

New Build Flats and Conversions

As an investor or property developer, it's an **excellent** time to find commercial spaces and convert them into flats or build them fresh! Since the COVID-19 pandemic in 2020, many offices and businesses encourage flexible remote working; this led to many people preferring to live further away from the city in more spacious homes leaving behind numerous redundant industrial and commercial spaces.

This **precious** space could be transformed into homes to eliminate the UK housing shortage and although it appears many people have redefined their living requirements, cities will always spring back as popular choices for students, young adults and professionals.

CONVERTING COMMERCIAL TO RESIDENTIAL:

1. This type of **commercial to residential conversion** requires **planning permission**. In order to ensure compliance, even individuals benefiting from permitted development rights must obtain **prior approval**. Hence, if you are considering converting a commercial property into a residential one, we highly recommend **consulting** with an **expert** before making any commitments.
2. You can convert different types of commercial properties to residential homes, known as **C3 'dwelling houses'** in legislation. The following types of 'commercial' buildings fall under this category:
 - Any building in Class E, such as retail shops, restaurants, fitness centres, nurseries, and offices.
 - Agricultural buildings
 - Amusement centres
 - Betting offices
 - Casinos
 - Takeaway shops
 - Launderettes
 - Payday loan shops
 - Pubs



Before commencing construction, some of these projects may require prior approval. It is advisable to obtain a lawful development certificate in advance to ensure the legality of the building during the construction process.

CONVERTING RESIDENTIAL TO RESIDENTIAL:

3. When looking at converting a residential property into a residential property (for example your own home into flats) **planning permission is necessary**. Before proceeding, any project that involves subdividing a large dwelling into multiple new units will be required to undergo a comprehensive planning application.
4. Each council has their own strict regulations hence its recommended that the client organise a pre-application meeting with the planning officer to discuss the feasibility of the project in depth. This can ensure you don't invest in a property that will lead to a dead-end project.

BUILDING NEW BUILD RESIDENTIAL:

5. **Planning permission is necessary** when building a new-build residential on a plot of land.
6. The average ballpark figure for the cost per flat is **£30k**

Land value formula = GDV - construction costs - design costs + other costs

Land value is the value of the land, as well as any improvements that have been made to it.

Gross Development Value. This is the projected value of a property development once it is completed

(eg. EPC certificates, sound testing, overheating assessments)



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