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Affordable Housing Viability Study

Prepared for

London Borough of Lewisham

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1 Executive Summary

This report tests the ability of a range of sites throughout the London Borough of Lewisham to provide 50% affordable housing, with and without grant and with various tenure mixes. Following ten years of growth, the housing market throughout the United Kingdom is currently experiencing a severe 'correction' with values falling in London by around 20% to 25% below their 2007 peak. The Council is setting its affordable housing policy for the plan period, during which market conditions will improve. It is therefore appropriate to test the Council's proposed 50% target under a range of circumstances that reflect both current and future market conditions.

Affordable housing planning obligations reduce the value of residential land. The study therefore compares the value of a sample of residential sites to their existing use values. If the residential scheme has a higher value than the existing use value, the scheme can be judged to be viable. In practice, therefore, affordable housing is not a cost to the developer, as (s)he should reflect the Borough's planning policies in the price paid for the site, providing there is no clash with existing use value.

The results of our analysis (provided at Appendix 2) demonstrate that the delivery of 50% affordable housing, in combination with other planning obligations of £5,000 per unit, is possible on some sites within the borough. In the current market conditions though, it may be difficult to achieve the 50% requirement across all types of sites, throughout the three 'value areas' in the Borough. Build costs are predicted to fall by as much as 10% over the course of 2009 and 2010 and this, combined with any growth in sales values over that period will clearly enhance the ability of schemes to provide an increased amount of affordable housing.

The results also indicate that it is unlikely that a reduction in the affordable housing threshold below the current 10 units will yield an increase in affordable housing supply. Indeed, reducing the threshold will require additional site by site viability testing which could increase costs and slow down the planning system.

Paradoxically, in areas in the Borough where sales values are lowest (see Appendix 3), it might be possible to deliver a greater quantum of affordable housing, as values of private and affordable tenures are almost at parity. As developers are generally comfortable with achieving a lower profit margin on affordable housing than market housing, a higher proportion of affordable housing can often assist in financial viability in these low value areas. However, concentrating additional social rented housing in these lower value areas is unlikely to provide a good strategic fit with the Borough's mixed and balanced communities objectives.

Finally, the north of the Borough has seen an increase in proposals for tall residential buildings and although it may be difficult for these schemes to provide significant proportions of affordable housing under current market conditions, such proposals are likely to be more viable in the future as a result of area based regeneration programmes, or by the developments themselves creating a new sense of place which can enhance the sales values achieved.

2 Introduction

As part of the preparation of the Local Development Framework at the London Borough of Lewisham ("LBL"), Atisreal were commissioned to undertake an Affordable Housing Viability Study ("AHVS"). The aims of the study are summarised as follows:

- a To test the impact upon the economics of residential development of the Borough's strategy of 50% affordable housing;
- b To test varying affordable housing percentages between 35% and 50%;
- c Consider the impact of setting a threshold for affordable housing of less than 10 units, or removing the threshold altogether;
- d To test a range of affordable housing tenure mixes; and
- e Consider the impact of changes in future house prices upon the deliverability of the Borough's 50% affordable housing target.

In terms of methodology, we adopted standard residual valuation approaches to make appropriate comparisons and evaluations. 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 blanket requirements and conclusions must always be tempered by a level of flexibility in application of policy requirements.

2.1 Background and experience

Having been involved in advising local planning authorities regarding affordable housing and other Section 106 obligations on numerous major schemes, we are familiar with the requirements of such commissions and have recently carried out similar benchmarking exercises for a number of local authorities, including the London Boroughs of Islington, Southwark and Lambeth; Tunbridge Wells Borough Council; South Oxfordshire District Council; Vale of White Horse District Council; and Fareham Borough Council.

2.2 Context

2.2.1 The Policy Context

Paragraph 29 of Planning Policy Statement 3 ("PPS3") states that:

"In Local Development Documents, Local Planning Authorities should…set an overall (ie plan-wide) target for the amount of affordable housing to be provided. The target should reflect the new definition of affordable housing in this PPS. It should also reflect an assessment of the likely economic viability of land for housing within the area, taking account of risks to delivery and drawing on informed assessments of the likely levels of finance available for affordable housing, including public subsidy and the level of developer contribution that can reasonably be secured."

The application of paragraph 29 of PPS3 was tested during the *Blyth Valley* case (between Blyth Valley Borough Council and Persimmon Homes (North East) Limited, Barratt Homes Limited and Millhouse Developments Limited, Council, Case number C1/2008/1319) which concluded that local planning authorities cannot rely on housing needs surveys alone in setting their affordable housing targets.

The Borough's Local Development Framework policies must also be in general conformity with the London Plan, which at paragraph 3A.9 requires local planning authorities to have regard to the London-wide affordable housing target of 50%.

It is widely acknowledged both in the Council's Housing Market Assessment, planning policy statements and by local market sources, that parts of the Borough (e.g. Blackheath) are among the most expensive places to live in the country. At the same time, the Borough accommodates some of the most deprived wards in London. The result is an acute problem of a shortage of good quality affordable housing. However, in practice, affordable housing provision reached 42% in 2007/08 against a 35% target in the policy (with a tenure split of 68% social rented and 32% intermediate housing, against a target of 70%/30%). This record is better than delivery across London, achieving 32% affordable housing, despite the requirements of the London Plan. The Council's approach therefore has been to seek to ensure that the supply of affordable housing meets as much of the need as possible by negotiating the maximum possible provision on suitable sites.

In principle, there are two main ways in which this can be achieved:

- Lower the site/development size thresholds above which affordable and/or Planning Obligations are sought; and /or,
- Increase the overall affordable housing (and potentially Planning Obligation) requirements.

Pursuing such approaches will reduce the value of residential schemes which may make other uses more attractive to landowners. Higher targets and additional planning obligations requirements then potentially reduce the supply of residential land, resulting in lower housing supply and, consequently, lower affordable housing delivery.

2.2.2 Thresholds

While Government has applied size thresholds to affordable housing for some time, no such threshold has applied to Planning Obligations. Indeed, Circular (05/05) makes clear that small schemes can be required to contribute planning obligations.

However, the case for reducing size thresholds regarding affordable housing is addressed in PPS3, which enables local planning authorities to justify a case for reduction. Starting from the evidence, namely that the Council's current policies deliver affordable housing on qualifying sites, the question is, will reducing thresholds / and/or raising affordable housing targets produce more affordable housing units? The Council could make such a case on the basis of the high proportion of housing sites below 10 dwellings. However, this inevitably raises questions of viability. Can smaller sites meet affordable housing requirements in the same way that larger sites can? Can sites over 10 units deliver 50% affordable units, provided as 70% social rent and 30% intermediate? These questions have to be addressed via financial appraisal – there are economies of scale which apply to large sites that may not arise on small sites. The main sections of this report therefore review the potential for policy changes with specific reference to financial viability.

2.2.3 Economic and housing market context

Following a ten-year trend of growth in the housing market, house prices reached a peak in the second half of 2007 and the market has now entered a period of 'correction'. This correction of values gathered momentum during 2008, with the main commentators all reporting falls in values. The Halifax house price index showed an annual fall of 16.2% by the end of 2008. Similarly, the Nationwide showed an annual fall in prices of 15.9%. Prices of new build properties have fallen much further, with falls of up to 40% from peak 2007 values.

A key cause of the downturn has been the sub prime lending “credit crunch” in the US in the last quarter of 2007. The phenomenon has spread to the UK, resulting in significant restrictions in lending criteria and has seen the government underwriting high street banks, leaving many buyers finding it too difficult or expensive to obtain the necessary financing to complete a transaction. However, the market had shown signs of weakening prior to the “credit crunch” following the impact of five interest rate rises over the past two years. These factors combined with a collapse in general market confidence has severely reduced the number of sales taking place in the market. There remain a range of opinions within the sector, but most commentators believe that these values still have some way to go before stabilising.

In October 2008 the government announced a £1 billion housing package in an attempt to revive the beleaguered market. The headline measures of the package included raising the stamp duty threshold to £175,000 and initiating a HomeBuy shared equity scheme for a low income first time buyer. However, the measures have been met with a lukewarm response from within the property sector. Whilst government action is welcomed, there is a general feeling that the measures proposed will do little to revive the market whilst mortgage liquidity remains constrained.

The recent acquisition by the government of preference shares in some of the major banks has helped to restore some confidence. Recent months have also seen both the Halifax and Nationwide reporting increases in house prices. While this is not regarded as a signal that the correction has run its course, it provides some early signals that the market may be bottoming out.

This is a difficult context within which the Council must test its affordable housing policies. To reflect this difficulty, we have run our appraisals with a number of sensitivities around future house price growth, to demonstrate the impact of improved market conditions on the delivery of affordable housing.

2.2.4 Development context

Developments in the Borough are diverse, ranging from houses to tower blocks of over 25 storeys. This diversity reflects the differences in the urban grain throughout the Borough, with many areas dominated by two storey, predominantly Victorian terraced houses. In the north, where many of the Borough’s growth points are located, former industrial and warehouse sites have been redeveloped for residential use at higher density than the rest of the Borough. This reflects the high public transport accessibility in these areas, as well as residential sales values that are the highest in the Borough.

3 Methodology

While our methodology is consistent and follows standard development appraisal conventions, it should be emphasised that local market and planning policy circumstances are always different. Consequently, not only are such viability exercises specific to each authority, they are also related to the time when they are undertaken and should of course be regularly reviewed to reflect revised policies, new market conditions, changes in the affordable housing regime and the level of other Planning Obligations. We have attempted to ensure that the study reflects longer term housing market trends, rather than focusing on the current low point in the cycle. As will become clear, we have taken account as far as is practicable, of all these variables in carrying out this study.

3.1 The Approach to Financial Viability

Development Appraisal models are in essence simple and can be summarised via the following equation:

Completed Development Value

MINUS

Total construction costs

MINUS

Developer’s profit

EQUALS

Residual land value

Residual Land Value – the sum that the developer will pay to landowner to secure a site for development – will normally be the critical variable. If a proposal generates sufficient positive land value, it will be implemented. If not, the proposal will not go ahead, unless there are alternative funding sources to bridge the ‘gap’ (and these will normally be particular to regeneration areas via public bodies such as LDA or Homes and Community Agency).

The problems with Development Appraisals all stem from the requirement to identify the key variables – sales values, costs etc – with some degree of accuracy in advance of implementation of a scheme. Even on the basis of the standard convention that current values and costs are adopted (not values and costs on completion), this can be very difficult. Problems with key appraisal variables can be summarised as follows:

- Values attached to Completed Development Value are largely dependent on comparable evidence which requires sufficient new development in the locality of a similar size and type, to provide a realistic value base. This is a particularly relevant issue at the current point in the market.

- Development costs are subject to extensive national and local monitoring and can be reasonably accurately assessed in 'normal' circumstances. In Boroughs like Lewisham, most sites have been previously developed (i.e. Brownfield) and 'exceptional' costs such as decontamination are common. Such costs can be very difficult to anticipate before detailed site surveys.

- Development value and costs will also be significantly affected by assumptions about the nature and type of affordable housing provision and other Planning Obligations and on major projects, assumptions about development phasing and infrastructure triggers. In essence, where the cost of affordable units and/or obligations are deferred, the less the real cost to the applicant (and the greater the scope for increased affordable housing and other planning obligations).

- While Developer's Profit has to be assumed in any appraisal, its level is closely correlated with risk. The greater the risk, the greater the profit level, in part as a contingency against the unexpected. While profit levels were typically around 15% of completed development value at the peak of the market in 2007, banks now require schemes to show a profit normally in excess of 20%. We do not know when profit levels may begin to fall back, if they ever do.

- Ultimately, the landowner holds the key and will make a decision on implementing the project on the basis of return and the potential for market change and thus alternative developments. The landowner's 'bottom line' will be achieving a residual land value that sufficiently exceeds 'existing use value' to make development worthwhile.

What in essence, therefore, is a simple equation - the development appraisal calculation – is in reality fraught with problems. The following two diagrams summarise the outcomes.

Completed Development Value

MINUS

Total construction costs

MINUS

Planning obligations

MINUS

Developer's profit

EQUALS

Residual land value

(must exceed existing use value)

The standard appraisal calculation shown above is reasonably clear cut, subject to the problems noted earlier. However, the delivery of Planning Obligations, and in particular the provision of affordable housing, complicates the calculation by reducing Completed Development Value. The extent to which Completed Development Value is reduced depends on the percentage, tenure and funding of the affordable housing, as these variables will influence the amount that an RSL can pay the developer for the completed affordable units. On the assumption that other development costs remain unchanged, a reduced Completed Development Value resulting from the requirement to provide affordable housing results in a lower Residual Land Value. With the exception of affordable housing – which is determined according to a Borough wide target – other planning obligations must be directly related to the scheme itself and meet the tests set out in Circular 05/05. The level of obligations can therefore vary between sites, depending on the needs created by the development and, for example, availability of places in pre-existing services, such as school

Completed Development Value

MINUS

Total construction costs

MINUS

Planning obligations

MINUS

'Subsidy' or value forgone to provide affordable housing

MINUS

Developer's profit

EQUALS

Residual land value

(must still exceed existing use value, but reduced by affordable housing obligations, which depends on tenure and %)

The outcome of the development appraisal process is predictable in several respects:

- When negotiating with the landowner, the prudent developer will either attempt to reflect planning requirements in the offer for the land, or negotiate an option to purchase, which will enable any additional costs arising (Planning obligations and affordable housing for example) to be passed on to the landowner. Ultimately, the landowner pays, providing the basic condition for Residual Land Value to exceed existing use value is met; and/or,

- The developer will seek to build in sufficient contingency into the development appraisal to offset risks including for example, the availability of grant support for affordable housing. In some authorities, this variable is to a degree removed by a no grant policy regime (although this may reduce the level of affordable housing delivered). In other cases, this is dealt with through a cascade mechanism in the Section 106 agreement.

  Clearly, however, landowners have expectations of the value of their land which often exceed the value of the existing use. The planning system effectively seeks to reduce the value of residential land through planning obligations, but ultimately, landowners cannot be forced to accept reduced values. Some will simply hold on to their sites, in the hope that policy may change. It is within the scope of those expectations that developers have to formulate their offers for sites.

4 The Appraisal exercise

4.1 Key appraisal variables

Key Modelling Variables are as follows and are worthy of explanation in principle.

- **Sales Values by area:** Sales values for residential and the investment value of commercial rents will vary in all local authority areas (and within local authority areas) and of course are in a constant state of flux. Developers will obviously try to complete schemes in a rising or stable market, but movements in sales values are a development 'risk'. At times of falling house prices, local authorities may need to apply their policy requirements flexibly, or developers may cease bringing sites forward.

- **Density:** Density is an increasingly important determinant of development value, albeit with commensurate effects on development costs, planning obligations and thus residual land value. It should not automatically be assumed that high density development creates high residual land values. This is because density typically implies greater height and with height, buildings are more expensive to build.

- **Gross to net floor space**: Clearly, the greater the density, the higher the gross to net floor space ratio – that is, for example, in high rise flatted schemes, more floor space is taken up by common areas and services and thus less space is available for renting/sale - and this will adversely affect the residual land value.

- **Base construction costs**: While base construction costs will be affected by density and other variables such as flood risk, ground conditions etc., they are nevertheless well documented and can be reasonably accurately determined in advance by the developer. Nevertheless, if build costs are taken at face value, it is not difficult for the developer to inflate costs and potentially 'hide' super-profits. The significance of cost consultants' estimates and their accuracy is therefore clear.

- **Exceptional costs**: In Boroughs like Lewisham, clean, serviced greenfield sites are now unheard of and consequently there will quite often be some 'exceptional costs' on brownfield sites. With the majority of schemes now coming forward on previously developed land, exceptional costs have become more common and need to be monitored carefully. 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 impossible to provide a reliable estimate of what costs would be, as they will differ from site to site. Our analysis therefore excludes exceptional costs, as to apply a blanket allowance would be misleading.

- **Developer's Profit:** Following the standard conventions, developer profits are based on an assumed percentage on gross development value. While developer profit ranged from 15% to 17% of gross development value in 2007, banks now require a scheme to show a profit of at least 20% of value. Higher profit figures reflect levels of risk; the higher the potential risk, the higher the profit margin in order to offset those risks. At the current time, development risk is high and we have therefore run our appraisals with a profit of 20%.

4.2 Existing Use Value / Alternative Use Value

Existing Use value / Alternate Use value requires particular attention. Clearly, there is a point where the Residual Land Value (what the landowner receives) that results from a scheme may be less than the land's existing use value. Existing use values can vary significantly, from very little – agricultural at say £7,200 per hectare (£3,000 per acre) to existing office sites at up to £50 million per hectare or more. Similarly, subject to planning permission, the potential development site may be capable of being used in different ways – business rather than residential for example or at least a different mix of uses (the latter being a key factor). EUV / AUV is effectively a 'bottom line' in the financial sense and a major driver in this modelling.

In this exercise, we have adopted EUVs that most closely reflect the current use on the sample sites (or the uses that existing prior to development, if the schemes are already on site or have been built out). In each case, our calculations assume that the landowner has made a judgement that the current use does not yield on optimum use of the site, for example, it has many fewer stories than neighbouring buildings; or there is a general lack of demand for the space, which results in low rentals, high yields and high vacancies. We would not expect a building which makes optimum use of a site and that is attracting a high rent to come forward for residential development, as residential value is unlikely to exceed existing use value in these circumstances.

We refer to 'yields' in several places in this report. Yields reflect the confidence of a potential purchaser of a building in the income stream (i.e. the rent) that the occupant will pay. They also reflect the quality of the building and its location, as well as general demand for property of that type. Over the past year, yields for commercial property have moved out, signalling lower confidence in the ability of existing tenants to pay their rent and in future demand for commercial space. This has the effect of depressing the capital value of commercial space. However, as the economy recovers, we would expect yields to improve, which will result in increased capital values. Consequently, EUVs will increase, increasing the cost of potential residential sites, which will have implications for the delivery of affordable housing and other planning obligations.

EUVs are sensitive to location (as are residential sales values) so sites with the same uses may vary between different areas in the Borough.

Redevelopment proposals that generate residual land values below EUV are unlikely to be delivered. While any such thresholds are only a guide in 'normal' development circumstances, it does not imply that individual landowners, in particular financial circumstances, will not bring sites forward at a lower return or indeed require a higher return. It is simply indicative. If proven existing use value (via a formal Red Book valuation which is essential) justifies a higher EUV than those assumed, then appropriate adjustments may be necessary. As such, Existing Use Values should be regarded as benchmarks rather than definitive fixed variables. At a practical level, it is also necessary to stress that in the Borough area, some residential development sites are redevelopments of existing residential uses, thus emphasising the significance of value uplift. The EUVs of the individual sites identified in this study therefore give a broad indication of likely land values across the Borough, but it is important to recognise that other site uses and values exist on the ground.

4.3 Specific Modelling Variables

This section summarises the particular assumptions used in the benchmarking exercise.

4.3.1 Sales Values

Residential values in the Borough reflect national trends in recent years but do of course vary across the Borough. The table below shows the range of sales values achieved in the Borough, within three broad areas (the South, mid-Borough and the north). A map showing values in different areas is attached as Appendix 3.

Table 4.3.1.1: Sales values in Lewisham, May 2009

Sales values (£s per sq metre)	South	Mid Borough	North
2,475	✓		
2,645	✓		
2,700	✓		
2,800	✓	✓	
2,850	✓	✓	
3,000		✓	
3,500		✓	✓
3,715		✓	✓
4,250			✓

Source: comparable sales evidence

Sales values have fallen over the past year and there is a widespread expectation that they will recover over the medium term. Sales values achieved at the peak of the housing market cycle in December 2007 were clearly higher and we would expect values to return to those levels over the next six to eight years. We have therefore modelled each scheme with varying increases in sales values (+5%, +10% and +20%). However, given the potential for values to fall further in 2009, we have also modelled each scheme with values that are 10% and 20% lower than the base values.

4.3.2 Density and mix

Densities have historically varied across the Borough, with very high densities in the north, where values are highest, and lower densities in the south, where sales values have not justified the cost of higher built forms.

In this exercise, we have modelled each scheme using the mix suggested in the planning application. In the cases where no planning application exists, we have made assumptions that reflect both planning policy requirements and that are based on similar sites.

4.3.3 Gross to Net Floor space

The higher the density, the greater the loss of net lettable/ saleable space. This is because taller buildings require more cores in relation to their overall footprint than shorter buildings, to provide a sufficient number of lifts to service both the lower and upper floors. In our model, we have an adopted a range from 85% gross to net for lower density schemes to 70% gross to net in high density situations where cores and common areas amount to 30%. These ranges reflect a high volume of schemes that BNP Paribas Real Estate has valued or appraised on behalf of developers, banks and local authorities. The gross to net ratio is reflected in the build cost when measured on the total saleable area (i.e. the area that excludes common areas). For example, if a building is comprised of 10 flats each with a net internal area (i.e. the floorspace inside the flat itself) of 100 square metres, the total net area of the building is 1,000 square metres. However, when the entrance lobbies, corridors and stair cores are taken into account, the total floor area (what is known as the gross internal area) is 1,200 square metres. The net area is 83% of the gross area. If the build cost is £1,500 per square metre, this equates to £1,800 per square metre per *net* square metre. This is an important distinction when considering whether a build cost is reasonable – the unit of measurement (i.e. gross or net) needs to be consistent.

4.3.4 Base Construction Costs

The modelling exercise plots a range of base construction costs reflecting density considerations ranging from £1,539 per square metre to £3,089 per square metre (net), incorporating the costs of meeting Lifetime Homes requirements. These costs are drawn from the RICS Building Cost Information Service (BCIS). These costs are relatively high, but could increase further should ‘exceptional costs’ arise, that is the variety of above average costs which include contamination and remediation. As a result, costs need to be treated with caution and where exceeded, will inevitably diminish the capacity of schemes to carry obligations and affordable housing.

Our base construction costs assume that housing is provided to Code for Sustainable Homes level 4 and includes an allowance of £7,515 per unit for the additional costs of achieving this. The cost of moving to level 5 or 6 is currently prohibitive and technological solutions are required to bring costs down. Clearly, seeking code level 5 or 6 using current technologies would have a significant impact on scheme economics, and consequently, there would be implications for affordable housing delivery and other Section 106 obligations.

4.3.5 Developer’s profit

As noted in Section 3.1, Developer’s profit is closely correlated with the perceived risk of residential development. The greater the risk, the greater the profit level, which helps to mitigate against the risk, but also to ensure that the potential rewards are sufficiently attractive for a bank to fund a scheme. In 2007, profit levels were at around 17% of Gross Development Value. This was the ‘benchmark’ profit adopted by the GLA in its *Development Control Toolkit Model.* 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). 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 do not carry sufficient cash to fund it themselves. Consequently, future movements in profit levels will largely be determined by the attitudes of the banks towards residential development. The near collapse of the global banking system is likely to result in a much tighter regulatory system, with UK banks having to take a much more cautious approach to all lending. In this context, the banks may not allow profit levels to decrease much lower than their current level, if at all. The minimum generally acceptable profit level is now around 20%, while the banks will require some riskier schemes (normally outside London) to show a higher profit level, of perhaps up to 25%.

4.3.6 Planning Obligations

Levels of Planning Obligations will vary according to needs arising from individual developments. Each site is assessed individually and the extent of any planning obligations will depend upon a number of factors, including child yield; availability of school places in the locality; trip generation and highways impacts. The Council is currently producing a SPD on planning obligations which will provide more information on how obligations will be determined. For the purpose of this study, we have modelled Planning Obligations at an indicative level of £5,000 per unit, applied to all units, irrespective of tenure. The level of obligations applied to individual sites may be significantly higher or lower than this level and this can have a significant impact on the viability of a scheme.

4.3.7 Affordable Housing tenure

There is an almost limitless range of possible affordable housing percentage; tenure; mix; and configuration scenarios. In Lewisham, the overriding affordable housing need is for social rented units and as such, the normal expectation will be a tenure split that provides 70% social rent and 30% intermediate. There may be site specific circumstances where these proportions are adjusted. We have run the appraisals with the following tenure mixes, to reflect the range that might be sought:

% social rent	% intermediate
70	30
60	40
50	50
80	20
90	10

4.3.8 Affordable housing values

At lower densities (where build costs are lower), advice from Registered Social Landlords active in the area confirms that both social rented and intermediate housing can make a positive contribution to land value, subject to levels of grant available. However, at higher densities, the affordable housing does not cover its costs and a subsidy from private housing is required. Our model therefore adopts as an input a fixed value that an RSL would be expected to pay for completed units of affordable housing. For social rented units, RSLs are assumed to pay £2,648 per square metre for social rented housing (inclusive of grant funding at a rate of circa £27,000 per person housed) and £2,949 per square metre for intermediate housing.

It should be noted that the value of social rented housing without grant is considerably lower than the amount noted above (£1,076 per square metre). The amount of grant funding and the manner in which is it directed is clearly beyond the control of LB Lewisham. The Borough will therefore need to carefully monitor the levels of grant being made available to support the delivery of affordable housing through planning obligations.

4.3.9 Mixed use development

Some of the schemes include commercial elements in residential-led mixed use schemes. Mixed use is a common form of development in many parts of the Borough, particularly in the growth areas. Commercial uses typically include retail, offices and occasionally live work units. The assumptions used for these elements are provided in Appendix 1.

4.3.10 Other Influential Factors

- Variability of landowner attitudes: There is no question that land markets do need time to adapt to changing policy circumstances and landowners may have the choice to hold sites back and hope that policies change. Recently, a more common circumstance in areas of sharp price inflation has been developers 'taking a punt' – i.e. buying sites without consent on the expectation that rising capital values would offset risk and then seeking, in a market that turns, to persuade the authority that the scheme cannot afford its consequential infrastructure and affordable housing. However, up to 2007, landowners' expectations of value were also high and developers faced tough competition to purchase sites from investment funds that could take a longer term view on values.

- Having said that, there is no question that site specific circumstances will arise where the authority is obliged to weigh up perhaps contradictory policy requirements.

- On larger schemes, perhaps phased over some years, developers will invariably try and agree fixed terms on S106 and affordable housing at the outset. (Their driving factor will be the certainty, required to secure bank funding). In such circumstances, it is often in the authorities' interest to seek monitoring and review mechanisms in the S106 that will allow a renegotiation at some future date should it become necessary. The corollary to this is that, if the Authority expects to receive a share of the 'upside', it should also be prepared to accept a potential reduction in benefits should the market move the other way.

5 Appraisal outputs

Before examining the illustrated outcomes, it is important to stress again and summarise those variables which may change the outputs – positively and negatively - and which must be treated with caution. They are as follows:

Table 5: Positive and negative impacts on appraisal outcomes

Positive impacts	Negative impacts
Net land value contribution from affordable housing (lower density schemes only)	Net loss on affordable housing requiring cross subsidy from private housing
Increase in intermediate tenures (higher value than social rent)	Reduced Social Housing Grant
Low and/or deferred Planning Obligations	High and/or up/front Planning Obligations
Historic land cost (minimal)	High Existing/Alternative Use Value
Availability of gap funding	Contamination/remediation costs

With these caveats in mind, the Tabular presentation summarises the key outputs.

5.1 Presentation of data

The tables are constructed to provide the maximum amount of data in the same place to provide easy comparison. Each table comprises two halves; the left hand table shows the residual land values and the right hand table shows the residual land values LESS existing use value. This shows whether the residential schemes exceed the value of the sites in their current use. If they do, then the site can be considered viable at each given level of affordable housing and tenure split. If the numbers are negative (and shown in yellow), the residual land value is lower than EUV and the development is unlikely to come forward at the given level of affordable housing.

Each of the tables shows a range of sales values (across the columns) and a range of affordable housing levels and tenure splits (shown in the column on the left). Residual values are provided for a sample of affordable housing levels and tenure splits only, as many scenarios do not make any substantive change to the results.

The full set of data tables for 14 sample sites are attached as Appendix 2. Details about the sites are provided in Appendix 1. The data tables show:

- affordable housing percentages of 35% to 50% in 10% steps;
- varying tenure splits, ranging from 50%:50% to 90%:10% social rent to intermediate;
- Sales values increased by 5%, 10% and 20%;
- Sales values decreased by 10% and 20%; and
- Build costs reduced by 5%.

We highlight some of the results in the following sections to illustrate the layout of the tables. The full set of results can be found at Appendix 2.

5.1.1 Example 1: Site 1 (Hales Street, SE8)

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		£325 sq ft	£341 sq ft	£358 sq ft	£390 sq ft	£293 sq ft	£260 sq ft
50%/50%	50%	-£711,065	-£470,422	-£493,634	-£289,287	-£932,066	-£1,153,066
60/40%	50%	-£789,971	-£552,107	-£583,449	-£389,065	-£996,630	-£1,203,288
	35%	-£674,543	-£437,257	-£459,003	-£251,955	-£898,740	-£1,122,936
	40%	-£739,322	-£501,462	-£528,457	-£330,917	-£952,891	-£1,166,461
70%/30% split	50%	-£868,878	-£637,458	-£676,560	-£488,843	-£1,061,194	-£1,253,511
80%/20%	50%	-£947,784	-£723,425	-£769,809	-£591,980	-£1,125,759	-£1,303,733
90%/10%	50%	-£1,026,690	-£809,392	-£863,057	-£699,424	-£1,190,323	-£1,353,956

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		£325 sq ft	£341 sq ft	£358 sq ft	£390 sq ft	£293 sq ft	£260 sq ft
50%/50%	50%	-£111,542	£115,892	£92,743	£297,027	-£315,826	-£521,705
60/40%	50%	-£127,284	£93,602	£63,700	£254,684	-£318,267	-£510,353
	35%	-£175,222	£53,572	£31,826	£238,874	-£382,270	-£593,679
	40%	-£164,490	£59,485	£32,770	£230,029	-£361,749	-£561,867
70%/30% split	50%	-£143,025	£71,311	£34,658	£212,341	-£320,709	-£499,154
80%/20%	50%	-£158,768	£49,021	£5,615	£169,998	-£323,151	-£487,955
90%/10%	50%	-£174,510	£26,732	-£23,428	£127,655	-£325,592	-£476,907

EUV:	
Industrial use	393 sqm
Rent	£97 per sqm
Yield	8.5%
Capital value	£ 447,909

In this example, the top table shows the residual value of the scheme (with no grant) LESS the existing use value. In this example, the EUV is based on the income generating capacity of the existing industrial floorspace, capitalised at an 8.5% yield. It is evident that, without grant, this scheme cannot achieve the minimum 35% affordable housing percentage in the table.

In the bottom table, 50% affordable housing can be delivered with a 70%/30% tenure split, providing that values increase by 10%, (or values increase by 5% and costs fall by at least 5%). .

5.1.2 Example 2: Site 13 (Wydeville Manor Road, SE12)

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£245 sq ft**	**£257 sq ft**	**£270 sq ft**	**£294 sq ft**	**£221 sq ft**	**£196 sq ft**
50%/50%	50%	-£296,796	-£223,633	-£237,834	-£181,231	-£353,399	-£412,361
60/40%	50%	-£311,958	-£240,637	-£256,833	-£203,911	-£364,879	-£420,004
	35%	-£287,066	-£213,515	-£227,296	-£169,915	-£344,446	-£404,218
	40%	-£300,418	-£228,224	-£243,474	-£188,808	-£355,083	-£412,027
70%/30% split	50%	-£327,120	-£257,640	-£275,831	-£226,592	-£376,358	-£427,647
80%/20%	50%	-£342,282	-£274,643	-£294,829	-£249,274	-£387,837	-£435,290
90%/10%	50%	-£357,443	-£291,647	-£313,826	-£271,954	-£399,316	-£442,933

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£245 sq ft**	**£257 sq ft**	**£270 sq ft**	**£294 sq ft**	**£221 sq ft**	**£196 sq ft**
50%/50%	50%	-£77,087	-£5,071	-£19,078	£36,613	-£133,559	-£192,521
60/40%	50%	-£70,812	-£609	-£16,579	£35,485	-£123,503	-£178,629
	35%	-£103,029	-£30,488	-£44,087	£12,357	-£160,409	-£220,181
	40%	-£90,101	-£19,042	-£34,085	£19,690	-£144,755	-£201,699
70%/30% split	50%	-£64,538	£3,853	-£14,081	£34,357	-£113,447	-£164,736
80%/20%	50%	-£58,263	£8,314	-£11,584	£33,228	-£103,391	-£150,844
90%/10%	50%	-£51,988	£12,776	-£9,085	£32,101	-£93,335	-£136,952

EUV:	est
Comm Centre	sqm
Rent	£ per sqm
Yield	0.0%
Capital value	£ 50,000

In this example, at current values, none of the various affordable housing levels would generate a viable scheme, with or without grant. However, if values increase by 5% and build costs fall by 5%, 50% affordable housing can be delivered. With more substantial increases in values of 20%, a greater range of mixes will become viable.

6 Assessment of the results

This section needs to be read in conjunction with the description of sites and schemes in Appendix 1 and the Tabular presentation of results in Appendix 2 (with a few examples shown in the preceding section). In these tables, the residual land values are calculated for different sales values and varying affordable housing levels and tenures, and then compared with existing use value. The tables show the outputs of the following appraisals:

- Sales Values – ranging from £2,475 to £4,250 per square metre;
- Affordable housing percentages – ranging from 35% to 50%;
- Affordable housing tenure – 70% social rent and 30% intermediate; 60% social rent and 40% intermediate; and 50% social rent and 50% intermediate; 80% social rent and 20% intermediate; and 90% social rent and 10% intermediate;
- Increases in sales values of 5%, 10% and 20%;
- Decreases in sales values of 10% and 20%; and
- Decreases in build costs of 5%.

Build costs are assumed to increase with density, reflecting the cost of constructing taller buildings, but also reflecting changes in gross to net ratios and consequent loss of efficiency on denser sites compared to less dense sites.

6.1 Assessment

The tables at Appendix 2 demonstrate that the delivery of 50% affordable housing (in combination with other planning obligations of £5,000 per unit) is likely to be very difficult to achieve throughout the three 'value areas' in the Borough and across all types of site, in current market conditions. The tables show only a few schemes where 50% affordable housing would be viable in current market conditions, with many sites requiring between 5% and 20% growth in sales values to be viable. Build costs are predicted to fall by as much as 10% over the course of 2009 and 2010 and this will clearly assist in increasing residual values.

There are two further important caveats to the results:

- Residual land values need to exceed Existing Use Value to be considered viable. In the tables in Appendix 2, white cells in the right hand tables show where residual land values exceed EUVs. Yellow shaded cells show where residual land values are lower than EUV and can be regarded as unviable. There may be site specific circumstances where these thresholds may be higher or lower. While a higher existing use value requires a commensurate higher residential sales value, in many circumstances, this will still be viable although lower density schemes are more vulnerable to existing use value requirements.

- That exceptional development costs are no more than modest sums in comparison to total build costs. Extensive decontamination, for example, would require significant expenditure, which would have a considerable impact on the residual land value.

Two summary tables of the results are provided on the following page. The first shows whether 50% is viable on the 14 sites without grant, while the second shows the results with grant.

Table 6.1: Summary of results (no grant)

Site Number	50% affordable housing viable:			
	At today's market values	At MVs + 5%, build costs -5%	At MVs + 10%	At MVs + 20%
1	N	N	N	N
2	N	N	N	N
3	N	N	N	N
4	N	N	N	N
5	N	N	N	N
6	N	N	N	N
7	N	N	N	**Y**
8	N	N	N	N
9	N	N	N	N
10	N	N	N	N
11	N	N	N	N
12	N	N	N	N
13	N	N	N	N
14	N	N	N	N

V = Viable N = Not viable

With grant

Site Number	50% affordable housing viable			
	At today's market values	MVs + 5%, build costs - 5%	MVs + 10%	MVs + 20%
1	N	**V**	**V**	**V**
2	N	N	N	N
3	N	N	N	N
4	N	N	N	N
5	**V**	**V**	**V**	**V**
6	**V**	**V**	**V**	**V**
7	**V**	**V**	**V**	**V**
8	**V**	**V**	**V**	**V**
9	N	**V**	**V**	**V**
10	N	N	N	N
11	**V**	**V**	**V**	**V**
12	N	**V**	N	**V**
13	N	**V**	**V**	**V**
14	N	N	N	N

6.1.1 Tall buildings

The results of sites 2, 4 and 12 show that the development of tall residential buildings is likely to be unviable. Sites 2 and 4, which provide towers of 23 and 26 storeys respectively, generate negatives residual land values, even before EUV is considered. Site 12 provides for a much lower, ten storey residential tower, but the value of the scheme – while positive – does not exceed EUV. Until the benefits of area regeneration take full effect, it is unlikely that residential schemes in the Borough will be viable in the short to medium term.

6.1.2 Affordable housing in low value areas

In parts of the south of the Borough (Bell Green and Downham, for example), sales values are so low that they are almost at parity with affordable housing values. In such circumstances, schemes with a greater quantum of affordable housing could be more viable than a scheme with less affordable. This is because developers are normally happy to take a lower profit margin on the affordable housing (typically 6% of build costs, compared to a margin on the private housing of 20% of gross development value). A reduced profit margin increases the residual land value, potentially helping a scheme to provide more affordable.

Securing a higher percentage of affordable housing in these lower value areas (which are likely to have a very high level of pre-existing social housing) may frustrate the Borough's policy of achieving mixed and balanced communities. In these low value areas, the Borough's preference may be for the provision of market housing to achieve a mixing of tenures.

6.1.3 Reduction in affordable housing threshold

If the practical difficulties associated with on-site development of affordable housing can be overcome, we then need to examine whether it would be financially viable to require sites of less than 10 units to make provision for on-site affordable housing. The results from sites 13 and 14 suggest that many smaller sites will struggle to provide affordable housing, unless they are in very low value uses (such as the community centre use of site 13). Many smaller sites are existing residential sites (e.g. large houses in their own grounds) which may involve conversion into flats. In these circumstances, the existing residential property has to be purchased and the 'subsidy' required to provide affordable housing (in the form of a reduced land value) cannot readily be achieved.

We would not rule out the possibility that some smaller sites might be able to make a contribution towards on-site affordable housing. The key factors would be the price at which any existing owner occupier or other occupier would demand to move away. In some cases, the price an occupier may demand could be too high to enable a residential scheme to provide affordable housing. If the threshold were to be reduced, individual site viability testing would be essential to ensure that the supply of housing land is not reduced. This suggests that every applicant not complying with the policy would be required to submit a financial appraisal that planning officers would need to assess. If planning officers do not possess the skills to undertake such assessments, external advice would be required and would need to be funded – either by the Council or by the developer. The additional work involved would place an additional burden upon officers and applicants and might slow down the determination of applications on smaller sites.

7 Conclusions

The London Borough of Lewisham has an acute problem of affordable housing. Affordable housing policy requirements are clearly based on need proven through an up-to-date Housing Market Assessment. Its requirements for the provision of social and community infrastructure via planning obligations are equally clear.

This report has examined, in terms of financial viability, the potential for development sites in Lewisham to deliver affordable housing at varying percentages and mixes, while maintaining other planning obligations at their current level. By comparing the residual land values generated by our appraisals on 14 sample sites to existing use values on the same sites, we can determine whether residential development is likely to come forward, despite the imposition of a high target for affordable housing and other planning requirements. An important caveat to the results is that have not taken account of any exceptional costs and, where these arise, they may override our conclusions. This underlines the importance of rigorous testing of individual site viability appraisals.

7.1.1 Key question 1: on sites of 10 units or more, should a 35% affordable housing target be retained or should the target be increased to 50%?

It is important to consider the affordable housing target in its proper context – it is a strategic target for delivery across *all* sites in the Borough, many of which will deliver 100% affordable housing. The number of units coming through 100% affordable housing sites will be important in determining how many affordable housing units the mixed tenure S106 sites will be required to deliver. Given this uncertainty, it would appear sensible to us that the Borough retain a 50% affordable housing, which should be applied sensitively, taking full account of individual site circumstances, including financial viability.

The results suggest that the delivery of 50% affordable housing in Lewisham is currently (and is likely to continue to be) a very ambitious target that many of the sites coming forward will be unable to achieve. Within the residential sales value bands which are found within the Borough (which are very low in some areas), there are some circumstances across the Borough where up to 50% affordable housing might be possible on sites in low value existing uses. The target may be easier to achieve on a greater number of sites as a result of future increases in sales values, providing build cost inflation does not accelerate again. Given the fact that the results of our analysis indicate that some sites can provide more than 35% affordable housing, the case for retaining 35% as the Borough-wide strategic target is weak. The results provide support for the adoption of a 50% affordable housing target, which should be applied sensitively, taking account of individual site circumstances.

7.1.2 Key question 2: on sites capable of achieving between 5 and 9 units, should some form of standardised charge be levied and (if so) at what level?

Smaller sites do incur somewhat higher costs than larger sites and the requirement to add separate cores and entrances for different tenures can result in unacceptable gross to net ratios and inefficient building layouts. While on-site affordable housing is likely to be impractical, it may be possible for developments to make a payment in lieu.

The smaller sites appraised (numbers 13 and 14) generated considerable negative residual valuations when affordable housing requirements were applied. In both cases, the individual site characteristics were very different and this is likely to be the case for many smaller sites. The nature of smaller sites (which are primarily existing houses or business premises) makes it difficult for developers to pass the cost of planning obligations to the owner. An owner occupier will not accept a lower value for their property from a developer, simply because there is a requirement to pay a standard charge towards affordable housing if s(he) redevelops the site. Due to thesefactors, it will be very difficult for the Council to determine the level at which a standard charge should be set. A variable charge would therefore need to be determined on a site-by-site basis through viability testing.

7.1.3 Key question 3: on sites in industrial use or open space use, could a higher proportion of affordable housing be sought and, if so, what would be the appropriate level?

The key factors to consider are the price at which existing sites can be purchased for; the extent to which former industrial sites require remediation; and the built form proposed on the sites. While former industrial sites can often be purchased at lower values than existing residential sites, this cost advantage to a developer is typically eroded by the need to remediate the site.

Within the context of our response to key question one (suggesting that the Borough adopt a 50% affordable housing target across the Borough), we do not consider there to be sufficient evidence that these two site types could provide more affordable housing than other sites in the Borough.

With regards to the built form of developments on former industrial sites, the developments appraised in this study comprised taller buildings, reflecting higher residential values and higher densities in the growth areas in the north of the Borough. These buildings are more expensive to build than low rise buildings, which can have a negative impact on scheme viability and the ability of sites to meet the affordable housing target.

7.1.4 Key question 4: Should different affordable housing targets be applied in particular parts of the Borough?

It is apparent that in some areas of the Borough, market values are very low and comparable to affordable housing values. In these circumstances, it might be easier to provide a greater quantum of affordable housing in these areas, providing grant is available. However, providing a greater quantum of affordable housing in these areas might frustrate the Council's objective of achieving mixed and balanced communities throughout the Borough.

Setting differential policies for the overall level of affordable housing can have perverse consequences. Where such policies have been attempted elsewhere, developers will often develop schemes at the very edge of an area where the affordable housing requirement is lower, yet have the advantage (in terms of values achieved) of being a close neighbour to a 'better' area (where the affordable housing requirement is higher). There is a constant need to redraw the boundaries between the different areas, which have further perverse effects and a further redraw of boundaries.

We are therefore not of the view that an area-based policy differentiating affordable housing provision is a practical proposition for the following reasons:

- Units in developments are sold at a range of values, not only reflecting local market variations but also the type and specification of units proposed. The value range across the Borough is quite wide but nevertheless, we remain of the view that any assumptions about outturn values on a local area base would be very susceptible to challenge and would require constant monitoring and review and thus be disruptive, uncertain and possibly counterproductive.

- The potential variables on any such assumption about values and costs – identified throughout this report – have the capacity to undermine any standard approach not only at an area level, but also at a Borough wide level. Such possibilities are specifically recognised, for example, in the GLA's SPG on Affordable Housing (Section 7), where there is a recognition that financial circumstances may well arise which require a review of affordable housing requirements in individual cases. There is nothing in this analysis that suggests that the Council's circumstances are markedly different.

There is some merit, however, in adopting alternative affordable housing tenure mixes in different parts of the Borough. In areas where there is a high level of pre-existing social rented housing, the Borough may prefer to seek a higher percentage of intermediate housing in new developments, to create a greater social balance.

7.1.5 Key question 5: Is a 'sliding scale' approach to affordable housing thresholds and percentages on sites between 10 and 14 dwellings appropriate?

Providing an affordable housing target is applied sensitively, taking into account individual site circumstances and development economics, we do not consider a sliding scale to be justified. Viability testing will determine whether individual sites can meet the affordable housing target and, if it cannot be met in full, the level that could be provided. Indeed, a sliding scale approach might reduce supply on sites that could otherwise provide a greater quantum of affordable housing.

In addition to the conclusions above, the study indicates that building very tall residential buildings in the Borough is unlikely to be a commercially viable option in most circumstances. This is because the sales values that residential units in the Borough currently attract are too low to cover the higher build costs of tall buildings, as well as providing a reasonable return to the developer and meeting planning obligations. This may change in time, particularly if area regeneration programmes bring a value of their own, beyond general increases in market values.

In considering the results of the study, it is also important to consider current market conditions and the impact this has had on the results. While sales values have fallen over 2008 and may well fall further in 2009, our study appraises the fourteen sample schemes with a wide range of sensitivities on sales values (up to +20% and -20%). By doing so, we have shown the scope for affordable housing delivery when market conditions return to normal (whatever 'normal' may turn out to be). We also draw attention to a consensus among forecasters on the future trend of build costs, which are expected to fall significantly this year and in 2010. Savills, for example, have predicted a cumulative fall of 11%, while the RICS BCIS predicts a fall of 7% this year and 3% next year. This will help to improve viability by offsetting some of the impact of falling values. However, in the medium term, build costs will increase in response to rising demand for materials and labour. The Council may wish to take advantage of this window of opportunity to secure lower tender prices for residential schemes on its own sites.

Existing use value and alternate use values are one of the key variables that can impact on the provision of affordable housing. While EUVs and AUVs have fallen in line with lower demand for commercial property, the results of the appraisals demonstrate that in higher value parts of the Borough, demands for affordable housing are likely to conflict with EUV/AUV. Indeed, in a market where the gap between residential values and commercial values has narrowed a little, the possibility of developers changing the proportions of mixed use proposals becomes more of an issue.

As with all viability studies of this kind, the results provide benchmarks only and they should be treated with caution and certainly do not imply a fixed position on the part of the Council. Indeed, site specific financial evaluations will continue to be necessary, a point emphasised in Circular 05/05, where the role of the Independent Assessor is recognised specifically.

Overall, the product of the Council's review must be a strongly worded affordable housing and Planning Obligations policy base which effectively attempts to redefine the nature of the local land market. Policies must acknowledge that exceptional circumstances may arise and some sites have high existing and alternative use values. However, the policy should also make clear the Council's intention to seek a detailed and robust financial statement to demonstrate conclusively why planning policies cannot be met. These should be drafted by and tested by appropriately qualified chartered surveyors. Even then, there should be no presumption that such circumstances will be accepted, if other benefits do not outweigh the failure of a site to contribute towards affordable housing provision.

With regard to existing use values, it is clear that if B1 office rents and yields or industrial/warehousing rents and yields improve, then there will be an increasing conflict (especially in mixed use schemes) to adjust the commercial / residential mix to minimise affordable housing content. In contrast, where low value commercial space is the subject of redevelopment proposals, there is less likelihood of a viability conflict. However, there will always be sites that attract higher existing use values; or that will be require exceptional costs to bring forward developments; both factors affecting the outturn level of affordable housing.

Appendix 1 Sample sites and appraisal assumptions

LB Lewisham Housing Viability Assessment

	Area	Description		Number of Residential units	Resi values	Resi values Assumed value
1	Hales Street, SE8	The demolition of the existing building and the construction of a two to six storey building, incorporating balconies, on Hales Street SE8, comprising a commercial unit (Use Class B1), 13 one bedroom and 10 two bedroom, self-contained residential units, together with associated landscaping and the provision of bin stores and 23 bicycle parking spaces.	Two to six storey building- incorporating balconies Commercial unit (Use Class B1), 13 one bedroom and 10 two bedroom	23	1 bed: £170,000/£180,000 (£325) 2 bed: £225,000 (£321)	£325
2	Evelyn Street, SE8	The demolition of existing buildings at a site in Evelyn Street SE8 and construction of buildings up to 23 storeys, comprising a business centre (3,964 m²), studio/workshop space (2,405 m²), commercial units, a children's nursery (Use Classes B1, A1, A2, A3, A5 & D1), 279 one, 337 two, 78 three bed and 46 studio residential units, plus 5 three, 7 four and 4 five bed two/three storey houses, an energy centre, associated landscaping and provision of refuse stores, 354 cycle and 484 car parking spaces, with accesses onto Evelyn Street, Rainsborough Avenue and Yeoman Street.	Up to 23 storeys Business centre (3,964 m²), studio/workshop space (2,405 m²), commercial units, a children's nursery (Use Classes B1, A1, A2, A3, A5 & D1), energy centre 279 one, 337 two, 78 three bed and 46 studio residential units, plus 5 three, 7 four and 4 five bed two/three storey houses 354 cycle and 484 car parking spaces	756	1 bed: £220,000 (£409) 2 bed: £265,000 (£379) 484 spaces- indicated parking could not be charged separately	£395
3	Oxestalls Road	N/A	N/A	950	1 bed: £220,000 (£409) 2 bed: £265,000 (£379) 608 spaces- indicated parking could not be charged	£395
4	Brookmill Road	The redevelopment of a site on Brookmill Road fronting Deptford Bridge, comprising 207 private residential units, 96 affordable homes, 7 live/work units and a total of 4,697 m² of commercial floorspace, including a café/restaurant, gymnasium, retail unit and art gallery, together with 60 basement car parking spaces, associated motor bike/scooter and 393 bicycle spaces and landscaping.	Ground plus 26-storey residential tower Part 5/part 6 storey building, 5 storey stepped building rising to 11 storeys, a 3 storey courtyard building, two storey roof extension on Holland House fronting Deptford Bridge and the retention of International House, 207 private residential units, 96 affordable homes, 7 live/work units 4,697 m² of commercial floorspace, including a café/restaurant, gymnasium, retail unit and art gallery 60 basement car parking spaces, associated motor bike/scooter and 393 bicycle spaces	303	1 bed: £170,000/£180,000 (£325) 2 bed: £225,000 (£321)	£325
5	Bromley Road	The demolition of a public house on Bromley Road SE6 and construction of a 3 to 5-storey block, incorporating balconies, comprising 8 one bedroom and 30 two bedroom self-contained flats and 3 three bedroom houses, together with associated landscaping, provision of a refuse store, 2 parking spaces for disabled and basement parking for 41 cycles, 8-10 motorcycles and 35 cars, with access onto Bromley Road.	3 to 5-storey block, incorporating balconies 8 one bedroom and 30 two bedroom self-contained flats and 3 three bedroom houses A refuse store, 2 parking spaces for disabled and basement parking for 41 cycles, 8-10 motorcycles and 35 cars, with access onto Bromley Road.	41	1 bed: £150,000-£165,000 (£293) 2 bed: £180,00-£185,000 (£261) 3 bed house £250,000	Assumed £277 Car parking £5,000
6	Sydenham Common	The part demolition of a public house and full restoration to create a self-contained A3/A4 unit in the centre of a new public square, the erection of two new, part four and part five-storey residential blocks containing 42 residential units, with commercial uses (A1, A3 and A4) on the ground floor, articulated in a north-south and east-west orientation, restoration of the Spring Hill building and the provision of associated private amenity space, 9 parking spaces, motorcycle parking, storage for 56 cycles, refuse storage facilities and servicing, plus alterations to the existing access from Spring Hill.	The part demolition of the Greyhound public house and full restoration to create a self-contained A3/A4 unit in the centre of a new public square, the erection of two new, part four and part five-storey residential blocks containing 42 residential units, with commercial uses (A1, A3 and A4) on the ground floor, articulated in a north-south and east-west orientation, restoration of the Spring Hill building and the provision of associated private amenity space, 9 parking spaces, motorcycle parking, storage for 56 cycles, refuse storage facilities and servicing, plus alterations to the existing access from Spring Hill.	42	1 bed: £170,000/£180,000 (£325)	£265
7	Mantle Road	The construction of a part four/part five storey block on a site at Mantle Road comprising 8 one bedroom, 3 two bedroom and 2 studio self-contained flats and 2 commercial units (Use Classes A2 or B1) on part of the ground floor, together with associated landscaping and provision of cycle and refuse stores.	Four/part five storey block 8 one bedroom, 3 two bedroom and 2 studio self-contained flats 2 commercial units (Use Classes A2 or B1) on part of the ground floor Provision of cycle and refuse stores.	13	2 bed: £225,000 (£321)	£325

LB Lewisham Housing Viability Assessment

	Area	Description		Number of Residential units	Resi values	Resi values Assumed value
8	Bell Green	Residential development with one commercial unit on the ground floor	Residential development with one commercial unit on the ground floor	23	1 bed: £136,000 (£260) 2 bed: £157,500-£166,250 (£231) 3 bed: £175,000-£183,750 (£196)	£230
9	Scrooby Street	The demolition of the existing buildings and the construction of a two storey, two bedroom house with roof terrace and a single to three storey block, comprising 3 one bedroom, 5 two bedroom and 5 three bedroom, self-contained flats on the site of 15-17 Scrooby Street SE6 and part of Aldi's car park, together with associated landscaping and provision of a refuse store and 18 cycle spaces.	2 storey, two bedroom house with roof terrace and a single to three storey block, comprising 3 one bedroom, 5 two bedroom and 5 three bedroom, self-contained flats Provision of a refuse store and 18 cycle spaces.	13	1 bed:£145,000-£150,000 (£274) 2 bed: £180,000 (£257) 3 bed: £225,000-£235,000 (£251) 2 bed house £215,000-£220,000	£260
10	Perry Hill	The demolition of the existing buildings on the site of 16-18 Perry Hill SE6 and the construction of a part single/part three/part four storey block comprising 11 one bedroom and 10 two bedroom, self-contained flats, together with associated landscaping, provision of a refuse store, 25 bicycle spaces and 13 car parking spaces with access onto Perry Hill.	Part single/part three/part four storey block comprising 11 one bedroom and 10 two bedroom, self-contained flats A refuse store, 25 bicycle spaces and 13 car parking spaces	21	[illegible] (£274) 2 bed: £180,000 (£257) 3 bed: £225,000-£235,000 (£251) Could charge £10,000 for parking	£260
11	22 Weardale Road	The construction of a four storey block comprising 6 one bedroom and 8 two bedroom self-contained flats on the site of 23 Weardale Road SE13, together with landscaping and 14 car parking spaces.	4 storey block 6 one bedroom and 8 two bedroom self-contained flats 14 car parking spaces.	14	1 bed: £180,000/£195,000 (£348) 2 bed: £240,000 (£343) Could charge £10,000 for parking	£345
12	Conington Road	The demolition of the existing buildings on the site of Conington Road and the construction of a seven to ten storey building, incorporating balconies, comprising 3 commercial units on part of the ground floor, 31 studio, 230 one bedroom and 69 two bedroom self-contained flats, together with associated landscaping, provision of bin stores, bicycle stores, 9 motorcycle parking spaces and 50 car parking spaces at basement level with access onto Conington Road.	Seven to ten storey building, incorporating balconies 31 studio, 230 one bedroom and 69 two bedroom self-contained flats 3 commercial units on part of the ground floor, Bicycle stores, 9 motorcycle parking spaces and 50 car parking spaces at basement level	330	1 bed: £170,000/£180,000 (£325) 2 bed: £225,000 (£321)	£325
13	Wydeville Manor Road	The construction of a part two/part three storey, plus lower ground floor block, incorporating balconies/terraces on a site in Wydeville Manor Road SE12, comprising 7 one bedroom and 2 two bedroom self-contained flats, together with associated landscaping, the provision of refuse storage space, 4 motorcycle, 9 bicycle spaces and 6 car parking spaces at lower ground floor level and the provision of a car parking space to the front and new vehicular access onto Wydeville Manor Road.	Part two/part three storey, plus lower ground floor block, incorporating balconies/terraces 7 one bedroom and 2 two bedroom self-contained flats 4 motorcycle, 9 bicycle spaces and 6 car parking spaces at lower ground floor level and the provision of a car parking space to the front and new vehicular access onto Wydeville Manor Road.	9	1 bed:£140,000 (£260) 2 bed: £160,000 (£229) 3 bed: £180,000-£190,000 (£202) (Little demand for 3 beds)	£245
14	Bromley Road	The alteration and conversion of a house on Bromley Road SE6, to provide 2, one bedroom, 2, two bedroom and 1, three bedroom, self-contained flats, together with alterations to the elevations, construction of single storey extensions to the rear.	The alteration and conversion 2, one bedroom, 2, two bedroom and 1, three bedroom, self-contained flats, together with alterations to the elevations, construction of single storey extensions to the rear, d	5	1 bed:£140,000 (£260) 2 bed: £175,000 (£250) 3 bed: £200,000 (£219)	£250

	Area	Commercial values	Number of commercial units	Existing Use	Initial EUV calculations
1	Hales Street, SE8	Offices 170.5 sq m (1,834 sq ft) £13.50 sq ft = £24,759 Yield 8.25%	1	Previously used for storage purposes but most recently used sporadically for community events and exhibitions.	Assumed industrial: 393 sq m £12 sq ft 8% yield £634,420
2	Evelyn Street, SE8	Business centre and offices : 3,964 sq m + 1,775 @ £13.50 Yield 8.25% Workshop and nursery: 2585 @ £15 Yield: 8.5% 484 car spaces @ £5,000	??	Small Business Units	Offices- 3,250 sq m @ £12 sq ft 9% yield = £4,663,533 Industrial- 1,988 sq m @ £12 sq ft 8% yield = £3,209,228 £7,872,761
3	Oxestalls Road	Car parking 608 spaces- £5,000	??	B2, B8	Assumed 1 hectare, 50% site coverage Yield 8%, £12 sq ft £8,071,500
4	Brookmill Road	4,697m of commercial (50,549 sq ft) £15 sq ft £758,237 Yield: 8.5% 60 car spaces £5,000	11	Former Distillery and Social Housing	Offices- 282 + 3868 +417 sq m = 4567 sq m (49,150 sq ft) £13 sq ft Yield 8.5% = £7,517,067 B2: 1,762 @ £8 sq ft Yield 8.75% £1,733,727 EUV= £9,250,794
5	Bromley Road	N/A 35 car spaces - £5,000	0	Public House	Public house site value: £500,000 (Building= 923.5 sq m)
6	Sydenham Common	Site area 2,134 sq m Assume 50% site coverage (11,483 sq ft) A1 @ £15 sq ft Yield: 8.5% Total = £172,245	1	Public House	Public house site value: £286,264 (Building= 528.73 sq m)
7	Mantle Road	355 sq m site- 50% site coverage= 177.5 sq m 2/3 ground floor- 118 sqm Offices £13.50 sq ft Yield: 8.25	2	Former waste paper merchants but derelict for years	B8: 355 sq m £5 sq ft 9% yield £212,251

	Area	Commercial values	Number of commercial units	Existing Use	Initial EUV calculations
8	Bell Green	743.5 sq m £15 sq ft £120,023 Yield 8.5%	1	Commercial with Social housing	18 two bed social units. Assumed 750 sq ft each @£250 sq ft = £3,375,000 743.5 sq m retail @ £12 sq ft, 8.5 % yield = £1,129,630 Total= £4,504,630
9	Scrooby Street	N/A	0	Garage Site, Workshop garages	100 sq m garage @ £10 sq ft = £10,762 250.8 sq m forecourt @ £3 sq ft = £8,097 Yield: 9% £209,548
10	Perry Hill	N/A 13 car spaces £5,000	0	Industrial kitchen shop	[illegible] Warehouse and workshop: 189 sq m +209 sq m @ £9 sq ft = £38,549 Yield: 9% = £978,983 Flat: £150,000
11	22 Weardale Road	N/A 14 car spaces £5,000	0	Vacant garages and sheds	Approx 361 sq m of garages/sheds @£7 sq ft = £27,196 Yield: 9% = £302,173
12	Conington Road	487 sq m Offices- £13.5 sq ft Yield 8.25% 50 car spaces - £5,000	3	Commercial premises which included the repair and servicing of motor vehicles.	Commercial premises: 1,548 sq m + 546 sq m @ £9 sq ft = £250,396 Forecourt: 2,584 sq m @ £3 sq ft = £83,427 Yield: 9% Total= £3,709,145
13	Wydeville Manor Road	N/A	0	Community Centre	Community centre: £100,000
14	Bromley Road	N/A	0	Residential	4 bed detached house: £299,000

Appendix 2 Appraisal outputs

Site 1

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£263,156	-£22,513	-£45,725	£158,622	-£484,157	-£705,157
60/40%	50%	-£342,062	-£104,198	-£135,540	£58,844	-£548,721	-£755,379
	35%	-£226,634	£10,652	-£11,094	£195,954	-£450,831	-£675,027
	40%	-£291,413	-£53,553	-£80,548	£116,992	-£504,982	-£718,552
70%/30% split	50%	-£420,969	-£189,549	-£228,651	-£40,934	-£613,285	-£805,602
80%/20%	50%	-£499,875	-£275,516	-£321,900	-£144,071	-£677,850	-£855,824
90%/10%	50%	-£578,781	-£361,483	-£415,148	-£251,515	-£742,414	-£906,047

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	£336,367	£563,801	£540,652	£744,936	£132,083	-£73,796
60/40%	50%	£320,625	£541,511	£511,609	£702,593	£129,642	-£62,444
	35%	£272,687	£501,481	£479,735	£686,783	£65,639	-£145,770
	40%	£283,419	£507,394	£480,679	£677,938	£86,160	-£113,958
70%/30% split	50%	£304,884	£519,220	£482,567	£660,250	£127,200	-£51,245
80%/20%	50%	£289,141	£496,930	£453,524	£617,907	£124,758	-£40,046
90%/10%	50%	£273,399	£474,641	£424,481	£575,564	£122,317	-£28,998

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£711,065	-£470,422	-£493,634	-£289,287	-£932,066	-£1,153,066
60/40%	50%	-£789,971	-£552,107	-£583,449	-£389,065	-£996,630	-£1,203,288
	35%	-£674,543	-£437,257	-£459,003	-£251,955	-£898,740	-£1,122,936
	40%	-£739,322	-£501,462	-£528,457	-£330,917	-£952,891	-£1,166,461
70%/30% split	50%	-£868,878	-£637,458	-£676,560	-£488,843	-£1,061,194	-£1,253,511
80%/20%	50%	-£947,784	-£723,425	-£769,809	-£591,980	-£1,125,759	-£1,303,733
90%/10%	50%	-£1,026,690	-£809,392	-£863,057	-£699,424	-£1,190,323	-£1,353,956

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£111,542	£115,892	£92,743	£297,027	-£315,826	-£521,705
60/40%	50%	-£127,284	£93,602	£63,700	£254,684	-£318,267	-£510,353
	35%	-£175,222	£53,572	£31,826	£238,874	-£382,270	-£593,679
	40%	-£164,490	£59,485	£32,770	£230,029	-£361,749	-£561,867
70%/30% split	50%	-£143,025	£71,311	£34,658	£212,341	-£320,709	-£499,154
80%/20%	50%	-£158,768	£49,021	£5,615	£169,998	-£323,151	-£487,955
90%/10%	50%	-£174,510	£26,732	-£23,428	£127,655	-£325,592	-£476,907

EUV:	
Industrial use	393 sqm
Rent	£97 per sqm
Yield	8.5%
Capital value	£ 447,909

Site 2

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£395 sq ft**	**£415 sq ft**	**£435 sq ft**	**£474 sq ft**	**£356 sq ft**	**£316 sq ft**
50%/50%	50%	-£57,994,920	-£43,287,630	-£46,851,141	-£35,985,955	-£68,860,107	-£80,003,886
60/40%	50%	-£62,493,244	-£48,147,541	-£52,072,640	-£41,912,551	-£72,653,333	-£83,073,936
	35%	-£56,305,814	-£41,517,945	-£45,000,876	-£33,978,561	-£67,328,129	-£78,633,067
	40%	-£59,867,732	-£45,347,781	-£49,098,631	-£38,598,757	-£70,367,605	-£81,136,707
70%/30% split	50%	-£66,991,566	-£53,007,452	-£57,294,139	-£47,839,147	-£76,446,559	-£86,143,985
80%/20%	50%	-£71,489,889	-£57,867,363	-£62,515,639	-£53,765,744	-£80,239,784	-£89,214,035
90%/10%	50%	-£75,988,212	-£62,727,274	-£67,737,138	-£59,692,339	-£84,033,010	-£92,284,084

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£395 sq ft**	**£415 sq ft**	**£435 sq ft**	**£474 sq ft**	**£356 sq ft**	**£316 sq ft**
50%/50%	50%	-£32,093,095	-£44,966,660	-£23,930,181	-£16,590,480	-£42,958,281	-£54,102,061
60/40%	50%	-£34,054,096	-£20,646,734	-£26,018,185	-£18,678,484	-£44,214,185	-£54,634,788
	35%	-£34,622,286	-£20,327,045	-£24,569,311	-£15,027,700	-£45,644,601	-£56,949,539
	40%	-£35,086,557	-£21,129,609	-£25,748,271	-£16,940,630	-£45,586,430	-£56,355,531
70%/30% split	50%	-£36,015,097	-£22,734,738	-£28,106,189	-£20,766,488	-£45,470,089	-£55,167,516
80%/20%	50%	-£37,976,099	-£24,822,742	-£30,194,194	-£22,854,493	-£46,725,994	-£55,700,244
90%/10%	50%	-£39,937,099	-£26,910,746	-£32,282,198	-£24,942,497	-£47,981,897	-£56,232,972

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£395 sq ft**	**£415 sq ft**	**£435 sq ft**	**£474 sq ft**	**£356 sq ft**	**£316 sq ft**
50%/50%	50%	-£64,925,079	-£50,217,789	-£53,781,300	-£42,916,114	-£75,790,266	-£86,934,045
60/40%	50%	-£69,423,403	-£55,077,700	-£59,002,799	-£48,842,710	-£79,583,492	-£90,004,095
	35%	-£63,235,973	-£48,448,104	-£51,931,035	-£40,908,720	-£74,258,288	-£85,563,226
	40%	-£66,797,891	-£52,277,940	-£56,028,790	-£45,528,916	-£77,297,764	-£88,066,866
70%/30% split	50%	-£73,921,725	-£59,937,611	-£64,224,298	-£54,769,306	-£83,376,718	-£93,074,144
80%/20%	50%	-£78,420,048	-£64,797,522	-£69,445,798	-£60,695,903	-£87,169,943	-£96,144,194
90%/10%	50%	-£82,918,371	-£69,657,433	-£74,667,297	-£66,622,498	-£90,963,169	-£99,214,243

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£395 sq ft**	**£415 sq ft**	**£435 sq ft**	**£474 sq ft**	**£356 sq ft**	**£316 sq ft**
50%/50%	50%	-£39,023,254	-£51,896,819	-£30,860,340	-£23,520,639	-£49,888,440	-£61,032,220
60/40%	50%	-£40,984,255	-£27,576,893	-£32,948,344	-£25,608,643	-£51,144,344	-£61,564,947
	35%	-£41,552,445	-£27,257,204	-£31,499,470	-£21,957,859	-£52,574,760	-£63,879,698
	40%	-£42,016,716	-£28,059,768	-£32,678,430	-£23,870,789	-£52,516,589	-£63,285,690
70%/30% split	50%	-£42,945,256	-£29,664,897	-£35,036,348	-£27,696,647	-£52,400,248	-£62,097,675
80%/20%	50%	-£44,906,258	-£31,752,901	-£37,124,353	-£29,784,652	-£53,656,153	-£62,630,403
90%/10%	50%	-£46,867,258	-£33,840,905	-£39,212,357	-£31,872,656	-£54,912,056	-£63,163,131

EUV:			
Industrial use	1988 sqm	Office use	3250 sqm
Rent	£97 per sqm	Rent	£129 per sqm
Yield	8.5%	Yield	9.0%
Capital value	£ 2,265,759	Capital value	£ 4,664,400
Total EUV	£ 6,930,159		

Site 3

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£92,559,751	-£62,768,738	-£78,554,465	-£64,899,311	-£106,214,905	-£120,220,191
60/40%	50%	-£98,213,155	-£68,876,580	-£85,116,743	-£72,347,741	-£110,982,157	-£124,078,570
	35%	-£90,436,975	-£60,544,692	-£76,229,148	-£62,376,517	-£104,289,606	-£118,497,433
	40%	-£94,913,503	-£65,357,935	-£81,379,106	-£68,183,069	-£108,109,541	-£121,643,938
70%/30% split	50%	-£103,866,560	-£74,984,421	-£91,679,022	-£79,796,172	-£115,749,410	-£127,936,948
80%/20%	50%	-£109,519,965	-£81,092,263	-£98,241,301	-£87,244,603	-£120,516,663	-£131,795,326
90%/10%	50%	-£115,173,369	-£87,200,105	-£104,803,579	-£94,693,033	-£125,283,915	-£135,653,705

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£60,006,839	-£31,689,936	-£49,747,847	-£40,523,454	-£73,661,993	-£87,667,279
60/40%	50%	-£62,471,387	-£34,314,099	-£52,372,011	-£43,147,617	-£75,240,390	-£88,336,802
	35%	-£63,185,538	-£33,912,381	-£50,551,154	-£38,559,443	-£77,038,169	-£91,245,995
	40%	-£63,769,004	-£34,921,008	-£52,032,827	-£40,963,555	-£76,965,041	-£90,499,438
70%/30% split	50%	-£64,935,936	-£36,938,262	-£54,996,174	-£45,771,780	-£76,818,786	-£89,006,324
80%/20%	50%	-£67,400,484	-£39,562,425	-£57,620,337	-£48,395,943	-£78,397,181	-£89,675,846
90%/10%	50%	-£69,865,032	-£42,186,588	-£60,244,500	-£51,020,107	-£79,975,577	-£90,345,368

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£395 sq ft**	**£415 sq ft**	**£435 sq ft**	**£474 sq ft**	**£356 sq ft**	**£316 sq ft**
50%/50%	50%	-£98,258,339	-£68,467,326	-£84,253,053	-£70,597,899	-£111,913,493	-£125,918,779
60/40%	50%	-£103,911,743	-£74,575,168	-£90,815,331	-£78,046,329	-£116,680,745	-£129,777,158
	35%	-£96,135,563	-£66,243,280	-£81,927,736	-£68,075,105	-£109,988,194	-£124,196,021
	40%	-£100,612,091	-£71,056,523	-£87,077,694	-£73,881,657	-£113,808,129	-£127,342,526
70%/30% split	50%	-£109,565,148	-£80,683,009	-£97,377,610	-£85,494,760	-£121,447,998	-£133,635,536
80%/20%	50%	-£115,218,553	-£86,790,851	-£103,939,889	-£92,943,191	-£126,215,251	-£137,493,914
90%/10%	50%	-£120,871,957	-£92,898,693	-£110,502,167	-£100,391,621	-£130,982,503	-£141,352,293

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£395 sq ft**	**£415 sq ft**	**£435 sq ft**	**£474 sq ft**	**£356 sq ft**	**£316 sq ft**
50%/50%	50%	-£65,705,427	-£37,388,524	-£55,446,435	-£46,222,042	-£79,360,581	-£93,365,867
60/40%	50%	-£68,169,975	-£40,012,687	-£58,070,599	-£48,846,205	-£80,938,978	-£94,035,390
	35%	-£68,884,126	-£39,610,969	-£56,249,742	-£44,258,031	-£82,736,757	-£96,944,583
	40%	-£69,467,592	-£40,619,596	-£57,731,415	-£46,662,143	-£82,663,629	-£96,198,026
70%/30% split	50%	-£70,634,524	-£42,636,850	-£60,694,762	-£51,470,368	-£82,517,374	-£94,704,912
80%/20%	50%	-£73,099,072	-£45,261,013	-£63,318,925	-£54,094,531	-£84,095,769	-£95,374,434
90%/10%	50%	-£75,563,620	-£47,885,176	-£65,943,088	-£56,718,695	-£85,674,165	-£96,043,956

EUV:	
B2/B8	5000 sqm
Rent	£97 per sqm
Yield	8.5%
Capital value	£ 5,698,588

Site 4

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£35,947,085	-£26,870,877	-£32,253,249	-£28,671,348	-£39,528,985	-£43,222,821
60/40%	50%	-£37,245,953	-£28,285,969	-£33,791,829	-£30,442,375	-£40,595,406	-£44,049,530
	35%	-£35,382,102	-£26,279,994	-£31,634,848	-£28,001,145	-£39,015,804	-£42,763,059
	40%	-£36,436,342	-£27,420,349	-£32,866,701	-£29,405,232	-£39,897,812	-£43,467,453
70%/30% split	50%	-£38,544,821	-£29,701,061	-£35,330,409	-£32,213,403	-£41,661,827	-£44,876,239
80%/20%	50%	-£39,843,689	-£31,116,153	-£36,868,988	-£33,984,430	-£42,728,248	-£45,702,948
90%/10%	50%	-£41,142,558	-£32,531,245	-£38,407,569	-£35,755,459	-£43,794,668	-£46,529,657

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£25,540,183	-£16,463,975	-£21,846,347	-£18,264,445	-£29,122,083	-£32,815,919
60/40%	50%	-£25,819,599	-£16,859,615	-£22,365,475	-£19,016,021	-£29,169,053	-£32,623,177
	35%	-£26,670,038	-£17,567,930	-£22,922,784	-£19,289,082	-£30,303,741	-£34,050,995
	40%	-£26,479,698	-£17,463,705	-£22,910,057	-£19,448,587	-£29,941,168	-£33,510,808
70%/30% split	50%	-£26,099,015	-£17,255,255	-£22,884,603	-£19,767,597	-£29,216,021	-£32,430,433
80%/20%	50%	-£26,378,433	-£17,650,896	-£23,403,732	-£20,519,174	-£29,262,991	-£32,237,691
90%/10%	50%	-£26,657,849	-£18,046,537	-£23,922,860	-£21,270,750	-£29,309,959	-£32,044,948

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£44,621,255	-£35,545,047	-£40,927,419	-£37,345,518	-£48,203,155	-£51,896,991
60/40%	50%	-£45,920,123	-£36,960,139	-£42,465,999	-£39,116,545	-£49,269,576	-£52,723,700
	35%	-£44,056,272	-£34,954,164	-£40,309,018	-£36,675,315	-£47,689,974	-£51,437,229
	40%	-£45,110,512	-£36,094,519	-£41,540,871	-£38,079,402	-£48,571,982	-£52,141,623
70%/30% split	50%	-£47,218,991	-£38,375,231	-£44,004,579	-£40,887,573	-£50,335,997	-£53,550,409
80%/20%	50%	-£48,517,859	-£39,790,323	-£45,543,158	-£42,658,600	-£51,402,418	-£54,377,118
90%/10%	50%	-£49,816,728	-£41,205,415	-£47,081,739	-£44,429,629	-£52,468,838	-£55,203,827

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£34,214,353	-£25,138,145	-£30,520,517	-£26,938,615	-£37,796,253	-£41,490,089
60/40%	50%	-£34,493,769	-£25,533,785	-£31,039,645	-£27,690,191	-£37,843,223	-£41,297,347
	35%	-£35,344,208	-£26,242,100	-£31,596,954	-£27,963,252	-£38,977,911	-£42,725,165
	40%	-£35,153,868	-£26,137,875	-£31,584,227	-£28,122,757	-£38,615,338	-£42,184,978
70%/30% split	50%	-£34,773,185	-£25,929,425	-£31,558,773	-£28,441,767	-£37,890,191	-£41,104,603
80%/20%	50%	-£35,052,603	-£26,325,066	-£32,077,902	-£29,193,344	-£37,937,161	-£40,911,861
90%/10%	50%	-£35,332,019	-£26,720,707	-£32,597,030	-£29,944,920	-£37,984,129	-£40,719,118

EUV:			
Industrial use	1762 sqm	Office use	4567 sqm
Rent	£86 per sqm	Rent	£129 per sqm
Yield	8.8%	Yield	8.5%
Capital value	£ 1,734,050	Capital value	£ 6,940,121
Total EUV	£ 8,674,170		

Site 5

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£894,637	-£472,375	-£536,584	-£192,032	-£1,252,691	-£1,597,957
60/40%	50%	-£1,003,469	-£592,855	-£668,712	-£345,910	-£1,338,227	-£1,661,029
	35%	-£839,770	-£415,051	-£476,802	-£129,403	-£1,202,738	-£1,552,743
	40%	-£930,614	-£514,480	-£584,815	-£251,748	-£1,276,414	-£1,609,863
70%/30% split	50%	-£1,112,302	-£713,336	-£800,840	-£500,501	-£1,423,764	-£1,724,102
80%/20%	50%	-£1,221,134	-£833,816	-£932,968	-£655,094	-£1,509,301	-£1,787,175
90%/10%	50%	-£1,329,966	-£954,296	-£1,065,096	-£809,686	-£1,594,837	-£1,850,247

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£289,551	£705,185	£641,826	£981,519	-£62,723	-£405,986
60/40%	50%	£297,361	£701,526	£626,699	£944,276	-£31,978	-£352,294
	35%	£151,698	£569,715	£508,738	£853,026	-£205,342	-£554,893
	40%	£202,855	£612,433	£543,016	£871,028	-£137,305	-£469,463
70%/30% split	50%	£305,170	£697,868	£611,573	£907,033	-£1,233	-£298,602
80%/20%	50%	£312,980	£694,210	£596,447	£869,790	£29,513	-£244,911
90%/10%	50%	£320,789	£690,552	£581,321	£832,547	£60,258	-£191,219

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£277 sq ft**	**£291 sq ft**	**£305 sq ft**	**£332 sq ft**	**£249 sq ft**	**£222 sq ft**
50%/50%	50%	-£1,169,637	-£747,375	-£811,584	-£467,032	-£1,527,691	-£1,872,957
60/40%	50%	-£1,278,469	-£867,855	-£943,712	-£620,910	-£1,613,227	-£1,936,029
	35%	-£1,114,770	-£690,051	-£751,802	-£404,403	-£1,477,738	-£1,827,743
	40%	-£1,205,614	-£789,480	-£859,815	-£526,748	-£1,551,414	-£1,884,863
70%/30% split	50%	-£1,387,302	-£988,336	-£1,075,840	-£775,501	-£1,698,764	-£1,999,102
80%/20%	50%	-£1,496,134	-£1,108,816	-£1,207,968	-£930,094	-£1,784,301	-£2,062,175
90%/10%	50%	-£1,604,966	-£1,229,296	-£1,340,096	-£1,084,686	-£1,869,837	-£2,125,247

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£277 sq ft**	**£291 sq ft**	**£305 sq ft**	**£332 sq ft**	**£249 sq ft**	**£222 sq ft**
50%/50%	50%	£14,551	£430,185	£366,826	£706,519	-£337,723	-£680,986
60/40%	50%	£22,361	£426,526	£351,699	£669,276	-£306,978	-£627,294
	35%	-£123,302	£294,715	£233,738	£578,026	-£480,342	-£829,893
	40%	-£72,145	£337,433	£268,016	£596,028	-£412,305	-£744,463
70%/30% split	50%	£30,170	£422,868	£336,573	£632,033	-£276,233	-£573,602
80%/20%	50%	£37,980	£419,210	£321,447	£594,790	-£245,487	-£519,911
90%/10%	50%	£45,789	£415,552	£306,321	£557,547	-£214,742	-£466,219

EUV:	est
Public house	
Rent	
Yield	
Capital value	£ 275,000

Site 6

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£905,300	-£414,670	-£490,894	-£97,366	-£1,304,358	-£1,718,764
60/40%	50%	-£1,023,638	-£545,956	-£636,124	-£265,170	-£1,396,798	-£1,784,312
	35%	-£840,931	-£348,800	-£421,048	-£25,251	-£1,245,760	-£1,666,159
	40%	-£941,279	-£457,358	-£540,806	-£160,068	-£1,326,919	-£1,727,392
70%/30% split	50%	-£1,141,975	-£677,243	-£781,355	-£434,091	-£1,489,240	-£1,849,860
80%/20%	50%	-£1,260,314	-£808,529	-£926,586	-£605,219	-£1,581,681	-£1,915,408
90%/10%	50%	-£1,378,651	-£939,815	-£1,071,817	-£776,347	-£1,674,122	-£1,980,956

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£491,508	£947,559	£876,110	£1,244,984	£112,349	-£292,583
60/40%	50%	£511,712	£955,442	£871,061	£1,215,918	£157,950	-£219,420
	35%	£330,199	£790,430	£721,668	£1,095,531	-£57,781	-£471,566
	40%	£397,438	£848,061	£769,782	£1,125,972	£29,578	-£362,338
70%/30% split	50%	£531,915	£963,325	£866,012	£1,186,853	£203,235	-£146,257
80%/20%	50%	£552,118	£971,208	£860,963	£1,157,788	£248,520	-£73,283
90%/10%	50%	£572,322	£979,091	£855,914	£1,128,722	£293,806	-£1,197

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£265 sq ft**	**£278 sq ft**	**£292 sq ft**	**£318 sq ft**	**£239 sq ft**	**£212 sq ft**
50%/50%	50%	-£1,105,300	-£614,670	-£690,894	-£297,366	-£1,504,358	-£1,918,764
60/40%	50%	-£1,223,638	-£745,956	-£836,124	-£465,170	-£1,596,798	-£1,984,312
	35%	-£1,040,931	-£548,800	-£621,048	-£225,251	-£1,445,760	-£1,866,159
	40%	-£1,141,279	-£657,358	-£740,806	-£360,068	-£1,526,919	-£1,927,392
70%/30% split	50%	-£1,341,975	-£877,243	-£981,355	-£634,091	-£1,689,240	-£2,049,860
80%/20%	50%	-£1,460,314	-£1,008,529	-£1,126,586	-£805,219	-£1,781,681	-£2,115,408
90%/10%	50%	-£1,578,651	-£1,139,815	-£1,271,817	-£976,347	-£1,874,122	-£2,180,956

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£265 sq ft**	**£278 sq ft**	**£292 sq ft**	**£318 sq ft**	**£239 sq ft**	**£212 sq ft**
50%/50%	50%	£291,508	£747,559	£676,110	£1,044,984	-£87,651	-£492,583
60/40%	50%	£311,712	£755,442	£671,061	£1,015,918	-£42,050	-£419,420
	35%	£130,199	£590,430	£521,668	£895,531	-£257,781	-£671,566
	40%	£197,438	£648,061	£569,782	£925,972	-£170,422	-£562,338
70%/30% split	50%	£331,915	£763,325	£666,012	£986,853	£3,235	-£346,257
80%/20%	50%	£352,118	£771,208	£660,963	£957,788	£48,520	-£273,283
90%/10%	50%	£372,322	£779,091	£655,914	£928,722	£93,806	-£201,197

EUV:	est
Public house	
Rent	
Yield	
Capital value	£ 200,000

Site 7

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£198,050	£139,922	£120,487	£425,922	-£528,479	-£869,233
60/40%	50%	-£317,870	£18,858	-£11,139	£274,409	-£626,855	-£945,496
	35%	-£149,695	£186,784	£169,545	£479,111	-£481,594	-£827,276
	40%	-£243,488	£90,455	£65,441	£360,372	-£562,806	-£892,104
70%/30% split	50%	-£437,690	-£102,205	-£142,976	£122,895	-£725,232	-£1,021,760
80%/20%	50%	-£557,509	-£228,618	-£283,096	-£28,618	-£823,608	-£1,098,023
90%/10%	50%	-£677,330	-£359,159	-£425,029	-£181,075	-£921,985	-£1,174,286

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£695,831	£1,030,244	£1,010,811	£1,315,115	£390,396	£75,415
60/40%	50%	£671,926	£996,397	£966,398	£1,251,827	£386,377	£91,905
	35%	£595,632	£932,112	£914,872	£1,224,439	£286,066	-£33,175
	40%	£613,095	£942,257	£917,244	£1,212,176	£318,163	£14,015
70%/30% split	50%	£648,022	£962,549	£921,986	£1,187,649	£382,359	£108,394
80%/20%	50%	£624,117	£928,702	£877,574	£1,123,351	£378,340	£124,883
90%/10%	50%	£600,212	£894,854	£833,162	£1,059,052	£374,322	£141,373

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£410,340	-£72,368	-£91,803	£213,632	-£740,769	-£1,081,523
60/40%	50%	-£530,160	-£193,432	-£223,429	£62,119	-£839,145	-£1,157,786
	35%	-£361,985	-£25,506	-£42,745	£266,821	-£693,884	-£1,039,566
	40%	-£455,778	-£121,835	-£146,849	£148,082	-£775,096	-£1,104,394
70%/30% split	50%	-£649,980	-£314,495	-£355,266	-£89,395	-£937,522	-£1,234,050
80%/20%	50%	-£769,799	-£440,908	-£495,386	-£240,908	-£1,035,898	-£1,310,313
90%/10%	50%	-£889,620	-£571,449	-£637,319	-£393,365	-£1,134,275	-£1,386,576

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	£483,580	£817,993	£798,560	£1,102,864	£178,145	-£136,836
60/40%	50%	£459,675	£784,146	£754,147	£1,039,576	£174,126	-£120,346
	35%	£383,381	£719,861	£702,621	£1,012,188	£73,815	-£245,426
	40%	£400,844	£730,006	£704,993	£999,925	£105,912	-£198,236
70%/30% split	50%	£435,771	£750,298	£709,735	£975,398	£170,108	-£103,857
80%/20%	50%	£411,866	£716,451	£665,323	£911,100	£166,089	-£87,368
90%/10%	50%	£387,961	£682,603	£620,911	£846,801	£162,071	-£70,878

EUV:	
B8	355 sqm
Rent	£54 per sqm
Yield	9.0%
Capital value	£ 212,290

Site 8

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£22,681	£227,116	£163,504	£344,634	-£213,516	-£407,155
60/40%	50%	-£67,389	£177,789	£107,687	£278,793	-£246,739	-£427,813
	35%	£6,723	£256,195	£193,942	£376,435	-£185,488	-£381,728
	40%	-£32,720	£213,631	£147,069	£321,986	-£216,846	-£403,974
70%/30% split	50%	-£112,516	£127,721	£51,782	£211,988	-£279,963	-£448,470
80%/20%	50%	-£157,643	£77,653	-£4,882	£144,858	-£313,186	-£469,127
90%/10%	50%	-£203,035	£27,056	-£61,589	£77,021	-£346,410	-£489,785

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£712,564	£954,096	£891,557	£1,070,550	£533,571	£354,578
60/40%	50%	£741,209	£976,661	£908,548	£1,075,887	£573,869	£406,530
	35%	£621,304	£864,098	£802,717	£984,131	£439,889	£257,897
	40%	£670,821	£909,141	£843,658	£1,016,496	£497,982	£325,145
70%/30% split	50%	£769,854	£999,225	£925,540	£1,081,225	£614,169	£458,483
80%/20%	50%	£798,499	£1,021,791	£942,531	£1,086,562	£654,467	£510,436
90%/10%	50%	£827,145	£1,044,355	£959,522	£1,091,899	£694,767	£562,389

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£230 sq ft**	**£242 sq ft**	**£253 sq ft**	**£276 sq ft**	**£207 sq ft**	**£184 sq ft**
50%/50%	50%	-£817,881	-£568,084	-£631,696	-£450,566	-£1,008,716	-£1,202,355
60/40%	50%	-£862,589	-£617,411	-£687,513	-£516,407	-£1,041,939	-£1,223,013
	35%	-£788,477	-£539,005	-£601,258	-£418,765	-£980,688	-£1,176,928
	40%	-£827,920	-£581,569	-£648,131	-£473,214	-£1,012,046	-£1,199,174
70%/30% split	50%	-£907,716	-£667,479	-£743,418	-£583,212	-£1,075,163	-£1,243,670
80%/20%	50%	-£952,843	-£717,547	-£800,082	-£650,342	-£1,108,386	-£1,264,327
90%/10%	50%	-£998,235	-£768,144	-£856,789	-£718,179	-£1,141,610	-£1,284,985

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£230 sq ft**	**£242 sq ft**	**£253 sq ft**	**£276 sq ft**	**£207 sq ft**	**£184 sq ft**
50%/50%	50%	-£82,636	£158,896	£96,357	£275,350	-£261,629	-£440,622
60/40%	50%	-£53,991	£181,461	£113,348	£280,687	-£221,331	-£388,670
	35%	-£173,896	£68,898	£7,517	£188,931	-£355,311	-£537,303
	40%	-£124,379	£113,941	£48,458	£221,296	-£297,218	-£470,055
70%/30% split	50%	-£25,346	£204,025	£130,340	£286,025	-£181,031	-£336,717
80%/20%	50%	£3,299	£226,591	£147,331	£291,362	-£140,733	-£284,764
90%/10%	50%	£31,945	£249,155	£164,322	£296,699	-£100,433	-£232,811

EUV:			
Industrial use	1988 sqm	Resi (social hsg)	1350 sqm
Rent	£40 per sqm	Rent	
Yield	10.0%	Yield	
Capital value	£ 795,200	Capital value	£ -
Total EUV	£ 795,200		

LA owned site, units currently empty

Social rented units assumed to transfer at nil value to acquiring RSL

Site 9

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£268,440	-£121,790	-£143,556	-£19,672	-£393,324	-£518,208
60/40%	50%	-£304,006	-£161,419	-£187,247	-£70,688	-£420,766	-£537,525
	35%	-£249,581	-£102,074	-£122,983	£1,955	-£376,179	-£502,778
	40%	-£279,578	-£135,065	-£158,969	-£39,265	-£400,188	-£520,798
70%/30% split	50%	-£339,573	-£201,048	-£230,940	-£122,306	-£448,207	-£556,840
80%/20%	50%	-£375,140	-£240,678	-£274,631	-£174,123	-£475,648	-£576,156
90%/10%	50%	-£410,706	-£280,306	-£318,323	-£225,940	-£503,090	-£595,472

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£175,395	£319,743	£298,264	£421,132	£52,526	-£70,485
60/40%	50%	£183,558	£323,907	£298,428	£413,297	£68,690	-£46,179
	35%	£121,910	£267,089	£246,441	£370,971	-£2,620	-£127,969
	40%	£145,181	£287,416	£263,825	£382,467	£26,538	-£92,446
70%/30% split	50%	£191,722	£328,071	£298,592	£405,461	£84,853	-£22,015
80%/20%	50%	£199,887	£332,235	£298,756	£397,626	£101,017	£2,148
90%/10%	50%	£208,051	£336,400	£298,920	£389,791	£117,181	£26,312

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£260 sq ft**	**£273 sq ft**	**£286 sq ft**	**£312 sq ft**	**£234 sq ft**	**£208 sq ft**
50%/50%	50%	-£478,099	-£331,449	-£353,215	-£229,331	-£602,983	-£727,867
60/40%	50%	-£513,665	-£371,078	-£396,906	-£280,347	-£630,425	-£747,184
	35%	-£459,240	-£311,733	-£332,642	-£207,704	-£585,838	-£712,437
	40%	-£489,237	-£344,724	-£368,628	-£248,924	-£609,847	-£730,457
70%/30% split	50%	-£549,232	-£410,707	-£440,599	-£331,965	-£657,866	-£766,499
80%/20%	50%	-£584,799	-£450,337	-£484,290	-£383,782	-£685,307	-£785,815
90%/10%	50%	-£620,365	-£489,965	-£527,982	-£435,599	-£712,749	-£805,131

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£260 sq ft**	**£273 sq ft**	**£286 sq ft**	**£312 sq ft**	**£234 sq ft**	**£208 sq ft**
50%/50%	50%	-£34,264	£110,084	£88,605	£211,473	-£157,133	-£280,144
60/40%	50%	-£26,101	£114,248	£88,769	£203,638	-£140,969	-£255,838
	35%	-£87,749	£57,430	£36,782	£161,312	-£212,279	-£337,628
	40%	-£64,478	£77,757	£54,166	£172,808	-£183,121	-£302,105
70%/30% split	50%	-£17,937	£118,412	£88,933	£195,802	-£124,806	-£231,674
80%/20%	50%	-£9,772	£122,576	£89,097	£187,967	-£108,642	-£207,511
90%/10%	50%	-£1,608	£126,741	£89,261	£180,132	-£92,478	-£183,347

EUV:			
Garage	100 sqm	Forecourt	251 sqm
Rent	£108 per sqm	Rent	£32 per sqm
Yield	9.0%	Yield	9.0%
Capital value	£ 119,600	Capital value	£ 90,059
Total EUV	£ 209,659		

Site 10

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£522,052	-£333,205	-£368,715	-£215,379	-£675,388	-£828,724
60/40%	50%	-£565,721	-£381,863	-£422,362	-£279,002	-£709,081	-£852,441
	35%	-£497,185	-£307,286	-£341,744	-£186,302	-£652,626	-£808,067
	40%	-£534,587	-£348,364	-£386,499	-£238,409	-£682,675	-£830,764
70%/30% split	50%	-£609,391	-£430,521	-£476,008	-£342,623	-£742,775	-£876,158
80%/20%	50%	-£653,060	-£479,178	-£529,653	-£406,246	-£776,467	-£899,874
90%/10%	50%	-£696,730	-£527,837	-£583,299	-£469,868	-£810,161	-£923,592

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£25,829	£211,715	£176,691	£327,553	-£125,661	-£278,997
60/40%	50%	£35,854	£216,827	£176,893	£317,932	-£105,503	-£248,862
	35%	-£38,158	£148,747	£114,745	£267,646	-£192,425	-£347,866
	40%	-£10,146	£173,145	£135,528	£281,201	-£156,731	-£304,821
70%/30% split	50%	£45,877	£221,940	£177,095	£308,312	-£85,344	-£218,729
80%/20%	50%	£55,902	£227,053	£177,297	£298,691	-£65,493	-£188,594
90%/10%	50%	£65,925	£232,166	£177,498	£289,070	-£45,647	-£158,460

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	**£260 sq ft**	**£273 sq ft**	**£286 sq ft**	**£312 sq ft**	**£234 sq ft**	**£208 sq ft**	**£208 sq ft**
50%/50%	50%	-£1,055,946	-£867,099	-£902,609	-£749,273	-£1,209,282	-£1,362,618
60/40%	50%	-£1,099,615	-£915,757	-£956,256	-£812,896	-£1,242,975	-£1,386,335
	35%	-£1,031,079	-£841,180	-£875,638	-£720,196	-£1,186,520	-£1,341,961
	40%	-£1,068,481	-£882,258	-£920,393	-£772,303	-£1,216,569	-£1,364,658
70%/30% split	50%	-£1,143,285	-£964,415	-£1,009,902	-£876,517	-£1,276,669	-£1,410,052
80%/20%	50%	-£1,186,954	-£1,013,072	-£1,063,547	-£940,140	-£1,310,361	-£1,433,768
90%/10%	50%	-£1,230,624	-£1,061,731	-£1,117,193	-£1,003,762	-£1,344,055	-£1,457,486

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	**£260 sq ft**	**£273 sq ft**	**£286 sq ft**	**£312 sq ft**	**£234 sq ft**	**£208 sq ft**	**£208 sq ft**
50%/50%	50%	-£508,065	-£322,179	-£357,203	-£206,341	-£659,555	-£812,891
60/40%	50%	-£498,040	-£317,067	-£357,001	-£215,962	-£639,397	-£782,756
	35%	-£572,052	-£385,147	-£419,149	-£266,248	-£726,319	-£881,760
	40%	-£544,040	-£360,749	-£398,366	-£252,693	-£690,625	-£838,715
70%/30% split	50%	-£488,017	-£311,954	-£356,799	-£225,582	-£619,238	-£752,623
80%/20%	50%	-£477,992	-£306,841	-£356,597	-£235,203	-£599,387	-£722,488
90%/10%	50%	-£467,969	-£301,728	-£356,396	-£244,824	-£579,541	-£692,354

EUV:			
Kitch showroom	307 sqm	Warehouse	189 sqm
Rent	£97 per sqm	Rent	£97 per sqm
Yield	9.0%	Yield	9.0%
Capital value	£ 330,455	Capital value	£ 203,440
Total EUV	£ 533,894		

Site 11

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£13,649	£129,243	£125,135	£259,954	-£149,674	-£290,735
60/40%	50%	-£64,976	£73,527	£64,772	£190,814	-£192,890	-£324,773
	35%	£7,263	£151,067	£147,924	£284,566	-£130,016	-£273,014
	40%	-£33,926	£106,649	£100,086	£230,269	-£165,380	-£301,613
70%/30% split	50%	-£116,908	£17,812	£4,410	£121,674	-£236,107	-£358,813
80%/20%	50%	-£169,039	-£37,903	-£55,952	£52,533	-£279,323	-£392,851
90%/10%	50%	-£221,172	-£93,826	-£116,821	-£16,607	-£322,540	-£426,890

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£356,222	£498,400	£494,698	£612,845	£221,403	£82,619
60/40%	50%	£341,128	£479,223	£470,876	£583,496	£215,087	£85,338
	35%	£316,898	£460,702	£457,559	£587,709	£180,255	£39,593
	40%	£319,943	£460,518	£453,955	£576,718	£189,760	£55,748
70%/30% split	50%	£326,033	£460,046	£446,746	£554,149	£208,770	£88,058
80%/20%	50%	£310,939	£440,666	£422,616	£524,801	£202,454	£90,777
90%/10%	50%	£295,845	£421,183	£398,486	£495,103	£196,137	£93,497

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£345 sq ft**	**£362 sq ft**	**£380 sq ft**	**£414 sq ft**	**£311 sq ft**	**£276 sq ft**
50%/50%	50%	-£315,878	-£172,986	-£177,094	-£42,275	-£451,903	-£592,964
60/40%	50%	-£367,205	-£228,702	-£237,457	-£111,415	-£495,119	-£627,002
	35%	-£294,966	-£151,162	-£154,305	-£17,663	-£432,245	-£575,243
	40%	-£336,155	-£195,580	-£202,143	-£71,960	-£467,609	-£603,842
70%/30% split	50%	-£419,137	-£284,417	-£297,819	-£180,555	-£538,336	-£661,042
80%/20%	50%	-£471,268	-£340,132	-£358,181	-£249,696	-£581,552	-£695,080
90%/10%	50%	-£523,401	-£396,055	-£419,050	-£318,836	-£624,769	-£729,119

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£345 sq ft**	**£362 sq ft**	**£380 sq ft**	**£414 sq ft**	**£311 sq ft**	**£276 sq ft**
50%/50%	50%	£53,993	£196,171	£192,469	£310,616	-£80,826	-£219,610
60/40%	50%	£38,899	£176,994	£168,647	£281,267	-£87,142	-£216,891
	35%	£14,669	£158,473	£155,330	£285,480	-£121,974	-£262,636
	40%	£17,714	£158,289	£151,726	£274,489	-£112,469	-£246,481
70%/30% split	50%	£23,804	£157,817	£144,517	£251,920	-£93,459	-£214,171
80%/20%	50%	£8,710	£138,437	£120,387	£222,572	-£99,775	-£211,452
90%/10%	50%	-£6,384	£118,954	£96,257	£192,874	-£106,092	-£208,732

EUV:	
Industrial use	361 sqm
Rent	£75 per sqm
Yield	9.0%
Capital value	£ 302,229

Site 12

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£238,179	£401,057	£369,794	£496,681	£107,993	-£29,112
60/40%	50%	£191,292	£350,764	£315,111	£433,738	£68,687	-£60,336
	35%	£258,612	£421,755	£391,402	£520,007	£127,192	-£11,115
	40%	£220,542	£381,326	£347,745	£470,270	£94,733	-£37,740
70%/30% split	50%	£143,819	£300,470	£260,098	£370,794	£29,003	-£91,559
80%/20%	50%	£96,208	£249,629	£204,556	£307,850	-£10,682	-£122,782
90%/10%	50%	£48,160	£198,545	£148,594	£244,421	-£50,795	-£154,332

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£608,811	£770,929	£739,665	£866,553	£481,923	£351,069
60/40%	50%	£598,881	£756,867	£721,214	£839,842	£480,253	£357,919
	35%	£568,414	£731,390	£701,038	£829,642	£439,809	£307,185
	40%	£575,260	£735,195	£701,613	£824,138	£452,734	£326,380
70%/30% split	50%	£588,949	£742,806	£702,764	£813,130	£478,584	£364,769
80%/20%	50%	£579,019	£728,745	£684,313	£786,418	£476,914	£371,619
90%/10%	50%	£569,088	£714,683	£665,863	£759,706	£475,245	£378,469

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£1,984,946	-£1,822,068	-£1,853,331	-£1,726,444	-£2,115,132	-£2,252,237
60/40%	50%	-£2,031,833	-£1,872,361	-£1,908,014	-£1,789,387	-£2,154,438	-£2,283,461
	35%	-£1,964,513	-£1,801,370	-£1,831,723	-£1,703,118	-£2,095,933	-£2,234,240
	40%	-£2,002,583	-£1,841,799	-£1,875,380	-£1,752,855	-£2,128,392	-£2,260,865
70%/30% split	50%	-£2,079,306	-£1,922,655	-£1,963,027	-£1,852,331	-£2,194,122	-£2,314,684
80%/20%	50%	-£2,126,917	-£1,973,496	-£2,018,569	-£1,915,275	-£2,233,807	-£2,345,907
90%/10%	50%	-£2,174,965	-£2,024,580	-£2,074,531	-£1,978,704	-£2,273,920	-£2,377,457

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£325 sq ft**	**£341 sq ft**	**£358 sq ft**	**£390 sq ft**	**£293 sq ft**	**£260 sq ft**
50%/50%	50%	-£1,614,314	-£1,452,196	-£1,483,460	-£1,356,572	-£1,741,202	-£1,872,056
60/40%	50%	-£1,624,244	-£1,466,258	-£1,501,911	-£1,383,283	-£1,742,872	-£1,865,206
	35%	-£1,654,711	-£1,491,735	-£1,522,087	-£1,393,483	-£1,783,316	-£1,915,940
	40%	-£1,647,865	-£1,487,930	-£1,521,512	-£1,398,987	-£1,770,391	-£1,896,745
70%/30% split	50%	-£1,634,176	-£1,480,319	-£1,520,361	-£1,409,995	-£1,744,541	-£1,858,356
80%/20%	50%	-£1,644,106	-£1,494,380	-£1,538,812	-£1,436,707	-£1,746,211	-£1,851,506
90%/10%	50%	-£1,654,037	-£1,508,442	-£1,557,262	-£1,463,419	-£1,747,880	-£1,844,656

EUV:			
Vehicle repair	1548 sqm	Forecourt	2584 sqm
Rent	£75 per sqm	Rent	£32 per sqm
Yield	9.0%	Yield	9.0%
Capital value	£ 1,295,986	Capital value	£ 927,139
Total EUV	£ 2,223,125		

Site 13

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£246,796	-£173,633	-£187,834	-£131,231	-£303,399	-£362,361
60/40%	50%	-£261,958	-£190,637	-£206,833	-£153,911	-£314,879	-£370,004
	35%	-£237,066	-£163,515	-£177,296	-£119,915	-£294,446	-£354,218
	40%	-£250,418	-£178,224	-£193,474	-£138,808	-£305,083	-£362,027
70%/30% split	50%	-£277,120	-£207,640	-£225,831	-£176,592	-£326,358	-£377,647
80%/20%	50%	-£292,282	-£224,643	-£244,829	-£199,274	-£337,837	-£385,290
90%/10%	50%	-£307,443	-£241,647	-£263,826	-£221,954	-£349,316	-£392,933

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£27,087	£44,929	£30,922	£86,613	-£83,559	-£142,521
60/40%	50%	-£20,812	£49,391	£33,421	£85,485	-£73,503	-£128,629
	35%	-£53,029	£19,512	£5,913	£62,357	-£110,409	-£170,181
	40%	-£40,101	£30,958	£15,915	£69,690	-£94,755	-£151,699
70%/30% split	50%	-£14,538	£53,853	£35,919	£84,357	-£63,447	-£114,736
80%/20%	50%	-£8,263	£58,314	£38,416	£83,228	-£53,391	-£100,844
90%/10%	50%	-£1,988	£62,776	£40,915	£82,101	-£43,335	-£86,952

RLV-EUV

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£245 sq ft**	**£257 sq ft**	**£270 sq ft**	**£294 sq ft**	**£221 sq ft**	**£196 sq ft**
50%/50%	50%	-£296,796	-£223,633	-£237,834	-£181,231	-£353,399	-£412,361
60/40%	50%	-£311,958	-£240,637	-£256,833	-£203,911	-£364,879	-£420,004
	35%	-£287,066	-£213,515	-£227,296	-£169,915	-£344,446	-£404,218
	40%	-£300,418	-£228,224	-£243,474	-£188,808	-£355,083	-£412,027
70%/30% split	50%	-£327,120	-£257,640	-£275,831	-£226,592	-£376,358	-£427,647
80%/20%	50%	-£342,282	-£274,643	-£294,829	-£249,274	-£387,837	-£435,290
90%/10%	50%	-£357,443	-£291,647	-£313,826	-£271,954	-£399,316	-£442,933

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£245 sq ft**	**£257 sq ft**	**£270 sq ft**	**£294 sq ft**	**£221 sq ft**	**£196 sq ft**
50%/50%	50%	-£77,087	-£5,071	-£19,078	£36,613	-£133,559	-£192,521
60/40%	50%	-£70,812	-£609	-£16,579	£35,485	-£123,503	-£178,629
	35%	-£103,029	-£30,488	-£44,087	£12,357	-£160,409	-£220,181
	40%	-£90,101	-£19,042	-£34,085	£19,690	-£144,755	-£201,699
70%/30% split	50%	-£64,538	£3,853	-£14,081	£34,357	-£113,447	-£164,736
80%/20%	50%	-£58,263	£8,314	-£11,584	£33,228	-£103,391	-£150,844
90%/10%	50%	-£51,988	£12,776	-£9,085	£32,101	-£93,335	-£136,952

EUV:	est
Comm Centre	sqm
Rent	£ per sqm
Yield	0.0%
Capital value	£ 50,000

Site 14

No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split	% AH	**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£104,122	-£56,869	-£65,430	-£26,738	-£142,813	-£181,505
60/40%	50%	-£114,574	-£68,631	-£78,400	-£42,226	-£150,749	-£186,923
	35%	-£98,038	-£50,509	-£58,815	-£19,794	-£137,260	-£176,483
	40%	-£107,034	-£60,470	-£69,667	-£32,299	-£144,401	-£181,769
70%/30% split	50%	-£125,027	-£80,393	-£91,371	-£57,714	-£158,684	-£192,341
80%/20%	50%	-£135,481	-£92,155	-£104,341	-£73,201	-£166,620	-£197,759
90%/10%	50%	-£145,934	-£103,917	-£117,311	-£88,689	-£174,556	-£203,178

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	£39,167	£85,678	£77,234	£115,301	£1,100	-£37,243
60/40%	50%	£42,789	£88,011	£78,377	£113,966	£7,200	-£28,529
	35%	£21,943	£68,721	£60,525	£99,108	-£16,639	-£55,715
	40%	£30,099	£75,929	£66,857	£103,616	-£6,659	-£43,748
70%/30% split	50%	£46,411	£90,344	£79,521	£112,631	£13,301	-£19,815
80%/20%	50%	£50,033	£92,677	£80,664	£111,296	£19,400	-£11,231
90%/10%	50%	£53,655	£95,010	£81,808	£109,961	£25,501	-£2,652

RLV-EUV

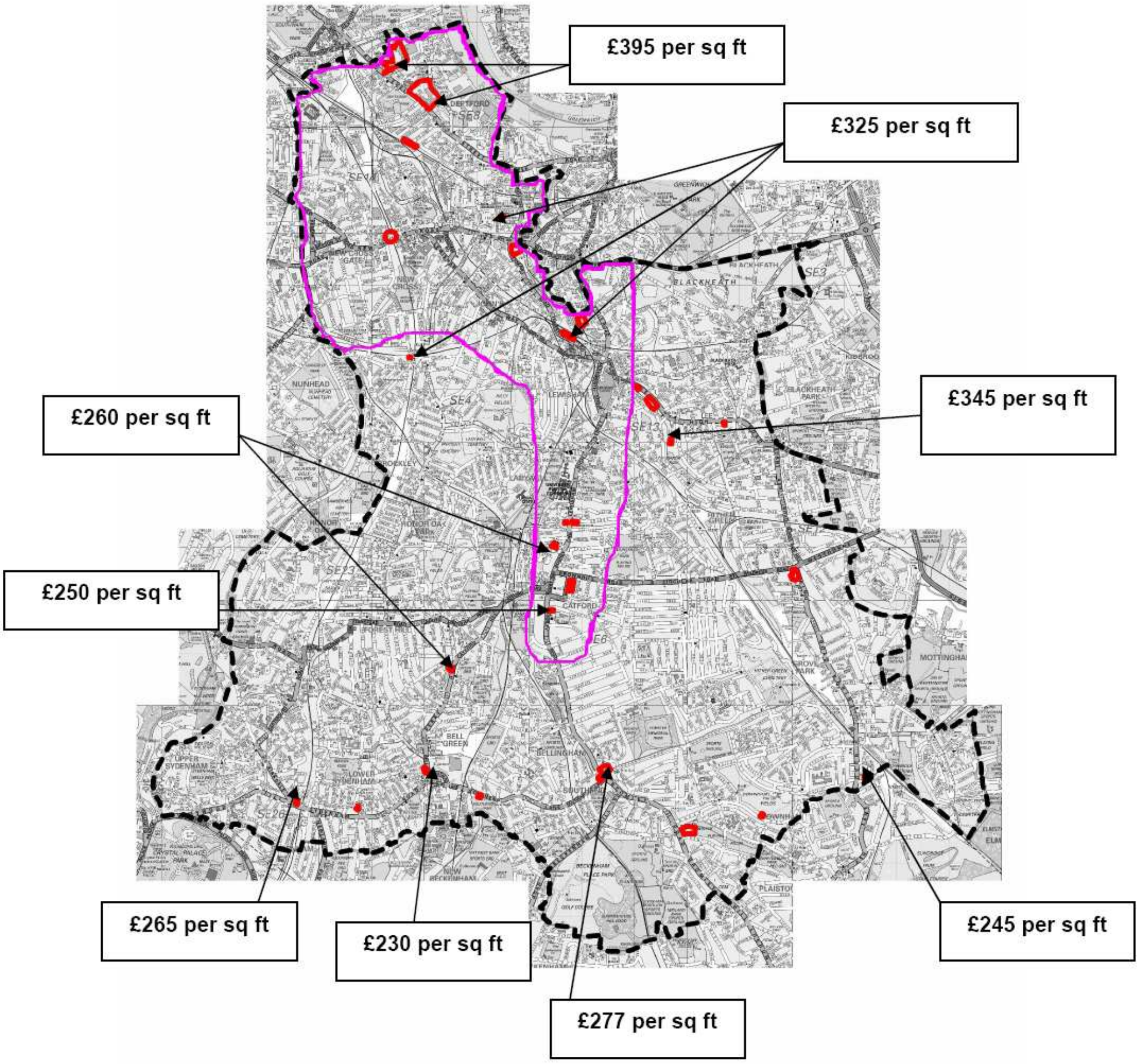
No grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£403,122	-£355,869	-£364,430	-£325,738	-£441,813	-£480,505
60/40%	50%	-£413,574	-£367,631	-£377,400	-£341,226	-£449,749	-£485,923
	35%	-£397,038	-£349,509	-£357,815	-£318,794	-£436,260	-£475,483
	40%	-£406,034	-£359,470	-£368,667	-£331,299	-£443,401	-£480,769
70%/30% split	50%	-£424,027	-£379,393	-£390,371	-£356,714	-£457,684	-£491,341
80%/20%	50%	-£434,481	-£391,155	-£403,341	-£372,201	-£465,620	-£496,759
90%/10%	50%	-£444,934	-£402,917	-£416,311	-£387,689	-£473,556	-£502,178

With grant Section 106 = £5,000		RLV	RLV with +5% sales values 5% decrease build costs	RLV with +10% increase in sales values	RLV with +20% increase in sales values	RLV with 10% decrease in sales values	RLV with 20% decrease in sales values
% Affordable housing split		**£250 sq ft**	**£263 sq ft**	**£275 sq ft**	**£300 sq ft**	**£225 sq ft**	**£200 sq ft**
50%/50%	50%	-£259,833	-£213,322	-£221,766	-£183,699	-£297,900	-£336,243
60/40%	50%	-£256,211	-£210,989	-£220,623	-£185,034	-£291,800	-£327,529
	35%	-£277,057	-£230,279	-£238,475	-£199,892	-£315,639	-£354,715
	40%	-£268,901	-£223,071	-£232,143	-£195,384	-£305,659	-£342,748
70%/30% split	50%	-£252,589	-£208,656	-£219,479	-£186,369	-£285,699	-£318,815
80%/20%	50%	-£248,967	-£206,323	-£218,336	-£187,704	-£279,600	-£310,231
90%/10%	50%	-£245,345	-£203,990	-£217,192	-£189,039	-£273,499	-£301,652

EUV:	est
4 bed house	sqm
Rent	£ per sqm
Yield	0.0%
Capital value	£ 299,000

Appendix 3 Map of sites and values

Lewisham New Build Values



Key:
Pink boundary indicates the proposed regeneration area and growth corridor