

Comag
Proposed 23% AH Scheme
15% Profit on Private GDV

Development Appraisal
Avison Young
13 April 2023

APPRAISAL SUMMARY

AVISON YOUNG

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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
D1 Community Space	1	1,152	10.00	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
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GROSS DEVELOPMENT VALUE

40,778,963

NET REALISATION

40,778,963

OUTLAY

ACQUISITION COSTS

Residualised Price			956,525	
Stamp Duty		4.85%	46,391	956,525
Agent Fee		1.00%	9,565	
Legal Fee		0.80%	7,652	
				63,609

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	

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840,227

FINANCE

Debit Rate 7.250%, Credit Rate 0.500% (Nominal)

Land	121,637
Construction	1,289,411
Other	1,838
Total Finance Cost	1,412,886

TOTAL COSTS 35,114,765

PROFIT 5,664,198

Performance Measures

Profit on Cost%	16.13%
Profit on GDV%	13.89%
Profit on NDV%	13.89%
Development Yield% (on Rent)	0.03%
Equivalent Yield% (Nominal)	7.00%
Equivalent Yield% (True)	7.32%
IRR% (without Interest)	31.27%
Rent Cover	491 yrs 8 mths
Profit Erosion (finance rate 7.250)	2 yrs 1 mth

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Initial
MRV
11,520

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