

Bronte House and Fielding House – Variant Bids

Bidders are required to submit three (3) variant bids in response to this tender. The variant bid options are set out below.

Variant Bid Option 1 – Confirmation of the land price after allowing for commencement of the Early Works in May 2013 prior to the unconditional event and ahead of completion.

Early Works Package

It is likely that the Council will have removed all the existing occupants from the site prior to the removal of the telecommunications equipment. The Council may therefore, upon removing all individuals from the site, request the delivery partner to carry out all or part of an Early Works package prior to the completion date.

The Council may grant the delivery partner a licence to enter the site to undertake all or part of the Early Works prior to completion.

The Council will underwrite the cost of the Early Works up to but not exceeding the Early Works Sum. The Early Works Sum is the figure submitted by bidders in their mini-tender for undertaking the Early Works

If the Development Agreement is terminated prior to completion the Council will pay the delivery partner the actual costs incurred in delivering the Early Works provided that it does not exceed the Early Works Sum.

Variant Bid Option 2 – Confirmation of the land price after allowing for 5 2 bedroom sale units to be disposed on a shared equity basis in accordance with the terms and conditions set out in the Development Agreement.

Shared Equity Offer

The delivery partner will allocate five two bedroom sale units in locations approved by the Council to be disposed of on a shared equity basis to decanting leaseholders, currently residing in blocks earmarked for demolition as part of the South Kilburn Regeneration Programme.

Six (6) calendar months prior to practical completion the Council will nominate 5 decant leaseholders to the delivery partner who are interested in purchasing the shared equity units.

The decant leaseholder will be required to use all of the purchase monies received from the acquisition of their previous residence to acquire a share in the shared equity unit. The delivery partner will retain both an equitable interest and a legal charge in the remaining

share of the unit (expressed as a %). The delivery partner will not charge rent or fee on the share it retains.

Upon the subsequent sale of the shared equity unit the decant leaseholder will pay the delivery partner a proportion of the market value of the property at the date of sale equivalent to the percentage value of the delivery partners charge.

If the shared equity unit(s) are not acquired by decant leaseholders the delivery partner will be required to pay the Council for each unit, one fifth of the difference between the standard bid and variant bid option 2.

The variant bids have been structured to enable works to commence on site prior to the removal of the telecommunication equipment thus ensuring the Council's objective of demolishing Bronte House by spring 2014 is achieved.

Variant Bid Option 3 - Confirmation of the land price after allowing for commencement of the Early Works prior to completion (Variant Bid Option 1) and the 5 shared equity units (Variant Bid Option 2).