Carter Jonas

Financial Viability Assessment

9 Bond Court
Leeds
LS1 2JZ

Prepared on:

Development Land and 271 Cliffe Lane
Gomersal
Cleckheaton
BD19 4SB

CJ Ref: J0074387

On behalf of: Quarters Gomersal Ltd

Valuation Date and Report Date: 17th October 2024.

Source: Google Maps (approximate property boundary outlined as a dashed white line)

Contents

Appendices

2 Executive Summary

This Financial Viability Assessment ('FVA' or 'Report') has been commissioned to assess the viability of the proposed residential development based on all relevant national and local planning policy requirements. The following provides a brief synopsis only and should be read in conjunction with the main body of the Report, the Assumptions and Recommendations contained therein.

Detail	
Local Authority ('Local Authority')	Kirklees Council
Property (the 'Property')	Development land and 271 Cliffe Lane, Gomersal, Cleckheaton BD19 4SB
Developer / Applicant ('Developer')	Quarters Gomersal Ltd
Development (the 'Development')	The development of 97 new build houses and apartments on a greenfield site and 271 Cliffe Lane, a house to be demolished in order to provide access. The development comprises a mix of 2, 3 and 4 bedroom houses and one and two bedroom apartments.
Gross Internal Area ('GIA')	9,425 sq m / 101,454 sq ft
Property site area	Total 8.96 acres (3.63 hectares) Greenfield 8.85 acres. 271 Cliffe Lane 0.11 acres
Development Appraisal Summary based on zero affordable housing	
Gross Development Value ('GDV')	£30,092,000
Build cost	£14,005,273 (BCIS)
Future Homes Standards	£2,500 per unit
S278 (off site highways)	£95,000
Build cost contingency	5% (only on construction costs not externals or abnormal costs)
Acquisition costs	Stamp, agent's fees and legals proportional to land value
Abnormal costs	£1,775,000 (Provided by Developer)
Professional fees	8%
Marketing and disposal fees	1% agency, £600 per dwelling for legals and £750 per dwelling for marketing.
Finance Interest Rate	8%
Developers profit (on GDV)	17.5%
Benchmark Land Value ('BLV')	£1,965,000 (20x greenfield value and 1.2x brownfield value (relating to the house)
Residual site value (with no affordable housing)	£1,900,000
Conclusion of development appraisal	The development appraisal with no affordable houses produces a residual value lower than the BLV which confirms that the policy compliant level of affordable housing would produce an unviable scheme.

1 Instruction and Compliance

2 Applicant (the 'Applicant')

Quarters Gomersal Ltd
12a Montpellier Parade
Harrogate
HG1 2TJ

3 Disclosure and Publications

The Planning Practice Guidance for Viability ('PPGV') states that the Report can be made publicly available to promote greater transparency and accountability, unless there is commercially sensitive information within the Report. We are not aware of any sensitive information.

4 The Subject of the Assessment (the 'Property')

Land and 271 Cliffe Lane, Gomersal, Cleckheaton BD19 4SB

5 Instructions

In accordance with your written instruction dated 7th September 2023, we initially submitted a report for a scheme of 87 dwellings. This Report has been provided in accordance with further instructions on a 97 unit scheme which we now submit required for planning purposes.

The purpose of this FVA is to provided in order to assess the level of S106 provisions (affordable housing and other contributions) that the Development can support through the planning application process.

This Report will take into account the requirements for affordable housing and S106 contributions set out by Kirklees Council's Local Plan Policies, whilst also factoring in national planning policy and guidance.

In undertaking this instruction and carrying out the FVA viability assessment, Carter Jonas confirms that the Report has been prepared with the skill, care and diligence reasonably to be expected of a competent Chartered Surveyor and Registered RICS Valuer.

We have relied on the information provided to us by the Developer and information publicly available through the Council's planning portal website. For our comparable evidence (for GDV assessment), we have relied on information sourced from RightMove, Nethouseprices and Land Registry. For costs we have reviewed information from the Building Cost information Service (BCIS) as well as those provided to us by the Developer.

Carter Jonas has a professional relationship with Quarters Gomersal Ltd, with our planning department providing advice in respect of the current application being submitted for the proposed development. Carter Jonas were not involved in the sale or purchase of the Property and neither do we not have any agency related instructions in relation to the sale of the proposed houses.

6 Identification and Status of the Valuer (the 'Valuer')

This report has been undertaken by Sam Dodd MRICS (RICS No: 6781274) and Bruce Allan MRICS (RICS No: 1127361) for and on behalf of Carter Jonas LLP.

The Valuers have no further known material connection or involvement with the subject of the valuation or the Applicant.

The Valuers are RICS Registered Valuers and are in a position to provide objective and unbiased appraisals. The Valuers have sufficient current local and regional knowledge of the particular market together with the skills and understanding required and are competent to undertake the appraisal.

7 Viability Assessment Date

Our appraisal is as at 17th October 2024.

It should be noted that values change over time and a valuation given on a particular date may not be valid on an earlier or later date.

8 Guidance

The RICS professional statement confirms that Financial Viability Assessments ('FVA') are not valuations as such but contain significant valuation content which are within the jurisdiction of the RICS Valuation – Global Standards ('the Red Book') and other RICS mandatory statements / professional guidance. All RICS members carrying out FVAs must therefore adhere to these provisions.

The latest and most relevant RICS professional statements on which our Report is provided are:

- 'Financial viability in planning: conduct and reporting' May 2019. This professional standard set out mandatory requirements that inform the practitioner on what must be included within financial viability assessments and how the process must be conducted.

- 'Assessing viability in planning under the National Planning Policy Framework 2019 for England' March 2021. This Professional Standard is intended to help professionals working in planning and development to apply the government's national planning policy for England, which is currently focused on delivering 300,000 dwellings per annum.

Both were initially guidance notes and then were reissued in April 2023 as RICS professional standards.

This professional statement advises that all FVAs for planning purposes are carried out under the National Planning Policy Framework ('NPPF') and the Planning Practice Guidance ('PPG'), which is regarded as the 'authoritative requirement' in the Red Book. This means that the government's technical requirements on the assessment of viability take precedence over any other RICS professional statements and guidance, including any valuation-based requirements in the PPGV which take precedence over any other valuation basis or approach set out in the standards, however Red Book professional standards still apply.

We have therefore prepared this FVA in accordance with the NPPF and the PPG.

9 Introduction

9.1 Overview

Carter Jonas has been instructed by Quarters Gomersal Ltd (the 'Developer') to undertake an independent Financial Viability Assessment ('FVA') of the proposed development at the Property, with the application proposing 97 dwellings. Our Report is required to illustrate whether the Property is capable of delivering S106 obligations (affordable housing and other contributions).

9.2 Planning Policy

Section 38(6) of the Planning and Compulsory Purchase Act (2004) states '*If regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise.'* We have therefore had regard to the local plan in preparing this FVA.

We have also had regard to the National Planning Policy Framework, Planning Practice Guidance and local planning policies.

9.3 National Planning Policy Framework

National planning policy is set within the new National Planning Policy Framework ('NPPF'), which was updated in September 2023. This edition replaces the previous NPPF published in July 2021, and earlier revisions. The NPPF state that planning decisions should be made in accordance with the development plan unless material considerations suggest otherwise. The NPPF is a material consideration.

Sustainable development being achieved is also a key part of the NPPF. This should not however take precedent over the development plan being the starting point for decision making. It states that it is for the Applicant to determine whether there are circumstances to justify the need for a viability assessment as part of a planning application. The decision maker should determine the weight to be afforded to the viability statement, taking into account all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any changing circumstances that have occurred since the plan was adopted. It also states that the viability assessment should reflect the recommended approach set out in national planning guidance, including standardized inputs, and should be publicly available.

As set out in the RICS professional standard, LPAs will have objectives to secure appropriate contributions from development to meet the community and infrastructure needs within their local area. The RICS professional standard further states that other stakeholder expectations need to be considered as part of the viability process; namely developers who will expect to make a suitable return, and landowner expectations which are crucial in ensuring the voluntary release of land for development.

9.4 Planning Practice Guidance

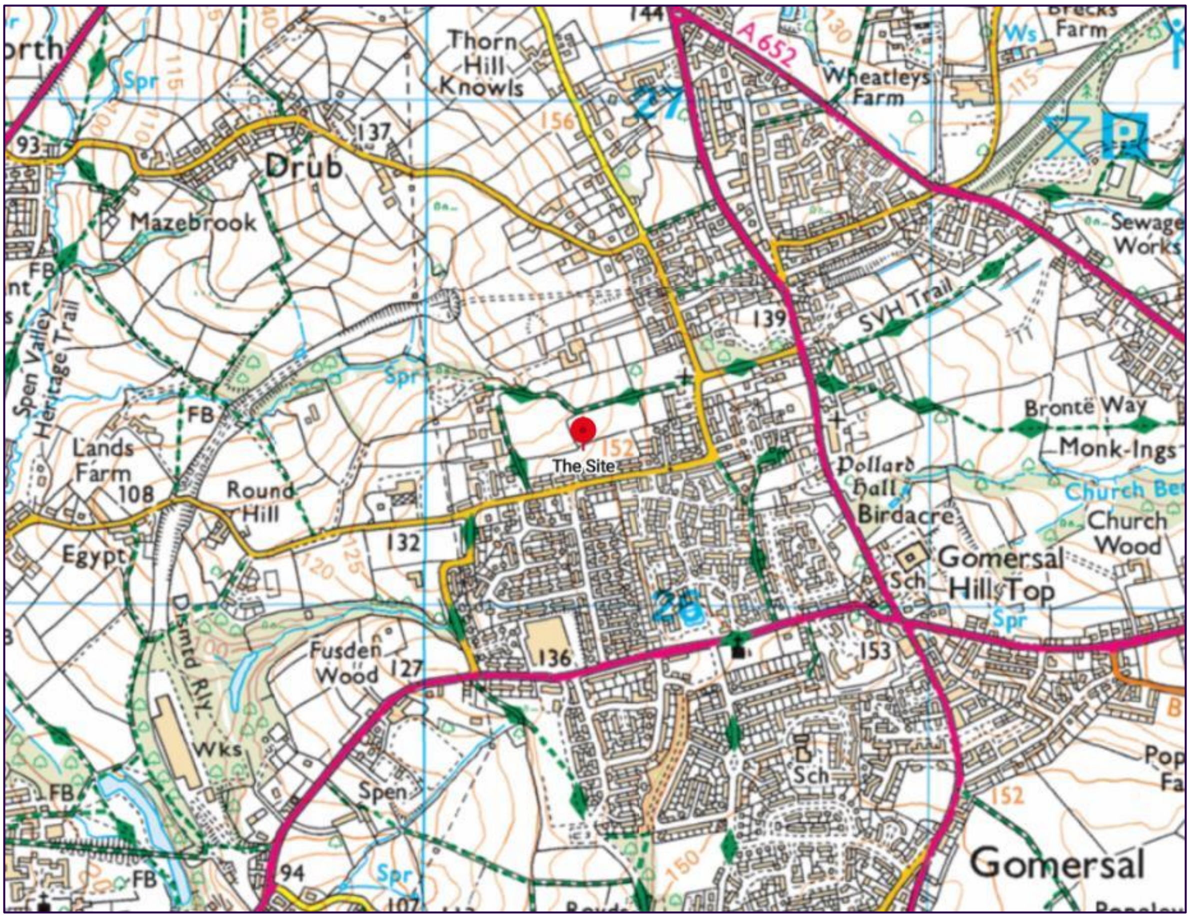
Planning Practice Guidance ('PPG') provides an understanding of how to undertake viability assessments at both plan making and decision taking levels. PPG notes that it is for the Applicant to demonstrate whether a planning application should be accompanied by a viability assessment. The decision taker should apply appropriate weight. It confirms that decision making for viability will strike a balance between the aspirations of developer and landowners with regard to returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through granting planning permission. The document details that viability assessments should set out the assumptions made about costs and values. This should include gross development value, benchmark land value including the landowner premium, developer's return and costs. Where different figures from those set out in the Local Plan arise, these should be explained and supported with evidence.

10 Location

The Property is located on Cliffe Lane in the town of Gomersal. Dewsbury is located 4 miles to the south east, Halifax is 8 miles to the west, Bradford is 6 miles to the north west and Leeds is 9 miles to the north east of Gomersal.

The M62 (Junction 24) and the M606 meet at Chain Bar roundabout, 2 miles west of the Property. The M62 in turn provides access to various other motorways including the M1, approximately 10 miles east.

The Property is within the Kirklees 004D neighbourhood which has a resident population of 2,012 in 842 households (source: 2021 Census). In the Index of Multiple Deprivation 2019 the neighbourhood is ranked 24,339 out of 32,844 in England where 1 is the most deprived.



Source: Bing Maps

11 Situation

The Property is situated in the north west of Gomersal in a predominantly residential area. It is bound by residential housing to the west, south and east. To the north there is grazing / paddock land. Also to the north west there are small industrial units which appear to belong to the adjoining houses.

There is no railway station in Gomersal, however, Low Moor and Batley railway stations are within 4 miles distance. These stations provide regular services to Leeds, Huddersfield, Bradford, London Kings Cross and Manchester Victoria.

There are bus stops running along Spen Lane, 500m to the south and Oxford Road, 500m to the east. These stops offer regular services to Cleckheaton, Halifax, Heckmondwike, Brighouse and Dewsbury.

There are three primary schools and a secondary school within Gomersal. There is a Tesco superstore within Gomersal as well as multiple local shops.

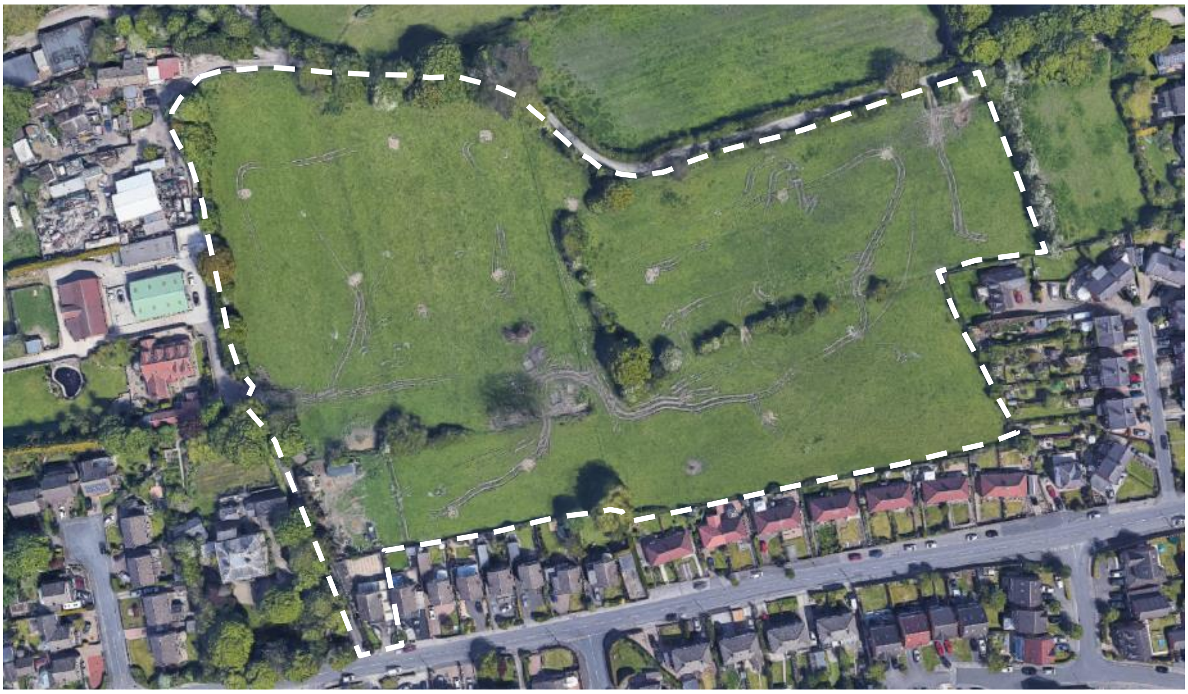
The nearest residential developments include 9 houses at Copper Beech View, Oxford Road, being developed by PPJ Developments, 1 mile to the north of the Property and a development of 22 houses at Oxford Meadows, Oxford Road, being developed by Riva Homes.

12 Description

The Property comprises three undeveloped fields and a single residential detached house, 271 Cliffe Lane, which will be demolished to provide the main access to the Development.

Together the three fields provide an irregular parcel of land that slope down from south to north, and are currently grassed, used for grazing cattle. There are two old livestock sheds, otherwise there are no significant buildings. The fields are divided and bound by fencing, trees and unkempt hedgerows. There is a lane running up the west boundary of the Property leading to adjacent houses and a small warehouse. Ferrand Lane runs along the north boundary of the Property. There is detached and semi-detached housing along the southern boundary, separating the Property from Cliffe Lane.

271 Cliffe Lane comprises a two storey detached house of traditional brick and block construction with uPVC windows and doors, beneath a pitched pantile covered roof. We have not inspected the house internally however Rightmove states the property to have four bedrooms. Externally, the house has two integral garages, a driveway for two cars and a rear garden. The front access is onto Cliffe Lane.



Aerial view from Google Maps (approximate Property boundary shown dashed white)



The fields / Property


271 Cliffe Lane south elevation

271 Cliffe Lane north elevation

Cliffe Lane (east)

Lane along the west boundary

Ferrand Lane – along the north

13 Site Area

Our understanding of the boundary of the Property is shaded grey on the ordnance survey plan below, extending to approximately 8.96 acres (3.63 hectares).

Source: Nimbus

14 Proposed Development

The proposed development plan is shown below:

The proposed development comprises 97 residential dwellings - 82 houses and 15 apartments. The house types and floor areas, are as follows:

House Type	Description	Parking / Garage		Units	GIA (exc integral garages)			
		Integral	Detached		Sq m	Sq ft	Total sq m	Total sq ft
A2	2 bed semi			20	80	863	1,604	17,260
B2	3 bed semi		X	11	95	1,018	1,040	11,198
C2	3 bed semi		X	2	107	1,154	214	2,308
D3	3 bed semi / terrace	X		8	121	1,300	966	10,400
D4	4 bed semi / terrace	X		6	121	1,300	725	7,800
E2	2 bed semi		X	4	95	1,018	378	4,072
F2	4 bed detached	X		4	110	1,184	440	4,736
G2	4 bed detached		X	1	117	1,259	117	1,259
H2	4 bed detached	X		5	134	1,447	672	7,235
I2	4 bed detached		X	4	126	1,361	506	5,444
M2/3	3 bed semi	X		13	111	1,198	1,447	15,574
N2/3	4 bed semi	X		4	124	1,334	496	5,336
Houses Total				**82**			**8,605**	**92,622**
Apartments								
AT - W	1 bed flat			1	67	718	67	718
AT - X	2 bed flat			3	67	718	200	2,154
AT - Y	1 bed flat			10	51	554	515	5,540
AT - Z	1 bed studio			1	39	420	39	420
Apartments Total				**15**			**821**	**8,832**
Total				**97**			**9,425**	**101,454**

This assessment does not provide critique of the development design. Our instruction is limited to testing the viability of the proposals as detailed in the planning application.

15 Local Planning Policy

The Kirklees Local Plan was adopted on 27th February 2019. The Local Plan is the statutory development plan and its purpose is to set out the policies necessary to achieve the strategy and how much new development there should be in the district and where it will go. It sets out how and where land can be developed over the next 15 years, in order to meet the growing needs of local people and businesses.

The Property is allocated as a site for use as housing under the local plan, site HS116. The plan below is extracted from the Local Plan.

Gomersal Conservation Area can be found immediately to the northeast of the site, together with the Grade II listed Gomersal Methodist Church, shown below:

Policy LP11 - Housing mix and affordability

This policy sets out that for schemes of more than 10 dwellings or those of 0.4 ha or greater in size, the housing mix should reflect the proportions of households that require housing, achieving a mix of house size and tenure. Considering the annual overall shortfall in affordable homes, the council will negotiate with developers for the inclusion of an element of affordable homes in planning applications for housing developments of more than 10 homes. The proportion of affordable homes should be 20% of the total units on market housing sites.

There was an outline planning application on the site for the demolition of 271 Cliffe Lane and erection for 98 dwellings which was refused by the Local Authority in 2021 (ref 2019/60/90902/E).

Carter Jonas were Planning Agents for the original outline planning application (reference 2019/60/90902/E) which was submitted on behalf of KCS Development Ltd on 3rd March 2019 for the erection of 92 dwellings on Land at Cliffe Lane. Matters of access, landscaping and layout were considered as part of the outline application.

On 18th August 2019 the description of development was altered to read 'erection of 98 dwellings on Land at Cliffe Lane'. Amendments to the layout and density of the overall development were proposed to address comments raised by consultees and the Planning Officer.

The changes included amending the shared road surfaces, parking provision and inclusion of visitor parking spaces. Amendments to the scheme also included open space provision in connection with the drainage solution, landscaping proposals and mine shaft locations. The application was presented to Planning Committee on 19th December 2019 and approved by Committee members subject to the completion of a Section 106 Agreement. Due to a complex landownership and the number of parties required to sign the Section 106 Agreement during Covid restrictions, there were delays to this process.

On 1st July 2021 the application was re-presented to Planning Committee with a recommendation to refuse the application due to the absence of a completed Section 106 Agreement and subsequently was refused. The applicant subsequently appealed the decision, however, it was dismissed due to the absence of a completed Section 106 Agreement.

Carter Jonas have again been instructed as planning agents to submit a new planning application for the scheme which this viability has been based on.

16 Methodology

This section provides the approach and methodology to this FVA, set within the context of the legislative planning framework, and recognised national practice guidance.

The PPGV defines an FVA as follows, *'Viability assessment is 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'.*

To determine the viability of a development, we undertake a development appraisal, i.e. a financial appraisal of a development. It is normally used to calculate either the residual site value or the development profit, but it can be used to analyse or determine other outputs, such as S106 / affordable housing contributions. In FVAs, for planning purposes, the primary role is to determine residual land value, which we compare against the Benchmark Land Value to determine what level of S106 / affordable contributions the scheme can financially support.

The appraisals are prepared using industry recognised software, Argus Developer. We assess the Gross Development Value (GDV) (i.e. the estimated values of the completed dwellings) and deduct all development costs including the cost of construction, external works, abnormal costs, professional fees, finance costs and a developer's profit. The GDV and development costs are incorporated into a cashflow over an appropriate development and sale period.

The assessment of the GDV adopts the comparable method of valuation, whereby we consider both capital values per square foot ('psf') (per square metre ('psm')) and the total value in relation to the location and quality of the scheme.

The value of residential land is often referred to on a price per plot of value per acre basis, however, these are generally de-valuation comparisons rather than a valuation method. This is because invariably residential development land has different characteristics and development criteria. These can include: the specific planning permission, planning conditions, S106 costs and development costs [ground conditions and ground works, foundation requirements, retaining walls, servicing / utility costs, specification of the build (walls, windows, roofs etc), external works and off site works (S278 road works etc)]. The valuation of land on a price per acre basis must be only adopted if full detail of the development is available.

Once we have established the value of the land, we then identify the Benchmark Land Value ('BLV').

The definition of BLV is *'The value to be established on the basis of the existing use value (EUV) plus a premium for the landowner or the alternative use value (AUV) in which the premium is already included. PPG is clear that there 'may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.'*

Once the above areas have been identified, we then look at the difference between the figures calculated to determine the sum available to viably deliver any planning gain (S106 and / or affordable housing obligations).

In order to assess the appropriate GDV (or house values), we consider both national and local market conditions and comparable evidence.

17 Market Conditions

17.1 HM Treasury Forecasts for the UK Economy, September 202$

	2024	2025	2026	2027	2028
Official Bank Rate (%)	4.70	3.75	3.64	3.27	3.12
House price inflation (annual, %)	2.4	2.6	2.2	3.4	3.6
CPI inflation rate (annual average, %)	2.6	2.2	2.2	2.4	2.3
Unemployment rate (%)	4.3	4.4	4.5	4.4	4.4
GDP (annual, %)	1.1	1.3	1.5	1.6	1.5
Average earnings growth (annual, %)	4.7	3.2	3.4	3.3	3.2

Sources: HM Treasury Consensus Forecasts (September 2024 and August 2024 (long-term forecasts))

17.2 Economic Backdrop

The Macroeconomy

The UK economy experienced stagnation in July with GDP unchanged, following no change in June. Disaggregated, services GDP grew by 0.1% month on month as retail sales rebounded. However, production output declined -0.8% in the month and construction also fell, down -0.4% following 0.5% growth in June.

Inflation rose by 2.2% in the 12 months to August unchanged from the July figure. The largest upward contribution came from air fares which rose by a strong 22.2% in August alone. On the other hand, the most notable downward contributions came from motor fuel, restaurants and hotel stays which all experienced price declines over the year.

Interest rates were held at 5.0% in the latest meeting of the Monetary Policy Committee (MPC) in September. Following August’s rate cut and inflation holding close to the Bank of England’s target 2.0% rate, it is widely expected that a further 25 basis point cut will come in November, when the MPC next meets. However, only one out of the nine MPC members voted to reduce Bank Rate in September (with the other eight voting to hold), so a further four members will need to shift their position.

Labour and Employment

The headline unemployment rate from the Labour Force Survey decreased to 4.1% this month, while the employment rate rose to 74.8%. Although the Labour Force Survey data is still considered unreliable, the overall trends across various measures should be examined. In this context, these headline figures are encouraging.

That said, the number of payrolled employees declined by an estimated 59,000 in August. However, this figure is likely to be revised again next month, similar to the July data, which was initially reported as an increase of 24,000 but was later revised downward to a decrease of 6,000.

The total number of job vacancies has now declined for the 26th consecutive reporting period. Three-monthly vacancies have decreased by 42,000, although they remain above pre-pandemic levels at 857,000.

Wage growth has slowed again in the latest three-month period, falling to 5.1% annually (excluding bonuses) from 5.4% in the previous period. This is the lowest growth rate since April to June 2022. Average public sector pay growth was 5.7%, while the private sector equivalent was 4.9%.

Market indicators

The S&P Global UK Manufacturing PMI for August rose to 52.5, up from 52.1 in July. This marks the fourth consecutive expansion figure for manufacturing and is the highest level in over two years. New orders rose at their highest level so far this year while work backlogs were reported to have cleared at their fastest pace since November last year. Input cost inflation is still rising although at a lower rate than last month.

Momentum continues in the UK services sector with the Services PMI (S&P Global) rising to 53.7 from 52.5 the previous month and well above the market consensus figure of 52.8. New business expanded sharply during the month with respondents citing an improved economic backdrop. Employment in the sector also rose and inflation fell to its lowest level since January (although wage pressures continue).

For the sixth month in a row the UK Construction PMI remained in expansion territory. With a figure of 53.6 this showed a sustained rebound in business activity in the sector, although it is down slightly from July's figure of 55.3. New order growth was supported by a more optimistic economic backdrop and construction companies remain optimistic about the near-term outlook. Residential activity accelerated at its fastest rate since September 2022 as housing market conditions improved.

Consumer demand and sentiment

Retail sales volumes increased by 1.0% in August, up from a 0.7% rise in July. On an indexed basis the volume of sales reached its highest level since July 2022 with a particular boost coming from the sale of clothing and footwear in the month, due to the warmer weather after a rainy start to summer in June and July. Throughout 2024 sales growth has trended upwards all year reflecting improving consumer sentiment as wages rise and inflation has slowed.

On the other hand, GfK's September Consumer Confidence Index showed a dip in confidence as it moved to -20 from -13 in August. There had been a slowly improving picture throughout most of 2024 however the threat of tax hikes in the upcoming Budget (30th October) seems to have put a firm stop to that. Every sub-measure fell on the month with the economic outlook over the next 12 months sub-measure falling 12 points to -27. The Major Purchase Index declined by a hefty 10 points to -23 while consumers personal finances over the next 12 months metric fell nine points to -3 from +6 previously.

17.3 Residential Market

Mortgages and Transactions

The mortgage market continues to show signs of significant improvement with total mortgage approvals rising for the third month in a row. July's figure of just under 62,000 approvals marks a 2% increase over June's total. This figure is significantly above the same month last year, by over 25%, and is not far away from the long-term monthly average of 63,000.

Total sales activity declined slightly in the month to a (provisional) figure of 90,630 recorded sales. This is down 1% from June but more promisingly is 7% above the same month last year. Given the usual lag in completions and the fact that mortgage approvals declined marginally in the weeks before the General Election and the much-anticipated interest rate cut, this comparable decline in activity has been anticipated. Equally, we foresee a rise in sales in the coming months as interest rates and mortgage rates continue their gradual descent while the forthcoming Budget will hopefully remove another layer of uncertainty in the market

The average mortgage rate is now just over 5.04% (85% LTV, two-year fixed). This marks a slow and steady decline from the recent high in May when it was 5.46% (Rightmove / Podium). Although the Bank Rate was cut by 25 basis points to 5.0% in August most lenders had already priced this in, so there was no immediate corresponding drop in mortgage rates.

Supply and Demand

The August RICS Residential Market Survey indicates some improving sales market conditions during the month, likely supported by softening mortgage rates and some market stability following the General Election in July. A net balance of +15% in the new buyer enquiries metric is up from +4% last month and is the strongest reading on this measure in almost three years. On the supply side new instructions also improved with a reading of +7% in August, up from +3% in July. The market appraisals measure also rose to +23%, further indicating an improving market.

Rightmove reports some robust sales market conditions with the number of agreed sales over the most recent four weeks up 27% compared with the same period last year. Rightmove goes on to say that the number of new sellers is up 14% and the average number of available homes for sale per estate agent is now at its highest level since 2014.

UK prices and price growth

For the fourth month in a row annual house price growth increased, according to Nationwide's August report. The average UK house price is now £265,375 according to the Bank, reflecting a 12 month increase of 2.4%, up from 2.1% in July. On a monthly basis house prices dropped -0.2% but the annual rise is the strongest growth recorded since December 2022.

August saw house prices grow at their fastest pace since November 2022 according to Halifax, increasing by 4.3% year on year. This strong increase is attributed to the weaker prices seen this time last year. On a monthly basis prices grew by 0.3% following 0.9% growth in July. The bank reports that the average UK home is now £292,505, the highest price since August 2022

Similarly, Rightmove also reported continuing house price growth with their September report noting an annual asking price rise of 1.2%, up from 0.8% the month before. The web portal goes on to say that monthly new seller asking prices grew 0.8% which is double the long-term average for this time of year. 'Second-stepper' asking prices increased the most, rising by an average of 1.4% over the last year.

July saw house prices grow by 2.2% (annually) according to the official ONS House Price Index. This was down slightly from 2.7% annual growth recorded in June. The average UK house price is now £289,723 reflecting a 0.6% rise month on month and has now surpassed the previous peak of the market in September 2022 by +0.4%.

For the first time since October 2022 the house price net balance from the RICS survey moved into positive territory in August. Although it is still only at +1% this is well above -18% in July and marks a huge change in sentiment. Following the completion of the General Election in early July and the first interest rate cut since 2020 there is clearly some optimism about the market. Looking ahead, +14% of respondents expect house price growth in the short-term while the longer-term 12-month forecast was stronger at +50%.

Regional prices and price growth

According to the regional ONS data Scotland topped the table in annual house price growth in July, recording an average 6.0% rise. This is well above the next highest from the North East at 3.8%, Yorkshire and the Humber (3.7%) and Northern Ireland (3.2%). Yet again the slowest price growth was found in all the highest average priced locations, with London recording an annual decline of -0.4% followed by the East of England (0.3%), the South East (0.5%) and the South West (1.0%).

HMLR Regional House Price Statistics - July 2024.

Region	Average Price	Annual % change	Monthly % change
Yorks & H	£214,918	3.7%	-0.5%
UK	£260,181	2.2%	0.6%

17.4 Local Residential Market Overview

We have undertaken analysis of the residential housing market in the local area to support our opinion of achievable sales revenues, assessing the demand and supply of new build homes.

There have been the following residential sales (new build and re-sales) since 2020 within Gomersal:

RESIDENTIAL SALES 2020 TO 2024						
Property Type		2024	2023	2022	2021	2020
Detached	Average Sale Price	£279,500	£308,447	£322,214	£319,770	£267,466
	Average £psf	£270	£283	£285	£276	£238
	Units Sold	5	19	16	27	16
Semi-Detached	Average Sale Price	£200,250	£204,194	£193,479	£184,852	£153,402
	Average £psf	£234	£233	£205	£192	£173
	Units Sold	4	31	34	39	27
Terraced	Average Sale Price	£178,750	£173,809	£166,260	£172,993	£138,792
	Average £psf	£266	£204	£218	£190	£181
	Units Sold	2	22	25	23	12
Flat	Average Sale Price	-	£130,833	£112,417	£121,071	£108,667
	Average £psf	-	£199	£163	£179	£146
	Units Sold	-	3	6	7	3
All Properties Sold		**11**	**75**	**81**	**96**	**58**

** The publication of Land Registry figures are approximately 2 months behind the current date.*

17.5 Comparable Residential Development Schemes

In order to assess the GDV we have researched sales of new build houses in the surrounding area. We have searched within a two mile radius of the Property to include Gomersal, Heckmondwike, Cleckheaton, Drighlington and Birkenshaw. Within this area, we have identified four comparable developments which we have detailed below:

Riva Homes - Oxford Meadows - Kensington Way BD19 4FB							
Number	**House Type**	**Sale Date**	**Sale Price**	**Sq m**	**Sq ft**	**£ psf**	**Image**
	Westbury 5 bed semi	31/03/2022	£296,000	138	1,485	£199	
	Westbury 5 bed semi	11/03/2022	£297,450	138	1,485	£200	
	Westbury 5 bed semi	03/03/2022	£295,000	138	1,485	£199	
	Westbury 5 bed semi	25/02/2022	£297,450	138	1,485	£200	
	Dorchester 3 bed end terrace	31/01/2022	£228,000	91	980	£233	
	Dorchester 3 bed mid terrace	28/01/2022	£188,000	91	980	£192	
	Stafford 3 bed end terrace	21/01/2022	£168,000	67	721	£233	
	Berkeley 4 bed detached	21/12/2021	£404,950	139	1,496	£271	
	Goring 4 bed detached	21/12/2021	£409,950	138	1,485	£276	
	Dorchester 3 bed end terrace	17/12/2021	£238,000	91	980	£243	
	Stafford 3 bed mid terrace	10/12/2021	£164,000	67	721	£227	
	Stafford 3 bed end terrace	03/12/2021	£168,000	67	721	£233	
	Berkeley 4 bed detached	26/11/2021	£407,450	139	1,496	£272	
	Goring 4 bed detached	12/11/2021	£429,950	138	1,485	£289	
	Carlton 3 bed semi	28/10/2021	£275,000	94	1,012	£272	
	Carlton 3 bed semi	30/09/2021	£274,000	94	1,012	£271	
	Berkeley 4 bed detached	24/09/2021	£402,450	139	1,496	£269	
	Carlton 3 bed semi	17/08/2021	£274,950	94	1,012	£272	
	Langham 3 bed semi	30/07/2021	£279,950	95	1,023	£274	
	Grosvenor 4 bed detached	29/06/2021	£374,950	123	1,324	£283	
	Goring 4 bed detached	25/06/2021	£434,950	138	1,485	£293	
			Average (all types)			**£248**	
			Average (terraced)			**£227**	
			Average (semi)			**£236**	
			Average (detached)			**£279**	

Barratt - Wadsworth Gardens BD19 6HS - SOLD							
Plot	**House Type**	**Sold**	**Sale Price**	**Sq m**	**Sq ft**	**£ psf**	**Image**
	Ashburton 4 bed detached w/ integral garage	2023	£439,995	137.3	1,478	£298	
	Denby 3 bed detached w/ integral garage	2023	£309,995	82.2	884	£351	
	Kingsville - 4 bed terrace	2023	£274,995	98.8	1,064	£259	
	Maidstone - 3 bed semi	2023	£254,995	76.8	827	£309	
	Maidstone - 3 bed semi	2023	£263,995	76.8	827	£319	
	Maidstone - 3 bed semi	2023	£259,995	76.8	827	£315	
	Moresby - 3 bed detached	2023	£279,995	78.3	843	£332	
	Kewdale - 2 bed mid-terrace	2023	£176,000	76.1	820	£215	
	Kewdale - 2 bed end-terrace	2023	£180,000	76.1	820	£220	
	Woodcote - 4 bed end-terrace	2023	£294,995	115.4	1,243	£237	
	Woodcote - 4 bed mid-terrace	2023	£297,995	115.4	1,243	£240	
	Woodcote - 4 bed end-terrace	2023	£304,995	115.4	1,243	£245	
	Denby 3 bed detached w/ integral garage	2023	£299,995	82.2	884	£339	
			Average (all types)			**£283**	
			Average (terraced)			**£236**	
			Average (semi)			**£314**	
			Average (detached)			**£329**	

Barratt - Wadsworth Gardens BD19 6HS - FOR SALE						
Plot	**House Type**	**Asking Price**	**Sq m**	**Sq ft**	**£ psf**	**Image**
	Moresby - 3 bed detached	£269,995	78.3	843	£320	
	Woodcote - 4 bed mid-terrace	£294,995	115.4	1,243	£237	
	Woodcote - 4 bed semi	£304,995	115.4	1,243	£245	
	Woodcote - 4 bed semi	£304,995	115.4	1,243	£245	
	Kingsville - 4 bed mid-terrace	£282,995	98.8	1,064	£266	
	Kingsville - 4 bed mid-terrace	£278,995	98.8	1,064	£262	
	Kingsville - 4 bed end-terrace	£284,995	98.8	1,064	£268	
		Average (all types)			**£264**	

Heaton Avenue Development - Cleckheaton - BD19 3ET							
Address	**House Type**	**Sale Date**	**Sale Price**	**Sq m**	**Sq ft**	**£ psf**	**Image**
Heaton Avenue	Mid terrace	07/03/2022	£200,000	73	786	£255	
Heaton Avenue	Semi detached	28/01/2022	£210,000	73	786	£267	
Westcliffe Road	Semi detached	02/11/2021	£230,000	91	980	£235	
Westcliffe Road	Semi detached	06/08/2021	£230,000	91	980	£235	
Bramhope Road	End terrace	21/05/2021	£195,000	73	786	£248	
Westcliffe Road	Semi detached	21/05/2021	£230,000	93	1,001	£230	
Westcliffe Road	Semi detached	14/05/2021	£230,000	91	980	£235	
Bramhope Road	Mid terrace	10/05/2021	£190,000	73	786	£242	
Westcliffe Road	Semi detached	09/03/2021	£230,000	93	1,001	£230	
Westcliffe Road	Semi detached	12/02/2021	£219,000	91	980	£224	
			Average (all types)			**£240**	

Kings Park - Miller Homes - Drighlington - BD11 1EG							
Address	**House Type**	**Sale Date**	**Sale Price**	**Sq m**	**Sq ft**	**£ psf**	**Image**
Pine Place	Detached	11/03/2024	£347,995	107	1,152	£302	
Pine Place	Detached	08/03/2024	£384,995	118	1,270	£303	
Rose Close	Detached	21/12/2023	£305,995	89	958	£319	
Hazel Chase	Detached	21/12/2023	£379,995	118	1,270	£299	
Rose Close	Detached	21/12/2023	£424,995	134	1,442	£295	
Hazel Chase	Detached	20/12/2023	£412,995	134	1,442	£286	
Rose Close	Detached	19/12/2023	£419,995	134	1,442	£291	
Rose Close	Detached	15/12/2023	£340,995	107	1,152	£296	
Rose Close	Detached	30/11/2023	£316,995	94	1,012	£313	
Rose Close	Detached	08/11/2023	£340,995	107	1,152	£296	
Rose Close	Semi-detached	27/10/2023	£244,995	76	818	£299	
Rose Close	Semi-detached	27/10/2023	£244,995	76	818	£299	
Hollybeck Street	Detached	26/04/2024	£384,995	118	1,270	£303	
Hollybeck Street	Semi-detached	28/03/2024	£252,995	76	818	£309	
Hollybeck Street	Semi-detached	28/03/2024	£254,995	76	818	£312	
Winterfell Road	Detached	21/12/2023	£324,995	94	1,012	£321	
Winterfell Road	Semi detached	26/05/2023	£242,995	76	818	£297	
Winterfell Road	Semi detached	26/05/2023	£244,995	76	818	£300	
Winterfell Road	Semi detached	26/05/2023	£242,995	76	818	£297	
Juniper Crescent	Detached	31/03/2023	£284,995	89	958	£297	
Juniper Way	Detached	03/12/2021	£249,995	86	926	£270	
Rosemary Lane	Detached	31/03/2023	£299,995	94	1,012	£296	
Bluebell Place	Detached	31/03/2023	£389,995	124	1,335	£292	
Juniper Crescent	Semi-detached	27/01/2023	£237,995	76	818	£291	
Juniper Crescent	Semi-detached	27/01/2023	£236,995	76	818	£290	
Juniper Crescent	Detached	10/03/2022	£356,995	115	1,238	£288	
Juniper Crescent	Semi-detached	21/12/2022	£234,995	76	818	£287	
Juniper Crescent	Semi-detached	19/12/2022	£232,995	76	818	£285	
Juniper Way	Semi-detached	26/11/2021	£227,995	82	883	£258	
Juniper Way	Semi-detached	26/11/2021	£227,995	82	883	£258	
Bluebell Place	Detached	05/05/2023	£359,995	118	1,270	£283	
Juniper Crescent	Detached	19/12/2022	£284,995	94	1,012	£282	
Snowdrop Row	Semi-detached	16/12/2022	£229,995	76	818	£281	
Winterfell Road	Detached	23/09/2022	£270,995	89	958	£283	
Hollybeck Street	Detached	13/12/2021	£329,995	120	1,292	£255	
Juniper Crescent	Detached	28/04/2023	£354,995	118	1,270	£279	
Juniper Crescent	Detached	17/04/2023	£319,995	107	1,152	£278	
Juniper Crescent	Detached	30/03/2022	£264,995	89	958	£277	
Hollybeck Street	Semi-detached	19/11/2021	£204,995	76	818	£251	
Juniper Way	Detached	21/01/2022	£354,995	129	1,389	£256	
Winterfell Road	Detached	28/03/2022	£329,995	117	1,259	£262	
Winterfell Road	Detached	31/08/2022	£346,995	118	1,270	£273	
Juniper Crescent	Detached	28/02/2023	£364,995	124	1,335	£273	
Acer Mount	Detached	10/11/2022	£346,995	118	1,270	£273	
Acer Mount	Detached	30/11/2022	£346,995	118	1,270	£273	
Winterfell Road	Semi-detached	18/03/2022	£229,995	82	883	£261	
Winterfell Road	Detached	30/09/2022	£339,995	115	1,238	£275	
Bluebell Place	Detached	31/03/2023	£392,995	134	1,442	£272	
Evergreen Chase	Detached	23/06/2022	£274,995	94	1,012	£272	
Winterfell Road	Detached	18/03/2022	£227,995	82	883	£258	

Kings Park - Miller Homes - Drighlington - BD11 1EG							
Address	House Type	Sale Date	Sale Price	Sq m	Sq ft	£ psf	Image
Juniper Way	Detached	25/02/2022	£329,995	120	1,292	£255	
Winterfell Road	Semi-detached	30/09/2022	£224,995	76	818	£275	
Juniper Crescent	Detached	10/03/2023	£387,995	134	1,442	£269	
Privet Drive	Detached	30/06/2022	£337,995	118	1,270	£266	
Acer Mount	Detached	03/10/2022	£354,995	124	1,335	£266	
Winterfell Road	Detached	30/09/2022	£356,995	124	1,335	£267	
Lilac Court	Detached	30/09/2022	£304,995	107	1,152	£265	
Winterfell Road	Semi-detached	18/07/2022	£214,995	76	818	£263	
Winterfell Road	Semi-detached	30/09/2022	£219,995	76	818	£269	
Chestnut Close	Detached	30/06/2022	£379,995	134	1,442	£263	
Juniper Crescent	Semi-detached	17/03/2022	£214,995	76	818	£263	
Juniper Crescent	Semi-detached	31/03/2022	£214,995	76	818	£263	
Juniper Crescent	Semi-detached	31/03/2022	£214,995	76	818	£263	
Evergreen Chase	Semi-detached	27/05/2022	£214,995	76	818	£263	
Evergreen Chase	Semi-detached	26/05/2022	£214,995	76	818	£263	
Evergreen Chase	Semi-detached	06/06/2022	£214,995	76	818	£263	
Chestnut Close	Detached	01/07/2022	£349,995	124	1,335	£262	
Juniper Crescent	Detached	06/05/2022	£332,995	118	1,270	£262	
Privet Drive	Detached	30/06/2022	£299,995	107	1,152	£260	
Juniper Crescent	Detached	29/04/2022	£374,995	134	1,442	£260	
Privet Drive	Detached	17/06/2022	£374,995	134	1,442	£260	
Chestnut Close	Detached	30/06/2022	£394,995	142	1,528	£258	
Juniper Crescent	Semi-detached	28/02/2022	£209,995	76	818	£257	
			Average			£272	
			Average over the last year			£303	

Of the above evidence, the most comparable scheme is the Oxford Meadows Development by Riva Homes. This scheme is located in Gomersal, approximately 1 mile north of the Property and comprises houses of similar size and specification. The sales are however becoming somewhat historic, with the earliest being in June 2021 which is reflected by the lower price psf.

The Barratt Homes – Wadsworth Gardens and Miller Homes – Kings Park developments are the most recent schemes with sales this year and the development still under construction.

The Wadsworth Gardens scheme is located in Cleckheaton which is a comparable area although it is directly adjacent to the M62 as opposed to a quieter setting such as the location of the Property. This scheme achieved prices psf ranging from £215 psf to £351 psf. Notably the terraced units achieved considerably lower prices with an average of £236 psf compared to £314 psf for semi-detached and £329 psf for detached. This is likely due to the position of these dwellings within the site, being the units that are predominantly facing the M62 as opposed to being set further away. The asking prices do not differ significantly from the achieved prices psf.

The Kings Park development is a scheme being completed by Miller Homes. It is larger than the proposed development at the Property and is located in Drighlington, a neighbouring town on the other side of the M62. It offers the most recent sales with 16 in the last year highlighted in grey which achieved an average price psf of £303. The sales volume dropped each year with an average of 3.3 sales a month in 2021, 3.2 in 2022, 2.1 in 2023 and 1.5 in 2024 to April.

We have also had due regard to the other two schemes, detailed above, when determining the GDV. The Heaton Avenue development, similarly to the Oxford Meadows development, is comparable in location and is slightly dated which is reflected in the lower average price of £240 psf.

Considering the above evidence, in particular the sales since the previous viability was undertaken, we have adopted prices psf of the hosues at the development ranging from £290 to £315 psf and an average of £300.09 psf.

Given there is now apartments in the proposed scheme, we have researched apartments sales. Within the same search radius above, there has been no newbuild apartment sales in the last 3 years. The apartment sales since 2022 are shown in the below table:

	2024	2023	2022
Average Sale Price	£77,833	£105,324	£89,000
Average £psf	£136	£169	£143
Units Sold	6	55	14

** The publication of Land Registry figures are approximately 2 months behind the current date.*

We have focussed on the apartments in the area that have been built after 2000 and re-sold in the last 2 years. These sales are shown in the following table:

Address	Description	Date	Price	Sq m	Sq ft	£ psf	Image
Fearnley Croft, Gomersal BD19 4NQ	2 bed, 2 bath apartment with gardens and parking built in 2003.	Jul-24	£123,000	82	720	£171	
Burnleys Mill Road, Gomersal BD19 4PH	2 bed, 1 bath flat built in 2007.	May-24	£127,500	67	721	£177	
Dunstan Grove, Cleckheaton BD19 3LE	2 bed, 1 bath flat with allocated parking built in 2004.	Jan-24	£108,500	60	646	£168	
Dunstan Grove, Cleckheaton BD19 3LE	2 bed, 1 bath apartment with allocated parking built in 2004	Dec-23	£112,500	56	603	£187	
Fearnley Croft, Gomersal, Cleckheaton BD19 4NQ	2 bed, 2 bath apartment built in 2003.	Nov-23	£140,000	66	710	£197	

Address	Description	Date	Price	Sq m	Sq ft	£ psf	Image
Fearnley Croft, Gomersal BD19 4NQ	2 bed, 2 bath apartment with gardens and parking built in 2003.	Sep-23	£120,000	61	657	£183	
Balme Road, Cleckheaton BD19 4DJ	2 bed, 1 bath apartment with allocated parking built in 2006	Sep-23	£77,400	51	549	£141	
Fearnley Croft, Gomersal BD19 4NQ	2 bed, 2 bath apartment built in 2004.	Nov-22	£125,000	54	581	£215	
Heathfield Lane, Birkenshaw, Bradford BD11 2DP	built in 2018	Nov-22	£74,250	64	689	£108	-

The above second hand sales achieved prices psf ranging from £108 to £215 psf. Given the flats are newbuild at the Property, we have focussed on sales which have achieved £250 psf or higher.

Address	Description	Date	Price	Sq m	Sq ft	£ psf	Image
Prospect Road, Liversedge WF15 8AY	2 bed apartment located in a village. Is completed to a good standard internally	Apr-23	£200,000	68	732	£273	
Westcliffe Road Cleckheaton BD19 3EP	2 bedroom ground floor flat dated internally	Jul-23	£167,000	57	614	£272	
Whitehall Road, Bradford BD11 1LN	3 bed apaprtment completed to a good standard converted in 2015	Oct-23	£315,000	108	1163	£271	
Farriers Court, Bradford BD11 1AG	2 bed first floor apartment built in 2002	Mar-23	£120,000	43	463	£259	

Address	Description	Date	Price	Sq m	Sq ft	£ psf	Image
Emmet Court, Bradford BD11 2PH	1 bed apartment newbuild in 2019	Nov-22	£120,000	44	474	£253	

There have been just 5 sales of apartments above £250 psf in the last 2 years in the same search area as above. These properties are largely mostly more comparable as they have been completed to a batter standard internally, in particular Emmet Court which was newbuild in 2019.

We consider however that there have been very few sales of apartments near the Property. This may be due to limited demand in the area however it is reflected in lower prices psf. Considering the above evidence, we have applied £250 psf for the apartments at the scheme.

17.6 Gross Development Value of the Proposed Development (based on 100% market units)

Based upon the comparable evidence, we have assessed the market values for the house types at the proposed Development, assuming no affordable units, as follows:

House Type	Description	Units	Values			
			£ psf	Price per unit	Rounded	GDV
A2	2 bed semi	20	£290	£250,270	£250,000	£5,000,000
B2	3 bed semi	11	£310	£315,580	£316,000	£3,476,000
C2	3 bed semi	2	£305	£351,970	£352,000	£704,000
D3	3 bed semi / terrace	8	£290	£377,000	£377,000	£3,016,000
D4	4 bed semi / terrace	6	£295	£383,500	£384,000	£2,304,000
E2	2 bed semi	4	£295	£300,310	£300,000	£1,200,000
F2	4 bed detached	4	£320	£378,880	£379,000	£1,516,000
G2	4 bed detached	1	£310	£390,290	£390,000	£390,000
H2	4 bed detached	5	£315	£455,805	£456,000	£2,280,000
I2	4 bed detached	4	£320	£435,520	£436,000	£1,744,000
M2/3	3 bed semi	13	£295	£353,410	£353,000	£4,589,000
N2/3	4 bed semi	4	£295	£393,530	£394,000	£1,576,000
Houses Total		**82**	**£300.09**			**£27,795,000**
Apartments						
AT - W	1 bed flat	1	£260	£186,680	£187,000	£187,000
AT - X	2 bed flat	3	£260	£186,680	£187,000	£561,000
AT - Y	1 bed flat	10	£260	£144,040	£144,000	£1,440,000
AT - Z	1 bed studio	1	£260	£109,200	£109,000	£109,000
Apartments Total		**15**	**£260**			**£2,297,000**
Total		**97**	**£296.61**			**£30,092,000**

18 Benchmark Land Value

The land value can either be inputted into the Argus appraisal as a fixed input or can be used as a comparative benchmark against which the residual element produced by an appraisal can be compared. In this instance we have adopted the latter approach.

For the purposes of a FVA it is necessary to establish the Benchmark Land Value (BLV).

In terms of approach, Paragraph 13 of the Viability PPG outlines how land value should be defined for the purpose of viability assessments. “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 comply with policy requirements. This approach is often called ‘existing use value plus’ (EUV+).”

Paragraph 15 of the Viability PPG answers the question of what is meant by existing use value in viability assessment: “Existing use value (EUV) is the first component of calculating benchmark land value. EUV is 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. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams’ locally held evidence.”

Paragraph 16 of the viability PPG outlines how the premium to the landowner should be defined in viability assessments:

“The premium (or the ‘plus’ in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to 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.

Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. Market evidence can include benchmark land values from other viability assessments. Land transactions can be used but only as a cross check to the other evidence. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners. Policy compliance means that the development complies fully with up to date plan policies including any policy requirements for contributions towards affordable housing requirements at the relevant levels set out in the plan. A decision maker can give appropriate weight to emerging policies. Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).”

The assessment of the BLV should either be based on the Existing Use Value (EUV), or an Alternative Use Value (AUV). In respect of AUV, we consider the site is best delivered as residential.

The first consideration is thus the EUV of the Property, whilst the second consideration is the appropriate premium or minimum competitive return at which a reasonable landowner would sell their site based on the alternative options available to them.

18.1 Existing Use Value (EUV)

271 Cliffe Lane is a dwelling currently in residential use (albeit vacant). The remainder of the Property is in agricultural use. We consider it appropriate to assess the EUV for the agricultural land on the basis of agricultural land value and the EUV of 271 Cliffe Lane based on the residential / house value.

The value of arable farmland depends upon the location, size and importantly the quality of the land, which is categorised into five gradings:

Grade 1: Excellent Quality Agricultural Land

Land within this grade has little to no limitations to agricultural use. This land can support a very wide range of agricultural and horticultural crops including top fruit, soft fruit salad crops and winter harvested vegetables. Yields are consistently high.

Grade 2: Very Good Quality Agricultural Land

This land has minor limitations which affect crop yield, cultivations or harvesting. It can support a wide range of agricultural and horticultural crops but there can be some reduced flexibility on land within the grade, which causes difficulty in the production of more demanding crops e.g. winter harvested vegetables and arable root crops. This land is high yielding but may be lower or more variable than Grade 1.

Grade 3: Good to Moderate Quality Land

This land has moderate limitations that affect the choice of crops to be grown, timing and type of cultivation, harvesting or yield. The yield of more demanding crops grown on this land is generally lower or more variable than on Grade 1 and 2.

Subgrade 3a: Good Quality Agricultural Land

This is land that is capable of consistently producing moderate to high yields of a narrow range of arable crops (e.g. cereals) or moderate yields of a wide range of crops (e.g. cereals, grass, oilseed rape, potatoes, sugar beet and less demanding horticultural crops).

Subgrade 3b: Moderate Quality Agricultural Land

This land is capable of producing moderate yields of a narrow range of crops (mainly cereals and grass) or lower yields of a wider range of crops, or high yields of grass (for grazing/harvesting).

Grade 4: Poor Quality Agricultural Land

Land included within this grade suffers severe limitations that significantly restrict the range and/or yield of crops to be grown. This land is mainly suited to grass with occasion arable crops – the yields of which are variable. In moist climates grass yields are likely to be moderate to high but there are often difficulties in utilisation. Very droughty arable land is also included in this land grade.

Grade 5: Very Poor Quality Agricultural Land

This land has severe limitations which restricts use to permanent pasture or rough grazing, except for occasional pioneer forage crops.

We have researched an Agricultural Land Classification map for Yorkshire and the Humber which identifies the land as Grade 3.

In the Yorkshire and Humber region, values of land range from prime values at around £10,600 per acre to £7,850 acre for poorer quality arable land with an average of £8,850 per acre across the region.

We consider £9,000 per acre an appropriate value considering the size, location and likely grading of the land. If we apply £9,000 per acre to the 8.85 acres of agricultural land, this results in an EUV of £79,650.

As for the value of 271 Cliffe Lane, we consider it appropriate to assess the EUV on the basis of residential use.

In order to determine the value as a house we have researched second hand sales of residential properties within Gomersal:

Address	House Type	Sale Date	Sale Price	Sq m	Sq ft	£ psf	Image
Ringshaw Drive, Gomersal BD19 4NZ	4 bed end-terrace house	Jul-23	£258,000	113	1,216	£212	
Cliffe Lane, Gomersal BD19 4SB	4 bed detached house completed to a high specification internally	Mar-22	£350,000	106	1,141	£307	
Bawson Court, Gomersal BD19 4SA	4 bed detached house	Dec-22	£380,000	126	1,356	£280	
Maple Grove, Gomersal BD19 4SR	4 bed semi-detached house	Apr-23	£260,000	105	1,130	£230	
			Average			£257	

We have not inspected the subject house internally. From our external inspection, it appears to be in a dated condition compared to the comparable evidence. Otherwise, the evidence is of comparable properties in similar location

The house itself at No appears to be exactly the same size, although from the external appearance appears in poorer condition. No.271 has a full side lean-to extension and a rear conservatory. No. has the same, but both are smaller. We have devalued and valued the houses as follows:

No. [redacted]	Sq ft	£ psf	MV	No. 271	Sq ft	£ psf	MV
Main house GF & FF	1,228	£256	£314,525	Main house GF & FF	1,228	£256	£314,525
Conservatory	161	£150	£24,150	Conservatory	258	£100	£25,800
Side lean to garage	151	£75	£11,325	Side lean to garage	452	£40	£18,080
				Condition allowance			-£50,000
		Sale Price	**£350,000**			EUV	**£308,405**
						say	**£310,000**

This, along with the value of the agricultural land, gives an EUV of £389,650.

18.2 Existing Use Value '+' (EUV+)

For existing uses, the PPG states that a 'premium' uplift should be applied to encourage the landowner to release the site for development. The guidance does not specify a 'premium'; however, it should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. This approach is referred to as 'Existing Use Value Plus' (EUV+) within the PPG.

The level of premium to be applied should be in keeping with the level of expense necessary on a specific development site.

In this instance, we accept that the proposed development will be subject to abnormal development costs. However, it is also necessary to balance this with the fact the Property has potential for residential development, and therefore carries a greater premium than what may ordinarily be expected. Although we are cognisant that the Property has had previous planning applications refused, albeit for specific reasons.

We consider the likelihood that an implementable residential consent will be secured is high. Initial pre-application engagement has been undertaken with the Local Planning Authority and Environment Agency. The site is identified as a strategic housing site in the adopted Local Plan.

Nevertheless, there is clearly an element of planning risk and any landowner premium will need to reflect the uncertainty in securing an implementable residential consent.

In order to benchmark our landowner premium, we have had regard to legal precedents to provide an indication of what may be deemed an appropriate premium, though individual circumstances will dictate each case. We have focussed on decisions post-July 2018, when NPPF viability guidance was refreshed. The 'Report on the examination of the draft North Tyneside Community Infrastructure Levy Charging Schedule', (published October 2018) discussed the principle of an appropriate premium.

The approach for determining a landowner premium differs for greenfield and brownfield sites. For brownfield sites, in our experience, the landowner premium is often approached on a certain percentage over EUV, and for greenfield sites a multiplier is often applied. In this case, as the site is a mixed greenfield and brownfield site, we consider a mix of the two approaches is appropriate. We consider that it is appropriate to apply a multiplier to the EUV of the greenfield agricultural land and a premium to the brownfield land of 271 Cliffe Lane.

Starting with the greenfield land, the Planning Inspector considers the principle of applying a 20 to 30 multiplier to EUV for greenfield sites.

We are also aware of an appeal decision in respect of a site in Poulton-le-Fylde, Lancashire, where the applicant submitted an FVA to support a scheme of 130 no. dwellings. To assess the BLV, the consultants argued that an appropriate uplift equates to 15 to 25 as a multiplier of EUV for greenfield sites. The appeal was allowed by the Planning Inspector in February 2020.

To support our 'premium' we have undertaken comparable research into land transactional evidence within the vicinity. Where possible, we have focused on the most recent comparable schemes, and those which are in the most comparable market locations.

Please note, we are reliant upon information obtained from planning applications located on the Council's website.

We have provided below a list of land transactions, which have taken place in the local area. All data obtained is directly from Land Registry, or the landowner with the exception of the site for sale which is listed on RightMove.

Developer	Address	Date	Price	Acres	Gross price per acre	Unts	£ per Unit
Quarters Gomersal Ltd	271 Cliffe Lane, Gomersal	-	£4,225,000	8.95	£472,067	97	£43,557
-	Bruntcliffe Road, Morley	Mar-23	£328,000	1.1	£298,182	9	£36,444
Mandale Group	Bromley Road, Batley	Aug-23	£550,000	2.09	£263,158	18	£30,556
Countryside Properties	Spen View Lane, Bradford	Mar-22	£1,130,000	5.6	£201,786	82	£13,780
FOR SALE	Croft Street, Birkenshaw	-	£850,000	2.11	£402,844	28	£30,357
Average			**£2,912,316**	**11.54**	**£254,375**		**£25,396**

It should be noted that the sale highlighted in grey is the subject Property. It is stated within Planning Policy Guidance *"Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan."* The purchase price of the land should therefore be ignored when determining the BLV of the Property.

Looking at the remaining evidence detailed above, the three sales achieved prices range from £201,786 per acre to £298,162 per acre. Notably, the site in Morley had no planning permission, the site in Batley had outline planning permission and the Bradford site had planning permission just for affordable dwellings. The site in Birkenshaw was for sale for £402,844 per acre and is allocated under the local plan for 28 dwellings, and is therefore not actual transactional evidence.

To guide a suitable premium for the greenfield land, we have considered legal precedents and analysed comparable land transactional evidence. The level of uplift established through legal precedents is 15 to 30 times over and above the EUV, though recognising that where abnormal development costs are higher, land value will be reduced and where a site has planning permission or is allocated for development, land value will increase.

The subject Property is allocated for residential development and has abnormal costs equating to £198,324 per acre, which from our experience is not unusual.

We therefore consider a multiplier in the middle of this range at 20x the EUV is appropriate.

BLV Calculations	Area	Value per acre	EUV	Multiplier	BLV Premium
Greenfield Land	8.85	£9,000	£79,650	20	£1,593,000

For 271 Cliffe Lane, the brownfield element of the site, as mentioned we consider it appropriate to apply a premium to the EUV of the property. In our experience the general adopted standard to calculate landowner premium for brownfield sites is 10% to 30% above EUV, we have therefore adopted a mid-range 20% premium to our assessment of the EUV is appropriate. This results in a BLV of £372,000 for the brownfield element of the Site.

BLV Calculations	Area	EUV	Multiplier	BLV Premium
Brownfield Land	0.11	£310,000	20%	£372,000

Adding the BLVs of the greenfield and brownfield elements of the Site gives a total BLV of £1,965,000 which equates to £219,308 per acre.

19 Development Appraisal – with no Affordable Housing

Within this section we have analysed the Gross Development Value (GDV), then deducted the total costs associated with the development to arrive at a residual land value.

19.1 Gross Development Value (GDV)

Based upon the comparable sales evidence summarised, we consider total dwellings including the affordable units on the scheme could produce a GDV of £30,092,320. We consider this to be the maximum achievable revenue for a developer, when considering the location and proposed scheme.

19.2 Sales and Build Rate

We have incorporated a 7-month period before construction of the dwellings start to allow for acquisition of the site, planning, site set up and initial groundworks. To tie in with the absorption (sales) rate we have assumed a 39-month construction period.

From the table of sales within Gomersal it can be seen there have been an average of 84 sales per annum (7 sales per month), although this includes new and re-sales. We have also analysed the Oxford Meadows development which has a sales rate of 2.26 pcm and the Kings Park development which had a sales rate of 3.3 sales pcm in 2021, 3.2 pcm in 2022 and 2.1 pcm in 2023. The sales rate across the entire development has been 2.5 pcm.

Based on actual sales rates and economic / housing forecasts residential sales are forecast to decline in the short to medium term future. We therefore consider a 39-month period to sell the 97 dwellings is reasonable which equates to approximately 2.5 per month. We have assumed sales start 9 months after construction has commenced.

19.3 Cost Assumptions

We are not quantity surveyors however for the purpose of this exercise we have made an assessment of the construction costs using Building Cost Information Service ('BCIS') and our experience from other schemes we have been involved with.

We have included a summary of BCIS costs for new build estate housing rebased to Kirklees below:

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
127.1 Garages (20)	931	617	-	883	-	1,339	4
127.11 Domestic scale garages (30)	1,523	1,339	-	-	-	1,707	2
810. Housing, mixed developments (15)	1,429	763	1,239	1,381	1,565	3,573	1249
810.1 Estate housing							
Generally (15)	1,417	729	1,201	1,359	1,549	4,869	1349
Single storey (15)	1,608	942	1,354	1,544	1,760	4,869	221
2-storey (15)	1,366	729	1,177	1,321	1,499	2,954	1051
3-storey (15)	1,476	878	1,229	1,413	1,682	2,889	72
4-storey or above (15)	2,945	1,440	2,357	2,631	3,917	4,379	5
810.11 Estate housing detached (15)	1,901	1,036	1,396	1,588	2,148	4,869	18
810.12 Estate housing semi detached							
Generally (15)	1,431	834	1,215	1,388	1,572	3,116	344
Single storey (15)	1,581	1,027	1,359	1,553	1,715	3,116	78
2-storey (15)	1,386	834	1,204	1,340	1,525	2,392	255
3-storey (15)	1,416	1,033	1,146	1,360	1,659	2,016	11
810.13 Estate housing terraced							
Generally (15)	1,427	830	1,176	1,339	1,541	4,379	218
Single storey (15)	1,591	1,037	1,352	1,541	1,904	2,244	16
2-storey (15)	1,368	830	1,164	1,316	1,479	2,954	168
3-storey (15)	1,486	878	1,229	1,391	1,637	2,889	32
4-storey or above (15)	4,149	3,917	-	-	-	4,379	2
816. Flats (apartments)							
Generally (15)	1,673	819	1,382	1,571	1,888	5,693	777
1-2 storey (15)	1,593	963	1,347	1,502	1,806	3,148	166
3-5 storey (15)	1,649	819	1,375	1,563	1,866	3,454	517
6 storey or above (15)	1,955	1,201	1,571	1,843	2,127	5,693	91

After discussions with the Developer, and from our own experience, we consider that the large national house builders will be achieving build costs between the lowest and lower quartile BCIS costs via economies of scale. The proposed Development is likely to be of interest to more local or regional house builders and we have therefore adopted the average of the median and lower quartile BCIS costs for our appraisal.

BCIS costs comprise the building cost plus preliminaries but not external works. We have been provided with build costs by the developer for external works which total £3,085,406, which equates to 22.03% of build costs. For suburban residential schemes we do experience a wide range between 10% and 25% depending on site specific detail. As the costs provided to us fall within this range, we have adopted these in our appraisal.

19.4 Developers Contingency

There is currently substantial build cost volatility in the market. Housebuilders are experiencing material shortages and in turn increased costs, there are also significant labour shortages with trained professionals in short supply and wage levels subsequently increasing greatly.

In addition to the cost of construction, we have included a contingency at 5% of construction costs (excluding fees), and not on externals nor abnormals.

19.5 Part L Regulations and Future Homes Standards

We consider it appropriate to account for the future cost increases resulting from the introduction of Part L of the Building Regulations and Future Homes Standards. Part L building regulations were introduced in June 2022 which required newbuild homes to increase the energy efficiency by 31% from the previous regulations. From June 2022 to June 2023 there was a 'holiday' whereby any developments which had commenced construction could follow the old regulations, however since June of 2023 all developments are required to have been constructed in accordance with the Part L regulations. These new regulations come at a cost to the developers over and above what build costs were prior to the regulations – previously we may have included a figure in the region of £4,000 - £5,000 to reflect future cost increases to adhere to the regulations. There will inevitably be a delay in BCIS costs reflecting these additional costs, however, as there has been over a year since the 'holiday' expired we consider that these costs may now be reflected more within BCIS costs.

There are further more stringent regulations due in 2025 as part of the governments Future Homes Standards or Future Homes and Buildings Standards which aims to ensure new homes built from 2025 produce 75-80% less carbon emissions than homes delivered under the old regulations. We note that the Future Homes Hub estimate increased costs of £5,600 per house above those built to the 2021 standard (accounting for better insulation, triple glazing and an air source heat pump). There are other estimates of between £5,000 and £10,000 per home. We would expect BCIS to now reflect increased costs due to the 2022 regulations however they do not forecast for future increases.

We have therefore taken a view and utilised a figure of £2,500 for all homes which will be required to comply with the Future Homes Standards.

We have phased this cost on a monthly profile across the duration of the construction period, consistent with our phasing of standard build costs.

19.6 Abnormal Development Costs

Abnormal development costs associated with the subject site are specific to this particular development and it is therefore not possible to benchmark to other schemes for comparison purposes.

We have been provided with the anticipated abnormal development costs by the Developer which amount to £1,775,000. In addition to this, we have included costs for S.278 works which equate to £95,000 which we have included within our appraisal.

Abnormals	Cost
Cut and Fill	£300,000
Sub Station	£75,000
Grouting	£450,000
Demolition	£40,000
Capping Mineshaft	£650,000
Pumping Station	£80,000
Attenuation Tank	£180,000
Total	**£1,775,000**

We are not instructed as cost consultants and therefore we have assumed the abnormal costs provided to be accurate.

19.7 Professional Fees

Professional fees for residential development are typically between 6% and 10% of cost. In this instance we have been provided with professional fees of £1,066,351 which equate to 8% of construction costs which we consider appropriate for a development of this scale.

19.8 Developer’s Profit

Within Paragraph 18 of the PPG it indicates that to guarantee viability, developments should provide competitive returns to a willing landowner and willing developer, to ensure they are appropriately incentivised to progress the development. For the purpose of plan making an assumption of between 15% and 20% of GDV may be considered a suitable return to developers in order to establish the viability of plan policies, according to the PPG. However, this assumption relates to planning stage viability when specific cost information is unlikely to be available.

Carter Jonas have experience in selling a range of residential development land to national and regional housebuilders and we can confirm that from our experience they often don't vary their profit requirement below 20% of GDV. As the Property is allocated for development, it would likely be perceived by developers as being a less risky scheme. To reflect this we have adopted a slightly lower profit of 17.5% on the GDV of the dwellings.

19.9 Finance

We have adopted a finance rate of 8% based on 100% of the land cost / value and all construction costs. Whilst a debt driven developer may only be borrowing a percentage (typically 50% to 70%), there is the opportunity cost return on their own equity and possibly the cost of mezzanine / third party equity funding, which is likely to be at a higher rate.

19.10 Sales, Marketing and Legal Fees

We have applied 1% agent fees to the market housing and £600 per unit for the legal fees.

We have allocated £750 per dwelling for marketing costs. Marketing costs may include show homes or incentives such as kitchens upgrades, appliances, flooring or the payment of stamp duty or legal fees. These costs have only been applied to the market housing.

19.11 Land Acquisition Costs

When acquiring a commercial property (including residential development land), a purchaser incurs Stamp Duty Land Tax (SDLT), agents and legal fees. We have allowed standard acquisition costs, comprising Stamp Duty Land Tax at the prevailing rate, 1% agent and 0.5% legal fees. We have included 271 Cliffe Lane as now being part of the whole.

19.12 Community Infrastructure Levy (CIL)

Kirklees council have not currently adopted CIL and we have therefore not allowed for a CIL cost within our appraisal.

19.13 S106 / Planning Gain Obligations

We have included the affordable units at the relevant transfer / discount rates.

We have been provided with a consultation response from Kirklees Council stating the S106 education contribution required for the scheme which totals £191,570. We have included this within our appraisal.

We have not been provided with any other S106 contributions for the new application, however we have noted the contributions that were required by the council for the 2019 planning application, detailed below:

- Public open space - £117,595
- Bus stops - £26,000
- Residential travel plan - £49,049
- Travel monitoring fee - £10,000

Although these contributions date back to the 2019 application, we have assumed that similar costs as a minimum will be required by Kirklees Council for the 2023 application, and we have therefore included these within our appraisal. This is a matter of uncertainty give they have not been specified for the current scheme.

19.14 Summary – Development Appraisal with no affordable

Based on all cost and value inputs utilised and detailed above, our development appraisal results in a Residual Land Value of £1,898,141, say £1,900,000 rounded.

A full appraisal is provided in Appendix 1. We have also provided a Sensitivity Analysis to illustrate the impact of costs upon the land value.

20 Sensitivity Analysis

The viability of a development can be affected by the inputs used including GDV, build cost, planning obligations, finance costs, phasing and profit margins.

We set out below a Sensitivity Analysis schedule showing the effect of percentage changes in build cost and GDV to the viability of the scheme. The Sensitivity Analysis displays the residual land value generated from each scenario which can then be compared against the Benchmark Land Value to understand if a surplus or deficit is produced for planning obligations.

We have run scenarios assuming +/-5% increments showing the changes to land value and GDV below.

	Construction: Rate /ft²				
Sales: Rate /ft²	-5.000%	-2.500%	0.000%	+2.500%	+5.000%
-5.000%	(£1,447,632) £28,586,754	(£1,019,820) £28,586,754	(£586,409) £28,586,754	(£150,425) £28,586,754	£293,189 £28,586,754
-2.500%	(£2,095,737) £29,339,037	(£1,673,378) £29,339,037	(£1,247,355) £29,339,037	(£816,683) £29,339,037	(£381,182) £29,339,037
0.000%	(£2,737,896) £30,091,320	(£2,319,375) £30,091,320	(£1,898,141) £30,091,320	(£1,473,897) £30,091,320	(£1,045,614) £30,091,320
+2.500%	(£3,374,959) £30,843,603	(£2,959,946) £30,843,603	(£2,542,575) £30,843,603	(£2,122,681) £30,843,603	(£1,699,643) £30,843,603
+5.000%	(£4,008,127) £31,595,886	(£3,595,925) £31,595,886	(£3,181,733) £31,595,886	(£2,765,257) £31,595,886	(£2,346,319) £31,595,886

Note: Within Argus, the residual land value is considered as a cost that a prospective purchaser would have to pay for the Property. Therefore a negative figure (shown in brackets above) is in fact a positive land value and a positive figure such as the residual value is a negative land value.

21 Summary and Conclusions

The purpose of this assessment is to test the financial viability of the proposed development, taking into account the policy requirements set by the Council as well as national planning policy guidance.

As outlined within this report, the site has a residual land value of £1,900,000 with no affordable dwellings and therefore is unable to deliver the 20% affordable housing requirement whilst meeting the BLV threshold.

The above table demonstrates that at the level of on-site affordable housing required by Kirklees Council, the site would be rendered unviable. The appraisal does produce a residual land value which is similar to the Benchmark Land Value when the level of affordable housing required is 0%, however, with any level of affordable's, the residual land value will only decrease, demonstrating its unviability with any affordable dwellings.

We enclose the appraisal demonstrating the viability of the scheme in the appendices.

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This Appraisal has been carried out by Sam Dodd MRICS (RICS No: 6781274) and Bruce Allan MRICS (RICS No: 1127361). Both surveyors are RICS Registered Valuers qualified for the purpose.

Sam Dodd MRICS (RICS No: 6781274)

Bruce Allan MRICS (RICS No: 1127361)

For and on behalf of Carter Jonas LLP
Date of Report: 17th October 2024

Appendix 1

Carter Jonas Development Appraisal

271 Cliffe Lane (0% aff & 17.5% profit) (OCT 24)

Gomersal
Cleckheaton
BD19 4SB

Development Appraisal
Carter Jonas LLP
21 October 2024

271 Cliffe Lane (0% aff & 17.5% profit) (OCT 24)

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	**Units**	**ft²**	**Sales Rate ft²**	**Unit Price**	**Gross Sales**
Market Houses	82	92,622	300.09	338,963	27,795,000
Apartments	15	8,832	260.00	153,088	2,296,320
Totals	**97**	**101,454**			**30,091,320**

NET REALISATION				**30,091,320**
OUTLAY				
ACQUISITION COSTS				
Residualised Price			1,898,141	
				1,898,141
Agent Fee		1.00%	18,981	
Legal Fee		0.50%	9,491	
Town Planning			20,000	
				48,472
CONSTRUCTION COSTS				
Construction	**ft²**	**Build Rate ft²**	**Cost**	
Market Houses	101,189	121.90	12,334,939	
Detached Garages	3,880	63.14	245,000	
Apartments	10,391	137.17	1,425,333	
Totals	**115,460 ft²**		**14,005,273**	**14,005,273**
Contingency		5.00%	700,264	
Demolition			40,000	
Site Externals			1,781,086	
Plot Externals			1,304,320	
Abnormals			1,775,000	
				5,600,670
Other Construction				
Part L / Future Homes Regulations	97 un	2,500.00 /un	242,500	
				242,500
Section 106 Costs				
Education Contribution			191,570	
Section 106 Costs			202,644	
				394,214
Section 278 Costs				
Section 278 Costs			95,000	
				95,000
PROFESSIONAL FEES				
Professional fees		8.00%	1,139,822	
				1,139,822
MARKETING & LETTING				
NHBC Warranty	97 un	1,200.00 /un	116,400	

271 Cliffe Lane (0% aff & 17.5% profit) (OCT 24)

Marketing	97 un	750.00 /un	72,750	
				189,150
DISPOSAL FEES				
Sales Agent Fee		1.00%	300,913	
Sales Legal Fee	97 un	600.00 /un	58,200	
				359,113
FINANCE				
Debit Rate 8.000%, Credit Rate 0.000% (Nominal)				
Land			8,851	
Construction			844,134	
Total Finance Cost				852,985
TOTAL COSTS				**24,825,339**
PROFIT				
				5,265,981
Performance Measures				
Profit on Cost%		21.21%		
Profit on GDV%		17.50%		