

# Aviv Property Development Ltd

## Report for Breams Development



**June 2021**

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## **1. Planning:**

The property was purchased with planning for 8 units in place, the pack contained RIBA Stage 3 drawings including a full structural pack.

Planning permission was submitted to achieve extra floors and create 9 units, determination date was set as 4th May but has now been extended.

After a detailed review of changes that planning would bring to height of building and changes to layout, coupled with changes to Building Control and Fire Officer approaches, it was advised that a full review of the construction, structural plan, internal structures, and foundation works be undertaken. Trial pits were dug to basement at current level to assess depth of foundations and understand the extend of the underpinning required. A further investigation of the half level lower ground floor is still required to understand underpinning to rear left side extension.

A review of structural plan identified that the level of underpinning, steel frame and temporary works could be reduced. A new structural plan from ground floor up has been completed, this will allow for steels to be inserted into the party walls at each floor and create a deck to work from allowing works to upper floors to continue while excavation and underpinning the basement. Basement plan will be finalized once the area to the left rear has been dug up and levels of foundations assessed in full.

## **2. Party Wall Agreements with Neighbors:**

Construction within 6m of a party wall, underpinning or cutting into the party walls, or potential increase of loads requires notification and awards, these had to be updated based on the revised plans and have been submitted to the appointed surveyors for the neighbors. They have all engaged a checking engineer to review the proposed structural pack and we await comments and responses.

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## **3. Site Progress:**

Works have begun on site, although limited until the party wall matters are agreed with the neighbors (expected soon).

Application has been made to City of London for Hoarding and scaffold licenses.

Scaffold plan is being drawn up and will need to wait for erection until building No. 4 has removed their scaffold.

## **4. Design Update:**

Flat layouts have revised based on plans provided by Elca Design, to ensure maximum use of space and potential of achieving best value.

Louise Est has provided a finishes spec based on these drawings. The fire consultant has reviewed and commented, and the layouts will need to be revised based on these.

## **5. Planning Conditions:**

The planning conditions under the previous permission have all been discharged.

## **6. Contract Documentation:**

The solicitors have drafted the contract based on JCT Standard Building Contract Without Quantities 2016 with amendments with contractor having lead design role excluding the basement. Comments are being reviewed.

## **7. Corona:**

British Prime Minister Boris Johnson has delayed plans to remove England's final COVID-19 restrictions to next month (July) as the Delta variant continues to spread throughout the country.

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June 2021 was due to see the lifting of the final set of social restrictions and allow the reopening of nightclubs, theatres, and the full reopening of other hospitality venues.

More than 41 million people have now had their first shot of the COVID-19 vaccination in the UK, and nearly 30 million have had their second, which is nearly 57% of the adult population.

## 8. Costs:

The equity will be increased by 50,000 GBP to support additional costs for the new planning.

## 9. Budget 30/03/2021:

|  |            |          | Budget            | Paid              | Balance           | ratio       |
|--|------------|----------|-------------------|-------------------|-------------------|-------------|
| <b>Purchase Price</b>                        |            |          | <b>£4,650,000</b> | <b>£4,650,000</b> | <b>£0</b>         | <b>100%</b> |
| SDLT   | 5.8%       | £268,500 |                   | £172,000          | £96,500           | 64%         |
| Broker                                       | 2.0%       | £93,000  |                   | £93,000           | £0                | 100%        |
| Due Diligence/Surveys                        | 2.0%       | £93,000  |                   | £93,000           | £0                | 100%        |
| Legals, valuations, planning, initiation fee | 2.0%       | £93,000  |                   | £93,000           | £0                | 100%        |
| VAT loan interest                            | 0.8%       | £37,200  |                   | £18,950           | £18,250           | 51%         |
| <b>Purchase Costs Subtotal</b>               |            |          | <b>£584,700</b>   | <b>£469,951</b>   | <b>£114,749</b>   |             |
| <b>Construction Costs</b>                    | GIA        | per sqft |                   |                   |                   |             |
| Hard costs                                   | 8,636 sqft | £304     | £2,625,344        | £0                | £2,625,344        | 0%          |
| <b>Construction Subtotal</b>                 |            |          | <b>£2,625,344</b> |                   |                   |             |
| Contingency                                  | 7.0%       | £183,774 |                   | £71,419           | £112,355          | 39%         |
| Project management                           | 4.0%       | £105,014 |                   | £28,019           | £76,995           | 27%         |
| Professional Fees (inc QS)                   | 2.0%       | £52,507  |                   | £19,568           | £32,939           | 37%         |
| Utilities                                    | 2.0%       | £52,507  |                   | £45,170           | £7,337            | 86%         |
| Building Warranties                          | 1.0%       | £26,253  |                   | £0                | £26,253           | 0%          |
| Quantitative surveyor                        | 1.0%       | £26,253  |                   | £1,000            | £25,253           | 4%          |
| M & E Designer                               | 1.0%       | £26,253  |                   | £0                | £26,253           | 0%          |
| CIL  |            | £133     | £43,772           | £0                | £43,772           | 0%          |
| <b>Construction Soft Costs Subtotal</b>      |            |          | <b>£516,334</b>   |                   |                   |             |
| <u>New planning:</u>                         |            |          |                   |                   |                   |             |
| Construction costs, planning and others      |            |          | £564,234          | £125,212          | £439,023          | 22%         |
| <b>New Planning Subtotal</b>                 |            |          | <b>£564,234</b>   |                   |                   |             |
| <b>Total Construction Cost</b>               |            |          | <b>£3,706,000</b> |                   |                   |             |
| <b>Total Costs</b>                           |            |          | <b>£8,940,700</b> | <b>£5,410,338</b> | <b>£3,530,362</b> | <b>61%</b>  |