

APPRAISAL SUMMARY**SPELTHORNE BOROUGH COUNCIL**

Benwell House Optimised S106 -Cost Neutral 9.4.21

Optimised S106 - Cost Neutral (90% 2 Beds)

94 Units

Appraisal Summary for Merged Phases 1 2

Currency in £

REVENUE

Sales Valuation	Units	Unit Price	Gross Sales
Phase 1 - 16 x Private 1 beds	16	300,000	4,800,000
Phase 1 - 27 x Private 2 beds	27	425,000	11,475,000
Phase 1 - 6 x AH 1 Bed	6	150,000	900,000
Phase 1 - 6 x AH 2 Beds	6	212,000	1,272,000
Ground Rents	55	2,182	120,000
Phase 2 - 9 x Private 1 bed	9	300,000	2,700,000
Phase 2 - 14 x Private 2 beds	14	425,000	5,950,000
Phase 2 - 3 x Private 3 beds	3	445,000	1,335,000
Phase 2 - 4 x AH 1 beds	4	135,000	540,000
Phase 2 - 9 x 2 AH 2 beds	9	191,250	1,721,250
Totals	149		30,813,250

Rental Area Summary

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Phase 1 - 6 x 1 Bed Private Rents	6	11,700	58,266	70,200	
Phase 1 - 11 x 1 Bed AH	11	9,360	85,457	102,960	
Phase 1 - 33 x 2 Bed AH	33	13,200	361,548	435,600	
5 x Studios	5	9,240	38,346	46,200	
Phase 2 - 3 x 1 Bed Private Rent	3	11,700	29,133	35,100	
Phase 2 - 3 x 2b Private Rent	3	15,000	37,350	45,000	
Phase 2 - 10 x 1 Bed AH	10	9,360	79,560	93,600	
Phase 2 - 20 x 2 Bed AH	20	13,200	219,120	264,000	
Phase 2 - 3 x 3 Bed AH	3	15,600	38,844	46,800	
Totals	94		947,624	1,139,460	0

Income from Tenants

Phase 1 - 6 x 1 Bed Private Rents	4,856
Phase 1 - 11 x 1 Bed AH	7,121
Phase 1 - 33 x 2 Bed AH	30,129
5 x Studios	3,196
	45,301

NET REALISATION**30,858,551****OUTLAY****ACQUISITION COSTS**

Fixed Price	9,250,000	
Fixed Price		9,250,000
		9,250,000
Stamp Duty	5.00%	462,500
Agent Fee	0.70%	64,750
Legal Fee	0.20%	18,500
Town Planning		55,000
Survey		35,000
		635,750

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Build Costs	1 un	9,900,000	9,900,000
Build Costs	1 un	7,760,000	7,760,000
Totals			17,660,000
Developers Contingency		5.00%	388,000
Demolition			140,000
External Works			180,000
Statutory/LA			75,000
			18,443,000

PROFESSIONAL FEES

Architect		315,000
Quantity Surveyor		80,000
Quantity Surveyor	0.50%	38,800
Structural Engineer		100,000

Project: [Untitled]

ARGUS Developer Version: 8.10.003

Date: 23/04/2021

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Mech./Elec.Engineer		85,000	
Mech./Elec.Engineer	0.50%	38,800	
Project Manager	1.50%	148,500	
Project Manager	1.00%	77,600	
C.D. Manager	0.20%	19,800	
Other Professionals	2.00%	198,000	
Other Professionals	1.00%	77,600	
			1,179,100

FINANCE

Debit Rate 2.400%, Credit Rate 0.000% (Nominal)			
Land		798,808	
Construction		308,466	
Other		160,298	
Total Finance Cost			1,267,572

TOTAL COSTS**30,775,422****PROFIT****83,129****Performance Measures**

Profit on Cost%	0.27%
Profit on GDV%	0.27%
Profit on NDV%	0.27%
Development Yield% (on Rent)	3.08%
IRR	2.46%
Rent Cover	1 mth
Profit Erosion (finance rate 2.400)	1 mth