

# Aviv Property Development Ltd

## Breams Development - Report Q3 2021



**December 2021**

First Floor Winston House, 349 Regent's Park Road, London, U.K. N3 1DH

# Aviv Property Development Ltd

## **1. New Planning Permission:**

We are pleased to inform that we got the PLANNING PERMISSION (Attached) from Common Council of the City of London dated 29/11/2021 approving: "Part demolition and extension of the existing building, associated with change of use from Office (Class E) to Residential Units (Class C3), including extensions to lower ground, ground, first, second and third floors, new fourth, fifth and sixth floors with a roof terrace above, for the creation of 9 residential units with cycle parking, ground floor waste store, plant areas, and other associated works."

The previous planning was for 8 residential units with 8,639 sqft gross area.

The new planning is for 9 residential units with 9,687 sqft gross area.

This new planning raises the expected ROE from 76% (original business plan) to at least 83% or even more.

## **2. Planning Conditions:**

The new planning includes various planning conditions.

SKA Architects have already begun working through the list of conditions. Relevant consultants have been approached and fee quoted, and time frames requested.

It will take a few weeks to prepare all advisor reports required and to submit it all to the council for approval.

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

Party Wall Agreements are in the process of being finalized with adjoining owners for the above-ground element of the previously consented scheme.

All outstanding queries from the adjoining owners have been responded to, and Awards are expected in the coming weeks.

New Awards will need to be negotiated to cover the newly consented scheme.

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This will be actioned as soon as the structural pack for this scheme has been finalized.

## **4. Design Update:**

Fire consultant and Building Control have commented in detail on proposed layouts. Layouts have now been reviewed and re-submitted. Louise Est (internal designer) has produced a revised specification pack. M&E Engineers, Architect and Structural Engineers are reviewing final pack to enable Crownage to review their pricing in line with changes and current pricing.

## **5. Refinancing:**

Now that we got the new planning permission in place, we would refinance the existing development loan into a new development loan to include the new planning.

We are expecting a reduction in the finance costs to about 6% interest rate.

## **6. Corona Virus in the UK:**

Total of coronavirus cases - 9,845,492

New cases per day (21/11/2021) - 40,004

The UK government has consistently said there are no plans for another lockdown in England.

### Vaccinations:

More than 50 million people have had at least one vaccine dose - about 75% of the population.

More than 46 million are fully vaccinated - about 69%.

### Impact on the real estate market:

Annual house price growth remained elevated at 9.9% in October.

Prices up 0.7% month-on-month.

Average property price up by more than £30k since the pandemic struck.

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Headlines	Oct-21	Sep-21
Monthly Index*	497.8	494.6
Monthly Change*	0.7%	0.2%
Annual Change	9.9%	10.0%
Average Price (not seasonally adjusted)	£250,311	£248,742

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## 7. Pictures:





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## 8. Budget 30/09/2021:

		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	£27,651	£2,597,693	1%
<b>Construction Subtotal</b>			<b>£2,625,344</b>			
Contingency	7.0%	£183,774		£81,144	£102,630	44%
Project management	4.0%	£105,014		£62,769	£42,245	60%
Professional Fees (inc QS)	2.0%	£52,507		£54,628	-£2,121	104%
Utilities	2.0%	£52,507		£46,660	£5,846	89%
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>						
<u>Construction costs, planning and others</u>		<u>£564,234</u>		<u>£125,212</u>	<u>£439,023</u>	<u>22%</u>
<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>£5,519,014</b>	<b>£3,421,686</b>	<b>62%</b>
<b>Cost of Finance (interest/fees)</b>			<b>£722,000</b>	<b>£343,430</b>	<b>£378,570</b>	<b>48%</b>

## Environment Department

Juliemma McLoughlin

Executive Director Environment



Jones Lang LaSalle Limited  
Attn: Mr Max Cartwright  
30 Warwick Street  
London  
W1B 5NH

**Telephone** 020 7332

**Fax** 020 7332 1806

**Email**

Hibaaq.Gelleh@cityoflondon.gov.uk

**Your ref** 6 Breams Building - Full Plan...

**Our ref** 21/00175/FULL

**Case Officer**

Hibaaq Gelleh

**Date** 29 November 2021

## Town and Country Planning Act 1990

### PLANNING PERMISSION FOR DEVELOPMENT (CONDITIONAL)

The Common Council of the City of London hereby permits the development referred to in the schedule below in accordance with the plans submitted and subject to the conditions set out therein. Your attention is drawn to the Statement of Applicant's Rights enclosed.

#### SCHEDULE

Application Number: **21/00175/FULL**

Location: **6 Bream's Buildings London EC4A 1HP**

Proposal: **Part demolition and extension of the existing building, associated with change of use from Office (Class E) to Residential Units (Class C3), including extensions to lower ground, ground, first, second and third floors, new fourth, fifth and sixth floors with a roof terrace above, for the creation of 9 residential units with cycle parking, ground floor waste store, plant areas, and other associated works.**

#### CONDITIONS

- 1 The development hereby permitted shall be begun before the expiration of three years from the date of this permission.  
REASON: To ensure compliance with the terms of Section 91 of the Town and Country Planning Act 1990.

City of London PO Box 270, Guildhall, London EC2P 2EJ

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- 2 Before any works thereby affected are begun the following details shall be submitted to and approved in writing by the Local Planning Authority and all works pursuant to this consent shall be carried out in accordance with the approved details:
- a) particulars and samples of the materials to be used on all external faces of the building including external ground and upper level surfaces;
  - b) details of the proposed new facade(s) including typical details of the fenestration with dimensions, details of new dormer windows; brickwork, and entrances; details of the flank wall(s) of the proposed new building;
  - c) typical details of stonework and stone detailing;
  - d) details of ground floor elevations;
  - f) details of all alterations to the existing facade; details of new work and work in making good to the retained fabric of the building;
  - g) details of junctions with adjoining premises;
  - h) details of the integration of plant, flues, fire escapes and other excrescences at roof level;
  - i) details of plant and ductwork to serve the premises.

REASON: To ensure the protection of the special architectural or historic interest of the building in accordance with the following policy of the Local Plan: DM12.3.

- 3 There shall be no demolition on the site until a scheme for protecting nearby residents and commercial occupiers from noise, dust and other environmental effects has been submitted to and approved in writing by the Local Planning Authority. The scheme shall be based on the Department of Markets and Consumer Protection's Code of Practice for Deconstruction and Construction Sites and arrangements for liaison and monitoring (including any agreed monitoring contribution) set out therein. A staged scheme of protective works may be submitted in respect of individual stages of the demolition process but no works in any individual stage shall be commenced until the related scheme of protective works has been submitted to and approved in writing by the Local Planning Authority. The demolition shall not be carried out other than in accordance with the approved scheme (including payment of any agreed monitoring contribution)
- REASON: In the interests of public safety and to ensure a minimal effect on the amenities of neighbouring premises and the transport network in accordance with the following policies of the Local Plan: DM15.6, DM15.7, DM21.3. These details are required prior to demolition in order that the impact on amenities is minimised from the time that development starts.

- 4 There shall be no construction on the site until a scheme for protecting nearby residents and commercial occupiers from noise, dust and other environmental effects during construction has been submitted to and approved in writing by the Local Planning Authority. The scheme shall be based on the Department of Markets and Consumer Protection's Code of Practice for Deconstruction and Construction Sites and arrangements for liaison and monitoring (including any agreed monitoring contribution) set out therein. A staged scheme of protective works may be submitted in respect of individual stages of the construction process but no works in any individual stage shall be commenced until the related scheme of protective works has been submitted to and approved in writing by the Local Planning Authority. The development shall not be carried out other than in

accordance with the approved scheme (including payment of any agreed monitoring contribution)

REASON: In the interests of public safety and to ensure a minimal effect on the amenities of neighbouring premises and the transport network in accordance with the following policies of the Local Plan: DM15.6, DM15.7, DM21.3. These details are required prior to demolition in order that the impact on amenities is minimised from the time that the construction starts.

- 5 Before any works including demolition are begun a survey of the highways and other land at the perimeter of the site shall be carried out and submitted to the Local Planning Authority showing the existing Ordnance Datum levels of the adjoining streets and open spaces.

REASON: To ensure continuity between the level of existing streets and the finished floor levels in the proposed building and to ensure a satisfactory treatment at ground level in accordance with the following policies of the Local Plan: DM10.8, DM16.2. These details are required prior to commencement in order to create a record of the conditions prior to changes caused by the development.

- 6 Construction works shall not begin until a Construction Logistics Plan to manage all freight vehicle movements to and from the site during construction of the development has been submitted to and approved in writing by the Local Planning Authority. The Construction Logistics Plan shall be completed in accordance with the Mayor of London's Construction Logistics Plan Guidance dated July 2017, and shall specifically address the safety of vulnerable road users through compliance with the Construction Logistics and Community Safety (CLOCS) Standard. The Plan must demonstrate how Work Related Road Risk is to be managed. The development shall not be carried out otherwise than in accordance with the approved Construction Logistics Plan or any approved amendments thereto as may be agreed in writing by the Local Planning Authority.

REASON: To ensure that construction works do not have an adverse impact on public safety and the transport network in accordance with London Plan Policy 6.14 and the following policies of the Local Plan: DM15.6, DM16.1. These details are required prior to construction work commencing in order that the impact on the transport network is minimised from the time that construction starts.

- 7 Demolition works shall not begin until a Deconstruction Logistics Plan to manage all freight vehicle movements to and from the site during deconstruction of the existing building(s) has been submitted to and approved in writing by the Local Planning Authority. The Deconstruction Logistics Plan shall be completed in accordance with the Mayor of London's Construction Logistics Plan Guidance dated July 2017, and shall specifically address the safety of vulnerable road users through compliance with the Construction Logistics and Community Safety (CLOCS) Standard. The Plan must demonstrate how Work Related Road Risk is to be managed. The demolition shall not be carried out otherwise than in accordance with the approved Deconstruction Logistics Plan or any approved amendments thereto as may be agreed in writing by the Local Planning Authority.

REASON: To ensure that demolition works do not have an adverse impact on public safety and the transport network in accordance with London Plan Policy 6.14 and the following

policies of the Local Plan: DM15.6, DM16.1. These details are required prior to demolition work commencing in order that the impact on the transport network is minimised from the time that demolition starts.

- 8 All residential premises in the development shall be designed and constructed to attain the following internal noise levels:  
Bedrooms- 30dB LAeq,T\* and 45dB LAmax  
Living rooms- 30dB LAeq, T\*  
\*T- Night-time 8 hours between 23:00-07:00 and daytime 16 hours between 07:00-23:00.

A test shall be carried out after completion but prior to occupation to show that the criteria above have been met and the results must be submitted to and approved in writing by the Local Planning Authority prior to occupation of any part of the building.

REASON: To ensure that the occupiers and users of the proposed development do not suffer a loss of amenity by reason of excess noise from environmental and transportation sources in accordance with the Local Plan: DM21.3 and D21.5.

- 9 Unless otherwise agreed in writing with the Local Planning Authority, an archaeological watching brief shall be carried out in accordance with the 'Archaeological Watching Brief, Archaeological Project Design', Pre-Construct Archaeology, June 2018, hereby approved. This shall include all on site work, including details of any temporary works which may have an impact on the archaeology of the site and all off site work such as the analysis, publication and archiving of the results. All works shall be carried out and completed as approved.  
REASON: In order to allow an opportunity for investigations to be made in an area where remains of archaeological interest are understood to exist in accordance with the following policy of the Local Plan: DM12.4

- 10 Prior to construction of the development (excluding demolition) a Fire Statement shall be submitted to and approved by the Local Planning Authority to demonstrate how the proposals respond to and contain information on the requirements of part A of London Plan Policy D12 Fire Safety. The development must be carried out in accordance with the provisions of the approved Fire Statement.

Reason: To ensure that the development incorporates the necessary fire safety measures in accordance with the Mayor's London Plan Policy D12.

- 11 Unless otherwise approved in writing by the Local Planning Authority, the foundations, underpinning and piling configuration shall be constructed in accordance with the details set out in the Structural Report, July 2018, hereby approved.  
REASON: To ensure that the archaeology of the site is protected in accordance with the following policy of the Local Plan: DM12.4.

- 12 Details of the position and size of the green roof(s), the type of planting and the contribution of the green roof(s) to biodiversity and rainwater attenuation shall be

submitted to and approved in writing by the local planning authority before any works thereby affected are begun. The development shall be carried out in accordance with those approved details and maintained as approved for the life of the development unless otherwise approved by the local planning authority.

REASON: To assist the environmental sustainability of the development and provide a habitat that will encourage biodiversity in accordance with the following policies of the Local Plan: DM18.2, DM19.2.

- 13 (a) The level of noise emitted from any new plant shall be lower than the existing background level by at least 10 dBA. Noise levels shall be determined at one metre from the window of the nearest noise sensitive premises. The background noise level shall be expressed as the lowest LA90 (10 minutes) during which plant is or may be in operation.

(b) Following installation but before the new plant comes into operation measurements of noise from the new plant must be taken and a report demonstrating that the plant as installed meets the design requirements shall be submitted to and approved in writing by the Local Planning Authority.

(c) All constituent parts of the new plant shall be maintained and replaced in whole or in part as often is required to ensure compliance with the noise levels approved by the Local Planning Authority.

REASON: To protect the amenities of neighbouring residential/commercial occupiers in accordance with the following policies of the Local Plan: DM15.7, DM21.3.

- 14 Details of a Servicing Management Plan demonstrating the arrangements for control of the arrival and departure of vehicles servicing the premises shall be submitted to and approved in writing by the Local Planning Authority prior to the first occupation of the development hereby permitted. The building facilities shall thereafter be operated in accordance with the approved Servicing Management Plan (or any amended Servicing Management Plan that may be approved from time to time by the Local Planning Authority) for the life of the building.

REASON: To ensure that the development does not have an adverse impact on the free flow of traffic in surrounding streets in accordance with the following policy of the Local Plan: DM16.1.

- 15 Refuse storage and collection facilities shall:(a) be provided within the curtilage of the site to serve each part of the development in accordance with details which must be submitted to and approved in writing by the Local Planning Authority prior to work commencing; and(b) thereafter be maintained as approved throughout the life of the building.

REASON: To ensure the satisfactory servicing of the building in accordance with the following policy of the Local Plan: DM17.1. These details are required prior to commencement in order that any changes to satisfy this condition are incorporated into the development before the design is too advanced to make changes.

- 16 All new work and work in making good shall match the existing adjacent work with regard to the methods used and to materials, colour, texture and profile, unless shown otherwise on the drawings or other documentation hereby approved or required by any condition(s) attached to this permission.

REASON: To ensure a satisfactory external appearance in accordance with the following policy of the Local Plan: DM10.1.

- 17 No amplified or other music shall be played on the roof terraces.

REASON: To safeguard the amenity of the adjoining premises and the area generally in accordance with the following policies of the Local Plan: DM15.7, DM21.3.

- 18 The roof terraces on level 7 hereby permitted shall not be used or accessed between the hours of 23.00 on one day and 07.00 on the following day.

REASON: To safeguard the amenity of the adjoining premises and the area generally in accordance with the following policies of the Local Plan: DM15.7, DM21.3.

- 19 Permanently installed pedal cycle racks shall be provided and maintained on the site throughout the life of the building sufficient to accommodate a minimum of 17 pedal cycles. The cycle parking provided on the site must remain ancillary to the use of the building and must be available at all times throughout the life of the building for the sole use of the occupiers thereof and their visitors without charge to the individual end users of the parking.

REASON: To ensure provision is made for cycle parking and that the cycle parking remains ancillary to the use of the building and to assist in reducing demand for public cycle parking in accordance with the following policy of the Local Plan: DM16.3.

- 20 No live or recorded music shall be played on the terrace.

REASON: To safeguard the amenity of the adjoining premises and the area generally in accordance with the following policies of the Core Strategy: CS15, CS21.

- 21 The development shall not be carried out other than in accordance with the following approved drawings and particulars or as approved under conditions of this planning permission: BRM-0011, BRM-0010, BRM-1170 Rev P7, BRM-1150 Rev P7, BRM-1151 Rev P5, BRM-1154 Rev P4, BRM-1100 Rev P10, BRM-1101 Rev P09, BRM-1102 Rev P09, BRM-1103 Rev P07, BRM-1104 Rev P07, BRM-1105 Rev P07, BRM-1106 Rev P07, BRM-1107 Rev P07, BRM-1108 Rev P07, BRM-1171 Rev P2, TPS/BBS/VRV/2-R, TPS/BBS/VRV/B-1. Existing and Demolition Plans: BRM-0100, BRM-0101, BRM-0102, BRM-0103, BRM-0104, BRM-0105, BRM-0150, BRM-0151, BRM-0154, BRM-0170, BRM-0171, BRM-0300, BRM-0301, BRM-0302, BRM-0303, BRM-0304, BRM-0305, BRM-0350, BRM-0351, BRM-0354, BRM-0370, BRM-0371, Archaeological Watching Brief, Archaeological Project Design, Pre-Construct Archaeology, June 2018; Structural Report for Planning, July 2018.

REASON: To ensure that the development of this site is in compliance with details and particulars which have been approved by the Local Planning Authority.

## INFORMATIVES

- 1 In dealing with this application the City has implemented the requirements of the National Planning Policy Framework to work with the applicant in a positive and proactive manner based on seeking solutions to problems arising in dealing with planning applications in the following ways:

detailed advice in the form of statutory policies in the Local Plan, Supplementary Planning documents, and other written guidance has been made available;

a full pre application advice service has been offered;

where appropriate the City has been available to provide guidance on how outstanding planning concerns may be addressed.

- 2 Informative 005A - CIL

The Mayoral Community Levy 2 Levy is set at the following differential rates within the central activity zone:

Office ?185 sqm

Retail ?165 sqm

Hotel ?140 sqm

All other uses ?80 per sqm

These rates are applied to "chargeable development" over 100sqm (GIA) or developments where a new dwelling is created.

The City of London Community Infrastructure Levy is set at a rate of ?75 per sqm for offices, ?150 per sqm for Riverside Residential, ?95 per sqm for Rest of City Residential and ?75 for all other uses.

The CIL will be recorded on the Register of Local Land Charges as a legal charge upon "chargeable development" when planning permission is granted. The Mayoral CIL will be passed to Transport for London to help fund Crossrail and Crossrail 2. The City CIL will be used to meet the infrastructure needs of the City.

Relevant persons, persons liable to pay and interested parties will be sent a "Liability Notice" that will provide full details of the charges and to whom they have been charged or apportioned. Where a liable party is not identified the owners of the land will be liable to pay the levy. Please submit to the City's Planning Obligations Officer an "Assumption of Liability" Notice (available from the Planning Portal website: [www.planningportal.gov.uk/cil](http://www.planningportal.gov.uk/cil)).

Prior to commencement of a "chargeable development" the developer is required to submit a "Notice of Commencement" to the City's Planning Obligations Officer. This Notice is available on the Planning Portal website. Failure to provide such



information on the due date may incur both surcharges and penalty interest.

- 3 The correct street number or number and name must be displayed prominently on the premises in accordance with regulations made under Section 12 of the London Building Acts (Amendment) Act 1939. Names and numbers must be agreed with the Department of the Built Environment prior to their use including use for marketing.
- 4 Prospective occupiers are advised that various activities are undertaken in the City throughout the night which include refuse collection, servicing, maintenance, street cleaning and highway works. In addition, on some sites there may be need for occasional night-time construction work.
- 5 No on-street residents' parking facilities are available for the occupiers of these premises.



Gwyn Richards  
Planning and Development Director  
Date of issue: 29 November 2021

## **STATEMENT OF APPLICANT'S RIGHTS ARISING FROM THE REFUSAL OF PLANNING PERMISSION OR ON THE GRANT OF PERMISSION SUBJECT TO CONDITIONS**

- If you are aggrieved by this decision to refuse permission or to grant it subject to conditions, then you can appeal to the Secretary of State under Section 78 of the Town and Country Planning Act 1990.
- In the case of householder or minor commercial applications, if you want to appeal you must do so within 12 weeks of the date of this notice. In the case of other types of application you must appeal within six months of the date of this notice.

A “minor commercial application” is defined as:

(a) an application for planning permission for development of an existing building or part of a building currently in use for any of the purposes falling within Part A of the Schedule to the Town and Country Planning (Use Classes) Order 1987(a); or

(b) an application for any consent, agreement or approval required by or under a planning permission, development order or local development order in relation to such development;

where the application does not include a change of use, a change to the number of units in a building, or development that is not wholly at ground floor level or that would increase the gross internal area of a building.

- You must use a form which you can get from the Planning Inspectorate, Customer Support Unit, Temple Quay House, 2 The Square, Temple Quay, Bristol BS1 6PN (Tel: 0303 444 5000) or downloaded from their website on [www.planning-inspectorate.gov.uk](http://www.planning-inspectorate.gov.uk). Appeals can also be made online at: <https://www.gov.uk/government/organisations/planning-inspectorate>.
- The Secretary of State can allow a longer period for giving notice of appeal, but he will not normally be prepared to use this power unless there are special circumstances which excuse the delay in giving notice of appeal.
- The Secretary of State need not consider an appeal if it seems to him that the local planning authority could not have granted planning permission for the proposed development or could not have granted it without the conditions they have imposed, having regard to the statutory requirements, to the provisions of any development order and to any directions given under a development order.
- In practice, the Secretary of State does not refuse to consider appeals solely because the local planning authority based their decision on a direction given by him.

### Purchase Notices

- If either the local planning authority or the Secretary of State refuses permission to develop land or grants it subject to conditions, the owner may claim that he can neither put the land to a reasonably beneficial use in its existing state nor render the land capable of a reasonably beneficial use by the carrying out of any development which has or would be permitted. In these circumstances, the owner may serve a purchase notice on the Council in whose area the land is situated. This notice will require the Council to purchase his interest in the land in accordance with the provisions of Part VI of the Town and Country Planning Act 1990.