

Hart District- Non-Residential Values table- Q1 2017

Development Use Type/Use Class Indication	Example Scheme Type	GIA [m2]	Site Coverage [%]	Site Size [Ha]	Build Period [months]	Values Range Rent £/m2			Investment Yield [%]	Build Cost <sup>1</sup> [£/m2]	External Works Addition [%]	Total Build Cost exc fees [£/m2]
						Low	Mid	High				
A1 Retail- Large Format- convenience	Large supermarket- town centres or edge of town	1580	40	0.4	12	200	225	250	5.5	1600	15	2,098.75
Retail Large Format- comparison	Large format retail warehouse- edge of town	1000	25	0.4	7	250	275	300	5.5	800	15	920
A1-A5- small retail	Town Centre	300	70	0.04	6	250	350	430	5.5	1025	15	1178
A1-A5- small retail	Village Centre	300	50	0.06	6	100	125	150	6.5	1025	15	1178
A1-A5- small retail	Convenience	278	50	0.06	6	100	130	160	6.0	1025	15	1178
B1a – Offices	Secondary	500	60	0.08	6	150	175	200	7.5	1597	15	1836
B1a- Offices	Prime/Business Park	2000	40	0.5	12	175	200	225	6.75	1466	15	1686
B1/B2/B8- industrial Warehousing	Startup/Move on unit	500	40	0.13	6	80	90	100	7.5	1139	15	1310
B1/B2/B8- Industrial/Warehousing	Larger factory/warehouse	5000	40	1.25	12	60	75	90	6.0	708	15	814
C1- Hotel	Budget style	3818	80	0.35	14	3500/rm <sup>2</sup>	4500/rm	5500/rm	5.5	1921	15	2209
C2- Residential Institution	Nursing Home/Care home	3000	60	0.5	16	160	180	200	6	1546	15	1778
BREEAM	% of Build Costs	0										
Professional Fees	% of Build Costs	10										
Contingency	% of Build Costs	5										
Planning/Building Regs/Insurances	% of Build Costs	2										
Transport Contribution	B1											

<sup>1</sup> BCIS – current Q3 2016-Median General – rebased to Hart [118]

<sup>2</sup> Hotel- annual per room rental rate

Hart District- Non-Residential Values table- Q1 2017

	B2 B8	£4,516/100m2 £1,811/100m2 £2,270/100m2	
Other	% of Build Costs	Variable	
<b>Finance</b>			
Interest rate per annum	% of Total costs	7.0	
Arrangement fees/Valuations etc	% of Total Costs	2.0	
<b>Site Acquisition Costs</b>			
Stamp Duty	% of Land Value	5.0	
Agents fees	% of Land Value	1.0	
<b>Marketing Costs</b>			
Advertising	% of ERV	1.0	
Letting agents fees	% of ERV	10	
Letting Legal fees	% of ERV	0.5	
<b>Disposal Costs</b>			
Sales Agents Fees	% of Sale Value	1.0	
Sales Legal Fees	% of Sale Value	0.25	
Purchasers Costs	% of Sale Value	5.75	

£/m2 study

**Description:** Rate per m2 gross internal floor area for the building Cost including prelims.

**Last updated:** 07-Jan-2017 12:19

› Rebased to Hart (117; sample 16)

**Maximum age of results:** Default period

Building function (Maximum age of projects)	£/m <sup>2</sup> gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
<b>New build</b>							
<b>Purpose built factories</b>							
Generally (25)	1,179	250	616	1,020	1,481	4,023	76
Up to 500m2 GFA (25)	1,378	737	951	1,175	1,864	2,104	7
500 to 2000m2 GFA (25)	1,282	250	656	894	1,609	4,023	27
Over 2000m2 GFA (25)	1,079	328	585	1,020	1,426	2,201	42
<b>Purpose built warehouses/stores</b>							
Generally (15)	1,016	268	589	833	1,234	4,311	36
Up to 500m2 GFA (15)	1,987	634	1,166	1,558	2,509	4,311	6
500 to 2000m2 GFA (15)	928	455	629	833	1,178	1,633	12
Over 2000m2 GFA (15)	752	268	555	694	894	1,460	18
<b>Offices</b>							
Generally (15)	1,833	775	1,319	1,685	2,077	5,728	148
<b>Air-conditioned</b>							
Generally (15)	1,935	775	1,491	1,779	2,064	5,728	42
1-2 storey (15)	1,604	775	1,307	1,502	1,801	3,430	16
3-5 storey (15)	2,020	1,239	1,513	1,797	2,173	5,728	18
6+ storey (15)	2,357	1,734	1,952	2,076	2,215	4,356	7
<b>Not air-conditioned</b>							
Generally (15)	1,801	863	1,287	1,677	2,142	3,404	71
1-2 storey (15)	1,719	863	1,219	1,632	2,135	3,129	37
3-5 storey (15)	1,831	1,017	1,417	1,652	2,057	3,404	30
6+ storey (15)	2,334	1,831	-	2,385	-	2,734	4
<b>Retail warehouses</b>							
Generally (25)	869	429	669	787	925	2,721	69
Up to 1000m2 (25)	949	532	741	817	875	2,721	13
1000 to 7000m2 GFA (25)	865	429	639	791	930	1,969	45
7000 to 15000m2 (25)	789	537	669	724	824	1,177	9
Over 15000m2 GFA (25)	782	700	-	-	-	864	2
Shopping centres (25)	1,422	1,078	-	1,404	-	1,786	3
Department stores (45)	1,478	520	1,175	1,189	1,725	2,783	5
<b>Hypermarkets, supermarkets</b>							

Building function (Maximum age of projects)	£/m <sup>2</sup> gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
Generally (30)	1,650	268	1,165	1,660	2,140	2,814	53
Up to 1000m <sup>2</sup> (30)	1,650	1,118	-	1,434	-	2,616	4
1000 to 7000m <sup>2</sup> GFA (30)	1,685	268	1,178	1,825	2,141	2,814	44
7000 to 15000m <sup>2</sup> (30)	1,233	1,125	-	1,230	-	1,346	4
Over 15000m <sup>2</sup> GFA (30)	1,776	-	-	-	-	-	1
<b>Shops</b>							
Generally (30)	1,354	593	826	1,085	1,725	4,201	47
1-2 storey (30)	1,382	593	815	1,085	1,831	4,201	43
3-5 storey (30)	1,056	879	-	1,021	-	1,303	4
Shops with domestic, office accommodation (15)	2,012	1,298	1,461	1,958	2,139	3,729	10
Service shops (35)	1,632	-	-	-	-	-	1
Nursing homes, convalescent homes, short stay medical homes (15)	1,986	1,154	1,422	1,923	2,463	3,194	16
<b>Old people's home</b>							
Generally (15)	1,781	1,203	1,452	1,642	1,964	3,801	48
Up to 500m <sup>2</sup> GFA (25)	1,797	1,687	-	-	-	1,907	2
500 to 2000m <sup>2</sup> GFA (15)	1,976	1,204	1,454	1,677	1,989	3,801	12
Over 2000m <sup>2</sup> GFA (15)	1,716	1,203	1,452	1,642	1,964	2,783	36
Hotels (15)	2,043	1,199	1,755	1,985	2,358	3,091	22

**Retail**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>
Large Format Retail-Convenience	1	1,580.00	225.00	355,500	355,500

**Investment Valuation**

**Large Format Retail-Convenience**

Market Rent	355,500	YP @	5.5000%	18.1818	
(6mths Rent Free)		PV 6mths @	5.5000%	0.9736	6,292,898

**GROSS DEVELOPMENT VALUE**

**6,292,898**

Purchaser's Costs			(427,917)	(427,917)	
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**NET DEVELOPMENT VALUE**

**5,864,981**

**NET REALISATION**

**5,864,981**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (0.40 Ha 967,867.34 pHect)			387,147	387,147	
Stamp Duty			129,018		
Agent Fee		1.50%	5,807		
Legal Fee		1.50%	5,807		
Town Planning		2.00%	7,743		
				148,375	

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>	
Large Format Retail-Convenience	1,580.00 m <sup>2</sup>	2,098.75 pm <sup>2</sup>	3,316,025	<b>3,316,025</b>
Contingency		5.00%	165,801	
CIL	1,580.00 m <sup>2</sup>	120.00 pm <sup>2</sup>	189,600	
				355,401

**PROFESSIONAL FEES**

Architect		4.00%	132,641	
Quantity Surveyor		2.00%	66,321	
Structural Engineer		1.00%	33,160	
Mech./Elec.Engineer		1.00%	33,160	
Project Manager		1.50%	49,740	
C.D. Manager		0.50%	16,580	
				331,603

**MARKETING & LETTING**

Letting Agent Fee		10.00%	35,550	
Letting Legal Fee		2.00%	7,110	
				42,660

**DISPOSAL FEES**

Sales Agent Fee		1.00%	58,650	
Sales Legal Fee		0.25%	14,662	
				73,312

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)				
Land			54,541	
Construction			178,419	

**APPRAISAL SUMMARY****ADAMS INTEGRA****Retail**

Total Finance Cost 232,960

**TOTAL COSTS****4,887,484****PROFIT****977,497****Performance Measures**

Profit on Cost% 20.00%

Profit on GDV% 15.53%

Profit on NDV% 16.67%

Development Yield% (on Rent) 7.27%

Equivalent Yield% (Nominal) 5.50%

Equivalent Yield% (True) 5.69%

IRR 33.51%

Rent Cover 2 yrs 9 mths

Profit Erosion (finance rate 7.000%) 2 yrs 8 mths

Retail

**Initial  
MRV**  
355,500

Retail



**Retail**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Yield	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	1,898.75 pm <sup>2</sup>	1,998.75 pm <sup>2</sup>	2,098.75 pm <sup>2</sup>	2,198.75 pm <sup>2</sup>	2,298.75 pm <sup>2</sup>
-0.5000%	£1,077,804	£1,077,804	£1,077,805	£1,077,804	£1,077,804
5.0000%	(£1,112,444)	(£956,342)	(£800,239)	(£644,137)	(£488,035)
-0.2500%	£1,025,260	£1,025,261	£1,025,260	£1,025,259	£1,025,260
5.2500%	(£899,226)	(£743,123)	(£587,021)	(£430,919)	(£267,400)
0.0000%	£977,498	£977,497	£977,497	£977,497	£977,497
5.5000%	(£705,406)	(£549,305)	(£387,147)	(£229,251)	(£68,664)
+0.2500%	£933,891	£933,891	£933,891	£933,889	£933,892
5.7500%	(£528,458)	(£366,061)	(£208,165)	(£46,827)	£125,108
+0.5000%	£893,923	£893,922	£893,922	£893,923	£893,923
6.0000%	(£359,906)	(£202,010)	(£40,451)	£132,098	£311,416

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
Large Format Retail-Convenience	1	£2,098.75	2 Up & Down

**Rent: Yield**

Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
Large Format Retail-Convenience	1	5.5000%	2 Up & Down

**Retail**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>
Retail Warehouse- Large Format Comparison	1	1,000.00	275.00	275,000	275,000

**Investment Valuation**

**Retail Warehouse- Large Format Comparison**

Market Rent	275,000	YP @	5.5000%	18.1818	
(6mths Rent Free)		PV 6mths @	5.5000%	0.9736	4,867,924

**GROSS DEVELOPMENT VALUE**

**4,867,924**

Purchaser's Costs

(331,019)

(331,019)

**NET DEVELOPMENT VALUE**

**4,536,905**

**NET REALISATION**

**4,536,905**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (0.40 Ha 5,018,352.83 pHect)			2,007,341		2,007,341
Stamp Duty		4.00%	80,294		
Agent Fee		1.00%	20,073		
Legal Fee		0.25%	5,018		
					105,385

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>	
Retail Warehouse- Large Format Comparison	1,000.00 m <sup>2</sup>	920.00 pm <sup>2</sup>	920,000	<b>920,000</b>
Contingency		5.00%	46,000	
CIL	1,000.00 m <sup>2</sup>	120.00 pm <sup>2</sup>	120,000	
				166,000

**PROFESSIONAL FEES**

Architect		4.00%	36,800	
Quantity Surveyor		2.00%	18,400	
Structural Engineer		1.00%	9,200	
Mech./Elec.Engineer		1.00%	9,200	
Project Manager		1.50%	13,800	
C.D. Manager		0.50%	4,600	
				92,000

**MARKETING & LETTING**

Marketing		2.00%	5,500	
Letting Agent Fee		10.00%	27,500	
Letting Legal Fee		2.00%	5,500	
				38,500

**DISPOSAL FEES**

Sales Agent Fee		1.00%	45,369	
Sales Legal Fee		0.25%	11,342	
				56,711

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)				
Land			125,928	
Construction			21,792	

**APPRAISAL SUMMARY****ADAMS INTEGRA****Retail**

Letting Void	247,096	
Total Finance Cost		394,816

**TOTAL COSTS****3,780,754****PROFIT****756,151****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.53%
Profit on NDV%	16.67%
Development Yield% (on Rent)	7.27%
Equivalent Yield% (Nominal)	5.50%
Equivalent Yield% (True)	5.69%

IRR	19.06%
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Rent Cover	2 yrs 9 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

Retail

**Initial  
MRV**  
275,000

Retail

Retail

**Sensitivity Analysis results are not available.  
Click the Analysis Results tab, then print the report.**

**Retail**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale
Comparison Retail- Town Centre	1	300.00	350.00	105,000	105,000

**Investment Valuation**

**Comparison Retail- Town Centre**

Market Rent	105,000	YP @	6.5000%	15.3846	
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,565,313

**GROSS DEVELOPMENT VALUE**

**1,565,313**

Purchaser's Costs

(90,005)

(90,005)

**NET DEVELOPMENT VALUE**

**1,475,307**

**NET REALISATION**

**1,475,307**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (0.04 Ha 14,616,005.51 pHect)

584,640

584,640

Stamp Duty

4.00%

23,386

Agent Fee

1.00%

5,846

Legal Fee

0.25%

1,462

Town Planning

2.00%

11,693

42,386

**CONSTRUCTION COSTS**

**Construction**

Comparison Retail- Town Centre

300.00 m<sup>2</sup>

1,178.00 pm<sup>2</sup>

353,400

**353,400**

Contingency

5.00%

17,670

CIL

300.00 m<sup>2</sup>

120.00 pm<sup>2</sup>

36,000

53,670

**PROFESSIONAL FEES**

Architect

4.00%

14,136

Quantity Surveyor

2.00%

7,068

Structural Engineer

1.00%

3,534

Mech./Elec.Engineer

1.00%

3,534

Project Manager

1.50%

5,301

C.D. Manager

0.50%

1,767

35,340

**MARKETING & LETTING**

Marketing

2.00%

2,100

Letting Agent Fee

10.00%

10,500

Letting Legal Fee

2.00%

2,100

14,700

**DISPOSAL FEES**

Sales Agent Fee

1.00%

14,753

Sales Legal Fee

0.25%

3,688

18,441

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)

Land

36,677

**APPRAISAL SUMMARY****ADAMS INTEGRA****Retail**

Construction	9,966	
Letting Void	80,202	
Total Finance Cost		126,845

**TOTAL COSTS****1,229,422****PROFIT****245,885****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.71%
Profit on NDV%	16.67%
Development Yield% (on Rent)	8.54%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR	19.21%
Rent Cover	2 yrs 4 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths



Retail

**Initial  
MRV**  
105,000

Retail

Retail

**Sensitivity Analysis results are not available.  
Click the Analysis Results tab, then print the report.**

**Retail**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Retail- A1-A5 Small Village Centre	1	300.00	125.00	37,500	37,500	37,500

**Investment Valuation**

**Retail- A1-A5 Small Village Centre**

Market Rent	37,500	YP @	6.5000%	15.3846		
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	559,040	

**GROSS DEVELOPMENT VALUE**

**559,040**

Purchaser's Costs

(32,145)

(32,145)

**NET DEVELOPMENT VALUE**

**526,895**

**NET REALISATION**

**526,895**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)

(17,294)

(17,294)

**CONSTRUCTION COSTS**

**Construction**

	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>	
Retail- A1-A5 Small Village Centre	300.00 m <sup>2</sup>	1,178.00 pm <sup>2</sup>	353,400	<b>353,400</b>

Contingency

5.00%

17,670

17,670

**PROFESSIONAL FEES**

Architect	4.00%	14,136
Quantity Surveyor	2.00%	7,068
Structural Engineer	1.00%	3,534
Mech./Elec.Engineer	1.00%	3,534
Project Manager	1.50%	5,301
C.D. Manager	0.50%	1,767

35,340

**MARKETING & LETTING**

Marketing	5.00%	1,875
Letting Agent Fee	10.00%	3,750
Letting Legal Fee	5.00%	1,875

7,500

**DISPOSAL FEES**

Sales Agent Fee	1.00%	5,269
Sales Legal Fee	0.25%	1,317

6,586

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)

Land	(612)
Construction	7,995
Letting Void	28,494

Total Finance Cost

35,877

**TOTAL COSTS**

**439,080**

**Retail  
PROFIT****87,816****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.71%
Profit on NDV%	16.67%
Development Yield% (on Rent)	8.54%
Equivalent Yield% (Nominal)	6.50%
Equivalent Yield% (True)	6.77%
IRR	22.91%
Rent Cover	2 yrs 4 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

**Retail**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Yield	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	978.00 pm <sup>2</sup>	1,078.00 pm <sup>2</sup>	1,178.00 pm <sup>2</sup>	1,278.00 pm <sup>2</sup>	1,378.00 pm <sup>2</sup>
-0.5000%	£95,358	£95,358	£95,358	£95,358	£95,358
6.0000%	(£78,106)	(£46,562)	(£15,018)	£17,800	£51,878
-0.2500%	£91,436	£91,436	£91,436	£91,436	£91,436
6.2500%	(£61,947)	(£30,403)	£1,229	£35,224	£69,385
0.0000%	£87,816	£87,816	£87,816	£87,816	£87,816
6.5000%	(£47,032)	(£15,488)	£17,294	£51,383	£85,544
+0.2500%	£84,465	£84,464	£84,464	£84,464	£84,464
6.7500%	(£33,224)	(£1,680)	£32,183	£66,343	£100,504
+0.5000%	£81,353	£81,353	£81,353	£81,353	£81,353
7.0000%	(£20,403)	£12,000	£46,073	£80,234	£114,394

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
Retail- A1-A5 Small Village Centre	1	£1,178.00	2 Up & Down

**Rent: Yield**

Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
Retail- A1-A5 Small Village Centre	1	6.5000%	2 Up & Down

**Retail**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>
Retail- A1-A5 Small Convenience	1	278.00	130.00	36,140	36,140

**Investment Valuation**

**Retail- A1-A5 Small Convenience**

Market Rent	36,140	YP @	6.0000%	16.6667	
(6mths Rent Free)		PV 6mths @	6.0000%	0.9713	585,038

**GROSS DEVELOPMENT VALUE**

**585,038**

Purchaser's Costs			(33,640)	(33,640)	
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**NET DEVELOPMENT VALUE**

**551,398**

**NET REALISATION**

**551,398**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (0.06 Ha 911,557.95 pHect)			54,693	54,693	
Stamp Duty		4.00%	2,188		
Agent Fee		2.00%	1,094		
Legal Fee		1.00%	547		
Town Planning		2.00%	1,094		
				4,922	

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>	
Retail- A1-A5 Small Convenience	278.00 m <sup>2</sup>	1,178.00 pm <sup>2</sup>	327,484	<b>327,484</b>
Contingency		5.00%	16,374	16,374

**PROFESSIONAL FEES**

Architect		4.00%	13,099	
Quantity Surveyor		2.00%	6,550	
Structural Engineer		1.00%	3,275	
Mech./Elec.Engineer		1.00%	3,275	
Project Manager		1.50%	4,912	
C.D. Manager		0.50%	1,637	
				32,748

**MARKETING & LETTING**

Letting Agent Fee		10.00%	3,614	
Letting Legal Fee		5.00%	1,807	
				5,421

**DISPOSAL FEES**

Sales Agent Fee		1.00%	5,514	
Sales Legal Fee		0.25%	1,378	
				6,892

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)				
Land			3,488	
Construction			7,474	
Total Finance Cost				10,963

Retail

**TOTAL COSTS****459,498****PROFIT****91,900****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.71%
Profit on NDV%	16.67%
Development Yield% (on Rent)	7.87%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
IRR	60.01%
Rent Cover	2 yrs 7 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths



Retail

**Initial  
MRV  
36,140**

Retail

**Retail**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Yield	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	978.00 pm <sup>2</sup>	1,078.00 pm <sup>2</sup>	1,178.00 pm <sup>2</sup>	1,278.00 pm <sup>2</sup>	1,378.00 pm <sup>2</sup>
-0.5000%	£100,492	£100,492	£100,492	£100,492	£100,491
5.5000%	(£147,780)	(£119,555)	(£91,330)	(£63,106)	(£34,881)
-0.2500%	£96,009	£96,009	£96,009	£96,009	£96,009
5.7500%	(£128,665)	(£100,440)	(£72,215)	(£43,990)	(£15,765)
0.0000%	£91,900	£91,900	£91,900	£91,900	£91,900
6.0000%	(£111,143)	(£82,918)	(£54,693)	(£26,469)	£1,999
+0.2500%	£88,120	£88,120	£88,120	£88,120	£88,120
6.2500%	(£95,025)	(£66,800)	(£38,576)	(£10,351)	£20,346
+0.5000%	£84,631	£84,631	£84,631	£84,631	£84,631
6.5000%	(£80,149)	(£51,924)	(£23,699)	£5,152	£37,306

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
Retail- A1-A5 Small Convenience	1	£1,178.00	2 Up & Down

**Rent: Yield**

Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
Retail- A1-A5 Small Convenience	1	6.0000%	2 Up & Down

**Offices**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Offices- Secondary	1	425.00	175.00	74,375	74,375	74,375

**Investment Valuation**

<b>Offices- Secondary</b>						
Market Rent	74,375	YP @	7.5000%	13.3333		
(6mths Rent Free)		PV 6mths @	7.5000%	0.9645	956,448	

**GROSS DEVELOPMENT VALUE**

**956,448**

Purchaser's Costs	(54,996)	(54,996)
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**NET DEVELOPMENT VALUE**

**901,452**

**NET REALISATION**

**901,452**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)	(384,854)	(384,854)
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**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>	
Offices- Secondary	500.00 m <sup>2</sup>	1,836.00 pm <sup>2</sup>	918,000	<b>918,000</b>
Contingency		5.00%	45,900	45,900

**PROFESSIONAL FEES**

Architect	4.00%	36,720	
Quantity Surveyor	2.00%	18,360	
Structural Engineer	1.00%	9,180	
Mech./Elec.Engineer	1.00%	9,180	
Project Manager	1.50%	13,770	
C.D. Manager	0.50%	4,590	
			91,800

**MARKETING & LETTING**

Marketing	2.00%	1,488	
Letting Agent Fee	10.00%	7,438	
Letting Legal Fee	2.00%	1,488	
			10,413

**DISPOSAL FEES**

Sales Agent Fee	1.00%	9,015	
Sales Legal Fee	0.25%	2,254	
			11,268

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)			
Land		(10,998)	
Construction		20,769	
Letting Void		48,913	
Total Finance Cost			58,684

**TOTAL COSTS**

**751,210**

**Offices  
PROFIT****150,242****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.71%
Profit on NDV%	16.67%
Development Yield% (on Rent)	9.90%
Equivalent Yield% (Nominal)	7.50%
Equivalent Yield% (True)	7.87%
IRR	30.91%
Rent Cover	2 yrs
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

**Offices**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Yield	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	1,636.00 pm <sup>2</sup>	1,736.00 pm <sup>2</sup>	1,836.00 pm <sup>2</sup>	1,936.00 pm <sup>2</sup>	2,036.00 pm <sup>2</sup>
-0.5000%	£161,349	£161,349	£161,349	£161,349	£161,349
7.0000%	£220,662	£277,806	£334,989	£392,171	£449,353
-0.2500%	£155,604	£155,604	£155,604	£155,604	£155,604
7.2500%	£246,418	£303,600	£360,783	£417,965	£475,147
0.0000%	£150,242	£150,242	£150,242	£150,242	£150,242
7.5000%	£270,490	£327,672	£384,854	£442,037	£499,219
+0.2500%	£145,227	£145,227	£145,227	£145,227	£145,227
7.7500%	£293,005	£350,188	£407,370	£464,553	£521,735
+0.5000%	£140,526	£140,525	£140,526	£140,525	£140,525
8.0000%	£314,112	£371,294	£428,476	£485,659	£542,849

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
Offices- Secondary	1	£1,836.00	2 Up & Down

**Rent: Yield**

Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
Offices- Secondary	1	7.5000%	2 Up & Down

**Offices Prime**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Offices- Prime/Business Park	1	1,700.00	200.00	340,000	340,000	340,000

**Investment Valuation**

<b>Offices- Prime/Business Park</b>						
Market Rent	340,000	YP @	6.7500%	14.8148		
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	4,875,186	

**GROSS DEVELOPMENT VALUE 4,875,186**

Purchaser's Costs			(280,323)		(280,323)	
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**NET DEVELOPMENT VALUE 4,594,863**

**NET REALISATION 4,594,863**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)			(542,654)		(542,654)	
Town Planning		2.00%	10,853		10,853	

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>		
Offices- Prime/Business Park	2,000.00 m <sup>2</sup>	1,686.00 pm <sup>2</sup>	3,372,000	<b>3,372,000</b>	
Contingency		5.00%	168,600		168,600

**PROFESSIONAL FEES**

Architect		4.00%	134,880		
Quantity Surveyor		2.00%	67,440		
Structural Engineer		1.00%	33,720		
Mech./Elec.Engineer		1.00%	33,720		
Project Manager		1.50%	50,580		
C.D. Manager		0.50%	16,860		
					337,200

**MARKETING & LETTING**

Marketing		2.00%	6,800		
Letting Agent Fee		10.00%	34,000		
Letting Legal Fee		2.00%	6,800		
					47,600

**DISPOSAL FEES**

Sales Agent Fee		1.00%	45,949		
Sales Legal Fee		0.25%	11,487		
					57,436

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)						
Land			(38,326)			
Construction			166,679			
Letting Void			249,664			
Total Finance Cost					378,017	

**Offices Prime****TOTAL COSTS****3,829,052****PROFIT****765,811****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.71%
Profit on NDV%	16.67%
Development Yield% (on Rent)	8.88%
Equivalent Yield% (Nominal)	6.75%
Equivalent Yield% (True)	7.04%
IRR	20.92%
Rent Cover	2 yrs 3 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths



**Offices Prime**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Yield	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	1,486.00 pm <sup>2</sup>	1,586.00 pm <sup>2</sup>	1,686.00 pm <sup>2</sup>	1,786.00 pm <sup>2</sup>	1,886.00 pm <sup>2</sup>
-0.5000%	£829,019	£829,019	£829,020	£829,017	£829,020
6.2500%	(£173,145)	£36,678	£264,702	£494,063	£723,962
-0.2500%	£796,196	£796,198	£796,198	£796,198	£796,198
6.5000%	(£43,280)	£179,993	£408,966	£638,571	£869,196
0.0000%	£765,811	£765,811	£765,811	£765,810	£765,810
6.7500%	£84,636	£313,158	£542,654	£773,033	£1,003,659
+0.2500%	£737,597	£737,596	£737,598	£737,597	£737,596
7.0000%	£208,050	£437,281	£667,253	£897,878	£1,128,850
+0.5000%	£711,333	£711,332	£711,332	£711,332	£711,332
7.2500%	£323,339	£552,849	£783,475	£1,014,110	£1,245,751

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
Offices- Prime/Business Park	1	£1,686.00	2 Up & Down

**Rent: Yield**

Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
Offices- Prime/Business Park	1	6.7500%	2 Up & Down

**B1/B2/B8 Large**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
B1/B2/B8- Large	1	5,000.00	75.00	375,000	375,000	375,000

**Investment Valuation**

<b>B1/B2/B8- Large</b>					
Market Rent	375,000	YP @	6.0000%	16.6667	
(6mths Rent Free)		PV 6mths @	6.0000%	0.9713	6,070,537

**GROSS DEVELOPMENT VALUE**

**6,070,537**

Purchaser's Costs	(412,796)
	(412,796)

**NET DEVELOPMENT VALUE**

**5,657,740**

**NET REALISATION**

**5,657,740**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)	(568,620)
	(568,620)
Town Planning	2.00% 11,372
	11,372

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>
B1/B2/B8- Large	5,000.00 m <sup>2</sup>	814.00 pm <sup>2</sup>	4,070,000
			<b>4,070,000</b>
Contingency		5.00%	203,500
			203,500

**PROFESSIONAL FEES**

Architect	4.00%	162,800
Quantity Surveyor	2.00%	81,400
Structural Engineer	1.00%	40,700
Mech./Elec.Engineer	1.00%	40,700
Project Manager	1.50%	61,050
C.D. Manager	0.50%	20,350
		407,000

**MARKETING & LETTING**

Marketing	2.00%	7,500
Letting Agent Fee	10.00%	37,500
Letting Legal Fee	2.00%	7,500
		52,500

**DISPOSAL FEES**

Sales Agent Fee	1.00%	56,577
Sales Legal Fee	0.25%	14,144
		70,722

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)		
Land		(40,519)
Construction		201,003
Letting Void		307,825
Total Finance Cost		468,309

**B1/B2/B8 Large**  
**TOTAL COSTS****4,714,783****PROFIT****942,957****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.53%
Profit on NDV%	16.67%
Development Yield% (on Rent)	7.95%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
IRR	20.64%
Rent Cover	2 yrs 6 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

**B1/B2/B8 Large**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Rate pm <sup>2</sup>	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	614.00 pm <sup>2</sup>	714.00 pm <sup>2</sup>	814.00 pm <sup>2</sup>	914.00 pm <sup>2</sup>	1,014.00 pm <sup>2</sup>
-50.00 pm <sup>2</sup>	£314,319	£314,319	£314,319	£314,319	£314,319
25.00 pm <sup>2</sup>	£2,181,339	£2,765,818	£3,350,564	£3,936,073	£4,521,582
-25.00 pm <sup>2</sup>	£628,638	£628,638	£628,638	£628,638	£628,638
50.00 pm <sup>2</sup>	£789,831	£1,368,464	£1,949,205	£2,530,759	£3,113,818
0.00 pm <sup>2</sup>	£942,957	£942,957	£942,957	£942,956	£942,957
75.00 pm <sup>2</sup>	(£509,161)	(£2,499)	£568,620	£1,144,387	£1,722,608
+25.00 pm <sup>2</sup>	£1,257,276	£1,257,276	£1,257,276	£1,257,275	£1,257,276
100.00 pm <sup>2</sup>	(£1,715,848)	(£1,209,186)	(£702,525)	(£195,864)	£349,373
+50.00 pm <sup>2</sup>	£1,571,598	£1,571,595	£1,571,596	£1,571,595	£1,571,595
125.00 pm <sup>2</sup>	(£2,922,532)	(£2,415,873)	(£1,909,211)	(£1,402,551)	(£895,889)

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
B1/B2/B8- Large	1	£814.00	2 Up & Down

**Rent: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £25.00

Heading	Phase	Rate	No. of Steps
B1/B2/B8- Large	1	£75.00	2 Up & Down

**B1/B2/B8- Small**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
B1/B2/B8-Small	1	500.00	90.00	45,000	45,000	45,000

**Investment Valuation**

<b>B1/B2/B8-Small</b>						
Market Rent	45,000	YP @	7.5000%	13.3333		
(3mths Rent Free)		PV 3mths @	7.5000%	0.9821	589,249	

**GROSS DEVELOPMENT VALUE**

**589,249**

Purchaser's Costs			(33,882)			
				(33,882)		

**NET DEVELOPMENT VALUE**

**555,368**

**NET REALISATION**

**555,368**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)			(331,442)			(331,442)
Town Planning		2.00%	6,629			6,629

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost			
B1/B2/B8-Small	500.00 m <sup>2</sup>	1,310.00 pm <sup>2</sup>	655,000	<b>655,000</b>		
Contingency		5.00%	32,750			32,750

**PROFESSIONAL FEES**

Architect		4.00%	26,200			
Quantity Surveyor		2.00%	13,100			
Structural Engineer		1.00%	6,550			
Mech./Elec.Engineer		1.00%	6,550			
Project Manager		1.50%	9,825			
C.D. Manager		0.50%	3,275			
						65,500

**MARKETING & LETTING**

Marketing		2.00%	900			
Letting Agent Fee		10.00%	4,500			
Letting Legal Fee		2.00%	900			
						6,300

**DISPOSAL FEES**

Sales Agent Fee		1.00%	5,554			
Sales Legal Fee		0.25%	1,388			
						6,942

**FINANCE**

Debit Rate 7.000%, Credit Rate 0.000% (Nominal)						
Land						(9,421)
Construction						15,214
Letting Void						15,334
Total Finance Cost						21,127

**B1/B2/B8- Small****TOTAL COSTS****462,806****PROFIT****92,561****Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	15.71%
Profit on NDV%	16.67%
Development Yield% (on Rent)	9.72%
Equivalent Yield% (Nominal)	7.50%
Equivalent Yield% (True)	7.87%
IRR	(1.10)%
Rent Cover	2 yrs 1 mth
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

**B1/B2/B8- Small**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Rate pm <sup>2</sup>	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	1,110.00 pm <sup>2</sup>	1,210.00 pm <sup>2</sup>	1,310.00 pm <sup>2</sup>	1,410.00 pm <sup>2</sup>	1,510.00 pm <sup>2</sup>
-50.00 pm <sup>2</sup>	£41,138	£41,138	£41,138	£41,138	£41,138
40.00 pm <sup>2</sup>	£456,188	£514,823	£573,458	£632,093	£690,728
-25.00 pm <sup>2</sup>	£66,850	£66,850	£66,850	£66,850	£66,850
65.00 pm <sup>2</sup>	£335,199	£393,729	£452,259	£510,790	£569,320
0.00 pm <sup>2</sup>	£92,561	£92,561	£92,561	£92,561	£92,561
90.00 pm <sup>2</sup>	£214,743	£273,093	£331,442	£389,833	£448,363
+25.00 pm <sup>2</sup>	£118,273	£118,273	£118,273	£118,273	£118,273
115.00 pm <sup>2</sup>	£94,844	£152,940	£211,182	£269,532	£327,881
+50.00 pm <sup>2</sup>	£143,984	£143,984	£143,984	£143,984	£143,984
140.00 pm <sup>2</sup>	(£22,116)	£33,476	£91,466	£149,562	£207,658

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
B1/B2/B8-Small	1	£1,310.00	2 Up & Down

**Rent: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £25.00

Heading	Phase	Rate	No. of Steps
B1/B2/B8-Small	1	£90.00	2 Up & Down

**Hotel**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
100 Bed Budget Hotel	1	3,818.00	118.00	450,524	450,524	450,524

**Investment Valuation**

**100 Bed Budget Hotel**

Market Rent	450,524	YP @	5.5000%	18.1818		
(3mths Rent Free)		PV 3mths @	5.5000%	0.9867	8,082,433	

**NET REALISATION**

**8,082,433**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)			(3,275,395)			
Town Planning		2.00%	65,508		(3,275,395)	
					65,508	

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>m<sup>2</sup></b>	<b>Rate m<sup>2</sup></b>	<b>Cost</b>			
100 Bed Budget Hotel	3,818.00 m <sup>2</sup>	2,209.00 pm <sup>2</sup>	8,433,962			<b>8,433,962</b>
Contingency		5.00%	421,698			421,698

**PROFESSIONAL FEES**

Architect		4.00%	337,358			
Quantity Surveyor		1.50%	126,509			
Structural Engineer		1.00%	84,340			
Mech./Elec.Engineer		1.00%	84,340			
Project Manager		1.50%	126,509			
C.D. Manager		0.50%	42,170			
					801,226	

**MARKETING & LETTING**

Letting Agent Fee		10.00%	45,052			
Letting Legal Fee		2.00%	9,010			
					54,063	

**DISPOSAL FEES**

Sales Agent Fee		1.00%	80,824			
Sales Legal Fee		0.25%	20,206			
					101,030	

**FINANCE**

Debit Rate 7.000%, Credit Rate 7.000% (Nominal)						
Land			(380,643)			
Construction			476,187			
Letting Void			37,725			
Total Finance Cost					133,269	

**TOTAL COSTS**

**6,735,362**

**PROFIT**

**1,347,071**

**Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	16.67%



**Hotel**

Profit on NDV%	16.67%
Development Yield% (on Rent)	6.69%
Equivalent Yield% (Nominal)	5.50%
Equivalent Yield% (True)	5.69%
IRR	Out of Range
Rent Cover	2 yrs 12 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

**Hotel**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Yield	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	2,009.00 pm <sup>2</sup>	2,109.00 pm <sup>2</sup>	2,209.00 pm <sup>2</sup>	2,309.00 pm <sup>2</sup>	2,409.00 pm <sup>2</sup>
-0.5000%	£1,483,540	£1,483,539	£1,483,540	£1,483,541	£1,483,541
5.0000%	£1,826,437	£2,245,467	£2,664,500	£3,083,531	£3,502,561
-0.2500%	£1,412,054	£1,412,056	£1,412,056	£1,412,053	£1,412,056
5.2500%	£2,146,435	£2,565,467	£2,984,499	£3,403,527	£3,822,560
0.0000%	£1,347,072	£1,347,073	£1,347,071	£1,347,072	£1,347,073
5.5000%	£2,437,334	£2,856,365	£3,275,395	£3,694,427	£4,113,458
+0.2500%	£1,287,742	£1,287,740	£1,287,742	£1,287,743	£1,287,741
5.7500%	£2,702,926	£3,121,955	£3,540,988	£3,960,019	£4,379,049
+0.5000%	£1,233,358	£1,233,358	£1,233,359	£1,233,357	£1,233,359
6.0000%	£2,946,375	£3,365,406	£3,784,438	£4,203,467	£4,622,500

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
100 Bed Budget Hotel	1	£2,209.00	2 Up & Down

**Rent: Yield**

Original Values are varied in Fixed Steps of 0.25%

Heading	Phase	Cap. Rate	No. of Steps
100 Bed Budget Hotel	1	5.5000%	2 Up & Down

**Residential Care Home**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

**Rental Area Summary**

	Units	m <sup>2</sup>	Rate m <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
60 Bed Care Home	1	2,550.00	180.00	459,000	459,000	459,000

**Investment Valuation**

<b>60 Bed Care Home</b>						
Market Rent	459,000	YP @	6.0000%	16.6667		
(3mths Rent Free)		PV 3mths @	6.0000%	0.9855	7,539,368	

**NET REALISATION**

**7,539,368**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price (Negative land)				(926,824)		
					(926,824)	
Town Planning		2.00%	18,536			
					18,536	

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Rate m <sup>2</sup>	Cost	
60 Bed Care Home	3,000.00 m <sup>2</sup>	1,778.00 pm <sup>2</sup>	5,334,000	<b>5,334,000</b>
Contingency		5.00%	266,700	
				266,700

**PROFESSIONAL FEES**

Architect	4.00%	213,360	
Quantity Surveyor	1.50%	80,010	
Structural Engineer	1.00%	53,340	
Mech./Elec.Engineer	1.00%	53,340	
Project Manager	1.50%	80,010	
C.D. Manager	1.00%	53,340	
			533,400

**DISPOSAL FEES**

Sales Agent Fee	1.00%	75,394	
Sales Legal Fee	0.25%	18,848	
			94,242

**FINANCE**

Debit Rate 7.000%, Credit Rate 7.000% (Nominal)			
Land		(131,883)	
Construction		334,394	
Other		760,242	
Total Finance Cost			962,753

**TOTAL COSTS**

**6,282,807**

**PROFIT**

**1,256,561**

**Performance Measures**

Profit on Cost%	20.00%
Profit on GDV%	16.67%
Profit on NDV%	16.67%
Development Yield% (on Rent)	7.31%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

**Residential Care Home**

IRR	12.88%
Rent Cover	2 yrs 9 mths
Profit Erosion (finance rate 7.000%)	2 yrs 8 mths

**Residential Care Home**

**Table of Profit Amount and Land Cost**

Construction: Rate pm <sup>2</sup>					
Rent: Rate pm <sup>2</sup>	-200.00 pm <sup>2</sup>	-100.00 pm <sup>2</sup>	0.00 pm <sup>2</sup>	+100.00 pm <sup>2</sup>	+200.00 pm <sup>2</sup>
	1,578.00 pm <sup>2</sup>	1,678.00 pm <sup>2</sup>	1,778.00 pm <sup>2</sup>	1,878.00 pm <sup>2</sup>	1,978.00 pm <sup>2</sup>
-40.00 pm <sup>2</sup>	£977,326	£977,326	£977,326	£977,325	£977,326
140.00 pm <sup>2</sup>	£1,354,692	£1,679,548	£2,004,403	£2,329,257	£2,654,113
-20.00 pm <sup>2</sup>	£1,116,943	£1,116,943	£1,116,944	£1,116,944	£1,116,941
160.00 pm <sup>2</sup>	£815,903	£1,140,757	£1,465,613	£1,790,469	£2,115,322
0.00 pm <sup>2</sup>	£1,256,562	£1,256,562	£1,256,561	£1,256,561	£1,256,562
180.00 pm <sup>2</sup>	£277,114	£601,969	£926,824	£1,251,679	£1,576,535
+20.00 pm <sup>2</sup>	£1,396,179	£1,396,178	£1,396,180	£1,396,180	£1,396,179
200.00 pm <sup>2</sup>	(£247,770)	£63,179	£388,036	£712,891	£1,037,746
+40.00 pm <sup>2</sup>	£1,535,799	£1,535,797	£1,535,797	£1,535,797	£1,535,798
220.00 pm <sup>2</sup>	(£757,927)	(£450,335)	(£142,743)	£174,101	£498,957

**Sensitivity Analysis : Assumptions for Calculation**

**Construction: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £100.00

Heading	Phase	Rate	No. of Steps
60 Bed Care Home	1	£1,778.00	2 Up & Down

**Rent: Rate pm<sup>2</sup>**

Original Values are varied in Fixed Steps of £20.00

Heading	Phase	Rate	No. of Steps
60 Bed Care Home	1	£180.00	2 Up & Down