

South Ribble

Technical Note on Assumption Inputs



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CONTENTS

1	INTRODUCTION	1
	Residential Sales Values	1
	Non-Residential Uses	2
	Town Centre Offices	3
	Business Park Offices	3
	Large Industrial and Warehouses	4
	Small Industrial Workshops	4
	Town Centre Retail	4
	Retail Warehousing and Retail Parks	5
	Conclusions	6

APPENDICES

Appendix 1 - Residential Property Details - South Ribble

Appendix 2 – Non-Residential Property Details - South Ribble

Appendix 3 – Draft Consultation Viability Appraisals (October 2012)

1 INTRODUCTION

- 1.1 This note sets out the evidence supporting the assumptions made in relation to South Ribble that provide the basis for broad assessments of viability as part of the Central Lancashire CIL Study. Below, we summarise the transactional information for each use/development type that have informed and underpinned our assumptions on the value of development per sq.m. This information is presented separately for each use/development type. We record our findings separately for Preston and Chorley.
- 1.2 Our assessment of residential values is based on analysis of new-build homes on the market, data on residential build costs from Davis Langdon, assessment of HVS and the applicability of assumptions, and consultations with agents and house-builders.
- 1.3 Our assessment of non-residential values is based on analysis of transactional data to establish value, BCIS build cost data and the testing of initial conclusions with agents and developers.

Residential Sales Values

- 1.4 Our approach to establishing the value of residential development in South Ribble, is to establish typical per sq.m values of recent and ongoing new developments of new housing in each of the authorities. It is important, when coming to a view of typical values across an area, to ensure that dwellings of comparable types and size are used. Our analysis therefore focuses on four bedrooms, two storey houses, because they are the most common type of unit and reflect at the middle of the range in terms of per sq.m values. The per sq.m values of new apartment developments were revealed in a similar way.
- 1.5 Residential sales values have moved significantly in recent years from a high point in October 2007, when values were 11.7 per cent above present values. However sales values are now 7.2 per cent above the lowest point reached in October 2010.

Sources of Information

- 1.6 Our assumptions on residential sales values are based on the following sources of information:
 - New build housing currently being marketed (see appendix one);
 - Residential Property Focus, Savills (Q3, 2011);
 - Consultations with house-builders; and
 - The Land Registry.
- 1.7 Our assumptions on residential build costs are sourced from Davis Langdon and also informed by our consultations with house-builders.

Analysis

- 1.8 The analysis revealed values typically in the range between £1,900 per sq.m and £2,400 per sq.m including:
 - Various house types at the Old Gate Park development, ranging in value from £1,941 to £2,379;

- The six house types at the Taylor Wimpey development The Oaks, Wheelton Lane, which break back to between £1,888 and £2,242 per sq.m; and
- Wain Homes The Maltings development in Longton Village, where values were between £2,018 and £2,523.

- 1.9 This research shows that the average asking price for houses in South Ribble is £2,033. However, it seems clear from both this analysis and our consultations that townhouses are proving unpopular in the market and are achieving significantly lower values. With townhouse comparables stripped out, the average asking price for houses is £2,113 per sq. m.
- 1.10 No new build apartments were on the market at the time of our research.
- 1.11 For the purposes of our viability modelling, we have assumed three different house sales value scenarios at £1,950 per sq. m, £2,150 per sq. m and £2,350 per sq. m. We note that within the Central Lancashire context, residential sales values are generally lower in South Ribble than elsewhere. Furthermore, analysis of local variations in residential sales values demonstrates that Leyland and Bamber Bridge are not viewed by the market as particularly attractive locations.

Non-Residential Uses

- 1.12 Our assessments of non-residential uses provides assumptions on rental values, yields and build costs for city/town centre offices, business park offices, large industrial and warehouses, small industrial workshops, city and town centre retail, and retail warehousing.
- 1.13 Our assumptions therefore provide:
- a rental value per sq. m;
 - a yield; and
 - a build cost per sq. m.

Sources of Information

- 1.14 Our assumptions on non-residential values are based on the following sources of information:
- Focus CoStar (see appendix two);
 - Consultations with local property agents, namely HDAK (Martin Ainsworth), Eckersley (Mark Clarkson) and Gwynne Furlong;
 - UK Prime Rent and Yield Monitor (2011);
 - UK Regional Offices Market, CBRE (2011);
 - Property Times, UK Regional Offices, DTZ (Q2, 2011);
 - North West Industrial Market Update, CBRE (2011);
 - Logistics and Industrial Commentary, Knight Frank (2011);
 - Property Times, UK Industrial, DTZ (Q2, 2011); and
 - Retail Warehousing, Knight Frank (2011).
- 1.15 Our assumptions on non-residential build costs are based on BCIS data.

Town Centre Offices

- 1.16 The main town centre office location in South Ribble is Leyland. Office units within Leyland Town Centre are small, generally around 250 sq.m. The office market is not particularly strong and locations in South Ribble are generally viewed by the market as being less attractive for office occupiers than the centres of both Preston and Chorley.
- 1.17 Within Leyland Town Centre there is very limited activity in the office market. The majority of the office floor space is outdated, DDA non-compliant, secondary stock. Based on the limited information available average rents of £86 - £97 per sq.m could be expected for existing town centre office stock, which is largely unsuited to modern occupiers. Whilst there is no evidence of comparable high quality town centre stock in South Ribble, based on prevailing values in out of centre locations, average rents of £120 - £140 per sq.m could be expected for such high quality office floor space if delivered.
- 1.18 Based on prevailing values for high quality office floor space across South Ribble, average rents of £130 per sq. m with a yield of 9 per cent could be expected for such high quality office floor space if delivered in Leyland Town Centre. The assumed build costs based on BCIS data are £1,300 per sq. m.

Table 1.1 Town Centre Offices Assumptions

<i>Rent per sq.m</i>	£130
<i>Yield</i>	9%
<i>Build cost per sq.m</i>	£1,300

Business Park Offices

- 1.19 The main business parks with office floor space in South Ribble are Farington Business Park, Aston Moss / Moss Side Development Park, Lancashire Business Park, Leyland Business Park, Centurion Way Estate, Walton Summit Business Park and South Preston Office and Technology Village.
- 1.20 At Walton Summit Business Park a 129 sq.m unit recently let for an achieved rent of £77 per sq.m. A further unit of 113 sq.m at Walton let for an achieved rent of £119 per sq.m. At the South Preston Office and Technology Village a 128 sq.m unit with a quoted rent of £166 per sq.m was recently let on confidential terms.
- 1.21 Based on prevailing values for high quality office floor space at Business Park locations, average rents of £140 per sq. m with a yield of 7 per cent could be expected for such high quality office floor space. The assumed build costs based on BCIS data are £1,150 per sq.m.

Table 1.2 Business Park Offices Assumptions

<i>Rent per sq.m</i>	£140
<i>Yield</i>	7%
<i>Build cost per sq.m</i>	£1,150

Large Industrial and Warehouses

- 1.22 The main industrial parks in South Ribble are Aston Moss / Moss Side Industrial Estate, Lancashire Business Park, Leyland Business Park, Centurion Way Estate and Walton Summit Business Park.
- 1.23 Whilst the majority of recent industrial lettings are for smaller industrial and workshop type units (less than 500 sq.m) there are some lettings for larger units. Rental levels for larger units range between £55 and £30 per sq.m, as shown by the recent letting on the Lancashire Business Park of a 1,691 sq.m unit for £54 per sq.m and the letting of a 936 sq.m unit on the Moss Side Industrial Estate for £32 per sq.m.
- 1.24 There are no recorded recent freehold sales suggest yields. We have therefore arrived at an assumption on yields using a professional judgement based on our analysis in Preston and Chorley, consultations with local property agents and data from published sources.
- 1.25 Based on our analysis we make an assumption that for large industrial and warehouse units average rents of £55 per sq. m with a yield of 7.75 per cent could be expected. The assumed build costs based on BCIS data are £430 per sq. m.

Table 1.3 Large Industrial and Warehousing Assumptions

<i>Rent per sq.m</i>	£55
<i>Yield</i>	7.75%
<i>Build cost per sq.m</i>	£430

Small Industrial Workshops

- 1.26 The majority of recent industrial lettings are for smaller industrial and workshop type units (less than 500 sq.m), with several recent lettings on units below 100 sq.m.
- 1.27 Rental levels for smaller units range between £55 and £30 per sq.m, as shown by the recent letting on the Moss Side Industrial Estate of a 427 sq.m unit for £54 per sq.m, the letting of a 258 sq.m unit at Dewhurst Row for £51 per sq.m and the letting of a 172 sq.m unit on the Lancashire Business Park for £32 per sq.m.
- 1.28 There are no recorded recent freehold sales suggest yields.
- 1.29 Based on prevailing values for small industrial workshops average rents of £65 per sq. m with a yield of 8 per cent could be expected for such floor space. The assumed build costs based on BCIS data are £550 per sq. m.

Table 1.4 Small Industrial Workshops Assumptions

<i>Rent per sq.m</i>	£65
<i>Yield</i>	8%
<i>Build cost per sq.m</i>	£550

Town Centre Retail

- 1.30 The town centre for South Ribble is Leyland where the majority of retail units are very small, under 100sq.m. Comparable evidence for units shows wide variations between £89 and £319 per sq.m, including units at 84 Hough Lane (£89per sq.m), 71-77 Hough Lane (£157 per sq.m), 51-55 Hough Lane (£217 per sq.m) and 58 Hough Lane (£319 per sq.m).

- 1.31 Based on prevailing values for town centre retail average rents of £200 per sq. m with a yield of 8 per cent could be expected for such floor space. The assumed build costs based on BCIS data are £835 per sq. m.

Table 1.5 Town Centre Retail Assumptions

<i>Rent per sq.m</i>	£200
<i>Yield</i>	8.00%
<i>Build cost per sq.m</i>	£835

Retail Warehousing and Retail Parks

- 1.32 Rental values and yields for retail warehousing are predominantly based on national trends as opposed to the local market with variations dictated largely by the covenant strength of occupiers. We have therefore considered the information contained within the latest CBRE Prime Rent and Yield Monitor (Q2, 2011) and made a slight adjustment downwards to reflect the Central Lancashire market.
- 1.33 Based on this analysis of retail warehousing average rents of £140 per sq. m with a yield of 6.75 per cent could be expected for such floor space. The assumed build costs based on BCIS data are £680 per sq. m.

Table 1.6 Retail Warehousing Assumptions

<i>Rent per sq.m</i>	£140
<i>Yield</i>	6.75%
<i>Build cost per sq.m</i>	£680

Conclusions

- 1.34 Table 1.7 below shows the assumptions made in respect of rents, yields and build costs for non-residential development.

Table 1.7 Non-Residential Viability Assumptions (South Ribble)

Town Centre Office	<i>Rent per sq.m</i>	£130
	<i>Yield</i>	9%
	<i>Build cost per sq.m</i>	£1,300
Business Park Office	<i>Rent per sq.m</i>	£140
	<i>Yield</i>	7%
	<i>Build cost per sq.m</i>	£1,150
Large Industrial/W'house	<i>Rent per sq.m</i>	£55
	<i>Yield</i>	7.75%
	<i>Build cost per sq.m</i>	£430
Small Industrial/W'shop	<i>Rent per sq.m</i>	£65
	<i>Yield</i>	8%
	<i>Build cost per sq.m</i>	£550
Major food retail	<i>Rent per sq.m</i>	£190
	<i>Yield</i>	5%
	<i>Build cost per sq.m</i>	£1,200
Retail Warehouse	<i>Rent per sq.m</i>	£140
	<i>Yield</i>	6.75%
	<i>Build cost per sq.m</i>	£680
Town Centre Retail	<i>Rent per sq.m</i>	£200
	<i>Yield</i>	8.00%
	<i>Build cost per sq.m</i>	£835
Neighbourhood convenience store	<i>Rent per sq.m</i>	£135
	<i>Yield</i>	8.50%
	<i>Build cost per sq.m</i>	640

APPENDIX 1

Residential Property Evidence - South Ribble

Central Lancashire CIL - Property Details

South Ribble

Ref No	Property Name	Address	Post code	Type	Bedrooms	Area (sq.ft)	Area (sq.m)	Price	Price per sq.ft	Price per sq.m	Price band
1	The Cambridge	Old Gate Park, Claytongate Drive, Preston, Lancashire	PR1 9SE	Detached	4	1401.6	109.2				
2	The Windsor	Old Gate Park, Claytongate Drive, Preston, Lancashire	PR1 9SE	Detached	4	1383.2	107.5	£228,995	£165.55	£2,130.19	
3	The Oxford	Old Gate Park, Claytongate Drive, Preston, Lancashire	PR1 9SE	Detached	3	1108.7	103	£244,995	£220.98	£2,378.59	
4	The Chester	Old Gate Park, Claytongate Drive, Preston, Lancashire	PR1 9SE	Detached	4	1453.1	135	£261,995	£180.30	£1,940.70	
5	The Canterbury	Old Gate Park, Claytongate Drive, Preston, Lancashire	PR1 9SE	Detached	4	1653.0	142.5	£284,995	£172.41	£1,999.96	
6	The Salisbury	Old Gate Park, Claytongate Drive, Preston, Lancashire	PR1 9SE	Detached	4	1515.6	140.8	£303,995	£200.58	£2,159.06	
10	The Cambridge	The Maltings, Longton Village, Preston	PR4 5ZS	Detached	5	2053.8	190.8	£384,950	£187.44	£2,017.56	
9	The Oxford	The Maltings, Longton Village, Preston	PR4 5ZS	Detached	4	1599.5	148.6	£374,950	£234.41	£2,523.22	
7	Alderley	The Oaks, Wheelton Lane, off Golden Hill Lane, Preston, Lancashire	PR25 3UF	Detached	4	1254.0	116.5	£219,995	£175.44	£1,888.37	
2	Alderley	The Oaks, Wheelton Lane, off Golden Hill Lane, Preston, Lancashire	PR25 3UF	Detached	4	1254.0	116.5	£224,995	£179.42	£1,931.29	
1	Croxton	The Oaks, Wheelton Lane, off Golden Hill Lane, Preston, Lancashire	PR25 3UF	Semi-detached	3	793.3	73.7	£159,995	£201.68	£2,170.90	
5	The Hyde	The Oaks, Wheelton Lane, off Golden Hill Lane, Preston, Lancashire	PR25 3UF	Detached	4	1162.5	108	£229,995	£197.84	£2,129.58	
4	Raglan	The Oaks, Wheelton Lane, off Golden Hill Lane, Preston, Lancashire	PR25 3UF	Detached	3	1020.4	94.8	£184,995	£181.29	£1,951.42	
3	Westerham	The Oaks, Wheelton Lane, off Golden Hill Lane, Preston, Lancashire	PR25 3UF	Terraced	3	720.1	66.9	£149,995	£208.30	£2,242.08	

103.3625

Average House Values per Sq.ft/m

£111.84

£2,112.53

APPENDIX 2

Non-Residential Property Evidence - South Ribble

Non-Residential Property Deals - South Ribble

Estate Park	Town	Postcode	Event Date	Use Code	Grade	Deal Type	Size SqFt	Size SqM	Sale Price (£)	Achieved Rent (£ per Sq Ft)	Achieved Rent (£ per Sq M)	Asking Rent (£ per Sq Ft)	Asking Rent (£ per Sq M)
Offices													
60 School Lane, Bamber Bridge	Preston	PR5 6QE	01/02/2011	B1 OFFICE/BUSINESS	Second Hand	Letting	3,945	366	n/a	Not Known	Not Known	8.11	Not Known
Farington House, Stanfield Business Park, Stanfield Lane,	Leyland	PR25 4UA	01/01/2011	B1 OFFICE/BUSINESS	Second Hand	Letting	1,369	127	n/a	Not Known	Not Known	9.99	Not Known
St Marys House, 148 Station Road, Bamber Bridge	Preston	PR5 6TP	10/11/2010	B1 OFFICE/BUSINESS	Second Hand	Freehold	1,710	159	165,000	n/a	n/a	n/a	n/a
Units 14-16 South Preston Office And Technology Village,	Preston	PR5 6BL	01/11/2010	B1 OFFICE/BUSINESS	New or Refurbished	Letting	732	68	n/a	Not Known	Not Known	Not Known	Not Known
5 Golden Hill Lane	Leyland	PR25 3NP	01/10/2010	B1 OFFICE/BUSINESS	Second Hand	Freehold	730	68	Not Known	n/a	n/a	n/a	n/a
Unit 501 Walton Summit Centre, Green Place, Bamber Bri	Preston	PR5 8AY	01/10/2010	B1 OFFICE/BUSINESS	New or refurbished	Letting	1,391	129	n/a	7.19	77.39	8.99	96.73
41-45 Chapel Brow	Leyland	PR25 3NH	01/06/2010	B1 OFFICE/BUSINESS	Second Hand	Letting	105	10	n/a	Not Known	Not Known	20.57	Not Known
Greenbank, Howick Cross Lane	Penwortham	PR1 0NR	16/04/2010	B1 OFFICE/BUSINESS	Second Hand	Freehold	1,270	118	225,000	n/a	n/a	n/a	n/a
115-177 Towngate	Leyland	PR25 2LQ	01/04/2010	B1 OFFICE/BUSINESS	Second Hand	Letting	992	92	n/a	Not Known	Not Known	7.56	Not Known
Units 3-4 South Preston Office And Technology Village, Cu	Preston	PR5 6BL	11/01/2010	B1 OFFICE/BUSINESS	New or Refurbished	Letting	646	60	n/a	Not Known	Not Known	16.87	Not Known
Ribble House, Meanysgate	Preston	PR5 6UP	01/12/2009	B1 OFFICE/BUSINESS	New or Refurbished	Letting	2,522	234	n/a	5	53.82	9.5	Not Known
Units 8-10 South Preston Office And Technology Village, C	Preston	PR5 6BL	01/12/2009	B1 OFFICE/BUSINESS	New or Refurbished	Letting	732	68	n/a	Not Known	Not Known	14.89	Not Known
Centurion House, Leyland Business Park, Centurion Way	Leyland	PR25 3GR	14/11/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	143	13	n/a	21.31	229.38	21.31	Not Known
Centurion House, Leyland Business Park, Centurion Way	Leyland	PR25 3GR	30/09/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	290	27	n/a	26.48	285.03	26.48	Not Known
Centurion House, Leyland Business Park, Centurion Way	Leyland	PR25 3GR	03/09/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	143	13	n/a	Not Known	Not Known	21.31	Not Known
Unit 506 Walton Summit Centre, Four Oaks Road	Preston	PR5 8AP	01/09/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	1,369	127	n/a	Not Known	Not Known	10.59	Not Known
Unit 5a South Preston Office And Technology Village, Cuel	Preston	PR5 6BL	11/08/2009	B1 OFFICE/BUSINESS	New or Refurbished	Letting	646	60	n/a	17.03	183.31	16.87	181.61
Crescent House, 2-6 Sandy Lane	Leyland	PR25 2EB	01/05/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	105	10	n/a	Not Known	Not Known	20.57	Not Known
Crescent House, 2-6 Sandy Lane	Leyland	PR25 2EB	01/05/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	313	29	n/a	Not Known	Not Known	20.51	Not Known
Crescent House, 2-6 Sandy Lane	Leyland	PR25 2EB	01/05/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	196	18	n/a	Not Known	Not Known	20.51	Not Known
Crescent House, 2-6 Sandy Lane	Leyland	PR25 2EB	01/05/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	150	14	n/a	Not Known	Not Known	20.8	Not Known
Centurion House, Leyland Business Park, Centurion Way	Leyland	PR25 3GR	01/05/2009	B1 OFFICE/BUSINESS	Second Hand	Letting	346	32	n/a	Not Known	Not Known	20.46	Not Known
Unit 5a South Preston Office And Technology Village, Cuel	Preston	PR5 6BL	16/03/2009	B1 OFFICE/BUSINESS	New or Refurbished	Letting	1,378	128	n/a	Not Known	Not Known	15.42	Not Known
Gordon House, Sceptre Way	Preston	PR5 6AW	12/03/2009	B1 OFFICE/BUSINESS	Second Hand	Freehold	30,000	2,787	5,250,000	n/a	n/a	n/a	n/a
Unit 506 Walton Summit Centre, Four Oaks Road	Preston	PR5 8AP	01/04/2008	B1 OFFICE/BUSINESS	Second Hand	Letting	1,220	113	n/a	11.07	119.16	Not Known	Not Known
Unit 10 Cuerden Business Village, Cuerden Way	Preston	PR5 6BJ	01/06/2007	B1 OFFICE/BUSINESS	Under Construction	Letting	1,625	151	n/a	Not Known	Not Known	Not Known	Not Known
Unit 6 Cuerden Business Village, Cuerden Way	Preston	PR5 6BJ	01/06/2007	B1 OFFICE/BUSINESS	Under Construction	Letting	1,625	151	n/a	Not Known	Not Known	Not Known	Not Known
Unit 4 Cuerden Business Village, Cuerden Way	Preston	PR5 6BJ	01/06/2007	B1 OFFICE/BUSINESS	Under Construction	Letting	1,625	151	n/a	Not Known	Not Known	Not Known	Not Known
Unit 1 Cuerden Business Village, Cuerden Way	Preston	PR5 6BJ	01/06/2007	B1 OFFICE/BUSINESS	Under Construction	Letting	1,625	151	n/a	Not Known	Not Known	Not Known	Not Known
Units 6a Bannister Hall Works, Higher Walton	Preston	PR5 4DZ	01/03/2011	B1 OFFICE/BUSINESS: INDUSTR	Second Hand	Letting	1,281	119	n/a	Not Known	Not Known	7.03	Not Known
Unit 6d Bannister Hall Works, Higher Walton	Preston	PR5 4DZ	01/03/2011	B1 OFFICE/BUSINESS: INDUSTR	Not known	Letting	Not Known	Not Known	n/a	Not Known	Not Known	Not Known	Not Known
Industrial/Warehouse													
Workshop Units, Gill Lane	Preston	PR4 4SR	01/06/2011	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	1,356	126	n/a	Not Known	Not Known	3.45	37.15
Units 25- 29 Old Mill Industrial Estate, School Lane, Bamber	Preston	PR5 6SY	01/06/2011	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	850	79	n/a	Not Known	Not Known	8.26	88.89
Unit 429-430 Walton Summit Centre, Ranglet Road	Preston	PR5 8AR	01/06/2011	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	5,232	486	n/a	Not Known	Not Known	4.78	51.43
Units 439-444 Walton Summit Centre, Oakshott Place	Preston	PR5 8AT	03/05/2011	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	3,350	311	n/a	Not Known	Not Known	5	53.82
Units 9-10, Boxer Place, Moss Side	Leyland	PR26 7QL	01/05/2011	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	7,000	650	n/a	1.43	15.39	Not Known	Not Known
Units 9-10, Boxer Place, Moss Side	Leyland	PR26 7QL	01/05/2011	INDUSTRIAL/WAREHOUSE	Not known	Letting	4,000	372	n/a	3.5	37.67	Not Known	Not Known
Units 1-11 Cuerden Green Estate, Sherdley Road, Lostock	Leyland	PR5 5LP	30/04/2011	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	3,550	330	n/a	Not Known	Not Known	3.66	39.42
Unit 350 Walton Summit Centre, Leach Place	Preston	PR5 8AS	01/03/2011	INDUSTRIAL/WAREHOUSE	Not known	Letting	5,000	465	n/a	Not Known	Not Known	Not Known	Not Known
Units 1-11 Cuerden Green Estate, Sherdley Road, Lostock	Leyland	PR5 5LP	01/03/2011	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	2,505	233	n/a	Not Known	Not Known	4.19	45.12
Units F1-F4 Leyland Business Park, Centurion Way	Leyland	PR25 3GR	01/12/2010	INDUSTRIAL/WAREHOUSE	New or refurbished	Letting	3,577	332	n/a	Not Known	Not Known	4.25	Not Known
Ams Trading Estate, Brownhill Lane	Longton	PR4 4SG	30/11/2010	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	190	18	n/a	12.63	135.95	13.68	Not Known
Units 457-458 Walton Summit Centre, Carr Place	Preston	PR5 8AU	15/11/2010	INDUSTRIAL/WAREHOUSE	Second Hand	Freehold	10,319	959	Not Known	n/a	n/a	n/a	n/a
Unit 28 Moss Side Industrial Estate, Marathon Place	Leyland	PR26 7QN	01/10/2010	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	4,598	427	n/a	5.04	54.25	4.57	49.19
Units 248-251 Walton Summit Centre, Dawson Place	Preston	PR5 8AL	01/09/2010	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	3,050	283	n/a	Not Known	Not Known	5.02	Not Known
Unit 177 Walton Summit Centre, Bradkirk Place, Bamber B	Preston	PR5 8AJ	01/07/2010	INDUSTRIAL/WAREHOUSE	New or refurbished	Letting	21,188	1,968	n/a	Not Known	Not Known	4.25	45.72
Enterprise Plc, Land And Building, Cuerden Way	Preston	PR5 6BL	01/07/2010	INDUSTRIAL/WAREHOUSE	Not known	Letting	25,464	2,366	n/a	2.16	23.25	Not Known	Not Known
Units 418-422 Walton Summit Industrial Estate, Oakshott	Preston	PR5 8AT	01/03/2010	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	6,669	620	n/a	Not Known	Not Known	5	Not Known
Workshop Units, Gill Lane	Preston	PR4 4SR	01/01/2010	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	1,440	134	n/a	Not Known	Not Known	3.25	Not Known
Unit 1 Osprey Place, Titan Way, Moss Side Industrial Estat	Leyland	PR26 7EW	18/11/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	10,079	936	n/a	3.08	33.15	3.47	37.38

Estate Park	Town	Postcode	Event Date	Use Code	Grade	Deal Type	Size SqFt	Size SqM	Sale Price (£)	Achieved Rent (£ per Sq Ft)	Achieved Rent (£ per Sq M)	Asking Rent (£ per Sq Ft)	Asking Rent (£ per Sq M)
Unit 34 Old Mill, School Lane, Bamber Bridge	Preston	PR5 6SY	30/09/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	550	51	n/a	9.45	101.72	9.45	101.72
Unit 36 Old Mill Industrial Estate, School Lane, Bamber Bridge	Preston	PR5 6SY	30/09/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	550	51	n/a	9.45	101.72	9.45	101.76
Unit C Leyland Business Park, Centurion Way	Leyland	PR25 3GR	01/09/2009	INDUSTRIAL/WAREHOUSE	New or refurbished	Letting	4,500	418	n/a	Not Known	Not Known	3.75	Not Known
Units 1-3, Dewhurst Row	Preston	PR5 6BB	01/07/2009	INDUSTRIAL/WAREHOUSE	New or refurbished	Letting	2,777	258	n/a	4.75	51.13	4.75	Not Known
Workshop Units, Gill Lane	Preston	PR4 4SR	01/06/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	1,440	134	n/a	Not Known	Not Known	3.25	Not Known
Units 1-2, Orchard Street	Leyland	PR25 3SL	01/06/2009	INDUSTRIAL/WAREHOUSE	New or refurbished	Letting	1,883	175	n/a	Not Known	Not Known	3.19	Not Known
Workshop Units, Gill Lane	Preston	PR4 4SR	01/06/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	1,440	134	n/a	Not Known	Not Known	3.25	Not Known
South Ribble Enterprise Park, Grove Road	Preston	PR5 4AQ	01/05/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	240	22	n/a	Not Known	Not Known	10.63	Not Known
Unit U27 South Ribble Enterprise Park, Grove Road	Preston	PR5 4AQ	01/05/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	240	22	n/a	Not Known	Not Known	10.63	Not Known
Former Parts Centre, Tomlinson Road	Leyland	PR25 2DY	01/04/2009	INDUSTRIAL/WAREHOUSE	Second Hand	Freehold	46,479	4,318	1,300,000	n/a	n/a	n/a	n/a
Unit 422 Walton Summit Industrial Estate, Oakshott Place	Preston	PR5 8AT	01/09/2008	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	3,330	309	n/a	Not Known	Not Known	5.75	Not Known
172 Walton Summit Centre, Brierley Road, Bamber Bridge	Preston	PR5 8AH	01/05/2008	INDUSTRIAL/WAREHOUSE	Second Hand	Letting	15,703	1,459	n/a	Not Known	Not Known	5.86	63.06
Hurstwood Court, Lancashire Business Park, Wheelton Lane	Leyland	PR25 3UD	01/03/2008	INDUSTRIAL/WAREHOUSE	Under Construction	Letting	18,200	1,691	n/a	5.22	56.19	5.66	Not Known
Block 8 Hurstwood Court, Lancashire Business Park, Farington	Leyland	PR25 3UD	03/12/2007	INDUSTRIAL/WAREHOUSE	New or Refurbished	Letting	1,442	134	n/a	3	32.29	Not Known	Not Known
Block 9 Hurstwood Court, Lancashire Business Park, Farington	Leyland	PR25 3UQ	03/12/2007	INDUSTRIAL/WAREHOUSE	New or Refurbished	Letting	1,851	172	n/a	3	32.29	Not Known	Not Known
Unit 1 Tomlinson Business Park, Tomlinson Road	Leyland	PR25 2DY	12/10/2007	INDUSTRIAL/WAREHOUSE	Not known	Letting	8,111	754	n/a	Not Known	Not Known	3.7	39.81
Hurstwood Court, Lancashire Business Park, Wheelton Lane	Leyland	PR25 3UD	01/10/2007	INDUSTRIAL/WAREHOUSE	Under Construction	Letting	5,694	529	n/a	Not Known	Not Known	4.3	46.32
Workshop Units, Gill Lane	Preston	PR4 4SR	01/01/2010	INDUSTRIAL/WAREHOUSE: WC	Second Hand	Letting	1,440	134	n/a	Not Known	Not Known	3.25	Not Known
Unit U27 South Ribble Enterprise Park, Grove Road	Preston	PR5 4AQ	01/07/2008	LIGHT INDUSTRIAL	Second Hand	Letting	240	22	n/a	Not Known	Not Known	10.63	Not Known
91 Moss Side Industrial Estate, Clydesdale Place	Leyland	PR26 7QS	01/11/2007	LIGHT INDUSTRIAL	Second Hand	Letting	70,207	6,522	n/a	Not Known	Not Known	4.25	45.75
Unit 11 Chapel House Farm, Gill Lane	Longton	PR4 4SR	16/08/2010	WAREHOUSING	Second Hand	Letting	442	41	n/a	Not Known	Not Known	3.26	Not Known
Workshop Units, Gill Lane	Preston	PR4 4SR	01/10/2010	WORKSHOP	Second Hand	Letting	1,440	134	n/a	Not Known	Not Known	3.25	34.98
Workshop Units, Gill Lane	Preston	PR4 4SR	01/07/2010	WORKSHOP	Second Hand	Letting	617	57	n/a	Not Known	Not Known	4.21	Not Known
Workshop Units, Gill Lane	Preston	PR4 4SR	01/04/2010	WORKSHOP	Second Hand	Letting	1,615	150	n/a	Not Known	Not Known	3.06	Not Known
Retail													
13 Station Road, Bamber Bridge	Preston	PR5 6EA	22/04/2010	MIXED RETAIL	Not known	Freehold	704	65	99,000	n/a	n/a	n/a	n/a
176-178 Station Road, Bamber Bridge	Preston	PR5 6TP	10/12/2009	MIXED RETAIL	Not known	Freehold	Not Known	Not Known	238,000	n/a	n/a	n/a	n/a
83-85 Hough Lane	Leyland	PR25 2YD	04/09/2008	MIXED RETAIL	Not known	Freehold	Not Known	Not Known	86,000	n/a	n/a	n/a	n/a
1 Towngate	Leyland	PR25 2EN	18/07/2007	MIXED RETAIL	Not known	Freehold	Not Known	Not Known	85,000	n/a	n/a	n/a	n/a
The Woodsman, School Lane Bamber Bridge	Preston	PR5 6QD	01/11/2009	PUBLIC HOUSE	Second Hand	Freehold	4,499	418	Not Known	n/a	n/a	n/a	n/a
Units 1-6, 143 Station Road	Preston	PR5 6LA	01/04/2011	RETAIL HIGH STREET UNIT	Second Hand	Letting	553	51	n/a	Not Known	Not Known	Not Known	180.03
84 Hough Lane	Leyland	PR25 2YB	04/01/2011	RETAIL HIGH STREET UNIT	Second Hand	Letting	972	90	n/a	8.23	88.59	8.74	Not Known
448 Leyland Road, Lostock Hall	Leyland	PR5 5RY	01/12/2010	RETAIL HIGH STREET UNIT	Second Hand	Letting	508	47	n/a	Not Known	Not Known	12.8	Not Known
60 Hough Lane	Leyland	PR25 2SA	30/11/2010	RETAIL HIGH STREET UNIT	Second Hand	Freehold	3,800	353	Not Known	n/a	n/a	n/a	n/a
231 Station Road, Bamber Bridge	Preston	PR5 6LD	01/10/2010	RETAIL HIGH STREET UNIT	Second Hand	Freehold	916	85	Not Known	n/a	n/a	n/a	n/a
58 Hough Lane	Leyland	PR25 2SA	15/06/2009	RETAIL HIGH STREET UNIT	Not known	Letting	625	58	n/a	29.6	318.61	32	344.47
51-55 Hough Lane	Leyland	PR25 2SA	25/02/2009	RETAIL HIGH STREET UNIT	Second Hand	Letting	1,108	103	n/a	20.31	218.62	22.56	242.82
84c Liverpool Road	Longton	PR4 5NB	01/07/2008	RETAIL HIGH STREET UNIT	Not known	Letting	816	76	n/a	Not Known	Not Known	15.63	168.18
71-77 Hough Lane	Leyland	PR5 1SA	01/06/2008	RETAIL HIGH STREET UNIT	Not known	Letting	412	38	n/a	14.56	156.72	Not Known	Not Known
71-77 Hough Lane	Leyland	PR5 1SA	01/06/2008	RETAIL HIGH STREET UNIT	Not known	Letting	631	59	n/a	9.51	102.37	Not Known	Not Known
448 Leyland Road, Lostock Hall	Leyland	PR5 5RY	01/06/2009	RETAIL HIGH STREET UNIT: RET	Second Hand	Letting	508	47	n/a	12.5	134.55	12.5	Not Known
Units 1-3 Capitol Trade Park, Winery Lane	Preston	PR5 4AR	01/12/2007	RETAIL HIGH STREET UNIT: RET	Not known	Letting	5,000	465	n/a	6	64.58	Not Known	Not Known
33-35 School Lane, Bamber Bridge	Preston	PR5 6QE	29/11/2010	RETAIL OUT OF TOWN	Second Hand	Letting	638	59	n/a	14.11	151.88	14.11	Not Known
Railway Hotel, Watkin Lane, Lostock Hall	Leyland	PR5 5HA	03/08/2009	RETAIL OUT OF TOWN	Second Hand	Letting	14,677	1,364	n/a	Not Known	Not Known	Not Known	Not Known
Capitol Centre, Capitol Way, Walton Le Dale	Preston	PR5 4AW	01/10/2008	RETAIL OUT OF TOWN	Not known	Letting	1,500	139	n/a	35	376.74	Not Known	Not Known
Capitol Trade Park, Winery Lane	Preston	PR5 4AR	04/01/2010	RETAIL WAREHOUSE	Second Hand	Letting	10,000	929	n/a	4.5	48.44	5.5	Not Known
Land													
Former Fort Motor Co, Chorley Road, Walton Le Dale	Preston	PR5 4JN	14/02/2011	VACANT LAND	Site with Agents	Letting	11,145	1,035	n/a	0.89	9.58	1.17	12.59
Pollards Farm, Howick Cross Lane	Penwortham	PR1 0NS	23/04/2009	VACANT LAND	Not known	Freehold	Not Known	Not Known	Not Known	n/a	n/a	n/a	n/a
Land East Of Dever Avenue	Leyland	PR25 1XR	04/09/2008	VACANT LAND	Not known	Freehold	Not Known	Not Known	1,800	n/a	n/a	n/a	n/a

APPENDIX 3

Draft Consultation Viability Appraisals (October 2012)

HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	1	hectares
Area developable for housing	0.8	hectares
Dwellings per ha	39	of which
% of Houses	100%	
% of flats	0%	
% Market homes	70%	
% Shared ownership Homes	9.0%	
% Social Rented Homes	21.0%	

Note : Entries in **RED** should be made manually.
Entries in **BLACK** are derived from formulæ.

Summary	
Land Price	900,000
\$106 per dwelling	2,000
Residual Margin	24.2%
NPV	705,657

Construction costs & sale proceeds

	Nom, Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	22	120	2621	900	2150	2,358,720	5,634,720
Shared Ownership Houses	3	90	253	900	1505	227,448	380,344
Social Rented Houses	7	90	590	900	860	530,712	507,125
Market Flats	0	60	0	1400	2450	0	0
Shared Ownership Flats	0	60	0	1400	1715	0	0
Social Rented Flats	0	60	0	1400	1450	0	0
TOTAL	31		3463.2			3,116,880	6,522,188

Land Cost

Purchase Price	900,000	
Purchase – Fees	18,000	2.00%
Stamp Duty	36,000	4.00%
TOTAL	954,000	

Basis of Calculation

On land cost
On land cost

Development Costs

Construction Cost	3,116,880	
CIL	170,352	65 per sq. m
\$106 Costs	62,400	2,000
On site secondary Infrastructure	250,000	per ha
Fees & Other	336,688	10.00%
Cost of Sales	169,042	3.0%
TOTAL	4,105,362	

Basis of Calculation

As Above
Notional contribution per unit
Budget per gross hectare
% of construction & on site site works
% cost per unit of agents, marketing, legal

Finance & Cash Flow

Interest payable	193,850		7.25%	Interest, as per cash flow below.
Sales per quarter	9	dwellings		
Total Sales Period (Quarters)	3.4666667			
Discount rate per quarter	4.5%			

Total Cost

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		954,000		-954,000	-954,000	-17,291	-971,291
Q2			1,184,239	-1,184,239	-2,155,530	-39,069	-2,194,599
Q3			1,184,239	-1,184,239	-3,378,838	-61,241	-3,440,080
Q4	1,881,401		1,184,239	697,162	-2,742,918	-49,715	-2,792,633
Q5	1,881,401		552,645	1,328,756	-1,463,878	-26,533	-1,490,411
Q6	1,881,401			1,881,401	390,990		390,990
Q7	877,987			877,987	1,268,977		1,268,977
Q8				0	1,268,977		1,268,977
Q9				0	1,268,977		1,268,977
Q10				0	1,268,977		1,268,977
Q11				0	1,268,977		1,268,977
Q12				0	1,268,977		1,268,977
Q13				0	1,268,977		1,268,977
Q14				0	1,268,977		1,268,977
Q15							
Q16							
Total	6,522,189	954,000	4,105,362			-193,850	

HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	10	hectares
Area developable for housing	6	hectares
Dwellings per ha	39	of which
% of Houses	100%	
% of flats	0%	
% Market homes	70%	
% Shared ownership Homes	9.0%	
% Social Rented Homes	21.0%	

Note : Entries in **RED** should be made manually.
Entries in **BLACK** are derived from formulae.

Summary	
Land Price	5,250,000
\$106 per dwelling	2,000
Residual Margin	22.6%
NPV	-1,810,099

Construction costs & sale proceeds

	Nom, Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	164	120	19656	850	2050	16,707,600	40,294,800
Shared Ownership Houses	21	90	1895	850	1435	1,611,090	2,719,899
Social Rented Houses	49	90	4423	850	820	3,759,210	3,626,532
Market Flats	0	60	0	1400	2450	0	0
Shared Ownership Flats	0	60	0	1400	1715	0	0
Social Rented Flats	0	60	0	1400	1450	0	0
TOTAL	234		25974			22,077,900	46,641,231

Land Cost

Purchase Price	5,250,000	
Purchase – Fees	105,000	2.00%
Stamp Duty	210,000	4.00%
TOTAL	5,565,000	

Basis of Calculation

On land cost
On land cost

Development Costs

Construction Cost	22,077,900		
CIL	1,277,640	65	per sq. m
\$106 Costs	468,000	2,000	
On site secondary Infrastructure	3,500,000	350,000	per ha
Fees & Other	2,557,790	10.00%	
Cost of Sales	1,208,844	3.0%	
TOTAL	31,090,174		

Basis of Calculation

As Above
Notional contribution per unit
Budget per gross hectare
% of construction & on site site works
% cost per unit of agents, marketing, legal

Finance & Cash Flow

Interest payable	1,386,175		7.25%	Interest, as per cash flow below.
Sales per quarter	12	dwellings		
Total Sales Period (Quarters)	19.5			
Discount rate per quarter	4.5%			

Total Cost

38,041,349

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		5,565,000		-5,565,000	-5,565,000	-100,866	-5,665,866
Q2			1,594,368	-1,594,368	-7,260,234	-131,592	-7,391,825
Q3			1,594,368	-1,594,368	-8,986,193	-162,875	-9,149,068
Q4	2,391,858		1,594,368	797,490	-8,351,578	-151,372	-8,502,950
Q5	2,391,858		1,594,368	797,490	-7,705,460	-139,661	-7,845,122
Q6	2,391,858		1,594,368	797,490	-7,047,631	-127,738	-7,175,370
Q7	2,391,858		1,594,368	797,490	-6,377,880	-115,599	-6,493,479
Q8	2,391,858		1,594,368	797,490	-5,695,989	-103,240	-5,799,228
Q9	2,391,858		1,594,368	797,490	-5,001,738	-90,657	-5,092,395
Q10	2,391,858		1,594,368	797,490	-4,294,905	-77,845	-4,372,750
Q11	2,391,858		1,594,368	797,490	-3,575,260	-64,802	-3,640,061
Q12	2,391,858		1,594,368	797,490	-2,842,571	-51,522	-2,894,093
Q13	2,391,858		1,594,368	797,490	-2,096,603	-38,001	-2,134,604
Q14	2,391,858		1,594,368	797,490	-1,337,114	-24,235	-1,361,349
Q15	2,391,858		1,594,368	797,490	-563,859	-10,220	-574,079
Q16	2,391,858		1,594,368	797,490	223,412	4,049	227,461
Q17	2,391,858		1,594,368	797,490	1,024,951		1,024,951
Q18	2,391,858		1,594,368	797,490	1,822,441		1,822,441
Q19	2,391,858		1,594,368	797,490	2,619,931		2,619,931
Q20	2,391,858		1,594,368	797,490	3,417,421		3,417,421
Q21	2,391,858		797,184	1,594,674	5,012,095		5,012,095
Q22	2,391,858			2,391,858	7,403,953		7,403,953
Q23	1,195,929			1,195,929	8,599,882		8,599,882
Q24							
Q25							
Total	46,641,231	5,565,000	31,090,174			-1,386,175	

HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	1	hectares
Area developable for housing	0.8	hectares
Dwellings per ha	39	of which
% of Houses	100%	
% of flats	0%	
% Market homes	70%	
% Shared ownership Homes	9.0%	
% Social Rented Homes	21.0%	

Note : Entries in **RED** should be made manually.
Entries in **BLACK** are derived from formulae.

Summary	
Land Price	600,000
\$106 per dwelling	2,000
Residual Margin	20.9%
NPV	541,986

Construction costs & sale proceeds

	Nom, Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	22	120	2621	900	1950	2,358,720	5,110,560
Shared Ownership Houses	3	90	253	900	1365	227,448	344,963
Social Rented Houses	7	90	590	900	780	530,712	459,950
Market Flats	0	60	0	1400	2450	0	0
Shared Ownership Flats	0	60	0	1400	1715	0	0
Social Rented Flats	0	60	0	1400	1450	0	0
TOTAL	31		3463.2			3,116,880	5,915,473

Land Cost

Purchase Price	600,000	
Purchase – Fees	12,000	2.00%
Stamp Duty	24,000	4.00%
TOTAL	636,000	

Basis of Calculation

On land cost
On land cost

Development Costs

Construction Cost	3,116,880		
CIL	170,352	65	per sq. m
\$106 Costs	62,400	2,000	
Demolition & Remediation	0		
On site secondary Infrastructure	250,000	250,000	per ha
Fees & Other	336,688	10.00%	
Cost of Sales	153,317	3.0%	
TOTAL	4,089,637		

Basis of Calculation

As Above
Notional contribution per unit
Spot figure
Budget per gross hectare
% of construction & on site site works
% cost per unit of agents, marketing, legal

Finance & Cash Flow

Interest payable	168,746		7.25%	Interest, as per cash flow below.
Sales per quarter	9	dwellings		
Total Sales Period (Quarters)	3.4666667			
Discount rate per quarter	4.5%			

Total Cost

4,894,383

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		636,000		-636,000	-636,000	-11,528	-647,528
Q2			1,179,703	-1,179,703	-1,827,230	-33,119	-1,860,349
Q3			1,179,703	-1,179,703	-3,040,052	-55,101	-3,095,153
Q4	1,706,387		1,179,703	526,684	-2,568,469	-46,554	-2,615,023
Q5	1,706,387		550,528	1,155,859	-1,459,164	-26,447	-1,485,612
Q6	1,706,387			1,706,387	220,775	4,002	224,776
Q7	796,314			796,314	1,021,090		1,021,090
Q8				0	1,021,090		1,021,090
Q9				0	1,021,090		1,021,090
Q10				0	1,021,090		1,021,090
Q11				0	1,021,090		1,021,090
Q12				0	1,021,090		1,021,090
Q13				0	1,021,090		1,021,090
Q14				0	1,021,090		1,021,090
Q15				0	1,021,090		1,021,090
Q16				0	1,021,090		1,021,090
Total	5,915,474	636,000	4,089,637			-168,746	

HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	1	hectares
Area developable for housing	0.8	hectares
Dwellings per ha	39	of which
% of Houses	100%	
% of flats	0%	
% Market homes	70%	
% Shared ownership Homes	9.0%	
% Social Rented Homes	21.0%	

Note : Entries in **RED** should be made manually.
Entries in **BLACK** are derived from formulae.

Summary	
Land Price	750,000
\$106 per dwelling	2,000
Residual Margin	22.5%
NPV	623,822

Construction costs & sale proceeds

	Nom, Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	22	120	2621	900	2050	2,358,720	5,372,640
Shared Ownership Houses	3	90	253	900	1435	227,448	362,653
Social Rented Houses	7	90	590	900	820	530,712	483,538
Market Flats	0	60	0	1400	2450	0	0
Shared Ownership Flats	0	60	0	1400	1715	0	0
Social Rented Flats	0	60	0	1400	1450	0	0
TOTAL	31		3463.2			3,116,880	6,218,831

Land Cost

Purchase Price	750,000	
Purchase – Fees	15,000	2.00%
Stamp Duty	30,000	4.00%
TOTAL	795,000	

Basis of Calculation

On land cost
On land cost

Development Costs

Construction Cost	3,116,880	
CIL	170,352	65 per sq. m
\$106 Costs	62,400	2,000
On site secondary Infrastructure	250,000	per ha
Fees & Other	336,688	10.00%
Cost of Sales	161,179	3.0%
TOTAL	4,097,499	

Basis of Calculation

As Above
Notional contribution per unit
Budget per gross hectare
% of construction & on site site works
% cost per unit of agents, marketing, legal

Finance & Cash Flow

Interest payable	183,299		7.25%	Interest, as per cash flow below.
Sales per quarter	9	dwellings		
Total Sales Period (Quarters)	3.4666667			
Discount rate per quarter	4.5%			

Total Cost

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		795,000		-795,000	-795,000	-14,409	-809,409
Q2			1,181,971	-1,181,971	-1,991,380	-36,094	-2,027,474
Q3			1,181,971	-1,181,971	-3,209,445	-58,171	-3,267,616
Q4	1,793,894		1,181,971	611,923	-2,655,694	-48,134	-2,703,828
Q5	1,793,894		551,586	1,242,308	-1,461,521	-26,490	-1,488,011
Q6	1,793,894			1,793,894	305,883		305,883
Q7	837,150			837,150	1,143,033		1,143,033
Q8				0	1,143,033		1,143,033
Q9				0	1,143,033		1,143,033
Q10				0	1,143,033		1,143,033
Q11				0	1,143,033		1,143,033
Q12				0	1,143,033		1,143,033
Q13				0	1,143,033		1,143,033
Q14				0	1,143,033		1,143,033
Q15							
Q16							
Total	6,218,831	795,000	4,097,499			-183,299	

HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	100	hectares
Area developable for housing	55	hectares
Dwellings per ha	39	of which
% of Houses	100%	
% of flats	0%	
% Market homes	70%	
% Shared ownership Homes	9.0%	
% Social Rented Homes	21.0%	

Note : Entries in **RED** should be made manually.
Entries in **BLACK** are derived from formulae.

Summary	
Land Price	32,500,000
\$106 per dwelling	8,000
Residual Margin	22.5%
NPV	-4,223,205

Construction costs & sale proceeds

	Nom. Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	1502	120	180180	850	2050	153,153,000	369,369,000
Shared Ownership Houses	193	90	17375	850	1435	14,768,325	24,932,408
Social Rented Houses	450	90	40541	850	820	34,459,425	33,243,210
Market Flats	0	60	0	1400	2450	0	0
Shared Ownership Flats	0	60	0	1400	1715	0	0
Social Rented Flats	0	60	0	1400	1450	0	0
TOTAL	2145		238095			202,380,750	427,544,618

Land Cost

Purchase Price	32,500,000
Purchase – Fees	650,000
Stamp Duty	1,300,000
TOTAL	34,450,000

Basis of Calculation

On land cost	2.00%
On land cost	4.00%

Development Costs

Construction Cost	202,380,750	
CIL	11,711,700	65 per sq. m
\$106 Costs	17,160,000	8,000
On site secondary Infrastructure	45,000,000	450,000 per ha
Fees & Other	24,738,075	10.00%
Cost of Sales	11,081,070	3.0%
TOTAL	312,071,595	

Basis of Calculation

As Above	
Notional contribution per unit	
Budget per gross hectare	
% of construction & on site site works	
% cost per unit of agents, marketing, legal	

Finance & Cash Flow

Interest payable	2,516,663		7.25%	Interest, as per cash flow below.
Sales per quarter	36	dwellings		
Total Sales Period (Quarters)	59.58333333			
Discount rate per quarter	4.5%			

Total Cost

349,038,258

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		3,445,000		-3,445,000	-3,445,000	-62,441	-3,507,441
Q2			5,237,565	-5,237,565	-8,745,006	-158,503	-8,903,509
Q3			5,237,565	-5,237,565	-14,141,074	-256,307	-14,397,381
Q4	7,175,574		5,237,565	1,938,009	-12,459,373	-225,826	-12,685,199
Q5	7,175,574	3,445,000	5,237,565	-1,506,991	-14,192,190	-257,233	-14,449,423
Q6	7,175,574		5,237,565	1,938,009	-12,511,415	-226,769	-12,738,184
Q7	7,175,574		5,237,565	1,938,009	-10,800,175	-195,753	-10,995,928
Q8	7,175,574		5,237,565	1,938,009	-9,057,920	-164,175	-9,222,094
Q9	7,175,574	3,445,000	5,237,565	-1,506,991	-10,729,086	-194,465	-10,923,550
Q10	7,175,574		5,237,565	1,938,009	-8,985,542	-162,863	-9,148,404
Q11	7,175,574		5,237,565	1,938,009	-7,210,396	-130,688	-7,341,084
Q12	7,175,574		5,237,565	1,938,009	-5,403,075	-97,931	-5,501,006
Q13	7,175,574	3,445,000	5,237,565	-1,506,991	-7,007,997	-127,020	-7,135,017
Q14	7,175,574		5,237,565	1,938,009	-5,197,008	-94,196	-5,291,204
Q15	7,175,574		5,237,565	1,938,009	-3,353,195	-60,777	-3,413,972
Q16	7,175,574		5,237,565	1,938,009	-1,475,963	-26,752	-1,502,715
Q17	7,175,574	3,445,000	5,237,565	-1,506,991	-3,009,706	-54,551	-3,064,257
Q18	7,175,574		5,237,565	1,938,009	-1,126,249	-20,413	-1,146,662
Q19	7,175,574		5,237,565	1,938,009	791,347		791,347
Q20	7,175,574		5,237,565	1,938,009	2,729,356		2,729,356
Q21	7,175,574	3,445,000	5,237,565	-1,506,991	1,222,364		1,222,364
Q22	7,175,574		5,237,565	1,938,009	3,160,373		3,160,373
Q23	7,175,574		5,237,565	1,938,009	5,098,382		5,098,382
Q24	7,175,574		5,237,565	1,938,009	7,036,391		7,036,391
Q25	7,175,574	3,445,000	5,237,565	-1,506,991	5,529,400		5,529,400
Q26	7,175,574		5,237,565	1,938,009	7,467,408		7,467,408
Q27	7,175,574		5,237,565	1,938,009	9,405,417		9,405,417
Q28	7,175,574		5,237,565	1,938,009	11,343,426		11,343,426
Q29	7,175,574	3,445,000	5,237,565	-1,506,991	9,836,435		9,836,435
Q30	7,175,574		5,237,565	1,938,009	11,774,443		11,774,443
Q31	7,175,574		5,237,565	1,938,009	13,712,452		13,712,452
Q32	7,175,574		5,237,565	1,938,009	15,650,461		15,650,461
Q33	7,175,574	3,445,000	5,237,565	-1,506,991	14,143,470		14,143,470
Q34	7,175,574		5,237,565	1,938,009	16,081,478		16,081,478
Q35	7,175,574		5,237,565	1,938,009	18,019,487		18,019,487
Q36	7,175,574		5,237,565	1,938,009	19,957,496		19,957,496
Q37	7,175,574	3,445,000	5,237,565	-1,506,991	18,450,505		18,450,505
Q38	7,175,574		5,237,565	1,938,009	20,388,514		20,388,514
Q39	7,175,574		5,237,565	1,938,009	22,326,522		22,326,522
Q40	7,175,574		5,237,565	1,938,009	24,264,531		24,264,531
Q41	7,175,574		5,237,565	1,938,009	26,202,540		26,202,540
Q42	7,175,574		5,237,565	1,938,009	28,140,549		28,140,549
Q43	7,175,574		5,237,565	1,938,009	30,078,557		30,078,557
Q44	7,175,574		5,237,565	1,938,009	32,016,566		32,016,566
Q45	7,175,574		5,237,565	1,938,009	33,954,575		33,954,575
Q46	7,175,574		5,237,565	1,938,009	35,892,584		35,892,584
Q47	7,175,574		5,237,565	1,938,009	37,830,592		37,830,592
Q48	7,175,574		5,237,565	1,938,009	39,768,601		39,768,601
Q49	7,175,574		5,237,565	1,938,009	41,706,610		41,706,610
Q50	7,175,574		5,237,565	1,938,009	43,644,619		43,644,619
Q51	7,175,574		5,237,565	1,938,009	45,582,628		45,582,628
Q52	7,175,574		5,237,565	1,938,009	47,520,636		47,520,636
Q53	7,175,574		5,237,565	1,938,009	49,458,645		49,458,645
Q54	7,175,574		5,237,565	1,938,009	51,396,654		51,396,654
Q55	7,175,574		5,237,565	1,938,009	53,334,663		53,334,663
Q56	7,175,574		5,237,565	1,938,009	55,272,671		55,272,671
Q57	7,175,574		5,237,565	1,938,009	57,210,680		57,210,680
Q58	7,175,574		5,237,565	1,938,009	59,148,689		59,148,689
Q59	7,175,574		5,237,565	1,938,009	61,086,698		61,086,698
Q60	7,175,574		5,237,565	1,938,009	63,024,706		63,024,706
Q61	7,175,574		3,055,246	4,120,328	67,145,034		67,145,034
Q62	7,175,574			7,175,574	74,320,608		74,320,608
Q63	4,185,752			4,185,752	78,506,360		78,506,360
Q64				0	78,506,360		78,506,360
Q65				0	78,506,360		78,506,360
Q66				0	78,506,360		78,506,360
Q67				0	78,506,360		78,506,360
Q68				0	78,506,360		78,506,360
Q69				0	78,506,360		78,506,360
Q70				0	78,506,360		78,506,360
Total	427,544,618	34,450,000	312,071,595			-2,516,663	