

Squirrels Estate  
AY Max Reasonable Appraisal

Development Appraisal  
Avison Young  
12 July 2023

**APPRAISAL SUMMARY****AVISON YOUNG****Squirrels Estate  
AY Max Reasonable Appraisal****Appraisal Summary for Phase 1 Phase 1****Currency in £****REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>ft²</b>	<b>Sales Rate ft²</b>	<b>Unit Price</b>	<b>Gross Sales</b>
Private Residential	92	65,762	643.35	459,866	42,307,665
Shared Ownership	14	9,715	449.81	312,139	4,369,950
Social Rented	15	9,858	177.51	116,660	1,749,905
<b>Totals</b>	<b>121</b>	<b>85,335</b>			<b>48,427,520</b>

**Rental Area Summary**

	<b>Units</b>	<b>ft²</b>	<b>Rent Rate ft²</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Commercial unit	1	1,046	25.00	26,150	26,150	26,150

**Investment Valuation**

<b>Commercial unit</b>						
Market Rent	26,150	YP @	6.0000%	16.6667		
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	411,164	

**GROSS DEVELOPMENT VALUE 48,838,683**

Purchaser's Costs	(27,959)
Effective Purchaser's Costs Rate	6.80%
	(27,959)

**NET DEVELOPMENT VALUE 48,810,724****NET REALISATION 48,810,724****OUTLAY****ACQUISITION COSTS**

Residualised Price	3,425,360
	3,425,360
Stamp Duty	125,764
Effective Stamp Duty Rate	3.67%
Agent Fee	1.00%
Legal Fee	0.50%
	17,127
	177,145

**CONSTRUCTION COSTS**

<b>Construction</b>	<b>ft²</b>	<b>Build Rate ft²</b>	<b>Cost</b>
Build Costs exc. contingency	112,430	248.69	27,959,762
S106 costs			1,017,020
Mayoral CIL			483,705
Borough CIL			1,054,129
Third Party Costs			150,000
			30,664,616

**PROFESSIONAL FEES**

Professional Fees	10.00%	2,795,976
		2,795,976

**MARKETING & LETTING**

Marketing	1.00%	423,077
Letting Agent Fee	10.00%	2,615
Letting Legal Fee	5.00%	1,308
		426,999

**DISPOSAL FEES**

Sales Agent Fee	1.00%	422,797
Sales Legal Fee	0.35%	148,077
Sales Legal Fee	0.50%	1,916
		572,790

**MISCELLANEOUS FEES**

**APPRAISAL SUMMARY****AVISON YOUNG****Squirrels Estate****AY Max Reasonable Appraisal**

Commercial Profit	15.00%	61,675	
Private Residential Profit	17.50%	7,403,841	
Affordable Profit	6.00%	367,191	
			7,832,707

**FINANCE**

Debit Rate 7.500%, Credit Rate 0.000% (Nominal)			
Land		691,370	
Construction		1,921,731	
Other		302,030	
Total Finance Cost			2,915,131

**TOTAL COSTS****48,810,724****PROFIT****0****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%
Profit on NDV%	0.00%
Development Yield% (on Rent)	0.05%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
IRR% (without Interest)	7.27%
Profit Erosion (finance rate 7.500)	0 mths