

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 Phase 1 Phase 1 - 55 apartments

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	<u>55</u>	<u>2,182</u>	<u>120,000</u>
Totals	110		18,567,000

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	<u>5</u>	<u>9,240</u>	<u>38,346</u>	<u>46,200</u>	
Totals	55		543,617	654,960	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**18,612,301****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		35,000
Survey		35,000
		615,750

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Build Costs	1 un	9,900,000	9,900,000
Demolition			140,000
Statutory/LA			45,000
			10,085,000

PROFESSIONAL FEES

Architect		315,000
Quantity Surveyor		80,000
Structural Engineer		100,000
Mech./Elec.Engineer		85,000
Project Manager	1.50%	148,500
C.D. Manager	0.20%	19,800
Other Professionals	2.00%	198,000
		946,300

FINANCE

Debit Rate 2.400%, Credit Rate 0.000% (Nominal)	
Land	798,808
Construction	188,053
Other	160,298
Total Finance Cost	1,147,159

TOTAL COSTS**22,044,209****PROFIT**

APPRAISAL SUMMARY**SPELTHORNE BOROUGH COUNCIL****Benwell House Optimised S106 -Cost Neutral 9.4.21****Optimised S106 - Cost Neutral (90% 2 Beds)****94 Units****(3,431,908)****Performance Measures**

Profit on Cost%	(15.57%)
Profit on GDV%	(18.48%)
Profit on NDV%	(18.48%)
Development Yield% (on Rent)	2.47%

IRR	(5.83%)
-----	---------

Rent Cover	-6 yrs -4 mths
------------	----------------

Profit Erosion (finance rate 2.400)	N/A
-------------------------------------	-----