230320 Burns Rd, Birchencliffe v2 PC

Appraisal Summary for Phase 1

Currency in £

REVENUE					
Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
OMS	22	30,719	313.81	438,182	9,640,000
NET REALISATION				**9,640,000**	
OUTLAY					
ACQUISITION COSTS					
Residualised Price (Negative land)			(130,572)		
				(130,572)	
Agent Fee			10,000		
Legal Fee			5,000		
				15,000	
CONSTRUCTION COSTS					
Construction					
	ft²	**Build Rate ft²**	**Cost**		
OMS	30,719	170.00	5,222,230	**5,222,230**	
Contingency		3.00%	185,382		
				185,382	
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%	432,557		
				432,557	
MARKETING & LETTING					
Marketing		3.00%	289,200		
				289,200	
DISPOSAL FEES					
Sales Legal Fee	22 un	650.00 /un	14,300		
				14,300	
TOTAL COSTS BEFORE FINANCE				**7,505,965**	
FINANCE					
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			(7,040)		
Construction			149,259		
Other			63,816		
Total Finance Cost				206,035	
TOTAL COSTS				**7,712,000**	
PROFIT					
				1,928,000	
Performance Measures					
Profit on Cost%		25.00%			

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Profit on GDV%	20.00%
Profit on NDV%	20.00%
IRR% (without Interest)	52.39%
Profit Erosion (finance rate 6.500)	3 yrs 6 mths

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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%	£9,158,000	£9,158,000	£9,158,000	£9,158,000	£9,158,000
298.12 /ft²	£202,486	£339,542	£476,597	£613,770	£751,558
-2.500%	£9,399,000	£9,399,000	£9,399,000	£9,399,000	£9,399,000
305.97 /ft²	£29,474	£166,529	£303,585	£440,640	£577,695
0.000%	£9,640,000	£9,640,000	£9,640,000	£9,640,000	£9,640,000
313.81 /ft²	(£143,538)	(£6,483)	£130,572	£267,628	£404,683
+2.500%	£9,881,000	£9,881,000	£9,881,000	£9,881,000	£9,881,000
321.66 /ft²	(£316,550)	(£179,495)	(£42,440)	£94,615	£231,671
+5.000%	£10,122,000	£10,122,000	£10,122,000	£10,122,000	£10,122,000
329.50 /ft²	(£489,563)	(£352,507)	(£215,452)	(£78,397)	£58,658

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	£313.81	2.00 Up & Down