



Community Infrastructure Levy: Viability Study

Prepared for
London Borough of Southwark

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1 Executive Summary

- 1.1 This report tests the ability of a range of developments throughout the London Borough of Southwark to yield contributions to infrastructure requirements through the Community Infrastructure Levy ('CIL'). Levels of CIL have been tested in combination with the Council's other planning requirements, including the provision of affordable housing.

Methodology

- 1.2 The study methodology compares the residual land values of a range of developments on sites throughout the borough to their value in current use (plus a premium), herein after referred to as 'benchmark land value'. If a development incorporating a given level of CIL generates a higher value than the benchmark land value, then it can be judged that the proposed level of CIL will render the scheme unviable.
- 1.3 The study utilises the residual land value method of calculating the value of each development. This method is used by developers when determining how much to bid for land and involves calculating the value of the completed scheme and deducting development costs (construction, fees, finance and CIL) and developer's profit. The residual amount is the sum left after these costs have been deducted from the value of the development, and guides a developer in determining an appropriate offer price for the site.
- 1.4 The housing and commercial property markets are inherently cyclical and the Council is testing its proposed rates of CIL at a time when the market is recovering after a severe recession. Values have recovered to surpass their 2008 peak levels. Despite this recovery, there is some uncertainty as to the likely short term trajectory of house prices. We have allowed for this by running a sensitivity analysis which vary the base sales values and build costs, as follows:
- Sales values +10% and build costs +5%;
 - Sales values +10% and build costs +10%;
 - Sales values +20% and build costs +10%; and
 - Sales values +10% and build costs -10%.
- 1.5 This analysis is indicative only, but is intended to assist the Council in understanding the levels of CIL that are viable in today's terms but also the impact of changing markets on viability. Our commercial appraisals incorporate sensitivity analyses on rent levels and yields.

Key findings and recommendations

- 1.6 The key findings of the study are as follows:
- The results of this study are reflective of current market conditions, which are likely to improve over the medium term. It is therefore important that the Council keeps the viability situation under review so that levels of CIL can be adjusted to reflect any future changes.
 - The ability of **residential and student housing schemes** to make CIL contributions varies depending on area and the current use of the site. Having regard to these variations, residential schemes should be able to absorb the following CIL rates (after allowing for a 'buffer' below the maximum rate):

- **Zones 1 and 2 (North of borough):** £400 per square metre;
 - **Zone 3 (Mid and south areas of borough) :** £250 per square metre;
 - **Zone 4 (Central area of borough):** £50 per square metre.
- Whilst the maximum rates are in some cases higher than the proposed rates, the buffer will help to mitigate a number of risk factors (primarily the potentially adverse impact on land supply of setting the rates at a high level and 'shocking' the market). However, there is no prescribed percentage buffer and this is entirely a matter for the Charging Authority's judgement.
 - Our appraisals of **hotel developments** indicate that, in the north of the borough, a CIL of £250 per square could be absorbed, while in the rest of the borough a CIL of £125 per square metre could be absorbed.
 - In the north of the borough, our appraisals indicate that **office development** will be sufficiently viable to absorb a CIL of £100 per square metre, allowing for a buffer below the maximum rate. Elsewhere in the borough, office rents are considerably lower and development is unlikely to come forward in the short to medium term as the capital values generated are insufficient to cover development costs. We therefore recommend that the Council sets a nil rate for office development outside the north of the borough.
 - Residual values generated by **retail developments** are higher than existing use values to varying degrees across the borough. However, to a degree smaller retail development will involve the re-use of existing retail space which will not be CIL liable. However, in order to capture value from schemes that add floorspace, and in particular larger stores that generate higher value, differential rates could be adopted. For small schemes (less than 280 square metres) we recommend that the Council considers a nil rate. Larger developments of between 280 and 2,500 square metres, should be able to absorb a CIL of £125 per square metre. Large retail developments comprising more than 2,500 square metres should be able to absorb a CIL of £250 per square metre. The Council would need to satisfy itself that the current CIL regulations permit differential rates for the same use class¹.
 - Our appraisals of developments of **industrial and warehousing floorspace** indicate that these uses are unlikely to generate positive residual land values. We therefore recommend a zero rate for industrial floorspace.
 - D1 and D2 uses often do not generate sufficient income streams to cover their costs. Consequently, they require some form of subsidy to operate. This type of facility is very unlikely to be built by the private sector². However, there will be some commercial uses within the D1/D2 use classes that operate on commercial terms (e.g. cinemas, bowling alleys etc) that could make a contribution to local infrastructure. The decision to open such a facility would be primarily driven by demand and demographic factors. Applying a modest CIL to such uses is unlikely to adversely affect the viability of such developments.

¹ This was challenged by Sainsbury's at Borough of Poole's CIL examination. Notwithstanding viability evidence of the differences between general retail and supermarkets, Sainsbury's argued that the regulations simply do not permit differential rates on the same type of development. We suggest that the Council may wish to seek clarification from CLG on this point.

² Many uses that fall within these use classes are operated by charities (e.g. private hospitals and schools are predominantly run by charitable trusts, or companies that do not distribute profits to shareholders).

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- 1.7 Table 1.7.1 summarises the recommended rates. Figure 1.7.1 set out overleaf is a map showing the boundaries of the proposed charging zones. This is also attached at Appendix 1.

Figure 1.7.1 Map showing proposed CIL charging zones

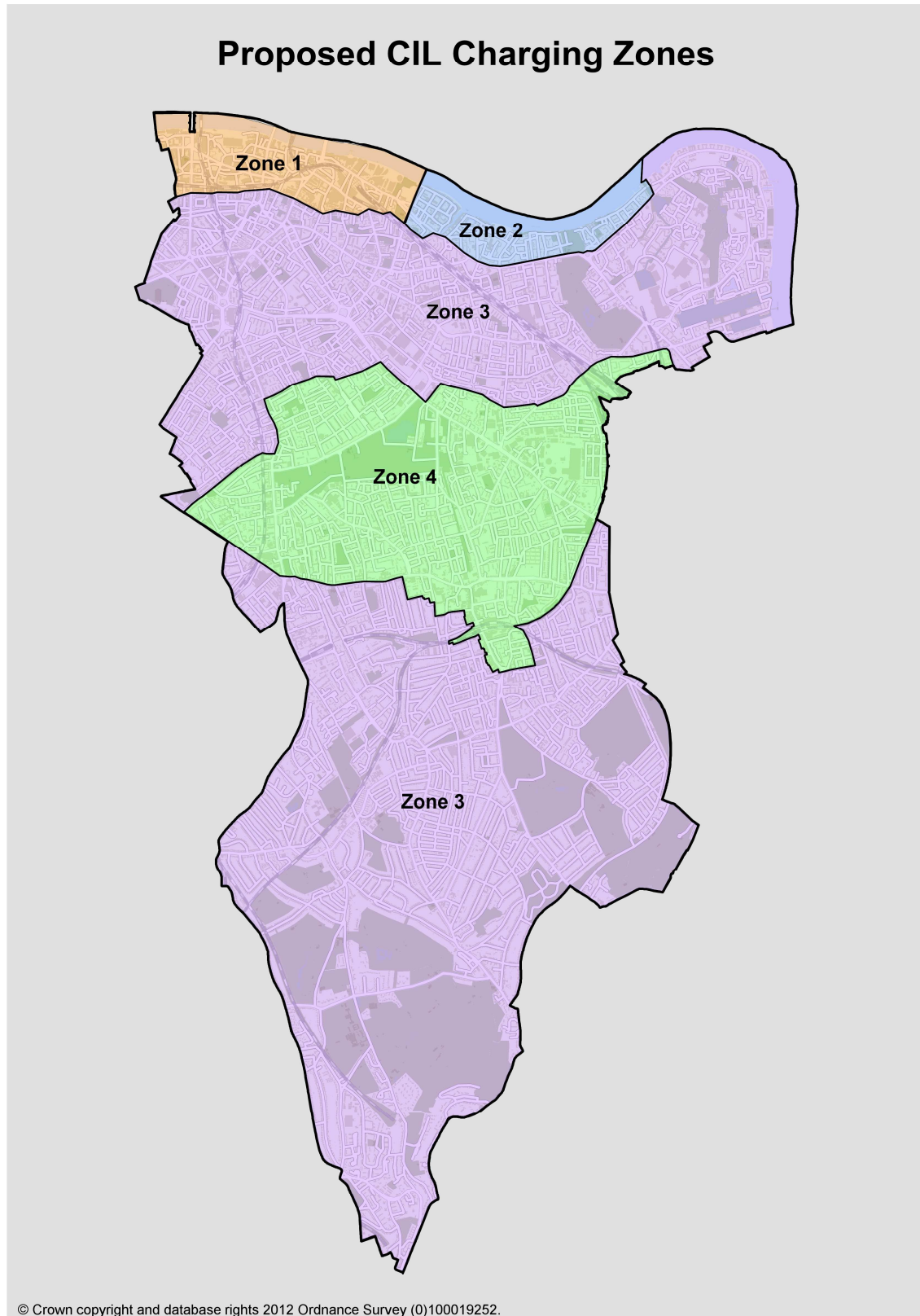


Table 1.7.1: Proposed CIL rates

Use	Area	Size	CIL Rate (excluding mayoral CIL) £/sqm
Office	North Area (Zone 1)	N/A	£100
	Rest of borough (Zones 2-4)	N/A	£0
Hotel	North Area (Zone 1)	N/A	£250
	Rest of borough (Zones 2-4)	N/A	£125
Resi and student accommodation	North Area (Zones 1 and 2)	N/A	£400
	Mid +South Area (Zone 3)	N/A	£250
	Central Area (Zone 4)	N/A	£50
Retail	Whole borough	Up to 280m ²	£0
		280m ² - 2500m ²	£125
		2500m ² +	£250
Industrial	Whole borough	N/A	£0
Other floorspace	Whole borough	N/A	£50

- 1.8 For residential schemes, the application of CIL at the rates proposed is unlikely to be an overriding factor in determining whether or not a scheme is viable. When considered in context of total scheme costs, the proposed rates of CIL will account for a very modest proportion of costs (typically less than 5% of total development costs, i.e. no more than a developer's contingency). Some schemes would be unviable even if a zero CIL were adopted. We therefore recommend that the Council pays limited regard to these sites.
- 1.9 Assuming the schemes in the Council's housing trajectory are delivered within the anticipated timescale, the proposed rates of CIL will generate income of £10.56 million per annum over the first five years after adoption. Table 1.9.1 summarises the potential CIL income, although this excludes any income potentially arising from commercial development.

Table 1.9.1: Potential CIL income based on proposed rates

Period	2013 – 2018	2018 – 2021	2021 – 2026
Annual income (£ millions)	10.56	7.12	4.79
Total income over period (£ millions)	52.83	35.63	23.96

2 Introduction

- 2.1 This study has been commissioned to contribute towards an evidence base to inform the London Borough of Southwark's ('the Council') CIL Preliminary Draft Charging Schedule ('PDCS'), as required by Regulation 14 of the CIL Regulations April 2010 (as amended in 2011). The aims of the study are summarised as follows:
- to test the impact upon the economics of residential development of a range of levels of CIL;
 - for residential schemes, to test CIL alongside the Council's requirements for affordable housing and other planning standards and obligations; and
 - to test the ability of commercial schemes to make a contribution towards infrastructure through CIL; and
 - to assess the potential amount of CIL which may be generated over the next 13 years.
- 2.2 In terms of methodology, we adopted standard residual valuation approaches to test the impact on viability of a range of levels of CIL. However, due to the extent and range of financial variables involved in residual valuations, they can only ever serve as a guide. Individual site characteristics (which are unique), mean that conclusions must always be tempered by a level of flexibility in application of policy requirements on a site by site basis. It is therefore essential that levels of CIL are set so as to allow a sufficient margin to allow for these site specific variations.

National Policy Context

- 2.3 The CIL regulations state that in setting a charge, local authorities must aim to strike "*what appears to the Charging Authority to be an appropriate balance*" between revenue maximisation on the one hand and the potentially adverse impact upon the viability of development on the other. The regulations also state that local authorities should take account of other sources of available funding for infrastructure when setting CIL rates. This report deals with viability only and does not consider other sources of funding (this is considered elsewhere within the Council's evidence base).
- 2.4 Local authorities must consult relevant stakeholders on the nature and amount of any proposed CIL. Following consultation, a charging schedule must be submitted for independent examination.
- 2.5 The regulations allow a number of reliefs and exemptions from CIL. Firstly, affordable housing and buildings with other charitable uses (if controlled by a charity) are subject to relief. Secondly, local authorities may, if they choose, elect to offer an exemption on proven viability grounds. The exemption would be available for 12 months, after which time viability of the scheme concerned would need to be reviewed. To be eligible for exemption, regulation 55 states that the Applicant must enter into a Section 106 agreement (and the costs of complying with the agreement must exceed the amount of CIL that would have been payable); and that the Authority must be satisfied that granting relief would not constitute state aid.
- 2.6 The CIL regulations enable local authorities to set differential rates (including zero rates) for different zones within which development would take place and also for different types of development.

- 2.7 The 2010 regulations set out clear timescales for payment of CIL, which varied according to the size of the payment, which by implication is linked to the size of the scheme. The 2011 amendments to the regulations allow local authorities to set their own timescales for the payment of CIL if they choose to do so. This is an important issue that the Council will need to consider, as the timing of payment of CIL can have an impact on an Applicant's cashflow (the earlier the payment of CIL, the more interest the Applicant will bear before the development is completed and sold).
- 2.8 Several local authorities have undertaken viability assessments and have drafted CIL charging schedules, which they have submitted for independent examination. To date, a number of charging authorities (including the Mayor of London, Portsmouth, Newark and Sherwood, Huntingdon, Wandsworth, Shropshire, Bristol, Poole and Redbridge) have been through the examination process and are at various stages of implementation.

Local Policy context

- 2.9 The study has taken into account the Mayor's CIL and other proposals, and policies and standards set out in the saved Southwark Plan and the adopted Core Strategy. These include, but are not exclusive to:
- An affordable housing requirement:
 - In addition to financing infrastructure, the Council expects residential developments to provide a mix of affordable housing tenures, sizes and types to help meet identified housing needs and contribute to the creation of mixed, balanced and inclusive communities. The Council expects developments of 10 or more units to provide 35% affordable housing on-site (50% in the Aylesbury Core Area). The tenure mix of the affordable housing varies between different parts of the borough (see Table below). The Council's requirements are applied flexibly, having regard to individual site circumstances, including viability of development.

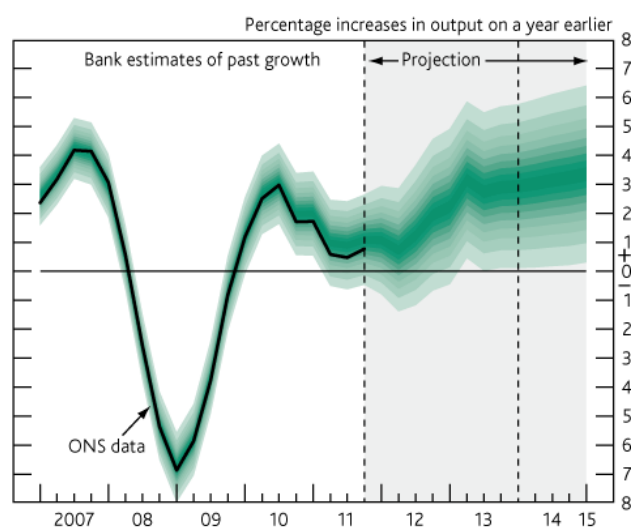
Area designation	Social rented (%)	Intermediate (%)
Central Activities zone	70	30
Urban zone	70	30
Suburban zone	70	30
Elephant and Castle opportunity area	50	50
Old Kent Road action area	50	50
Peckham and Nunhead action area	30	70
Camberwell action area	50	50

Source: Southwark Draft Affordable Housing SPD June 2011

- 10% of units on every site to be accessible by disabled people and the mobility impaired;
- A requirement to provide a minimum number of two and three bed dwellings. This varies in different parts of Southwark and is set out in Core Strategy policy 7;
- Residential space standards as set out in Southwark's 2011 Residential Design Standards SPD;
- Code for Sustainable Homes (Level 4) and BREEAM (excellent); and
- The maximum car parking standards in appendix 16 of the Southwark Plan.

Economic and housing market context

- 2.10 The historic highs achieved in the UK housing market by mid 2007 followed a prolonged period of real house price growth. However, a period of 'readjustment' began in the second half of 2007, triggered initially by rising interest rates and the emergence of the US sub prime lending problems in the last quarter of 2007. The subsequent reduction in inter-bank lending led to a general "credit crunch" including a tightening of mortgage availability. The real crisis of confidence, however, followed the collapse of Lehman Brothers in September 2008, which forced the government and the Bank of England to intervene in the market to relieve a liquidity crisis.
- 2.11 The combination of successive shocks to consumer confidence and the difficulties in obtaining finance led to a sharp reduction in transactions and a significant correction in house prices in the UK, which fell to a level some 21% lower than at their peak in August 2007 according to the Halifax House Price Index. Consequently, residential land values fell by some 50% from peak levels. One element of government intervention involved successive interest rate cuts and as the cost of servicing many people's mortgages is linked to the base rate, this financial burden has progressively eased for those still in employment. This, together with a return to economic growth early 2010 (see February 2012 Bank of England GDP fan chart below, showing the range of the Bank's predictions for GDP growth to 2015) has meant that consumer confidence has started to improve to some extent.



Source: Bank of England

- 2.12 Throughout the first half of 2010 there were some tentative indications that improved consumer confidence was feeding through into more positive interest from potential house purchasers. Against the background of a much reduced supply of new housing, this would lead one to expect some recovery in prices. However it is evident that this brief resurgence has abated, with the Halifax House Price Indices showing a fall of 0.6% in the year to March 2012. The Halifax attributes at least some of the recent recovery in sales values to first time buyers seeking to purchase prior to the reintroduction of Stamp Duty from 1 April 2012.
- 2.13 The balance of opinion is that house prices will remain flat in the short term, with continuing high levels of unemployment likely to result in increased repossessions and increased supply of homes into the market. At the same time, demand is expected to remain subdued, due to the continuing difficulties consumers face in securing mortgages.

Figure 2.12.1: House prices in Southwark

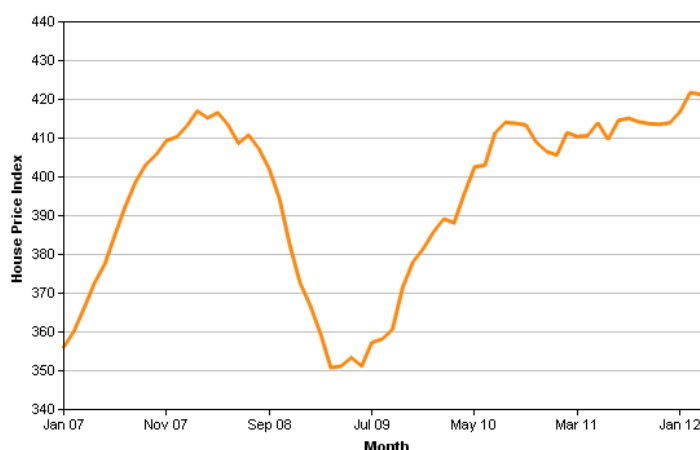
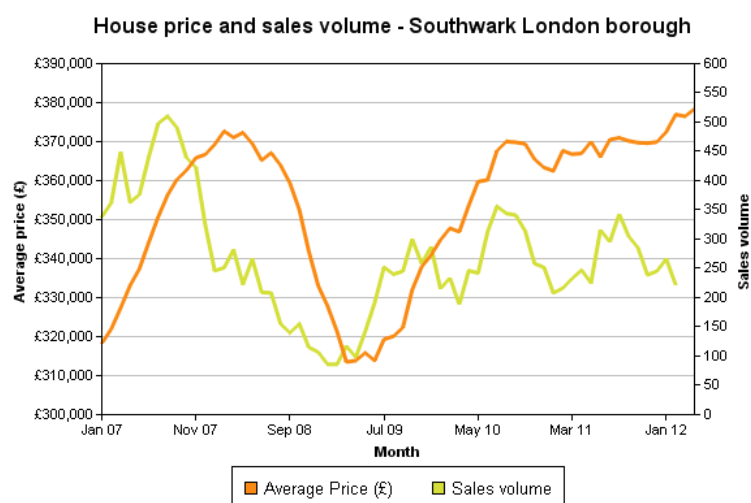


Figure 2.12.2: Sales volumes in Southwark



Source: Land Registry

- 2.14 According to Land Registry data, residential sales values in Southwark have recovered since the lowest point in the cycle in March 2009. Prices increased by 21% between April 2009 and April 2012. In April 2012, sales values were 1.6% higher than the April 2008 peak value.
- 2.15 The future trajectory of house prices is currently uncertain, although Savills' current prediction is that values are expected to increase over the next five years. Medium term predictions are that properties in mainstream London markets will grow over the period between 2012 to 2016³. Savills predict that values in mainstream London markets (i.e. non-prime) will fall by 0.5% in 2012, but increase by 1%% in 2013, 5% in 2014, 6% in 2015 and 6.5% in 2016. This equates to cumulative growth of 19.1% between 2012-2016 inclusive, compared to a UK average of 6% cumulative growth over the same period.

Development context

- 2.16 Developments in Southwark range from small in-fill sites to major regeneration schemes, including Elephant and Castle and the Aylesbury Estate. There are significant variations in residential sales values between different parts of the Council's area, with areas to the north of the borough (especially riverside locations) with the highest values and parts of Peckham, Faraday, Livesey and Camberwell Green wards with lowest values. Outside the northern part of the borough, commercial development is more limited in scale. The borough's retail centres are performing well, and growth is expected at Elephant and Castle and Canada Water in particular. There is also a limited amount of office and industrial development in many parts of the borough.

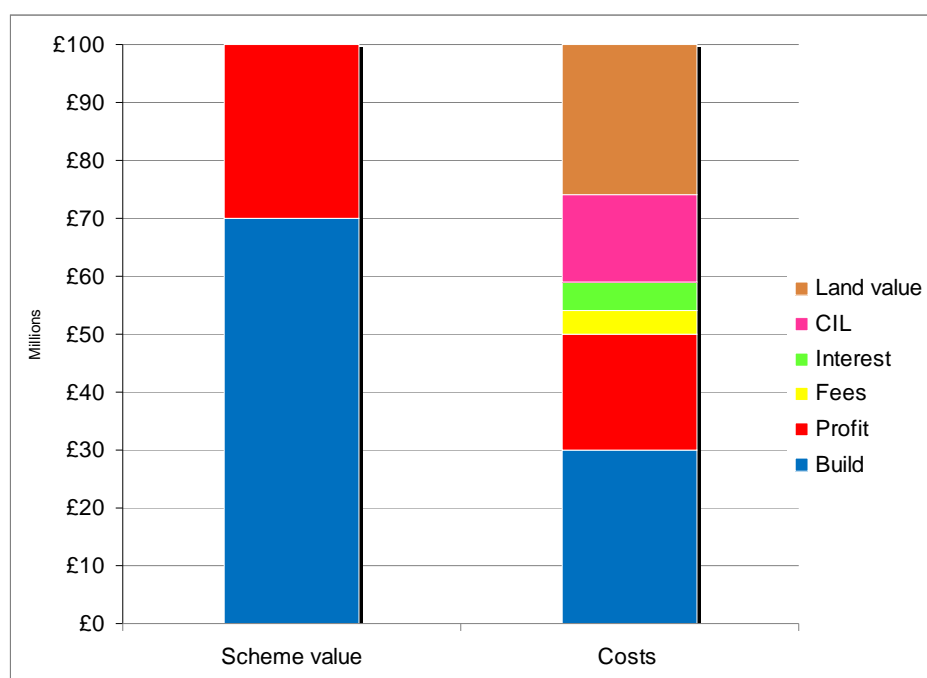
³ Savills Research: Residential Property Focus, April 2012

3 Methodology and appraisal inputs

- 3.1 Our methodology follows standard development appraisal conventions, using assumptions that reflect local market and planning policy circumstances. The study is therefore specific to Southwark and reflects the Council's planning policy requirements.

Approach to testing development viability

- 3.2 Appraisal models can be summarised via the following diagram. The total scheme value is calculated, as represented by the left hand bar. This includes the sales receipts from the private housing and the payment from a Registered Social Landlord ('RSL') for the completed affordable housing units. The model then deducts the build costs, fees, interest, CIL (at varying levels) and developer's profit. A 'residual' amount is left after all these costs are deducted – this is the land value that the Developer would pay to the landowner. The residual land value is represented by the brown portion of the right hand bar in the diagram.



- 3.3 The Residual Land Value is normally a key variable in determining whether a scheme will proceed. If a proposal generates sufficient positive land value (in excess of existing use value), it will be implemented. If not, the proposal will not go ahead, unless there are alternative funding sources to bridge the 'gap'.
- 3.4 Problems with key appraisal variables can be summarised as follows:
- Development costs are subject to national and local monitoring and can be reasonably accurately assessed in 'normal' circumstances. In boroughs like Southwark, many sites will be previously developed. These sites can sometimes encounter 'exceptional' costs such as decontamination. Such costs can be very difficult to anticipate before detailed site surveys are undertaken;

- Development value and costs will also be significantly affected by assumptions about the nature and type of affordable housing provision and other Planning Obligations. In addition, on major projects, assumptions about development phasing; and infrastructure required to facilitate each phase of the development will affect residual values. Where the delivery of the obligations are deferred, the less the real cost to the applicant (and the greater the scope for increased affordable housing and other planning obligations). This is because the interest cost is reduced if the costs are incurred later in the development cashflow; and
 - While Developer's Profit has to be assumed in any appraisal, its level is closely correlated with risk. The greater the risk, the higher the profit level required by lenders. While profit levels were typically up to around 15% of completed development value at the peak of the market in 2007, banks now require schemes to show a higher profit to reflect the current risk. Typically developers and banks are targeting 20-25% Internal Rate of Return on a development scheme. IRR is used as a key hurdle rate in determining viability, since it accounts for the length of time a development takes, with a higher IRR reflecting a shorter period to realise a return on an investment. Although IRR is readily comparable with other investment opportunities, other measures of profitability can include profit on cost or profit on Gross Development Value (GDV). Our appraisal summaries provide reference to all three measures, although IRR is targeted at 20%.
- 3.5 Ultimately, the landowner will make a decision on implementing a project on the basis of return and the potential for market change, and whether alternative developments might yield a higher value. The landowner's 'bottom line' will be achieving a residual land value that sufficiently exceeds 'existing use value'⁴ or another appropriate benchmark to make development worthwhile. The margin above existing use value may be considerably different on individual sites, where there might be particular reasons why the premium to the landowner should be lower or higher than other sites.
- 3.6 Clearly, however, landowners have expectations of the value of their land which often exceed the value of the current use. CIL will be a cost to the scheme and will impact on the residual land value. Ultimately, if landowners' expectations are not met, they will not voluntarily sell their land and (unless a Local Authority is prepared to use its compulsory purchase powers) some may simply hold on to their sites, in the hope that policy may change at some future point with reduced requirements. It is within the scope of those expectations that developers have to formulate their offers for sites. The task of formulating an offer for a site is complicated further still during buoyant land markets, where developers have to compete with other developers to secure a site, often speculating on increases in value.

Viability benchmark

- 3.7 The CIL Regulations provide no specific guidance on how local authorities should test the viability of their proposed charges. However, there is a range of good practice generated by both the Homes and Communities Agency and appeal decisions that assist in guiding planning authorities on how they should approach viability testing for planning policy purposes.

⁴ For the purposes of this report, existing use value is defined as the value of the site in its existing use, assuming that it remains in that use. We are not referring to the RICS Valuation Standards definition of 'Existing Use Value'.

- 3.8 In 2009, the Homes and Communities Agency published a good practice guidance manual 'Investment and Planning Obligations: Responding to the Downturn'. This defines viability as follows: *"a viable development will support a residual land value at 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"*.
- 3.9 A number of planning appeal decisions provide guidance on the extent to which the residual land value should exceed existing use value to be considered viable:

Barnet & Chase Farm: APP/Q5300/A/07/2043798/NWF

"the appropriate test is that the value generated by the scheme should exceed the value of the site in its current use. The logic is that, if the converse were the case, then sites would not come forward for development"

Bath Road, Bristol: APP/P0119/A/08/2069226

"The difference between the RLV and the existing site value provides a basis for ascertaining the viability of contributing towards affordable housing."

Beckenham: APP/G5180/A/08/2084559

"without an affordable housing contribution, the scheme will only yield less than 12% above the existing use value, 8% below the generally accepted margin necessary to induce such development to proceed."

Oxford Street, Woodstock: APP/D3125/A/09/2104658

"The main parties' valuations of the current existing value of the land are not dissimilar but the Appellant has sought to add a 10% premium. Though the site is owned by the Appellants it must be assumed, for valuation purposes, that the land is being acquired now. It is unreasonable to assume that an existing owner and user of the land would not require a premium over the actual value of the land to offset inconvenience and assist with relocation. The Appellants addition of the 10% premium is not unreasonable in these circumstances."

- 3.10 It is clear from the planning appeal decisions above and HCA good practice publication that the most appropriate test of viability for planning policy purposes is to consider the residual value of schemes compared to the existing use value plus a premium. As discussed later in this report, our study adopts a range of benchmark land values, reflecting differing circumstances in which sites are brought forward.
- 3.11 The recent examination on the Mayor of London's CIL charging schedule considered the issue of an appropriate land value benchmark. The Mayor had adopted existing use value, while certain objectors suggested that 'Market Value' was a more appropriate benchmark. The Examiner concluded that:

"The market value approach.... while offering certainty on the price paid for a development site, suffers from being based on prices agreed in an historic policy context." (para 8) and that "I don't believe that the EUV approach can be accurately described as fundamentally flawed or that this examination should be adjourned to allow work based on the market approach to be done" (para 9).

- 3.12 In his concluding remark, the Examiner points out that

*“the price paid for development land may be reduced [so that CIL may be accommodated]. As with profit levels there may be cries that this is unrealistic, but **a reduction in development land value is an inherent part of the CIL concept**. It may be argued that such a reduction may be all very well in the medium to long term but it is impossible in the short term because of the price already paid/agreed for development land. The difficulty with that argument is that if accepted the prospect of raising funds for infrastructure would be forever receding into the future. In any event in some instances it may be possible for contracts and options to be re-negotiated in the light of the changed circumstances arising from the imposition of CIL charges. (para 32 – emphasis added).*

- 3.13 HCA and CLG sponsored guidance on testing the viability of local planning requirements was published on 22 June 2012⁵. This guidance also recognises current or existing use value plus a margin as a suitable benchmark for testing CIL.

- 3.14 It is important to stress, however, that there is no single threshold land value at which land will come forward for development. The decision to bring land forward will depend on the type of owner and, in particular, whether the owner occupies the site or holds it as an asset; the strength of demand for the site's current use in comparison to others; how offers received compare to the owner's perception of the value of the site, which in turn is influenced by prices achieved by other sites. Given the lack of a single threshold land value, it is difficult for policy makers to determine the minimum land value that sites should achieve. This will ultimately be a matter of judgement for each individual Charging Authority.

⁵ Viability Testing Local Plans, Advice for planning practitioners, Local Housing Delivery Group, Chaired by Sir John Harman, June 2012

4 Development appraisals

Residential development

- 4.1 We have appraised 36 developments, reflecting both the range of sales values/capital values and also sizes/types of development and densities of development across the borough. The inputs to the appraisals are based on research on the local housing market.

Residential sales values

- 4.2 Residential values in the area reflect national trends in recent years but do of course vary between different sub-markets. We have considered comparable evidence of transacted properties in the area and also properties on the market to establish appropriate values for testing purposes. This exercise indicates that developments in the borough will attract average sales values ranging from circa £3,500 per square metre (£325 per square foot) to £9,200 per square metre (£855 per square foot).
- 4.3 As noted earlier in the report, Savills predict that sales values will increase over the medium term. Whilst this predicted growth cannot be guaranteed, we have run a series of sensitivity analyses assuming growth in sales values of between 10% and 20%, accompanied by cost inflation of between 5% as well as a fall of 10%. These analyses provide the Council with an indication of the impact of changes in values and costs on viability.

Affordable housing tenure and values

- 4.4 The Council's policy position is that developments comprised of 10 or more units should provide 35% affordable housing, subject to viability, with a tenure mix of that varies according to area (as noted at paragraph 2.15).
- 4.5 The Council is currently formulating its approach to the 'Affordable Rent' tenure and the likely outcome is currently uncertain. In view of the benefits caps under the Universal Credit, it is possible that rent levels cannot be increased to a significantly higher level than target rents. We have therefore assumed that the rented element of schemes will be provided as social rent at target rents.
- 4.6 The CLG/HCA '2011-2015 Affordable Homes Programme – Framework' (February 2011) document clearly states that RSLs will not receive grant funding for any affordable housing provided through planning obligations. Consequently, all our appraisals assume nil grant. We recommend that the Council revisits this assumption when it next reviews its charging schedule, by which time a new funding programme may have been introduced by central government.
- 4.7 For shared ownership units, we have assumed that RSLs will sell 30% initial equity stakes and charge a rent of 2.75% on the retained equity. A 10% charge for management is deducted from the rental income and the net amount is capitalised using a yield of 5.25%. In all cases, the values are capped (if necessary) to ensure that total housing costs (mortgage payment, rent and service charge) are affordable to households on incomes identified in the Council's Draft Affordable Housing SPD.

The sample developments

- 4.8 We have run appraisals of schemes identified by the borough as representing the broad spread of development coming forward across the borough. The sample includes wholly residential schemes, wholly commercial schemes, and mixed use schemes. Details of the schemes are provided at Appendix 2.

Residential build costs

- 4.9 We have sourced build costs for the residential schemes from the RICS Building Cost Information Service (BCIS), which is based on tenders for actual schemes. However, adjustments to the base costs are necessary to reflect the specification of development in the borough, which is reflective of high specification and high value property. Costs for individual scheme are provided in the scheme appraisals (attached as Appendix 4).
- 4.10 An additional 6% allowance is included across all tenures for meeting Code for Sustainable Homes level 4, which is reflective of the findings of work undertaken by Cyrill Sweett on behalf of CLG.

Professional fees

- 4.11 In addition to base build costs, schemes will incur professional fees, covering design, valuation, highways consultants and so on. Our appraisals incorporate a 10% allowance, which is at the higher end of the range for most schemes.

Marketing costs

- 4.12 Our appraisals incorporate an allowance of 3% for marketing costs, which we consider to be an appropriate allowance.

Mayoral CIL

- 4.13 Mayoral CIL will be payable on most developments that receive planning consent after 1 April 2012. Southwark falls within Zone 2, where a CIL of £35 per square metre will be levied. The Mayoral CIL takes precedence over borough requirements, including affordable housing. The Council is required to have regard to the Mayoral CIL when setting its own CIL. Our appraisals do not include Mayoral CIL as a cost, so the outputs (in terms of viable levels of CIL) *incorporate* the Mayoral CIL, which should be deducted for the purposes of setting a borough CIL.

Section 278 and residual Section 106 costs

- 4.14 Our appraisals incorporate a notional allowance of £1,000 per unit to address any Section 278 and residual Section 106 costs. This is an estimate only, as the actual amounts of Section 106 will vary depending on the extent of mitigation required. This allowance has been widely adopted by other authorities, including Poole and Bristol councils whose charging schedules have been examined.

Development and sales periods

- 4.15 Development and sales periods vary between type of scheme. However, our sales periods are based on an assumption of a sales rate of 5 units per month. This is reflective of current market conditions, whereas in improved markets, a sales rate of up to 8 units per month might be expected.

Developer's profit

- 4.16 Developer's profit is closely correlated with the perceived risk of residential development. The greater the risk, the greater the required profit level, which helps to mitigate against the risk, but also to ensure that the potential rewards are sufficiently attractive for a bank and other equity providers to fund a scheme. In 2007, profit levels were at around 15-17% of development costs. However, following the impact of the credit crunch and the collapse in interbank lending and the various government bailouts of the banking sector, profit margins have increased. It is important to emphasise that the level of minimum profit is not necessarily determined by developers (although they will have their own view and the Boards of the major housebuilders will set targets for minimum profit).
- 4.17 The views of the banks which fund development are more important; if the banks decline an application by a developer to borrow to fund a development, it is very unlikely to proceed, as developers rarely carry sufficient cash to fund it themselves. Consequently, future movements in profit levels will largely be determined by the attitudes of the banks towards development proposals.
- 4.18 The near collapse of the global banking system in the final quarter of 2008 is resulting in a much tighter regulatory system, with UK banks having to take a much more cautious approach to all lending. In this context, and against the backdrop of the current sovereign debt crisis in the Eurozone, the banks may not allow profit levels to decrease much lower than their current level of 20%.
- 4.19 Our assumed return on the affordable housing GDV is 6%. A lower return on the affordable housing is appropriate as there is very limited sales risk on these units for the developer; there is often a pre-sale of the units to an RSL prior to commencement. Any risk associated with take up of intermediate housing is borne by the acquiring RSL, not by the developer. A reduced profit level on the affordable housing reflects the GLA 'Development Control Toolkit' guidance and Homes and Communities Agency's guidelines in its Economic Appraisal Tool.

Exceptional costs

- 4.20 Exceptional costs can be an issue for development viability on previously developed land. Exceptional costs relate to works that are 'atypical', such as remediation of sites in former industrial use and that are over and above standard build costs. However, for the purposes of this exercise, it is not possible to provide a reliable estimate of what exceptional costs would be, as they will differ significantly from site to site. Our analysis therefore excludes exceptional costs, as to apply a blanket allowance would generate misleading results. An 'average' level of costs for decontamination, flood risk mitigation and other 'abnormal' costs is already reflected in BCIS data, as such costs are frequently encountered on sites that form the basis of the BCIS data sample.

Benchmark land values

- 4.21 Benchmark land values, based on the existing use value or alternative use value of sites are key considerations in the assessment of development economics for testing planning policies and tariffs. Clearly, there is a point where the Residual Land Value (what the landowner receives from a developer) that results from a scheme may be less than the land's existing use value. Existing use values can vary significantly, depending on the demand for the type of building relative to other areas. Similarly, subject to planning permission, the potential development site may be capable of being used in different ways – as a hotel rather than residential for example; or at least a

different mix of uses. Existing use value or alternative use value are effectively the 'bottom line' in a financial sense and therefore a key factor in this study.

- 4.22 The existing use value for each site is determined by the existing building and local market rents for the relevant property type. Details of the benchmark land values, and our assumptions in arriving at each value, are provided for each development in Appendix 4.

Commercial development

- 4.23 Many of the sample schemes incorporate an element of commercial development, while other schemes are wholly commercial. Our approach to appraising the commercial elements of the schemes is outlined in the paragraphs below.

Commercial rents and yields

- 4.24 Our research on lettings of commercial floorspace indicates a range of rents achieved, as shown in the individual scheme appraisals (attached as Appendix 4).

Commercial build costs

- 4.25 We have sourced build costs for the commercial schemes from the RICS Building Cost Information Service (BCIS), which is based on tenders for actual schemes, plus an additional allowance for meeting BREEAM 'Very Good' standards. These costs vary between different uses and include external works and fees. Costs for each type of development are shown in the individual scheme appraisals (attached as Appendix 4)

Profit

- 4.26 In common with residential schemes, commercial schemes need to show a risk adjusted profit to secure funding. Profit levels are typically around 20% of development value and we have incorporated this assumption into our appraisals.

5 Appraisal outputs

- 5.1 The full outputs from our appraisals of various developments are attached as Appendix 2. We have appraised 36 developments, reflecting different densities and types of development across the borough. Each appraisal incorporates (where relevant) the Council's requirement for 35% affordable housing.
- 5.2 We have run a series of scenarios and sensitivity analyses on each appraisal, as follows:
- 1. Base sales/capital values and base costs (including Code for Sustainable Homes Level 4); 35% affordable housing (where relevant);
 - 2. Sales values and capital values increased by 10%; costs increased by 5%;
 - 3. Sales values and capital values increased by 10%; costs increased by 10%;
 - 4. Sales values and capital values increased by 20%; costs increased by 10%; and
 - 5. Sales values and capital values increased by 10%; costs decreased by 10%.
- 5.3 We assume that all development types will meet Code for Sustainable Homes level 4. Level 4 is reflected through a 6% adjustment to our base build costs for all tenures.
- 5.4 The residual land values from each development is then compared to the site's existing use value plus an appropriate premium based on local evidence. In some cases, the sites are cleared and do not have a existing use value. In these situations, our benchmarks are based on an appropriate land value, such as an alternative use value. This comparison enables us to determine the maximum potential CIL rates that could be levied without rendering schemes unviable. In some cases, the equation RLV less BLV results in a negative number, so the development would not proceed, whether CIL was imposed or not. We therefore focus on situations where the RLV is greater than BLV and where (all other things being equal) the development would proceed. In these situations, CIL (if set at too high a level) has the potential to 'tip the balance' of viability into a negative position.

6 Assessment of the results

- 6.1 This section should be read in conjunction with the full results attached at Appendix 4. In these results, the residual land values are calculated for scenarios with sales values and capital values reflective of market conditions across the borough. These RLVs are then compared to benchmark land values for each site.
- 6.2 The CIL regulations state that in setting a charge, local authorities must “aim to strike *what appears to the charging authority* to be an appropriate balance” between revenue maximisation on the one hand and the potentially adverse impact of CIL upon the viability of development across the whole area on the other. Our recommendations are that:
- Firstly, councils should take a strategic view of viability. There will always be variations in viability between individual sites, but viability testing should establish the most typical viability position; not the exceptional situations.
 - Secondly, councils should take a balanced view of viability – residual valuations are just one factor influencing a developer’s decision making – the same applies to local authorities.
 - Thirdly, while a single charge is attractive, it may not be appropriate for all authorities, particularly in areas where sales values vary between areas.
 - Fourthly, markets are cyclical and subject to change over short periods of time. Sensitivity testing to test levels of CIL to ensure they are robust in the event that market conditions improve over the life of a Charging Schedule is essential.
 - Fifthly, local authorities should not set their rates of CIL at the limits of viability. They should leave a margin or contingency to allow for change and site specific viability issues.
- 6.3 The early examinations have seen a debate on how viability evidence should translate into CIL rates. It has now been widely recognised that there is no requirement for a Charging Authority to slavishly follow the outputs of residual valuations. At Shropshire Council’s examination in public, Newark & Sherwood Council argued that rates of CIL should be set at the level dictated by viability evidence which would (if followed literally) have resulted in a Charging Schedule with around thirty different charging zones across the Shropshire area. Clearly this would have resulted in a level of complexity that CIL is intended to avoid. The conclusion of this debate was that CIL rates should not necessarily be determined solely by viability evidence, but *should not be logically contrary* to the evidence. Councils should not follow a mechanistic process when setting rates – appraisals are just a guide to viability and are widely understood to be a less than precise tool.

Assessment – residential development

- 6.4 As CIL is intended to operate as a fixed charge, the Council will need to consider the impact on two key factors. Firstly, the need to strike a balance between maximising revenue to invest in infrastructure on the one hand and the need to *minimise* the impact upon development viability on the other. CLG guidance recognises that CIL may make some developments unviable. Secondly, as CIL will effectively take a ‘top-slice’ of development value, there is a potential impact on the percentage or tenure mix of affordable housing that can be secured. This is a change from the current system of negotiated financial contributions, where the planning authority can weigh the need for contributions against the requirement that schemes need to contribute towards

affordable housing provision.

- 6.5 In assessing the results, it is important to clearly distinguish between two scenarios; namely, schemes that are unviable *regardless of the level of CIL* (including a nil rate) and schemes that are viable *prior* to the imposition of CIL at certain levels. If a scheme is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a factor that comes into play in the developer's/landowner's decision making. We have therefore disregarded the 'unviable' schemes in recommending an appropriate level of CIL. The unviable schemes will only become viable following a degree of real house price inflation, or in the event that the Council agrees to a lower level of affordable housing in the short term.

Determining maximum viable rates of CIL for residential development

- 6.6 As noted in paragraph 6.5, where a scheme is unviable the imposition of CIL at a zero level will not make the scheme viable. Other factors (i.e. sales values, build costs or benchmark land values) would need to change to make the scheme viable. For the purposes of establishing a maximum viable rate of CIL, we have had regard to the development scenarios that are currently viable and that might, therefore, be affected by a CIL requirement. All the results summarised below assume that current affordable housing requirements are met in full. In addition, the rates discussed below are **inclusive of the Mayoral CIL of £35 per square metre**.

Table 6.6.1: Maximum CIL rates – residential

Site number:	Area	Maximum CIL (including Mayoral CIL)
11	Zone 3	£259
12	Zone 3	£822
14	Zone 3	£487
19	Zone 3	£425
20	Zone 3	-£347
21	Zone 3	£263
28	Zone 3	£532
30	Zone 3	-£4,728
32	Zone 3	£720
33	Zone 3	£378
36	Zone 3	£715
37	Zone 3	£361
40	Zone 3	£1,350
41	Zone 3	£2,759
2	Zones 1 and 2	£843
6	Zones 1 and 2	£1,366
24	Zones 1 and 2	£682
26	Zones 1 and 2	£790

Table 6.6.1: Maximum CIL rates – residential (continued)

Site number:	Area	Maximum CIL (including Mayoral CIL)
1	Zone 4	£33
13	Zone 4	£207
16	Zone 4	-£759
18	Zone 4	£170
22	Zone 4	£193
23	Zone 4	£145
34	Zone 4	-£631

- 6.7 In the north area (Zones 1 and 2), our appraisals indicate significant surplus values above existing use values, which result in high levels of maximum CIL. The average maximum CIL is £920.25 per square metre. However, one of the sites has a maximum CIL of £683 per square metre. A CIL of £400 per square metre (£435 including the Mayoral CIL) would leave a substantial viability 'buffer' below the least viable scheme tested in this area.
- 6.8 In the Mid & South area (Zone 3), the least viable site generates a maximum CIL of £259 per square metre and the most viable sites generating maximum CIL levels of £1,350 and £2,759 per square metre. The average CIL level in this area is £756 per square metre. Having regard to the least viable sites, a CIL of £250 per square metre (£285 per square metre including Mayoral CIL) should be readily absorbed by a majority of sites in this area.
- 6.9 Sites in the Central area (Zone 4) generate the lowest residual values in the borough. The average residual value generated by the viable sites is £262 per square metre. In this area, developments should be able to absorb a CIL of £50 per square metre (£85 including the Mayoral CIL).
- 6.10 In all areas, the viability of student housing will be broadly similar to that general residential development. We therefore suggest that the Council applies a consistent CIL rate on both residential and student accommodation.

Sensitivity analysis on values and costs

- 6.11 As noted in Section 5, we carried out further analyses which consider the impact of increases in sales values of 10% and 20%, accompanied by an increase in build costs of 5% and 10%, and a decrease of 10%. This data is illustrative only, as the future housing market trajectory is very uncertain given the economic outlook. However, if such increases were to occur, the tables in Appendix 2 show the results in terms of the levels of CIL that could be absorbed.

Assessment – commercial development

- 6.12 Our appraisals indicate that the potential for commercial schemes to be viably delivered varies between different uses and between areas across the borough. Certain types of retail development (e.g. large retail) are more viable than other types of development and might generate sufficient surplus residual value to absorb a CIL. Outside the North of the borough, there is unlikely to considerable amounts of office development and rents are unlikely to be appreciably higher than rents for existing space.

Retail development

- 6.13 Table 6.13.1 below summarises the results of our appraisals of retail developments across the borough. The average maximum CIL across all viable schemes in the borough is £882 per square metre. However, the most viable schemes are those with larger footplates (e.g. covered malls, superstores and retail warehouses). Sites 28, 29 and 34 all include retail schemes which provide over 2,500sqm of net additional retail space. Many smaller retail developments are likely to involve recycling existing floorspace, which would not be liable for CIL.

Table 6.13.1: Maximum CIL rates – retail

Site number:	Area	Maximum CIL (including Mayoral CIL)
14	Zone 3	£3
20	Zone 3	£1,295
28	Zone 3	-£304
29	Zone 3	£2,659
33	Zone 3	£332
2	Zones 1 and 2	£262
3	Zones 1 and 2	£660
4	Zones 1 and 2	£126
9	Zones 1 and 2	-£715
24	Zones 1 and 2	£1,292
26	Zones 1 and 2	£1,101
13	Zone 4	£576
16	Zone 4	-£394
22	Zone 4	£1,179
23	Zone 4	£939
34	Zone 4	£779

- 6.14 The results suggest that the Council should consider a nil rate for small retail and higher rates for larger retail development. The Council would need to establish whether the regulations permit different rates for the same *type* of development based on size⁶. Our findings suggested that small retail schemes tend to be less viable. Sunday trading laws define large units as those above 280 square metres. Therefore this is arguably an appropriate threshold for defining large units. With regard to very large retail developments, the NPPF prescribes a default threshold of 2,500 square metres at which point retail impact assessments are required. This captures the largest developments, which are likely to have the most significant impacts. Subject to acceptability in terms of the regulations, this could be considered an appropriate threshold. It is expected that very few schemes would be above this threshold. In the last 10 years only 5 schemes⁷ have

⁶ Sainsburys recently challenged Borough of Poole's proposed rate of CIL on superstores on the basis that – in their view – the regulations do not permit such variations, as it is not possible to distinguish supermarkets as different 'types' of development. The Council may wish to raise this point with CLG before proceeding.

⁷ Surrey Quays shopping centre, 3,463 sqm net additional space (application no. 04/AP/0238); Bankside 1, 2, 3, 4,000 sqm net additional space (05-AP-2257); Canada Water Site C, 2,914 sqm

been submitted to Southwark which are above this threshold.

Office development

- 6.15 Table 6.15.1 below summarises the results of our appraisals of office developments across the borough. The results indicate that, at the current time, office development is unlikely to be viable. However, there are office proposals in the planning pipeline and these schemes will only be implemented when rents increase to a sufficient level for them to be viable. A modest CIL requirement is unlikely to prevent these schemes coming forward. A CIL of £100 (plus Mayoral CIL of £35 per square metre) has been suggested by other boroughs with potential office developments in the Central Activities Zone as there is potential for rents of over £40 per square foot to be achieved on good quality office/Grade A office space, which is 60% higher on average than office rents for lower quality stock and offices elsewhere in the borough (i.e. £25 per square foot). For example, we understand that UBM have recently secured a 15 year term for a pre-let of 105,648 sq ft of offices at 240 Blackfriars Road from the Great Ropemaker Partnership (GRP) at a headline rent of £47 per sq ft due to be completed in march 2014. Incentives agreed include 36 months rent-free, along with a 39 month rent free period for the 11th floor. The majority of new office space is expected to come forward in the CAZ.

Table 6.15.1: Maximum CIL rates – offices

Site number:	Area	Maximum CIL (including Mayoral CIL)
20	Zone 3	-£701
21	Zone 3	-£927
28	Zone 3	-£384
3	Zone 1	-£17
4	Zone 1	-£535
9	Zone 1	-£1,942
26	Zone 1	-£417
16	Zone 4	-£1,254
22	Zone 4	-£819

Hotel development

- 6.16 The results suggest that hotel developments in the North of the borough are likely to generate considerable surplus values, part of which would fund a CIL. The average maximum CIL is £1,653 per square metre. A CIL of £250 per square metre in the North of the borough would provide significant headroom below the maximum rate. There have been very few proposals for hotels in the rest of the borough and a previous appraisal carried out on behalf of the Council by BNP Paribas Real Estate identified capital values to be significantly lower than those achievable in the North of the Borough and particularly with River views e.g. a budget hotel in SE17 has been appraised at capital value of £65,000 per room, which is between 57% to 67% less than the capital values which are achievable in SE1 i.e. between £152,500 and £200,000 per room. It is therefore considered that a CIL rate of 50% of the proposed rate for the North would suitably reflect the differential in capital values.

net additional space (09-AP-1783); Kings Reach Tower, 3,701 sqm net additional space (11-AP-1071) and; Surrey Quays Shopping Centre, 10,564 sqm net additional space, (11/AP/4206).

Table 6.16.1: Maximum CIL rates – hotels

Site number:	Area	Maximum CIL (including Mayoral CIL)
2	Zone 1	£2,160
8	Zone 1	-£1,401
25	Zone 1	£1,356

Industrial development

- 6.17 The Council does not expect any significant levels of development of additional floorspace for industrial and warehousing use based upon a strategic assessment of the demand and supply of land in industrial and related uses over the next 20 years. We have tested four developments of this type of development, with the results summarised in Table 6.17.1. All of the developments generate negative residual land values. In light of the Council's expectation of very little development activity and the lack of viability, we suggest a nil CIL rate.

Table 6.17.1: Maximum CIL rates – industrial/warehousing

Site number:	Area	Maximum CIL (including Mayoral CIL)
10	Zone 4	-£44
15	Zone 4	-£80
17	Zone 4	-£1,348
27	Zone 3	-£929

D1 and D2 floorspace development

- 6.18 D1 and D2 floorspace typically includes uses that do not accommodate revenue generating operations, such as schools, health centres, museums and places of worship. Other uses that do generate an income stream (such as swimming pools) have operating costs that are far higher than the income and require public subsidy. Many D1 uses will be infrastructure themselves, which CIL will help to provide. It is therefore unlikely that D1 and D2 uses will be capable of generating any contribution towards CIL. However, there will be some commercial uses within the D1/D2 use classes that operate on commercial terms (e.g. cinemas, bowling alleys etc) that could make a contribution to local infrastructure. The decision to open such a facility would be primarily driven by demand and demographic factors. Applying a modest CIL to such uses is unlikely to adversely affect the viability of such developments..

Suggested CIL rates

- 6.19 The results indicate that it should be possible for the Council to levy rates of CIL across all areas, subject to allowing for a buffer or margin to address risks to delivery. There are four key risk factors:
- the first is that individual sites might incur exceptional costs (decontamination, difficult ground conditions etc) and as a result the residual land value could fall. Developers will try and reflect such costs in their offer to the landowner, but the extent of any issues is not always fully apparent until the land value is fixed. Where sites have an existing use, an owner will not be prepared to accept a reduction below the value of the current building to accommodate exceptional costs on a redevelopment;

- Secondly, existing use values on individual sites will inevitably vary and will fall somewhere between the values used in our appraisals. As a result, the ability of schemes to absorb high rates of CIL could be adversely affected.
- Thirdly, sales values could fall or normal build costs could rise over the life of the Charging Schedule, adversely affecting scheme viability; and
- Fourthly, imposing a high rate of CIL (that vastly exceeds the current levels of Section 106 obligations) in the Council's first Charging Schedule could 'shock' the land market with a consequential risk that land supply falls. This factor has led many charging authorities to seek to limit their CIL rates to around 5% of development costs.

6.20 In arriving at a conclusion on proposed rates, it is important to consider that where a scheme is shown as unviable before the application of CIL, it will be other factors such as sales values and build costs that will need to adjust for the scheme to become viable.

6.21 Given the range of results above, and the risk factors outlined in the previous paragraph, our recommendation is that the Council should consider the following rates of CIL on residential development:

Table 6.21.1: Recommended CIL rates

Use	Area	Size	CIL Rate (excluding mayoral CIL) £/sqm
Office	North Area (Zone 1)	N/A	£100
	Rest of borough (Zones 2-4)	N/A	£0
Hotel	North Area	N/A	£250
	Rest of borough (Zones 2-4)	N/A	£125
Resi and student accommodation	North Area (Zones 1 and 2)	N/A	£400
	Mid +South Area (Zone 3)	N/A	£250
	Central Area (Zone 4)	N/A	£50
Retail	Whole borough	Up to 280m ²	£0
		280m ² - 2500m ²	£125
		2500m ² +	£250
Industrial	Whole borough	N/A	£0
Other floorspace	Whole borough	N/A	£50

6.22 In determining the maximum levels of CIL and the recommended rates above, we have based our assessment on current costs and values only. We have run a set of appraisals that show the impact of an increase in sales values,

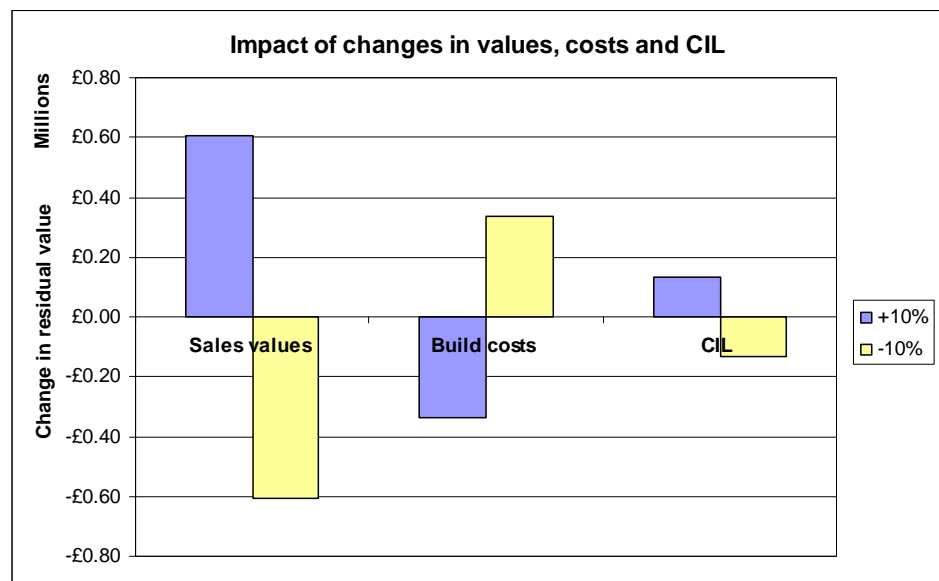
accompanied by an increase in build costs (the results are included in Appendix 3). These appraisals provide an indication of the likely movement in viability that the 'buffer' below the maximum rates would need to accommodate. The rates in table 6.21.1 allow for a sufficient buffer to accommodate these changes.

- 6.23 The boundaries of the residential zones have been informed by post code data on house prices sourced from the VOA, which show average value bands and broad geographical breaks between areas. See Appendix 5 for a map identifying the average house price variances in the key boundary areas.
- 6.24 With regard to the commercial boundaries, it has been identified that large office developments north of Union Street and Snowfields can command higher rental values, Circa £45 per square metre and is the area in which new office floorspace has been concentrated over the last 10 years. The charge for hotels is varied between the north of the borough (north of Union Street) and the remainder of the borough. This reflects differences in the values that are commanded in the north of the borough, which directly influences viability and which in turn is borne out by the geographic concentration of hotel development in recent years. See Appendix 6 for maps showing the concentration of office and hotel developments within the borough over the last few years.

7 Conclusions and recommendations

- 7.1 The results of our analysis indicate a degree of variation in viability of development in terms of different uses. In light of these variations, two options are available to the Council under the CIL regulations. Firstly, the Council could set a single CIL rate across the borough, having regard to the least viable types of development and least viable locations. This option would suggest the adoption of the 'lowest common denominator', with sites that could have provided a greater contribution towards infrastructure requirements not doing so. In other words, the Council could be securing the benefit of simplicity at the expense of potential income foregone that could otherwise have funded infrastructure. Secondly, the Council has the option of setting different rates for different types of development and different areas. The results of our study point firmly towards the second option as our recommended route, particularly for residential development.
- 7.2 We have also referred to the results of development appraisals as being highly dependent upon the inputs, which will vary significantly between individual developments. In the main, the imposition of CIL is not *the* critical factor in determining whether a scheme is viable or not (with the relationship between scheme value, costs and land value benchmarks being far more important). This point is illustrated in Chart 7.2.1 below, which compares the impact on the residual value of a scheme of a 10% increase and decrease in sales values and a 10% increase and decrease in build costs to a £100 per sq metre change in CIL.

Chart 7.2.1: Impact of changing levels of CIL in context of other factors



- 7.3 Given CIL's nature as a fixed tariff, it is important that the Council selects rates that are not on the limit of viability. This is particularly important for commercial floorspace, where the Council does not have the ability to 'flex' other planning obligations to absorb site-specific viability issues. In contrast, the Council could in principle set higher rates for residential schemes as the level of affordable housing could be adjusted in the case of marginally viable schemes. However, this approach runs the risk of frustrating one of the Council's other key objectives of delivering affordable housing. Consequently, sensitive CIL rate setting for residential schemes is also vital.

7.4 Our recommendations on levels of CIL are therefore summarised as follows:

- The results of this study are reflective of current market conditions, which are likely to improve over the medium term. It is therefore important that the Council keeps the viability situation under review so that levels of CIL can be adjusted to reflect any future changes.
- The ability of **residential and student housing schemes** to make CIL contributions varies depending on area and the existing use of the site. Having regard to these variations, residential schemes should be able to absorb the following CIL rates (after allowing for a 'buffer' below the maximum rate):
 - Zones 1 and 2 (North of borough): £400 per square metre;
 - Zone 3 (Mid and south areas of borough): £250 per square metre;
 - Zone 4 (Central area): £50 per square metre.
- Whilst the maximum rates are in some cases higher than the proposed rates, the buffer will help to mitigate a number of risk factors (primarily the potentially adverse impact on land supply of setting the rates at a high level and 'shocking' the market). However, there is no prescribed percentage buffer and this is entirely a matter for the Charging Authority's judgement.
- Our appraisals of **hotel developments** indicate that, in the north of the borough, a CIL of £250 per square could be absorbed, while in the rest of the borough a CIL of £125 per square metre could be absorbed.
- In Zone 1 (the north of the borough), our appraisals indicate that **Office development** will be sufficiently viable to absorb a CIL of £100 per square metre, allowing for a buffer below the maximum rate. Elsewhere in the borough (Zones 2-4), office rents are considerably lower and development is unlikely to come forward in the short to medium term as the capital values generated are insufficient to cover development costs. We therefore recommend that the Council sets a nil rate for office development outside the north of the borough.
- Residual values generated by **Retail developments** are higher than existing use values to varying degrees across the borough. However, to a degree smaller retail development will involve the re-use of existing retail space which will not be CIL liable. However, in order to capture value from schemes that add floorspace, and in particular larger stores that generate higher value, differential rates could be adopted. For small schemes (less than 280 square metres) we recommend that the Council considers a nil rate. Larger developments of between 280 and 2,500 square metres, should be able to absorb a CIL of £150 per square metre. Large retail developments comprising more than 2,500 square metres should be able to absorb a CIL of £250 square metres. The Council would need to satisfy itself that the current CIL regulations permit differential rates for the same use class⁸.
- Our appraisals of developments of **industrial and warehousing floorspace** indicate that these uses are unlikely to generate positive residual land values. We therefore recommend a zero rate for industrial floorspace.

⁸ This was challenged by Sainsbury's at Borough of Poole's CIL examination. Notwithstanding viability evidence of the differences between general retail and supermarkets, Sainsbury's argued that the regulations simply do not permit differential rates on the same type of development. We suggest that the Council may wish to seek clarification from CLG on this point.

- D1 and D2 uses often do not generate sufficient income streams to cover their costs. Consequently, they require some form of subsidy to operate. This type of facility is very unlikely to be built by the private sector. We therefore suggest that a nil rate of CIL be set for D1 uses. However, there will be some commercial uses within the D1/D2 use classes that operate on commercial terms (e.g. cinemas, bowling alleys etc) that could make a contribution to local infrastructure. The decision to open such a facility would be primarily driven by demand and demographic factors. Applying a modest CIL to such uses is unlikely to adversely affect the viability of such developments.

7.5 Table 7.5.1 summarises the recommended rates. A map showing the boundaries of the proposed charging zones is attached as Appendix 1.

Table 7.5.1: Proposed CIL rates

Use	Area	Size	CIL Rate (excluding mayoral CIL) £/sqm
Office	North Area (Zone 1)	N/A	£100
	Rest of borough (Zones 2-4)	N/A	£0
Hotel	North Area (Zone 1)	N/A	£250
	Rest of borough (Zones 2-4)	N/A	£125
Resi and student accommodation	North Area (Zones 1 and 2)	N/A	£400
	Mid +South Area (Zone 3)	N/A	£250
	Central Area (Zone 4)	N/A	£50
Retail	Whole borough	Up to 280m ²	£0
		280m ² - 2500m ²	£125
		2500m ² +	£250
Industrial	Whole borough	N/A	£0
Other floorspace	Whole borough	N/A	£50

- 7.6 For residential schemes, the application of CIL at the rates proposed is unlikely to be an overriding factor in determining whether or not a scheme is viable. When considered in context of total scheme costs, the proposed rates of CIL will account for a very modest proportion of costs (typically less than 5% of total development costs, i.e. no more than a developer's contingency). Some schemes would be unviable even if a zero CIL were adopted. We therefore recommend that the Council pays limited regard to these sites.
- 7.7 A CIL income model has been prepared utilising information from the Council's housing trajectory and the three proposed CIL rates proposed in this report (excluding mayoral CIL) of £400, £250 & £50 for Zones 1 and 2, 3 and 4 respectively. The model assumes:

- the schemes in the Council's housing trajectory are delivered within the anticipated timescale;
- affordable housing at 35%;
- net additional space at 70%;
- average unit size of 80 sq m.

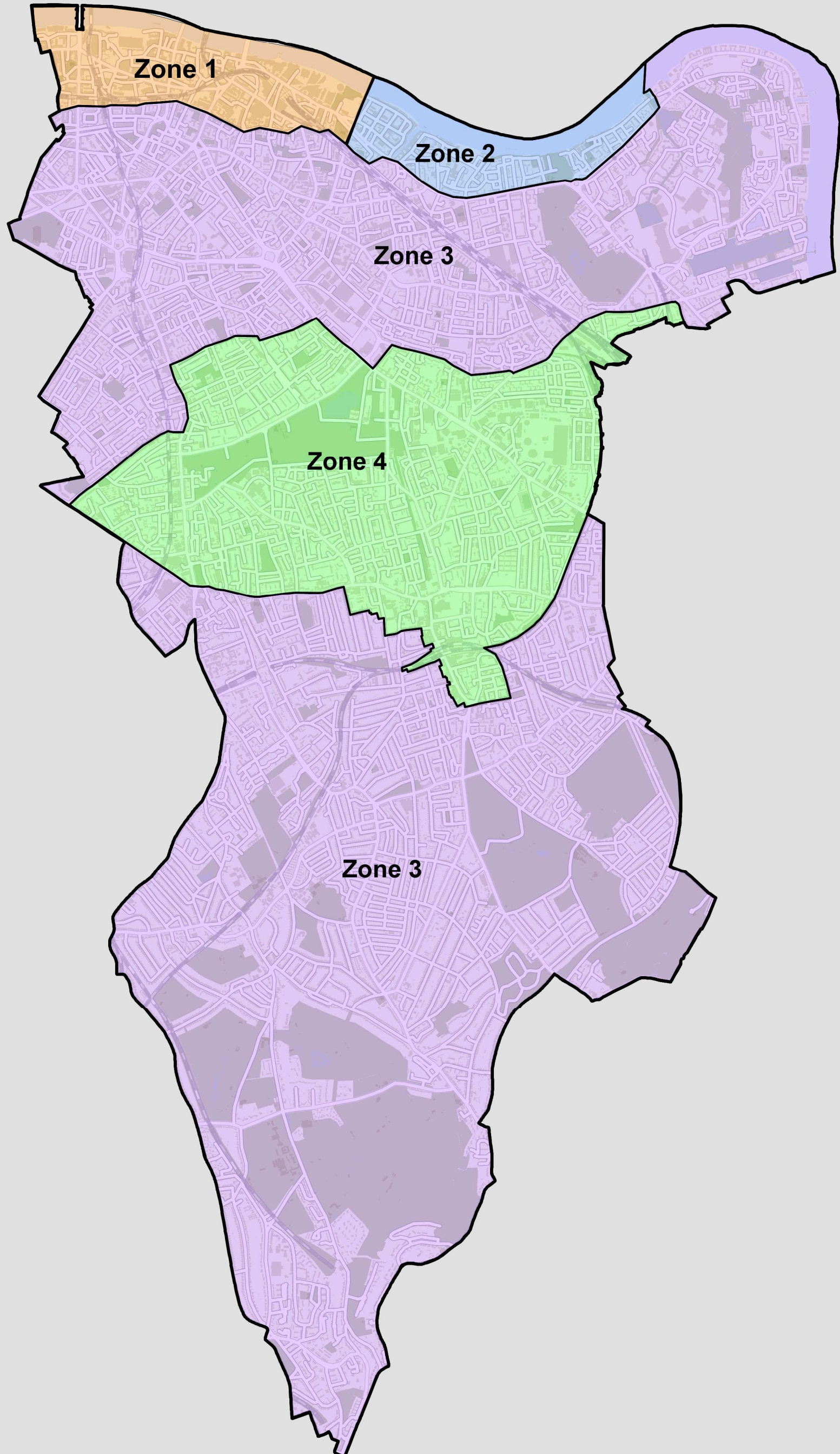
On the basis of the above assumptions the proposed rates of CIL will generate income of £10.56 million per annum over the first five years after adoption. Table 7.7.1 summarises the potential CIL income, although this excludes any income potentially arising from commercial development.

Table 7.7.1: Potential CIL income based on proposed rates

Period	2013 – 2018	2018 – 2021	2021 – 2026
Annual income (£ millions)	10.56	7.12	4.79
Total income over period (£ millions)	52.83	35.63	23.96

Appendix 1 Charging zones map

Proposed CIL Charging Zones



Appendix 2 Sites details and appraisal results

LB Southwark CIL Site Testing

02-Jul-12

Site details				Proposed use			Existing use						Base Case CIL Calculations		
Site ref	Postcode	Ward	Site Area (ha)	Use Appraised	Gross Floorspace housing (Sq m)	RLV of Proposed Use	Existing floorspace (Sq m)	% split of floorspace	Apportioned floorspace (Sq m)	Benchmark value	Basis of EUV	Apportionment of benchmark	Chargable floorspace (Sq m)	Surplus / Deficit	Max CIL per Sq m
1	SE5 7	Camberwell Green	2.11	residential	20,671	£6,464,000	0	100.00%	0	£6,000,000	Valuation assessed site as being worth £11,000,000 with grant and £6,000,000 without grant.	£6,000,000	14,263	£464,000	£33
2a	SE1 8	Cathedrals	0.65	residential	49,418	£53,644,000	0	80.50%	0	£33,005,000	CUV office £11,150 sq m (+10%)	£26,570,245	32,122	£27,073,755	£843
2b	SE1 8			hotel	10,509	£28,350,000	0	17.12%	0						£2,160
2c	SE1 8			retail	1,459	£1,166,000	0	2.38%	0						£262
3a	SE1 8	Cathedrals	0.045	office	2,038	£159,000	0	95.06%	0	£203,000	Capitalised Rateable Value	£192,964	2,038	-£33,964	-£117
3b	SE1 8			retail	106	£80,000	0	4.94%	0						£660
4a	SE1 8	Cathedrals	0.16	office	29,148	£1,426,000	0	98.46%	0	£17,287,000	CUV office £5,840 sq m (+10%)	£17,021,298	29,148	-£15,595,298	-£538
4b	SE1 8			retail	455	£323,000	0	1.54%	0						£126
5	SE1 6	Cathedrals	0.51		19,944	£7,950,000	12,472			£14,710,000	E&C study figure		6,814	-£6,760,000	-£982
6	SE1 8	Cathedrals	0.12	residential	4,640	£5,281,000	518	100.00%	518	£1,620,000	CUV of 45 Garages +20% premium		2,679	£3,661,000	£1,366
8	SE1 8	Cathedrals	0.098	hotel	11,709	£4,971,000	5,413	100.00%	5,413	£13,793,000	Capitalisation of rateable value	£13,793,000	6,296	-£8,822,000	-£1,481
9a	SE1 8	Cathedrals	0.098	office	11,709	£913,000	5,413	97.31%	5,267	£13,793,000	Capitalisation of rateable value	£13,421,610	6,442	-£12,508,610	-£1,943
9b	SE1 8			retail	324	£244,000		2.69%	146						£715
10	SE15 6	East Walworth	1.08	industrial / warehousing	8,998	£826,000	0	100.00%	0	£1,222,560	Industrial land value based on £1,132,000 per Ha	£1,222,560	8,998	-£396,560	-£44
11	SE17	East Walworth	9.9		252,500	£24,757,000	105,640	100.00%		N/A	E&C study figure	N/A	95,459	£24,757,000	£259
12	SE1 6	East Walworth	0.22		6,856	£4,661,779	733	100.00%	733	£600,000	E&C study figure	£600,000	4,941	£4,061,779	£822
13a	SE17 1	Faraday		residential	73,816	£3,030,000	44,661	99.66%	44,510	£0	Nil Land value based on land ownership by Council and Council will seek to get highest amount of Affordable Housing provision.	£0	14,853	£3,030,000	£207
13b	SE17 1			retail	250	£57,000		0.34%	151						£576
14a	SE1 3	Grange	1.23	residential	14,594	£11,373,000	3,150	94.83%	2,987	£8,120,000	Based on valuation provided by Council	£7,700,018	7,545	£3,672,982	£487
14b	SE1 3			retail	796	£422,000		5.17%	163						£3
15	SE15 6	Livesey	1.08	industrial: warehousing	7,107	£652,000	0	100.00%	0	£1,222,560	Industrial land value based on £1,132,000 per Ha	£1,222,560	7,107	-£570,560	-£80
16a	SE15 2	Livesey	1.65	residential	24,788	£2,427,000	0	93.54%	0	£15,675,000	Based on comparable evidence of resi land values circa £9,500,000 per Ha	£14,662,889	16,112	-£12,235,889	-£738
16b	SE15 2			retail	1,027	£203,000		3.88%	0						£394
16c	SE15 2			office	684	-£453,000		2.58%	0						-£1,254
17	SE15 1	Livesey	0.3	industrial: light industry	352	-£135,000	0	100.00%	0	£339,600	Industrial land value based on £1,132,000 per Ha	£339,600	352	-£474,600	-£1,348
18	SE16 2	Livesey	0.9	residential	10,168	£2,509,000	5,188	100.00%	5,188	£2,000,000	Based on previous valuation advice and transaction price.	£2,000,000	3,003	£509,000	£170
19	SE1 6	Newington	0.23	residential	8,226	£2,472,758	535	100.00%	535	£400,000	E&C study figure	£400,000	4,876	£2,072,758	£425
20a	SE5 0	Newington	0.52	residential	10,681	-£981,000	0	89.31%	89%	£1,601,896	Resi land value based on	£1,430,589	6,943	-£2,411,589	-£447
20b	SE5 0			retail	665	£950,000		5.56%	6%		£3,080,569 per Ha from Sprevious valuation without grant.	£89,069	665	£860,931	£1,295
20c	SE5 0			office	614	-£348,000		5.13%	5%			£82,238	614	-£430,238	-£701
21a	SE17 3	Newington		residential	17,680	£5,912,000	3,786	90.39%	3,422	£3,840,000	Capitalisation of rateable value	£3,470,920	9,268	£2,441,080	£263
21b	SE17 3			office	1,880	-£1,037,000	3,786	9.61%	364						-£577
22a	SE15 6	Peckham	1.35	residential	8,424	£1,417,000	3,225	38.50%	1,242	£1,344,000	Capitalisation of rateable value	£517,487	4,668	£899,513	£193
22b	SE15 6			office	13,185	-£8,400,000	3,225	60.27%	1,944						-£810
22c	SE15 6			retail	269	£287,000	3,225	1.23%	40						£1,179
23a	SE15 6	Peckham	0.64	Residential	9,120	£2,032,000	0	89.61%	0	£1,309,000	Capitalisation of rateable value	£1,173,045	5,928	£858,955	£145
23b	SE15 6			retail	1,057	£1,128,000		10.39%	0						£939

LB Southwark CIL Site Testing

02-Jul-12

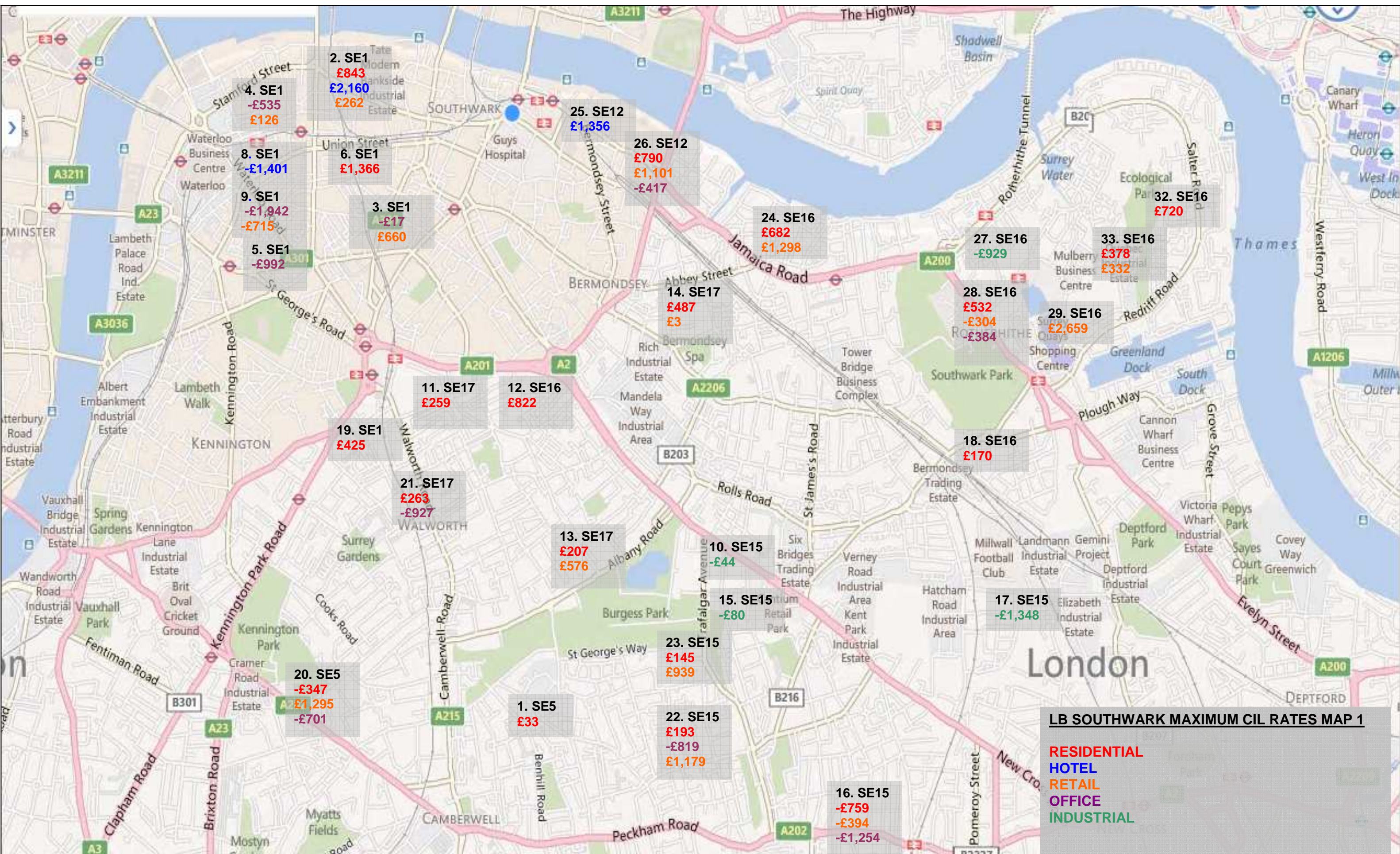
Site details				Proposed use			Existing use						Base Case CIL Calculations		
Site ref	Postcode	Ward	Site Area (ha)	Use Appraised	Gross Floorspace housing (Sq m)	RLV of Proposed Use	Existing floorspace (Sq m)	% split of floorspace	Apportioned floorspace (Sq m)	Benchmark value	Basis of EUV	Apportionment of benchmark	Chargable floorspace (Sq m)	Surplus / Deficit	Max CIL per Sq m
24a	SE16 4	Riverside	2	residential	62,463	£35,558,000	0	99.56%	0	£7,904,000	Capitalisation of rateable value	£7,869,354	40,601	£27,688,646	£682
24b	SE16 4			retail	275	£390,000		0.44%	0			£34,646	275	£355,354	£1,292
25	SE1 2	Riverside	0.24	hotel	5,105	£2,084,000	3,568	100.00%	3,568	£240,000	Nominal value of £1,000,000 per Ha for Educational use		1,537	£2,084,000	£1,356
26a	SE1 2	Riverside	1.55	residential	44,948	£47,808,000	0	96.09%	0	£25,730,000	Based on value of £16,600,000 per Ha	£24,724,475	29,216	£23,083,525	£790
26b	SE1 2			retail	914	£1,509,000		1.95%	0			£502,763	914	£1,006,237	£1,101
26c	SE1 2			office	914	£122,000		1.95%	0			£502,763	914	-£380,763	-£411
27	SE16	Rotherhithe	0.04	light industrial	224	-£77,000	-	100.00%		£131,000	Capitalisation of rateable value		224	-£208,000	-£828
28a	SE16 2	Rotherhithe	2.9	residential	35,280	£24,564,000	6,190	75.26%	4,658	£18,561,000	Based on floor area supplied (6,190 sqm) - CUV (before landowner premium) comparable to sale price in 2000 (Eg)	£13,968,559	19,904	£10,595,441	£532
28b	SE16 2			retail	10,723	£1,418,000	6,190	22.87%	1,416			£4,245,603	9,307	-£2,827,603	-£384
28c	SE16 2			office	876	£55,000	6,190	1.87%	116			£346,838	760	-£291,838	-£484
29	SE16 7	Rotherhithe	1.52	retail	10,616	£28,229,000	0	100.00%	0	£7,118,786	Site could accommodate approximately 517 spaces (15200 sq m gross space, say 12,920 net developable (85%) - assume 25 sq m per car parking space). Union car parks on St Thomas Street (02073789749) charge £12 daily or £440 quarterly. Annual fee assumed to be £1,760 Note: Uncovered parking assume 70% of annual fee. (£1,760 X 130) X0.70= £160,160 Yield: 8.5% £1884,235 (Charge for maintenance and attendant. 5% of revenue = £94,212)		10,616	£28,229,000	£2,659
30	SE22 8	South Camberwell	0.078	residential	582	£594,000	486	100.00%	486	£1,047,930	Resi land value based on comparable evidence at £13,435,000 per Ha.	£1,047,930	96	-£453,930	-£4,728
32	SE16 6	Surrey Docks	1.95	residential	15,250	£7,138,000	0	100.00%	0	£596,000	Capitalisation of rateable value of health centre		9,913	£7,138,000	£720
33a	SE16 7	Surrey Docks	2.2	residential	34,094	£20,887,000	0	98.46%	0	£12,705,000	Capitalisation of rateable value	£12,508,714	22,161	£8,378,286	£378
33b	SE16 7			retail	535	£374,000		1.54%	0			£196,286	535	£177,714	£332
34a	SE15 4	The Lane	1.39	residential	42,960	£2,604,000	7,800	89.20%	6,958	£19,483,000	Capitalisation of rateable value	£17,379,354	23,401	-£14,775,354	-£111
34b	SE15 4			retail	5,200	£5,500,000	7,800	10.80%	842			£2,103,646	4,358	£3,396,354	£779
36	SE15 3	The Lane	0.26	residential	1,360	£685,000	445	100.00%	445	£260,000	Based on nominal land value of £1,000,000 per Ha	£260,000	595	£425,000	£715
37	SE24 9	Village	0.76	residential	6,000	£2,768,000	3,521	100.00%	3,521	£2,187,000	Capitalisation of rateable value	£2,187,000	1,611	£581,000	£361
40	SE22 0	Peckham and Rye	0.043	residential	380	£556,000	0	100.00%		£43,000	Based on nominal land value of £1,000,000 per Ha for D1 Church use.	£43,000	380	£513,000	£1,350
41	SE22 0	Peckham and Rye	0.068	residential	770	£1,153,000	368	100.00%		£44,000	Capitalisation of rateable value	£44,000	402	£1,109,000	£2,759

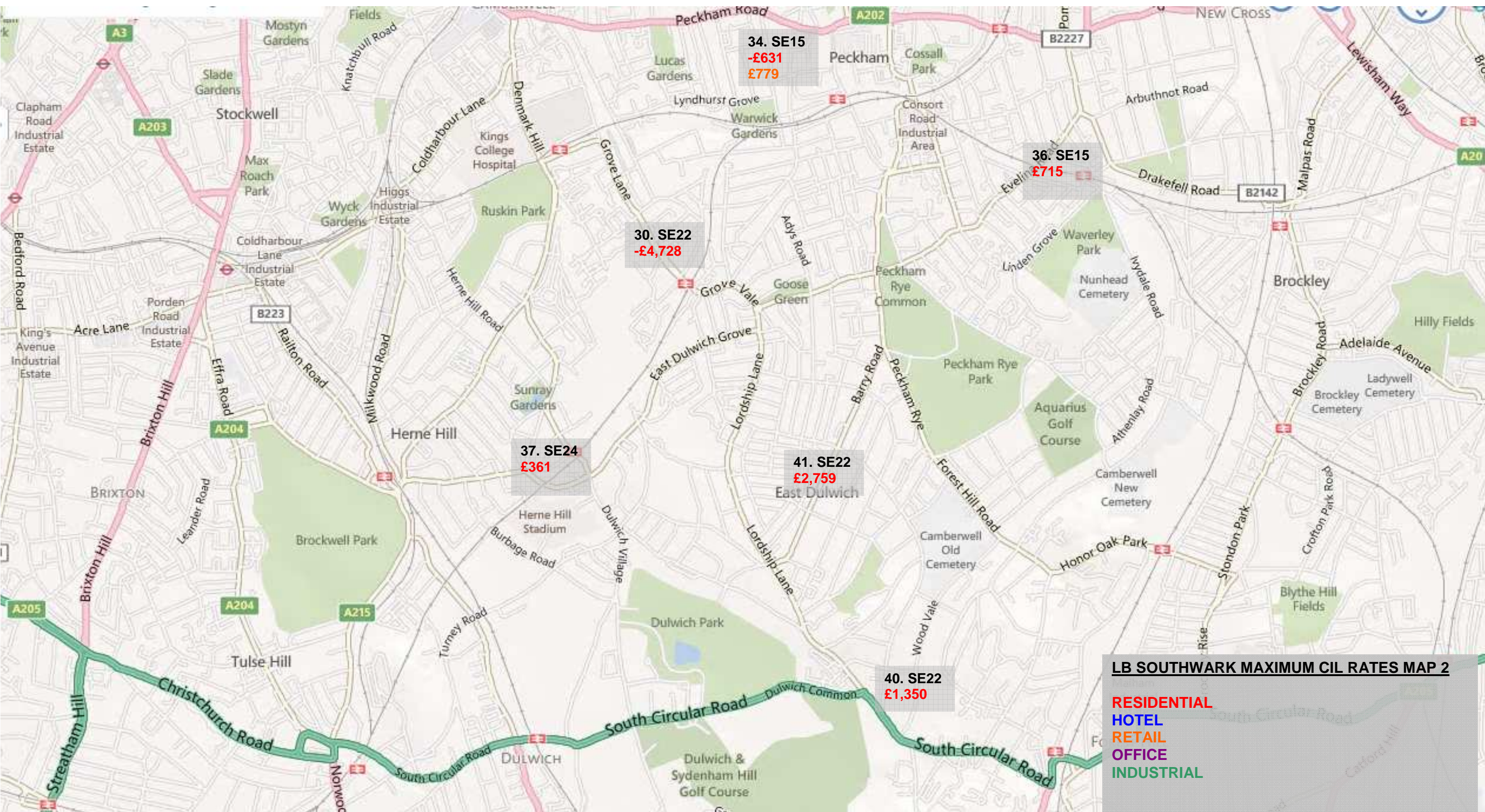
02-Jul-12

LB Southwark CIL Site Testing
02-Jul-12

Site details				Proposed use			Sensitivity															
							Values +10% and Build Costs +5%				Values +10% and Build Costs +10%				Values +20% and Build Costs +10%				Values +10% and Build Costs -10%			
Site ref	Postcode	Ward	Site Area (ha)	Use Appraised	Gross Floorspace housing (Sq m)	RLV of Proposed Use	RLV	Chargable floorspace (Sq m)	Surplus / Deficit	Max CIL per Sq m	RLV	Chargable floorspace (Sq m)	Surplus/Deficit	Max CIL per Sq m	RLV	Chargable floorspace (Sq m)	Surplus / Deficit	Max CIL per Sq m	RLV	Chargable floorspace (Sq m)	Surplus / Deficit	Max CIL per Sq m
24a	SE16 4	Riverside	2	residential	62,463	£35,558,000	£43,943,727	40,601	£36,074,373	£889	£40,572,972	40,601	£32,703,618	£805	£52,329,673	40,601	£44,460,319	£1,095	£54,055,991	40,601	£46,186,637	£1,138
24b	SE16 4			retail	275	£390,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	SE1 2	Riverside	0.24	hotel	5,105	£2,084,000	-£2,679,887	1,537	-£2,679,887	-£1,744	-£3,178,345	1,537	-£3,178,345	-£2,068	-£2,471,665	1,537	-£2,471,665	-£1,608	-£2,600,464	1,537	-£2,600,464	-£1,692
26a	SE1 2	Riverside	1.55	residential	44,948	£47,808,000	£55,953,525	29,216	£31,229,050	£1,069	£53,515,549	29,216	£28,791,074	£965	£64,099,053	29,216	£39,374,578	£1,348	£63,267,454	29,216	£38,542,979	£1,319
26b	SE1 2			retail	914	£1,509,000																
26c	SE1 2			office	914	£122,000	£208,395	914	-£294,368	-£322	£133,797	914	-£368,966	-£404	£295,157	914	-£207,606	-£227	£432,189	914	-£70,574	-£77
27	SE16	Rotherhithe	0.04	light industrial	224	-£77,000																
28a	SE16 2	Rotherhithe	2.9	residential	35,280	£24,564,000	£30,099,835	19,904	£16,131,276	£810	£27,904,273	19,904	£13,935,714	£700	£35,635,726	19,904	£21,667,167	£1,089	£36,686,519	19,904	£22,717,960	£1,141
28b	SE16 2			retail	10,723	£1,418,000																
28c	SE16 2			office	976	£35,000	£131,820	760	-£215,018	-£283	£60,287	760	-£286,551	-£377	£208,833	760	-£138,005	-£182	£346,417	760	-£421	-£1
29	SE16 7	Rotherhithe	1.52	retail	10,616	£26,229,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	SE22 8	South Camberwell	0.078	residential	582	£594,000	£691,009	96	-£356,921	-£3,718	£411,074	96	-£636,856	-£6,634	£486,929	96	-£561,001	-£5,844	£489,459	96	-£558,471	-£5,817
32	SE16 6	Surrey Docks	1.95	residential	15,250	£7,138,000	£9,075,727	9,913	£9,075,727	£916	£8,205,424	9,913	£8,205,424	£828	£11,013,888	9,913	£11,013,888	£1,111	£11,686,636	9,913	£11,686,636	£1,179
33a	SE16 7	Surrey Docks	2.2	residential	34,094	£20,887,000	£25,741,211	22,161	£13,232,497	£597	£23,437,746	22,161	£10,929,032	£493	£30,595,900	22,161	£18,087,186	£816	£32,651,605	22,161	£20,142,891	£909
33b	SE16 7			retail	535	£374,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34a	SE15 4	The Lane	1.39	residential	42,960	£2,604,000	£5,332,351	23,401	-£12,047,003	-£515	£3,407,142	23,401	-£13,972,212	-£597	£8,060,227	23,401	-£9,319,127	-£398	£11,107,978	23,401	-£6,271,376	-£268
34b	SE15 4			retail	5,200	£5,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	SE15 3	The Lane	0.26	residential	1,360	£685,000	£632,864	595	£372,864	£627	£575,917	595	£315,917	£531	£580,731	595	£320,731	£539	£803,703	595	£543,703	£914
37	SE24 9	Village	0.76	residential	6,000	£2,768,000	£3,435,545	1,611	£1,248,545	£775	£3,141,525	1,611	£954,525	£592	£4,103,483	1,611	£1,916,483	£1,189	£4,317,607	1,611	£2,130,607	£1,322
40	SE22 0	Peckham and Rye	0.043	residential	380	£556,000	£630,158	380	£587,158	£1,545	£608,472	380	£565,472	£1,488	£704,586	380	£661,586	£1,741	£695,219	380	£652,219	£1,716
41	SE22 0	Peckham and Rye	0.068	residential	770	£1,153,000	£1,318,904	402	£1,274,904	£3,171	£1,267,198	402	£1,223,198	£3,043	£1,484,868	402	£1,440,868	£3,584	£1,474,021	402	£1,430,021	£3,557

Appendix 3 Location of sites and results by type of development





LB SOUTHWARK MAXIMUM CIL RATES MAP 2

RESIDENTIAL
HOTEL
RETAIL
OFFICE
INDUSTRIAL

Appendix 4 Individual site development appraisals

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 1 - SE5 7****Summary Appraisal for Phase 1****REVENUE****Sales Valuation**

	Units	Unit Amount	Gross Sales	
Pvt Resi 1 Bed	60 units at	£197,000	11,820,000	
Ground rents	1 unit at	£637,000	637,000	
Car Parking	1 unit at	£450,000	450,000	
Pvt Resi 1 Bed 2 person (WC)	10 units at	£207,000	2,070,000	
Pvt Resi 2 Bed 3 person	16 units at	£253,000	4,048,000	
Pvt Resi 2 Bed 3 person (WC)	10 units at	£263,000	2,630,000	
Pvt Resi 2 Bed 4 person	76 units at	£273,000	20,748,000	
Pvt Resi 3 Bed 5 person	6 units at	£315,000	1,890,000	
Pvt Resi 3 Bed 5 person house	7 units at	£360,000	2,520,000	
Pvt Resi 2 Bed 4 person duplex	5 units at	£302,000	1,510,000	
Pvt Resi 3 Bed 5 person duplex	2 units at	£343,000	686,000	
Social rented units	1 unit at	£4,520,000	4,520,000	
Affordable Rent units	1 unit at	£3,800,000	3,800,000	
Shared ownership units	1 unit at	£3,540,000	3,540,000	
Totals			<u>60,869,000</u>	60,869,000

NET REALISATION**60,869,000****OUTLAY****ACQUISITION COSTS**

Residualised Price (2.11 Ha	£3,063,415.85 pHect)		6,463,807	
Stamp Duty		4.00%	258,552	
Agent Fee		1.00%	64,638	
Legal Fee		0.50%	32,319	
				6,819,317

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost	
Construction costs	1 unit at	£33,338,000	33,338,000	33,338,000
Statutory/LA			192,000	192,000

PROFESSIONAL FEES

Architect	10.00%	3,333,800	3,333,800
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MARKETING & LETTING

Marketing	3.00%	1,451,160	1,451,160
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DISPOSAL FEES

Sales Agent Fee	1.50%	735,135	
Sales Legal Fee	0.25%	152,173	
			887,307

MISCELLANEOUS FEES

Private Profit	20.00%	9,674,400	
Affordable Profit	6.00%	711,600	
			10,386,000

FINANCE

Debit Rate 6.75% Credit Rate 0.00% (Nominal)			
Land		875,378	
Construction		1,046,784	
Other		2,539,253	
Total Finance Cost			4,461,416

TOTAL COSTS**60,869,000**

BNP PARIBAS REAL ESTATE

0

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

6.43%
N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 2a - SE1 8

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Market Resi	27,284.15	£8,945.00	244,056,722	
Aff Resi - Social Rent	10,459.25	£1,695.00	17,728,429	
Aff Resi - Shared Ownership	4,261.90	£1,888.00	8,046,467	
Totals	<u>42,005.30</u>		<u>269,831,618</u>	269,831,618

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground rents	458 units at	£250	114,500

Investment Valuation**Ground rents**

Market Rent	114,500	YP @	6.0000%	16.6667	
		PV 6yrs 7mths @	6.0000%	0.6814	1,300,341

GROSS DEVELOPMENT VALUE 271,131,959

Purchaser's Costs 5.80% (71,285)
 NET DEVELOPMENT VALUE 271,060,674

NET REALISATION 271,060,674

OUTLAY**ACQUISITION COSTS**

Residualised Price (0.65 Ha £82,529,472.32 pHect)		53,644,157	
Stamp Duty	4.00%	2,145,766	
Agent Fee	1.00%	536,442	
Legal Fee	0.50%	268,221	
			56,594,586

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market Resi	32,099.00	£1,963.00	63,010,337	
Aff Resi - Social Rent	12,305.00	£1,963.00	24,154,715	
Aff Resi - Shared Ownership	5,014.00	£1,963.00	9,842,482	
Totals	<u>49,418.00</u>		<u>97,007,534</u>	97,007,534

Contingency	5.00%	4,850,377	
Statutory/LA		458,000	
			5,308,377

PROFESSIONAL FEES

Professional Fees	10.00%	10,185,791	
			10,185,791

MARKETING & LETTING

Marketing	3.00%	7,321,702	
			7,321,702

DISPOSAL FEES

Sales Agent Fee	1.50%	3,660,851	
Sales Legal Fee	0.25%	677,652	
			4,338,503

MISCELLANEOUS FEES

Private Profit	20.00%	49,071,413	
Affordable Profit	6.00%	1,546,494	
			50,617,906

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		20,270,092	

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 2a - SE1 8**

Construction	3,492,484	
Other	15,923,700	
Total Finance Cost		39,686,276

TOTAL COSTS**271,060,674****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.04%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	8.81%
Net Initial Yield%	8.81%

6.92%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 2.b - SE1 8

Summary Appraisal for Phase 1**REVENUE****Sales Valuation**

	Units	Unit Amount	Gross Sales	
Hotel	256 units at	£300,000	76,800,000	
Purchaser's Costs		5.80%	(4,210,208)	
NET DEVELOPMENT VALUE				<u>72,589,792</u>

NET REALISATION**72,589,792****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.65 Ha	£43,614,511.55 pHect)		28,349,433	
Stamp Duty		4.00%	1,133,977	
Agent Fee		1.00%	283,494	
Legal Fee		0.50%	141,747	
				29,908,651

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Hotel	9,406.66	£1,727.02	16,245,476	16,245,476
Contingency		5.00%	812,274	
				812,274

PROFESSIONAL FEES

Professional Fees		10.00%	1,705,775	
				1,705,775

MARKETING & LETTING

Marketing		3.00%	487,364	
				487,364

DISPOSAL FEES

Sales Agent Fee		1.50%	1,152,000	
Sales Legal Fee		0.25%	192,000	
				1,344,000

MISCELLANEOUS FEES

Private Profit		20.00%	15,360,000	
				15,360,000

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)				
Land			5,462,079	
Construction			1,264,248	
Total Finance Cost				6,726,327

TOTAL COSTS**72,589,867****PROFIT****(75)****Performance Measures**

Profit on Cost%	(0.00)%
Profit on GDV%	(0.00)%
Profit on NDV%	(0.00)%
	6.87%
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
2.c - SE1 8

Summary Appraisal for Phase 1**REVENUE****Rental Area Summary**

Retail	m ²	Rate m ²	Gross MRV
	1,316.65	£269.00	354,179

Investment Valuation

Retail					
Market Rent	354,179	YP @	6.7500%	14.8148	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	6.7500%	0.9679	5,078,496

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(278,405)	5,078,496
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NET DEVELOPMENT VALUE4,800,090**NET REALISATION****4,800,090****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.65 Ha £1,793,571.05 pHect)		1,165,821
Stamp Duty	4.00%	46,633
Agent Fee	1.00%	11,658
Legal Fee	0.50%	5,829
		1,229,941

CONSTRUCTION COSTS**Construction**

Retail	m ²	Rate m ²	Cost
	1,549.00	£1,040.00	1,610,960
Contingency		5.00%	80,548
			80,548

PROFESSIONAL FEES

Professional Fees	10.00%	169,151
		169,151

MARKETING & LETTING

Marketing	3.00%	152,355
Letting Agent Fee	10.00%	35,418
Letting Legal Fee	5.00%	17,709
		205,482

DISPOSAL FEES

Sales Agent Fee	1.50%	76,177
Sales Legal Fee	0.25%	12,696
		88,874

MISCELLANEOUS FEES

Private Profit	20.00%	1,015,699
		1,015,699

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)		
Land		127,103
Construction		57,129
Other		215,202
Total Finance Cost		399,434

TOTAL COSTS**4,800,089****PROFIT****1****Performance Measures**

LB Southwark CIL Site Testing
2.c - SE1 8

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.38%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	6.97%
Net Initial Yield%	6.97%
	6.85%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
3.a - SE1 8

Summary Appraisal for Phase 1**REVENUE****Rental Area Summary**

Office	m ² 1,732.30	Rate m ² £269.00	Gross MRV 465,989
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Investment Valuation

Office					
Market Rent	465,989	YP @	6.7500%	14.8148	
(1yr Rent Free)		PV 1yr @	6.7500%	0.9368	6,467,017

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(354,525)	6,467,017
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NET DEVELOPMENT VALUE6,112,493**NET REALISATION****6,112,493****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.04 Ha	£3,972,123.88 pHect)		158,885
Stamp Duty		4.00%	6,355
Agent Fee		1.00%	1,589
Legal Fee		0.50%	794
			167,624

CONSTRUCTION COSTS**Construction**

Office	m ² 2,038.00	Rate m ² £1,612.00	Cost 3,285,256	3,285,256
Contingency		5.00%	164,263	164,263

PROFESSIONAL FEES

Professional Fees	10.00%	344,952	344,952
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MARKETING & LETTING

Marketing	3.00%	194,011	
Letting Agent Fee	10.00%	46,599	
Letting Legal Fee	5.00%	23,299	
			263,909

DISPOSAL FEES

Sales Agent Fee	1.50%	97,005	
Sales Legal Fee	0.25%	16,168	
			113,173

MISCELLANEOUS FEES

Private Profit	20.00%	1,293,403	1,293,403
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		23,852	
Construction		182,155	
Other		273,903	
Total Finance Cost			479,910

TOTAL COSTS**6,112,490****PROFIT****3****Performance Measures**

LB Southwark CIL Site Testing
3.a - SE1 8

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.62%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	7.21%
Net Initial Yield%	7.21%
	6.83%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
3b - SE1 8

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Retail	90.10	£269.00	24,237

Investment Valuation

Retail					
Market Rent	24,237	YP @	6.7500%	14.8148	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	6.7500%	0.9679	347,529

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(19,052)	347,529
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NET DEVELOPMENT VALUE328,477**NET REALISATION****328,477****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.04 Ha £1,994,484.76 pHect)		79,779	
Stamp Duty	4.00%	3,191	
Agent Fee	1.00%	798	
Legal Fee	0.50%	399	
			84,167

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Retail	106.00	£1,040.00	110,240	110,240
Contingency		5.00%	5,512	
				5,512

PROFESSIONAL FEES

Professional Fees	10.00%	11,575	11,575
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MARKETING & LETTING

Marketing	3.00%	10,426	
Letting Agent Fee	10.00%	2,424	
Letting Legal Fee	5.00%	1,212	
			14,061

DISPOSAL FEES

Sales Agent Fee	1.50%	5,213	
Sales Legal Fee	0.25%	869	
			6,082

MISCELLANEOUS FEES

Private Profit	20.00%	69,506	69,506
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		8,698	
Construction		3,909	
Other		14,727	
Total Finance Cost			27,334

TOTAL COSTS**328,477****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing****3b - SE1 8**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.38%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	6.97%
Net Initial Yield%	6.97%
	6.85%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
4.a SE1 8

Summary Appraisal for Phase 1**REVENUE****Rental Area Summary**

	m²	Rate m²	Gross MRV
Office	24,775.80	£269.00	6,664,690

Investment Valuation

Office					
Market Rent	6,664,690	YP @	6.7500%	14.8148	
(1yr Rent Free)		PV 1yr @	6.7500%	0.9368	92,492,879

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(5,070,498)	92,492,879
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NET DEVELOPMENT VALUE87,422,381**NET REALISATION****87,422,381****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.16 Ha £8,915,467.70 pHect)			1,426,475
Stamp Duty	4.00%		57,059
Agent Fee	1.00%		14,265
Legal Fee	0.50%		7,132
			1,504,931

CONSTRUCTION COSTS**Construction**

	m²	Rate m²	Cost
Office	29,148.00	£1,612.00	46,986,576
			46,986,576
Contingency		5.00%	2,349,329
			2,349,329

PROFESSIONAL FEES

Professional Fees	10.00%	4,933,590	4,933,590
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MARKETING & LETTING

Marketing	3.00%	2,774,786	
Letting Agent Fee	10.00%	666,469	
Letting Legal Fee	5.00%	333,235	
			3,774,490

DISPOSAL FEES

Sales Agent Fee	1.50%	1,387,393	
Sales Legal Fee	0.25%	231,232	
			1,618,625

MISCELLANEOUS FEES

Private Profit	20.00%	18,498,576	18,498,576
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			274,839
Construction			3,563,996
Other			3,917,429
Total Finance Cost			7,756,264

TOTAL COSTS**87,422,381****PROFIT****0****Performance Measures**

LB Southwark CIL Site Testing
4.a SE1 8

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.62%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	7.21%
Net Initial Yield%	7.21%
	6.87%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
4.b SE1 8

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Retail	386.75	£269.00	104,036

Investment Valuation

Retail				
Market Rent	104,036	YP @	6.7500%	14.8148
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	6.7500%	0.9679
				1,491,750

GROSS DEVELOPMENT VALUE 1,491,750

Purchaser's Costs 5.80% (81,778)

NET DEVELOPMENT VALUE 1,409,971

NET REALISATION 1,409,971

OUTLAY**ACQUISITION COSTS**

Residualised Price (0.16 Ha £2,018,268.35 pHect)			322,923
Stamp Duty		4.00%	12,917
Agent Fee		1.00%	3,229
Legal Fee		0.50%	1,615
			340,684

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Retail	455.00	£1,040.00	473,200
			473,200
Contingency		5.00%	23,660
			23,660

PROFESSIONAL FEES

Professional Fees		10.00%	49,686
			49,686

MARKETING & LETTING

Marketing		3.00%	44,752
Letting Agent Fee		10.00%	10,404
Letting Legal Fee		5.00%	5,202
			60,358

DISPOSAL FEES

Sales Agent Fee		1.50%	22,376
Sales Legal Fee		0.25%	3,729
			26,106

MISCELLANEOUS FEES

Private Profit		20.00%	298,350
			298,350

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			48,478
Construction			26,237
Other			63,213
Total Finance Cost			137,928

TOTAL COSTS 1,409,971

PROFIT 0

Performance Measures

LB Southwark CIL Site Testing
4.b SE1 8

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.38%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	6.97%
Net Initial Yield%	6.97%
	6.90%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

Southwark CIL Study
Site 5 - SE11

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Market residential	2,701.00	£6,010.00	16,233,010	
Affordable residential	1,454.00	£1,550.00	2,253,700	
Office	11,517.50	£3,200.00	36,856,000	
Retail	1,267.20	£2,800.00	3,548,160	
Totals	<u>16,939.70</u>		<u>58,890,870</u>	58,890,870

Additional Revenue

Ground rent	235,000	235,000
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NET REALISATION**59,125,870****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.64 Ha £12,421,845.53 pHect)	7,949,981	
Stamp Duty	317,999	4.00%
Agent Fee	79,500	1.00%
Legal Fee	39,750	0.50%
	8,387,230	

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market residential	3,241.00	£1,240.00	4,018,840	
Affordable residential	1,745.00	£1,240.00	2,163,800	
Office	13,550.00	£1,506.00	20,406,300	
Retail	1,408.00	£1,000.00	1,408,000	
Totals	<u>19,944.00</u>		<u>27,996,940</u>	27,996,940

Contingency	5.00%	1,466,372	
Demolition		805,500	
Road/Site Works	0.64 m ² 250,000.00 pm ²	160,000	
		2,431,872	

Other Construction

CSH	365,000	365,000
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PROFESSIONAL FEES

Architect	10.00%	3,079,381	3,079,381
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MARKETING & LETTING

Marketing	4.00%	2,265,487	2,265,487
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FINANCE

Debit Rate 6.50% Credit Rate 0.00% (Nominal)			
Land		1,735,654	
Construction		2,510,848	
Total Finance Cost			4,246,502

TOTAL COSTS**48,772,412****PROFIT****10,353,458****Performance Measures**

Profit on Cost%	21.23%
Profit on GDV%	17.58%
Profit on NDV%	17.58%

Southwark CIL Study
Site 5 - SE11

Profit Erosion (finance rate 6.500%)	20.00%
	2 yrs 12 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
6 - SE1 8

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Market Resi	2,584.00	£7,000.00	18,088,000	
Aff Resi - Social Rent	952.00	£1,695.00	1,613,640	
Aff Resi - Shared Ownership	408.00	£1,888.00	770,304	
Totals	<u>3,944.00</u>		<u>20,471,944</u>	20,471,944

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground rents	38 units at	£250	9,500

Investment Valuation**Ground rents**

Market Rent	9,500	YP @	6.0000%	16.6667	
		PV 0yrs 7mths @	6.0000%	0.9666	153,042

GROSS DEVELOPMENT VALUE 20,624,986

Purchaser's Costs 5.80% (8,390)

NET DEVELOPMENT VALUE 20,616,596

NET REALISATION **20,616,596**

OUTLAY**ACQUISITION COSTS**

Residualised Price (0.12 Ha £44,007,163.85 pHect)		5,280,860	
Stamp Duty	4.00%	211,234	
Agent Fee	1.00%	52,809	
Legal Fee	0.50%	26,404	
			5,571,307

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market Resi	3,040.00	£1,760.00	5,350,400	
Aff Resi - Social Rent	1,120.00	£1,760.00	1,971,200	
Aff Resi - Shared Ownership	480.00	£1,760.00	844,800	
Totals	<u>4,640.00</u>		<u>8,166,400</u>	8,166,400

Contingency	5.00%	408,320	
Statutory/LA		58,000	
			466,320

PROFESSIONAL FEES

Professional Fees	10.00%	857,472	
			857,472

MARKETING & LETTING

Marketing	3.00%	542,640	
			542,640

DISPOSAL FEES

Sales Agent Fee	1.50%	271,320	
Sales Legal Fee	0.25%	51,541	
			322,861

MISCELLANEOUS FEES

Private Profit	20.00%	3,648,208	
Affordable Profit	6.00%	143,037	
			3,791,245

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		747,464	

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing****6 - SE1 8**

Construction	144,265	
Other	6,622	
Total Finance Cost		898,351

TOTAL COSTS**20,616,596****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.05%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.21%
Net Initial Yield%	6.21%

6.37%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) 0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
8. SE1 8

Summary Appraisal for Phase 1**REVENUE****Sales Valuation**

	Units	Unit Amount	Gross Sales	
Hotel	286 units at	£152,500	43,615,000	
Purchaser's Costs		5.80%	(2,390,992)	
NET DEVELOPMENT VALUE				<u>41,224,008</u>

NET REALISATION**41,224,008****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.09 Ha	£55,228,474.76 pHect)		4,970,563	
Stamp Duty		4.00%	198,823	
Agent Fee		1.00%	49,706	
Legal Fee		0.50%	24,853	
				5,243,944

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Hotel	11,709.00	£1,727.00	20,221,483	20,221,483
Contingency		5.00%	1,011,074	
				1,011,074

PROFESSIONAL FEES

Professional Fees		10.00%	2,123,256	
				2,123,256

MARKETING & LETTING

Marketing		3.00%	606,644	
				606,644

DISPOSAL FEES

Sales Agent Fee		1.50%	654,225	
Sales Legal Fee		0.25%	109,038	
				763,263

MISCELLANEOUS FEES

Private Profit		20.00%	8,723,000	
				8,723,000

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)				
Land			957,677	
Construction			1,573,667	
Total Finance Cost				2,531,344

TOTAL COSTS**41,224,008****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
	6.71%
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
9.a - SE1 8

Summary Appraisal for Phase 1**REVENUE****Rental Area Summary**

Office	m ²	Rate m ²	Gross MRV
	9,952.65	£269.00	2,677,263

Investment Valuation

Office					
Market Rent	2,677,263	YP @	6.7500%	14.8148	
(1yr Rent Free)		PV 1yr @	6.7500%	0.9368	37,155,181

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(2,036,862)	37,155,181
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NET DEVELOPMENT VALUE35,118,318**NET REALISATION****35,118,318****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.16 Ha £5,705,306.09 pHect)		912,849
Stamp Duty	4.00%	36,514
Agent Fee	1.00%	9,128
Legal Fee	0.50%	4,564
		963,056

CONSTRUCTION COSTS**Construction**

Office	m ²	Rate m ²	Cost
	11,709.00	£1,612.00	18,874,908
Contingency		5.00%	943,745
			943,745

PROFESSIONAL FEES

Professional Fees	10.00%	1,981,865
		1,981,865

MARKETING & LETTING

Marketing	3.00%	1,114,655
Letting Agent Fee	10.00%	267,726
Letting Legal Fee	5.00%	133,863
		1,516,245

DISPOSAL FEES

Sales Agent Fee	1.50%	557,328
Sales Legal Fee	0.25%	92,888
		650,216

MISCELLANEOUS FEES

Private Profit	20.00%	7,431,036
		7,431,036

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)		
Land		137,038
Construction		1,046,544
Other		1,573,665
Total Finance Cost		2,757,247

TOTAL COSTS**35,118,318****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing****9.a - SE1 8**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.62%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	7.21%
Net Initial Yield%	7.21%
	6.83%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
9.b SE1 8

Summary Appraisal for Phase 1**REVENUE****Rental Area Summary**

	m²	Rate m²	Gross MRV
Retail	275.40	£269.00	74,083

Investment Valuation

Retail					
Market Rent	74,083	YP @	6.7500%	14.8148	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	6.7500%	0.9679	1,062,260

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(58,234)	1,062,260
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NET DEVELOPMENT VALUE1,004,027**NET REALISATION****1,004,027****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.09 Ha £2,709,497.05 pHect)		243,855	
Stamp Duty	4.00%	9,754	
Agent Fee	1.00%	2,439	
Legal Fee	0.50%	1,219	
			257,267

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Retail	324.00	£1,040.00	336,960	336,960
Contingency		5.00%	16,848	
				16,848

PROFESSIONAL FEES

Professional Fees	10.00%	35,381	
			35,381

MARKETING & LETTING

Marketing	3.00%	31,868	
Letting Agent Fee	10.00%	7,408	
Letting Legal Fee	5.00%	3,704	
			42,980

DISPOSAL FEES

Sales Agent Fee	1.50%	15,934	
Sales Legal Fee	0.25%	2,656	
			18,590

MISCELLANEOUS FEES

Private Profit	20.00%	212,452	
			212,452

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		26,586	
Construction		11,950	
Other		45,014	
Total Finance Cost			83,549

TOTAL COSTS**1,004,027****PROFIT****0****Performance Measures**

LB Southwark CIL Site Testing
9.b SE1 8

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.38%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	6.97%
Net Initial Yield%	6.97%
	6.85%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

**LB Southwark CIL Site Testing
Site 10 - SE15 6**

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Industrial - Warehousing	8,098.20	£118.00	955,588

Investment Valuation**Industrial - Warehousing**

Market Rent	955,588	YP @	7.0000%	14.2857	
(1yr Rent Free)		PV 1yr @	7.0000%	0.9346	12,758,184

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(699,409)	12,758,184
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NET DEVELOPMENT VALUE12,058,775**NET REALISATION****12,058,775****OUTLAY****ACQUISITION COSTS**

Residualised Price (1.08 Ha £764,760.19 pHect)			825,941
Stamp Duty	4.00%		33,038
Agent Fee	1.00%		8,259
Legal Fee	0.50%		4,130
			871,368

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Industrial - Warehousing	8,998.00	£666.00	5,992,668
			5,992,668
Contingency		5.00%	299,633
			299,633

PROFESSIONAL FEES

Professional Fees	10.00%	599,267	599,267
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MARKETING & LETTING

Marketing	3.00%	382,746	
Letting Agent Fee	10.00%	95,559	
Letting Legal Fee	5.00%	47,779	
			526,084

DISPOSAL FEES

Sales Agent Fee	1.50%	191,373	
Sales Legal Fee	0.25%	31,895	
			223,268

MISCELLANEOUS FEES

Private Profit	20.00%	2,551,637	2,551,637
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			123,991
Construction			330,833
Other			540,022
Total Finance Cost			994,847

TOTAL COSTS**12,058,772****PROFIT****4****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing****Site 10 - SE15 6**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.92%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.49%
Net Initial Yield%	7.49%

6.85%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) 0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

Southwark CIL Study
Site 11 - SE17

Summary Appraisal for Phase 1**REVENUE****Sales Valuation**

	Units	Unit Amount	Gross Sales
Hotel - 200 room budget	200 units at	£65,000	13,000,000
Ground rent	1 unit at	£7,332,000	7,332,000
Totals			<u>20,332,000</u>

	m²	Rate m²	Gross Sales	
Market residential	136,765.36	£5,607.00	766,843,388	
Affordable residential	76,559.44	£1,550.00	118,667,128	
Office	2,550.00	£2,960.00	7,548,000	
Retail	13,500.00	£3,159.00	42,646,500	
Community	2,337.50	£2,018.00	4,717,075	
Leisure & Entertainment	2,337.50	£2,397.00	5,602,988	
Student	4,875.00	£5,010.00	24,423,750	
Totals	<u>238,924.80</u>		<u>970,448,828</u>	990,780,828

Additional Revenue**NET REALISATION****990,780,828****OUTLAY****ACQUISITION COSTS**

Residualised Price	24,757,101		
Fixed Price	50,000,000		
Total Acquisition (9.90 Ha £7,551,222.37 pHect)		74,757,101	
Stamp Duty	4.00%	2,990,284	
Agent Fee	1.00%	747,571	
Legal Fee	0.50%	373,786	
			78,868,742

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market residential	164,125.00	£1,974.00	323,982,750	
Affordable residential	91,875.00	£1,974.00	181,361,250	
Office	3,000.00	£1,506.00	4,518,000	
Retail	15,000.00	£1,000.00	15,000,000	
Underground parking	1,808.00	£542.00	979,936	
Undercroft parking with landscapi	1,808.00	£900.00	1,627,200	
Community	2,750.00	£1,000.00	2,750,000	
Leisure & Entertainment	2,750.00	£1,000.00	2,750,000	
Student	6,500.00	£1,505.00	9,782,500	
Totals	<u>289,616.00</u>		<u>542,751,636</u>	542,751,636

Contingency	5.00%	28,583,332	
Demolition		15,000,000	
Road/Site Works	9.90 m² 250,000.00 pm²	2,475,000	
			46,058,332

Other Construction

CSH		11,440,000	
			11,440,000

PROFESSIONAL FEES

Architect	10.00%	60,024,997	
			60,024,997

MARKETING & LETTING

Marketing	4.00%	34,591,268	
			34,591,268

FINANCE

Debit Rate 6.50% Credit Rate 0.00% (Nominal)

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****Southwark CIL Study
Site 11 - SE17**

Land	18,067,387	
Construction	4,790,810	
Total Finance Cost		22,858,197

TOTAL COSTS**796,593,172****PROFIT****194,187,656****Performance Measures**

Profit on Cost%	24.38%
Profit on GDV%	19.60%
Profit on NDV%	19.60%

	20.00%
Profit Erosion (finance rate 6.500%)	3 yrs 5 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

Southwark CIL Site Testing
Site 12 - SE1 6

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Market residential	2,042.00	£5,651.00	11,539,342	
Affordable residential	1,100.00	£1,550.00	1,705,000	
Office	2,108.00	£2,800.00	5,902,400	
Retail	544.50	£2,800.00	1,524,600	
Totals	<u>5,794.50</u>		<u>20,671,342</u>	20,671,342

Additional Revenue

Ground rent	180,000		180,000
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NET REALISATION**20,851,342****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.22 Ha £21,189,904.95 pHect)			4,661,779	
Stamp Duty		4.00%	186,471	
Agent Fee		1.00%	46,618	
Legal Fee		0.50%	23,309	
				4,918,177

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market residential	2,451.00	£1,240.00	3,039,240	
Affordable residential	1,320.00	£1,240.00	1,636,800	
Office	2,480.00	£1,506.00	3,734,880	
Retail	605.00	£1,000.00	605,000	
Totals	<u>6,856.00</u>		<u>9,015,920</u>	9,015,920

Contingency		5.00%	469,666	
Demolition			47,400	
Road/Site Works	0.22 m ²	250,000.00 pm ²	55,000	
				572,066

Other Construction

CSH			275,000	
				275,000

PROFESSIONAL FEES

Architect		10.00%	986,299	
				986,299

MARKETING & LETTING

Marketing		4.00%	758,654	
				758,654

FINANCE

Debit Rate 6.50% Credit Rate 0.00% (Nominal)				
Land			787,344	
Construction			460,334	
Total Finance Cost				1,247,679

TOTAL COSTS**17,773,794****PROFIT****3,077,548****Performance Measures**

Profit on Cost%	17.32%
Profit on GDV%	14.89%
Profit on NDV%	14.89%

Southwark CIL Site Testing
Site 12 - SE1 6

Profit Erosion (finance rate 6.500%)	20.00%
	2 yrs 6 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
13.a - SE17

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Market Resi	31,372.00	£4,090.00	128,311,480	
Aff Resi - Social Rent	23,845.05	£1,143.00	27,254,892	
Aff Resi - Shared Ownership	7,526.75	£1,666.00	12,539,566	
Totals	<u>62,743.80</u>		<u>168,105,938</u>	168,105,938

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground rents	440 units at	£250	110,000

Investment Valuation**Ground rents**

Current Rent	110,000	YP @	6.0000%	16.6667	1,833,333
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GROSS DEVELOPMENT VALUE 169,939,271

Purchaser's Costs 5.80% (100,504)
 NET DEVELOPMENT VALUE 169,838,767

NET REALISATION 169,838,767

OUTLAY**ACQUISITION COSTS**

Residualised Price			3,030,457	
Stamp Duty		4.00%	121,218	
Agent Fee		1.00%	30,305	
Legal Fee		0.50%	15,152	
				3,197,132

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market Resi	36,908.24	£1,400.00	51,671,529	
Aff Resi - Social Rent	28,053.00	£1,400.00	39,274,200	
Aff Resi - Shared Ownership	8,855.00	£1,400.00	12,397,000	
Totals	<u>73,816.24</u>		<u>103,342,729</u>	103,342,729

Contingency	5.00%	5,167,136	
Statutory/LA		880,000	
			6,047,136

PROFESSIONAL FEES

Professional Fees	10.00%	10,850,987	
			10,850,987

MARKETING & LETTING

Marketing	3.00%	3,849,344	
			3,849,344

DISPOSAL FEES

Sales Agent Fee	1.50%	1,952,172	
Sales Legal Fee	0.25%	424,848	
			2,377,020

MISCELLANEOUS FEES

Private Profit	20.00%	26,028,963	
Affordable Profit	6.00%	2,387,667	
			28,416,630

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		1,396,391	
Construction		5,770,144	

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing****13.a - SE17**

Other	4,591,252	
Total Finance Cost		11,757,787

TOTAL COSTS**169,838,767****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.06%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.60%
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
13.b - SE17

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Retail	212.50	£194.00	41,225

Investment Valuation

Retail					
Market Rent	41,225	YP @	7.0000%	14.2857	
		PV 1yr 11mths @	7.0000%	0.8784	517,301

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(28,359)	517,301
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NET DEVELOPMENT VALUE488,943**NET REALISATION****488,943****OUTLAY****ACQUISITION COSTS**

Residualised Price		57,481	
Stamp Duty	4.00%	2,299	
Agent Fee	1.00%	575	
Legal Fee	0.50%	287	
			60,643

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Retail	250.00	£1,040.00	260,000	260,000
Contingency		5.00%	13,000	
				13,000

PROFESSIONAL FEES

Professional Fees	10.00%	27,300	
			27,300

DISPOSAL FEES

Sales Agent Fee	1.50%	7,760	
Sales Legal Fee	0.25%	1,293	
			9,053

MISCELLANEOUS FEES

Private Profit	20.00%	103,460	
			103,460

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		6,267	
Construction		9,220	
Total Finance Cost			15,487

TOTAL COSTS**488,943****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	8.43%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%

LB Southwark CIL Site Testing**13.b - SE17**

Gross Initial Yield%	7.97%
Net Initial Yield%	7.97%
	6.30%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 14.a - SE1 3

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Market Resi	8,182.10	£5,760.00	47,128,896	
Aff Resi - Social Rent	2,886.75	£1,476.00	4,260,837	
Aff Resi - Shared Ownership	1,336.20	£1,882.00	2,514,728	
Totals	<u>12,405.05</u>		<u>53,904,461</u>	53,904,461

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground rents	137 units at	£250	34,250

Investment Valuation**Ground rents**

Market Rent	34,250	YP @	6.0000%	16.6667	
		PV 2yrs 2mths @	6.0000%	0.8814	503,130

GROSS DEVELOPMENT VALUE

54,407,591

Purchaser's Costs	5.80%	(27,582)
NET DEVELOPMENT VALUE		<u>54,380,009</u>

NET REALISATION**54,380,009****OUTLAY****ACQUISITION COSTS**

Residualised Price (1.23 Ha £9,246,454.67 pHect)		11,373,139
Stamp Duty	4.00%	454,926
Agent Fee	1.00%	113,731
Legal Fee	0.50%	56,866
		11,998,662

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Market Resi	9,626.00	£1,500.00	14,439,000
Aff Resi - Social Rent	3,396.00	£1,500.00	5,094,000
Aff Resi - Shared Ownership	1,572.00	£1,500.00	2,358,000
Totals	<u>14,594.00</u>		<u>21,891,000</u>
Contingency		5.00%	1,094,550
Statutory/LA			205,000

1,299,550

PROFESSIONAL FEES

Professional Fees	10.00%	2,298,555
		2,298,555

MARKETING & LETTING

Marketing	3.00%	1,413,867
		1,413,867

DISPOSAL FEES

Sales Agent Fee	1.50%	714,480
Sales Legal Fee	0.25%	136,019
		850,499

MISCELLANEOUS FEES

Private Profit	20.00%	9,526,405
Affordable Profit	6.00%	406,534
		9,932,939

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)	
Land	2,152,404

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 14.a - SE1 3**

Construction	1,056,281	
Other	1,486,251	
Total Finance Cost		4,694,937

TOTAL COSTS**54,380,009****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.06%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.81%
Net Initial Yield%	6.81%

6.75%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
14.b - SE1 3

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Commercial	676.60	£269.00	182,005

Investment Valuation**Commercial**

Market Rent	182,005	YP @	6.7500%	14.8148	
(1yr Rent Free)		PV 1yr @	6.7500%	0.9368	2,525,874

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(138,469)	2,525,874
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NET DEVELOPMENT VALUE2,387,404**NET REALISATION****2,387,404****OUTLAY****ACQUISITION COSTS**

Residualised Price (1.23 Ha £343,052.13 pHect)			421,954
Stamp Duty	4.00%		16,878
Agent Fee	1.00%		4,220
Legal Fee	0.50%		2,110
			445,162

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Commercial	796.00	£1,040.00	827,840	827,840
Contingency		5.00%	41,392	41,392

PROFESSIONAL FEES

Professional Fees	10.00%	86,923	86,923
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MARKETING & LETTING

Marketing	3.00%	75,776	
Letting Agent Fee	10.00%	18,201	
Letting Legal Fee	5.00%	9,100	
			103,077

DISPOSAL FEES

Sales Agent Fee	1.50%	37,888	
Sales Legal Fee	0.25%	6,315	
			44,203

MISCELLANEOUS FEES

Private Profit	20.00%	505,175	505,175
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		81,298	
Construction		62,793	
Other		189,542	
Total Finance Cost			333,633

TOTAL COSTS**2,387,404****PROFIT****0****Performance Measures**

LB Southwark CIL Site Testing
14.b - SE1 3

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.62%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	7.21%
Net Initial Yield%	7.21%
	6.99%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site15 - SE15****Summary Appraisal for Phase 1****REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Industrial - Warehousing	6,396.30	£118.00	754,763

Investment Valuation**Industrial - Warehousing**

Market Rent	754,763	YP @	7.0000%	14.2857	
(1yr Rent Free)		PV 1yr @	7.0000%	0.9346	10,076,943

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(552,422)	10,076,943
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NET DEVELOPMENT VALUE9,524,520**NET REALISATION****9,524,520****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.30 Ha £2,174,543.51 pHect)			652,363
Stamp Duty	4.00%		26,095
Agent Fee	1.00%		6,524
Legal Fee	0.50%		3,262
			688,243

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Industrial - Warehousing	7,107.00	£666.00	4,733,262
Contingency		5.00%	236,663
			236,663

PROFESSIONAL FEES

Professional Fees	10.00%	473,326	473,326
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MARKETING & LETTING

Marketing	3.00%	302,308	
Letting Agent Fee	10.00%	75,476	
Letting Legal Fee	5.00%	37,738	
			415,523

DISPOSAL FEES

Sales Agent Fee	1.50%	151,154	
Sales Legal Fee	0.25%	25,192	
			176,346

MISCELLANEOUS FEES

Private Profit	20.00%	2,015,389	2,015,389
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			97,934
Construction			261,306
Other			426,532
Total Finance Cost			785,772

TOTAL COSTS**9,524,524****PROFIT****(4)****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site15 - SE15**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.92%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.49%
Net Initial Yield%	7.49%
	6.85%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 16.a - SE15

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Market Resi	15,300.00	£3,660.00	55,998,000	
Aff Resi - Social Rent	5,848.30	£1,166.00	6,819,113	
Aff Resi - Shared Ownership	2,312.00	£2,120.00	4,901,440	
Totals	<u>23,460.30</u>		<u>67,718,553</u>	67,718,553

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground rents	225 units at	£250	56,250

Investment Valuation**Ground rents**

Market Rent	56,250	YP @	6.0000%	16.6667	
		PV 3yrs 8mths @	6.0000%	0.8076	757,152

GROSS DEVELOPMENT VALUE

68,475,705

Purchaser's Costs	5.80%	(41,507)
NET DEVELOPMENT VALUE		<u>68,434,198</u>

NET REALISATION**68,434,198****OUTLAY****ACQUISITION COSTS**

Residualised Price (1.65 Ha £1,470,812.65 pHect)		2,426,841
Stamp Duty	4.00%	97,074
Agent Fee	1.00%	24,268
Legal Fee	0.50%	12,134
		2,560,317

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market Resi	18,000.00	£1,400.00	25,200,000	
Aff Resi - Social Rent	6,880.00	£1,400.00	9,632,000	
Aff Resi - Shared Ownership	2,720.00	£1,400.00	3,808,000	
Totals	<u>27,600.00</u>		<u>38,640,000</u>	38,640,000

Contingency	5.00%	1,932,000
Statutory/LA		345,000
		2,277,000

PROFESSIONAL FEES

Professional Fees	10.00%	4,057,200
		4,057,200

MARKETING & LETTING

Marketing	3.00%	1,679,940
		1,679,940

DISPOSAL FEES

Sales Agent Fee	1.50%	851,327
Sales Legal Fee	0.25%	171,189
		1,022,517

MISCELLANEOUS FEES

Private Profit	20.00%	11,351,030
Affordable Profit	6.00%	703,233
		12,054,264

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)		
Land		406,842

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 16.a - SE15**

Construction	2,066,820	
Other	3,669,269	
Total Finance Cost		6,142,931

TOTAL COSTS**68,434,168****PROFIT****30****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.08%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	7.43%
Net Initial Yield%	7.43%

6.76%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) 0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
16.b - SE15

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Retail	872.95	£194.00	169,352

Investment Valuation

Retail					
Market Rent	169,352	YP @	7.0000%	14.2857	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	7.0000%	0.9667	2,338,839

GROSS DEVELOPMENT VALUE 2,338,839

Purchaser's Costs 5.80% (128,216)

NET DEVELOPMENT VALUE 2,210,623

NET REALISATION 2,210,623

OUTLAY**ACQUISITION COSTS**

Residualised Price (1.65 Ha £122,770.00 pHect)			202,571	
Stamp Duty		4.00%	8,103	
Agent Fee		1.00%	2,026	
Legal Fee		0.50%	1,013	
				213,712

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Retail	1,027.00	£1,040.00	1,068,080	1,068,080
Contingency		5.00%	53,404	
				53,404

PROFESSIONAL FEES

Professional Fees		10.00%	112,148	
				112,148

MARKETING & LETTING

Marketing		3.00%	70,165	
Letting Agent Fee		10.00%	16,935	
Letting Legal Fee		5.00%	8,468	
				95,568

DISPOSAL FEES

Sales Agent Fee		1.50%	35,083	
Sales Legal Fee		0.25%	5,847	
				40,930

MISCELLANEOUS FEES

Private Profit		20.00%	467,768	
				467,768

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)				
Land			22,085	
Construction			37,877	
Other			99,051	
Total Finance Cost				159,013

TOTAL COSTS 2,210,623

PROFIT 0

Performance Measures

LB Southwark CIL Site Testing
16.b - SE15

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.66%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.24%
Net Initial Yield%	7.24%
	6.80%
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
16.c- SE15

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Office	581.40	£161.00	93,605

Investment Valuation**Office**

Market Rent	93,605	YP @	6.7500%	14.8148	
(1yr Rent Free)		PV 1yr @	6.7500%	0.9368	1,299,055

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(71,215)	1,299,055
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NET DEVELOPMENT VALUE 1,227,840**NET REALISATION** **1,227,840****OUTLAY****ACQUISITION COSTS**

Residualised Price	(452,947)	(452,947)
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CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Office	684.00	£1,612.00	1,102,608

Contingency	5.00%	55,130	55,130
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PROFESSIONAL FEES

Professional Fees	10.00%	115,774	115,774
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MARKETING & LETTING

Marketing	3.00%	38,972	
Letting Agent Fee	10.00%	9,361	
Letting Legal Fee	5.00%	4,680	
			53,012

DISPOSAL FEES

Sales Agent Fee	1.50%	19,486	
Sales Legal Fee	0.25%	3,248	
			22,733

MISCELLANEOUS FEES

Private Profit	20.00%	259,811	259,811
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		(22,403)	
Construction		39,102	
Other		55,020	
Total Finance Cost			71,718

TOTAL COSTS **1,227,840****PROFIT** **0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

LB Southwark CIL Site Testing
16.c- SE15

Development Yield% (on Rent)	7.62%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
Gross Initial Yield%	7.21%
Net Initial Yield%	7.21%

	10.34%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

**LB Southwark CIL Site Testing
Site 17 - SE15**

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Light Industrial (B1)	316.80	£118.00	37,382

Investment Valuation**Light Industrial (B1)**

Market Rent	37,382	YP @	7.0000%	14.2857	
(0yrs 6mths Rent Free)		PV 0yrs 6mths @	7.0000%	0.9667	516,265

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(28,302)	516,265
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NET DEVELOPMENT VALUE487,963**NET REALISATION****487,963****OUTLAY****ACQUISITION COSTS**

Residualised Price	(135,167)	(135,167)
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CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Light Industrial (B1)	352.00	£1,143.00	402,336

Contingency	5.00%	20,117	20,117
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PROFESSIONAL FEES

Professional Fees	10.00%	40,234	40,234
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MARKETING & LETTING

Marketing	3.00%	15,488	
Letting Agent Fee	10.00%	3,738	
Letting Legal Fee	5.00%	1,869	
			21,095

DISPOSAL FEES

Sales Agent Fee	1.50%	7,744	
Sales Legal Fee	0.25%	1,291	
			9,035

MISCELLANEOUS FEES

Private Profit	20.00%	103,253	103,253
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		(5,070)	
Construction		10,266	
Other		21,864	
Total Finance Cost			27,061

TOTAL COSTS**487,963****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

**LB Southwark CIL Site Testing
Site 17 - SE15**

Development Yield% (on Rent)	7.66%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.24%
Net Initial Yield%	7.24%
	8.75%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 18 - SE16****Summary Appraisal for Phase 1****REVENUE****Sales Valuation**

	Units	Unit Amount	Gross Sales	
Car Parking	48 units at	£10,000	480,000	
	m²	Rate m²	Gross Sales	
Market Resi	5,217.00	£3,875.00	20,215,875	
Aff Resi - Social Rent	1,984.00	£1,043.00	2,069,312	
Aff Resi - Shared Ownership	1,272.00	£2,093.00	2,662,296	
Totals	<u>8,473.00</u>		<u>24,947,483</u>	25,427,483

Rental Area Summary

	Units	Unit Amount	Gross MRV
Ground rents	87 units at	£250	21,750

Investment Valuation**Ground rents**

Market Rent	21,750	YP @	6.0000%	16.6667	
		PV 1yr 4mths @	6.0000%	0.9252	335,403

GROSS DEVELOPMENT VALUE

25,762,886

Purchaser's Costs	5.80%	(18,387)
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NET DEVELOPMENT VALUE25,744,499**NET REALISATION****25,744,499****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.90 Ha £2,788,280.63 pHect)		2,509,453
Stamp Duty	4.00%	100,378
Agent Fee	1.00%	25,095
Legal Fee	0.50%	12,547
		2,647,472

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Market Resi	6,138.00	£1,400.00	8,593,200	
Aff Resi - Social Rent	2,334.00	£1,400.00	3,267,600	
Aff Resi - Shared Ownership	1,496.00	£1,400.00	2,094,400	
Totals	<u>9,968.00</u>		<u>13,955,200</u>	13,955,200

Contingency	5.00%	697,760
Statutory/LA		128,000
		825,760

PROFESSIONAL FEES

Professional Fees	10.00%	1,465,296
		1,465,296

MARKETING & LETTING

Marketing	3.00%	620,876
		620,876

DISPOSAL FEES

Sales Agent Fee	1.50%	315,469
Sales Legal Fee	0.25%	64,407
		379,876

MISCELLANEOUS FEES

Private Profit	20.00%	4,206,256
Affordable Profit	6.00%	283,896
		4,490,152

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 18 - SE16****FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	454,517	
Construction	636,876	
Other	268,473	
Total Finance Cost		1,359,866

TOTAL COSTS**25,744,499****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.08%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.48%
Net Initial Yield%	6.48%

6.49%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) 0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

Southwark CIL Study
Site 19 - SE17

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Student Accommodation	3,066.75	£4,021.00	12,331,402	
B1 - incubator	864.00	£1,800.00	1,555,200	
A1 - retail	79.50	£2,018.00	160,431	
Affordable Housing - 35%	1,651.50	£1,550.00	2,559,825	
Totals	<u>5,661.75</u>		<u>16,606,858</u>	16,606,858

NET REALISATION**16,606,858****OUTLAY****ACQUISITION COSTS**

Residualised Price			2,472,758	
Stamp Duty		4.00%	98,910	
Legal Fee		0.25%	6,182	
				2,577,850

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Student Accommodation	4,089.00	£1,505.00	6,153,945	
B1 - incubator	864.00	£1,000.00	864,000	
A1 - retail	106.00	£1,000.00	106,000	
Affordable Housing - 35%	2,202.00	£1,505.00	3,314,010	
Totals	<u>7,261.00</u>		<u>10,437,955</u>	10,437,955

Contingency		5.00%	521,898	
Demolition			30,000	
				551,898

PROFESSIONAL FEES

Architect		8.00%	835,036	
				835,036

DISPOSAL FEES

Sales Agent Fee		1.00%	166,069	
Sales Legal Fee		0.25%	41,517	
				207,586

FINANCE

Debit Rate 6.50% Credit Rate 0.00% (Nominal)				
Land			246,640	
Construction			338,431	
Total Finance Cost				585,070

TOTAL COSTS**15,195,396****PROFIT****1,411,462****Performance Measures**

Profit on Cost%	9.29%
Profit on GDV%	8.50%
Profit on NDV%	8.50%
	20.00%
Profit Erosion (finance rate 6.500%)	1 yr 5 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

London Borough of Southwark Site Testing
20.a - SE5 0

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	5,947.00	£3,767.00	22,402,349	
Social Rented Units	2,193.00	£1,186.00	2,600,898	
Shared Ownership Units	939.00	£2,106.00	1,977,534	
Totals	<u>9,079.00</u>		<u>26,980,781</u>	26,980,781

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	76 units at	£250	19,000

Investment Valuation**Ground Rents**

Current Rent	19,000	YP @	6.0000%	16.6667	316,667
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GROSS DEVELOPMENT VALUE 27,297,448

Purchaser's Costs 5.80% (17,360)
NET DEVELOPMENT VALUE 27,280,088

Income from Tenants 17,417

NET REALISATION 27,297,505

OUTLAY**ACQUISITION COSTS**

Residualised Price (980,548)
(980,548)

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	6,996.00	£1,754.52	12,274,622	
Social Rented Units	2,580.00	£1,754.52	4,526,662	
Shared Ownership Units	1,105.00	£1,754.52	1,938,745	
Totals	<u>10,681.00</u>		<u>18,740,028</u>	18,740,028

Contingency 5.00% 937,001
Section 106 116,000
1,053,001

PROFESSIONAL FEES

Professional Fees 10.00% 1,874,003
1,874,003

MARKETING & LETTING

Letting Agent Fee 10.00% 1,900
Letting Legal Fee 5.00% 950
2,850

DISPOSAL FEES

Sales Agent Fee 1.50% 409,201
Sales Legal Fee 0.25% 68,200
477,402

Additional Costs

Profit on Affordable 6.00% 274,706
Profit on Private 20.00% 4,543,803
4,818,509

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)
Land (124,857)
Construction 1,087,975

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****London Borough of Southwark Site Testing****20.a - SE5 0**

Other	349,142	
Total Finance Cost		1,312,260

TOTAL COSTS**27,297,505****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.07%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%

3.72%

Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 20b - SE5 0

Summary Appraisal for Phase 1**REVENUE****Rental Area Summary**

	m²	Rate m²	Gross MRV
A1 space	565.22	£376.74	212,941

Investment Valuation**A1 space**

Market Rent	212,941	YP @	7.0000%	14.2857	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	7.0000%	0.9452	2,875,244

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(157,622)	2,875,244
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NET DEVELOPMENT VALUE2,717,622**NET REALISATION****2,717,622****OUTLAY****ACQUISITION COSTS**

Residualised Price			949,746
Stamp Duty	4.00%		37,990
Agent Fee	1.00%		9,497
Legal Fee	0.25%		2,374
			999,608

CONSTRUCTION COSTS**Construction**

	m²	Rate m²	Cost	
A1 space	665.00	£1,044.10	694,326	694,326
Contingency		5.00%	34,716	34,716

PROFESSIONAL FEES

Professional Fees	10.00%	69,433	69,433
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MARKETING & LETTING

Marketing	3.00%	86,257	
Letting Agent Fee	10.00%	21,294	
Letting Legal Fee	5.00%	10,647	
			118,198

DISPOSAL FEES

Sales Agent Fee	1.50%	40,764	
Sales Legal Fee	0.25%	6,794	
			47,558

Additional Costs

Profit on Private	20.00%	575,049	575,049
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		122,601	
Construction		31,388	
Other		24,745	
Total Finance Cost			178,733

TOTAL COSTS**2,717,622****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 20b - SE5 0**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.84%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.41%
Net Initial Yield%	7.41%
	6.64%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CII Site Testing
Site 20c - SE5 0

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
B1 space	521.93	£172.22	89,887

Investment Valuation**B1 space**

Market Rent	89,887	YP @	7.0000%	14.2857	
(1yr Rent Free)		PV 1yr @	7.0000%	0.9346	1,200,091

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(65,789)	1,200,091
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NET DEVELOPMENT VALUE1,134,301**NET REALISATION****1,134,301****OUTLAY****ACQUISITION COSTS**

Residualised Price	(347,674)	(347,674)
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CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
B1 space	614.00	£1,614.59	991,358

Contingency	5.00%	49,568	49,568
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PROFESSIONAL FEES

Professional Fees	10.00%	99,136	99,136
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MARKETING & LETTING

Marketing	3.00%	36,003	
Letting Agent Fee	10.00%	8,989	
Letting Legal Fee	5.00%	4,494	
			49,486

DISPOSAL FEES

Sales Agent Fee	1.50%	17,015	
Sales Legal Fee	0.25%	2,836	
			19,850

Additional Costs

Profit on Private	20.00%	240,018	240,018
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		(22,581)	
Construction		44,815	
Other		10,325	
Total Finance Cost			32,559

TOTAL COSTS**1,134,301****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CII Site Testing
Site 20c - SE5 0**

Development Yield% (on Rent)	7.92%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.49%
Net Initial Yield%	7.49%

	14.08%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

London Borough of Southwark CIL Site Testing
Site 21a - SE17 3

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	9,724.00	£5,000.00	48,620,000	
Social Rented Units	3,672.00	£1,365.00	5,012,280	
Shared Ownership Units	1,632.00	£1,928.00	3,146,496	
Totals	<u>15,028.00</u>		<u>56,778,776</u>	56,778,776

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	143 units at	£250	35,750

Investment Valuation**Ground Rents**

Current Rent	35,750	YP @	6.0000%	16.6667	595,833
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GROSS DEVELOPMENT VALUE

57,374,609

Purchaser's Costs	5.80%	(32,664)
NET DEVELOPMENT VALUE		<u>57,341,946</u>

Income from Tenants	53,625
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NET REALISATION **57,395,571****OUTLAY****ACQUISITION COSTS**

Residualised Price		5,912,239
Stamp Duty	4.00%	236,490
Agent Fee	1.00%	59,122
Legal Fee	0.50%	29,561
		6,237,412

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	11,440.00	£1,754.52	20,071,709	
Social Rented Units	4,320.00	£1,754.52	7,579,526	
Shared Ownership Units	1,920.00	£1,754.52	3,368,678	
Totals	<u>17,680.00</u>		<u>31,019,914</u>	31,019,914

Contingency	5.00%	1,550,996
Section 106		221,000
		1,771,996

PROFESSIONAL FEES

Professional Fees	10.00%	3,101,991
		3,101,991

MARKETING & LETTING

Letting Agent Fee	10.00%	3,575
Letting Legal Fee	5.00%	1,788
		5,363

DISPOSAL FEES

Sales Agent Fee	1.50%	860,129
Sales Legal Fee	0.25%	143,355
		1,003,484

Additional Costs

Profit on Affordable	6.00%	489,527
Profit on Private	20.00%	9,843,167
		10,332,693

FINANCE

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****London Borough of Southwark CIL Site Testing
Site 21a - SE17 3**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	877,360	
Construction	1,166,427	
Other	1,878,931	
Total Finance Cost		3,922,718

TOTAL COSTS**57,395,571****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.06%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.63%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 21b - SE17 3

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
B1 Office space	1,598.03	£172.22	275,213

Investment Valuation**B1 Office space**

Market Rent	275,213	YP @	7.0000%	14.2857	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	7.0000%	0.9452	3,716,071

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(203,717)	3,716,071
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NET DEVELOPMENT VALUE3,512,354**NET REALISATION****3,512,354****OUTLAY****ACQUISITION COSTS**

Residualised Price	(1,037,326)	(1,037,326)
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CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
B1 Office space	1,879.99	£1,614.59	3,035,413

Contingency	5.00%	151,771	151,771
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PROFESSIONAL FEES

Professional Fees	10.00%	303,541	303,541
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MARKETING & LETTING

Marketing	3.00%	111,482	
Letting Agent Fee	10.00%	27,521	
Letting Legal Fee	5.00%	13,761	
			152,764

DISPOSAL FEES

Sales Agent Fee	1.50%	52,685	
Sales Legal Fee	0.25%	8,781	
			61,466

Additional Costs

Profit on Private	20.00%	743,214	743,214
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		(67,688)	
Construction		137,218	
Other		31,981	
Total Finance Cost			101,511

TOTAL COSTS**3,512,354****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CII Site Testing
Site 21b - SE17 3**

Development Yield% (on Rent)	7.84%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.41%
Net Initial Yield%	7.41%

	13.09%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

**LB Southwark CIL Site Testing
Site 22a - SE15 6**

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	4,716.04	£3,500.00	16,506,140	
Social Rented Units	1,680.06	£1,142.00	1,918,629	
Shared Ownership Units	764.03	£2,139.00	1,634,260	
Totals	<u>7,160.13</u>		<u>20,059,029</u>	20,059,029

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	77 units at	£250	19,250

Investment Valuation**Ground Rents**

Current Rent	19,250	YP @	6.0000%	16.6667	320,833
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GROSS DEVELOPMENT VALUE

20,379,862

Purchaser's Costs	5.80%	(17,588)
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NET DEVELOPMENT VALUE20,362,274

Income from Tenants	14,438
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NET REALISATION**20,376,711****OUTLAY****ACQUISITION COSTS**

Residualised Price		1,417,443
Stamp Duty	4.00%	56,698
Agent Fee	1.00%	14,174
Legal Fee	0.50%	7,087
		1,495,403

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	5,548.26	£1,400.00	7,767,564	
Social Rented Units	1,976.51	£1,400.00	2,767,114	
Shared Ownership Units	898.84	£1,400.00	1,258,376	
Totals	<u>8,423.61</u>		<u>11,793,054</u>	11,793,054

Contingency	5.00%	589,653
Section 106		117,000
		706,653

PROFESSIONAL FEES

Professional Fees	10.00%	1,179,305
		1,179,305

MARKETING & LETTING

Marketing	3.00%	504,809
Letting Agent Fee	10.00%	1,925
Letting Legal Fee	5.00%	963
		507,697

DISPOSAL FEES

Sales Agent Fee	1.50%	305,434
Sales Legal Fee	0.25%	50,906
		356,340

Additional Costs

Profit on Affordable	6.00%	213,173
Profit on Private	20.00%	3,365,395
		3,578,568

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing
Site 22a - SE15 6****FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	207,011	
Construction	355,945	
Other	196,735	
Total Finance Cost		759,692

TOTAL COSTS**20,376,711****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.09%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.23%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

London Borough of Southwark Site Testing
Site 22b - SE15 6

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m ²	Rate m ²	Gross MRV
B1 space	11,207.36	£161.46	1,809,540

Investment Valuation**B1 space**

Market Rent	1,809,540	YP @	7.0000%	14.2857	
(1yr Rent Free)		PV 1yr @	7.0000%	0.9346	24,159,417

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(1,324,429)	24,159,417
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NET DEVELOPMENT VALUE22,834,988**NET REALISATION****22,834,988****OUTLAY****ACQUISITION COSTS**

Residualised Price	(8,400,400)	(8,400,400)
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CONSTRUCTION COSTS

Construction	m ²	Rate m ²	Cost
B1 space	13,185.08	£1,614.59	21,288,498

Contingency	5.00%	1,064,425	1,064,425
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PROFESSIONAL FEES

Professional Fees	10.00%	2,128,850	2,128,850
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MARKETING & LETTING

Marketing	3.00%	724,783	
Letting Agent Fee	10.00%	180,954	
Letting Legal Fee	5.00%	90,477	
			996,214

DISPOSAL FEES

Sales Agent Fee	1.00%	228,350	
Sales Legal Fee	0.25%	57,087	
			285,437

Additional Costs

Profit on Private	20.00%	4,831,883	4,831,883
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		(532,318)	
Construction		962,363	
Other		210,035	
Total Finance Cost			640,080

TOTAL COSTS**22,834,988****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

**London Borough of Southwark Site Testing
Site 22b - SE15 6**

Development Yield% (on Rent)	7.92%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.49%
Net Initial Yield%	7.49%
	N/A
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

London Borough of Southwark
Site 22c - SE15 6

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m ²	Rate m ²	Gross MRV
A space	228.63	£344.45	78,752

Investment Valuation**A space**

Market Rent	78,752	YP @	7.5000%	13.3333	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	7.5000%	0.9415	988,609

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(54,196)	988,609
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NET DEVELOPMENT VALUE934,413**NET REALISATION****934,413****OUTLAY****ACQUISITION COSTS**

Residualised Price			287,077
Stamp Duty	4.00%		11,483
Agent Fee	1.00%		2,871
Legal Fee	0.25%		718
			302,149

CONSTRUCTION COSTS

Construction	m ²	Rate m ²	Cost	
A space	269.05	£1,044.10	280,915	280,915
Contingency		5.00%	14,046	14,046

PROFESSIONAL FEES

Professional Fees	10.00%	28,092	28,092
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MARKETING & LETTING

Marketing	3.00%	29,658	
Letting Agent Fee	10.00%	7,875	
Letting Legal Fee	5.00%	3,938	
			41,471

DISPOSAL FEES

Sales Agent Fee	1.00%	9,344	
Sales Legal Fee	0.25%	2,336	
			11,680

Additional Costs

Profit on Private	20.00%	197,722	197,722
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			37,058
Construction			12,699
Other			8,581
Total Finance Cost			58,338

TOTAL COSTS**934,413****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****London Borough of Southwark
Site 22c - SE15 6**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	8.43%
Equivalent Yield% (Nominal)	7.50%
Equivalent Yield% (True)	7.87%
Gross Initial Yield%	7.97%
Net Initial Yield%	7.97%
	6.61%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

London Borough of Southwark CIL site testing
Site 23a - SE15

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	5,032.08	£3,660.00	18,417,402	
Social Rented Units	1,836.03	£1,166.00	2,140,809	
Shared Ownership Units	884.02	£2,120.00	1,874,120	
Totals	<u>7,752.12</u>		<u>22,432,330</u>	22,432,330

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	74 units at	£250	18,500

Investment Valuation**Ground Rents**

Current Rent	18,500	YP @	6.0000%	16.6667	308,333
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GROSS DEVELOPMENT VALUE	22,740,663
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Purchaser's Costs	5.80%	(16,903)
NET DEVELOPMENT VALUE		<u>22,723,760</u>

Income from Tenants	12,333
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NET REALISATION	22,736,094
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OUTLAY**ACQUISITION COSTS**

Residualised Price		2,031,950
Stamp Duty	4.00%	81,278
Agent Fee	1.00%	20,320
Legal Fee	0.50%	10,160
		2,143,708

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	5,920.00	£1,400.00	8,288,000	
Social Rented Units	2,160.00	£1,400.00	3,024,000	
Shared Ownership Units	1,040.00	£1,400.00	1,456,000	
Totals	<u>9,120.00</u>		<u>12,768,000</u>	12,768,000

Contingency	5.00%	638,400
Section 106		114,000
		752,400

PROFESSIONAL FEES

Professional Fees	10.00%	1,276,800
		1,276,800

MARKETING & LETTING

Marketing	3.00%	561,772
Letting Agent Fee	10.00%	1,850
Letting Legal Fee	5.00%	925
		564,547

DISPOSAL FEES

Sales Agent Fee	1.50%	340,856
Sales Legal Fee	0.25%	56,809
		397,666

Additional Costs

Profit on Affordable	6.00%	240,896
Profit on Private	20.00%	3,745,147
		3,986,043

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****London Borough of Southwark CIL site testing
Site 23a - SE15****FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	297,943	
Construction	363,788	
Other	185,200	
Total Finance Cost		846,931

TOTAL COSTS**22,736,094****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.08%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.23%
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

London Borough of Southwark
Site 23b - SE15

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m ²	Rate m ²	Gross MRV
A space	898.47	£344.45	309,478

Investment Valuation**A space**

Market Rent	309,478	YP @	7.5000%	13.3333	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	7.5000%	0.9415	3,885,034

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(212,979)	3,885,034
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NET DEVELOPMENT VALUE3,672,055**NET REALISATION****3,672,055****OUTLAY****ACQUISITION COSTS**

Residualised Price			1,128,434
Stamp Duty	4.00%		45,137
Agent Fee	1.00%		11,284
Legal Fee	0.25%		2,821
			1,187,677

CONSTRUCTION COSTS

Construction	m ²	Rate m ²	Cost
A space	1,057.05	£1,044.10	1,103,666
			1,103,666
Contingency		5.00%	55,183
			55,183

PROFESSIONAL FEES

Professional Fees	10.00%	110,367	110,367
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MARKETING & LETTING

Marketing	3.00%	116,551	
Letting Agent Fee	10.00%	30,948	
Letting Legal Fee	5.00%	15,474	
			162,973

DISPOSAL FEES

Sales Agent Fee	1.00%	36,721	
Sales Legal Fee	0.25%	9,180	
			45,901

Additional Costs

Profit on Private	20.00%	777,007	777,007
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			145,667
Construction			49,892
Other			33,723
Total Finance Cost			229,282

TOTAL COSTS**3,672,055****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****London Borough of Southwark
Site 23b - SE15**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	8.43%
Equivalent Yield% (Nominal)	7.50%
Equivalent Yield% (True)	7.87%
Gross Initial Yield%	7.97%
Net Initial Yield%	7.97%
	6.61%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

London Borough of Southwark CIL Site Testing
Site 24 - Se16 4

Summary Appraisal for Phase 1**REVENUE****Sales Valuation**

	Units	Unit Amount	Gross Sales	
Car Parking	183 units at	£10,000	1,830,000	
	m²	Rate m²	Gross Sales	
Private Residential Units	34,461.00	£8,000.00	275,688,000	
Social Rented Units	13,043.00	£1,656.00	21,599,208	
Shared Ownership Units	5,590.00	£1,814.00	10,140,260	
Totals	<u>53,094.00</u>		<u>307,427,468</u>	309,257,468

Rental Area Summary

	Units	Unit Amount	Gross MRV
Ground Rents	381 units at	£250	95,250

Investment Valuation**Ground Rents**

Current Rent	95,250	YP @	6.0000%	16.6667	1,587,500
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GROSS DEVELOPMENT VALUE

310,844,968

Purchaser's Costs	5.80%	(87,027)
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NET DEVELOPMENT VALUE310,757,941

Income from Tenants	976,313
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NET REALISATION**311,734,253****OUTLAY****ACQUISITION COSTS**

Residualised Price		35,557,781
Stamp Duty	4.00%	1,422,311
Agent Fee	1.00%	355,578
Legal Fee	0.50%	177,789
		37,513,459

CONSTRUCTION COSTS**Construction**

	m ²	Rate m ²	Cost	
Private Residential Units	40,542.00	£1,754.52	71,131,750	
Social Rented Units	15,345.00	£1,754.52	26,923,109	
Shared Ownership Units	6,576.00	£1,754.52	11,537,724	
Totals	<u>62,463.00</u>		<u>109,592,583</u>	109,592,583

Contingency	5.00%	5,479,629
Section 106		587,000
		6,066,629

PROFESSIONAL FEES

Professional Fees	10.00%	10,959,258
		10,959,258

MARKETING & LETTING

Marketing	3.00%	8,318,265
Letting Agent Fee	10.00%	9,525
Letting Legal Fee	5.00%	4,763
		8,332,552

DISPOSAL FEES

Sales Agent Fee	1.50%	4,661,369
Sales Legal Fee	0.25%	776,895
		5,438,264

Additional Costs

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****London Borough of Southwark CII Site Testing
Site 24 - Se16 4**

Profit on Affordable	6.00%	1,904,368	
Profit on Private	20.00%	55,455,100	
			57,359,468

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		10,037,055	
Construction		12,316,568	
Other		54,118,416	
Total Finance Cost			76,472,040

TOTAL COSTS**311,734,253****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.03%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	7.04%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 24b - SE16 4

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
A space	233.74	£344.45	80,512

Investment Valuation**A space**

Market Rent	80,512	YP @	6.5000%	15.3846	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	6.5000%	0.9489	1,175,316

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(64,431)	1,175,316
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NET DEVELOPMENT VALUE1,110,884**NET REALISATION****1,110,884****OUTLAY****ACQUISITION COSTS**

Residualised Price			390,318	
Stamp Duty		4.00%	15,613	
Agent Fee		1.00%	3,903	
Legal Fee		0.25%	976	
				410,809

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
A space	274.99	£1,044.10	287,117	287,117
Contingency		5.00%	14,356	
				14,356

PROFESSIONAL FEES

Professional Fees	10.00%	28,712	
			28,712

MARKETING & LETTING

Marketing	3.00%	35,259	
Letting Agent Fee	10.00%	8,051	
Letting Legal Fee	5.00%	4,026	
			47,336

DISPOSAL FEES

Sales Agent Fee	1.00%	11,109	
Sales Legal Fee	0.25%	2,777	
			13,886

Additional Costs

Profit on Private	20.00%	235,063	
			235,063

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			50,385
Construction			12,979
Other			10,239
Total Finance Cost			73,604

TOTAL COSTS**1,110,883****PROFIT****1****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 24b - SE16 4**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.25%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
Gross Initial Yield%	6.85%
Net Initial Yield%	6.85%
	6.64%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 25 - SE1 2

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Hotel	4,339.27	£4,839.53	21,000,000	
Purchaser's Costs		5.80%	(1,151,229)	
NET DEVELOPMENT VALUE				<u>19,848,771</u>
NET REALISATION				19,848,771

OUTLAY**ACQUISITION COSTS**

Residualised Price			2,084,035	
Stamp Duty		4.00%	83,361	
Agent Fee		1.00%	20,840	
Legal Fee		0.50%	10,420	
				2,198,656

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Hotel	5,105.02	£2,000.00	10,210,040	10,210,040
Contingency		5.00%	510,502	
				510,502

PROFESSIONAL FEES

Professional Fees		10.00%	1,021,004	
				1,021,004

MARKETING & LETTING

Marketing		3.00%	630,000	
				630,000

DISPOSAL FEES

Sales Agent Fee		1.50%	297,732	
Sales Legal Fee		0.25%	49,622	
				347,353

Additional Costs

Profit on Private		20.00%	4,200,000	
				4,200,000

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)				
Land			269,663	
Construction			461,553	
Total Finance Cost				731,215

TOTAL COSTS**19,848,771****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
	6.44%
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 26a - SE1

Summary Appraisal for Phase 1**REVENUE****Sales Valuation**

	Units	Unit Amount	Gross Sales	
Car Parking	142 units at	£10,000	1,420,000	
	m²	Rate m²	Gross Sales	
Private Residential Units	24,838.00	£9,190.00	228,261,220	
Social Rented Units	9,407.00	£1,695.00	15,944,865	
Shared Ownership Units	4,017.00	£1,869.00	7,507,773	
Totals	<u>38,262.00</u>		<u>251,713,858</u>	253,133,858

Rental Area Summary

	Units	Unit Amount	Gross MRV
Ground Rents	230 units at	£250	57,500

Investment Valuation**Ground Rents**

Current Rent	57,500	YP @	6.0000%	16.6667	958,333
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GROSS DEVELOPMENT VALUE

254,092,191

Purchaser's Costs	5.80%	(52,536)
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NET DEVELOPMENT VALUE254,039,655

Income from Tenants	436,042
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NET REALISATION**254,475,697****OUTLAY****ACQUISITION COSTS**

Residualised Price		47,807,997
Stamp Duty	4.00%	1,912,320
Agent Fee	1.00%	478,080
Legal Fee	0.50%	239,040
		50,437,437

CONSTRUCTION COSTS**Construction**

	m²	Rate m²	Cost
Private Residential Units	29,196.00	£1,754.52	51,224,966
Social Rented Units	11,058.00	£1,754.52	19,401,482
Shared Ownership Units	4,722.00	£1,754.52	8,284,843
Totals	<u>44,976.00</u>		<u>78,911,292</u>

Contingency	5.00%	3,945,565
Section 106		354,000
		4,299,565

PROFESSIONAL FEES

Professional Fees	10.00%	8,285,686
		8,285,686

MARKETING & LETTING

Marketing	3.00%	6,847,837
Letting Agent Fee	10.00%	5,750
Letting Legal Fee	5.00%	2,875
		6,856,462

DISPOSAL FEES

Sales Agent Fee	1.50%	3,458,805
Sales Legal Fee	0.25%	635,099
		4,093,904

Additional Costs

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing****Site 26a - SE1**

Profit on Affordable	6.00%	1,407,158	
Profit on Private	20.00%	45,843,911	
			47,251,069

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		13,495,554	
Construction		8,627,333	
Other		32,217,396	
Total Finance Cost			54,340,283

TOTAL COSTS**254,475,697****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.02%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	7.02%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 26b - SE1

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
A space	776.48	£376.74	292,531

Investment Valuation**A space**

Market Rent	292,531	YP @	6.5000%	15.3846	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	6.5000%	0.9489	4,270,388

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(234,104)	4,270,388
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NET DEVELOPMENT VALUE4,036,283**NET REALISATION****4,036,283****OUTLAY****ACQUISITION COSTS**

Residualised Price			1,508,616
Stamp Duty	4.00%		60,345
Agent Fee	1.00%		15,086
Legal Fee	0.25%		3,772
			1,587,818

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
A space	913.52	£1,044.10	953,806	953,806
Contingency		5.00%	47,690	47,690

PROFESSIONAL FEES

Professional Fees	10.00%	95,381	95,381
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MARKETING & LETTING

Marketing	3.00%	128,112	
Letting Agent Fee	10.00%	29,253	
Letting Legal Fee	5.00%	14,627	
			171,991

DISPOSAL FEES

Sales Agent Fee	1.00%	40,363	
Sales Legal Fee	0.25%	10,091	
			50,454

Additional Costs

Profit on Private	20.00%	854,078	854,078
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			194,744
Construction			43,118
Other			37,204
Total Finance Cost			275,065

TOTAL COSTS**4,036,283****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 26b - SE1**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.25%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
Gross Initial Yield%	6.85%
Net Initial Yield%	6.85%
	6.66%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 26c - SE1

Summary Appraisal for Phase 1**REVENUE****Rental Area Summary**

	m²	Rate m²	Gross MRV
B1 space	776.48	£269.10	208,951

Investment Valuation**B1 space**

Market Rent	208,951	YP @	7.0000%	14.2857	
(1yr Rent Free)		PV 1yr @	7.0000%	0.9346	2,789,730

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(152,934)	2,789,730
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NET DEVELOPMENT VALUE2,636,796**NET REALISATION****2,636,796****OUTLAY****ACQUISITION COSTS**

Residualised Price			121,634
Stamp Duty	4.00%		4,865
Agent Fee	1.00%		1,216
Legal Fee	0.25%		304
			128,020

CONSTRUCTION COSTS**Construction**

	m²	Rate m²	Cost
B1 space	913.52	£1,614.59	1,474,960
			1,474,960
Contingency		5.00%	73,748
			73,748

PROFESSIONAL FEES

Professional Fees	10.00%	147,496	147,496
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MARKETING & LETTING

Marketing	3.00%	83,692	
Letting Agent Fee	10.00%	20,895	
Letting Legal Fee	5.00%	10,448	
			115,035

DISPOSAL FEES

Sales Agent Fee	1.00%	26,368	
Sales Legal Fee	0.25%	6,592	
			32,960

Additional Costs

Profit on Private	20.00%	557,946	557,946
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			15,701
Construction			66,677
Other			24,253
Total Finance Cost			106,631

TOTAL COSTS**2,636,796****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 26c - SE1**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.92%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.49%
Net Initial Yield%	7.49%
	6.32%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 27 - SE16

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Light Industrial	201.60	£123.78	24,954

Investment Valuation**Light Industrial**

Market Rent	24,954	YP @	7.0000%	14.2857	
		PV 1yr 1mth @	7.0000%	0.9293	331,292

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(18,162)	331,292
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NET DEVELOPMENT VALUE313,130**NET REALISATION****313,130****OUTLAY****ACQUISITION COSTS**

Residualised Price	(76,881)	(76,881)
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CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Light Industrial	224.08	£1,156.91	259,240

Contingency	5.00%	12,962	12,962
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PROFESSIONAL FEES

Professional Fees	10.00%	25,924	25,924
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MARKETING & LETTING

Marketing	3.00%	9,939	
Letting Agent Fee	10.00%	2,495	
Letting Legal Fee	5.00%	1,248	
			13,682

DISPOSAL FEES

Sales Agent Fee	1.00%	3,131	
Sales Legal Fee	0.25%	783	
			3,914

Additional Costs

Profit on Private	20.00%	66,258	66,258
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		(4,053)	
Construction		9,154	
Other		2,930	
Total Finance Cost			8,031

TOTAL COSTS**313,130****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 27 - SE16**

Development Yield% (on Rent)	7.97%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.53%
Net Initial Yield%	7.53%

	10.22%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 28a - SE16 2

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	19,515.84	£5,554.18	108,394,484	
Social Rented Units	7,343.89	£1,431.60	10,513,510	
Shared Ownership Units	3,128.00	£1,797.57	5,622,799	
Totals	<u>29,987.73</u>		<u>124,530,793</u>	124,530,793

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	287 units at	£250	71,750

Investment Valuation**Ground Rents**

Current Rent	71,750	YP @	6.0000%	16.6667	1,195,833
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GROSS DEVELOPMENT VALUE	125,726,626
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Purchaser's Costs	5.80%	(65,556)
NET DEVELOPMENT VALUE		<u>125,661,070</u>

Income from Tenants	263,083
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NET REALISATION	125,924,153
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OUTLAY**ACQUISITION COSTS**

Residualised Price		24,563,967
Stamp Duty	4.00%	982,559
Agent Fee	1.00%	245,640
Legal Fee	0.50%	122,820
		25,914,985

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	22,960.00	£1,754.52	40,283,779	
Social Rented Units	8,640.00	£1,754.52	15,159,053	
Shared Ownership Units	3,680.00	£1,754.52	6,456,634	
Totals	<u>35,280.00</u>		<u>61,899,466</u>	61,899,466

Contingency	5.00%	3,094,973
Section 106		441,000
		3,535,973

PROFESSIONAL FEES

Professional Fees	10.00%	6,189,947
		6,189,947

MARKETING & LETTING

Marketing	3.00%	3,287,710
Letting Agent Fee	10.00%	7,175
Letting Legal Fee	5.00%	3,588
		3,298,472

DISPOSAL FEES

Sales Agent Fee	1.50%	1,884,916
Sales Legal Fee	0.25%	314,153
		2,199,069

Additional Costs

Profit on Affordable	6.00%	968,179
Profit on Private	20.00%	21,918,064
		22,886,242

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 28a - SE16 2****TOTAL COSTS****125,924,153****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.06%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	0.00%
Profit Erosion (finance rate 0.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 28b - SE16 2

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
A1 space	8,846.88	£193.75	1,714,083
A3 space	267.75	£161.46	43,231
Totals	<u>9,114.63</u>		<u>1,757,314</u>

Investment Valuation**A1 space**

Market Rent	1,714,083	YP @	7.5000%	13.3333	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	7.5000%	0.9415	21,517,750

A3 space

Market Rent	43,231	YP @	7.5000%	13.3333	
(1yr Rent Free)		PV 1yr @	7.5000%	0.9302	536,197
					22,053,948

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(1,209,007)	22,053,948
NET DEVELOPMENT VALUE			<u>20,844,941</u>

NET REALISATION**20,844,941****OUTLAY****ACQUISITION COSTS**

Residualised Price			1,417,910	
Stamp Duty	4.00%		56,716	
Agent Fee	1.00%		14,179	
Legal Fee	0.25%		3,545	
				1,492,350

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
A1 space	10,408.11	£1,044.10	10,867,108
A3 space	315.03	£1,044.10	328,923
Totals	<u>10,723.14</u>		<u>11,196,030</u>

Contingency	5.00%	559,802	559,802
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PROFESSIONAL FEES

Professional Fees	10.00%	1,119,603	1,119,603
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MARKETING & LETTING

Marketing	3.00%	661,618	
Letting Agent Fee	10.00%	175,731	
Letting Legal Fee	5.00%	87,866	
			925,216

DISPOSAL FEES

Sales Agent Fee	1.00%	208,449	
Sales Legal Fee	0.25%	52,112	
			260,562

Additional Costs

Profit on Private	20.00%	4,410,790	4,410,790
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			183,035
Construction			506,125
Other			191,429

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 28b - SE16 2**

Total Finance Cost	880,589
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TOTAL COSTS**20,844,941****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	8.43%
Equivalent Yield% (Nominal)	7.50%
Equivalent Yield% (True)	7.87%
Gross Initial Yield%	7.97%
Net Initial Yield%	7.97%

6.36%

Rent Cover	0 yrs 0 mths
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Profit Erosion (finance rate 7.000%)	0 yrs 0 mths
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APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 28c - SE16 2

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
B1 space	744.62	£258.33	192,358

Investment Valuation**B1 space**

Market Rent	192,358	YP @	7.0000%	14.2857	
(1yr Rent Free)		PV 1yr @	7.0000%	0.9346	2,568,193

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(140,789)	2,568,193
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NET DEVELOPMENT VALUE2,427,404**NET REALISATION****2,427,404****OUTLAY****ACQUISITION COSTS**

Residualised Price			54,806
Stamp Duty	4.00%		2,192
Agent Fee	1.00%		548
Legal Fee	0.25%		137
			57,684

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
B1 space	875.98	£1,614.59	1,414,349
			1,414,349
Contingency		5.00%	70,717
			70,717

PROFESSIONAL FEES

Professional Fees	10.00%	141,435	141,435
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MARKETING & LETTING

Marketing	3.00%	77,046	
Letting Agent Fee	10.00%	19,236	
Letting Legal Fee	5.00%	9,618	
			105,899

DISPOSAL FEES

Sales Agent Fee	1.00%	24,274	
Sales Legal Fee	0.25%	6,069	
			30,343

Additional Costs

Profit on Private	20.00%	513,639	513,639
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			7,075
Construction			63,937
Other			22,327
Total Finance Cost			93,339

TOTAL COSTS**2,427,404****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing****Site 28c - SE16 2**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.92%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
Gross Initial Yield%	7.49%
Net Initial Yield%	7.49%

6.28%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 29 - SE16 7

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
Shopping Centre Extension	9,023.67	£538.20	4,856,539

Investment Valuation**Shopping Centre Extension**

Market Rent	4,856,539	YP @	6.5000%	15.3846	
(0yrs 7mths Unexpired Rent Free)		PV 0yrs 7mths @	6.5000%	0.9639	72,021,076

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(3,948,225)	72,021,076
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NET DEVELOPMENT VALUE68,072,850**NET REALISATION****68,072,850****OUTLAY****ACQUISITION COSTS**

Residualised Price			28,228,546
Stamp Duty	4.00%		1,129,142
Agent Fee	1.00%		282,285
Legal Fee	0.25%		70,571
			29,710,544

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Shopping Centre Extension	10,616.12	£1,199.96	12,738,919
Contingency		5.00%	636,946
			636,946

PROFESSIONAL FEES

Professional Fees	10.00%	1,273,892	1,273,892
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MARKETING & LETTING

Marketing	3.00%	2,160,632	
Letting Agent Fee	10.00%	485,654	
Letting Legal Fee	5.00%	242,827	
			2,889,113

DISPOSAL FEES

Sales Agent Fee	1.00%	680,729	
Sales Legal Fee	0.25%	170,182	
			850,911

Additional Costs

Profit on Private	20.00%	14,404,215	14,404,215
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			4,227,669
Construction			703,269
Other			637,372
Total Finance Cost			5,568,310

TOTAL COSTS**68,072,850****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing****Site 29 - SE16 7**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	7.13%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
Gross Initial Yield%	6.74%
Net Initial Yield%	6.74%
	6.74%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 30 - SE22****Summary Appraisal for Phase 1****REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales
Private Residential Units	494.70	£4,250.00	2,102,475

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	5 units at	£250	1,250

Investment Valuation**Ground Rents**

Current Rent	1,250	YP @	6.0000%	16.6667	20,833
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GROSS DEVELOPMENT VALUE

2,123,308

Purchaser's Costs

5.80%

(1,142)

NET DEVELOPMENT VALUE2,122,166

Income from Tenants

104

NET REALISATION**2,122,270****OUTLAY****ACQUISITION COSTS**

Residualised Price			593,878
Stamp Duty		4.00%	23,755
Agent Fee		1.00%	5,939
Legal Fee		0.50%	2,969
			626,541

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Private Residential Units	582.00	£1,300.00	756,600
			756,600
Contingency		5.00%	37,830
Section 106			5,000
			42,830

PROFESSIONAL FEES

Professional Fees	10.00%	75,660
		75,660

MARKETING & LETTING

Marketing	3.00%	63,699
Letting Agent Fee	10.00%	125
Letting Legal Fee	5.00%	63
		63,887

DISPOSAL FEES

Sales Agent Fee	1.50%	31,832
Sales Legal Fee	0.25%	5,305
		37,138

Additional Costs

Profit on Private	20.00%	424,662
		424,662

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)		
Land		64,747
Construction		27,044
Other		3,162
Total Finance Cost		94,953

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 30 - SE22****TOTAL COSTS****2,122,270****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.06%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.46%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 32 - SE16 6

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	8,432.00	£5,554.18	46,832,846	
Social Rented Units	3,238.00	£1,431.60	4,635,521	
Shared Ownership Units	1,293.00	£1,797.57	2,324,258	
Totals	<u>12,963.00</u>		<u>53,792,625</u>	53,792,625

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	138 units at	£250	34,500

Investment Valuation**Ground Rents**

Current Rent	34,500	YP @	6.0000%	16.6667	575,000
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GROSS DEVELOPMENT VALUE

54,367,625

Purchaser's Costs	5.80%	(31,522)
NET DEVELOPMENT VALUE		<u>54,336,103</u>

Income from Tenants	60,375
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NET REALISATION **54,396,478****OUTLAY****ACQUISITION COSTS**

Residualised Price		7,137,565
Stamp Duty	4.00%	285,503
Agent Fee	1.00%	71,376
Legal Fee	0.50%	35,688
		7,530,131

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	9,920.00	£1,754.52	17,404,838	
Social Rented Units	3,809.00	£1,754.52	6,682,967	
Shared Ownership Units	1,521.00	£1,754.52	2,668,625	
Totals	<u>15,250.00</u>		<u>26,756,430</u>	26,756,430

Contingency	5.00%	1,337,822
Section 106		212,000
		1,549,822

PROFESSIONAL FEES

Professional Fees	10.00%	2,675,643
		2,675,643

MARKETING & LETTING

Marketing	3.00%	1,422,235
Letting Agent Fee	10.00%	3,450
Letting Legal Fee	5.00%	1,725
		1,427,410

DISPOSAL FEES

Sales Agent Fee	1.50%	815,042
Sales Legal Fee	0.25%	135,840
		950,882

Additional Costs

Profit on Affordable	6.00%	417,587
Profit on Private	20.00%	9,481,569
		9,899,156

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 32 - SE16 6****FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	1,060,790	
Construction	931,965	
Other	1,614,249	
Total Finance Cost		3,607,004

TOTAL COSTS**54,396,478****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.06%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.62%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 33a - SE16

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	22,722.00	£5,554.18	126,202,078	
Social Rented Units	4,472.00	£1,431.60	6,402,115	
Shared Ownership Units	1,786.00	£1,797.57	3,210,460	
Totals	<u>28,980.00</u>		<u>135,814,653</u>	135,814,653

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	291 units at	£250	72,750

Investment Valuation**Ground Rents**

Current Rent	72,750	YP @	6.0000%	16.6667	1,212,500
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GROSS DEVELOPMENT VALUE 137,027,153

Purchaser's Costs 5.80% (66,470)
 NET DEVELOPMENT VALUE 136,960,683

Income from Tenants 212,188

NET REALISATION 137,172,871

OUTLAY**ACQUISITION COSTS**

Residualised Price			20,886,521
Stamp Duty	4.00%		835,461
Agent Fee	1.00%		208,865
Legal Fee	0.50%		104,433
			22,035,280

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	26,732.00	£1,754.52	46,901,829	
Social Rented Units	5,261.00	£1,754.52	9,230,530	
Shared Ownership Units	2,101.00	£1,754.52	3,686,247	
Totals	<u>34,094.00</u>		<u>59,818,605</u>	59,818,605
Contingency		5.00%	2,990,930	
Section 106			366,000	
				3,356,930

PROFESSIONAL FEES

Professional Fees	10.00%	5,981,860	
			5,981,860

MARKETING & LETTING

Marketing	3.00%	3,822,437	
Letting Agent Fee	10.00%	7,275	
Letting Legal Fee	5.00%	3,638	
			3,833,350

DISPOSAL FEES

Sales Agent Fee	1.50%	2,054,410	
Sales Legal Fee	0.25%	342,402	
			2,396,812

Additional Costs

Profit on Affordable	6.00%	576,755	
Profit on Private	20.00%	25,482,916	
			26,059,670

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 33a - SE16****FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	4,014,469	
Construction	2,885,643	
Other	6,790,251	
Total Finance Cost		13,690,364

TOTAL COSTS**137,172,871****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.05%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.80%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 33b - SE16

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
A space	454.76	£204.51	93,003

Investment Valuation**A space**

Market Rent	93,003	YP @	5.5000%	18.1818	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	5.5000%	0.9564	1,617,175

GROSS DEVELOPMENT VALUE

Purchaser's Costs	5.80%	(88,654)	1,617,175
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NET DEVELOPMENT VALUE1,528,521**NET REALISATION****1,528,521****OUTLAY****ACQUISITION COSTS**

Residualised Price			373,821
Stamp Duty	4.00%		14,953
Agent Fee	1.00%		3,738
Legal Fee	0.25%		935
			393,447

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
A space	535.03	£1,044.10	558,625	558,625
Contingency		5.00%	27,931	27,931

PROFESSIONAL FEES

Professional Fees	10.00%	55,862	55,862
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MARKETING & LETTING

Marketing	3.00%	48,515	
Letting Agent Fee	10.00%	9,300	
Letting Legal Fee	5.00%	4,650	62,466

DISPOSAL FEES

Sales Agent Fee	1.00%	15,285	
Sales Legal Fee	0.25%	3,821	19,107

Additional Costs

Profit on Private	20.00%	323,435	323,435
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FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		48,256	
Construction		25,253	
Other		14,140	
Total Finance Cost			87,648

TOTAL COSTS**1,528,521****PROFIT****0****Performance Measures**

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 33b - SE16**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	6.08%
Equivalent Yield% (Nominal)	5.50%
Equivalent Yield% (True)	5.69%
Gross Initial Yield%	5.75%
Net Initial Yield%	5.75%
	6.56%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

**LB Southwark Cil Site Testing
Site 34a - SE15**

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	23,800.04	£3,660.00	87,108,150	
Social Rented Units	8,908.11	£1,166.00	10,386,857	
Shared Ownership Units	3,807.94	£2,120.00	8,072,839	
Totals	<u>36,516.10</u>		<u>105,567,847</u>	105,567,847

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	350 units at	£250	87,500

Investment Valuation**Ground Rents**

Current Rent	87,500	YP @	6.0000%	16.6667	1,458,333
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GROSS DEVELOPMENT VALUE	107,026,180
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Purchaser's Costs	5.80%	(79,946)
NET DEVELOPMENT VALUE		<u>106,946,234</u>

Income from Tenants	415,625
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NET REALISATION	107,361,859
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OUTLAY**ACQUISITION COSTS**

Residualised Price		2,604,476
Stamp Duty	4.00%	104,179
Agent Fee	1.00%	26,045
Legal Fee	0.50%	13,022
		2,747,722

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	28,000.00	£1,400.00	39,200,000	
Social Rented Units	10,480.00	£1,400.00	14,672,000	
Shared Ownership Units	4,480.00	£1,400.00	6,272,000	
Totals	<u>42,960.00</u>		<u>60,144,000</u>	60,144,000

Contingency	5.00%	3,007,200
Section 106		537,000
		3,544,200

PROFESSIONAL FEES

Professional Fees	10.00%	6,014,400
		6,014,400

MARKETING & LETTING

Marketing	3.00%	2,656,995
Letting Agent Fee	10.00%	8,750
Letting Legal Fee	5.00%	4,375
		2,670,120

DISPOSAL FEES

Sales Agent Fee	1.50%	1,604,194
Sales Legal Fee	0.25%	267,366
		1,871,559

Additional Costs

Profit on Affordable	6.00%	1,107,582
Profit on Private	20.00%	17,713,297
		18,820,879

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 34a - SE15****FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	472,961	
Construction	2,786,237	
Other	8,289,782	
Total Finance Cost		11,548,980

TOTAL COSTS**107,361,859****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.08%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.82%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 34b - SE15

Summary Appraisal for Phase 1**REVENUE**

Rental Area Summary	m²	Rate m²	Gross MRV
A space	4,420.00	£269.10	1,189,422

Investment Valuation**A space**

Market Rent	1,189,422	YP @	8.0000%	12.5000	
(0yrs 10mths Unexpired Rent Free)		PV 0yrs 10mths @	8.0000%	0.9379	13,944,176

NET REALISATION**13,944,176****OUTLAY****ACQUISITION COSTS**

Residualised Price			5,500,461	
Stamp Duty		4.00%	220,018	
Agent Fee		1.00%	55,005	
Legal Fee		0.25%	13,751	
				5,789,235

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
A space	5,200.00	£1,044.10	5,429,320
			5,429,320
Contingency		5.00%	271,466
			271,466

PROFESSIONAL FEES

Professional Fees	10.00%	542,932	
			542,932

MARKETING & LETTING

Marketing	3.00%	418,325	
Letting Agent Fee	10.00%	118,942	
Letting Legal Fee	5.00%	59,471	
			596,739

DISPOSAL FEES

Sales Agent Fee	1.00%	139,442	
Sales Legal Fee	0.25%	34,860	
			174,302

Additional Costs**FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		710,043	
Construction		245,437	
Other		184,702	
Total Finance Cost			1,140,182

TOTAL COSTS**13,944,176****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	8.53%
Equivalent Yield% (Nominal)	8.00%
Equivalent Yield% (True)	8.42%

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 34b - SE15**

Gross Initial Yield%	8.53%
Net Initial Yield%	8.53%
	6.72%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark Cil Site Testing
Site 36 - SE15

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	748.00	£4,000.00	2,992,000	
Social Rented Units	272.00	£1,217.00	331,024	
Shared Ownership Units	136.00	£2,076.00	282,336	
Totals	<u>1,156.00</u>		<u>3,605,360</u>	3,605,360

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground Rents	11 units at	£250	2,750

Investment Valuation**Ground Rents**

Current Rent	2,750	YP @	6.0000%	16.6667	45,833
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GROSS DEVELOPMENT VALUE					3,651,193
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Purchaser's Costs	5.80%	(2,513)			
NET DEVELOPMENT VALUE					<u>3,648,681</u>

Income from Tenants					458
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NET REALISATION					3,649,139
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OUTLAY**ACQUISITION COSTS**

Residualised Price			684,996		
Stamp Duty		4.00%	27,400		
Agent Fee		1.00%	6,850		
Legal Fee		0.50%	3,425		
					722,671

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	880.00	£1,271.00	1,118,480	
Social Rented Units	320.00	£1,271.00	406,720	
Shared Ownership Units	160.00	£1,271.00	203,360	
Totals	<u>1,360.00</u>		<u>1,728,560</u>	1,728,560

Contingency	5.00%	86,428			
Section 106		17,000			
					103,428

PROFESSIONAL FEES

Professional Fees	10.00%	172,856			
					172,856

MARKETING & LETTING

Marketing	3.00%	91,135			
Letting Agent Fee	10.00%	275			
Letting Legal Fee	5.00%	138			
					91,547

DISPOSAL FEES

Sales Agent Fee	1.50%	54,730			
Sales Legal Fee	0.25%	9,122			
					63,852

Additional Costs

Profit on Affordable	6.00%	36,802			
Profit on Private	20.00%	607,567			
					644,368

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing
Site 36 - SE15****FINANCE**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	73,238	
Construction	38,118	
Other	10,500	
Total Finance Cost		121,856

TOTAL COSTS**3,649,139****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.08%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.00%
Net Initial Yield%	6.00%
	6.19%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

**LB Southwark Cil Site Testing
Site 37 - SE24**

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales	
Private Residential Units	3,332.04	£4,575.00	15,244,097	
Social Rented Units	1,292.00	£1,302.00	1,682,184	
Shared Ownership Units	476.00	£1,985.00	944,860	
Totals	<u>5,100.04</u>		<u>17,871,141</u>	17,871,141

Rental Area Summary

	Units	Unit Amount	Gross MRV
Ground Rents	49 units at	£250	12,250

Investment Valuation**Ground Rents**

Market Rent	12,250	YP @	6.0000%	16.6667	
		PV 0yrs 6mths @	6.0000%	0.9713	198,304

GROSS DEVELOPMENT VALUE

18,069,445

Purchaser's Costs	5.80%	(10,871)
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NET DEVELOPMENT VALUE18,058,574**NET REALISATION****18,058,574****OUTLAY****ACQUISITION COSTS**

Residualised Price		2,767,604
Stamp Duty	4.00%	110,704
Agent Fee	1.00%	27,676
Legal Fee	0.50%	13,838
		2,919,822

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost	
Private Residential Units	3,920.00	£1,500.00	5,880,000	
Social Rented Units	1,520.00	£1,500.00	2,280,000	
Shared Ownership Units	560.00	£1,500.00	840,000	
Totals	<u>6,000.00</u>		<u>9,000,000</u>	9,000,000

Contingency	5.00%	450,000
Section 106		75,000

525,000

PROFESSIONAL FEES

Professional Fees	10.00%	900,000
		900,000

MARKETING & LETTING

Marketing	3.00%	507,788
Letting Agent Fee	10.00%	1,225
Letting Legal Fee	5.00%	613
		509,626

DISPOSAL FEES

Sales Agent Fee	1.50%	270,879
Sales Legal Fee	0.25%	45,146
		316,025

Additional Costs

Profit on Affordable	6.00%	157,623
Profit on Private	20.00%	3,088,480
		3,246,103

FINANCE

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark Cil Site Testing****Site 37 - SE24**

Debit Rate 7.00% Credit Rate 0.00% (Nominal)

Land	411,335	
Construction	197,694	
Other	32,970	
Total Finance Cost		641,998

TOTAL COSTS**18,058,574****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.07%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.18%
Net Initial Yield%	6.18%

6.20%

Rent Cover 0 yrs 0 mths

Profit Erosion (finance rate 7.000%) N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 40 - SE22 0

Summary Appraisal for Phase 1**REVENUE****Sales Valuation**

Car Parking	Units	Unit Amount	Gross Sales
	3 units at	£10,000	30,000

Market Resi	m²	Rate m²	Gross Sales	
	340.00	£4,306.00	1,464,040	1,494,040

Rental Area Summary

Ground rents	Units	Unit Amount	Gross MRV
	5 units at	£250	1,250

Investment Valuation**Ground rents**

Market Rent	1,250	YP @	6.0000%	16.6667	
		PV 0yrs 1mths @	6.0000%	0.9952	20,732

GROSS DEVELOPMENT VALUE

1,514,772

Purchaser's Costs	5.80%	(1,137)
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NET DEVELOPMENT VALUE1,513,636**NET REALISATION****1,513,636****OUTLAY****ACQUISITION COSTS**

Residualised Price (0.04 Ha £13,893,283.00 pHect)		555,731	
Stamp Duty	4.00%	22,229	
Agent Fee	1.00%	5,557	
Legal Fee	0.50%	2,779	
			586,297

CONSTRUCTION COSTS**Construction**

Market Resi	m²	Rate m²	Cost	
	380.00	£1,106.00	420,280	420,280
Contingency		5.00%	21,014	
Statutory/LA			5,000	
				26,014

PROFESSIONAL FEES

Professional Fees	10.00%	44,129	
			44,129

MARKETING & LETTING

Marketing	3.00%	44,821	
			44,821

DISPOSAL FEES

Sales Agent Fee	1.50%	22,722	
Sales Legal Fee	0.25%	3,787	
			26,509

MISCELLANEOUS FEES

Private Profit	20.00%	302,954	
			302,954

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land		49,462	
Construction		11,008	
Other		2,162	
Total Finance Cost			62,632

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE****LB Southwark CIL Site Testing****Site 40 - SE22 0****TOTAL COSTS****1,513,636****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.08%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.03%
Net Initial Yield%	6.03%

	6.41%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	N/A

APPRAISAL SUMMARY**BNP PARIBAS REAL ESTATE**

LB Southwark CIL Site Testing
Site 41 - SE22 0

Summary Appraisal for Phase 1**REVENUE**

Sales Valuation	m²	Rate m²	Gross Sales
Market Resi	770.00	£4,306.00	3,315,620

Rental Area Summary	Units	Unit Amount	Gross MRV
Ground rents	6 units at	£250	1,500

Investment Valuation**Ground rents**

Market Rent	1,500	YP @	6.0000%	16.6667	
		PV 0yrs 1mths @	6.0000%	0.9952	24,879

GROSS DEVELOPMENT VALUE 3,340,499

Purchaser's Costs 5.80% (1,364)

NET DEVELOPMENT VALUE 3,339,135

NET REALISATION 3,339,135

OUTLAY**ACQUISITION COSTS**

Residualised Price (0.06 Ha £19,215,670.97 pHect)			1,152,940
Stamp Duty		4.00%	46,118
Agent Fee		1.00%	11,529
Legal Fee		0.50%	5,765
			1,216,352

CONSTRUCTION COSTS

Construction	m²	Rate m²	Cost
Market Resi	906.00	£1,106.00	1,002,036
			1,002,036
Contingency		5.00%	50,102
Statutory/LA			6,000
			56,102

PROFESSIONAL FEES

Professional Fees 10.00% 105,214

105,214

MARKETING & LETTING

Marketing 3.00% 99,469

99,469

DISPOSAL FEES

Sales Agent Fee 1.50% 50,107

Sales Legal Fee 0.25% 8,351

58,459

MISCELLANEOUS FEES

Private Profit 20.00% 668,100

668,100

FINANCE

Debit Rate 7.00% Credit Rate 0.00% (Nominal)			
Land			102,616
Construction			25,964
Other			4,824
Total Finance Cost			133,404

TOTAL COSTS 3,339,135

PROFIT

LB Southwark CIL Site Testing
Site 41 - SE22 0

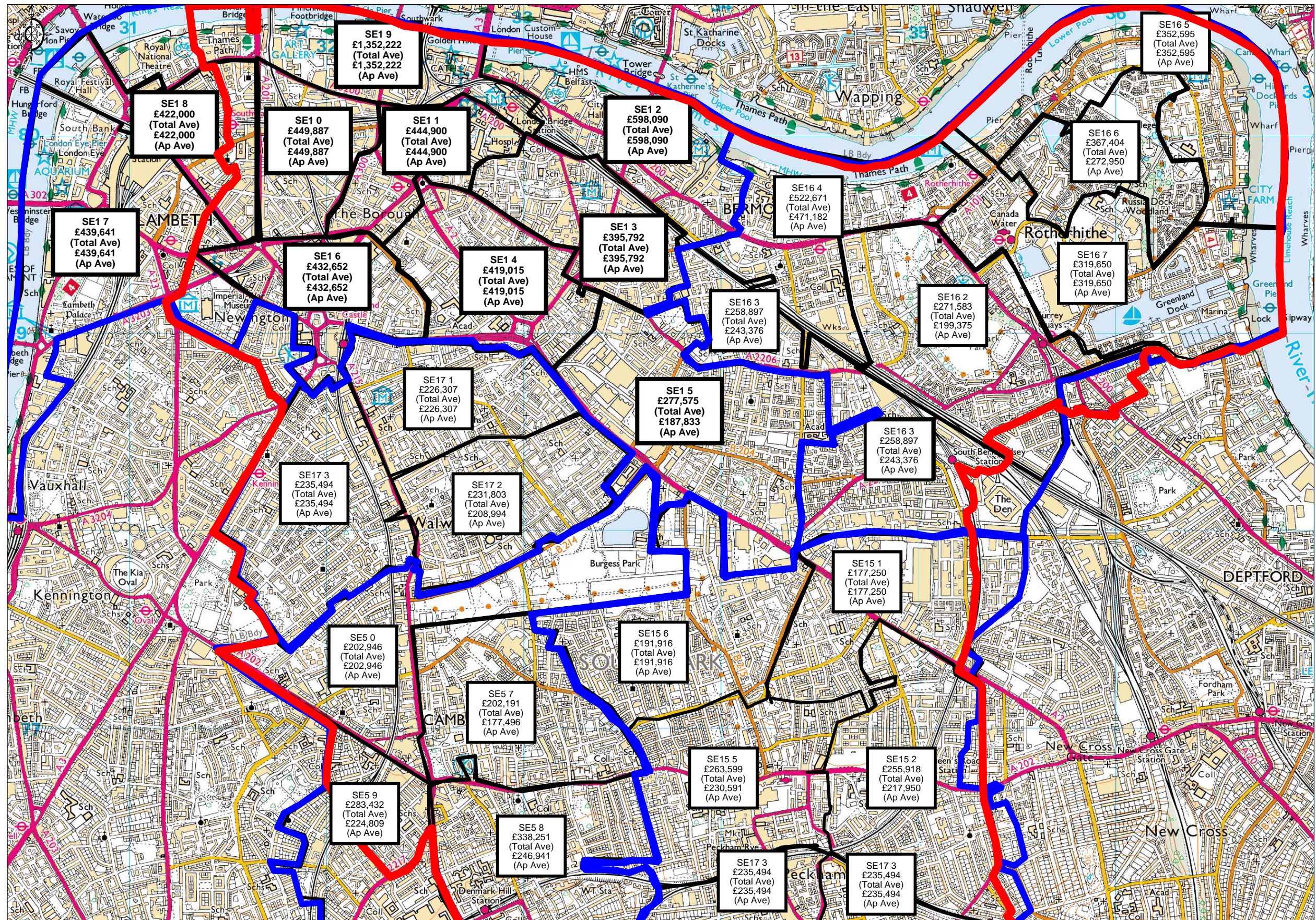
0

Performance Measures

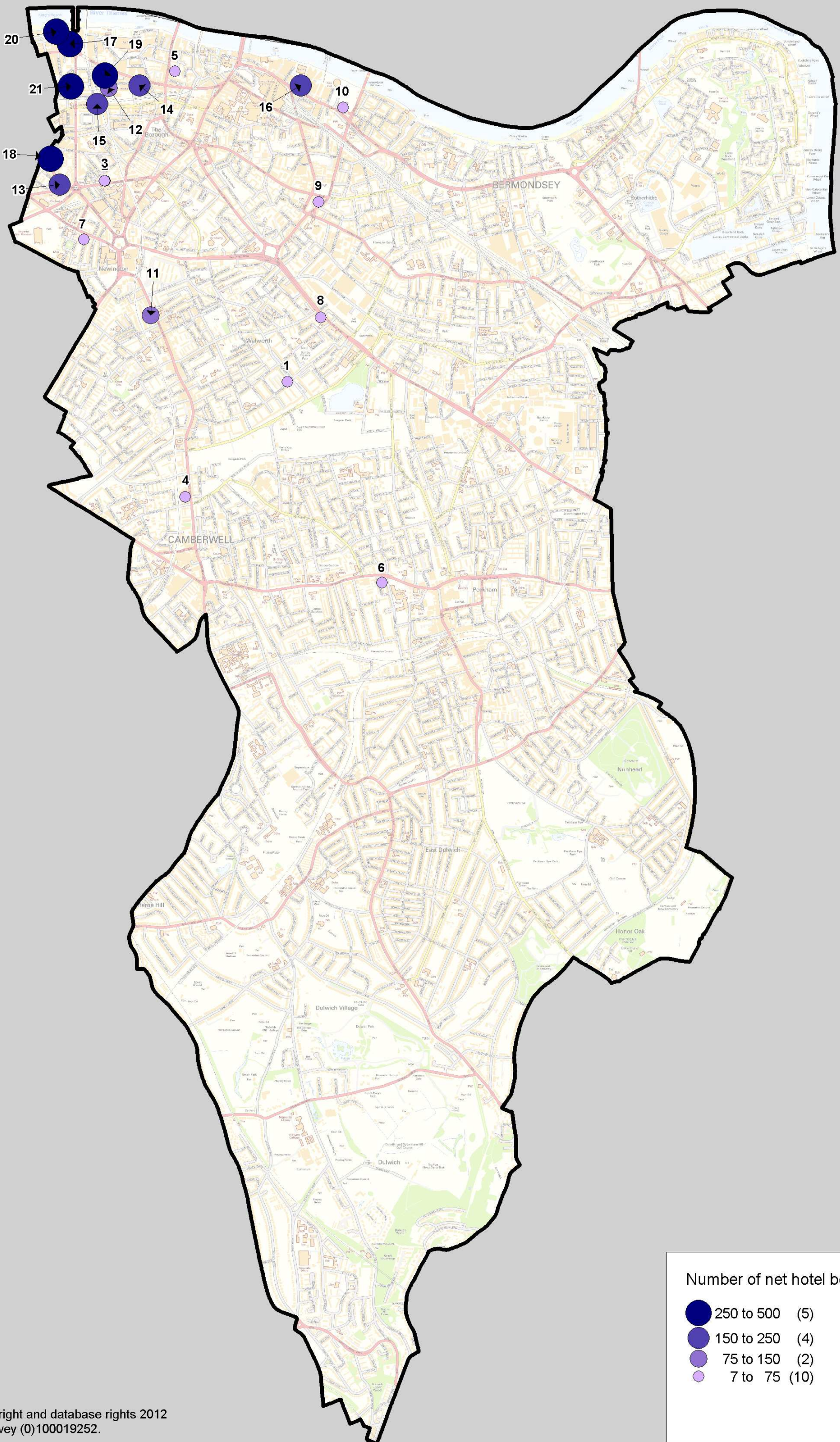
Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.04%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Gross Initial Yield%	6.03%
Net Initial Yield%	6.03%
	6.38%
Rent Cover	0 yrs 0 mths
Profit Erosion (finance rate 7.000%)	0 yrs 0 mths

Appendix 5 Map showing average house price variances in the key boundary areas

Southwark CIL Charging Areas (North)



Appendix 6 Maps showing the concentration of office and hotel developments within the borough over the last 10 years

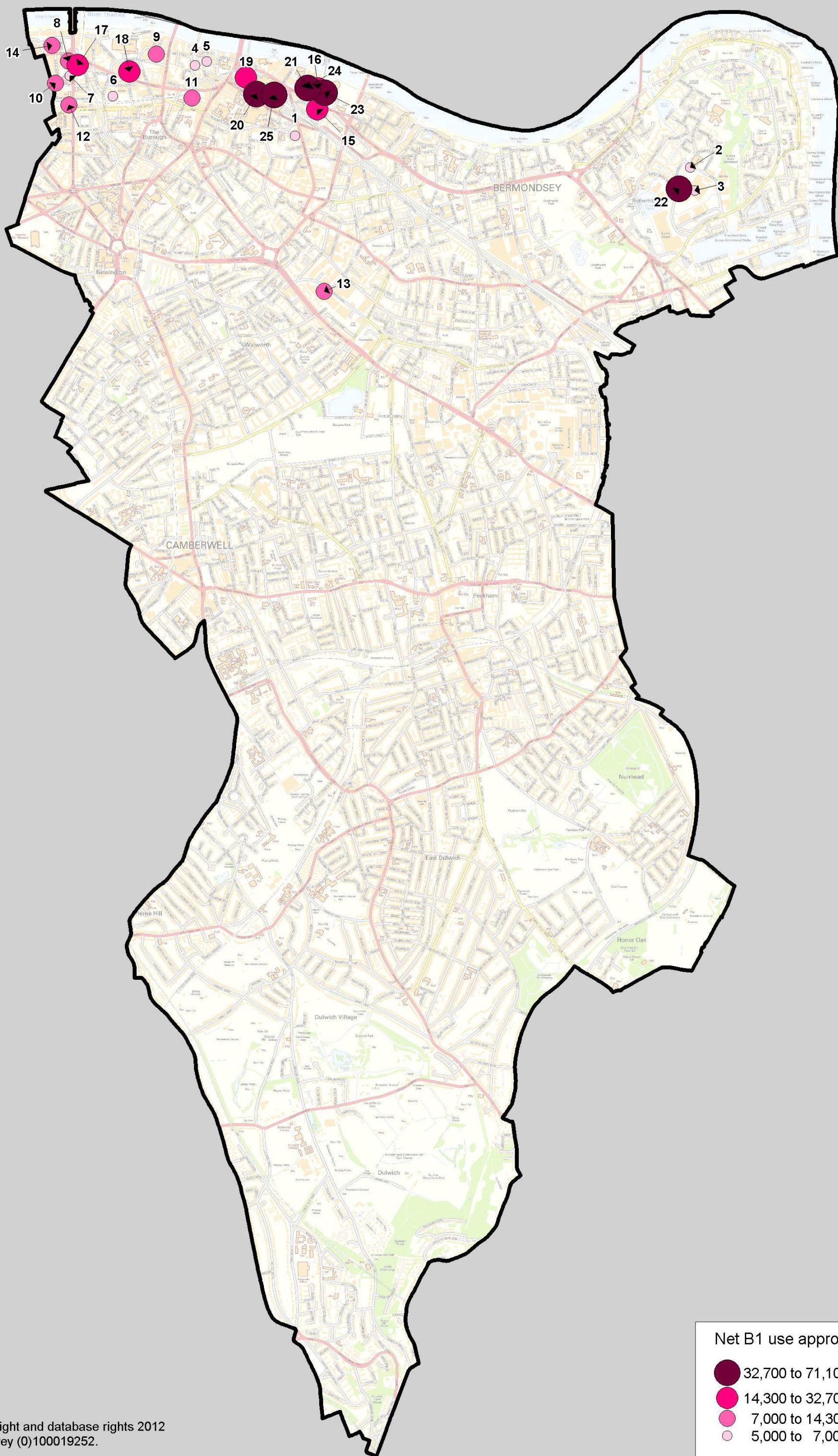


Number of net hotel bedrooms

250 to 500	(5)
150 to 250	(4)
75 to 150	(2)
7 to 75	(10)

LB Southwark - Net Hotel Approvals

ID	Permission reference	Net C1 Hotel Bedrooms	Site Name/Number	Street Name	Postcode
1	07-AP-1783	9	Hour Glass P.H., 131	Beaconsfield Road	SE17 2BX
2	08-AP-2742	10	29 - 30	Borough Road	SE1 0AJ
3	04-AP-1311	11	Bridge House P.H., 30	Borough Road	SE1
4	0202092	12	Hotel Pasha, 158	Camberwell Road	SE5
5	06-AP-2188	21	Southwark Rose Hotel, 43-47	Southwark Bridge Road	SE1 9HH
6	10-AP-1661	22	Lord Denning Court	Grummant Road	SE15 5PZ
7	07-AP-2346	32	Prince Of Wales 51-57	Georges Road	SE1 6ER
8	09-AP-2006 / 05 AP-1647	57	190-202	Old Kent Road	SE1 5TY
9	06-AP-1376	64	New Caledonian Market, Bermondsey Square	Tower Bridge Road	SE1
10	11-AP-3515	70	Former Lambeth College	Tooley Street	SE1 2JR
11	10-AP-1831	75	144-152	Walworth Road	SE17 1JL
12	09-AP-2840	122	Land At	Great Suffolk Street	SE1
13	09-AP-0408	177	284-302	Waterloo Road	SE1 8RS
14	09-AP-2320	191	Surrey House, 20	Lavington Street	SE1 0NZ
15	05-AP-0673	202	202-206	Union Street	SE1
16	04-AP-0465	245	Plot 5, More London Place, Rear Of 115-121	Tooley Street	SE1
17	06-AP-2117	261	Bounded By	Blackfriars Road	SE1 9UF
18	06-AP-0521	284	Saint George's House, 195 - 203	Waterloo Road	SE1 8UX
19	07-AP-2267	330	Land Bounded By	Prices Street	SE1 0UG
20	11-AP-1955	358	Sea Containers House, 20	Upper Ground	SE1 9PD
21	09-AP-1749	479	46-49	Blackfriars Road	SE1 8NZ



LB Southwark - Net Class B1 Use Approvals

ID	Permission reference	Net B1 approvals	Site name/number	Street Name	Postcode
1	06-AP-1980	5,026	56-58	Bermondsey Street	SE1 3UD
2	07-AP-2806	5,105	Mulberry Business Centre	Quebec Way	SE16 7LB
3	0101195	5,720	Harmsworth Quays Printing Ltd.	Surrey Quays Road	SE16 1PJ
4	0101531	5,747	Riverside Studios, 28-32	Park Street	SE1
5	03-AP-0466	6,000	Blows Yard + 16	Winchester Walk	SE1
6	0201153	6,097	Ewer Street Viaduct, 27	Great Suffolk Street	SE1
7	07-AP-2332	6,296	Wedge House, 32-40	Blackfriars Road	SE1 8PB
8	07-AP-0301	7,029	20	Blackfriars Road	SE1 8NY
9	02-AP-1799	7,150	4-8	Emerson Street	SE1 9DU
10	04-AP-2168	7,972	6	Paris Gardens	SE1
11	0201865	8,832	15-23	Southwark Street	SE1
12	0101418	11,040	68-71	Blackfriars Road	SE1
13	10-AP-2312	11,423	Unit 7-14	Mandela Way	SE1
14	05-AP-0227	14,272	Kings Reach And Land And Buildings	Rennie Street	SE1 9LS
15	06-AP-0581	18,093	156-172	Tooley Street	SE1 2TZ
16	04-AP-1267	19,280	Plot '4' [Ex Plot 3b], More London Riverside, R/O 123-141	Tooley Street	SE1
17	10-AP-3372	23,490	231 - 241	Blackfriars Road	SE1 8NW
18	05-AP-2257	29,680	'Bankside 1,2,3'	Southwark Street	SE1 0TE
19	07-AP-0815	30,780	New London Bridge House, 25	London Bridge Street	SE1
20	0100476	32,719	Land Adjoining London Bridge Station	St Thomas Street	SE1
21	0200108	35,767	Plot 7, B/B River Thames, Pottersfield Pk	Braidwood Street	SE1
22	0101100	40,972	Site E, Canada Water, Land Bounded By	Canada Water	SE16
23	04-AP-1266	44,390	Plot '3' [Ex Plot 3a], More London Riverside, B/B	Tooley Street	SE1
24	07-AP-0649	56,717	Plot 7, More London, 123-137	Tooley Street	SE1
25	0000333	71,018	London Bridge Station, Bounded By, 64-84	Tooley Street	SE1