

West of Braintree Garden Community
Andrewsfield New Settlement Consortium
Illustrative Viability Appraisal - November 2019 v0.8ii
Braintree District Land only

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Illustrative Viability Appraisal - November 2019 v0.8ii**

Summary Appraisal for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Private Residential	5814	5,671,901	390.00	380,468	2,212,041,504
Shared Ownership	997	915,073	285.00	261,581	260,795,842
Affordable Rent	<u>1495</u>	<u>1,264,258</u>	190.00	160,675	<u>240,208,942</u>
Totals	8,306	7,851,232			2,713,046,288

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Employment Area 1	1	156,092	12.00	1,873,098	1,873,098	1,873,098
Foodstore 1	1	27,997	20.00	559,936	559,936	559,936
District/Local Centre Retail/Leisure 1	1	27,997	13.00	363,958	363,958	363,958
Employment Area 2	1	156,092	12.00	1,873,098	1,873,098	1,873,098
Foodstore 2	1	27,997	20.00	559,936	559,936	559,936
District/Local Centre Retail/Leisure 2	<u>1</u>	<u>27,997</u>	13.00	363,958	<u>363,958</u>	<u>363,958</u>
Totals	6	424,170			5,593,985	5,593,985

Investment Valuation

Employment Area 1					
Market Rent (1yr Rent Free)	1,873,098	YP @	7.0000%	14.2857	
		PV 1yr @	7.0000%	0.9346	25,007,984
Foodstore 1					
Current Rent	559,936	YP @	5.0000%	20.0000	11,198,720
District/Local Centre Retail/Leisure 1					
Current Rent	363,958	YP @	10.0000%	10.0000	3,639,584
Employment Area 2					
Market Rent (1yr Rent Free)	1,873,098	YP @	7.0000%	14.2857	
		PV 1yr @	7.0000%	0.9346	25,007,984
Foodstore 2					
Current Rent	559,936	YP @	5.0000%	20.0000	11,198,720
District/Local Centre Retail/Leisure 2					
Current Rent	363,958	YP @	10.0000%	10.0000	3,639,584
					79,692,576

GROSS DEVELOPMENT VALUE **2,792,738,864**

NET REALISATION **2,792,738,864**

OUTLAY

ACQUISITION COSTS

Residualised Price (1,633.00 Acres 113,892.70 pAcre)			185,986,782		185,986,782
Stamp Duty		4.00%	7,439,471		
Agent Fee		1.00%	1,859,868		
Legal Fee		0.50%	929,934		
Town Planning			1,000,000		
Survey			1,000,000		
					12,229,273

CONSTRUCTION COSTS

Construction	ft ²	Rate ft ²	Cost	
Employment Area 1	173,435 ft ²	100.00 pf ²	17,343,500	
Foodstore 1	34,996 ft ²	120.00 pf ²	4,199,520	
District/Local Centre Retail/Leisure 1	34,996 ft ²	120.00 pf ²	4,199,520	
Employment Area 2	173,435 ft ²	100.00 pf ²	17,343,500	
Foodstore 2	34,996 ft ²	120.00 pf ²	4,199,520	
District/Local Centre Retail/Leisure 2	34,996 ft ²	120.00 pf ²	4,199,520	
Private Residential	5,877,618 ft ²	146.00 pf ²	858,132,216	
Shared Ownership	948,262 ft ²	146.00 pf ²	138,446,297	
Affordable Rent	<u>1,310,111 ft²</u>	146.00 pf ²	<u>191,276,278</u>	
Totals	8,622,846 ft²		1,239,339,872	1,239,339,872

Contingency		10.00%	165,554,298		
Infrastructure	8,306 un	53,208.00 /un	441,945,648		607,499,946

PROFESSIONAL FEES

Professional Fees		10.00%	165,554,298		165,554,298
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MARKETING & LETTING

Marketing		1.00%	19,866,516		
Letting Agent Fee		10.00%	559,398		
Letting Legal Fee		5.00%	279,699		
					20,705,613

DISPOSAL FEES

Sales Agent Fee		1.00%	27,927,389		
Sales Legal Fee		0.25%	6,981,847		
					34,909,236

FINANCE

Debit Rate 6.000%, Credit Rate 0.500% (Nominal)					
Construction			106,105		
Other			(32,140,593)		
Total Finance Cost					(32,034,488)

TOTAL COSTS **2,234,190,532**

PROFIT

558,548,332

Performance Measures

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%
Development Yield% (on Rent)	0.25%
Equivalent Yield% (Nominal)	6.72%
Equivalent Yield% (True)	7.02%
IRR	62.38%
Rent Cover	99 yrs 10 mths
Profit Erosion (finance rate 6.000%)	3 yrs 9 mths
Land Cost pAcre	113,893