

Comag
Proposed 23% AH Scheme
16.25% Profit on Private GDV

Development Appraisal
Avison Young
28 April 2023

APPRAISAL SUMMARY

AVISON YOUNG

Comag
Proposed 23% AH Scheme
16.25% Profit on Private GDV

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Private Residential	83	59,489	598.36	428,867	35,596,000
Shared Ownership	8	6,829	409.60	349,645	2,797,158
Affordable Rent	14	11,160	200.00	159,429	2,232,000
Totals	105	77,478			40,625,158

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
D1 Community Space	1	1,152	10.00	11,520	11,520	11,520

Investment Valuation

D1 Community Space						
Market Rent (1yr Rent Free)	11,520	YP @ PV 1yr @	7.0000% 7.0000%	14.2857 0.9346		153,805

GROSS DEVELOPMENT VALUE **40,778,963**

NET REALISATION **40,778,963**

OUTLAY

ACQUISITION COSTS

Residualised Price			586,884		
Stamp Duty		4.85%	28,464	586,884	
Agent Fee		1.00%	5,869		
Legal Fee		0.80%	4,695		
				39,028	

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost	
Private Residential	120,046	226.72	27,217,050	
Contingency		5.00%	1,360,852	
MCIL2/CIL/S.106			1,084,524	
				29,662,426

PROFESSIONAL FEES

Professionals		8.00%	2,177,364	
				2,177,364

MARKETING & LETTING

Letting Agent Fee		10.00%	1,152	
Letting Legal Fee		5.00%	576	
				1,728

DISPOSAL FEES

Residential Sales Agent Fee		2.00%	711,920	
Commercial Sales Agent Fee		1.00%	1,538	
Residential Sales Legal Fee	105 un	1,200.00 /un	126,000	
Commercial Sales Legal Fee		0.50%	769	
				840,227

MISCELLANEOUS FEES

Residential Profit		16.25%	5,784,350	
Affordable Profit		6.00%	301,750	
Commercial Profit		15.00%	23,071	
				6,109,170

FINANCE

Debit Rate 7.250%, Credit Rate 0.500% (Nominal)			
Land		73,925	
Construction		1,289,411	
Other		(1,200)	

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Total Finance Cost 1,362,136

TOTAL COSTS 40,778,963**PROFIT** 0**Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.03%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
IRR% (without Interest)	6.60%
Profit Erosion (finance rate 7.250)	N/A