Savills (UK) Ltd

Development Appraisal

263 Dwellings - 50% Affordable

Yardley Brook, Shard End

Report Date: 13 November 2017

Prepared by Savills (UK) Ltd

APPRAISAL SUMMARY — SAVILLS (UK) LTD

263 Dwellings - 50% Affordable
Yardley Brook, Shard End

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft²	Rate ft²	Unit Price	Gross Sales	Adjustment
2A Private - 2 bedroom apartment	14	10,108	148.89	107,500	1,505,000	0
2B Private - 2 bedroom bungalow	1	890	182.58	162,500	162,500	0
2C Private - 2 bedroom bungalow	1	982	165.48	162,500	162,500	0
2D Private - 2 bedroom house	2	1,730	173.41	150,000	300,000	0
2E Private - 2 bedroom house	12	8,784	177.60	130,000	1,560,000	0
2F Private - 2 bedroom house	27	23,436	172.81	150,000	4,050,000	0
2G Private - 2 bedroom house	5	4,340	172.81	150,000	750,000	0
3A Private - 3 bedroom house	24	24,240	202.97	205,000	4,920,000	0
3B Private - 3 bedroom house	9	9,459	195.05	205,000	1,845,000	0
3C Private - 3 bedroom house	7	7,175	200.00	205,000	1,435,000	0
3D Private - 3 bedroom house	3	3,069	161.29	165,000	495,000	0
3E Private - 3 bedroom house	11	10,659	167.70	162,500	1,787,500	0
4A Private - 4 bedroom house	6	7,932	204.24	270,000	1,620,000	0
4B Private - 4 bedroom house	4	5,348	201.94	270,000	1,080,000	0
4C Private - 4 bedroom house	3	3,906	205.45	267,500	802,500	0
4D Private - 4 bedroom house	3	3,456	195.31	225,000	675,000	0
2A Affordable - 2 bedroom apartment	13	9,386	148.89	107,500	1,397,500	(698,750)
2B Affordable - 2 bedroom bungalow	1	890	182.58	162,500	162,500	(81,250)
2C Affordable - 2 bedroom bungalow	1	982	165.48	162,500	162,500	(81,250)
2D Affordable - 2 bedroom house	2	1,730	173.41	150,000	300,000	(150,000)
2E Affordable - 2 bedroom house	12	8,784	177.60	130,000	1,560,000	(780,000)
2F Affordable - 2 bedroom house	27	23,436	172.81	150,000	4,050,000	(2,025,000)
2G Affordable - 2 bedroom house	6	5,208	172.81	150,000	900,000	(450,000)
3A Affordable - 3 bedroom house	23	23,230	202.97	205,000	4,715,000	(2,357,500)
3B Affordable - 3 bedroom house	8	8,408	195.05	205,000	1,640,000	(820,000)
3C Affordable - 3 bedroom house	6	6,150	200.00	205,000	1,230,000	(615,000)
3D Affordable - 3 bedroom house	4	4,092	161.29	165,000	660,000	(330,000)
3E Affordable - 3 bedroom house	11	10,659	167.70	162,500	1,787,500	(893,750)
4A Affordable - 4 bedroom house	6	7,932	204.24	270,000	1,620,000	(810,000)
4B Affordable - 4 bedroom house	5	6,685	201.94	270,000	1,350,000	(675,000)
4C Affordable - 4 bedroom house	3	3,906	205.45	267,500	802,500	(401,250)
4D Affordable - 4 bedroom house	3	3,456	195.31	225,000	675,000	(337,500)
Totals	**263**	**250,448**			**46,162,500**	**(11,506,250)**

NET REALISATION **34,656,250**

OUTLAY

ACQUISITION COSTS

Residualised Price (Negative land)	(9,400,233)	
		(9,400,233)

CONSTRUCTION COSTS

Construction	ft²	Rate ft²	Cost
2A Private - 2 bedroom apartment	11,116 ft²	78.65 pf²	874,273
2B Private - 2 bedroom bungalow	890 ft²	78.65 pf²	69,998
2C Private - 2 bedroom bungalow	982 ft²	78.65 pf²	77,234
2D Private - 2 bedroom house	1,730 ft²	78.65 pf²	136,064
2E Private - 2 bedroom house	8,784 ft²	78.65 pf²	690,862
2F Private - 2 bedroom house	23,436 ft²	78.65 pf²	1,843,241
2G Private - 2 bedroom house	4,340 ft²	78.65 pf²	341,341
3A Private - 3 bedroom house	24,240 ft²	78.65 pf²	1,906,476
3B Private - 3 bedroom house	9,459 ft²	78.65 pf²	743,950
3C Private - 3 bedroom house	7,175 ft²	78.65 pf²	564,314
3D Private - 3 bedroom house	3,069 ft²	78.65 pf²	241,377
3E Private - 3 bedroom house	10,659 ft²	78.65 pf²	838,330
4A Private - 4 bedroom house	7,932 ft²	78.65 pf²	623,852
4B Private - 4 bedroom house	5,348 ft²	78.65 pf²	420,620
4C Private - 4 bedroom house	3,906 ft²	78.65 pf²	307,207
4D Private - 4 bedroom house	3,456 ft²	78.65 pf²	271,814
2A Affordable - 2 bedroom apartment	10,322 ft²	78.65 pf²	811,825
2B Affordable - 2 bedroom bungalow	890 ft²	78.65 pf²	69,998
2C Affordable - 2 bedroom bungalow	982 ft²	78.65 pf²	77,234
2D Affordable - 2 bedroom house	1,730 ft²	78.65 pf²	136,064
2E Affordable - 2 bedroom house	8,784 ft²	78.65 pf²	690,862

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2F Affordable - 2 bedroom house	23,436 ft²	78.65 pf²	1,843,241	
2G Affordable - 2 bedroom house	5,208 ft²	78.65 pf²	409,609	
3A Affordable - 3 bedroom house	23,230 ft²	78.65 pf²	1,827,040	
3B Affordable - 3 bedroom house	8,408 ft²	78.65 pf²	661,289	
3C Affordable - 3 bedroom house	6,150 ft²	78.65 pf²	483,698	
3D Affordable - 3 bedroom house	4,092 ft²	78.65 pf²	321,836	
3E Affordable - 3 bedroom house	10,659 ft²	78.65 pf²	838,330	
4A Affordable - 4 bedroom house	7,932 ft²	78.65 pf²	623,852	
4B Affordable - 4 bedroom house	6,685 ft²	78.65 pf²	525,775	
4C Affordable - 4 bedroom house	3,906 ft²	78.65 pf²	307,207	
4D Affordable - 4 bedroom house	3,456 ft²	78.65 pf²	271,814	
Totals	**252,392 ft²**		**19,850,631**	**19,850,631**
Contractors OH Profit and Others			2,027,969	
Developers Contingency			716,549	
				2,744,518
Other Construction				
Primary Infrastructure			4,935,000	
EO for 2 Bellmouth Cole Hall Lane			25,000	
New Secondary Infrastructure			305,200	
Footpath on Layout			621,480	
Services to Plots			657,500	
Substation			100,000	
Deferred Instructure Charges			263,000	
Communal Bin and Cycle Storage			20,000	
Clothes Dryer			26,300	
Capping Layer to Gardens			394,500	
Abnormal Foundations (EO)			670,650	
Retaining Features to Poachers Pock			100,000	
Prelims			3,915,863	
				12,034,493
PROFESSIONAL FEES				
Professional Fees			1,913,179	
				1,913,179
MARKETING & LETTING				
Marketing	132 un	2,000.00 /un	264,000	
				264,000
DISPOSAL FEES				
Sales Agent Fee		1.00%	212,275	
Sales Legal Fee		0.50%	106,138	
				318,413
TOTAL COSTS				**27,725,000**
PROFIT				
				6,931,250
Performance Measures				
Profit on Cost%		25.00%		
Profit on GDV%		20.00%		
Profit on NDV%		20.00%		
IRR		N/A		
Profit Erosion (finance rate 6.000%)		3 yrs 9 mths		

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Net Sales
1,505,000
162,500
162,500
300,000
1,560,000
4,050,000
750,000
4,920,000
1,845,000
1,435,000
495,000
1,787,500
1,620,000
1,080,000
802,500
675,000
698,750
81,250
81,250
150,000
780,000
2,025,000
450,000
2,357,500
820,000
615,000
330,000
893,750
810,000
675,000
401,250
337,500
34,656,250

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