

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 2 Phase 2 - 39 apartments

Currency in £

REVENUE

Sales Valuation	Units	Unit Price	Gross Sales
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	39		12,246,250

Rental Area Summary

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
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	39		404,007	484,500	0

NET REALISATION

12,246,250

OUTLAY**ACQUISITION COSTS**

Town Planning	20,000	
		20,000

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost	
Build Costs	1 un	7,760,000	7,760,000	7,760,000
Developers Contingency		5.00%	388,000	
External Works			180,000	
Statutory/LA			30,000	
				598,000

PROFESSIONAL FEES

Quantity Surveyor	0.50%	38,800	
Mech./Elec.Engineer	0.50%	38,800	
Project Manager	1.00%	77,600	
Other Professionals	1.00%	77,600	
			232,800

FINANCE

Debit Rate 2.400%, Credit Rate 0.000% (Nominal)		
Construction	120,413	
Total Finance Cost		120,413

TOTAL COSTS

8,731,213

PROFIT

3,515,037

Performance Measures

Profit on Cost%	40.26%
Profit on GDV%	28.70%
Profit on NDV%	28.70%
Development Yield% (on Rent)	4.63%
IRR	63.39%
Rent Cover	8 yrs 8 mths
Profit Erosion (finance rate 2.400)	14 yrs 2 mths