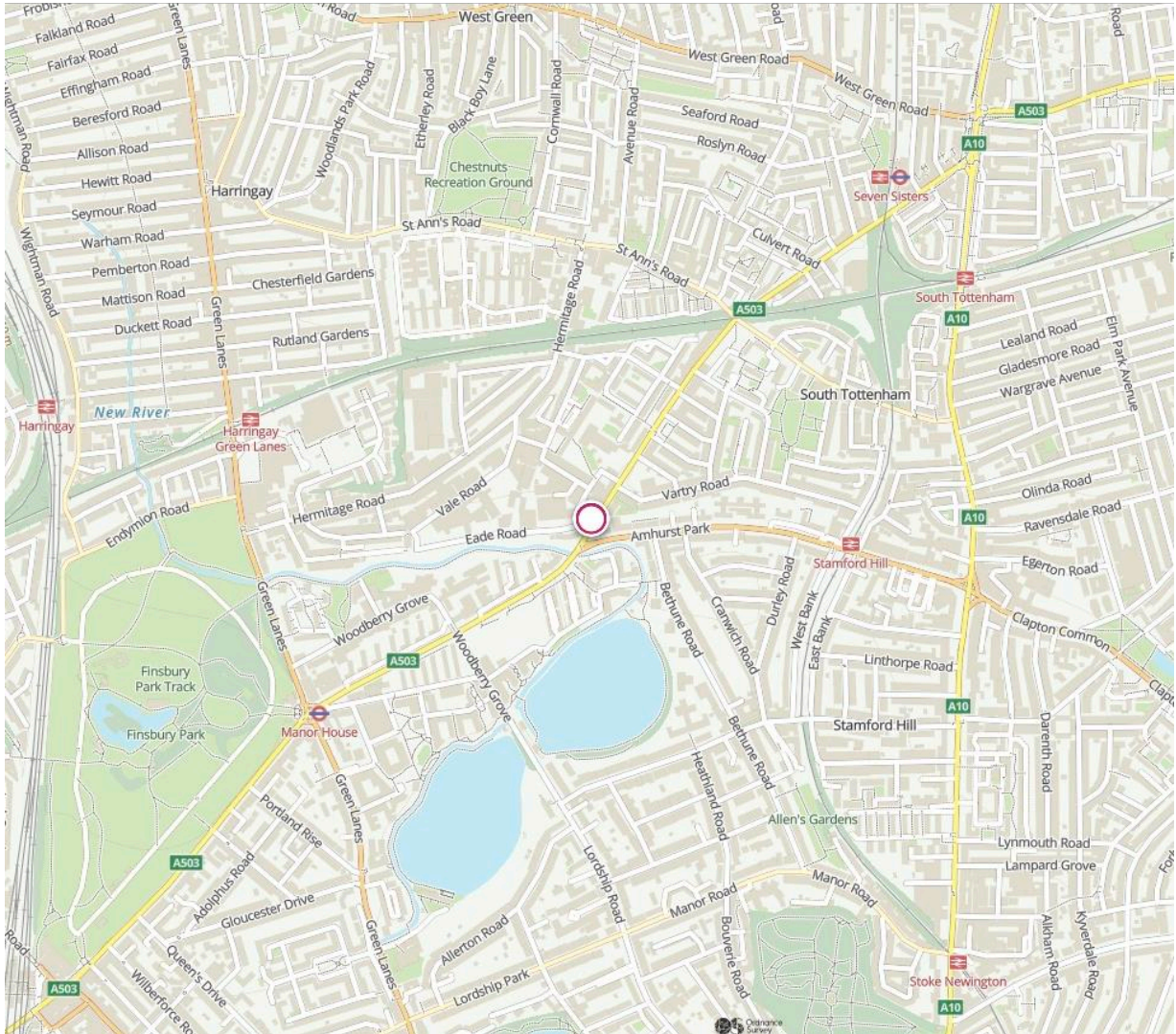
2.10 We have been provided with, and relied upon:

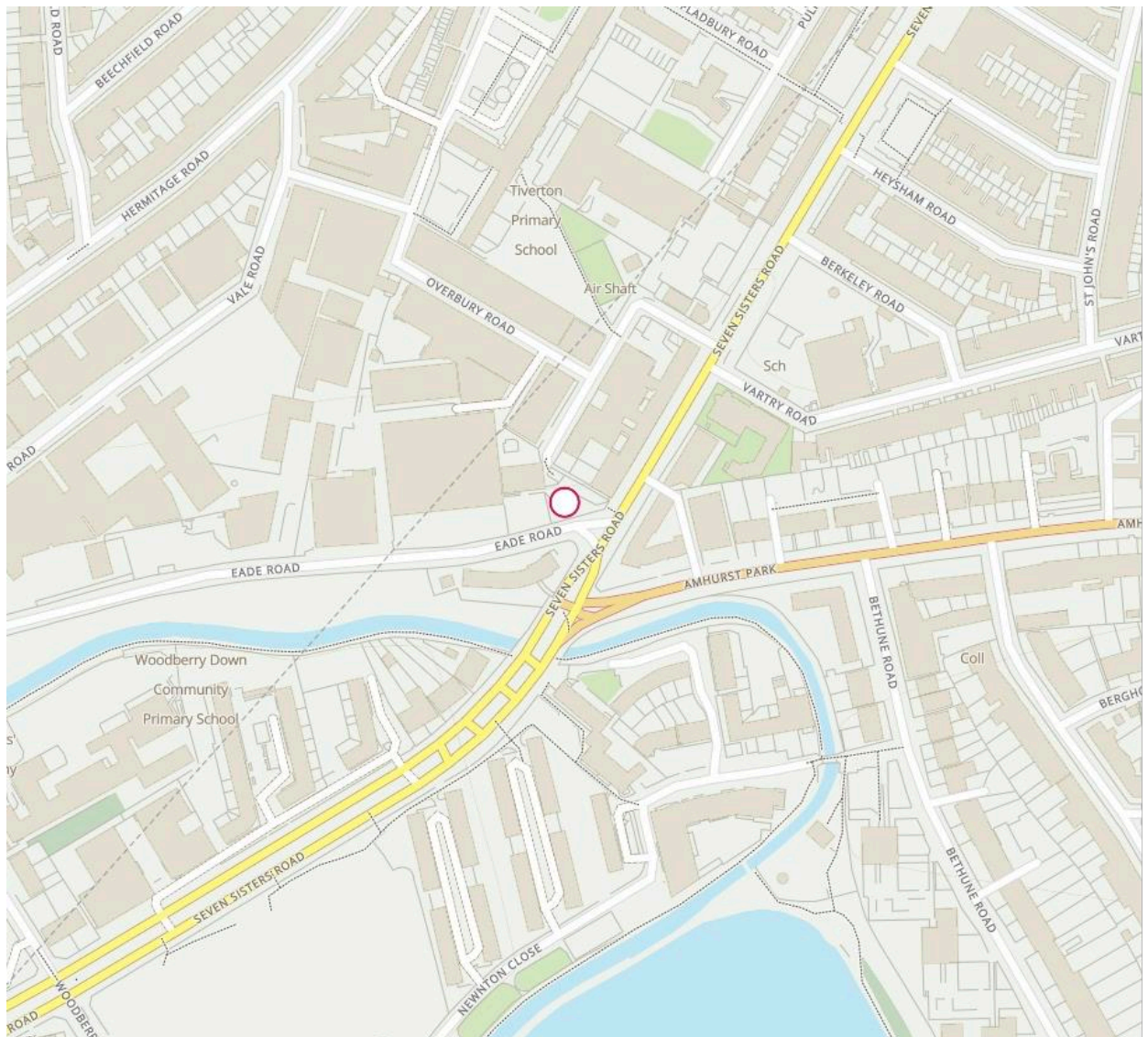
- Planning application drawings prepared by Morris & Co Architects
- Construction order of cost estimate prepared by Hennessy Godden

3. Project Details

Location

- 3.1 The Site is located at the corner of Eade Road and Seven Sisters Road, London N15 6RD. The maps below show the Site location.





Existing Site

- 3.2 The Site is located on the corner of Seven Sisters Road (which at this point runs broadly South-West to North-East) and Eade Road (which runs West to East to meet Seven Sisters Road). The Site is for the most part vacant land which surrounds the existing Cara House warehouse living building, and extends across an existing footpath which forms the Site's North-East border. Eade Road forms the Site's southern border.
- 3.3 The Site slopes significantly, downwards from Eade Road to the South (26.8 m AOD), to Tewkesbury Road to the North-East (19.3 m AOD). The footpath referred to in 3.2 above is an alleyway formed by an existing retaining wall bordering the subject Site, and the flank wall of no. 341 Seven Sisters Road.
- 3.4 While Cara House is within the Site it does not form part of the development proposal and will remain.
- 3.5 The Site area is approximately 0.23 hectares.



Transport

- 3.6 The Site is approximately equidistant between Manor House underground station to the South-West (on the Piccadilly Line) and Seven Sisters underground station to the North-East (on the Victoria Line). Stamford Hill station, 10 minutes' walk to the East of the Site, is on the London Overground.
- 3.7 Seven Sisters Road is the A503 which leads to A10 trunk road, which takes traffic South to the City of London and North to the M25 and beyond to King's Lynn in Norfolk; extensive bus services operate on Seven Sisters Road, Amhurst Park and the surrounding area.
- 3.8 The Site has a PTAL rating of 5.

Scheme Proposals

The proposed development comprises the redevelopment of the Site to provide 2 new buildings of mixed commercial/housing floorspace; the housing element is a sui generis planning designation. The Planning Statement which accompanies the planning application describes at Section 7 therein, the accommodation to be provided. This is summarised as follows:

Commercial accommodation – Class E

Floor	NIA (Sq M)	NIA(Sq Ft)
Basement 02	99.6	1,072
Basement 01	123.9	1,334
Ground	162.8	1,752
Total	386.3	4,158

Housing element – Sui Generis

Floor	Bedrooms	Kitchen/Diners	Bathrooms
Ground	4	1	2
First	18	3	7
Second	18	3	7
Third	18	3	7
Fourth	12	2	5
Fifth	12	2	5
Sixth	13	2	5
Seventh	6	1	2
	101	17	40

The nature of the housing element and its 'sui generis' classification draws comparison with HMO use, and several of the existing warehouses are classified as large scale (sui generis) HMOs. However, as the Planning Statement explains, the nature of the application proposals (larger scale generally, the extent of communal/shared living space, and the substantial working spaces), differs from a traditional HMO and hence the new and specific planning policies relating to the warehouse living concept.



4. Planning Policy – Warehouse Living, Affordable Housing & Viability Methodology

- 4.1 In this section we have reviewed the policies and guidance relevant to Warehouse Living, Affordable Housing and Viability. The following paragraphs relate to LB Haringey policy, GLA policy and National Planning Guidance.

Warehouse Living – LB Haringey

- 4.2 Haringey's development plan is made up of the Strategic Policies DPD, Development Management Policies DPD, Site Allocations and the Tottenham Area Action Plan, alongside the London Plan.

- 4.3 Haringey's Local Plan includes the Development Management DPD. Policy DM39: Warehouse Living sets out the definition of Warehouse Living, and the circumstances under which proposals for Warehouse Living will be considered. Policy DM39 is set out below, and we have underlined factors which we consider relate to development viability and/or affordable housing.

- A *Warehouse living is a specific type of land use that has emerged over time in certain employment locations within Haringey, and lends particular support to the creative industries sector. It does not fall within a specific use class – and is not live/work development – and as such is considered a Sui Generis use.*
- B *The Council has made provision for proposals for warehouse living, at selected Local Employment Area – Regeneration Areas, within the Harringay Warehouse District as defined in the Site Allocations DPD, and the Fountayne & Markfield Road area as defined in the Tottenham Area Action Plan. Warehouse living proposals will only be acceptable within these areas.*
- C *The Council will support proposals for warehouse living that form part of an agreed masterplan to increase and diversify the employment offer of these employment areas whilst providing an appropriate standard of living for the integrated residential element.*
- D *The preparation of a masterplan will have regard to individual site circumstances and the following matters:*
- a) *The access arrangements, physical condition and layout of the existing buildings and accommodation on the site;*
 - b) *The lawful planning uses on site, establishing the existing baseline with respect to the intensification of the employment offer and re-provision of the host community;*
 - c) *The host community's existing and future accommodation needs for creative living and working;*
 - d) *The quantum of commercial floorspace to be retained, re-provided, increased, and the resulting increase in employment density to be achieved having regard to the baseline at b).*
 - e) *The size and type of both the workplace space and residential accommodation to be provided, having regard to:*
 - i) *the needs of SME's for smaller unit sizes;*
 - ii) *provision for communal workspace, both internal and external;*



- iii) the need for low cost workspace and affordable residential accommodation to support and grow the existing start up and creative industry sectors.
 - f) The interface with, and potential impact on, neighbouring uses;
 - g) The internal layout of uses and therein, the potential to optimise the positive inter-relationships and avoid, where practicable, negative impacts;
 - h) Having regard to (e-g) above, the building specifications and amenity standards to be achieved for both the workshop space and the residential accommodation;
 - i) The specific site allocations as identified in the individual site allocations;
 - j) Controls over the management and operation of the warehouse living spaces, in particular, the means by which to ensure that the use of the site continues to promote the genuine inter-relationship of the living and working elements;
 - k) Servicing and parking requirements; and
 - l) Viability, including requirements for cross-subsidy from other uses including private residential development (market sale/PRS).
- E In the case of applications for improvements or extensions to existing buildings or temporary structures the application will not be required complete a full masterplan, but will be required to demonstrate the proposal does not compromise the wider sites from coming forward for redevelopment.
- F Applications for non ‘warehouse living’ proposals within the industrial estates identified in Part B of this policy will be assessed against the requirements of Policies DM38, DM40 and Site Allocations as appropriate.
- G Proposals for warehouse living on industrial estates not identified in Part B of the policy will be resisted.
- H Proposals for Live/Work units anywhere within the Borough will be resisted.

LB Haringey Planning Policy in relation to viability and affordable housing

- 4.4 It is understood that LB Haringey’s policies in respect of affordable housing relate to applications for C3 planning use, and not to Sui Generis proposals. However as we have seen, Policy DM39 states that the Council will support proposals that come forward in the context of an agreed masterplan, which has regard to the need for affordable accommodation and low cost workspace.
- 4.5 DM39 also states that the Council will have regard to viability, including requirements for cross-subsidy from other uses including private residential development (market sale/PRS). In this context the methodology described at policy DM13 (see below) seems relevant.
- 4.6 The Development Management Policies Development Plan Document (adopted July 2017) states at Policy DM13:
- “The Council will seek the maximum reasonable amount of affordable housing provision when negotiating on individual private residential and mixed-use schemes with site capacity to accommodate more than 10 dwellings, having regard to:*



- a Policy SP2 and the achievement of the Borough-wide target of 40% affordable housing provision;*
- b The need for 60% provision to be social/affordable rent and 40% intermediate housing;*
- c The preferred affordable housing size mix as set out in the Council's Housing Strategy;*
- d The individual circumstances of the site;*
- e the availability of public subsidy;*
- f Development viability; and*
- g Other planning benefits that may be achieved."*

Policy DM13 further states *"In negotiating the level of affordable housing provision viability assessments must be based on a standard residual valuation approach, with the benchmark existing use land value taken as the existing / alternative use value."*

- 4.7 In summary, the forgoing local and national policies demonstrate that the London Borough of Haringey has policy targets for affordable housing provision as part of new residential developments, and that these targets are not intended to restrain development, based on the outcome of economic viability testing.
- 4.8 In compliance with policy, the level of contribution can be reduced or waived to ensure that development remains viable; however the Council adopts rigorous testing of viability to identify land value increases arising from the grant of planning permission, to meet affordable housing and other objectives.

The London Plan Policies H4, H5 & H6

- 4.9 The London Plan was published in March 2021. Policy H4 (Delivering affordable housing), Policy H5 (Threshold approach to applications) and Policy H6 (Affordable housing tenure) set out the approach to affordable housing delivery in London.
- 4.10 Policy H4 'Delivering affordable housing' sets a strategic target for 50% of all new homes delivered across London to be 'genuinely affordable'.
- 4.11 The provision of affordable housing on major developments is subject to the requirements of Policy H5 'Threshold approach to applications'. The threshold approach was first introduced in the Mayor's Affordable Housing and Viability SPG, published in August 2017.
- 4.12 A minimum of 35% of gross residential development (50% for public sector land and industrial sites – Policy E7) provided as affordable housing is the threshold for achieving the Fast Track approach. Developers may follow a Fast Track Route under the threshold approach, subject to meeting specific criteria including meeting (or exceeding) the relevant affordable housing threshold requirement and tenure split detailed in Policy H6 'Affordable housing tenure'.



London Plan Policy H16

- 4.13 London Plan Policy H16 relates to 'Large-scale purpose-built shared living'. There are some similarities with the warehouse living concept but they are not the same. The ideas of shared living and communal areas, with private bedroom space, minimum tenancy lengths, and the sui generis planning use relate to warehouse living. However there is no reference to the creative/work space which forms a vital element of warehouse living. Management aspects, in particular services to residents, are yet to be determined following further consultation with the warehouse community, and may not resemble those described in Policy H16.
- 4.14 With regard to viability and affordable housing, H16 seeks a cash contribution towards affordable housing (subject to viability testing), rather than on-site provision. This may be an acknowledgment that on-site affordable housing may be difficult to administer in terms of nominations, eligibility criteria, etc., for large-scale purpose-built shared living.

National Planning Practice Guidance (NPPG)

- 4.15 The NPPG seeks to ensure development is both sustainable and deliverable. In its revision dated 24 July 2018 (paragraph 10), NPPG states: "In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission."

- 4.16 The NPPG defines the key inputs for viability assessments:

***Gross Development Value** - Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered. For commercial development broad assessment of value in line with industry practice may be necessary...For viability assessment of a specific site or development, market evidence (rather than average figures) from the actual site or from existing developments can be used. Any market evidence used should be adjusted to take into account variations in use, form, scale, location, rents and yields, disregarding outliers. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.*

***Costs** - Assessment of costs should be based on evidence which is reflective of local market conditions. As far as possible, costs should be identified at the plan making stage. Plan makers should identify where costs are unknown and identify where further viability assessment may support a planning application. Costs include:*

- a) build costs based on appropriate data, for example that of the Building Cost Information Service"; (in our opinion a site-specific elemental cost breakdown should be provided for site-specific viability assessment)*
- b) "abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value;*
- c) site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value;*



- d) *the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value;*
- e) *general finance costs including those incurred through loans;*
- f) *professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value;*
- g) *explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return;*

Land Value - *To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing used value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called ‘existing use value plus’ (EUV+). In order to establish benchmark land value, plan makers, landowners, developers, infrastructure and affordable housing providers should engage and provide evidence to inform this iterative and collaborative process.*

Competitive Return to Developers - *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 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.

Competitive Return to Landowners - *The premium (or the ‘plus’ in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements. Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. For any viability assessment, data sources to inform the establishment of the landowner premium should include market evidence and can include benchmark land values from other viability assessments. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement)”*



National Planning Practice Guidance (NPPG) – Build to Rent

- 4.17 In relation to planning policy ‘warehouse living’ is a new concept; the way the new spaces will be used relates to the evolving occupation of existing buildings in the Harringay Warehouse District. However in property and financial aspects the buildings will derive rents from residential occupiers; in this respect the property resembles a Build to Rent asset. For this reason we have appraised the development using Build to Rent financial methodology.

Paragraph 005 of Build to Rent National Planning Guidance states the following in relation to viability on build to rent schemes:

“Both the proportion of affordable private rent units, and discount offered on them can be varied across a development, over time. Similarly it should be possible to explore a trade off between the proportion of discounted units and the discount(s) offered on them, with the proviso being that these should accord with the headline affordable housing contribution agreed through the planning permission. All options should be agreed jointly between the local authority and the developer as part of the planning permission, and set out in a section 106 agreement. Guidance on viability confirms that viability studies for build to rent schemes can be customised in this way.”

Viability Methodology for Seven Sisters Road

- 4.18 We have considered the foregoing policies and how they relate to the proposed warehouse living application. Ultimately the role of the viability assessor is to seek to determine the performance of the scheme, whether it is likely to generate a surplus and how much. Where a surplus is identified, it is for the Council and applicant, and potentially the future affordable housing provider, to determine how any surplus translates into affordable housing. That is not to say viability assessors do not sometimes advise on potential affordable housing unit locations on site, but this is not the primary role of the assessor.
- 4.19 All of the policies reviewed above would assume the methodology set out by NPPG and elaborated by the Mayor of London’s SPG, and as explained below.
- 4.20 The purpose of this report is to provide an independent assessment of the viability of proposed development, and in so doing to assess the level of obligations which can be provided to the local planning authority, while sustaining an appropriate land value to the landowner and return to the developer. Assessing the viability of a proposed development usually involves comparing the residual land value of the Site, based on the proposed scheme, with an appropriate benchmark.
- 4.21 A viable development will support a residual land value at a level sufficiently above the site’s Existing Use Value (EUV) or Alternative Use Value (AUV), to support a land acquisition price acceptable to the landowner. As such, where a development proposal generates a residual value which is higher than the appropriate benchmark value, it is deemed financially viable and therefore likely to proceed. Conversely, if the residual value is lower than the benchmark, it is considered to be economically unviable and consequently unlikely to progress.
- 4.22 $A - B = \text{Residual Land Value}$, based on inputs from the following table:



A: Revenue	B: Costs
Warehouse living investment value	Build costs (construction costs)
	Planning and development fees
	Planning contributions
	Marketing costs
	Land purchase costs
	Finance costs
	Developer's return

- 4.23 It need not be the land value that is the target residual. A fixed land price can be input as a cost, and a residual developer return assessed. This is how we have appraised the subject scheme.
- 4.24 An explanation for all the appraisal inputs is provided at Section 5 (Income Analysis) and 6 (Cost Assumptions).
- 4.25 The next task is to arrive at an appropriate benchmark land value against which to compare the residual land value (or, as in this case, to insert as a fixed land value); this is assessed further at Section 7.
- 4.26 The purpose of our analysis has been to understand the development economics of the Site and to show the results of our analysis. This incorporates appraisal of all costs and values, and finance inputs.
- 4.27 The assumptions made in the development appraisal are a reflection of the development's overall economics. Our assumptions are in some cases inter-related such that a change in one assumption can have an impact on other assumptions.
- 4.28 Appendix 1 shows the financial appraisal incorporating the costs and values of the project. We have used Argus Developer appraisal software, a standard appraisal tool used across the property industry, and recognised by local authorities in viability analysis. The model is set up as a residual return appraisal, making fixed assumptions about costs, revenues and land value.



5. Income Analysis

- 5.1 The revenue for the scheme is derived from the investment value of the completed warehouse living development.
- 5.2 Rental income has been assessed in relation to market evidence, and applied to an Argus Developer appraisal, which is shown at Appendix 1. We set out below the assumptions and evidence to support the revenue inputs.

Residential rents

- 5.3 The living element of the development comprises:

Type	Bedrooms
Single	69
Double	32
Total	101

In addition there are 17 large kitchen/dining areas, 40 bathrooms and large areas of communal and circulation space; warehouse living residents occupy a total area of 2,699.1 sq m (29,054 sq ft). The commercial floor areas are extra to this space.

- 5.4 The usual method of assessing the market rent for a Build to Rent development is by reference to rents being sought and/or achieved in the local market. The Seven Sisters Road new warehouse living scheme is the first of its kind, so there is no evidence available of comparable developments. We have therefore considered a range of property 'types' which have some factors in common with the proposed development, before considering how to apply the evidence to the proposed scheme.

Type 1 – Build to Rent

Apex Gardens, 820 Seven Sisters Road N15 5PQ

- 5.5 Apex Gardens is a Build to Rent scheme of 163 units located 0.7 miles to the North-East of the subject Site, further up Seven Sisters Road; it is owned by Grainger, one of the longest standing and largest investors in PRS and now Build to Rent property.
- 5.6 Rents for one-bedroom apartments are quoted as ranging between £1,610 and £2,010 per month, as at January 2022 (source: Molior London). The development includes concierge, gym, lounge and gardens.

Evergreen, 590-598 Green Lanes, N8 0RA

- 5.7 Located 1.3 miles to the North-West of the subject Site, Evergreen is a development of 133 new homes, of which 60 are Build to Rent. The scheme launched in January 2023, with asking rents for 1-bedroom apartments set at £1,800 per month.



Type 2 – Second-hand flats

- 5.8 The second ‘type’ of accommodation we have reviewed are existing individual flats (i.e. not part of a managed scheme) for rent in the private market. Studios are few and far between, hence the examples we have identified are some distance from the subject Site. As can be seen from the table below, there is a wide range of rents available depending on location and local amenity.

Address	Type	Sq Ft	Floor	Rent pcm	Comments
Timberwharf Road, N16	Studio			£1,150	Modern building, purpose built
High road, Stamford Hill	Studio		First	£1,148	Period conversion, above retail
Green Lanes	Studio			£1,249	Period conversion. Retn includes bills
West Green Road, N15	Studio			£1,150	Newly refurbished, above retail.
Sandpiper Building, Woodberry Down	1-bed flat	518	Ground	£2,097	300 sq ft patio. New building.
South Grove, Tottenham, N15	1-bed flat	487	Second	£1,900	
Edgecot Road, N15	1-bed flat		low rise	£1,300	

Type 3 – House share

- 5.9 There are many rooms to let in shared houses in post code N15. Rents broadly range between £600 - £900 pcm, depending on size and location of property, amenity, and whether bills are included.

Type 4 – Co-Living

- 5.10 The new movement in co-living provides accommodation for people who wish to live in a shared environment. Although not located close to the subject site, we have considered The Collective’s development at Old Oak Common, known as The Oak.
- 5.11 Private rooms are comparable in area to the warehouse living proposal. For example:
 ‘Twodio’ unit type – 15 sq m. Private bathroom and shared kitchenette.
 ‘Cosy studio’ – 12 sq m. Private bathroom and private kitchenette.
 1 bed flat – 29 sq m. Private bathroom and private kitchenette.
- 5.12 Monthly rents range according to the length of tenancy, 3 months being the minimum.
 Twodio - £1,200 - £1,634
 Cosy studio - £1,499 - £1,933
 1-bed flat - £1,898 - £2,331

Type 5 - Warehouse District

- 5.13 The new development is located in the warehouse District and although this will be the first purpose-built warehouse living scheme, existing older warehouse living schemes provide useful rental evidence.



Rent assumptions

- 5.14 The new development proposals are not directly comparable to any of the individual types identified above, and it is necessary to make assumptions based on the evidence and the Client team’s experience based on consultation with local people.



- 5.15 It is assumed the average rents to be charged will be [REDACTED]. While it is recognised that the Council's affordable housing policies do not apply to sui generis uses, policy DM39 refers to affordable accommodation. While this study concludes it is not viable to provide accommodation at rents lower than [REDACTED] we understand it is the Applicant's intention to discuss affordable provision during the application stage.
- 5.16 Appendix 1 is the development appraisal, which as explained at Section 3 is a Residual Return appraisal. This includes rents at [REDACTED]. From this sum has been deducted cost of managing the property. Experience working with Build to Rent investors indicates these costs, which include allowance for voids, repairs, etc, range between 25% and 30% of gross rental income. We have applied 25% management costs in this instance, to arrive at a total net rent of £863,580.

Net Initial Yield

- 5.17 To arrive at a capital value for the proposal, it is first necessary to deduct costs of managing the property.
- 5.18 In applying a yield rate we are mindful there is no evidence in the market for transactions of warehouse living schemes. Knight Frank and CBRE publish market yield returns, and for January 2023 Knight Frank suggest 3.5% net yield for prime BTR assets in Zone 3, while CBRE suggest 3.65%. Making a reasonable adjustment to these figures to arrive at a proposed investment yield for a warehouse living scheme, needs to be based on judgement and experience. Based on experience of the existing warehouse living community, we understand voids are low and rental income has been predictable. Once the income has stabilised we consider this will be a well-performing asset, though at this stage it is unproven.
- 5.19 Based on the foregoing we have applied a net yield of 4.5% to the warehouse living income, which derives a capital value of £19,191,000.

Commercial rent – main buildings

- 5.20 In assessing the potential revenue for the commercial areas, we have first considered the commercial units in the main residential buildings. These comprise:

Floor	Sq M	Sq Ft
Ground	162.8	1,752
Basement 1	55.3	595
Basement 2	55.3	595
	273.4	2,943

- 5.21 To assess the achievable rent we have identified the following rental transactions which we consider to be useful evidence:

Unit 5 Overbury Road, N15 6RH

- 5.22 In January 2021, Getir (supplier of food services) took 3,000 sq ft of commercial floor space. The rent agreed equates to £16.70/sq ft.

Unit 2-3, 2 Overbury Road, N15 6RH

- 5.23 In April 2021, an undisclosed tenant signed a new lease of 2,620 sq ft at a rent of £18.70/sq ft.



Florentia Clothing Village, 108 Vale Road, N4 1TD

- 5.24 On 15th March 2022 an undisclosed tenant took 964 sq ft of light industrial floor space at a rent of £26.89/sq ft.

Unit 7, Vale Road Studios, Vale Road, N4 1TD

- 5.25 In February 2020, Bartender Lifestyle Ltd took 643 sq ft of office floor space at a rent of £27.50/sq ft.
- 5.26 Asking rents are quoted for other units within this block as follows:
 Unit 3 – 638 sq ft. Rent £17,545
 Unit 4 – 433 sq ft. Rent £11,907.50
 Unit 5 – 263 sq ft. Rent £7,232.50
 Unit 6 – 364 sq ft. Rent £10,010
 All equating to £27.50/sq ft.

Commercial rental conclusions – main buildings

- 5.27 Based on the foregoing evidence we consider a reasonable assumption of market rent to be in line with the units at Vale Road Studios, being £27.50/sq ft. For Basement 1, this unit has plenty of natural light and shop frontage, and we have assumed the same rent. The Basement 2 unit is a basement unit and as such we would assumed a lower rent of £20/sq ft.

Commercial rent – shipping containers

- 5.28 For the commercial shipping containers we have taken into account the above commercial rental prices locally; however we are aware of shipping containers being used as commercial space on a site in Lewisham. Although not geographically close, we consider this to be a similar market location for commercial property, and very similar product. The containers are next to Deptford Creek and are rented for an average £19.59/sq ft. We have assumed a rent of £19.50 /sq ft for the proposed units at the subject site.
- 5.29 We have set out the commercial space rental assumption below:

Floor	Sq M	Sq Ft	Rent/Sq Ft	Annual Rent
Ground	162.8	1,752	£27.50	£48,191.60
Basement 1	55.3	595	£27.50	£16,369.75
Basement 2	55.3	595	£20	£11,905.27
Containers	112.9	1,215	£20	£23,698.06
	386.3	4,158		£100,164.69

Commercial yield

- 5.30 While there has been a number of commercial investment transactions in the immediate vicinity of the site, most relate to multi-site transactions or are linked to residential property, making them less helpful as comparable evidence. The following provide useful evidence:



92 High Road, N15 6JU

- 5.31 In March 2020 Lenham Estates Limited acquired retail shop front for the sum of £190,000, representing £412/sq ft. The premises is corner unit which had been let as an estate agency. We are unaware of the passing rent, however at our view of market rent (£27.50/sq ft) this would equate to an all risks yield of 6.7%.

74-76 Stamford Hill, N16 6XS

- 5.32 This retail shopfront sold for £300,000 in March 2021, equating to £230.77/sq ft. Measuring 650sq ft at ground floor and 650 sq ft at basement, if we apply our market rent of £27.50 to the ground, and £13.75 (50% to the basement), this equates to 8.9% all risks yield.
- 5.33 Knight Frank's yield guide for January 2023 suggests yields for secondary locations are as high as 9%-9.25%; CBRE takes a similar view.
- 5.34 While recognising these spaces could be used for offices or maker space, occupier covenants are unlikely to be strong. We have considered the fact the proposed premises will be new, and will be part of a vibrant community environment. We also note some premises are taking some period of time to let. As such we have assumed an all risks yield of 7%.

Affordable workspace

- 5.35 Policy DM39 of the LB Haringey Local Plan refers to the need for low-cost workspace. We understand the Applicant intends to discuss the quantum and terms of this provision with the Council during the application stage.



6. Cost Assumptions

Construction Costs

- 6.1 In determining the construction costs for the proposed scheme, we have had regard to the Stage 2 Elemental Cost Plan provided by Hennessy Godden dated March 2023 in the sum of £15,000,000, which is submitted with this report as Appendix 2.

Other Costs

- 6.2 Within the Argus Developer model at Appendix 1 we have made the following cost assumptions:

Item	Value	Elements
Land		
Fixed Land Cost	(See Benchmark Land Value Section 7)	Residual Land Value
Construction Costs		
Professional Fees	10.0%	Build Cost Sum
Lettings and Disposal Costs		
Management Costs	25%	Deduction from Rent
Legal Fees (Disposal)	0.25%	GDV
Agent Fees (Disposal)	1.0%	GDV
Purchaser's costs		
6.25% Purchaser's costs have been applied to the GDV to account for purchaser's SDLT, agent and legal fees.		
S.106 Costs		
S.106 contributions have been included in the sum of £23,552, as identified in the Planning Statement.		
CIL		
LB Haringey does not apply CIL to the uses proposed in this planning application. The Mayor of London's CIL rate for 2022 was £60.36 per sq m, and the 2023 rate is awaited. We have applied the rate of £60.36 to the GIA of 3,871 sq m, which amounts to £233,654. This does not account for any affordable housing relief. This is an estimate for viability purposes only; the applicant/ developer should take specialist advice in relation to CIL from the local authority or a specialist adviser. Should this assumption change significantly, the viability appraisal will require updating.		
Finance Costs		
The finance rate is assumed to be 7.0%. This reflects the average cost of capital to include debt interest (senior and mezzanine), and arrangement, exit and valuation fees.		
Developer return (Benchmark)		
The appraisal has been set up as a residual return appraisal. We understand the GLA considers a reasonable return for developers of BTR project to be 12.5%, based on experience of other schemes. We have assumed 15% return on GDV for the commercial elements. We have therefore assumed a benchmark return for this project of 12.66%.		



7. Benchmark Land Value

- 7.1 As explained at Section 4 above, viability is typically tested by comparing the residual land value of the proposed scheme with a Benchmark Land Value ('BLV'). The benchmark can be derived following an assessment of the value of the Site in its Existing Use ('EUV') or a reasonable Alternative Use Value (AUV).
- 7.2 In this case, as also explained at Section 4 above, the development has been appraised using the residual return method, with a fixed land value inserted. Although it is a fixed land value, it is customary to refer to this as the Benchmark land value in compliance with national, regional and local planning guidance.
- 7.3 In this context it is usually appropriate to apply a landowner premium to the EUV, often expressed as a percentage of the EUV, which reflects the value foregone by the landowner. It is also based on the principle that the landowner requires an incentive over and above the EUV to bring the land forward for development.

Existing Site

- 7.4 The existing Site measures approximately 0.23 hectares and is largely vacant land. There are 2 terrace buildings on the Site, acquired by the landowner to help facilitate the proposed development. These buildings and their current uses will be retained following development of the Site, and as such do not impact on the development valuation itself. These buildings are therefore not relevant to the assessment of benchmark land value.

Planning use – alternative uses

- 7.5 The Site has the benefit of falling within Site Allocation SA34. This recognises the warehouse living aspects that have characterised the Warehouse District over time. It clearly supports development of mixed residential and commercial uses, as explained by the following extracts.
- *The Council will work with landowners and residents to find ways to reintroduce employment into these areas, while continuing to meet the accommodation needs of the existing creative community.*
 - *Buildings in the area should continue to be designed to maintain the unique warehouse character of the area.*
 - *Affordable commercial rents will be expected to be retained in perpetuity in this area*
 - *The development should demonstrate that the maximum quantum of employment floorspace has been provided subject to viability which must be assessed looking at the mix of units and the scheme as a whole.*
- 7.6 The proposed development forming the current planning application responds to the Site Allocation, and as such the prospect of alternative uses that comply with planning policy are limited. An alternative development might include a greater proportion of commercial floorspace, with a proportion charged at market rent, some at sub-market rent, and a relatively small amount of residential space. This would



be cheaper to build, and in certain scenarios may provide a development that performs better financially, while technically meeting the requirements of the Site Allocation. This may produce an improved benchmark land value based on Alternative Use.

Benchmark Land Value

- 7.7 Since there may be certain scenarios under which an alternative scheme may produce a positive land value, we have reserved our position with regard to Benchmark Land Value. For the purpose of this assessment we have assumed the benchmark is based on the existing use as vacant land, and a value of £1.



8. Summary of the Appraisal

- 8.1 For ease of reference we provide here a summary of the Argus appraisal relating to this project, demonstrating the viability position:

Seven Sisters Warehouse Living				
Summary Appraisal				
Costs				
			£	
Construction costs			15,000,000	
Professional fees			1,500,000	
CIL & s106			257,000	
Marketing, letting, disposal & legals			1,543,000	
Total finance costs			811,000	
Land			0	
Total costs			19,111,000	
Revenue				
Warehouse Living Investment			20,574,000	
Total sales			20,574,000	
Residual Return			1,463,000	
Benchmark Return (12.66% GDV)			2,607,000	
Residual Return - Benchmark (net residual)			-1,144,000	

- 8.2 The fact that the net residual is negative indicates the project is unable to sustain further contributions to affordable housing or further financial contributions, in addition to CIL.



9. Summary and Conclusions

- 9.1 In compiling the appraisals, we have applied the site-specific construction costs and property values relating to the proposed development, alongside market assumptions concerning other development costs such as finance and developer's return. This is in line with the principles of an economic viability assessment of this nature.
- 9.2 Accounting for the inputs explained in the foregoing pages, the Argus appraisal for the proposed development calculates a residual return for the proposed development of £1,463,000. A summary of the Argus Developer appraisal is included in Appendix 1.
- 9.3 The benchmark (market) level of return is assumed to be 12.66% of GDV, being assessed as £2,607,000 (rounded).
- 9.4 The net residual return is therefore -£1,144,000 (negative).
- 9.5 We therefore conclude that the proposed scheme does not support an affordable housing contribution, or Section 106 financial contributions, in addition to the CIL payment. However, we understand the Applicant wishes to discuss the prospect of providing subsidised affordable bedrooms during the application stage.
- 9.6 The Council's policy makes clear that the affordable housing contribution is subject to viability testing, and this report has been compiled in compliance with this policy, National Planning Policy Framework and RICS Guidance.
- 9.7 Should the Council require further information from ULL Property to consider the above, we would be happy to assist, and our contact details can be found at the end of this report.



Appendix 1 – Argus Developer Appraisal

Seven Sisters Warehouse Living
Residual Profit
Not a Valuation - Confidential

Development Appraisal
ULL Property
March 2, 2023

APPRAISAL SUMMARY**ULL PROPERTY**

Seven Sisters Warehouse Living
Residual Profit
Not a Valuation - Confidential

Appraisal Summary for Phase 1 Phase 1

Currency in £

REVENUE**Rental Area Summary**

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial units	1	2,943	25.98	76,467	76,467	76,467
Containers	1	1,215	19.50	23,698	23,698	23,698
WL Rooms	101	29,054	39.63	11,400	863,580	1,151,440
Totals	103	33,212			963,745	1,251,605

Investment Valuation**Commercial units**

Market Rent	76,467	YP @	7.0000%	14.2857	
(6mths Rent Free)		PV 6mths @	7.0000%	0.9667	1,056,049

Containers

Market Rent	23,698	YP @	7.0000%	14.2857	
(6mths Rent Free)		PV 6mths @	7.0000%	0.9667	327,282

WL Rooms

Current Rent	863,580	YP @	4.5000%	22.2222	19,190,661
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Total Investment Valuation

20,573,991

NET REALISATION

20,573,991

OUTLAY**ACQUISITION COSTS**

Fixed Land Cost	1			
Fixed Land Cost		1		
			1	

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Construction	41,668	359.99	15,000,000
Borough CIL			233,654
Section 106			23,552
			15,257,206

PROFESSIONAL FEES

APPRAISAL SUMMARY**ULL PROPERTY****Seven Sisters Warehouse Living****Residual Profit****Not a Valuation - Confidential**

Professional Fees	10.00%	1,500,000	
			1,500,000

DISPOSAL FEES

Purchaser's Costs	6.25%	1,285,874	
Effective Purchaser's Costs Rate	6.25%		
Sales Agent Fee - Residential	1.00%	205,740	
Sales Legal Fee - Residential	0.25%	51,435	
			1,543,049

TOTAL COSTS BEFORE FINANCE**18,300,256****FINANCE**

Timescale	Duration Commences	
Purchase	1	Feb 2023
Construction	18	Mar 2023
Letting	6	Sep 2024
Sale	1	Mar 2025
Total Duration	26	

Debit Rate 7.00%, Credit Rate 0.00% (Nominal)

Land		0	
Construction		810,588	
Total Finance Cost			810,588

TOTAL COSTS**19,110,844****PROFIT****1,463,147****Performance Measures**

Profit on GDV%	7.11%
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APPRAISAL SUMMARY**ULL PROPERTY**

Seven Sisters Warehouse Living
Residual Profit
Not a Valuation - Confidential

**Net MRV
at Sale**

76,467

23,698

863,580

963,745

CASH FLOW REVENUE AND COST SUMMARY**ULL PROPERTY****Seven Sisters Warehouse Living****Residual Profit****Not a Valuation - Confidential**

Heading	%	Total	At Date	To Date
Phase1 : Phase 1				
Cap - Commercial units		1,056,049	Mar 2025	Mar 2025
Cap - Containers		327,282	Mar 2025	Mar 2025
Cap - WL Rooms		19,190,661	Aug 2024	Aug 2024
Purchaser's Costs	6.25%	(1,285,874)	Aug 2024	Mar 2025
Sales Agent Fee - Residential	1.00%	(205,740)	Aug 2024	Mar 2025
Sales Legal Fee - Residential	0.25%	(51,435)	Aug 2024	Mar 2025
Fixed Land Cost		(1)	Feb 2023	Feb 2023
Borough CIL		(233,654)	Mar 2023	Mar 2024
Section 106		(23,552)	Mar 2023	Mar 2023
Con. - Construction		(15,000,000)	Mar 2023	Aug 2024
Professional Fees	10.00%	(1,500,000)	Mar 2023	Aug 2024

CASH FLOW REVENUE AND COST SUMMARY

ULL PROPERTY

Seven Sisters Warehouse Living

Residual Profit

Not a Valuation - Confidential

Distribution

Weighted: 85.00%

Weighted: 85.00%

Weighted: 85.00%

Related: Cap - WL Rooms to Containers

Related: Cap - WL Rooms to Containers

Related: Cap - WL Rooms to Containers

Single

Annual

Single

S-Curve

Related: : Curve Related from Con. - Construction to Other Construction Costs

TIMESCALE AND PHASING CHART

ULL PROPERTY

Seven Sisters Warehouse Living
Residual Profit
Not a Valuation - Confidential

Project Timescale

Project Start Date	Feb 2023
Project End Date	Mar 2025
Project Duration (Inc Exit Period)	26 months

1. Phase 1



SENSITIVITY ANALYSIS REPORT**ULL PROPERTY**

Seven Sisters Warehouse Living
Residual Profit
Not a Valuation - Confidential

Table of Profit Amount and Profit on GDV%

Construction: Rate /ft²					
Rent: Total MRV	-10.000%	-5.000%	0.000%	+5.000%	+10.000%
	323.99 /ft²	341.99 /ft²	359.99 /ft²	377.99 /ft²	395.99 /ft²
-10.000%	£1,417,275	£528,055	(£367,105)	(£1,262,266)	(£2,157,426)
1,036,296	7.597%	2.831%	-1.968%	-6.766%	-11.565%
-5.000%	£2,304,843	£1,440,211	£551,861	(£343,300)	(£1,238,460)
1,093,868	11.751%	7.343%	2.814%	-1.750%	-6.314%
0.000%	£3,192,411	£2,327,779	£1,463,147	£575,667	(£319,494)
1,151,440	15.517%	11.314%	7.112%	2.798%	-1.553%
+5.000%	£4,079,979	£3,215,347	£2,350,715	£1,486,083	£599,472
1,209,012	18.947%	14.932%	10.917%	6.901%	2.784%
+10.000%	£4,967,547	£4,102,915	£3,238,283	£2,373,651	£1,509,019
1,266,584	22.085%	18.241%	14.397%	10.553%	6.709%

Sensitivity Analysis : Assumptions for Calculation**Construction: Rate /ft²**

Original Values are varied by Steps of 5.000%.

Heading	Phase	Rate	No. of Steps
Construction	1	£359.99	2.00 Up & Down

Rent: Total MRV

Original Values are varied by Steps of 5.000%.

Heading	Phase	Amount	No. of Steps
WL Rooms	1	£1,151,440	2.00 Up & Down



Appendix 2 – Scheme Cost Estimate

WAREHOUSE LIVING | SEVEN SISTERS ROAD

STAGE 2 COST ESTIMATE REV 2

2nd March 2023

H.G

Hennessy Godden | 46 Gresham Street | London | EC2V 7AY

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2

Issue Sheet



Cost Plan Ref	Date Issued	Prepared by	Checked by	Authorised
Rev 1	02-Mar-23	CPL	JG	



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Introduction	1
Summary of construction costs	2
Basis of estimate	3
Assumptions & Exclusions	4
Schedule of areas	6
Feasibility cost estimate	7

1.0 INTRODUCTION

1.1 This Stage 2 cost estimate has been prepared for the proposed Warehouse Living development on the Eade Road & Seven Sisters Road corner plot, based on the general arrangements and design statement by the design team.

1.2 The outline scope requirements for this project includes:

- Construction of new block A & B living accommodations with new lower ground floor to Block A opening onto Tewksbury Road
- New ground floor retail commercial units constructed to shell & core
- New public realm works to the corner plot including 'Spanish steps' leading onto Tewksbury Road
- External services including provision for connections of incoming services and new substation works

1.3 **The following are not included within this cost estimate, refer to the exclusion lists for full details:**

- Internal fit out to retail and workshop accommodation
- Provision for external container retail units
- Works to Cara House
- External furniture and soft landscaping
- Loose furniture & equipment

2.0 SUMMARY OF CONSTRUCTION COSTS

		Basement Cost /m2			Block A Cost /m2			Block B Cost /m2			Ext works & infrastructure	Total amount	Cost /m2
		Lower ground											
GIA		310 m²			2,831 m²			730 m²				3,871 m²	
1.0	Substructure	£	959,000	£ 3,094	£	312,000	£ 110	£	199,000	£ 273		£ 1,470,000	£ 380
2.0	Shell and core (frame & upper floors)				£	1,897,000	£ 670	£	380,000	£ 521		£ 2,277,000	£ 588
3.0	Shell and core (External façade and roof)				£	1,744,000	£ 616	£	539,000	£ 738		£ 2,283,000	£ 590
4.0	Common part fit out including services installation	£	72,000	£ 232	£	1,863,000	£ 658	£	551,000	£ 755		£ 2,486,000	£ 642
5.0	Living & bathroom fit out				£	1,871,000	£ 661	£	407,000	£ 558		£ 2,278,000	£ 588
6.0	External roof terraces										£ 198,000	£ 198,000	£ 51
7.0	External landscaping										£ 791,000	£ 791,000	£ 204
8.0	External services & infrastructure										£ 354,000	£ 354,000	£ 91
9.0	Sustainability measures										£ 100,000	£ 100,000	£ 26
10.0	Main contractor's Preliminaries	16% £	165,000	£ 532	£	1,230,000	£ 434	£	332,000	£ 455	£ 188,000	£ 1,915,000	£ 495
11.0	Main contractor's OH&P	6% £	71,000	£ 229	£	535,000	£ 189	£	144,000	£ 197	£ 98,000	£ 848,000	£ 219
12.0	Contingency	5%	Excluded			Excluded			Excluded		Excluded		
TOTAL CONSTRUCTION COSTS EXCLUDING VAT		£	1,267,000	£ 4,087	£	9,452,000	£ 3,339	£	2,552,000	£ 3,496	£ 1,729,000	£ 15,000,000	£ 3,875

- 2.1 The estimated cost of the construction works is currently at £15,000,000. This excludes the costs of consultant's fees and VAT.
- 2.2 A contingency allowance to cover potential design development that may arise during the next design stages is excluded.
- 2.3 This estimate is subject to a series of assumptions and exclusions provided.

3.0 BASIS OF ESTIMATE

3.1 The following information has been used as reference in the preparation of this estimate:-

- Floor plans for proposed scheme by Morris+Company dated 16th November 2022
- Pre-application design pack by Morris+Company dated 16th November 2022
- Block A & B structural layouts sketch by London Structure Lab dated 3rd November 2022
- Initial fire safety assessment by Astute Fire dated 22nd May 2022
- Stage 2 Outline design mechanical, electrical and public health specification by Ingenium dated 7th October 2022
- Seven Sisters road public realm & landscape drawings by Campbell Cadey dated 17th October 2022

The design information from the following design discipline are to be confirmed

- Interior fit out design concept
- Sustainability strategy

4.0 ASSUMPTION & EXCLUSION

Assumptions

- 1** This cost estimate has been prepared on a elemental unit quantities basis based on the design information available. In the absence of design details, drawn information or specifications, key assumptions are made which is subject to design validation.
- 2** The works will be procured as a single contract, on a Traditional procurement route competitively tendered with selected main contractors.
- 3** We have included main contractor's preliminaries at 16% of the construction cost, on the assumption that site office areas can be set up in accommodation provided by the Employer.
- 4** All retail & workshop areas will be constructed to shell only with power & plumbing supply & fire alarms.
- 5** All living accommodation will be completed with fitted bathrooms, kitchens and white goods, Subject to a fit out specification, an indicative cost model has been prepared to inform the fit out cost.
- 6** The cost estimate includes an allowance for providing a new substation and decommissioning the existing as per the quotation provided by UKPN dated 12th October 2022.
- 7** Subject to further confirmation, capacity of incoming utilities (water & drainage) are sufficient and reinforcements are not necessary.
- 8** Subject to further risk analysis the contingency allowance within the estimated costs is 5% of the total construction costs.
- 9** Floor finish level to soffit finish height is 3.100m
- 10** This cost estimate is based on the GIA provided within Section 5.

4.0 ASSUMPTION & EXCLUSION (CONT'D)

Exclusions

- 1 Value Added Tax
- 2 Contingency allowance to cover potential risk regarding design development and unknowns that may arise during the next design stages
- 3 Inflation costs beyond Q2 2022
- 4 All professional and design team fees
- 5 Pre-Construction Services Agreement fee
- 6 Costs associated with Planning and Building Regulations fees
- 7 Currency fluctuations
- 8 All works in connection with unknown ground conditions including removal of contaminated land
- 9 Artwork & sculptures
- 10 Loose furniture, audio visual, IT equipment, fitted blinds to apartments.
- 11 Fitted wardrobes, shelving and sleeping decks
- 12 Carpentry work and furniture for public realm and roof terraces
- 13 Soft landscaping
- 14 Decorative lighting
- 15 Works outside the site (red line) boundary
- 16 Façade cleaning system
- 17 Data and security systems
- 18 BMS system
- 19 Planning conditions/ Section 106 or 278 contributions / Community Infrastructure Levy
- 20 Marketing suites, show floors, mock ups or samples
- 21 Fees or costs associated with rights of light agreement, party wall awards, oversailing agreements etc
- 22 Exploration for / and removal of unexploded ordinance (UXO)
- 23 Unknown services diversions or infrastructure upgrade
- 24 Working outside of normal working hours
- 25 Major services diversions or upgrade (except for a UKPN substation)
- 26 Sustainability requirements that may be required over and above expectations
- 27 Gas installation
- 28 Retail containers and associated services infrastructure adjacent Tewksbury road

5.0 SCHEDULE OF AREAS

BLOCK A

Floor area	Bedrooms	GIA m2	Living	Bathroom	Workshop	Bins	Cycle	Core & lobby	Retail	Plant
Lower ground		155 m ²			81 m ²					74 m ²
Basement -1		155 m ²			81 m ²					74 m ²
Ground Floor	4	385 m ²	119 m ²	8 m ²		62 m ²		94 m ²	102 m ²	
First Floor	12	376 m ²	296 m ²	20 m ²				60 m ²		
Second Floor	12	363 m ²	283 m ²	20 m ²				60 m ²		
Third Floor	12	376 m ²	296 m ²	20 m ²				60 m ²		
Fourth Floor	12	363 m ²	283 m ²	20 m ²				60 m ²		
Fifth Floor	12	376 m ²	296 m ²	20 m ²				60 m ²		
Sixth Floor	13	363 m ²	283 m ²	20 m ²				60 m ²		
Seventh Floor	6	229 m ²	135 m ²	8 m ²				86 m ²		
Total	83	3,141 m²	1,991 m²	136 m²	162 m²	62 m²	0 m²	540 m²	102 m²	148 m²

BLOCK B

Floor area	Bedrooms	GIA m2	Living	Bathroom	Workshop	Bins	Cycle	Core & lobby	Retail	Plant
Ground Floor		187 m ²				44 m ²	41 m ²	66 m ²	27 m ²	9 m ²
First Floor	6	181 m ²	137 m ²	11 m ²				33 m ²		
Second Floor	6	181 m ²	137 m ²	11 m ²				33 m ²		
Third Floor	6	181 m ²	137 m ²	11 m ²				33 m ²		
Roof								16 m ²		
Total	18	730 m²	411 m²	33 m²	0 m²	44 m²	41 m²	181 m²	27 m²	9 m²

WAREHOUSE LIVING | SEVEN SISTERS ROAD

STAGE 2 COST ESTIMATE REV 2



LOWER GROUND SHELL & CORE

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Structure & Shell & core	Site clearance	1.1 Remove existing trees, vegetation slope and retaining walls	1	item	£30,000	£30,000
		1.2 Breakout and excavate existing ground slab	154	m2	£50	£7,700
		1.3 Excavate and remove existing fill	210	m3	£180	£37,800
	Piling & substructure	2.1 Mobilisation costs	1	item	£15,000	£15,000
		2.2 Piling mat; 300mm thick, type granular material; (footprint of building)	155	m2	£30	£4,650
		2.3 Allowance to excavate and remove piling mat		m2		Included
		2.4 Allowance for RC pile caps 2.0 x 2.0 x 1.0 dp	4	no.	£3,500	£14,000
		2.5 Allowance for linear pile caps to RC perimeter wall	24	m	£1,000	£24,000
		2.6 Bored piling beneath core & columns; including drilling, filling to pile bore & testing & disposal of spoil; assume depth 20m; 450mm diameter	23	nr	£3,000	£69,000
		2.7 Allowance for contiguous piled wall; 750mm dia; depth of wall 10m	360	m2	£550	£198,000
		2.8 Temporary works, propping and bracing to piled wall	252	m2	£150	£37,800
		2.9 Delta waterproofing vertically to internal face of secant piled wall	252	m2	£45	£11,340
		2.10 RC capping beam to top of wall	36	m	£800	£28,800
		2.11 RC liner wall; 250mm thick	252	m2	£260	£65,520
		2.12 Allowance for breaking out obstructions	1	item	£5,000	£5,000
		2.13 Allowance for pile integrity and load testing	1	item	£2,000	£2,000
		2.14 Allowance for ground penetration radar survey	1	item	£1,500	£1,500
		2.15 Vibration monitoring of adjacent buildings	1	item	£5,000	£5,000
		2.16 Provision for non negligence insurance	1	item	£5,000	£5,000
		2.17 250mm thick RC suspended raft slab	155	m2	£200	£31,000
		2.18 Delta damp proof membrane to basement slab	155	m2	£45	£6,975
		2.19 Allowance for cavity drainage mat	155	m2	£55	£8,525
		2.20 Allowance for heave protection to suspended basement slab	155	m2	£70	£10,850
		2.21 Underground drainage system	155	m2	£100	£15,500
		2.22 50mm Levelling screeds				Excluded
		2.23 Allowance for lift pit & pile cap	1	item	£7,000	£7,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD

STAGE 2 COST ESTIMATE REV 2



LOWER GROUND SHELL & CORE

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Structure	Frame & core	3.1 RC core walls 250mm	74	m2	£270	£19,980
		3.2 Allowance for 275mm RC perimeter walls	182	m2	£300	£54,600
		3.3 225mm suspended RC slab (LGF & ground level)	310	m2	£240	£74,400
		3.4 Allowance for structural columns	28	m	£400	£11,200
		3.5 50mm Levelling screeds				Excluded
	Façade & External doors	4.1 Allowance for front elevation stick system glazing	85	m2	£800	£68,000
		4.2 Cavity blockwork façade to GF, with rockwool insulation; coloured to external face and parge coat internally	181	m2	£340	£61,540
		4.3 Allowance for external plant doors	2	nr	£5,000	£10,000
	Stairs	5.1 Staircase basement to LGF (external)	1	nr	£13,000	£13,000
		5.2 Internal scaffold staircase	1	nr	£4,000	£4,000
TOTAL TO SUMMARY OF COSTS (BASEMENT SHELL & CORE)						£959,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD

STAGE 2 COST ESTIMATE REV 2



LOWER GROUND SHELL & CORE

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Fit out of common parts	Stair cores, lobbies and BOH	Internal walls and doors				
		1.1 Internal blockwork walls to common parts	82	m2	£100	£8,160
		1.2 New riser doors	2	nr	£1,800	£3,600
		Internal finishes				
		2.1 Balustrade & handrail to communal stairs				Excluded
		2.2 Finishes to stair treads and risers				Excluded
		2.3 Allowance for decorating internal walls				Excluded
		2.4 Ceiling finish				Excluded
		2.5 Floor finish				Excluded
	Mechanical infrastructure	3.1 Air sourced heat pumps including space heating distribution				Excluded
		3.2 Local ventilation louvres to plant room only	148	m2	£25	£3,700
		3.3 Submains, primary distribution cable riser serving distribution boards, landlords power and lighting	310	m2	£80	£24,800
		3.4 Power to landlord services including lifts, mechanical/PH plant	310	m2	£25	£7,750
		3.5 Lighting to cores & lobbies, plant and cycle stores (excluding retail)	148	m2	£40	£5,920
	Fire Protection	4.1 Smoke detection and fire alarm system to common parts including commercial space	310	m2	£20	£6,200
		4.2 Sprinklers system including tanks and pumps to common parts excluding commercial space	148	m2	£80	£11,840
	Lifts	5.1 Platform lift serving BF & LGF (assumed as tenant installation)	1	nr		Excluded
TOTAL TO SUMMARY OF COSTS (BASEMENT FIT OUT)						£72,000

SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK A)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Substructure	Piling & substructure	1.1 Mobilisation costs	1	item		Included
		1.2 Breakout and excavate existing ground slab	230	m2	£50	£11,500
		1.3 Piling mat; 300mm thick, type granular material (footprint of building)	230	m2	£30	£6,900
		1.4 Allowance to excavate and remove piling mat		m2		Included
		1.5 Allowance for RC pile caps 2.0 x 2.0 x 1.0 dp	7	no.	£3,500	£24,500
		1.6 Allowance for linear pile caps 1.0 w x 1.0 dp	28	m	£1,800	£50,400
		1.7 Bored piling beneath core & columns; including drilling, filling to pile bore & testing & disposal of spoil; assume depth 20m; 450mm diameter	45	nr	£3,000	£135,000
		1.8 Allowance for lift pit & pile cap	1	item	£15,000	£15,000
		1.9 Underground drainage system	230	m2	£100	£23,000
		1.10 225mm thick RC suspended raft slab (GF)	230	m2	£200	£46,000
		1.11 Allowance for heave protection to GF slab				not required
TOTAL TO SUMMARY OF COSTS (SUBSTRUCTURE)						£312,000
Structure	Frame & core	2.1 RC core walls 250mm (exposed finish)	1,212	m2	£300	£363,600
		2.2 Allowance for RC 250mm shear walls	300	m2	£300	£89,993
		2.3 Allowance for diagonal bracing to double height void	1	item	£20,000	£20,000
		2.4 200mm PT slab - 1F to roof	2,831	m2	£240	£679,440
		2.5 RC transfer beams to underside of GF slab	33	m	£370	£12,210
		2.6 RC beam to slab edge; typically 300 x 600mm	104	m	£250	£26,000
		2.7 RC column - 350 x 600mm	380	m	£250	£95,000
		2.8 Allowance for acoustic insulation layer	2,831	m2	£25	£70,775
		2.9 75mm Structural screed	2,831	m2	£60	£169,860
	Stairs	3.1 RC staircases to stair cores	7	nr	£12,000	£84,000
		3.2 Internal staircases to living area (3F to 7F)	4	nr	£13,000	£52,000
		3.3 Metal balustrade to internal voids (3F to 7F)	60	m	£400	£24,000
		3.4 Allowance for external escape stairs	7	nr	£30,000	£210,000
		TOTAL TO SUMMARY OF COSTS (STRUCTURE)				

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STAGE 2 COST ESTIMATE REV 2



SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK A)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
External Envelope	Roof	4.1 Roofing installation	410	m2	£200	£82,000
		4.2 Man safe system	80	m	£120	£9,600
		4.3 Façade cleaning system				Excluded
		4.4 Allowance for rooftop cat ladder	1	item	£3,500	£3,500
	Façade & External doors	5.1 General façade; Eternit profile 6 cement board including fixings, 250mm duo slab rainscreen and breather membrane	788	m2	£330	£260,061
		5.2 Ditto; with fluted pattern cement board	788	m2	£370	£291,583
		5.3 Blockwork inner leaf	1,576	m2	£100	£157,613
		5.4 Cavity blockwork façade to GF, with rockwool insulation; coloured to external face and parge coat internally	323	m2	£340	£109,956
		5.5 New stick system glazing to retail	42	m2	£740	£31,080
		5.6 Stick system window units	216	m2	£670	£144,720
		5.7 Circular window pane	14	no	£1,200	£16,800
		5.8 General façade; stick system hinged doors (facing Seven sister road)	294	m2	£740	£217,560
		5.9 700mm wide aluminium mesh sheet sun shading to windows	125	m	£300	£37,440
		5.10 Pressed aluminium sheet to window surround and jamb with rockwool insulation	756	m	£70	£52,920
		5.11 Louvred enclosure to roof plant including steel frame	1	item	£50,000	£50,000
		5.12 Aluminium cladding façade to escape staircore	343	m2	£250	£85,738
		5.13 175mm RC balcony slab with 75mm structural screed and sealed finish (facing Seven sister road)	151	m2	£400	£60,400
		5.14 Allowance for balcony thermal break connection	130	m	£300	£39,000
		5.15 Blockwork wall to balconies cladded in cement board (facing Seven sister road)	130	m	£330	£42,900
		5.16 Allowance for balcony drainage	130	m	£120	£15,600
		5.17 Allowance for galvanised metal linkbridge with balustrade to Block A & B access corridor	15	m	£2,400	£36,000
TOTAL TO SUMMARY OF COSTS (EXTERNAL FAÇADE AND ROOF)						£1,744,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD

STAGE 2 COST ESTIMATE REV 2



SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK A)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Fit out of common parts	Stair cores, lobbies and BOH	Internal walls and doors				
		6.1 Internal Porotherm blockwork walls to common parts and apartment dividing walls	2,888	m2	£100	£288,790
		6.2 Plasterboard lining to perimeter wall				Excluded
		6.3 Allowance for plasterboard to core walls				Excluded
		6.4 Internal communal doors with vision panel	67	nr	£1,300	£87,100
		6.5 New riser doors	16	nr	£1,200	£19,200
		Internal finishes				
		6.6 Balustrade & handrail to communal stair core	7	nr	£4,000	£28,000
		6.7 Finishes to stair treads and risers	7	nr	£2,000	£14,000
		6.8 Allowance for decorating internal walls				Excluded
		6.9 Suspended ceiling finish to lobbies				Excluded
M&E infrastructure	Drainage	6.10 Floor finish to lobbies (2 coat dust sealer to concrete floor)	602	m2	£10	£6,020
		6.11 Cycle racks, bin stores, fittings and signage	1	item	£15,000	£15,000
	Water	7.1 Foul drainage soil/waste/vent pipework	3,141	m2	£25	£78,525
		7.2 Rainwater disposal pipework and connection to outlets	3,141	m2	£15	£47,115
	Gas	8.1 Water installation; cold water storage and booster set and riser pipework	3,141	m2	£40	£125,640
		8.2 Water treatment	3,141	m2	£10	£31,410
	Mechanical infrastructure	9.1 Gas connection				Excluded
		10.1 Air sourced heat pumps including space heating distribution to common parts excluding commercial space	2,357	m2	£70	£164,990
		10.2 Corridor smoke ventilation system & staircase AOV	1	no	£35,000	£35,000
		10.3 Allowance for ventilation louvres to stores and BoH space	1	item	£15,000	£15,000
		10.4 BMS	1	item		Excluded

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK A)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
M&E infrastructure (Cont'd)	Electrical infrastructure	11.1 Main LV switchboard	1	item	£120,000	£120,000
		11.2 Submains, primary distribution cable riser serving distribution boards, landlords power and lighting	2,831	m2	£90	£254,790
		11.3 Battery life safety stand-by system (UPS)	1	item	£20,000	£20,000
		11.4 Power to landlord services including lifts, mechanical plant	2,831	m2	£25	£70,775
		11.5 Lighting to cores & lobbies, plant and cycle stores (excluding retail)	602	m2	£40	£24,080
		11.6 Allowance for trace heating to external staircase	1	item	£10,000	£10,000
		11.7 Allowance for emergency lighting	1	item	£10,000	£10,000
	BWIC & T&C	12.1 BWIC	5.0%			£50,366
		12.2 Testing & Commissioning	1	item	£30,000	£30,000
	Communications	13.1 Disabled refuge alarm	1	item	£10,000	£10,000
		13.2 Telephone and comms (fibre) connection	1	item		Excluded
		13.3 CCTV Allowance	1	item	£15,000	£15,000
	Fire Protection	14.1 Smoke detection and fire alarm system to common parts including commercial space	704	m2	£20	£14,080
		14.2 Sprinklers system including tanks and pumps to common parts excluding commercial space	602	m2	£80	£48,160
		14.3 Dry risers	1	item	£20,000	£20,000
		14.4 Lightning protection	1	item	£20,000	£20,000
	Lifts	15.1 Passenger lift including fit out	1	nr	£90,000	£90,000
		15.2 Fire fighting lift	1	nr	£100,000	£100,000
TOTAL TO SUMMARY OF COSTS (COMMON PARTS & SERVICES INSTALLATION)						£1,863,000

TOTAL TO SUMMARY OF COSTS (BLOCK A SHELL & CORE & COMMON PARTS)	£5,816,000
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WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK B)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Substructure	Piling & substructure	1.1 Allowance for RC pile caps 2.0 x 2.0 x 1.0 dp	3	no.	£3,500	£10,500
		1.2 Allowance for linear pile caps 1.0 w x 1.0 dp	28	m	£1,800	£50,400
		1.3 Bored piling beneath core & columns; including drilling, filling to pile bore & testing & disposal of spoil; assume depth 10m; 450mm diameter	32	no	£2,000	£64,000
		1.4 Allowance for lift pit & pile cap	1	item	£7,000	£7,000
		1.5 225mm thick RC ground slab	209	m2	£180	£37,620
		1.6 50mm Levelling screeds	209	m2	£40	£8,360
		1.7 Allowance for underground drainage	209	m2	£100	£20,900
		1.8 Allowance for heave protection to suspended basement slab				not required
TOTAL TO SUMMARY OF COSTS (SUB)						£199,000
Structure	Frame & core	2.1 RC core walls 200mm (exposed finish)	296	m2	£240	£70,920
		2.2 200mm PT slab - 1F to roof	730	m2	£240	£175,200
		2.3 RC column - 200 x 800mm	105	m	£275	£28,875
		2.4 RC beam to slab edge; typically 200 x 600mm	32	m	£200	£6,400
		2.5 Allowance for acoustic insulation layer	730	m2	£25	£18,250
		2.6 75mm Structural screed	733	m2	£60	£43,980
	Stairs	3.1 RC staircases to stair cores	3	nr	£12,000	£36,000
TOTAL TO SUMMARY OF COSTS (STRUCTURE)						£380,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK B)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
External Envelope	Roof	4.1 Roofing installation	202	m2	£200	£40,400
		4.2 Man safe system	60	m	£120	£7,200
		4.3 Façade cleaning system				Excluded
	Façade & External doors	5.1 General façade; Eternit profile 6 cement board including fixings, 250mm duo slab rainscreen and breather membrane	265	m2	£330	£87,566
		5.2 Ditto; with fluted pattern cement board	265	m2	£370	£98,180
		5.3 Blockwork inner leaf	531	m2	£100	£53,070
		5.4 Cavity blockwork façade to GF, with rockwool insulation; coloured to external face and parge coat internally	228	m2	£340	£77,520
		5.5 700mm wide aluminium mesh sheet sun shading to windows	32	m	£300	£9,720
		5.6 Pressed aluminium sheet to window surround and jamb with rockwool insulation	227	m	£70	£15,876
		5.7 General façade; stick system window units	65	m2	£670	£43,416
		5.8 General façade; stick system hinged doors	45	m2	£740	£33,300
		5.9 General façade; stick system sliding doors (GF workshop)	16	m2	£850	£13,600
		5.10 Louvred enclosure to roof plant including steel frame	1	item	£25,000	£25,000
		5.11 175mm RC balcony slab with 75mm structural screed and sealed finish	33	m2	£400	£13,200
		5.12 Allowance for balcony thermal break connection	24	m	£300	£7,200
		5.13 Blockwork wall to balconies cladded in cement board (facing Seven sister road)	24	m	£450	£10,800
		5.14 Allowance for balcony drainage	24	m	£120	£2,880
TOTAL TO SUMMARY OF COSTS (EXTERNAL FAÇADE AND ROOF)						£539,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK B)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Fit out of common parts	Stair cores, lobbies and BOH	Internal walls and doors				
		6.1 Internal Porotherm blockwork walls to common parts and apartment dividing walls	766	m2	£100	£76,610
		6.2 Plasterboard lining to perimeter wall		m2		Excluded
		6.3 Allowance for plasterboard to core walls		m2		Excluded
		6.4 Internal communal doors with vision panel	15	nr	£1,300	£19,500
		6.5 New riser doors	4	nr	£1,800	£7,200
		Internal finishes				
		6.6 Balustrade & handrail to communal staircore	3	nr	£4,000	£12,000
		6.7 Finishes to stair treads and risers	3	nr	£2,000	£6,000
		6.8 Allowance for decorating internal walls				Excluded
		6.9 Suspended ceiling finish to lobbies				Excluded
		6.10 Floor finish to lobbies (2 coat dust sealer to concrete floor)	266	m2	£10	£2,660
		6.11 Cycle racks, bin stores, fittings and signage	1	item	£5,000	£5,000
M&E infrastructure	Drainage	7.1 Foul drainage soil/waste/vent pipework	730	m2	£25	£18,250
		7.2 Rainwater disposal pipework and connection to outlets	730	m2	£15	£10,950
	Water	8.1 Water installation; cold water storage and booster set and riser pipework	730	m2	£40	£29,200
		8.2 Water treatment	730	m2	£10	£7,300
	Gas	9.1 Gas connection				Excluded
	Mechanical infrastructure	10.1 Air sourced heat pumps including space heating distribution to common parts excluding commercial space	730	m2	£70	£51,100
		10.2 Corridor smoke ventilation system & staircase AOV	1	no	£15,000	£15,000
		10.3 Allowance for ventilation louvres to stores and BoH space	1	item	£10,000	£10,000
		10.4 BMS	1	item		Excluded

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



SHELL & CORE SUPERSTRUCTURE & FIT OUT OF COMMON PARTS (BLOCK B)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
M&E infrastructure (Cont'd)	Electrical infrastructure	11.1 Main LV switchboard	1	item	£40,000	£40,000
		11.2 Submains, primary distribution cable riser serving distribution boards, landlords power and lighting	730	m2	£90	£65,700
		11.3 Life safety stand-by generator				Included
		11.4 Power to landlord services including mechanical plant	730	m2	£10	£7,300
		11.5 Lighting to cores & lobbies, plant and cycle stores	266	m2	£40	£10,640
		11.6 Allowance for emergency lighting	1	item	£2,000	£2,000
	BWIC & T&C	12.1 BWIC				£13,372
		12.2 Testing & Commissioning	1	item	£12,000	£12,000
	Communications	13.1 Disabled refuge alarm	1	item	£5,000	£5,000
		13.2 CCTV Allowance	1	item	£5,000	£5,000
	Fire Protection	14.1 Smoke detection and fire alarm system; to common parts including commercial space	302	m2	£20	£6,040
		14.2 Sprinklers system including tanks and pumps; to common parts excluding commercial space	275	m2	£80	£22,000
		14.3 Dry risers	1	item	£6,000	£6,000
		14.4 Lightning protection	1	item	£10,000	£10,000
	Lifts	15.1 Passenger lift including fit out	1	nr	£75,000	£75,000
TOTAL TO SUMMARY OF COSTS (COMMON PARTS & SERVICES INSTALLATION)						£551,000

TOTAL TO SUMMARY OF COSTS (BLOCK B SHELL & CORE & COMMON PARTS) £1,669,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



SHARED LIVING FIT OUT (BLOCK A)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Shared living fit out	Internal Partitions	1.1 Porotherm blockwork internal partitions (bathrooms)	394	m2	£90	£35,433
		1.2 Plasterboard lining to blockwork perimeter wall				Excluded
	Internal Doors	2.1 Internal doors	117	nr	£550	£64,350
		2.2 Ironmongery	117	nr	£150	£17,550
		2.3 Double doors to storage/utility	13	nr	£700	£9,100
	Floor Finish	3.1 Sealed concrete floor (epoxy resin)	1,991	m2	£35	£69,685
		3.2 Tile flooring	136	m2	£110	£14,960
		3.3 Tanking to bathrooms	136	m2	£80	£10,880
		3.4 Skirtings	1,560	m		Excluded
	Walls Finish	4.1 Tiling to bathroom walls	2,008	m2	£110	£220,934
		4.2 Painted finish to walls				Excluded
	Ceiling Finish	5.1 Exposed soffits				N/A
	Fixture & Fittings	6.1 Fitted wardrobes & joinery				Excluded
		6.2 Bathroom vanity bench, mirror & cabinets	29	nr	£700	£20,300
		6.3 Kitchen and utility - inc white goods	8	nr	£15,000	£120,000
	Sanitary	7.1 Towel rails & bathroom fittings	35	nr	£200	£7,000
		7.2 Basin & taps	35	nr	£500	£17,500
		7.3 WC	35	nr	£600	£21,000
		7.4 Shower tray, head, handset and controls	29	nr	£1,500	£43,500

WAREHOUSE LIVING | SEVEN SISTERS ROAD

STAGE 2 COST ESTIMATE REV 2



SHARED LIVING FIT OUT (BLOCK A)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Residential fit out (Cont'd)	Mechanical Installation	8.1 Foul drainage above ground	39	nr	£300	£11,700
		8.2 Hot and cold water pipework and install	2,127	m2	£55	£116,985
		8.3 Heat pump unit hot water and UFH (2 no units per accomodation unit)	2,127	m2	£120	£255,240
		8.4 Ventilation extracts (Kitchen cooker hood)	8	nr	£3,000	£24,000
		8.5 MVHR units at high level; duty : 140 l/s including fresh & exhaust air intake ductwork, grilles, supply air distribution to FCU/diffusers	2,127	m2	£120	£255,240
		8.6 Comfort cooling				Excluded
		8.7 Controls local	2,127	m2	£20	£42,540
	Electrical	9.1 Lighting (excluding pendants and lamp shades)	2,127	m2	£60	£127,620
		9.2 Small power & power to mechanical	2,127	m2	£50	£106,350
		9.3 Data and security				Excluded
	Fire Protection	10.1 Fire detection	2,127	m2	£15	£31,905
		10.2 Sprinklers system	2,127	m2	£80	£170,160
	BWIC	11.1 BWIC	5%			£57,087
		11.2 Testing & Commissioning		1	item	
TOTAL TO SUMMARY OF COSTS (SHARED LIVING FIT OUT BLOCK A)						£1,871,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



SHARED LIVING FIT OUT (BLOCK B)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Shared living fit out	Internal Partitions	1.1 Porotherm blockwork internal partitions (bathrooms)	56	m2	£90	£5,022
		1.2 Plasterboard lining to blockwork perimeter wall				Excluded
	Internal Doors	2.1 Internal doors	24	nr	£550	£13,200
		2.2 Ironmongery	27	nr	£130	£3,510
		2.3 Double doors to storage/utility	3	nr	£700	£2,100
	Floor Finish	3.1 Sealed concrete floor (epoxy resin)	411	m2	£35	£14,385
		3.2 Tile flooring	33	m2	£110	£3,630
		3.3 Tanking to bathrooms	33	m2	£80	£2,640
		3.4 Skirtings				Excluded
	Walls Finish	4.1 Tiling to bathroom walls	461	m2	£110	£50,741
		4.2 Painted finish to walls				Excluded
	Ceiling Finish	5.1 Exposed soffits				N/A
	Fixture & Fittings	6.1 Fitted wardrobes & joinery				Excluded
		6.2 Bathroom vanity bench, mirror & cabinets	6	nr	£700	£4,200
		6.3 Kitchen and utility - inc white goods	3	nr	£12,000	£36,000
	Sanitary	7.1 Towel rails & bathroom fittings	6	nr	£200	£1,200
		7.2 Basin & taps	6	nr	£500	£3,000
		7.3 WC	6	nr	£600	£3,600
		7.4 Shower tray, head, handset and controls	6	nr	£1,500	£9,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD

STAGE 2 COST ESTIMATE REV 2



SHARED LIVING FIT OUT (BLOCK B)

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Residential fit out (Cont'd)	Mechanical Installation	8.1 Foul drainage above ground	9	nr	£300	£2,700
		8.2 Hot and cold water; cold water storage and booster set and pipework	444	m2	£55	£24,420
		8.3 Heat pump unit and UFH (2 no units per accomodation unit)	444	m2	£120	£53,280
		8.4 Ventilation extracts (Kitchen cooker hood)	3	nr	£3,000	£9,000
		8.5 MVHR units at high level; duty : 140 l/s including fresh & exhaust air intake ductwork, grilles, supply air distribution to FCU/diffusers	444	m2	£120	£53,280
		8.6 Comfort cooling				Excluded
		8.7 Controls	444	m2	£20	£8,880
	Electrical	9.1 Lighting	444	m2	£60	£26,640
		9.2 Small power & power to mechanical	444	m2	£50	£22,200
		9.3 Data and security	444	m2	£20	Excluded
	Fire Protection	10.1 Fire detection	444	m2	£15	£6,660
		10.2 Sprinklers system	444	m2	£80	£35,520
	BWIC	11.1 BWIC	5%			£12,129
		11.2 Testing & Commissioning		1	item	
TOTAL TO SUMMARY OF COSTS (SHARED LIVING FIT OUT BLOCK B)						£407,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



EXTERNAL ROOF TERRACES & LANDSCAPING WORKS

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Roof terraces	Roof terrace Block A	1.1 Permeable paving	156	m2	£120	£18,720
		1.2 External balustrade to terraces	87	m	£450	£39,150
		1.3 Green roof finish	146	m2	£120	£17,520
		1.4 Benches and furniture				Excluded
		1.5 Shrubs and soft planting				Excluded
		1.6 Allowance for external lighting				Excluded
		1.7 150mm Blue roof sustainable drainage and connection to outlets and attenuation	302	m2	£120	£36,240
		1.8 Decorative lighting				Excluded
	Roof terrace Block B	2.1 Green roof finish	184	m2	£120	£22,080
		2.2 External balustrade to terraces	68	m	£450	£30,600
		2.3 Benches and furniture				Excluded
		2.4 Shrubs and soft planting				Excluded
		2.5 Allowance for external lighting				Excluded
		2.6 New trees & tree pits				Excluded
		2.7 150mm Blue roof sustainable drainage and connection to outlets and attenuation	184	m2	£120	£22,080
		2.8 Decorative lighting				Excluded
		2.9 Allowance for steel planterline (planter walls); 900mm high	30	m	£400	£12,000
TOTAL TO SUMMARY OF COSTS (EXTERNAL ROOF TERRACES)						£198,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



EXTERNAL ROOF TERRACES & LANDSCAPING WORKS

Category	Work Items	Description	Quantity	Unit	Rate	Amount
External Landscaping	Site preparation	3.1 Breaking out existing hardstanding; assumed removed off site	1263	m2	£60	£75,780
		3.2 Allowance for re-grading site levels with off site material	1263	m2	£25	£31,575
		3.3 Remove perimeter fencing & stairs to Tewksbury Road	1	item	£10,000	£10,000
	External landscaping	4.1 Allowance for topsoiling for soft landscaping	439	m2	£30	£13,170
		4.2 Allowance for kerbing and paving	824	m2	£150	£123,600
		4.3 150mm sustainable drainage and connection to outlets and attenuation	439	m2	£120	£52,680
		4.4 New staircases	1	item	£400,000	£400,000
		4.5 Precast concrete planters adjacent staircase	1	item	£10,000	£10,000
		4.6 Allowance for external lighting	1	item	£20,000	£20,000
		4.7 Decorative lighting				Excluded
		4.8 Slot drains	1	item	£25,000	£25,000
		4.9 Allowance for steel planterline (planter walls); 900mm high	60	m	£400	£24,000
		4.10 Allowance for external cycle racks	1	item	£5,000	£5,000
	Soft Landscaping	5.1 New trees & tree pits				Excluded
		5.2 New hedging				Excluded
		5.3 New benches				Excluded
	Section 278 works	6.1 Allowance for kerbing & pavement work to Eade road	1	item		Excluded
TOTAL TO SUMMARY OF COSTS (EXTERNAL LANDSCAPING WORKS)						£791,000

WAREHOUSE LIVING | SEVEN SISTERS ROAD
STAGE 2 COST ESTIMATE REV 2



EXTERNAL SERVICES & INFRASTRUCTURE

Category	Work Items	Description	Quantity	Unit	Rate	Amount
Site Infrastructure	Sub-Station	1.1 New substation by UKPN as per UKPN quotation dated 12th October 2022; The two LV feeders from the existing substation will be transferred to the new 1MVA substation and the existing substation decommissioned.	1	item	£223,995	£223,995
		1.2 Allowance for brick built substation house approx. 9m x 5m	1	item	£60,000	£60,000
	Utility Connections	2.1 Drainage (Foul & Surface) connections to statutory provider	1	nr	£20,000	£20,000
		2.2 Allowance for water connections	1	item	£20,000	£20,000
		2.3 Allowance for gas connection	1	item		Excluded
		2.4 Allowance for BT Openreach connection (Fibre)	1	item	£30,000	£30,000
TOTAL TO SUMMARY OF COSTS (EXTERNAL SERVICES & INFRASTRUCTURE)						£354,000
	Sustainability	3.1 Allowance for PV 31 no PV panels	1	nr	£70,000	£70,000
		3.2 Allowance for rainwater attenuation	1	nr	£30,000	£30,000
TOTAL TO SUMMARY OF COSTS (EXTERNAL SERVICES & INFRASTRUCTURE)						£100,000



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