

From: Anita Gardner
Sent: 12 October 2018 15:18
To: Planning.Responses
Subject: FW: AB/36/18/PL - Blastreat / Greenhurst, Fitzalan Road, Arundel

Please treat as consultants view on viability

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Save the environment - think before you print.

From: Dan Hay [REDACTED]
Sent: 11 October 2018 10:48
To: Anita Gardner
Cc: Richard Dixon; Rob; helena; Emily Hatch
Subject: AB/36/18/PL - Blastreat / Greenhurst, Fitzalan Road, Arundel

Good Morning Anita,

Please find attached DSP's review of the submitted viability position at the above site. I have also attached our adjusted development appraisal, in both Argus developer and pdf format.

Firstly we should point out that this revised viability submission seeks to significantly adjust a number of assumptions previously put to us when we reviewed the scheme in November 2017. Although nothing has fundamentally changed in regards to the proposed development (aside from the additional unit) as far as we can see, DSP has necessarily had to acknowledge that some of these assumptions were probably pitched too low by the previous consultant. In this respect the overall approach to assessing the viability of the proposed development appears to be appropriate in our opinion. Although a number of the assumptions appear fair at this stage, there are aspects that we have queried or where a difference of opinion exists. These are as follows:

- Benchmark Land Value – suggest downwards adjustment
- Sales Values – suggest upward adjustment
- Ground rents – suggested upwards adjustment
- Finance & Development timings– suggest adjustment

- Build Costs – suggested downwards adjustment in line with latest BCIS figures
- Empty Property Costs – suggested downwards adjustment
- Profit – suggest downward adjustment

These changes increase the Residual Land Value (RLV) to £1,846,881 an improvement to the presented residual value of approximately +£1,566,529. When compared to our adjusted Benchmark Land Value (BLV) figure of £1.25m this results in a surplus of +£596,881 which could be put towards affordable housing. Overall therefore, at this stage it is not possible for us to agree with an approach which provides a nil affordable housing contribution.

I trust the above is clear, however should you have any further queries in this regard, please do not hesitate to contact me.

Best regards,

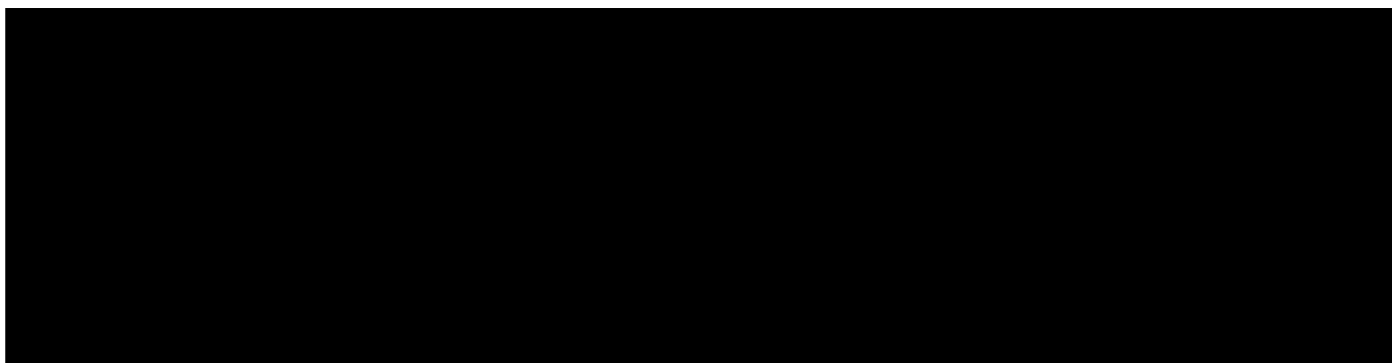
Dan Hay BSc (Hons) AssocRTPI – Senior Consultant



Local Plan Viability | CIL Economic Viability | Affordable Housing Viability | Strategic & Site Specific Viability

We are currently recruiting – Planning, Housing, s.106/CIL or Property/Development experience sought. Please contact Rob or Richard for more information

Please note DSP have moved to new offices at Elm House, Tanshire Park, Shackelford Road, Elstead, Surrey, GU8 6LB



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