Viability Assessment

Land off, Burn Road, Birchencliffe, Huddersfield

July 2022

RogerHannah

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1. Introduction

1.1 Instructions

Roger Hannah, incorporating Grasscroft Development Solutions from September 2021, has been instructed by Wiggett Construction to provide a financial viability assessment in respect of its proposed development at Burn Road, Birchencliffe, Huddersfield.

This report has been prepared to support a planning application and considers the financial impact of the proposed planning obligations on the proposed development.

We understand that the report will be submitted to Kirklees Council as part of the planning application for this development.

1.2 RICS Compliance

In accordance with the RICS Professional Statement, Financial viability in planning: conduct and reporting (2019), we can confirm the following:

- The persons involved in the preparation and review of this report are suitably qualified professionals that have extensive experience advising on viability matters across the region
- There are no conflicts of interest that affect our independent opinion being provided
- We have acted with objectivity, impartiality, without interference and with reference to all appropriate available sources of information

We can also confirm that we have had reference to and followed the best practice recommendations in the RICS Guidance Note, Assessing viability in planning under the National Planning Policy Framework 2019 for England (2021).

1.3 Reporting

The following suitably qualified professionals have produced and reviewed this report:

Author:

……..
Jessica Mistry BA(Hons) MSc
Senior Surveyor

Reviewer:

……..
Laura Mackay BA (Hons) MA MRICS
Director

2. Executive Summary

<table>
<tr><td>Site</td><td>Land off, Burn Road, Birchencliffe, Huddersfield</td></tr>
<tr><td>Scheme</td><td>22 dwellings for market sale</td></tr>
<tr><td>GDV</td><td>The total GDV for the scheme equates to £9,830,000, which we have adopted within appraisal. This equates to an average price of £314 per sq ft across the proposed house types.</td></tr>
<tr><td>Build Costs</td><td>In terms of the base build cost for the proposed development, we have adopted a rate of £170 per sq ft inclusive of external works.

Further details of the base build costs are provided in Section 7 of this report.</td></tr>
<tr><td>Abnormal Costs</td><td>The applicant has undertaken a detailed review of the technical information relating to the site. A total cost of £957,162 has been included for abnormal works.</td></tr>
<tr><td>Profit</td><td>20% profit on GDV</td></tr>
<tr><td>Benchmark Land Value</td><td>We have adopted a Benchmark Land Value of £524,000 (£200,000 per acre) for the site.</td></tr>
<tr><td>Appraisal Results –</td><td>
<table>
<tr><th></th><th>Appraisal 1 – Policy Compliant</th><th>Appraisal 2 – Applicant's Proposal</th></tr>
<tr><td>Benchmark Land Value</td><td>£524,000</td><td>£524,000</td></tr>
<tr><td>Residual Land Value</td><td>(£103,214)</td><td>£243,918</td></tr>
<tr><td>Viability Concern</td><td>Yes</td><td>Marginal</td></tr>
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3. Site Information

3.1 Location

The site located off Burn Road in Birchencliffe, Huddersfield. Huddersfield is a large market town in the Metropolitan Borough of Kirklees, West Yorkshire. It has a population of 162,949 (2011 Census) and is located approximately is 14 miles south-west of Leeds, 12 miles west of Wakefield, 23 miles north-west of Sheffield and 24 miles north-east of Manchester.

In terms of road networks, Huddersfield is connected to the motorway network via the M1 and M62 motorways. The site is only a five-minute drive from the M62 providing vehicular access to Manchester and Leeds. The cities of Manchester and Leeds can also be easily accessed by train from both Huddersfield and Halifax railway stations.

The site is well served with local facilities, with shops and services being less than 300m walk from the site on the A629 Halifax Road.

Included below is a plan showing the sites location within the region.



Figure 2: Location Plan (Source – Google Maps)

3.2 The Site

The site is greenfield (agricultural grazing land) and is broadly rectangular in shape measuring approximately 2.62 Acres (1.06 hectares).

The site also comprises part of a larger site that is allocated for housing in the emerging local plan and sits adjacent to residential sites to the north and east.

The approximate site boundaries are outlined on the plan below.

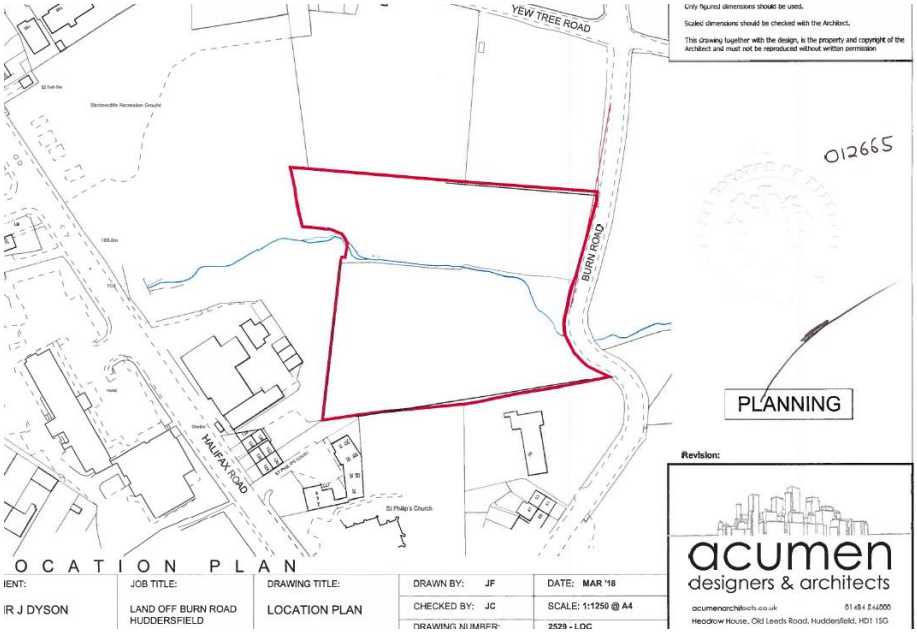


Figure 4: Red Line Site Plan

3.3 Proposed Development

The proposed scheme comprises the development of 22 dwellings, providing a mix of 4- and 5-bedroom houses.

The proposed development layout is illustrated at Figure 5 below.



Figure 5: Proposed Development Layout

The table below shows the proposed mix and total sales area:

Property	Type	Beds	Sqm	Sq ft	No. Units	Total Sq ft
A	House	5	167	1793	2	3585
B	House	4	138	1481	4	5925
D	House	4	127	1363	10	13625
E	House	4	160	1721	1	1721
F	House	4	125	1349	4	5397
G	House	4	100	1076	1	1076
Total					**22**	**31,330**

Figure 6: Accommodation Schedule

3.4 Planning Policy

In this section we set out the planning policy which is relevant in respect of viability.

The Kirklees Local Plan was adopted on 27 February 2019. It comprises the strategy and policies document, allocations and designations document and associated policies map.

3.4.1 Planning History

The site was granted Outline planning in October 2019 for residential development.

3.4.2 Affordable Housing

The Council's current affordable housing policy seeks a contribution of 20% for all new developments of 10 or more dwellings.

Due to the unique nature of the scheme offering larger house types, we have calculated the affordable housing requirement as a commuted sum in our policy compliant appraisal.

3.4.3 Community Infrastructure Levy

We understand that the Council currently do not have an adopted CIL charging schedule. The development will therefore not be liable for this charge.

3.4.4 S106 Contributions

In addition to affordable housing provision, we understand the following S106 contributions has been requested for the proposed development.

- Highway Contribution - £790 per dwelling (£17,380)
- Sustainable Travel Contribution - £495 per dwelling (£10,890)

The above contributions have been included in our policy compliant financial appraisal.

4. Viability in Planning Guidance

4.1 National Planning Policy Framework

Paragraph 57 of the National Planning Policy Framework (NPPF), which was last updated in 2019, states the following:

"where up to date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available."

The NPPF places emphasis on assessing viability at the plan-making stage, but also sets out that it may also be required at the decision-making stage. It refers to the methodology set out in the Planning Practice Guidance (PPG), which we consider below.

4.2 Planning Practice Guidance

The PPG in respect of viability, which was last updated in 2019, defines a viability assessment at Paragraph 010 as:

"A process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return."

The preferred method is to assess viability at the plan-making stage through the use of a typology approach. Paragraph 004 states:

"Plan makers can first group sites by shared characteristics such as location, whether brownfield or greenfield, size of sites and current and proposed use or type of development . . . Average costs and values can then be used to make assumptions about how the viability of each type of site would be affected by all relevant policies. Plan makers may wish to consider different potential policy requirements and assess the viability impacts of these. Plan makers can then come to a view on what might be an appropriate benchmark land value and policy requirement for each typology."

The guidance requires standardised inputs to be used when assessing viability in relation to Gross Development Value (GDV), costs (construction costs and planning policy related costs), developer's return and Benchmark Land Value (BLV), each of which will be assessed within this report. The BLV is to be assessed as the Existing Use Value (EUV) plus a minimum premium for the landowner.

The PPG also states that viability may also need to be assessed at the application stage, with paragraph 007 stating:

"Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force."

Paragraph 008 goes on to say that:

"The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and viability evidence underpinning the plan is up to date, and sites circumstances

including any changes since the plan was brought into force, and the transparency of assumptions behind evidence submitted as part of the viability assessment."

The PPG also sets out a clear need for strategic sites to be individually tested, with paragraph 005 stating:

"It is important to consider the specific circumstances of strategic sites. Plan makers can undertake site specific viability assessment for sites that are critical to delivering the strategic policies of the plan. This could include, for example, large sites, sites that provide a significant proportion of planning supply, sites that enable or unlock other development sites or sites within priority regeneration areas."

4.3 RICS Assessing viability in planning under the NPPF 2019

We have referred to the best practice recommendations within this Guidance Note, dated 2021, which provides clarifications in relation to the PPG standardised input approach. It sets out the need to use residual appraisals to assess viability in planning, using the following diagram to demonstrate this:

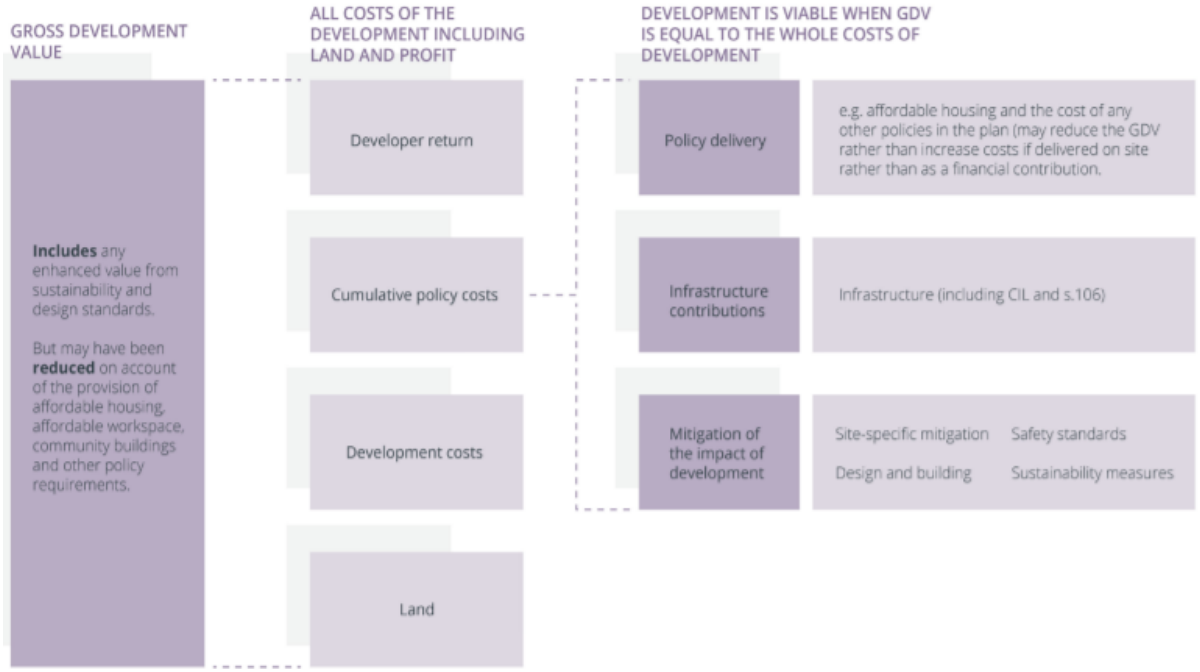


Figure 1: RICS Residual Valuation Framework (Source – RICS)

This Guidance Note is clear that the NPPF and PPG are the 'authoritative requirement', providing clarity on the application of this relevant guidance and the relevance to other RICS guidance, including the following:

- RICS Professional Statement, Financial viability in planning: conduct and reporting (2019)
- RICS Guidance Note, Valuation of development property (2019)
- RICS Guidance Note, Comparable evidence in real estate valuation (2019)
- RICS Professional Statement, RICS Valuation – Global Standards 'Red Book' (2020)

It also provides additional guidance on the Benchmark Land Value (BLV), which should be assessed through a five-stage process:

1. Assess the EUV – the Market Value of the property is in existing use, excluding hope value
2. Assess the Alternative Use Value (AUV) where appropriate
3. Assess the premium above EUV
4. Determine the residual value of the site, assuming policy compliance, to cross check against the EUV and assessment of the premium
5. Reference land transaction evidence to sense check the EUV and assessment of the premium

We can confirm that we have had reference to the contents of this guidance and followed the best practice recommendations set out within it.

4.4 RICS Financial viability in planning: conduct and reporting

This Professional Statement, dated 2019, sets out a number of mandatory requirements in Section 2 that apply when assessing viability in planning, which we summarise as follows:

- All inputs into an appraisal must be reasonably justified with as much good quality evidence as possible. Where a reviewer disagrees with a submitted assessment and/or elements in it, differences must be clearly set out with supporting and reasonable justification. Where possible, practitioners should always try to resolve differences of opinion.
- In respect of the benchmark land value RICS members must report the existing use value, premium, market evidence and all supporting considerations, assumptions and justifications adopted, as well as alternative use value (if appropriate).
- All viability assessment must include a sensitivity analysis
- A non-technical summary of the report should be provided, which includes key figures and conclusions, so that non-specialists can better understand them
- RICS members must advocate reasonable, transparent and appropriate engagement between the parties.

We can confirm that we have had regard to the mandatory reporting requirements within this Professional Statement.

5. Methodology

5.1 Site Specific Viability Assessment

In accordance with the scenarios set out in the PPG, we have undertaken a site-specific assessment of viability for the following reasons:

- The adopted Local Plan evidence base is considered out of date
- Additional information is now available in respect of infrastructure or sites costs, compared to the assumptions adopted at the plan-making stage

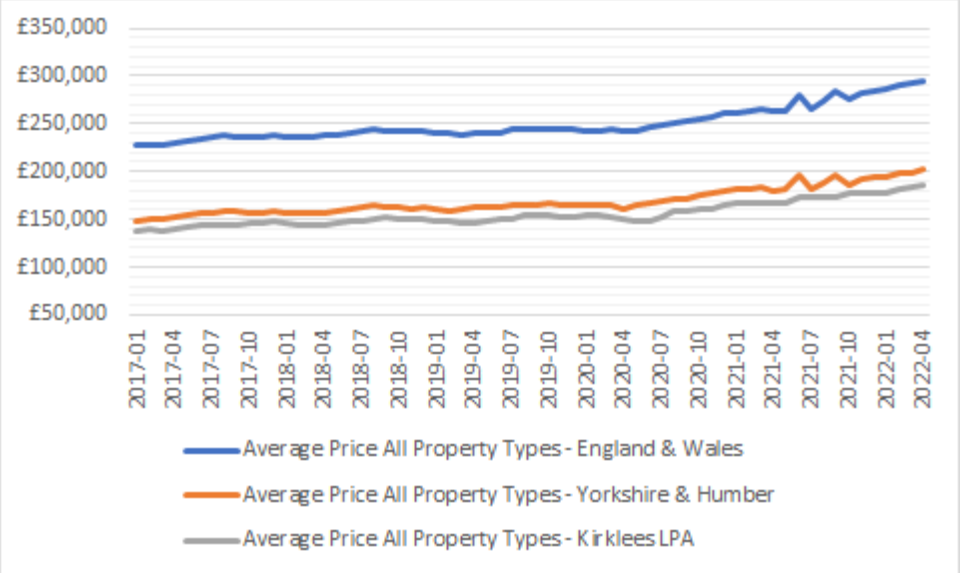
5.2 Adopted Methodology

As per the PPG and RICS guidance, we have adopted the residual method to assess site viability. This is based on the following calculation:

Gross Development Value – (Costs + Developer's Return) = Residual Value

We have also established the Benchmark Land Value (BLV) as appropriate for assessing viability. Should the residual value be below the BLV, which represents the minimum return a reasonable landowner can expect, the development is deemed to be unviable and changes to planning policy are likely to be required to ensure that the development is delivered. We have therefore also assessed what level of planning obligations can be delivered in order for the BLV to be achieved, therefore resulting in a viable development.

6. Gross Development Value

Method	The PPG states the following: *"Gross development value is an assessment of the value of development. For residential development this may be total sales and/or capitalised net rental income from developments . . . For viability assessment of specific site or development, market evidence (rather than average figures) from the actual site or from existing developments can be used"* The RICS Guidance Note also defines this as follows: *"The aggregate market value of the proposed development, assessed on the special assumption that the development is complete on the date of valuation in the market conditions prevailing pm that date."* Based on the above, we have therefore calculated the GDV and structured the appraisal based on the tenure mix below: • 22x Market Sale Units
Approach	We have undertaken a review of the market values of the units in the locality.
Sales Market Overview	The graph below displays the average sold values for all property types in England and Wales, Yorkshire and Humber and in the Kirklees Local Authority area. It shows that values for all property types are consistently below the national and regional average. Property prices have since experience significant growth over the last 12 – 18 months following the start of the Covid-19 pandemic, which has resulted in a surge in demand for housing. The average price for properties as of April 2022 is c. £186,000 in the Kirklees Local Authority area, c.£200,000 in Yorkshire and Humber and c. £295,000 in England and Wales. 
Sales Values	The proposed development will comprise 22no. large, detached dwellings, which will each provide 4-5no. bedrooms for market sale. The market research we have had regard to is provided at Appendix 1. Following a detailed review of the local and regional markets the open market sales values in the tables below have been adopted.

Property	Type	Beds	Sq ft	No. Units	Total Sq ft	Market Values	£ psf	Total GDV
A	House	5	1793	2	3585	£555,000	£310	£1,110,000
B	House	4	1481	4	5925	£460,000	£311	£1,840,000
D	House	4	1363	10	13625	£430,000	£316	£4,300,000
E	House	4	1721	1	1721	£535,000	£311	£535,000
F	House	4	1349	4	5397	£425,000	£315	£1,700,000
G	House	4	1076	1	1076	£345,000	£321	£345,000
				22	**31330**		**£314**	**£9,830,000**

Affordable Housing Commuted Sum

Due to the unique nature of the scheme offering larger house types, we have calculated the affordable housing as an off-site contribution. To reflect an affordable house type we have undertaken a search for asking prices for smaller 3-bedroom houses currently on offer in Huddersfield.

For this assessment, we have adopted a market value of £285,000 reflective of a 3-bedroom semi-detached house.

To reflect an affordable product, we have appraised these as Shared Ownership at a discount at 30%. This results in a commuted sum payment of £85,500 per unit and a total affordable housing contribution of £342,000 which we have included in our policy compliant appraisal (equivalent to 4 affordable units).

7. Residual Appraisals

We have undertaken a residual appraisal of the proposed development and the following scenarios:

I. Proposed scheme tested on a policy compliant basis
II. Applicants' proposal which assumes 100% private sale and no S106 / affordable housing contribution.

Appraisal Assumptions	
GDV	The total GDV for the scheme equates to £9,830,000, which we have adopted within appraisal. This equates to an average price of £314 per sq ft across the proposed house types.
Base Build Costs	Based on our professional experience of developments of a similar size, scale and form, a total build cost of £170 per sq ft has been adopted for the new build housing. This is reflective of the materials and specification for the units proposed which will built using natural stone and slate roofs accounting for the higher cost. The allowance is also inclusive of external works. The rates utilised makes allowances for the following: • Basic superstructure costs • Nominal strip footing foundations • Plot development costs (including provision of utilities, driveways, formation of curtilage parking spaces and gardens, boundary treatments to properties) • The rate includes for builders' preliminary costs (site management, all welfare facilities, site office, construction utilities, etc.) • Standard estate roads and sewers In addition to the above base build we have allowed for £150,436 of Part L costs. This is based on the below cost assumptions for detached house types which have been indexed linked from the previous figure of £,4,847 set out in Option 2 of the Future Homes Standard consultation document (2019) issued by the Government. • Detached - £6,838 per unit
Abnormal Costs	The applicant has undertaken detailed review of the technical information relating to the site. Based on this, the applicant has provided the following abnormal costs:

Abnormal Costs	
Trees	£10,000
Cut & Fill Earth Work	£50,000
Box Culvert	£65,000
Highway mass concrete retaining wall	£175,000
Retaining wall within properties 1-11	£400,000

Railway sleeper retaining wall	£40,000
Gas Membrane	£20,000
Contamination hotspots	£21,000
New Adopted Footpath	£30,000
Piling 25% plots due to levels (5 plots)	£35,000
Public ROW	£5,700
Underbuild	£5,462
Oversized attenuation 900mm pipes and manholes	£100,000

The abnormal costs equate to a total cost of £957,162 (£43,507 per plot).

Contingency

It is considered that a reasonably prudent developer would require a contingency to be included within their appraisal at this stage of the development cycle.

A contingency sum equating to 3% has been allowed. This is considered conservative in the context of increasing build cost inflation.

Professional Fees

In accordance with standard industry practice, a provision equating to 7% of the build cost has been allowed which reflects the significant infrastructure and master planning work that is required to deliver a scheme of the size and nature. This figure will cover the following professional costs:

- Architect
- Landscape Architect
- Engineer (Civil and Structural)
- Traffic Engineer
- Highways Engineer
- Legal Fees (draft S106 agreement etc.)
- Topographical Survey
- Site Investigations
- Ecological Reports
- NHBC or other building warranty costs
- Planning application fee
- Building Regulations application fee
- Arboriculture Surveys/Reports
- Planning Consultant
- Viability Consultant

Section 106 Costs

We have allowed for the following contributions

- Highway Contribution - £790 per dwelling (£17,380)
- Sustainable Travel Contribution - £495 per dwelling (£10,890)

CIL	Not applicable
Finance Costs	We have assumed a debit rate of 6.5% and a credit rate of 0%.
Disposal Costs	We have assumed a sales and marketing cost of 3%. This provides a budget towards sales agent fees, a show house, website, advertisement, and other marketing initiatives. We have also allowed for sales legal fees at £650 per unit. These are considered to be standard market assumptions.
Site Acquisition Costs	Stamp Duty at HMRC prevailing rates, Legal fees of £5,000 have been assumed for the acquisition, along with an Agency fee of £10,000.
Profit Margin	Profit for market sale residential development typically ranges between 17.5-20% of Gross Development Value (GDV) as advocated in National Planning Guidance on Viability. The level of profit should be considered in the round of the assumptions made within an appraisal and should reflect the risk in bringing the development forward. We consider that a 20% profit on the market sale GDV is appropriate to reflect the general risks around build cost inflation and cost forecasts, and the increased costs of living that are likely to put pressure on affordability and therefore house prices.
Timescales	The proposed scheme is yet to secure planning permission and requires site preparation therefore, for the purpose of the appraisal we have assumed a 3-month pre-construction period. We have assumed the first sale 8-months into construction and a sales rate of 2.5 units per month, assuming a phased drawn down of the units.

8. Benchmark Land Value

8.1 Method

In any typical viability assessment, a benchmark land value is used to assess whether or not a scheme is viable. Paragraph 013 of the PPG states that:

"*A benchmark land value should be established on the basis of the Existing Use Value (EUV), plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell the land for development while allowing a sufficient contribution to fully comply with policy requirement.*"

This is often referred to as the EUV+ approach, which we have adopted in this case.

The EUV is defined in Paragraph 015 of the PPG as:

"the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types."

It is clear that the EUV is the value of the land in its current use and we had reference to comparable market evidence as appropriate.

In respect of the minimum premium, paragraph 016 of the PPG states that:

"the premium (or the 'plus' in EUV+) is the second component of benchmark land value. It is the amount above the existing use value (EUV) that goes the landowner. The premium should provide a reasonable incentive for a landowner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements."

The PPG goes on to state that:

"Benchmark land value should:

- *Be based upon existing use value*
- *Allow for a premium to landowners (including equity release from those building their own homes)*
- *Reflect the implications of abnormal costs, site-specific infrastructure costs; and professional site fees" (Paragraph 014)*

"To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to fully comply with policy requirements." (Paragraph 013)

There are therefore a number of factors that need to be considered when assessing the BLV. There is a need to reflect abnormal costs and planning policy, but there is also a need to consider a reasonable minimum level of return in order to incentivise landowners to release their land for development. These factors can be at odds with each other and the PPG is clear that there is a need to *"strike a balance"* between the interests of Local Councils, developers and landowners in order to ensure that land is released for development.

It should also be noted that the PPG is clear that the actual price paid is not relevant for the purpose of viability assessment.

The latest RICS Guidance Note relating to viability in planning, dated 2021, provides additional guidance on the approach to Benchmark Land Value (BLV), which should be assessed through a five-stage process:

1. Assess the EUV – the Market Value of the property is in existing use, excluding hope value
2. Assess the Alternative Use Value (AUV) where appropriate

3. Assess the premium above EUV

4. Determine the residual value of the site, assuming policy compliance, to cross check against the EUV and assessment of the premium

5. Reference land transaction evidence to sense check the EUV and assessment of the premium

We have considered all of the relevant guidance in our assessment of BLV.

8.2 Existing Use Value

The value of a site is a key consideration within a viability assessment. Fundamentally, a landowner will sell an asset which has development potential when they consider that the development potential of the site is being fairly reflected within the price being paid. Otherwise, the site will essentially remain in its existing use with no incentive for the landowner to bring the site forward for development. Should landowners view current planning requirements as too onerous, they have the ability to wait for a change in planning policy and to release land at the point at which a minimum level of acceptable return is reached in the future.

The subject site is currently agricultural in nature and in our experience an EUV of £10,000 to £15,000 per acre is generally an accepted approach. Often with greenfield sites a multiplier is applied in terms of reflecting the premium which would be applied to reflect the amount which a reasonable landowner would expect in order to be a willing vendor of the site for development, i.e., between 10- 20 times.

Where a site is not allocated for development, we may expect a smaller premium given the increased risk of purchasing an unallocated site with a policy presumption against development. A developer is unlikely to pay the same price as they would for a site without planning risk. Additionally, we would expect a reasonable landowner would understand that their land would have less value than an allocated site which is promoted for development.

To determine the site value, we have sought to value the land in its existing use by adopting an agricultural land value of £10,000 per acre. Given the sites allocation for development, we have applied a premium of 20 times over the EUV to incentivise the landowner. This provides a Benchmark Land Value of £200,000 per acre for the site and an overall site value of £524,000.

It is important to note that the site benefits from Outline consent for residential development and is part of a wider housing allocation in the Local Plan. We understand the Land on the north and south side of Yew Tree Road was purchased by Harron Homes in October 2017 for a price of £381,679 per acre (11.79 acres). We therefore consider the Benchmark Land Value adopted for the application site to be conservative.

9. Results & Sensitivity Analysis

Appraisal 1 – Policy Compliant	The residual land value for the scheme including the off-site affordable housing contribution and S106 contributions produces a negative land value. The scheme is therefore considered unviable on this basis.
Appraisal 2 – Applicant's Proposal	The financial assessment undertaken shows that with 100% market sale, the scheme cannot afford to provide any S106 contributions. Despite the exclusion of the policy requirement costs, the appraisal produces a Residual Land Value below an acceptable Benchmark Land Value, and is therefore marginal, but considered deliverable on this basis.
Sensitivity Analysis	The RICS Practice Statement requires that all FVAs and subsequent reviews must provide a sensitivity analysis of the results and an accompanying explanation and interpretation in respective calculations on viability, having regard to risks and an appropriate return(s). This is to: • allow both the Applicant and decision maker to consider how changes in inputs to a financial appraisal affect viability, and • understand the extent of these results, to arrive at an appropriate conclusion on viability of the application scheme. We consider the most likely scenario based on forecast data is that sales values would increase, but this inflation in sales values is likely to be matched or outstripped by build cost inflation. An increase in sales values and build cost by 2.5% still equates to a residual land value below the BLV.

10. Conclusions

We have summarised the appraisal results in comparison to the BLV in the table below:

	Appraisal 1 – Policy Compliant	Appraisal 2 – Applicant's Proposal
Benchmark Land Value	£524,000	£524,000
Residual Land Value	(£103,214)	£243,918
	Yes	**Marginal**

The appraisals contained within this report represent a robust assessment of the viability of a residential development on the subject site (see Appendix 2)

This report has been produced utilising a recognised appraisal software package. Due regard has been given to guidance published by the RICS, the Growth and Infrastructure Act and the NPPF/NPPG.

The residual land value for the scheme including the off-site affordable housing contribution and S106 contributions produces a negative land value. The scheme is therefore considered unviable on this basis.

The financial assessment undertaken shows that with 100% market sale, the scheme cannot afford to provide any S106 contributions. Despite the exclusion of the policy requirement costs, the appraisal produces a Residual Land Value below an acceptable Benchmark Land Value, and is therefore marginal, but considered deliverable on this basis.

We are therefore of the opinion that the policy requirements on site in relation to affordable housing and Section 106 contributions should be removed in order for the proposed scheme to be deliverable and viable.

11. Compliance

This report is provided for general informative purposes only and only for the use of the party to whom it is addressed. It is confidential to the client and may not be disclosed to any other third party without our prior written consent. In breach of this condition, no responsibility can be accepted to third parties for the comments or advice contained in this report. Neither the whole nor any part of this report nor any reference thereto may be included in any document, circular or statement without our prior approval of the form and context in which it will appear.

This report does not constitute a formal valuation and should not be relied upon as such. Values can change over a short period of time and our findings should be considered valid for a limited time period. Our conclusions are based on the assumptions provided and information available at the time of the report. We have verified the information relied upon to the best of our ability and relied upon our experience of the property markets. Some information may be unavailable at the time of writing or is provided to us on a verbal or informal basis and the accuracy therefore cannot be guaranteed.

APPENDICES

Appendix 1 – Market Research

Market Research

Average Price & Volume of Sales

Source: Land Registry

2022	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
HD2 2	£404,500	16	£89,000	2	£123,667	6	£60,000	1	£298,080	25
Total	£404,500	16	£89,000	2	£123,667	6	£60,000	1	£298,080	25

2021	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
HD2 2	£415,123	108	£188,673	42	£126,098	61	£104,350	10	£278,249	221
Total	£415,123	108	£188,673	42	£126,098	61	£104,350	10	£278,249	221

2020	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
HD2 2	£330,893	89	£191,865	35	£112,037	52	£133,804	13	£231,377	189
Total	£330,893	89	£191,865	35	£112,037	52	£133,804	13	£231,377	189

2019	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
HD2 2	£347,662	84	£178,000	36	£99,865	43	£206,200	5	£243,672	168
Total	£347,662	84	£178,000	36	£99,865	43	£206,200	5	£243,672	168

2018	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
HD2 2	£321,886	59	£181,024	42	£114,376	53	£109,050	4	£209,446	158
Total	£321,886	59	£181,024	42	£114,376	53	£109,050	4	£209,446	158

2017	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
HD2 2	£300,625	77	£152,662	38	£106,409	48	£116,112	8	£204,595	171
Total	£300,625	77	£152,662	38	£106,409	48	£116,112	8	£204,595	171

2016	Detached	Sales	Semi-det	Sales	Terraced	Sales	Flat/mais	Sales	Overall average	Total sales
HD2 2	£309,066	68	£174,672	40	£102,574	57	£103,775	8	£200,464	173
Total	£309,066	68	£174,672	40	£102,574	57	£103,775	8	£200,464	173

New Build Availability

1. Harron Homes - Oaklands Heath, Burn Road, Birchencliffe, Huddersfield, HD2 2EG

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft²)	Gross Asking Price (ft²)
Edlingham	5	Detached	2	£685,995	2215	£310
				Average Asking Value (ft²)		£310

2. Harron Homes - Highfield Manor, Gernhill Avenue, Fixby, West Yorkshire, HD2 2HR

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft²)	Gross Asking Price (ft²)
Settle V0	4	Detached	2	£439,995	1501	£293
Tonbridge	4	Detached	2	£455,995	1388	£329
				Average Asking Value (ft²)		£311

3. Brierstone - Hillcrest View, Golcar, Huddersfield, HD7 4FD

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft²)	Gross Asking Price (ft²)
House Type A	3	Semi	2.5	£375,000	1363	£275
House Type B	4	Detached	2.5	£525,000	1700	£309
House Type B	4	Detached	2.5	£525,000	1700	£309
				Average Asking Value (ft²)		£298

4. Linell Homes - Hollyfield View, Oakes, Huddersfield, HD3 4FX

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft²)	Gross Asking Price (ft²)
Bakewell	4	Detached	2	£445,000	1323	£283
Bakewell	4	Detached	2	£445,000	1323	£283
Curbar	4	Detached	2	£375,000	1162	£323
Curbar	4	Detached	2	£375,000	1162	£323
Hackney	3	Detached	2	£325,000	904	£360
				Average Asking Value (ft²)		£314

5. Avant Homes - Fitzwilliam Grange, Blackmoorfoot Road, Crosland Moor, Huddersfield, HD4 5DZ

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft²)	Gross Asking Price (ft²)
Irtonbridge	3	Semi	2	£234,995	859	£274
Irtonbridge	3	Semi	2	£234,995	859	£274
Lathbury	4	Detached	2	£344,995	1355	£255
Merebridge	3	Semi	2	£237,995	884	£269
Ramsbury	4	Detached	2	£379,995	1502	£253
Trowbridge	4	Detached	2	£282,995	1074	£263
				Average Asking Value (ft²)		£265

6. Keepmoat Homes - Horizon, New Hey Road, Rastrick, HD6 3LP

House Name	Bedrooms	Type	Storeys	Asking Price	Size (ft²)	Gross Asking Price (ft²)
Hardwick	4	Detached	2.5	£339,995	1251	£272
				Average Asking Value (ft²)		£272

New Build Sold

1. Persimmon Homes - Crosland Road, Lindley Moor HD3 2AE

Plot No.	House Name	Bedrooms	Type	Sale Date	Sale Price	Size (ft²)	Gross Sale Price (ft²)
21	Hanbury	3	Semi-detached	Apr-21	£194,950	761	£256
19	Hanbury	3	Semi-detached	Apr-21	£194,950	761	£256
4	Rufford	3	Detached	Jan-21	£224,950	870	£259
11	Rufford	3	Detached	Mar-21	£224,950	870	£259
29	Bickleigh	3	Terraced	Jun-21	£154,000	921	£167
31	Bickleigh	3	Terraced	Jun-21	£154,000	921	£167
25	Bickleigh	3	Terraced	Jun-21	£154,000	921	£167
15	Clayton	3	Detached	Mar-21	£254,950	998	£255
6	Roseberry	4	Detached	Jan-21	£264,950	1096	£242
23	Roseberry	4	Detached	Apr-21	£274,950	1096	£251
9	Winster	4	Detached	Mar-21	£294,950	1275	£231
15a	Winster	4	Detached	Apr-21	£299,950	1275	£235
					Average Sale Price (ft²)		£229

2. Taylor Wimpey - Crosland Road, Lindley HD3 3SU

Plot No.	House Name	Bedrooms	Type	Sale Date	Sale Price	Size (ft²)	Gross Sale Price (ft²)
17	Gosford	3	Terraced	Jan-21	£219,995	866	£254
15	Gosford	3	Terraced	Feb-21	£220,995	866	£255
20	Gosford	3	Semi-detached	Apr-21	£224,995	866	£260
22	Alton G	3	Semi-detached	Mar-21	£252,995	1085	£233
24	Alton G	3	Semi-detached	May-21	£252,995	1085	£233
45	Downham	4	Detached	Feb-21	£309,995	1244	£249
39	Downham	4	Detached	Mar-21	£314,995	1244	£253
43	Eynsham	4	Detached	Mar-21	£332,995	1334	£250
47	Eynsham	4	Detached	Mar-21	£334,995	1334	£251
41	Shelford	4	Detached	Mar-21	£339,995	1378	£247
					Average Sale Price (ft²)		£249

3. Barratt Homes - Weavers Lane, Golcar HD7 4RU

Plot No.	House Name	Bedrooms	Type	Sale Date	Sale Price	Size (ft²)	Gross Sale Price (ft²)
95	Maidstone	3	Semi-detached	Jan-21	£219,995	830	£265
96	Maidstone	3	Semi-detached	Jan-21	£219,995	830	£265
					Average Sale Price (ft²)		£265

4. Harron Homes - Gernhill Avenue, Fixby HD2 2HR

Plot No.	House Name	Bedrooms	Type	Sale Date	Sale Price	Size (ft²)	Gross Sale Price (ft²)
43	Baybridge	4	Detached	Apr-21	£315,995	1090	£290
23	Baybridge	4	Detached	Jun-21	£324,995	1090	£298
15	Nidderdale	4	Detached	May-21	£316,345	1160	£273
16	Windsor	4	Detached	Feb-21	£353,995	1232	£287
1	Windsor	4	Detached	Mar-21	£336,295	1232	£273
9	Settle V0	4	Detached	Mar-21	£422,745	1340	£315
19	Settle V0	4	Detached	Jun-21	£374,995	1340	£280
45	Settle V1	4	Detached	Apr-21	£374,995	1349	£278
11	Tonbridge	4	Detached	Mar-21	£389,995	1397	£279
5	Tonbridge	4	Detached	Mar-21	£389,995	1397	£279
17	Tonbridge	4	Detached	May-21	£393,995	1397	£282
20	Ingleton	4	Detached	Feb-21	£404,396	1498	£270
3	Warkworth	4	Detached	Feb-21	£444,995	1541	£289
18	Warkworth	4	Detached	Mar-21	£444,995	1541	£289
21	Warkworth	4	Detached	Jun-21	£447,495	1541	£290
47	Warkworth	4	Detached	Jun-21	£450,995	1541	£293
					Average Sale Price (ft²)		£285

5. Harron Homes - Grimescar Valley, Burn Road HD2 2FX

Plot No.	House Name	Bedrooms	Type	Sale Date	Sale Price	Size (ft²)	Gross Sale Price (ft²)
6	Windsor	4	Detached	Oct-20	£352,995	1247	£283
35	Windsor	4	Detached	Aug-20	£360,144	1247	£289
12	Windsor	4	Detached	Sep-20	£349,995	1247	£281
10	Windsor	4	Detached	Oct-20	£349,995	1247	£281
8	Settle	4	Detached	Sep-20	£362,495	1335	£272
16	Settle	4	Detached	Oct-20	£369,995	1335	£277
18	Settle	4	Semi-detached	Oct-20	£372,995	1335	£279
24	Settle	4	Detached	Feb-20	£347,696	1335	£260
20	Salcombe	4	Detached	Feb-20	£411,995	1533	£269
2	Salcombe	4	Detached	Aug-20	£426,495	1533	£278
37	Warkworth	4	Detached	Sep-20	£431,995	1587	£272
4	Warkworth	4	Detached	Aug-20	£436,995	1587	£275
14	Warkworth	4	Detached	Oct-20	£436,995	1587	£275
153	Dunstanburgh	5	Detached	Jul-20	£499,695	2048	£244
					Average Sale Price (ft²)		£274

Second Hand Sales

Search criteria: within 1 miles of postcode HD2 2EG. Sales Completed within past 12 months.

Source: HM Land Registry

Address	Last sale price	Last sale date	Property type	Bedrooms
125, Crosland Road, Oakes, Huddersfield HD3 3PW	£250,000	22/11/2021	Semi-detached	2 to 3
Corby, Birkby Road, Huddersfield HD2 2DR	£950,000	26/11/2021	Detached	
7, Farriers Way, Huddersfield HD3 3FS	£377,500	17/11/2021	Detached	
12, Hill Grove, Huddersfield HD3 3TL	£190,000	18/11/2021	Terraced	3 to
105a, Crosland Road, Oakes, Huddersfield HD3 3PG	£185,000	30/11/2021	Semi-detached	2 to 3
1, Border Close, Huddersfield HD3 3GR	£280,000	08/11/2021	Detached	3 to
51, Burn Road, Huddersfield HD3 3BT	£145,000	30/11/2021	Terraced	2 to
68, Ainley Road, Huddersfield HD3 3QX	£137,148	05/11/2021	Terraced	2 to 3
21, Birchwood Close, Huddersfield HD3 3GZ	£210,000	15/11/2021	Terraced	3 to
27, Blacksmith Way, Huddersfield HD3 3WX	£230,000	10/12/2021	Terraced	
51, Stirling Wood Close, Huddersfield HD3 3HT	£293,000	03/12/2021	Detached	
110, Weatherhill Road, Huddersfield HD3 3LD	£250,000	10/12/2021	Semi-detached	3 to 4
25, Blacksmith Way, Huddersfield HD3 3WX	£230,000	17/12/2021	Terraced	
79, Yew Tree Road, Huddersfield HD3 3QR	£230,000	16/12/2021	Semi-detached	3 to 4
32, Lindley Avenue, Huddersfield HD3 3QU	£135,000	21/12/2021	Terraced	2 to 3
16, Harefield Park, Birkby, Huddersfield HD2 2AS	£400,000	09/12/2021	Detached	3 to 4
21, Harefield Park, Birkby, Huddersfield HD2 2AS	£400,000	23/12/2021	Detached	3 to 4
101, Prince Royd, Halifax Road, Huddersfield HD3 3NQ	£94,000	01/12/2021	Semi-detached	2 to
35, Birchington Avenue, Huddersfield HD3 3RD	£246,000	03/12/2021	Semi-detached	3 to
55, Burn Road, Huddersfield HD3 3BT	£630,000	01/12/2021	Detached	
10, Grimescar Meadows, Huddersfield HD2 2DZ	£370,000	31/01/2022	Detached	3 to 4
1, Birchroyd Close, Huddersfield HD2 2ES	£642,500	28/01/2022	Detached	
4, Smithy Way, Huddersfield HD3 3ZD	£274,995	28/01/2022	Semi-detached	
17, Yew Tree Road, Huddersfield HD3 3QT	£140,000	25/02/2022	Semi-detached	2 to 3
28, Lindley Avenue, Huddersfield HD3 3QU	£155,000	25/02/2022	Terraced	2 to
46, Prince Royd, Halifax Road, Huddersfield HD3 3BS	£135,000	07/03/2022	Terraced	2 to 3
59, Holly Bank Road, Huddersfield HD3 3LX	£225,000	16/03/2022	Terraced	2 to 3
46, Crosland Fold, Lindley, Huddersfield HD3 3WR	£367,000	18/03/2022	Detached	
109, Elizabeth Street, Elland HX5 0LD	£68,000	09/11/2021	Terraced	2 to 3
56, South Lane, Elland HX5 0PA	£125,000	26/11/2021	Terraced	2 to 3
13, Lime Tree Avenue, Elland HX5 9BE	£125,000	30/11/2021	Terraced	3 to
15, Bath Street, Elland HX5 0NB	£103,000	30/11/2021	Terraced	2 to 3
47, Rosemount Avenue, Elland HX5 9BN	£160,500	30/11/2021	Terraced	2 to 3
10, Bramble Grove, Elland HX5 9QW	£246,500	06/12/2021	Semi-detached	2 to 3
3, Wilderness Road, Elland Upper Edge, Elland HX5 9PQ	£122,500	13/12/2021	Terraced	1 to
4, Waverley Road, Elland HX5 0NL	£225,000	03/12/2021	Terraced	3 to
33, Myrtle Road, Elland HX5 0HU	£108,000	02/12/2021	Terraced	2 to
2, Bath Street, Elland HX5 0NB	£117,000	13/12/2021	Terraced	2 to
27, Catherine Crescent, Elland HX5 0JA	£126,000	31/01/2022	Terraced	2 to

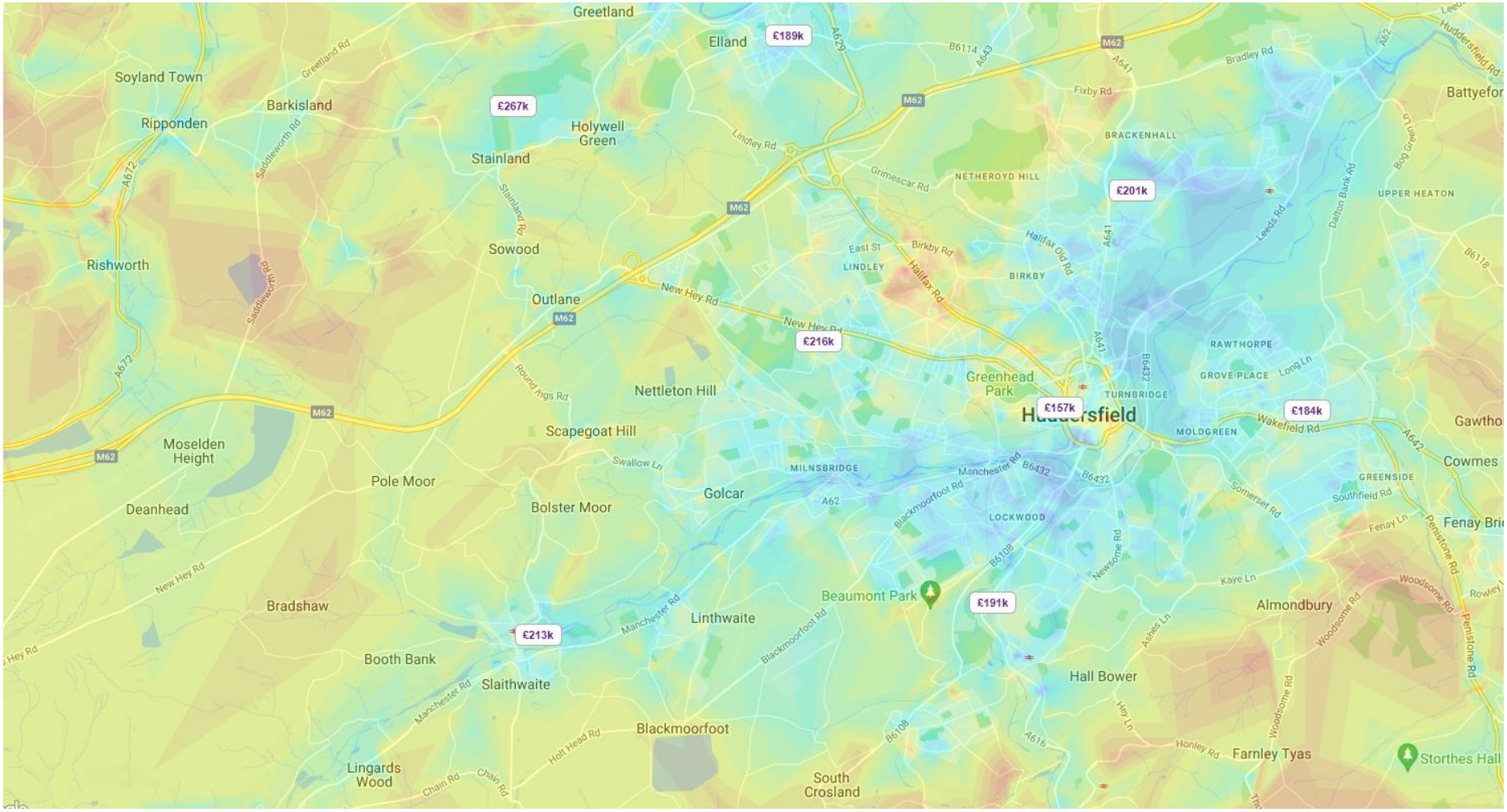
Second Hand Available

Search criteria: Modern houses for sale within 1 mile of postcode HD2 2EG

Source: www.rightmove.co.uk

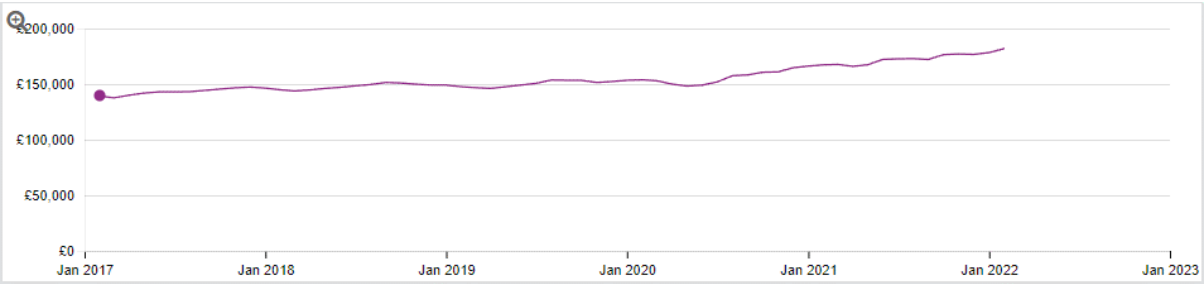
Address	Type	Bedrooms	Price
Banney Royd Hall, Banney Royd Halifax Road, Huddersfield HD3 3	Detached	8	£2,300,000
Paget Crescent, Huddersfield	Detached	4	£1,100,000
Woodlands Court, Huddersfield	Detached	6	£795,000
Greenalea, 328 Birkby Road, Birkby, Huddersfield	Detached	5	£700,000
Norwood Park, Birkby, Huddersfield	Detached	7	£700,000
Warren House Lane, Huddersfield	Detached	4	£600,000
Grimescar Road, Huddersfield	Detached	4	£575,000
Uplands, Huddersfield, HD2	Detached	5	£500,000
Lindley Moor Road, Ainley Top, Huddersfield	Detached	6	£500,000
Croft Gardens, Birkby, Huddersfield	Detached	4	£499,950
Grimescar Road, Ainley Top, Huddersfield	Detached	3	£425,000
Wadsworth Fold, Lindley, Huddersfield, HD3	Detached	4	£375,000
Tennyson Avenue, Huddersfield, HD3	Semi	5	£360,000
Woodnook, South Cross Road, Huddersfield, West Yorkshire, HD	Terraced	4	£350,000
20 College Avenue, Huddersfield, HD3 3LQ	Detached	4	£335,000
Ryecroft Drive, Lindley, Huddersfield, HD3	Semi	5	£300,000
Blackthorn Drive, Lindley, Huddersfield, HD3	Detached	4	£270,000
Blackthorn Drive, Huddersfield, HD3	Detached	4	£270,000
Croft Gardens, Huddersfield, West Yorkshire, HD2	Detached	4	£262,495
Croft Gardens, Huddersfield, , , HD2 2FL	Detached	4	£262,495
Norwood Road, Birkby, Huddersfield, HD2	Detached	4	£250,000
Caldercroft, Elland	Detached	3	£250,000
Haigh Road, Lindley, Huddersfield, HD3	Semi	3	£249,950
Caldercroft, Elland	Semi	3	£225,000
Broad Lea, Elland	Terraced	2	£170,000
Temple Street, Lindley, Huddersfield	Terraced	2	£160,000
Goldington Avenue, Huddersfield	Semi	3	£140,000
Thorncliffe Street, Huddersfield HD3 3JH	Terraced	2	£140,000
Halifax Road, Huddersfield	Terraced	2	£110,000

Property Price Heat Map

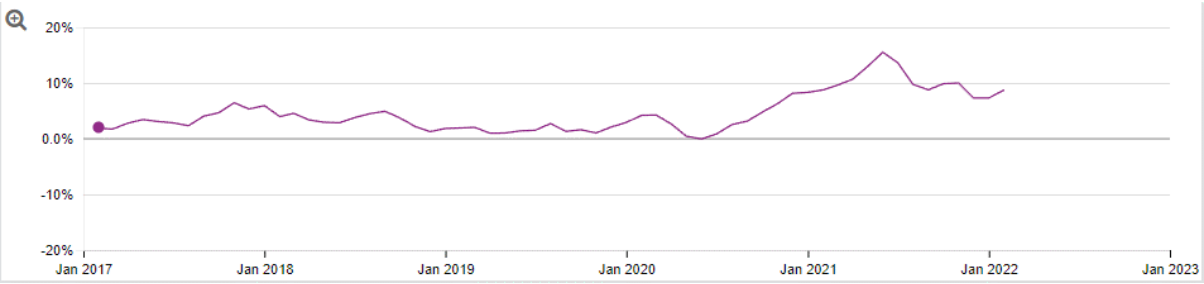


Average price by type of property in Kirklees

Source: HM Land Registry



Percentage change (yearly) in Kirklees



Price Trends – HD2 2EG

Market Characteristics	Kirklees	National
Market Size Indicator: no. of transactions	31,119	4,886,506
Market Size Indicator: total no. of properties	189,760	25,000,000
Market liquidity Indicator: transactions / properties	16.40%	19.55%
Market Growth Indicator: new homes built	2,121	570,561
Market Growth Indicator: new builds / transactions	6.82%	11.68%

Growth Rate	Kirklees	National
5 year house price growth	1.90%	6.90%
Last 12 months house price growth	8.80%	5.40%

Average House Prices

Source: HM Land Registry

Postcode Area – HD2 2EG

Property Type	Feb-17	Feb-22	Change
Detached	£211,553	£310,313	47%
Semi	£133,174	£180,442	35%
Terraced	£107,294	£121,115	13%
Flat	£97,875	£72,000	-26%
All	£132,740	£157,344	19%

Appendix 2 – Financial Appraisals

220629 Burns Rd, Birchencliffe v1 PC

Appraisal Summary for Phase 1

Currency in £

REVENUE					
Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
OMS	22	31,330	313.76	446,818	9,830,000
NET REALISATION				**9,830,000**	
OUTLAY					
ACQUISITION COSTS					
Residualised Price (Negative land)			(103,214)		
				(103,214)	
Agent Fee			10,000		
Legal Fee			5,000		
				15,000	
CONSTRUCTION COSTS					
Construction					
	ft²	**Build Rate ft²**	**Cost**		
OMS	31,330	170.00	5,326,100	**5,326,100**	
Contingency		3.00%	188,498		
				188,498	
Other Construction Costs					
Part L Building Regs			150,436		
Abnormal Development Costs			957,162		
S106 Highways	22 un	790.00 /un	17,380		
S106 Sustainable Travel	22 un	495.00 /un	10,890		
Affordable Commuted Sum			342,000		
				1,477,868	
PROFESSIONAL FEES					
Professional Fees		7.00%	439,828		
				439,828	
MARKETING & LETTING					
Marketing		3.00%	294,900		
				294,900	
DISPOSAL FEES					
Sales Legal Fee	22 un	650.00 /un	14,300		
				14,300	
TOTAL COSTS BEFORE FINANCE				**7,653,281**	
FINANCE					
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			(5,374)		
Construction			151,010		
Other			65,083		
Total Finance Cost				210,719	
TOTAL COSTS				**7,864,000**	
PROFIT					
				1,966,000	
Performance Measures					
Profit on Cost%		25.00%			
Profit on GDV%		20.00%			
IRR% (without Interest)		52.26%			

220629 Burns Rd, Birchencliffe v1 PC

Table of Gross Development Value and Land Cost

	Construction: Rate /ft²				
Sales: Rate /ft²	-5.000%	-2.500%	0.000%	+2.500%	+5.000%
	161.50 /ft²	165.75 /ft²	170.00 /ft²	174.25 /ft²	178.50 /ft²
-5.000%	£9,338,500	£9,338,500	£9,338,500	£9,338,500	£9,338,500
298.07 /ft²	£176,496	£316,277	£456,058	£595,857	£736,385
-2.500%	£9,584,250	£9,584,250	£9,584,250	£9,584,250	£9,584,250
305.91 /ft²	£73	£139,855	£279,636	£419,417	£559,198
0.000%	£9,830,000	£9,830,000	£9,830,000	£9,830,000	£9,830,000
313.76 /ft²	(£176,349)	(£36,568)	£103,214	£242,995	£382,776
+2.500%	£10,075,750	£10,075,750	£10,075,750	£10,075,750	£10,075,750
321.60 /ft²	(£352,771)	(£212,990)	(£73,209)	£66,573	£206,354
+5.000%	£10,321,500	£10,321,500	£10,321,500	£10,321,500	£10,321,500
329.44 /ft²	(£529,193)	(£389,412)	(£249,631)	(£109,850)	£29,932

Sensitivity Analysis : Assumptions for Calculation

Construction: Rate /ft²
Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
OMS	1	£170.00	2.00 Up & Down

Sales: Rate /ft²
Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
OMS	1	£313.76	2.00 Up & Down

220629 Burns Rd, Birchencliffe v1 MS

Appraisal Summary for Phase 1

Currency in £

REVENUE					
Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
OMS	22	31,330	313.76	446,818	9,830,000
NET REALISATION				**9,830,000**	
OUTLAY					
ACQUISITION COSTS					
Residualised Price			243,918		
				243,918	
Stamp Duty			1,878		
Effective Stamp Duty Rate		0.77%			
Agent Fee			10,000		
Legal Fee			5,000		
				16,878	
CONSTRUCTION COSTS					
Construction	**ft²**	**Build Rate ft²**	**Cost**		
OMS	31,330	170.00	5,326,100		
Contingency		3.00%	188,498		
				5,514,598	
Other Construction Costs					
Part L Building Regs			150,436		
Abnormal Development Costs			957,162		
				1,107,598	
PROFESSIONAL FEES					
Professional Fees		7.00%	439,828		
				439,828	
MARKETING & LETTING					
Marketing		3.00%	294,900		
				294,900	
DISPOSAL FEES					
Sales Legal Fee	22 un	650.00 /un	14,300		
				14,300	
TOTAL COSTS BEFORE FINANCE				**7,632,020**	
FINANCE					
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			15,887		
Construction			151,010		
Other			65,083		
Total Finance Cost				231,980	
TOTAL COSTS				**7,864,000**	
PROFIT					
				1,966,000	
Performance Measures					
Profit on Cost%		25.00%			
Profit on GDV%		20.00%			
IRR% (without Interest)		48.52%			

220629 Burns Rd, Birchencliffe v1 MS

Table of Gross Development Value and Land Cost

	Construction: Rate /ft²				
Sales: Rate /ft²	-5.000%	-2.500%	0.000%	+2.500%	+5.000%
	161.50 /ft²	165.75 /ft²	170.00 /ft²	174.25 /ft²	178.50 /ft²
-5.000%	£9,338,500	£9,338,500	£9,338,500	£9,338,500	£9,338,500
298.07 /ft²	(£172,073)	(£32,733)	£107,049	£246,830	£386,611
-2.500%	£9,584,250	£9,584,250	£9,584,250	£9,584,250	£9,584,250
305.91 /ft²	(£342,320)	(£207,995)	(£69,374)	£70,408	£210,189
0.000%	£9,830,000	£9,830,000	£9,830,000	£9,830,000	£9,830,000
313.76 /ft²	(£510,341)	(£377,216)	(£243,918)	(£106,015)	£33,767
+2.500%	£10,075,750	£10,075,750	£10,075,750	£10,075,750	£10,075,750
321.60 /ft²	(£678,363)	(£545,238)	(£412,113)	(£278,988)	(£142,656)
+5.000%	£10,321,500	£10,321,500	£10,321,500	£10,321,500	£10,321,500
329.44 /ft²	(£846,384)	(£713,259)	(£580,134)	(£447,009)	(£313,884)

Sensitivity Analysis : Assumptions for Calculation

Construction: Rate /ft²
Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
OMS	1	£170.00	2.00 Up & Down

Sales: Rate /ft²
Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
OMS	1	£313.76	2.00 Up & Down



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