

**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

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
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
Totals	121	85,335			48,427,520

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Commercial unit	1	1,046	25.00	26,150	26,150	26,150

Investment Valuation

Commercial unit	26,150	YP @	6.0000%	16.6667	
Market Rent (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	
Stamp Duty		125,764	3,425,360
Effective Stamp Duty Rate	3.67%		
Agent Fee	1.00%	34,254	
Legal Fee	0.50%	17,127	
			177,145

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
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