

A **Bilfinger Real Estate**
company



Viability Assessment – Pinkham Way

London Borough of
Haringey

31 Oct 2014

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Scenarios Tested

	Site (ha)	SINC (ha)	Residual Land (ha)	Scenario	Residential	Employment	Residential Floorspace (sqm)	Employment Floorspace (sqm)	Units
0% SINC	6.5	0	6.5	A	30%	70%	22,800	28,300	280
				B	50%	50%	16,300	47,100	470
				C	70%	30%	9,800	66,000	660
				D	100%	0%	-	94,300	950
20% SINC	6.5	1.3	5.2	A	30%	70%	18,200	22,600	230
				B	50%	50%	13,000	37,700	380
				C	70%	30%	7,800	52,800	530
				D	100%	0%	-	75,400	760
40% SINC	6.5	2.6	3.9	A	30%	70%	13,700	17,000	170
				B	50%	50%	9,800	28,300	280
				C	70%	30%	5,900	39,600	400
				D	100%	0%	-	56,600	570
60% SINC	6.5	3.9	2.6	A	30%	70%	9,100	11,300	110
				B	50%	50%	6,500	18,900	190
				C	70%	30%	3,900	26,400	260
				D	100%	0%	-	37,700	380

Average Unit Size – 70 sqm
Density – 145 u/ha



Viability Testing – 0% SINC

Affordable Mix 70:15:15	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£103,900,000	£119,500,000	£15,600,000	£107,200,000	£119,500,000	£12,400,000
Scenario B	£142,200,000	£171,000,000	£28,800,000	£145,400,000	£171,000,000	£25,600,000
Scenario C	£181,600,000	£223,100,000	£41,600,000	£184,900,000	£223,100,000	£38,200,000
Scenario D	£243,000,000	£301,400,000	£58,400,000	£246,400,000	£301,400,000	£55,000,000

Affordable Mix 60:20:20	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£103,900,000	£113,300,000	£9,300,000	£107,200,000	£113,300,000	£6,100,000
Scenario B	£142,200,000	£160,600,000	£18,400,000	£145,400,000	£160,600,000	£15,100,000
Scenario C	£181,600,000	£208,600,000	£27,000,000	£184,900,000	£208,600,000	£23,600,000
Scenario D	£243,000,000	£280,500,000	£37,600,000	£246,400,000	£280,500,000	£34,200,000



Viability Testing – 20% SINC

Affordable Mix 70:15:15	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£82,700,000	£95,600,000	£12,900,000	£85,900,000	£95,600,000	£9,700,000
Scenario B	£112,800,000	£136,800,000	£24,000,000	£116,100,000	£136,800,000	£20,700,000
Scenario C	£143,600,000	£178,500,000	£34,900,000	£146,900,000	£178,500,000	£31,600,000
Scenario D	£191,300,000	£241,100,000	£49,800,000	£194,700,000	£241,100,000	£46,400,000

Affordable Mix 60:20:20	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£82,700,000	£90,600,000	£7,900,000	£85,900,000	£90,600,000	£4,700,000
Scenario B	£112,800,000	£128,500,000	£15,700,000	£116,100,000	£128,500,000	£12,400,000
Scenario C	£143,600,000	£166,800,000	£23,200,000	£146,900,000	£166,800,000	£19,900,000
Scenario D	£191,300,000	£224,400,000	£33,100,000	£194,700,000	£224,400,000	£29,700,000



Viability Testing – 40% SINC

Affordable Mix 70:15:15	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£61,700,000	£71,700,000	£10,000,000	£64,900,000	£71,700,000	£6,800,000
Scenario B	£83,900,000	£103,300,000	£19,400,000	£87,100,000	£103,300,000	£16,100,000
Scenario C	£106,500,000	£134,800,000	£28,300,000	£109,800,000	£134,800,000	£25,100,000
Scenario D	£141,200,000	£182,100,000	£40,900,000	£144,500,000	£182,100,000	£37,600,000

Affordable Mix 60:20:20	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£61,700,000	£68,000,000	£6,200,000	£64,900,000	£68,000,000	£3,000,000
Scenario B	£83,900,000	£96,300,000	£12,400,000	£87,100,000	£96,300,000	£9,200,000
Scenario C	£106,500,000	£125,100,000	£18,600,000	£109,800,000	£125,100,000	£15,400,000
Scenario D	£141,200,000	£168,300,000	£27,100,000	£144,500,000	£168,300,000	£23,800,000



Viability Testing – 60% SINC

Affordable Mix 70:15:15	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£40,900,000	£47,800,000	£6,900,000	£44,100,000	£47,800,000	£3,700,000
Scenario B	£55,500,000	£68,800,000	£13,400,000	£58,700,000	£68,800,000	£10,200,000
Scenario C	£70,200,000	£89,900,000	£19,700,000	£73,400,000	£89,900,000	£16,500,000
Scenario D	£92,600,000	£121,400,000	£28,800,000	£95,900,000	£121,400,000	£25,600,000

Affordable Mix 60:20:20	No Remediation			With Remediation		
	Total costs	Total Value	Residual	Total costs	Total Value	Residual
Scenario A	£40,900,000	£45,300,000	£4,400,000	£44,100,000	£45,300,000	£1,200,000
Scenario B	£55,500,000	£64,200,000	£8,800,000	£58,700,000	£64,200,000	£5,600,000
Scenario C	£70,200,000	£83,400,000	£13,200,000	£73,400,000	£83,400,000	£10,000,000
Scenario D	£92,600,000	£112,200,000	£19,600,000	£95,900,000	£112,200,000	£16,300,000



Value Assumptions

	Pinkham Way
Employment Rent psm	100
Employment Yield	8%
Private Resi (£psm)	£5,500
Intermediate (£psm)	£3,400
Social Rent (£psm)	£1,300
Ground Rents	£200 pa @6%



Cost Assumptions

Build Costs	Value	Comments
Residential build costs (£psm)	£1,600	BCIS
Employment build costs (£psm)	£1,000	BCIS
Public Realm Costs	£2,000	Per unit
Remediation	250k per hectare, £1m fixed	EP (2008) Contamination and Dereliction Remediation Costs
CIL Costs		
Mayoral CIL	£35	
Borough CIL Commercial	£0	
Borough CIL Residential Western Zone	£265	Per sqm
Other		
Fees	12%	Industry Standard
Contingency	10%	Industry Standard
Finance	6%	Industry Standard
Profit	20% on Costs	Blended residential/commercial