



**MAXEY
GROUNDS**



VIABILITY ASSESSMENT

OF

**SITE OFF WIGNAL'S GATE
HOLBEACH
SPALDING
LINCOLNSHIRE**

FOR

LOOSEGATE HOMES C/O D BROWN CONTRACTORS LTD

**ASSESSMENT DATE
6th SEPTEMBER 2021**

BY

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NON-TECHNICAL SUMMARY

This is a financial viability assessment to establish the viability of a scheme for residential development at a site off Wignall's Gate, Holbeach. Construction of the site has commenced under an existing consent for 77 units, however due to changing circumstances putting further financial pressure on the scheme and thus affecting viability, the developers wish to re-apply for planning consent to increase the number of units from 77 to 104, whilst also amending the affordable housing and cash S106 liabilities.

The Gross Development Value (GDV) is calculated using market evidence from the houses on site which have already been sold. As such, values of between £1,702 and £2,712 per m² have been adopted, giving sale values of between £160,000 and £440,000 for market units, which accurately reflects the market for the various types of dwelling.

A basic build costs of £1,263 per m² for Phase 1 and £1,301 per m² for Phase 2 have been adopted, which is the weighted average BCIS lower quartile figure calculated on a pro-rata basis to reflect the number of different types of dwelling i.e. detached, semi-detached and mid-terraced houses, and detached and semi-detached bungalows.

A basic road construction cost of £2,100 per linear metre has been used for adopted roads and £1,500 per linear metre for private roads. This cost is based upon figures from developments in the local area and are considered appropriate.

The cost for dewatering on site has been provided by the Client. The cost for SUDs and storm attenuation have been estimated using costs from similar sites in the area.

Other costs adopted, including 6.5% for Design & Professional fees, 2.5% Contingency, costs for garages and driveways, plot specific external works of £2,500 per plot, 3% for marketing, £750 per unit for legals, and an interest rate of 6.25% are all deemed appropriate for a site in this area.

A profit level of 17.5% has been adopted for market units and 6% for affordable housing, which is considered to be the minimum level of profit a developer would accept to undertake this scheme.

As required under NPPF and PPG, we have adopted the Existing Use Value (EUV) + Premium approach to land value. An EUV for the land of £25,000 per gross hectare has been adopted which is agricultural value. To this, a premium of £250,000 per gross hectare has been added which is deemed a sufficient sum to bring the land forward for development. This gives an overall BLV of £275,000 per gross hectare.

Using the Homes & Communities Agency Development Appraisal Tool (HCA DAT) spreadsheet, we have inputted the land value, calculated GDV and deduced all costs for the development to establish the viability of the scheme. The results are as follows:

Scheme	Surplus/Deficit
77 units with 25% affordable housing (19 no.) and full cash S106 contributions of £445,991	- £3,093,388
77 units with 4 no. affordable houses and no cash S106 contributions	- £2,161,611
104 units with 25% affordable housing and full cash S106 contributions of £604,300	- £3,961,508
104 units with 19 no. affordable houses and cash S106 contributions of £445,991	- £3,427,675
104 units with 8 no. affordable houses and no cash S106 contributions	- £2,596,628

We have conducted a sensitivity analysis which shows variations of the scheme with 8 no. affordable houses and no cash S106 contributions, the results of this are outlined further in the report, but our overall conclusions are as follows.

A full policy-compliant scheme for a site of 77 units or 104 units is clearly not viable with financial deficits of in excess of £3,000,000 once land cost, construction and other costs have been deducted from GDV. For the site of 104, if the affordable housing element were reduced to delivery of 8 no. affordable houses in total, and the cash S106 contributions were removed, the development is still not viable, unless the developer accepts a profit level of below 17.5%.

INSTRUCTIONS

We refer to instructions from Kurt Mason of D Brown Contractors Ltd to provide a Financial Viability Assessment (FVA) for the site dated 6th July 2021 and our Conditions of Instructions Letter and Standard FVA Conditions Of Engagement & Terms of Business dated the same, a copy of which is in Appendix I of this Report.

Client

This report has been prepared for Loosegate Homes c/o D Brown Contractors Ltd.

Purpose of FVA

This FVA is required to establish the viability of development of the site having regard to the requirements for affordable housing and potential other section 106 planning requirements that might be imposed in connection with a planning application that will be submitted for residential development.

Asset to be Appraised

The appraisal is of a development site off Wignall's Gate, Holbeach, Spalding, Lincolnshire.

Scheme-Specific/Area Wide FVA

This FVA is in relation to providing a response to the issue of viability on a site-specific scheme. We have not provided any advice to the Local Planning Authority.

Interest in the Property

This FVA is conducted on the basis that the land it refers to is owned freehold with vacant possession.

Classification of Property

Development of the site is underway under the existing consent which is for 77 dwellings constructed for sale. Loosegate Homes propose to amend the consent to a site of 104 dwellings, and the purposes of this appraisal is to assess the viability of the proposed scheme.

RICS Guidance/Professional Statements

In preparing this FVA, the Valuer has acted in accordance with the RICS Professional Statement Financial Viability in Planning: Conduct and Reporting 1st Edition, May 2019. The Valuer has acted objectively, impartially, without interference and with reference to all appropriate available sources of information.

Although FVA work is outside the scope of the RICS Valuation – Global Standards 2020, any valuation utilised in the appraisal has been prepared in accordance with RICS Valuation – Global Standards 2020. Furthermore, this FVA has been undertaken in accordance with the requirements of PS2 (Ethics, Competency, Objectivity and Disclosures) of the RICS Valuation – Global Standards 2020.

Bases of Value

All valuations provided within this report are on the basis **Market Value**, defined by the RICS Valuation – Global Standards 2020 as: “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

The Benchmark Land Value (BLV) has been considered on the basis of Existing Use Value (EUV) plus a Premium. EUV has been established using comparable evidence. We have also had regard to market evidence of development land, evidence of this is in Appendix III, which we are required to report, together with the price paid for land, as appropriate.

Appraisal Date

The appraisal and any valuations provided within this report are as at 6th September 2021.

Identity of Valuer

The appraisal has been undertaken by J R Maxey MA (Cantab) FRICS FAAV RICS Registered Valuer and V J McIlroy BSc (Hons) MRICS FAAV RICS Registered Valuer.

Material Involvement

Neither Maxey Grounds & Co LLP nor the named Valuers have any conflict of interest in preparing this appraisal.

Status of the Valuer

The appraisal has been prepared by corporate members of the Royal Institution of Chartered Surveyors who are also members of the RICS Valuer Registration Scheme, acting as External Valuers.

Currency

The appraisal and any valuations within are reported in pounds sterling (£).

Fee

In accepting these instructions, no performance-related or contingent fees have been agreed.

Assumptions and Caveats

1. In making this report, Maxey Grounds & Co LLP has met the relevant requirements of the RICS Financial Viability in Planning: Conduct and Reporting 1st Edition, May 2019 and any valuations within this appraisal have been carried out in accordance with the RICS Valuation – Global Standards 2020 and that, unless otherwise stated, have made the following assumptions which Maxey Grounds & Co LLP is under no duty to verify:
 - a) that no high alumina cement, concrete or calcium chloride additive or other potentially deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated;
 - b) that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoing and that good title can be shown;
 - c) that the property and its value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the property, nor its condition, nor its use, nor its intended use are or will be unlawful;
 - d) that inspection of those parts which have not been inspected would neither reveal material defects nor cause Maxey Grounds & Co LLP to alter the appraisal materially;
 - e) that no formal environmental assessment will be provided and that no contaminative or potentially contaminative uses have ever been carried out on the property and that there is no potential for contamination of the subject property from past or present uses of the property or from any neighbouring property. The report will not identify the existence of contamination but in the Surveyor's visual inspection concludes that there may be material contamination the Valuer will report that further investigation is required.
2. In arriving at conclusions, no allowance has been made for costs of acquisition or realisation, nor any VAT, Capital Gains Tax, nor any other tax, nor similar liability or claimable allowances which might arise on the sale of the property.
3. In arriving at our conclusions, no allowance has been made for personal goodwill, removable fittings, loose furniture or equipment.
4. We have not investigated the existence of mortgages, leases or hire purchase agreements in respect of plant and machinery, and our valuation assumes any such liabilities have been discharged.
5. We have not undertaken any site investigations to determine the suitability of ground conditions or services for any new extended or proposed buildings or dwellings.

6. In the case of agricultural property, we accept no responsibility regarding, and offer no advice on, the possibility of latent infestations of the soil or of any disease that may affect crops or stock.
7. With regard to Town and Country Planning matters, employees of local planning authorities always give information on the basis that it should not be relied upon and that formal searches should be made if confirmation of the information is required. Although for the purposes of this report we have assumed that such informal information is correct, we recommend that, if you should need to rely upon such information, you should instruct solicitors to instigate formal searches.
8. No indications of past or present contaminative land uses have been noted. We cannot give any assurances that previous uses on the site or in the surrounding areas have not contaminated sub-soils or ground waters. In the event of contamination being discovered further specialist advice should be obtained.

Should it be established subsequently that contamination, seepage or pollution exists at the property or on any neighbouring land, or that the premises have been or are being put to a contaminative use, this might reduce the values now reported.

We have assumed that the information and opinions we have been given are complete and correct in respect of the properties and that further investigations would not reveal more information sufficient to affect value. We consider that this assumption is reasonable in the circumstances.

Special Assumptions

For the purposes of this appraisal, we have assumed that the properties that are the subject of the planning application are completed in accordance with the plans that have been supplied to us, and on the timescale as set out in the Residential Planning Section of the HCA DAT spreadsheet.

Extent of Investigations

Whilst we have taken into account the apparent state of repair of the property in our appraisal, we have not carried out a building survey, nor have we inspected those parts of the property that are covered, unexposed or inaccessible. Unless otherwise stated, such parts have been assumed to be in good repair and condition. We cannot express an opinion about, or advise upon, the condition of uninspected parts and this Report shall not be taken as making any implied representation or statement about such parts. We have not arranged for the testing of electrical, heating or other services and we cannot, therefore, give any warranty as to the soundness of these items. Whilst the site has been inspected briefly as this report is in advance of the development, it is undertaken as a desktop exercise.

Nature and Sources of Information Provided

We have been provided with copies of all plans for the existing and proposed development by the Client. Copies of plans are attached as Appendix II to this report.

Evidence utilised to establish Market Values has been obtained from the Client, our own records, and other evidence sources including Rightmove Plus. Affordable rental levels have also been confirmed by enquiries of housing associations and the local planning authority who have also provided figures for appropriate levels of management and repair costs, as utilised in the appraisal tool.

The BLV has been established having regard to the EUV and an appropriate premium sufficient to ensure land comes forward for development.

S106 requirements have been obtained from the Client. Other costs have been calculated using our own knowledge, benchmark levels and from published price information by BCIS.

All inputs and information relied upon for this appraisal are researched, evidenced and, in our opinion, reasonably justified, and details are in Appendix III and IV.

Use and Publication of this Report

This appraisal is provided for the stated purpose and for the sole use of the party to whom it is addressed. Maxey Grounds & Co LLP accepts responsibility to the Client named at the start of this Report alone that this report has been prepared with the skill, care and diligence reasonably to be expected of a competent Chartered Surveyor, but accept no responsibility whatsoever to any person other than the client himself.

RICS Valuation – Professional Standards

Although Viability Appraisal work is outside the scope of the RICS Valuation Standards, any valuation utilised in the appraisal has been prepared in accordance with the RICS Valuation – Global Standards 2020.

Appraisal Methodology

In undertaking the appraisal, we have utilised the Homes & Community Agency Development Appraisal Tool to analyse the viability of the proposed development. We have considered various levels of affordable housing provision to analyse the sensitivity relevant to differing levels of provision.

The valuation of market values and market rents are based upon the comparable method of valuation utilising evidence of transactions of similar properties in the area. A Schedule of Evidence is attached as Appendix III to this report.

The assumed costs of construction are set out in Appendix IV of this report and are based upon knowledge and experience of other similar development schemes, information and costs provided by the Client, and upon published price information, such as BCIS.

Anticipated timescales for development are stated in Appendix IV.

Information on the Section 106 requirements likely to be sought by the Planning Authority has been supplied by the Client. These are also reproduced within Appendix IV. The likely contribution from a Housing Association is based upon benchmarking from similar sites.

Affordable rents are based upon 80% of market rent, and verified by confirming the maximum permitted level by Local Housing Allowance Rates published on Direct Gov for that area. Given the scale of the development, it has been assumed that the normal requirement of 70% of any affordable housing as affordable rented and 30% shared ownership.

Sensitivity analysis has been undertaken looking at either +5% or -5% on values and build costs to measure the relevant effect on residential land value, which is then compared with BLV to establish the viability surplus or deficit.

Land Value

As required under NPPF and PPG, we have adopted an EUV + Premium approach to land value, whilst putting this in context by review of market transactions.

The EUV of agricultural land is around £25,000 per gross hectare. An appropriate premium to then bring it forward for residential development would be a further £250,000 per gross hectare, giving a benchmark land value of around £275,000 per gross hectare. These values are widely accepted as being appropriate.

Therefore, for the original site of 77 units, the total benchmark land value of the site is £1,375,000, and for the proposed amended site of 104 units, the total benchmark land value is £1,980,000. The actual agreed price for the land exceeds this value but has not been utilised in our calculations.

Valuer Competence

The appraisal has been undertaken by Chartered Surveyors who are members of the RICS Valuer Registration Scheme possessing the necessary local knowledge of the market, and the necessary skills and understanding to undertake the appraisal competently. The appraisal has been carried out in accordance with the RICS Financial Viability in Planning: Conduct and Reporting 1st Edition, May 2019.

INSPECTION

Date of Inspection

This viability assessment has been conducted as a desktop exercise.

Property Address

The property is a development site off Wignall's Gate, Holbeach, Spalding, Lincolnshire. The site location is shown on the Plans and Photographs within Appendix II.

Property Description

The property is a greenfield development site upon which it is proposed to increase development from 77 to 104 residential units. Construction work has commenced. Plans of the proposed scheme have been supplied by the Client and this appraisal has been based upon those plans. The gross site area is approximately 5.0 Hectares for the site of 77 units, and this is increased to 7.2 Hectares for the site of 104 units. The size of the units (Gross Internal Area) is provided by way of schedule from the client, however this includes the size of the garages, therefore we have separated these out in our Accommodation Schedule. Where garages are integral, they have been included in GIA. These are also within the inputs to the Development Appraisal Tool, an electronic copy of which has been provided.

Gross Development Value

Phase 1 of the development is underway with many plots having sold, therefore we have adopted the same values that have already been achieved on the site, this is clearly outlined in our table of comparable evidence and accommodation schedule.

Costs

A build cost of £1,263 per m² has been adopted for Phase 1, and £1,301 per m² for Phase 2. This is the weighted average BCIS lower quartile figure to reflect the different types of dwelling i.e. detached houses, semi-detached houses, mid-terraced houses, detached bungalows and semi-detached bungalows. The price per m² in Phase 2 is higher than in Phase 1 to reflect the higher number of bungalows. There are no additional works to foundations required on this site. The build cost for the integral garages has been allowed for the overall build cost for the relevant units, however we have allocated a separate capital cost for attached and detached garages which are based upon actual build costs of similar schemes by the developer in the area.

Expanding on the build costs further, we have adopted a basic build cost based on BCIS lower quartile costs for the area, but looking at the dwelling type (detached, semi-detached and terraced houses and detached and semi-detached bungalows) individually. Breaking down the stated BCIS figure to the dwelling types gives figures of £1,265 per m² for

detached houses, £1,112 per m² for semi-detached houses and £1,087 per m² for terraced housing. We have adopted £1,350 per m² for detached bungalows and £1,241 per m² for semi-detached bungalows to reflect the higher build costs than two-storey dwellings, this accounts for the additional foundations (for larger footprints) and larger roof areas. If we apply these figures to the housing mix being provided this gives an average figure of £1,263 per m² for Phase 1 and £1,301 per m² for Phase 2.

Looking at the “generally” figure, it is very close to the cost per m², with decent sample sizes, for semi-detached and terraced units, and in our view this suggests that the majority of the “generally” sample are semi-detached or terraced units. We can find no information as to the makeup of sites for the “generally” figure, but on the basis of our rationale explained above, then clearly an adjustment is both required and warranted to accurately reflect the mix of different dwelling types on a development, particularly where there are large numbers of detached dwellings, as is the case at Wignall’s Gate, Holbeach.

BCIS shows a significant increase for detached houses which would be expected – an additional elevation with a finished brickwork skin rather than a common cavity internal wall between attached housing, additional windows in this elevation, additional eaves timber to the roof and additional scaffolding whilst it is constructed are only some of the additional costs that are incurred with detached units rather than semi-detached or terraced units. As such, adopting the “generally” figure does not accurately reflect the housing mix at Wignall’s Gate, Holbeach, which clearly departs from the mix within the sample used to determine the “generally” BCIS figure.

The costs for SUDs, storm attenuation, hydro-brakes and headwalls have been estimated using similar schemes in the area. The IDB discharge fee has been provided by the Client.

Other costs adopted, including 6.5% for Design & Professional Fees, 2.5% Contingency, standard road construction costs, costs for garages and driveways, plot specific external works of £2,500 per plot, 3% for marketing, £750 for legals and an interest rate of 6.25% have all been previously accepted on sites in this area.

Services

The cost of normal service provision to each unit i.e. electricity connection, water connection, sewer connection, and water infrastructure charges and ancillary costs such as BT conduit, are included within the BCIS total build figure.

Planning

It is understood that this appraisal is prior to planning consent being issued and for the purposes of supporting a planning application to amend the existing consent to increase the number of dwellings, and for the purposes of this appraisal it is assumed that consent for the scheme would be approved in accordance with the plans submitted.

Condition

The site is a greenfield development site previously used for agriculture. Any structures on site will be or have been demolished as part of the scheme and thus their existing condition is not relevant to the cost of construction.

General Comments

This appraisal is to ascertain the viability of the proposed scheme in relation to the existing form of development and standard affordable housing provision by way of calculating the residential land value and comparison of this with BLV. Development of Phase 1 under consent reference H09-0872-18 has started, however due to increased build costs over the last 18 months, it is clear it is not viable to deliver the site based on the current S106 obligations. As such, the developer intends to submit a further planning application to increase development from 77 units to 104, whilst varying the S106 obligations to improve viability of the site and to ensure it can be delivered.

As such, our principal appraisal assesses the existing scheme of 77 units, with 25% affordable housing units and a total of £445,991 S106 cash contributions to be provided to appraise the current viability position. It should be noted that we have considered an appropriate start date for the development as 1st March 2020. We have then appraised the existing scheme of 77 units with the 4 affordable houses which have already been built and transferred to the housing association, as this is the most viable position in this instance.

Thereafter, we have appraised the proposed amended scheme of 104 units. The first appraisal considers full policy-level contributions i.e. 25% affordable housing and elevated S106 cash contributions on a pro rata basis of £604,300. We have then considered the scheme of 104 on the basis that it provides the affordable housing and S106 contributions already committed as part of consent reference H09-0872-18 i.e. for 77 units. We have then reduced the affordable housing and cash S106 contributions to further assess the viability position should obligations be reduced further.

Market conditions for development are currently such that viability for many schemes is marginal. We have adopted a developer's profit level of 17.5% which is considered to be the minimum level a developer would consider undertaking this scheme, given the scale of the scheme, infrastructure requirements and current market conditions. A profit level of 6% for affordable housing has also been adopted.

We have adopted an existing use value of the site of £25,000 per gross hectare as it was agricultural land. To this, we have added a premium of £250,000 per gross hectare, which is considered to give the minimum return to the landowner at which land is likely to be made available for development. This gives an overall value for the site of £1,375,000 for the site of 77 and £1,980,000 for the site of 104 units.

Having undertaken valuations of the various dwelling types to arrive at the market value set out within Appendix III, and calculating affordable rent levels, analysis was undertaken utilising the HCA Development Appraisal Tool, the results of which are explained below.

Appraisal Outputs

The full output of the HCA DAT tool for the principle appraisal is set out within Appendix V i.e. 77 units with 25% affordable housing and S106 cash contributions of £445,991. This scheme produces a **deficit** of £3,093,388.

If all but the 4 affordable houses which have already been built and transferred were removed, along with the S106 cash contributions, this results in a **deficit** of £2,161,611. This output is outlined in Appendix VI.

Appendix VII gives the amended output figures for a full policy-compliant scheme for increased development i.e. 104 units with 25% affordable housing and cash S106 contributions of £604,300. This results in a **deficit** of £3,961,508.

Appendix VIII gives the amended output figures for the scheme of 104 units but with the affordable housing and cash S106 contributions already agreed for the scheme of 77 units i.e. 19 no. affordable houses and cash S106 contributions of £445,991. This results in a **deficit** of £3,427,675.

Finally, Appendix IX gives the output figures for if the affordable housing liability were reduced to 8 no. affordable units and no cash S106 contributions. This still results in a significant **deficit** of £2,596,628.

Justification for Viability Assessment

During viability testing which helped formulate the South East Lincolnshire Local Plan, various typologies were tested which resulted in a positive viability position with planning policies applied, rather than the deficit that is shown for the site off Wignal's Gate, Holbeach. As per the Planning Practice Guidance, it is necessary to investigate why there is such a difference between these two positions, therefore we have compared the closest typology used in 2017 typology i.e. greenfield site for 150 dwellings with the site at Wignal's Gate, Holbeach. We have adopted the percentages and values per unit accepted in the Local Plan Viability and applied them to a site of 104 units to get a direct comparison on costs. The differences are highlighted below:

Appraisal Input	2017 Viability Study (Rates/Percentages for 150 dwellings)	Wignal's Gate, Holbeach (104 dwellings)
Density	30 dwellings per Ha	14.4 dwellings per Ha
Average Value	£1,900 per m ²	£1,856 per m ²
Average Dwelling Size	100m ²	140.7m ²
Build Cost	£911 per m ²	£1,274 per m ²
Externals	£1,864,017 (10% on build cost)	£3,347,485 (18% on build cost)
Contingency	3% on build cost	2.5% on build cost
Professional Fees	7% on build cost	6.5% on build cost
S106	Up to £5,000 per dwelling	£5,811 per dwelling
Sales/Marketing	3% on revenue	3% on revenue
Developer Profit	17.5% Market, 6% Affordable	17.5% Market, 6% Affordable
BLV	£300,000 per Ha	£275,000 per Ha
Abnormals	£1,040,000 (£10,000 per unit)	£0 (£0 per unit)

The main points affecting the viability position for the site at Wignal's Gate, Holbeach in comparison with the Local Plan position are as follows:

- The density of the scheme is significantly lower than assumed in the Local Plan study, although the individual dwellings sizes are larger, this does have a negative impact on viability. The scheme is for 104 units on 7.2 Ha and it is understood that the layout and density of this scheme have been agreed as appropriate with the council.
- The build costs adopted have increased by around 40% compared with the Local Plan viability study, which was conducted around 4 years ago, therefore a significant uplift is expected. The build cost adopted for Wignal's Gate, Holbeach is weighted average of the BCIS lower quartile cost of construction for various different dwellings types to reflect the mix of units actually being constructed at Wignal's Gate, Holbeach.
- The sales values are around 2.3% lower than the figures used in the Local Plan viability study. The values adopted for Wignal's Gate, Holbeach are based on what has been achieved at the Client's site so far, which constitutes clear and strong evidence to justify the values adopted.
However, with the build costs having increased around 40% and the sale values being 2.3% lower than those used in the Local Plan, this further pressure on the viability position.
- There is clearly a difference between the way externals and abnormals have been categorised, with externals in the Local Plan study totalling 10% on build cost and the externals at Wignal's Gate totalling 18% on build cost, and abnormals in the Local Plan study totalling £10,000 per unit and the abnormals for Wignal's Gate

being included in the externals' cost. Applying these figures combined to a site of 104 units would give figures for the Local Plan study of £1,864,017 for externals and £1,040,000 for abnormals, compared with £3,347,485 for externals including abnormals for Wignall's Gate specifically, this is an overall difference of around £443,468.

The increased costs are due to the fact the Local Plan study doesn't model the provision of garages, and the additional on-site costs which are in place to satisfy planning conditions relating to Flood Risk which enable the site to be safely developed i.e. dewatering and SUDs.

The factors above combined result in a different viability position compared with the Local Plan whole viability study, and thus results in the need to revisit the viability position in order for the development to be delivered.

SENSITIVITY ANALYSIS

A change of +5% or -5% in build costs and Gross Development Value has been considered to assess the sensitivity of the scheme to such changes.

The effects reflected in the model 104 units with 8 no. no affordable houses and no cash S106 contributions is shown in the table below:

	At BCIS Level	+5%	-5%
GDV at Evidence Level	- £2,596,628	- £3,497,140	- £1,708,524
+5%	- £1,644,777	-	- £760,797
-5%	- £3,636,432	- £4,540,046	-

CONCLUSIONS

Appraisal Conclusions

We are of the opinion that a fully policy-compliant scheme for the original development of 77 units with 25% affordable dwellings and S106 cash contributions is not viable, showing a financial **deficit** (present value) of £3,093,388. Four of the affordable houses have already been completed and transferred to a housing association, however if all other affordable houses were removed, as well as the cash S106 contributions, the scheme is still not viable, showing a financial **deficit** (present value) of £2,161,611, based upon the current market value and affordable rents of the proposed units, the projected costs and profit level adopted within the appraisal and BLV for the site of £1,375,000.

As such, the Client has decided to re-apply for planning consent to increase the number of units on the site to 104. We have assessed this scheme with full policy-compliant contributions, i.e. 25% affordable housing plus S106 cash contributions, with a financial **deficit** (present value) of £3,961,508, this scheme is clearly not viable.

Furthermore, we assessed this scheme on the basis of the contributions already committed as part of the original scheme of 77, i.e. 19 no. affordable houses plus cash S106 contributions. This produces a financial **deficit** (present value) of £3,427,675, and therefore is not viable either.

As such, we have removed all affordable housing liabilities, with the exception of the four already completed and transferred (Plots 9, 10, 11, 12) , and the four quad-style houses (Plots 56, 57, 58, 59) in Phase 2, and removed all of the cash S106 contributions to assess this viability position. This produces a financial **deficit** (present value) of £2,596,628.

As such, the site is not viable for development on the basis of the provision of affordable housing and S106 cash contributions at the level proposed by South Holland District Council. If the requirement for affordable housing were amended to the four which have already been delivered, plus the four quad-style houses, and the S106 cash contributions were completely removed, the site still appears non-viable unless the developer is to accept a profit level below 17.5%.

Signature

We confirm that we have carried out the appraisal as set out in this report.

John Maxey

J R MAXEY MA (Cantab) FRICS FAAV RICS Registered Valuer
For and on behalf of Maxey Grounds LLP

Victoria McIlroy

V J McILROY BSc (Hons) MRICS FAAV RICS Registered Valuer
For and on behalf of Maxey Grounds LLP

Date of Report:
6th September 2021

This report has been signed electronically whilst the authors are working remotely. The Authors verify that they have produced the Report, are satisfied with the contents and affirm that it has been verified using the internal verification process which is in place at Maxey Grounds LLP.



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APPENDICES

Appendix I – Copy of Instruction Correspondence



MAXEY GROUNDS



MAXEY GROUNDS

Loosegate Developments Ltd
c/o D Brown Building Contractors Ltd
Seasend End Road
Moulton Seas End
Spalding
PE12 6JX

Your Ref: VJM/21107E
Our Ref: 6th July 2021
Date:



Dear Sirs,

Re: Confirmation of Financial Viability Assessment Instructions
Asset: Development Site off Wignall's Gate, Holbeach

I refer to your instructions to provide a Financial Viability Assessment (FVA) of the above. This letter, together with our attached Standard Valuation Conditions of Engagement & Terms of Business, confirms the basis upon which the FVA will be undertaken.

Client: Loosegate Developments Ltd

Purpose of Valuation: To establish viability of the proposed development

Asset to be Valued: Development Site off Wignall's Gate, Holbeach

Area Wide/Scheme-Specific FVA: This FVA is in relation to a scheme-specific site. We have not provided any advice to the Local Planning Authority.

Interest to be Valued: Freehold.

Classification of Asset: Land for development.

RICS Guidance/Professional Statements: This work and the FVA prepared is undertaken in accordance with the RICS Financial Viability in Planning: Conduct and Reporting 1st Edition, May 2019. Although FVA work is outside the scope of the RICS Valuation Standards, any valuation utilised in the appraisal has been prepared in accordance with RICS Valuation – Global Standards 2020. This guidance requires the Valuer to make an objective and justified assessment of the viability position and requires a clear distinction between the objective report and any subsequent advocacy/negotiation in terms of agreeing a viability position.

Basis or Bases of Value: Market Value.

Valuation Date: As at date of report.

22-24 Market Place
March
Cambridgeshire PE15 9JH

T: 01354 602030
E: professional@maxeygrounds.co.uk
maxeygrounds.co.uk

Chartered Surveyors, Auctioneers, Valuers, Land & Estate Agents since 1792
Offices in March and Wisbech

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Registration Number: OC367348. Registered Office: 22-24 Market Place, March, Cambridgeshire PE15 9JH. Members: Alan J. Faulkner MSc MRICS FRAV MCIAA
MRIAA MARLA, John R. Maxey MA (Contd) FRICS FRAV, Shirley A. Pollard BA MRICS FRAV, Paula A.V. Clarke ANAIA, Associates: Victoria J. McIlroy BSc (Hons),
MRICS, FRAV, Natalie T. Jeay MSc, BA (Hons), MRICS, FRAV





MAXEY GROUNDS



MAXEY GROUNDS

Identity of Valuers: J R Maxey MA (Cantab) FRICS FAAV RICS Registered Valuer, and by V J McIlroy BSc (Hons) MRICS RICS Registered Valuer for and on the behalf of Maxey Grounds & Co LLP.

Material Involvement: Neither Maxey Grounds & Co LLP nor the Valuers have any conflict of interest in preparing this viability assessment.

Assumptions Adopted: As per FVA Conditions of Engagement & Terms of Business, as attached, with no additions.

Special Assumptions: For the purposes of this FVA, we have assumed that the sites under consideration are developed on the basis of the type of development and timescale as described within each model.

Nature and source of the information to be relied upon: Maxey Grounds & Co LLP are able to rely upon any information provided by the Client referred to in the FVA.

Extent of Investigation: As per FVA Conditions of Engagement & Terms of Business.

Valuation Fee: Our fee will be £5,000 + VAT for the initial Report, with additional time spent, including revisions and negotiations with the Local Planning Authority, charged at £200 + VAT per hour.

This Confirmation of FVA Instructions Letter, which is supplied in duplicate, should be read in conjunction with the attached Maxey Grounds & Co LLP FVA Conditions of Engagement & Terms of Business (Version 15 May 2020). Please sign and return one copy at your earliest convenience to agree the Conditions of Engagement & Terms of Business.

Yours faithfully

Victoria McIlroy

V J McILROY BSc (Hons) MRICS FAAV RICS Registered Valuer
For and on behalf of Maxey Grounds & Co LLP
vmcilroy@maxeygrounds.co.uk

(Enc)



MAXEY GROUNDS



MAXEY GROUNDS

I the undersigned hereby acknowledge that I have read and accept the terms set out in this Confirmation of FVA Instructions Letter and attached Maxey Grounds & Co LLP Standard FVA Conditions of Engagement & Terms of Business (Version 15 May 2020).

Signed: *Deneke Ford*

Date *6th July 2022*



MAXEY GROUNDS & CO LLP

STANDARD FINANCIAL VIABILITY ASSESSMENT CONDITIONS OF ENGAGEMENT & TERMS OF BUSINESS

These Conditions of Engagement and Terms of Business shall apply subject to any modification or amendment set out in the covering Confirmation of Financial Viability Assessment (FVA) Instructions Letter. Maxey Grounds & Co LLP shall advise the Client in writing as to FVA of the relevant interest specified by the Client in the subject asset (the FVA Report). The following shall form the basis of the terms on which the FVA will be undertaken:

1. The Client shall be the individual or body as identified in the covering Confirmation of FVA Instructions Letter.
2. The purpose of the FVA shall be as set out in the covering Confirmation of FVA Instructions Letter.
3. The asset subject to the FVA shall be as set out in the covering Confirmation of FVA Instructions Letter.
4. The interest to be appraised shall be as set out in the covering Confirmation of FVA Instructions Letter.
5. The classification of the asset to be appraised shall be as set out in the covering Confirmation of FVA Instructions Letter.
6. Unless otherwise specifically set out in the covering Confirmation of FVA Instructions Letter, the value advised by Maxey Grounds & Co LLP shall be the Market Value, defined by the RICS Valuation - Global Standards 2020: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion" and/or the Market Rent, defined by the RICS Valuation - Global Standards 2020 as: "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion" and/or the statutory definition of Market Value defined by the Taxation of Chargeable Gains Act 1992 or Inheritance Tax Act 1984 or Finance Act 2003, broadly defined as: "The price which the property might reasonably be expected to fetch if sold in the open market at that time, but that price must not be assumed to be reduced on the grounds that the whole property is to be placed on the market at one and the same time" and/or the Investment Value, defined by the RICS Valuation - Global Standards 2020 as: "The value of an asset to the owner or a prospective owner for individual investment or operational objectives" and/or the Fair Value, defined by the RICS Valuation - Global Standards 2020 as: "The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties" and/or the Fair Value, defined by the International Accounting Standards Board as: "The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date".
7. The valuation date shall be as set out in the covering Confirmation of FVA Instructions Letter.
8. Unless otherwise specifically set out in the covering Confirmation of FVA Instructions Letter Maxey Grounds & Co LLP warrant that they have had no previous material involvement in the property.
9. The valuation shall be undertaken by/under the supervision of a Corporate Member of the Royal Institution of Chartered Surveyors who is also a member of the RICS Valuer Registration Scheme, acting as an External Valuer.
10. Maxey Grounds & Co LLP's aggregate liability arising out of, or in connection with this FVA, whether arising from negligence, breach of contract, or any other cause whatsoever, shall in no event exceed £2,000,000. This clause shall not exclude or limit Maxey Grounds & Co LLP's liability for actual fraud, and shall not limit the liability for death or personal injury caused by their negligence.
11. None of Maxey Grounds & Co LLP's employees, partners, or consultants individually has a contract with the Client or owes the Client a duty of care or personal responsibility. The Client agrees that they will not bring any claim against any such individuals personally in connection with the services provided.
12. If the Client suffers loss as a result of Maxey Grounds & Co LLP's breach of contract or negligence, Maxey Grounds & Co LLP's liability shall be limited to a just and equitable proportion of the Client's loss having regard to the extent of responsibility of any other party. Maxey Grounds & Co LLP's liability shall not increase by reason of a shortfall in recovery from any other party, whether that shortfall arises from an agreement between the Client and them, the Client's difficulty in enforcement, or any other cause.
13. The FVA provided by Maxey Grounds & Co LLP shall be in pounds sterling.
14. In preparing the report, Maxey Grounds & Co LLP will meet the relevant requirements of the RICS Financial Viability Planning: Conduct and Report 1st Edition, May 2019 and, although FVA work is outside the scope of the RICS Valuation Standards, any valuation utilised in the appraisal has been prepared in accordance with RICS Valuation - Global Standards 2020. This guidance requires the Valuer to make an objective and justified assessment of the viability position and requires a clear distinction between the objective report and any subsequent advocacy/negotiation in terms of agreeing a viability position.
15. The following assumptions which, unless otherwise stated in the covering Confirmation of FVA Instructions letter, Maxey Grounds & Co LLP is under no duty to verify:
 - a) that no high alumina cement, concrete or calcium chloride additive or other potentially deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated;
 - b) that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and that good title can be shown;
 - c) that the property and its value are unaffected by any matters which would be revealed by a local search and replies to the usual enquiries, or by any statutory notice, and that neither the property, nor its condition, nor its use, nor its intended use are or will be unlawful;
 - d) that inspection of those parts which have not been inspected would neither reveal material defects nor cause Maxey & Grounds & Co LLP to alter the valuation materially;



e) that no formal environmental assessment will be provided and that no contaminative or potentially contaminative uses have ever been carried out on the property and that there is no potential for contamination of the subject property from past or present uses of the property or from any neighbouring property. The report will not identify the existence of contamination but if the Valuer's visual inspection concludes that there may be material contamination the Valuer will report that further investigation is required.

18. Maxey Grounds & Co LLP shall carry out such inspections and investigations as are, in the Valuer's professional judgment, appropriate and possible in the particular circumstances having regard to the apparent state of repair and condition of the property but shall be under no duty to carry out a structural survey nor to inspect those parts of the property which are covered, unexposed or inaccessible. Such parts will be assumed to be in good repair and condition. Maxey Grounds & Co LLP shall be under no duty to arrange for the testing of electrical, heating, plant or other services. The FVA provided by Maxey Grounds & Co LLP will not purport to express an opinion about or to advise upon the condition of uninspected parts and should not be taken as making any implied representation or statement about such parts.

17. Maxey Grounds & Co LLP shall, unless otherwise expressly agreed, rely upon information provided by the Client or the Client's legal or other professional advisers relating to tenure, tenancies and other relevant matters.

18. The FVA report is provided for the stated purpose of the named client. Maxey Grounds & Co LLP accepts responsibility to the Client alone that the report has been prepared with the skill, care and diligence reasonably to be expected of a competent Chartered Surveyor but accepts no responsibility whatsoever to any person other than the Client himself. Any such person relies upon the report at his own risk, even if that third party pays all or part of Maxey Grounds & Co LLP's fees, or is permitted to see a copy of the valuation report. If Maxey Grounds & Co LLP do provide written consent to a third party relying on our valuation, any such third party is deemed to have accepted the terms of engagement, as set out herein.

19. The FVA will be undertaken by a Chartered Surveyor possessing the necessary local knowledge of the market, and the necessary skills and understanding to undertake the FVA competently.

20. Maxey Grounds & Co LLP shall charge a fee for the FVA as set out in the covering Confirmation of FVA Instructions Letter. That fee shall be settled in full within 28 days of the invoice date. Interest on amounts outstanding at the due date will be subject to interest from the invoice date until the date of actual payment at the rate of 4% per annum above Barclays Bank plc base rate from time to time.

21. Maxey Grounds & Co LLP, in line with the Rules of Conduct set out by RICS, have a written complaints handling procedure. If you are unhappy with any aspect of the service you receive in respect of these instructions to provide a valuation, a copy of this document is available upon request.

22. As a firm regulated by RICS, all reports produced by Maxey Grounds & Co LLP, including this FVA, are subject to monitoring by RICS. By accepting these Conditions of Engagement and Terms of Business your consent to inspection of the report by RICS personnel or their agents is implied.

23. Maxey Grounds & Co LLP's contract with the named client for the provision of this FVA is subject to English Law. Any dispute in relation to this contract, or any aspect of the FVA, shall be subject to the exclusive jurisdiction of the Courts of England and Wales, and shall be determined by the application of English Law, regardless of who initiates proceedings in relation to the FVA.

In this Agreement words importing one gender only include the other gender; words importing the singular include the plural number and vice versa; words importing persons include corporations and vice versa.

Version 15 May 2020



MAXEY
GROUNDS

Appendix II – Copies of Plans and Photographs

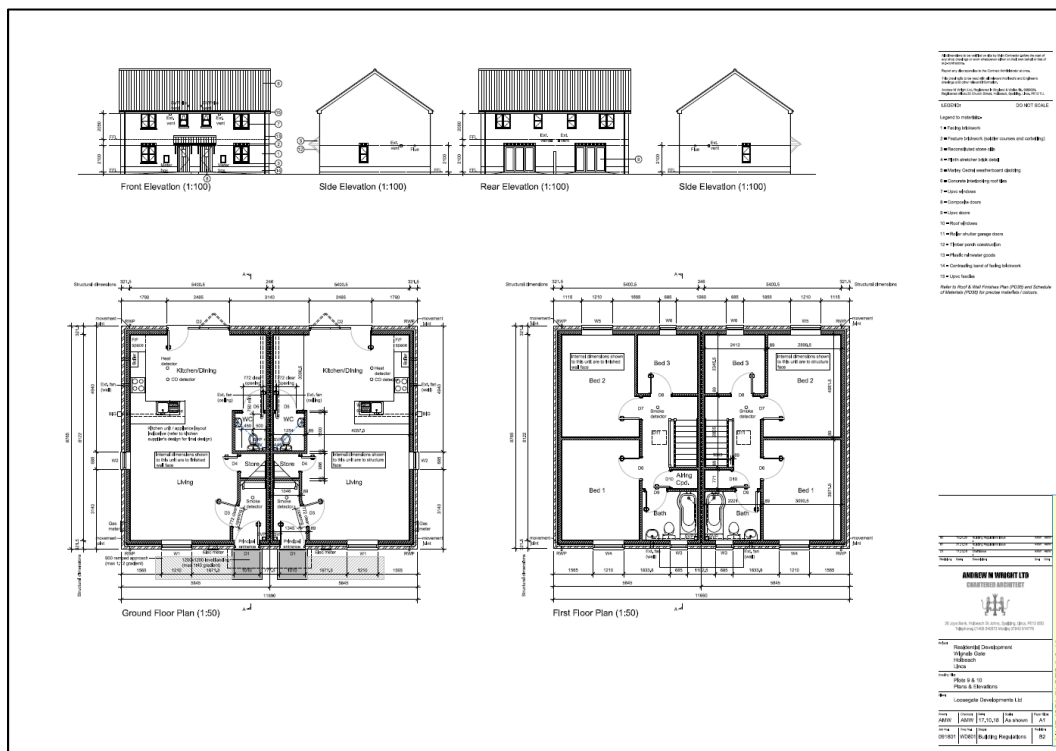
[illegible]



Yew (Single Garage) House Type



Lime House Type



[illegible]

Front Elevation (1:100)

Side Elevation (1:100)

Rear Elevation (1:100)

Side Elevation (1:100)

Ground Floor Plan (1:50)

Legend:

- 1. External wall
- 2. Internal wall
- 3. Floor
- 4. Ceiling
- 5. Window
- 6. Door
- 7. Stair
- 8. Lift
- 9. Ventilation
- 10. Storage
- 11. Kitchen
- 12. Bathroom
- 13. Bedroom
- 14. Living
- 15. Hallway
- 16. Corridor
- 17. Entrance
- 18. Terrace
- 19. Garden
- 20. Parking
- 21. Driveway
- 22. Fencing
- 23. Boundary
- 24. Road
- 25. Footpath
- 26. Drainage
- 27. Sewer
- 28. Water
- 29. Gas
- 30. Electricity
- 31. Telecommunications
- 32. Other

Notes:

1. All dimensions are in millimeters unless otherwise stated.
2. All walls are 230mm thick unless otherwise stated.
3. All floors are 100mm thick unless otherwise stated.
4. All ceilings are 100mm thick unless otherwise stated.
5. All windows are 1200mm wide unless otherwise stated.
6. All doors are 2000mm high unless otherwise stated.
7. All stairs are 1000mm wide unless otherwise stated.
8. All lifts are 1000mm wide unless otherwise stated.
9. All ventilation is 100mm diameter unless otherwise stated.
10. All storage is 1000mm wide unless otherwise stated.
11. All kitchens are 2000mm wide unless otherwise stated.
12. All bathrooms are 2000mm wide unless otherwise stated.
13. All bedrooms are 2000mm wide unless otherwise stated.
14. All living areas are 2000mm wide unless otherwise stated.
15. All hallways are 1000mm wide unless otherwise stated.
16. All corridors are 1000mm wide unless otherwise stated.
17. All entrances are 2000mm wide unless otherwise stated.
18. All terraces are 2000mm wide unless otherwise stated.
19. All gardens are 2000mm wide unless otherwise stated.
20. All parking is 2000mm wide unless otherwise stated.
21. All driveways are 2000mm wide unless otherwise stated.
22. All fencing is 2000mm high unless otherwise stated.
23. All boundaries are 2000mm wide unless otherwise stated.
24. All roads are 2000mm wide unless otherwise stated.
25. All footpaths are 2000mm wide unless otherwise stated.
26. All drainage is 100mm diameter unless otherwise stated.
27. All sewers are 100mm diameter unless otherwise stated.
28. All water is 100mm diameter unless otherwise stated.
29. All gas is 100mm diameter unless otherwise stated.
30. All electricity is 100mm diameter unless otherwise stated.
31. All telecommunications are 100mm diameter unless otherwise stated.
32. All other are 100mm diameter unless otherwise stated.



Appendix III – Schedule of Comparable Evidence

Phase 1 Wigpat's Gate (Have deducted areas of garages from GIA's provided by Client, to calculate GIA of living accommodation only)									
Plot	Property	Detached	House	4	2,421	225	£430,000	£1,911	Inc. carpets, upgraded kitchen (showhome) and alarm
Plot 1 - Holly	Holbeach	Detached	House	4	2,421	225	£440,000	£1,956	Inc. carpets
Plot 2 - Holly	Holbeach	Detached	House	4	2,421	225	£440,000	£1,956	Inc. carpets
Plot 3 - Cherry	Holbeach	Detached	House	3	1,625	151	£275,000	£1,821	Inc. carpets
Plot 8 - Cherry	Holbeach	Detached	House	3	1,625	151	£285,000	£1,887	Inc. carpets
Plot 4 - Yew	Holbeach	Detached	House	3	1,291	120	£215,000	£1,792	Inc. carpets
Plot 5 - Yew	Holbeach	Detached	House	3	1,291	120	£232,500	£1,938	Inc. carpets
Plot 6 - Yew	Holbeach	Detached	House	3	1,291	120	£252,500	£2,104	Inc. carpets
Plot 7 - Yew	Holbeach	Detached	House	3	1,291	120	£232,500	£1,938	Inc. carpets
Plot 42 - Yew	Holbeach	Detached	House	3	1,291	120	£252,000	£2,100	Inc. carpets
Plot 62 - Yew	Holbeach	Detached	House	3	1,291	120	£245,000	£2,042	Inc. carpets
Plot 63 - Yew	Holbeach	Detached	House	3	1,291	120	£245,000	£2,042	Inc. carpets
Plot 64 - Yew	Holbeach	Detached	House	3	1,291	120	£245,000	£2,042	Inc. carpets
Plot 65 - Yew	Holbeach	Detached	House	3	1,291	120	£252,500	£2,104	Inc. carpets
Plot 28 - Alder	Holbeach	Semi	House	2	925	86	£160,000	£1,860	Inc. carpets
Plot 29 - Alder	Holbeach	Semi	House	2	925	86	£160,000	£1,860	Inc. carpets
Plot 30 - Alder	Holbeach	Semi	House	2	925	86	£160,000	£1,860	Inc. carpets
Plot 31 - Alder	Holbeach	Semi	House	2	925	86	£160,000	£1,860	Inc. carpets
Plot 11 - Maple	Holbeach	Semi	Bungalow	2	839	78	£113,063	£1,450	Affordable - SHDC reduced price
Plot 12 - Maple	Holbeach	Semi	Bungalow	2	839	78	£113,063	£1,450	Affordable - SHDC reduced price
Plot 13 - Blackthorn	Holbeach	Detached	Bungalow	3	1,625	151	£350,000	£2,318	Inc. carpets
Plot 14 - Blackthorn	Holbeach	Detached	Bungalow	3	1,625	151	£350,000	£2,318	Inc. carpets
Plot 15 - Blackthorn	Holbeach	Detached	Bungalow	3	1,625	151	£350,000	£2,318	Inc. carpets
Plot 20 - Blackthorn	Holbeach	Detached	Bungalow	3	1,625	151	£330,000	£2,185	Inc. carpets
Plot 21 - Blackthorn	Holbeach	Detached	Bungalow	3	1,625	151	£330,000	£2,185	Inc. carpets
Plot 26 - Blackthorn	Holbeach	Detached	Bungalow	3	1,625	151	£330,000	£2,185	Inc. carpets
Plot 27 - Blackthorn	Holbeach	Detached	Bungalow	3	1,625	151	£325,000	£2,152	Inc. carpets
Plot 18 - Pine	Holbeach	Detached	Bungalow	3	1,377	128	£335,000	£2,617	Inc. carpets
Plot 16 - Hazel	Holbeach	Detached	Bungalow	3	1,270	118	£350,000	£2,966	Inc. carpets
Plot 17 - Hazel	Holbeach	Detached	Bungalow	3	1,270	118	£320,000	£2,712	Inc. carpets
Plot 19 - Hazel	Holbeach	Detached	Bungalow	3	1,270	118	£325,000	£2,754	Inc. carpets
Plot 22 - Hazel	Holbeach	Detached	Bungalow	3	1,270	118	£300,000	£2,542	Inc. carpets
Plot 23 - Hazel	Holbeach	Detached	Bungalow	3	1,270	118	£300,000	£2,542	Inc. carpets
Plot 24 - Hazel	Holbeach	Detached	Bungalow	3	1,270	118	£300,000	£2,542	Inc. carpets
Plot 25 - Hazel	Holbeach	Detached	Bungalow	3	1,270	118	£300,000	£2,542	Inc. carpets
Plot 43 - Sycamore	Holbeach	Detached	House	4	1,377	128	£76,424	£597	Affordable - SHDC reduced price
Plot 56 - Poplar	Holbeach	Quad	House	1	667	62	£76,424	£1,233	Affordable - SHDC reduced price
Plot 57 - Poplar	Holbeach	Quad	House	1	667	62	£76,424	£1,233	Affordable - SHDC reduced price
Plot 58 - Poplar	Holbeach	Quad	House	1	667	62	£76,424	£1,233	Affordable - SHDC reduced price
Plot 59 - Poplar	Holbeach	Quad	House	1	667	62	£76,424	£1,233	Affordable - SHDC reduced price
Plot 60 - Lime	Holbeach	Semi	House	3	1,098	102	£76,424	£749	Affordable - SHDC reduced price
Plot 61 - Lime	Holbeach	Semi	House	3	1,098	102	£76,424	£749	Affordable - SHDC reduced price
Plot 9 - Lime	Holbeach	Semi	House	3	1,098	102	£113,063	£1,108	Affordable - SHDC reduced price
Plot 10 - Lime	Holbeach	Semi	House	3	1,098	102	£113,063	£1,108	Affordable - SHDC reduced price

Appendix IV – Costs, Values and Other Assumptions Adopted and S106 Requirements

COST AND OTHER ASSUMPTIONS ADOPTED

Viability Assessment	Ref 21107E - Amended Scheme of 104		*estimated
Client	Loosegate Homes c/o D Brown Contractors Ltd		
Site	Site off Wignall's Gate, Holbeach		
Statement of Assumptions Made within Appraisal Calculations			
Value of the site adopted is £2,030,000. This is below BLV which would be £2,255,000 based upon the EUV of £25,000 per gross hectare plus a premium of £250,000 per gross hectare, however 1 Ha of the total site is open space (woodland), therefore we have adjusted down from BLV as follows:			
5.0 Ha (Phase 1 - for first 77 units)	@ £275,000 per gross Ha	£1,375,000	
2.2 Ha (Phase 2 - remaining 27 units)	@ £275,000 per gross Ha	£605,000	
Overall Land Value =		£1,980,000	
Total of 104 x Units (see detailed Accommodation Schedule)			
25 x Affordable Dwellings split into:	70% affordable rented (18) 30% shared ownership (6)		
Construction and Development Costs (Standard)			
Timescales	Phase 1 (77)	Construction 1st March 2020 - 31st December 2022 OM sales 1st May 2020 - 1st April 2023	
	Phase 2 (27)	Construction 1st October 2022 - 31st December 2023 OM sales 1st December 2022 - 1st April 2024	
Phase 1			
Build Cost Market & Affordable Housing (10,556 sqm) @	£1,263		£13,336,996
Basic BCIS Build Cost broken down as follows:	Total GIA (sqm)	Price per sqm	
Detached House:	5,742	£1,265	£7,263,630
E-Terr/Semi House:	1,080	£1,112	£1,200,960
M-Terr House:	576	£1,087	£626,112
Detached Bung:	3,002	£1,350	£4,052,700
Semi Bung:	156	£1,241	£193,596
Total:	10,556	£1,263	
Phase 2			
Build Cost Market & Affordable Housing (4,077 sqm) @	£1,301		£5,303,172
Basic BCIS Build Cost broken down as follows:	Total GIA (sqm)	Price per sqm	
Detached House:	1,952	£1,265	£2,481,930
Detached Bung:	1,803	£1,350	£2,434,050
Semi Bung:	312	£1,241	£387,192
Total:	4,077	£1,301	£18,640,170
6.5% Design and Professional Fees			
2.5% Contingency Allowance			
SUDs and Storm Attenuation:	Attenuation pond x 2	£25,000 each	* £50,000
	Hydro brake x 2	£7,500 each	* £15,000
	Headwalls x 2	£5,500 each	* £11,000
	IDB Discharge Fee		£16,160
			£92,160
Roads	Approx 860m run of adopted roadway at £2,100 per m run		£1,806,000
	Approx 328m run of unadopted roadway at £1,500 per m run		£492,000
			£2,298,000
Parking	216 parking spaces at £600 per space		£129,600
			£129,600
Garages	16 x singles @ £9,000 each		£144,000
	21 x doubles @ £13,000 each		£273,000
			£417,000
Site Prep and Set Up Welfare:	Onsite establishment and welfare (inc. site office, services etc)		£30,000
			£30,000
Plot specific external works (i.e. patio, fencing etc) @ £2,500 per plot			£260,000
			£260,000
General Site Landscaping	Area to be retained		£40,000
	Additional 1 Ha Woodland		£20,000
			£60,000
Site Works:	Dewatering		£60,725
			£60,725
Total Externals			£3,347,485
Affordable Housing & S106 Contributions			
Affordable Housing		25% provision	
Education Contribution		£558,124	
NHS Contribution	£444 per unit	£46,176	
Total Cash S106			£604,300
Finance, Disposal Costs and Profit			
Stamp Duty Land Tax Land		£102,250	
Finance costs of £20,000 arrangement costs plus £5,000 survey and valuation cost plus 6.25% interest(ave)			
Marketing / agents' costs for Market units of 3% selling and £750 per unit legal costs			
Developer cost of sale to RP		£12,000	
Developers return of 17.5% on Market units and 6% on Affordables			



Accommodation Schedule

MARKET Reference	Style	Type	No.	Beds	GIA (sqft)	GIA (sqm) Living Accom	GIA (sqm) Inc. Garage	Total GIA (sqm) (Incl. Garage where Int)	Parking/Garage	Price per sqm	Price	+5% GDV	-5% GDV	Total GDV
MARKET	Detached	House	7	4	2,421	225	256	1,792	2/Double Int	£1,956	£440,000	£462,000	£418,000	£3,080,000
	Detached	House	4	3	2,055	191	-	764	2/Double Det	£1,702	£325,000	£341,250	£308,750	£1,300,000
	Detached	House	1	3	1,625	151	-	151	2/Single Att	£1,821	£275,000	£288,750	£261,250	£275,000
	Detached	House	13	3	1,625	151	-	302	2/Double Att	£1,887	£285,000	£299,250	£270,750	£270,000
	Detached	House	13	3	1,291	120	135	1,755	2/Single Int	£2,100	£252,000	£264,600	£239,400	£3,276,000
	Detached	House	5	3	1,496	139	170	850	2/Double Int	£1,942	£270,000	£283,500	£256,500	£1,350,000
	Detached	Bungalow	7	3	1,625	151	-	1,057	2/Double Int	£2,185	£330,000	£346,500	£313,500	£2,310,000
	Detached	Bungalow	5	3	1,625	151	-	755	2/Double Det	£2,318	£350,000	£367,500	£332,500	£1,750,000
	Detached	Bungalow	6	3	1,270	118	-	708	2/Single Att	£2,542	£300,000	£315,000	£285,000	£1,800,000
	Detached	Bungalow	3	3	1,270	118	-	354	2/Double Att	£2,712	£320,000	£336,000	£304,000	£960,000
MARKET	Detached	Bungalow	1	3	1,377	128	-	138	2/Double Det	£2,617	£335,000	£351,750	£318,250	£335,000
	Semi	House	4	2	925	86	-	344	2/None	£1,860	£160,000	£168,000	£152,000	£640,000
	Total:		58					8,960						£17,646,000
SHARED OWNERSHIP														
Reference	Style	Type	No.	Beds	GIA (sqft)	GIA (sqm)		Total GIA (sqm)	Parking/Garage	Price per sqm	Price	Total GDV	Rent p/w (80%)	
MARKET	Quad	House	2	1	667	62		124	1/None	£1,935	£120,000	£114,000	£114,000	£92
	E-Terr	House	3	2	882	82		246	2/None	£1,951	£160,000	£188,000	£152,000	£120
	Semi	House	1	3	1,098	102		102	2/None	£1,814	£185,000	£194,250	£175,750	£138
Total:			6					472				£905,000		
AFFORDABLE RENTED														
Reference	Style	Type	No.	Beds	GIA (sqft)	GIA (sqm)		Total GIA (sqm)	Parking/Garage	Price per sqm	Price	Total GDV	Rent p/w (80%)	
MARKET	Quad	House	2	1	667	62		124	1/None	£1,935	£120,000	£114,000	£114,000	£92
	Mc-Terr	House	4	2	882	82		328	2/None	£1,854	£152,000	£159,600	£144,400	£120
	E-Terr	House	1	2	882	82		82	2/None	£1,951	£160,000	£168,000	£152,000	£120
	Semi	Bungalow	2	2	839	78		156	2/None	£2,564	£200,000	£210,000	£190,000	£120
	Semi	House	3	3	1,098	102		306	2/None	£1,814	£185,000	£194,250	£175,750	£138
	Detached	House	1	4	1,377	128		128	2/None	£1,992	£255,000	£267,750	£242,150	£165
Total:			13				1,124					£120,000		
Total:			77					10,556				£18,671,000		
PHASE 2 - 27 UNITS														
MARKET Reference	Style	Type	No.	Beds	GIA (sqft)	GIA (sqm) Living Accom	GIA (sqm) Inc. Garage	Total GIA (sqm) (Incl. Garage Where Int)	Parking/Garage	Price per sqm	Price	+5% GDV	-5% GDV	Total GDV
MARKET	Detached	House	7	4	£2,421	225	256	1,792	2-3/Double	£1,956	£440,000	£462,000.00	£418,000.00	£3,080,000
	Detached	House	1	3	1,291	120	170	2/Double Int	£2,250	£270,000	£283,500	£256,500	£270,000	
	Detached	Bungalow	3	3	1,625	151	453	2/Single Att	£2,185	£330,000	£346,500	£313,500	£990,000	
	Detached	Bungalow	3	3	1,625	151	453	2/Double Det	£2,318	£350,000	£367,500	£332,500	£1,050,000	
	Detached	Bungalow	1	3	1,270	118	118	2/Single Att	£2,542	£300,000	£315,000	£285,000	£300,000	
	Detached	Bungalow	4	2	1,044	97	388	2/None	£2,577	£250,000	£262,500	£237,500	£1,000,000	
	Detached	Bungalow	1	2	1,076	100	100	2/Single Det	£2,600	£260,000	£273,000	£247,000	£260,000	
	Total:		20					3,474				£6,950,000		
SHARED OWNERSHIP														
Reference	Style	Type	No.	Beds	GIA (sqft)	GIA (sqm)		Total GIA (sqm)	Parking/Garage	Price per sqm	Price	Total GDV	Rent p/w (80%)	
MARKET	Detached	Bungalow	2	2	1,044	97		194	2/None	£2,577	£250,000	£262,500	£237,500	£500,000
	Total:		2					194				£500,000		
AFFORDABLE RENTED														
Reference	Style	Type	No.	Beds	GIA (sqft)	GIA (sqm)		Total GIA (sqm)	Parking/Garage	Price per sqm	Price	Total GDV	Rent p/w (80%)	
MARKET	Semi	Bungalow	4	2	839	78		312	2/None	£2,564	£200,000	£210,000	£190,000	£800,000
	Detached	Bungalow	1	2	1,044	97		97	2/None	£2,577	£250,000	£262,500	£237,500	£250,000
	Total:		5					409				£1,050,000		
Total:			27					4,077				£8,500,000		
Total:			104					14,633				£27,171,000		



£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 14-Aug-2021 00:32

> Rebased to 3Q 2021 (336; forecast) and South Holland (100; sample 6)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
810. Housing, mixed developments (15)	1,302	719	1,137	1,265	1,417	2,948	1223
810.1 Estate housing							
Generally (15)	1,298	634	1,106	1,252	1,419	4,491	1524
Single storey (15)	1,460	828	1,237	1,411	1,629	4,491	251
2-storey (15)	1,254	634	1,094	1,222	1,369	2,717	1172
3-storey (15)	1,337	808	1,080	1,283	1,502	2,683	96
4-storey or above (15)	2,734	1,323	2,190	2,445	3,640	4,074	5
810.11 Estate housing detached (15)	1,677	965	1,265	1,428	1,670	4,491	21
810.12 Estate housing semi detached							
Generally (15)	1,294	766	1,123	1,264	1,419	2,366	360
Single storey (15)	1,443	957	1,241	1,426	1,590	2,366	74
2-storey (15)	1,256	766	1,112	1,236	1,375	2,184	273
3-storey (15)	1,232	929	980	1,214	1,331	1,878	13
810.13 Estate housing terraced							
Generally (15)	1,338	808	1,103	1,265	1,478	4,074	291
Single storey (15)	1,500	992	1,279	1,414	1,730	2,101	29
2-storey (15)	1,290	815	1,087	1,236	1,421	2,717	215
3-storey (15)	1,353	808	1,065	1,276	1,494	2,683	45
4-storey or above (10)	3,857	3,640	-	-	-	4,074	2



Appendix V – HCA Appraisal Tool Output – 77 Units Policy-Compliant Scheme



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Surplus (Deficit) from input land valuation at 1/1/2020

£23,093,388

HCA DEVELOPMENT APPRAISAL TOOL

SUMMARY

DETAIL

SCHEME

Site Address
Site Reference
File Source

Site off Wignall's Gate, Holbeach

Date of appraisal

01/01/2020

Net Residential Site Area

5

Author & Organisation

Maxey Grounds, 22 - 24 Market Place, March PE15 9JH

Scheme Description

77 Units with 25%
Affordable Housing and
Cash S106 Contributions

Registered Provider (whet 0

Housing Mix (Affordable + Open Market)

Total Number of Units	77	units
Total Number of Open Market Units	58	units
Total Number of Affordable Units	19	units
Total Net Internal Area (sq m)	10,556	sq m
% Affordable by Unit	24.7%	
% Affordable by Area	15.1%	
Density	15	units/hectare
Total Number of A/H Persons	0	Persons
Total Number of Open Market Persons	0	Persons
Total Number of Persons	0	Persons
Gross site Area	5.00	hectares
Net Site Area	5.00	hectares
Net Internal Housing Area / Hectare	2,111	sq m / hectare

equals 9,195 sqft per acre

Average value (£ per unit)	Open Market Phase 1:	Open Market Phase 2:	Open Market Phase 3:	Open Market Phase 4:	Open Market Phase 5:	Total
1 Bed Flat Low rise	£0	£0	£0	£0	£0	
2 Bed Flat Low rise	£0	£0	£0	£0	£0	
3 Bed Flat Low rise	£0	£0	£0	£0	£0	
4 Bed + Flat Low rise	£0	£0	£0	£0	£0	
1 Bed Flat High rise	£0	£0	£0	£0	£0	
2 Bed Flat High rise	£0	£0	£0	£0	£0	
3 Bed Flat High rise	£0	£0	£0	£0	£0	
4 Bed + Flat High rise	£0	£0	£0	£0	£0	
2 Bed House	£160,000	£0	£0	£0	£0	
3 Bed House	£296,296	£0	£0	£0	£0	
4 Bed + House	£440,000	£0	£0	£0	£0	
Total Revenue £	£17,646,000	£0	£0	£0	£0	£17,646,000
Net Area (sq m)	8,960	-	-	-	-	8,960
Revenue (£ / sq m)	£1,969	-	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES

£17,646,000

Capital Value of Private Rental

Phase 1
Phase 2
Phase 3
Phase 4
Phase 5
Total PR

£0
£0
£0
£0
£0
£0

CAPITAL VALUE OF OPEN MARKET HOUSING

BUILD COST OF OPEN MARKET HOUSING Inc Contingency

£11,599,392 £ 1,295 psqm

£17,646,000

£ 1,969 psqm

CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING

£6,046,608

AH Residential Values

AH & RENTAL VALUES BASED ON NET RENTS

Type of Unit	Social Rented	Shared Ownership (all phases)	Affordable Rent (all phases)	Total
1 Bed Flat Low rise				
2 Bed Flat Low rise				
3 Bed Flat Low rise				
4 Bed + Flat Low rise				
1 Bed Flat High rise				
2 Bed Flat High rise				
3 Bed Flat High rise				
4 Bed + Flat High rise				
2 Bed House		£469,817	£793,839	£1,263,656
3 Bed House		£120,717	£320,952	£441,669
4 Bed + House			£127,916	£127,916
	£0	£590,534	£1,242,706	£1,833,241
£ psqm of CV (phase 1)	-	1,178	1,106	

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING)

£1,833,241

RP Cross Subsidy (use of own assets)

£0

LA s106 committed in lieu

£0

RP Re-cycled SHG

£0

Use of AR rent conversion income

£0

Other source of AH funding

£0

OTHER SOURCES OF AFFORDABLE HOUSING FUNDING

£0

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (INCLUDING OTHER FUNDING)

£1,833,241

BUILD COST OF AFFORDABLE HOUSING Inc Contingency

£2,066,142 £ 1,295 psqm



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING

-£232,901

Car Parking

No. of Spaces	Price per Space (£)	Value
150	-	£0

Value of Residential Car Parking

£0

Car Parking Build Costs

£90,000

Ground rent

Capitalised annual ground rent

£0

Shared Ownership

£0

Affordable Rent

£0

Open market (all phases)

£0

Capitalised Annual Ground Rents

£0

TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME

£19,479,241

TOTAL BUILD COST OF RESIDENTIAL SCHEME

£13,755,534

TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME

£5,723,707

Non-Residential

Cost

Values

Office

£0

Retail

£0

Industrial

£0

Leisure

£0

Community Use

£0

Community Infrastructure Levy

£0

CAPITAL VALUE OF NON-RESIDENTIAL SCHEME

£0

COSTS OF NON-RESIDENTIAL SCHEME

£0

CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL

£0

GROSS DEVELOPMENT VALUE OF SCHEME

£19,479,241

TOTAL BUILD COSTS

£13,755,534

TOTAL CONTRIBUTION TO SCHEME COSTS

£5,723,707

External Works & Infrastructure Costs (£)

Per unit

% of GDV

per Hectare

Site Preparation/Demolition

£30,000

390

0.2%

6,000

Roads and Sewers

£1,752,000

22,753

9.0%

350,400

SUDs and Storm Attenuation

£92,160

1,197

0.5%

18,432

Site Landscaping

£40,000

519

0.2%

8,000

Site Works

£46,250

601

0.2%

9,250

Public Open Space

£0

Site Specific Sustainability Initiatives

£0

Plot specific external works

£192,500

2,500

1.0%

38,500

Single Garages

£126,000

1,636

0.6%

25,200

Double Garages

£195,000

2,532

1.0%

39,000

£2,473,910

12.7%

494,782

Other site costs

Fees and certification

6.5%

£872,445

11,330

4.5%

174,489

Other Acquisition Costs (£)

£0

Site Abnormals (£)

De-canting tenants

£0

Decontamination

£0

Other

£0

Other 2

£0

Other 3

£0

Other 4

£0

Other 5

£0

Total Site Costs Inc Fees

£3,346,355

43,459

Statutory 106 Costs (£)

Education

£411,803

5,348

Sport & Recreation

£0

Social Infrastructure

£0

Public Realm

£0

Affordable Housing

£0

Transport

£0

Highway

£0

Health

£34,188

444

Public Art

£0

Flood work

£0

Community Infrastructure Levy

£0

Other Tariff

£0

Other 1

£0

Other 2

£0

Other 3

£0

Other 4

£0

Statutory 106 costs

£445,991

5,792



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Marketing (Open Market Housing ONLY)

Sales/letting Fees 3.0% per OM unit
Legal Fees (per Open Market unit): £750 £529,380 9,127
£43,500 750

Marketing (Affordable Housing)

Developer cost of sale to RP (£) £10,000 per affordable unit 526
RP purchase costs (£) £0
Intermediate Housing Sales and Marketing (£) £0

Total Marketing Costs £582,880

Total Direct Costs £18,130,760

Finance and acquisition costs

Land Payment £1,375,000 23,707 per OM home 275,000 per hectare
Arrangement Fee £15,000 3.4% of Interest
Misc Fees (Surveyors etc) £5,000 0.03% of scheme value
Agents Fees £0
Legal Fees £10,313
Stamp Duty £58,250
Total Interest Paid £442,991

Total Finance and Acquisition Costs £1,906,554

Developer's return for risk and profit

Residential
Market Housing Return (inc OH) on Value 17.5% £3,088,050 53,242 per OM unit
Affordable Housing Return on Cost 6.0% £120,945 6,366 per affordable unit
Return on sale of Private Rent 0.0% £0 #DIV/0! per PR unit
Non-residential
Office £0
Retail £0
Industrial £0
Leisure £0
Community-use £0

Total Operating Profit £3,208,995
(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST £23,246,308

Surplus/(Deficit) at completion 1/4/2023 (£3,767,068)

Present Value of Surplus (Deficit) at 1/1/2020 (£3,093,388)

Scheme Investment MIRR 2.5% (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value 7.1% Peak Cash Requirement -£3,780,885

Site Value (PV) per hectare -£618,678 per hectare -£304,902 per acre



MAXEY
GROUNDS

**Appendix VI – HCA Appraisal Tool Output – 77 Units 4no. Affordable Houses
No Cash S106 Contribution**



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Surplus (Deficit) from Input land valuation at 1/1/2020

£2,161,611

HCA DEVELOPMENT APPRAISAL TOOL

SUMMARY

DETAIL

SCHEME

Site Address
Site Reference
File Source

Site off Wignall's Gate, Holbeach

Date of appraisal 01/01/2020

Net Residential Site Area 5

Author & Organisation Maxey Grounds, 22 - 24 Market Place, March PE15 9JH

Scheme Description

77 Units with 4 Affordable
Houses and No Cash
S106 Contributions

Registered Provider (whet 0

Housing Mix (Affordable + Open Market)

Total Number of Units	77 units
Total Number of Open Market Units	73 units
Total Number of Affordable Units	4 units
Total Net Internal Area (sq m)	10,556 sq m
% Affordable by Unit	5.2%
% Affordable by Area	3.4%
Density	15 units/hectare
Total Number of A/H Persons	0 Persons
Total Number of Open Market Persons	0 Persons
Total Number of Persons	0 Persons
Gross site Area	5.00 hectares
Net Site Area	5.00 hectares
Net Internal Housing Area / Hectare	2,111 sq m / hectare

equals 9,195 sqm per acre

Average value (£ per unit)	Open Market Phase 1:	Open Market Phase 2:	Open Market Phase 3:	Open Market Phase 4:	Open Market Phase 5:	Total
1 Bed Flat Low rise	£0	£0	£0	£0	£0	
2 Bed Flat Low rise	£0	£0	£0	£0	£0	
3 Bed Flat Low rise	£0	£0	£0	£0	£0	
4 Bed + Flat Low rise	£0	£0	£0	£0	£0	
1 Bed Flat High rise	£0	£0	£0	£0	£0	
2 Bed Flat High rise	£0	£0	£0	£0	£0	
3 Bed Flat High rise	£0	£0	£0	£0	£0	
4 Bed + Flat High rise	£0	£0	£0	£0	£0	
2 Bed House	£148,000	£0	£0	£0	£0	
3 Bed House	£291,755	£0	£0	£0	£0	
4 Bed + House	£416,875	£0	£0	£0	£0	
Total Revenue £	£19,999,000	£0	£0	£0	£0	£19,999,000
Net Area (sq m)	10,196	-	-	-	-	10,196
Revenue (£ / sq m)	£1,961	-	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES

£19,999,000

Capital Value of Private Rental

Phase 1
Phase 2
Phase 3
Phase 4
Phase 5
Total PR

£0
£0
£0
£0
£0
£0

CAPITAL VALUE OF OPEN MARKET HOUSING

BUILD COST OF OPEN MARKET HOUSING Inc Contingency

£13,199,487 £ 1,295 psqm

£19,999,000

£ 1,961 psqm

CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING

£6,799,513

AH Residential Values

AH & RENTAL VALUES BASED ON NET RENTS

Type of Unit	Social Rented	Shared Ownership (all phases)	Affordable Rent (all phases)	Total
1 Bed Flat Low rise				
2 Bed Flat Low rise				
3 Bed Flat Low rise				
4 Bed + Flat Low rise				
1 Bed Flat High rise				
2 Bed Flat High rise				
3 Bed Flat High rise				
4 Bed + Flat High rise				
2 Bed House			£186,059	£186,059
3 Bed House		£120,717	£106,984	£227,701
4 Bed + House				
	£0	£120,717	£293,043	£413,760
£ psqm of CV (phase 1)	-	1,114	1,136	

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING)

£413,760

RP Cross Subsidy (use of own assets)

£0

LA s106 commuted in lieu

£0

RP Re-cycled SHG

£0

Use of AR rent conversion income

£0

Other source of AH funding

£0

OTHER SOURCES OF AFFORDABLE HOUSING FUNDING

£0

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (INCLUDING OTHER FUNDING)

£413,760

BUILD COST OF AFFORDABLE HOUSING Inc Contingency

£466,047 £ 1,295 psqm



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING

-£52,287

Car Parking

No. of Spaces	Price per Space (£)	Value
150	-	£0

Value of Residential Car Parking

£0

Car Parking Build Costs

£90,000

Ground rent

Capitalised annual ground rent

£0

Shared Ownership

£0

Affordable Rent

£0

Open market (all phases)

£0

Capitalised Annual Ground Rents

£0

TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME

£20,412,760

TOTAL BUILD COST OF RESIDENTIAL SCHEME

£13,755,534

TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME

£6,657,226

Non-Residential

Cost

Values

Office

£0

Retail

£0

Industrial

£0

Leisure

£0

Community Use

£0

Community Infrastructure Levy

£0

CAPITAL VALUE OF NON-RESIDENTIAL SCHEME

£0

COSTS OF NON-RESIDENTIAL SCHEME

£0

CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL

£0

GROSS DEVELOPMENT VALUE OF SCHEME

£20,412,760

TOTAL BUILD COSTS

£13,755,534

TOTAL CONTRIBUTION TO SCHEME COSTS

£6,657,226

External Works & Infrastructure Costs (£)

Per unit

% of GOV

per Hectare

Site Preparation/Demolition

£30,000

390

0.1%

6,000

Roads and Sewers

£1,752,000

22,753

8.6%

350,400

SUDs and Storm Attenuation

£92,160

1,197

0.5%

18,432

Site Landscaping

£40,000

519

0.2%

8,000

Site Works

£46,250

601

0.2%

9,250

Public Open Space

£0

Site Specific Sustainability Initiatives

£0

Plot specific external works

£192,500

2,500

0.9%

38,500

Single Garages

£126,000

1,636

0.6%

25,200

Double Garages

£195,000

2,532

1.0%

39,000

£2,473,910

12.1%

494,782

Other site costs

Fees and certification

6.5%

£872,445

11,330

4.3%

174,489

Other Acquisition Costs (£)

£0

Site Abnormals (£)

De-canting tenants

£0

Decontamination

£0

Other

£0

Other 2

£0

Other 3

£0

Other 4

£0

Other 5

£0

£0

Total Site Costs Inc Fees

£3,346,355

43,459

Statutory 106 Costs (£)

Education

£0

Sport & Recreation

£0

Social Infrastructure

£0

Public Realm

£0

Affordable Housing

£0

Transport

£0

Highway

£0

Health

£0

Public Art

£0

Flood work

£0

Community Infrastructure Levy

£0

Other Tariff

£0

Other 1

£0

Other 2

£0

Other 3

£0

Other 4

£0

Statutory 106 costs

£0



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Marketing (Open Market Housing ONLY)

Sales/letting Fees 3.0% per OM unit
Legal Fees (per Open Market unit): £750 £599,970 8,219
£54,750 750

Marketing (Affordable Housing)

Developer cost of sale to RP (£) £3,000 per affordable unit
RP purchase costs (£) £0 750
Intermediate Housing Sales and Marketing (£) £0

Total Marketing Costs £657,720

Total Direct Costs £17,759,609

Finance and acquisition costs

Land Payment £1,375,000 18,836 per OM home 275,000 per hectare
Arrangement Fee £15,000 5.1% of Interest
Misc Fees (Surveyors etc) £5,000 0.02% of scheme value
Agents Fees £0
Legal Fees £10,313
Stamp Duty £58,250
Total Interest Paid £294,851

Total Finance and Acquisition Costs £1,758,414

Developer's return for risk and profit

Residential
Market Housing Return (inc OH) on Value 17.5% £3,499,825 47,943 per OM unit
Affordable Housing Return on Cost 6.0% £27,281 6,820 per affordable unit
Return on sale of Private Rent 0.0% £0 #DIV/0! per PR unit

Non-residential

Office £0
Retail £0
Industrial £0
Leisure £0
Community-use £0

Total Operating Profit £3,527,106
(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST £23,045,128

Surplus/(Deficit) at completion 1/4/2023 (£2,632,368)

Present Value of Surplus (Deficit) at 1/1/2020 (£2,161,611)

Scheme Investment MIRR 16.5% (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value 6.7% Peak Cash Requirement -£2,632,368

Site Value (PV) per hectare -£432,322 per hectare -£213,051 per acre



MAXEY
GROUNDS

Appendix VII – HCA Appraisal Tool Output – 104 Units Policy-Compliant Scheme



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Surplus (Deficit) from input land valuation at 1/1/2020

£3,961,508

HCA DEVELOPMENT APPRAISAL TOOL

SUMMARY

DETAIL

SCHEME

Site Address Site off Wignall's Gate, Holbeach
Site Reference
File Source

Date of appraisal 01/01/2020
Net Residential Site Area 7.2
Author & Organisation Maxey Grounds, 22 - 24 Market Place, March PE15 9JH

Scheme Description 104 Units with 25%
Affordable Housing and
Cash S106 Contributions

Registered Provider (where)

Housing Mix (Affordable + Open Market)

Total Number of Units	104 units
Total Number of Open Market Units	78 units
Total Number of Affordable Units	26 units
Total Net Internal Area (sq m)	14,633 sq m
% Affordable by Unit	25.0%
% Affordable by Area	15.0%
Density	14 units/hectare
Total Number of A/H Persons	0 Persons
Total Number of Open Market Persons	0 Persons
Total Number of Persons	0 Persons
Gross site Area	7.20 hectares
Net Site Area	7.20 hectares
Net Internal Housing Area / Hectare	2,032 sq m / hectare

equates 8,852 sqft per acre

Average value (£ per unit)	Open Market Phase 1:	Open Market Phase 2:	Open Market Phase 3:	Open Market Phase 4:	Open Market Phase 5:	Total
1 Bed Flat Low rise	£0	£0	£0	£0	£0	
2 Bed Flat Low rise	£0	£0	£0	£0	£0	
3 Bed Flat Low rise	£0	£0	£0	£0	£0	
4 Bed + Flat Low rise	£0	£0	£0	£0	£0	
1 Bed Flat High rise	£0	£0	£0	£0	£0	
2 Bed Flat High rise	£0	£0	£0	£0	£0	
3 Bed Flat High rise	£0	£0	£0	£0	£0	
4 Bed + Flat High rise	£0	£0	£0	£0	£0	
2 Bed House	£160,000	£252,000	£0	£0	£0	
3 Bed House	£296,298	£333,125	£0	£0	£0	
4 Bed + House	£440,000	£440,000	£0	£0	£0	
Total Revenue £	£17,646,000	£7,005,000	£0	£0	£0	£24,651,000
Net Area (sq m)	8,960	3,474	-	-	-	12,434
Revenue (£ / sq m)	£1,969	£2,016	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES

£24,651,000

Capital Value of Private Rental

Phase 1	£0
Phase 2	£0
Phase 3	£0
Phase 4	£0
Phase 5	£0
Total PR	£0

CAPITAL VALUE OF OPEN MARKET HOUSING

BUILD COST OF OPEN MARKET HOUSING Inc Contingency
CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING

£16,232,058 £ 1,305 psqm

£24,651,000

£ 1,963 psqm

£8,418,942

AH Residential Values

AH & RENTAL VALUES BASED ON NET RENTS

Type of Unit	Social Rented	Shared Ownership (all phases)	Affordable Rent (all phases)	Total
1 Bed Flat Low rise				
2 Bed Flat Low rise				
3 Bed Flat Low rise				
4 Bed + Flat Low rise				
1 Bed Flat High rise				
2 Bed Flat High rise				
3 Bed Flat High rise				
4 Bed + Flat High rise				
2 Bed House		£796,079	£1,258,987	£2,055,066
3 Bed House		£120,717	£320,952	£441,669
4 Bed + House			£127,916	£127,916
	£0	£916,796	£1,707,854	£2,624,650
£ psqm of CV (phase 1)	-	1,178	1,106	

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING)

£2,624,650

RP Cross Subsidy (use of own assets)

£0

LA S106 committed in lieu

£0

RP Re-cycled SHG

£0

Use of AR rent conversion income

£0

Other source of AH funding

£0

OTHER SOURCES OF AFFORDABLE HOUSING FUNDING

£0

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (INCLUDING OTHER FUNDING)

£2,624,650

BUILD COST OF AFFORDABLE HOUSING Inc Contingency

£2,870,257 £ 1,305 psqm



HCA Development Appraisal Tool

Printed 06/09/2021

CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING

-£245,607

Car Parking

No. of Spaces	Price per Space (£)	Value
216	-	£0

Value of Residential Car Parking

£0

Car Parking Build Costs

£129,600

Ground rent

Capitalised annual ground rent

£0

Shared Ownership

£0

Affordable Rent

£0

Open market (all phases)

£0

Capitalised Annual Ground Rents

£0

TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME

£27,275,650

TOTAL BUILD COST OF RESIDENTIAL SCHEME

£19,231,915

TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME

£8,043,735

Non-Residential

Cost

Values

Office

£0

Retail

£0

Industrial

£0

Leisure

£0

Community Use

£0

Community Infrastructure Levy

£0

CAPITAL VALUE OF NON-RESIDENTIAL SCHEME

£0

COSTS OF NON-RESIDENTIAL SCHEME

£0

CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL

£0

GROSS DEVELOPMENT VALUE OF SCHEME

£27,275,650

TOTAL BUILD COSTS

£19,231,915

TOTAL CONTRIBUTION TO SCHEME COSTS

£8,043,735

External Works & Infrastructure Costs (£)

Per unit

% of GOV

per Hectare

Site Preparation/Demolition

£30,000

288

0.1%

4,167

Roads and Sewers

£2,298,000

22,096

8.4%

319,167

SUDs and Storm Attenuation

£92,160

886

0.3%

12,800

Site Landscaping

£60,000

577

0.2%

8,333

Site Works

£60,725

584

0.2%

8,434

Public Open Space

£0

£0

£0

Site Specific Sustainability Initiatives

£0

£0

£0

Plot specific external works

£260,000

2,500

1.0%

36,111

Single Garages

£144,000

1,385

0.5%

20,000

Double Garages

£273,000

2,625

1.0%

37,917

£3,217,885

11.8%

446,928

Other site costs

Fees and certification

6.5%

£1,219,790

11,729

4.5%

169,415

Other Acquisition Costs (£)

£0

Site Abnormals (£)

De-canting tenants

£0

Decontamination

£0

Other

£0

Other 2

£0

Other 3

£0

Other 4

£0

Other 5

£0

£0

Total Site Costs Inc Fees

£4,437,675

42,670

Statutory 106 Costs (£)

Education

£558,124

5,367

Sport & Recreation

£0

Social Infrastructure

£0

Public Realm

£0

Affordable Housing

£0

Transport

£0

Highway

£0

Health

£46,176

444

Public Art

£0

Flood work

£0

Community Infrastructure Levy

£0

Other Tariff

£0

Other 1

£0

Other 2

£0

Other 3

£0

Other 4

£0

Statutory 106 costs

£604,300

5,811



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Marketing (Open Market Housing ONLY)			per OM unit	
Sales/letting Fees	3.0%	£739,530	9,481	
Legal Fees (per Open Market unit):	£750	£58,500	750	
Marketing (Affordable Housing)			per affordable unit	
Developer cost of sale to RP (£)		£12,000	462	
RP purchase costs (£)		£0		
Intermediate Housing Sales and Marketing (£)		£0		
Total Marketing Costs		£810,030		
Total Direct Costs			£25,063,920	
Finance and acquisition costs				
Land Payment		£1,980,000	25,385 per OM home	275,000 per hectare
Arrangement Fee		£20,000	2.8% of interest	
Misc Fees (Surveyors etc)		£5,000	0.02% of scheme value	
Agents Fees		£0		
Legal Fees		£14,850		
Stamp Duty		£88,500		
Total Interest Paid		£727,202		
Total Finance and Acquisition Costs			£2,835,552	
Developer's return for risk and profit				
Residential				
Market Housing Return (Inc OH) on Valu	17.5%	£4,313,925	55,307 per OM unit	
Affordable Housing Return on Cost	6.0%	£168,015	6,462 per affordable unit	
Return on sale of Private Rent	0.0%	£0	#DIV/0! per PR unit	
Non-residential				
Office		£0		
Retail		£0		
Industrial		£0		
Leisure		£0		
Community-use		£0		
Total Operating Profit			£4,481,940	
(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)				
TOTAL COST			£32,461,413	
Surplus/(Deficit) at completion 1/4/2024				(£5,125,763)
Present Value of Surplus (Deficit) at 1/1/2020				(£3,961,508)
Scheme Investment MIRR				
		4.2%	(before Developer's returns and interest to avoid double counting returns)	
Site Value as a Percentage of Total Scheme Value	7.3%		Peak Cash Requirement	-£5,125,763
Site Value (PV) per hectare		-£550,209 per hectare		-£288,107 per acre



MAXEY
GROUNDS

Appendix VIII – HCA Appraisal Tool Output – 104 Units with 19no. Affordable Houses and Cash S106 Contributions



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Surplus (Deficit) from Input land valuation at 1/1/2020

£3,427,675

HCA DEVELOPMENT APPRAISAL TOOL

SUMMARY

DETAIL

SCHEME

Site Address

Site off Wignall's Gate, Holbeach

Site Reference

File Source

Date of appraisal

01/01/2020

Net Residential Site Area

7.2

Author & Organisation

Maxey Grounds, 22 - 24 Market Place, March PE15 9JH

Scheme Description

104 Units with 18%
Affordable Housing and
Cash S106 Contributions

Registered Provider (whet 0

Housing Mix (Affordable + Open Market)

Total Number of Units	104	units
Total Number of Open Market Units	85	units
Total Number of Affordable Units	19	units
Total Net Internal Area (sq m)	14,633	sq m
% Affordable by Unit	18.3%	
% Affordable by Area	10.9%	
Density	14	units/hectare
Total Number of A/H Persons	0	Persons
Total Number of Open Market Persons	0	Persons
Total Number of Persons	0	Persons
Gross site Area	7.20	hectares
Net Site Area	7.20	hectares
Net Internal Housing Area / Hectare	2,032	sq m / hectare

equals 8,852 sqft per acre

Average value (£ per unit)	Open Market Phase 1:	Open Market Phase 2:	Open Market Phase 3:	Open Market Phase 4:	Open Market Phase 5:	Total
1 Bed Flat Low rise	£0	£0	£0	£0	£0	
2 Bed Flat Low rise	£0	£0	£0	£0	£0	
3 Bed Flat Low rise	£0	£0	£0	£0	£0	
4 Bed + Flat Low rise	£0	£0	£0	£0	£0	
1 Bed Flat High rise	£0	£0	£0	£0	£0	
2 Bed Flat High rise	£0	£0	£0	£0	£0	
3 Bed Flat High rise	£0	£0	£0	£0	£0	
4 Bed + Flat High rise	£0	£0	£0	£0	£0	
2 Bed House	£160,000	£234,167	£0	£0	£0	
3 Bed House	£296,298	£333,125	£0	£0	£0	
4 Bed + House	£440,000	£440,000	£0	£0	£0	
Total Revenue £	£17,646,000	£8,555,000	£0	£0	£0	£26,201,000
Net Area (sq m)	8,960	4,077	-	-	-	13,037
Revenue (£ / sq m)	£1,969	£2,098	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES

£26,201,000

Capital Value of Private Rental

Phase 1

£0

Phase 2

£0

Phase 3

£0

Phase 4

£0

Phase 5

£0

Total PR

£0

CAPITAL VALUE OF OPEN MARKET HOUSING

BUILD COST OF OPEN MARKET HOUSING Inc Contingency

£17,636,173 £ 1,307 psqm

£26,201,000

£ 2,010 psqm

CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING

£3,164,827

AH Residential Values

AH & RENTAL VALUES BASED ON NET RENTS

Type of Unit	Social Rented	Shared Ownership (all phases)	Affordable Rent (all phases)	Total
1 Bed Flat Low rise				
2 Bed Flat Low rise				
3 Bed Flat Low rise				
4 Bed + Flat Low rise				
1 Bed Flat High rise				
2 Bed Flat High rise				
3 Bed Flat High rise				
4 Bed + Flat High rise				
2 Bed House		£469,817	£793,839	£1,263,656
3 Bed House		£120,717	£320,952	£441,669
4 Bed + House			£127,916	£127,916
	£0	£590,534	£1,242,706	£1,833,241
£ psqm of CV (phase 1)	-	1,176	1,106	

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING)

£1,833,241

RP Cross Subsidy (use of own assets)

£0

LA s106 commuted in lieu

£0

RP Re-cycled SHG

£0

Use of AR rent conversion income

£0

Other source of AH funding

£0

OTHER SOURCES OF AFFORDABLE HOUSING FUNDING

£0

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (INCLUDING OTHER FUNDING)

£1,833,241

BUILD COST OF AFFORDABLE HOUSING Inc Contingency

£2,066,142 £ 1,295 psqm



HCA Development Appraisal Tool

Printed 06/09/2021

CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING

-£232,301

Car Parking

No. of Spaces	Price per Space (£)	Value
215	-	£0

Value of Residential Car Parking

£0

Car Parking Build Costs

£129,600

Ground rent

Capitalised annual ground rent

£0

Shared Ownership

£0

Affordable Rent

£0

Open market (all phases)

£0

Capitalised Annual Ground Rents

£0

TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME

£28,034,241

TOTAL BUILD COST OF RESIDENTIAL SCHEME

£19,231,915

TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME

£8,802,325

Non-Residential

Cost

Values

Office

£0

Retail

£0

Industrial

£0

Leisure

£0

Community Use

£0

Community Infrastructure Levy

£0

CAPITAL VALUE OF NON-RESIDENTIAL SCHEME

£0

COSTS OF NON-RESIDENTIAL SCHEME

£0

CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL

£0

GROSS DEVELOPMENT VALUE OF SCHEME

£28,034,241

TOTAL BUILD COSTS

£19,231,915

TOTAL CONTRIBUTION TO SCHEME COSTS

£8,802,325

External Works & Infrastructure Costs (£)

Per unit

% of GOV

per Hectare

Site Preparation/Demolition

£30,000

288

0.1%

4,167

Roads and Sewers

£2,298,000

22,096

8.2%

319,167

SUDs and Storm Attenuation

£92,160

886

0.3%

12,800

Site Landscaping

£60,000

577

0.2%

8,333

Site Works

£60,725

584

0.2%

8,434

Public Open Space

£0

Site Specific Sustainability Initiatives

£0

Plot specific external works

£260,000

2,500

0.9%

36,111

Single Garages

£144,000

1,385

0.5%

20,000

Double Garages

£273,000

2,625

1.0%

37,917

£3,217,885

11.5%

446,928

Other site costs

Fees and certification

6.5%

£1,219,790

11,729

4.4%

169,415

Other Acquisition Costs (£)

£0

Site Abnormals (£)

De-canting tenants

£0

Decontamination

£0

Other

£0

Other 2

£0

Other 3

£0

Other 4

£0

Other 5

£0

£0

Total Site Costs Inc Fees

£4,437,675

42,670

Statutory 106 Costs (£)

Education

£411,803

3,960

Sport & Recreation

£0

Social Infrastructure

£0

Public Realm

£0

Affordable Housing

£0

Transport

£0

Highway

£0

Health

£34,188

329

Public Art

£0

Flood work

£0

Community Infrastructure Levy

£0

Other Tariff

£0

Other 1

£0

Other 2

£0

Other 3

£0

Other 4

£0

Statutory 106 costs

£445,991

4,288



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Marketing (Open Market Housing ONLY)

Sales/letting Fees 3.0% per OM unit
Legal Fees (per Open Market unit): £750 £786,030 9,247
£63,750 750

Marketing (Affordable Housing)

Developer cost of sale to RP (£) £10,000 per affordable unit 526
RP purchase costs (£) £0
Intermediate Housing Sales and Marketing (£) £0

Total Marketing Costs £859,780

Total Direct Costs £24,975,361

Finance and acquisition costs

Land Payment £1,980,000 23,294 per OM home 275,000 per hectare
Arrangement Fee £20,000 2.9% of Interest
Misc Fees (Surveyors etc) £5,000 0.02% of scheme value
Agents Fees £0
Legal Fees £14,850
Stamp Duty £88,500
Total Interest Paid £679,450

Total Finance and Acquisition Costs £2,787,800

Developer's return for risk and profit

Residential
Market Housing Return (inc OH) on Value 17.5% £4,585,175 53,943 per OM unit
Affordable Housing Return on Cost 6.0% £120,945 6,366 per affordable unit
Return on sale of Private Rent 0.0% £0 #DIV/0! per PR unit

Non-residential

Office £0
Retail £0
Industrial £0
Leisure £0
Community-use £0

Total Operating Profit £4,706,120
(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST £32,468,282

Surplus/(Deficit) at completion 1/4/2024 (£4,435,041)

Present Value of Surplus (Deficit) at 1/1/2020 (£3,427,675)

Scheme Investment MIRR 7.4% (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value 7.1% Peak Cash Requirement -£4,653,919

Site Value (PV) per hectare -£476,066 per hectare -£249,283 per acre



Appendix IX – HCA Appraisal Tool Output – 104 Units with 8no. Affordable Houses and No Cash S106 Contributions



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Surplus (Deficit) from Input land valuation at 1/1/2020

£2,596,628

HCA DEVELOPMENT APPRAISAL TOOL

SUMMARY

DETAIL

SCHEME

Site Address
Site Reference
File Source

Site off Wignall's Gate, Holbeach

Date of appraisal

01/01/2020

Net Residential Site Area

7.2

Author & Organisation

Maxey Grounds, 22 - 24 Market Place, March PE15 9JH

Scheme Description

104 Units with 8
Affordable Housing and
No Cash S106
Contributions

Registered Provider (whet 0

Housing Mix (Affordable + Open Market)

Total Number of Units	164 units
Total Number of Open Market Units	96 units
Total Number of Affordable Units	68 units
Total Net Internal Area (sq m)	14,633 sq m
% Affordable by Unit	7.7%
% Affordable by Area	4.2%
Density	14 units/hectare
Total Number of A/H Persons	0 Persons
Total Number of Open Market Persons	0 Persons
Total Number of Persons	0 Persons
Gross site Area	7.20 hectares
Net Site Area	7.20 hectares
Net Internal Housing Area / Hectare	2,032 sq m / hectare

equals 8,952 sqft per acre

Average value (£ per unit)	Open Market Phase 1:	Open Market Phase 2:	Open Market Phase 3:	Open Market Phase 4:	Open Market Phase 5:	Total
1 Bed Flat Low rise	£0	£0	£0	£0	£0	
2 Bed Flat Low rise	£0	£0	£0	£0	£0	
3 Bed Flat Low rise	£0	£0	£0	£0	£0	
4 Bed + Flat Low rise	£0	£0	£0	£0	£0	
1 Bed Flat High rise	£0	£0	£0	£0	£0	
2 Bed Flat High rise	£0	£0	£0	£0	£0	
3 Bed Flat High rise	£0	£0	£0	£0	£0	
4 Bed + Flat High rise	£0	£0	£0	£0	£0	
2 Bed House	£157,333	£234,167	£0	£0	£0	
3 Bed House	£291,765	£333,125	£0	£0	£0	
4 Bed + House	£416,875	£440,000	£0	£0	£0	
Total Revenue £	£15,513,000	£8,555,000	£0	£0	£0	£28,074,000
Net Area (sq m)	9,948	4,077	-	-	-	14,025
Revenue (£ / sq m)	£1,962	£2,098	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES

£28,074,000

Capital Value of Private Rental

Phase 1
Phase 2
Phase 3
Phase 4
Phase 5
Total PR

£0
£0
£0
£0
£0
£0

CAPITAL VALUE OF OPEN MARKET HOUSING

BUILD COST OF OPEN MARKET HOUSING Inc Contingency

£18,315,214 £ 1,305 psqm

£28,074,000

£ 2,002 psqm

CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING

£3,758,786

AH Residential Values

AH & RENTAL VALUES BASED ON NET RENTS

Type of Unit	Social Rented	Shared Ownership (all phases)	Affordable Rent (all phases)	Total
1 Bed Flat Low rise				
2 Bed Flat Low rise				
3 Bed Flat Low rise				
4 Bed + Flat Low rise				
1 Bed Flat High rise				
2 Bed Flat High rise				
3 Bed Flat High rise				
4 Bed + Flat High rise				
2 Bed House		£78,303	£400,027	£478,330
3 Bed House		£120,717	£106,984	£227,701
4 Bed + House				
	£0	£199,020	£507,011	£706,030
£ psqm of CV (phase 1)	-	1,142	1,142	

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING)

£706,030

RP Cross Subsidy (use of own assets)

£0

LA s106 commuted in lieu

£0

RP Re-cycled SHG

£0

Use of AR rent conversion income

£0

Other source of AH funding

£0

OTHER SOURCES OF AFFORDABLE HOUSING FUNDING

£0

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (INCLUDING OTHER FUNDING)

£706,030

BUILD COST OF AFFORDABLE HOUSING Inc Contingency

£787,102 £ 1,295 psqm



HCA Development Appraisal Tool

Printed 06/09/2021

CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING

-£81,071

Car Parking

No. of Spaces	Price per Space (£)	Value
215	-	£0

Value of Residential Car Parking

£0

Car Parking Build Costs

£129,600

Ground rent

Capitalised annual ground rent

Social Rented

£0

Shared Ownership

£0

Affordable Rent

£0

Open market (all phases)

£0

Capitalised Annual Ground Rents

£0

TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME

£28,780,030

TOTAL BUILD COST OF RESIDENTIAL SCHEME

£19,231,915

TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME

£9,548,115

Non-Residential

Cost

Values

Office

£0

Retail

£0

Industrial

£0

Leisure

£0

Community Use

£0

Community Infrastructure Levy

£0

CAPITAL VALUE OF NON-RESIDENTIAL SCHEME

£0

COSTS OF NON-RESIDENTIAL SCHEME

£0

CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL

£0

GROSS DEVELOPMENT VALUE OF SCHEME

£28,780,030

TOTAL BUILD COSTS

£19,231,915

TOTAL CONTRIBUTION TO SCHEME COSTS

£9,548,115

External Works & Infrastructure Costs (£)

Per unit

% of GOV

per Hectare

Site Preparation/Demolition

£30,000

288

0.1%

4,167

Roads and Sewers

£2,298,000

22,096

8.0%

319,167

SUDs and Storm Attenuation

£92,160

886

0.3%

12,800

Site Landscaping

£40,000

385

0.1%

5,556

Site Works

£60,725

584

0.2%

8,434

Public Open Space

£0

Site Specific Sustainability Initiatives

£0

Plot specific external works

£260,000

2,500

0.9%

36,111

Single Garages

£144,000

1,385

0.5%

20,000

Double Garages

£273,000

2,625

0.9%

37,917

£3,197,885

11.1%

444,151

Other site costs

Fees and certification

6.5%

£1,219,790

11,729

4.2%

169,415

Other Acquisition Costs (£)

£0

Site Abnormals (£)

De-canting tenants

£0

Decontamination

£0

Other

£0

Other 2

£0

Other 3

£0

Other 4

£0

Other 5

£0

Total Site Costs Inc Fees

£4,417,675

42,478

Statutory 106 Costs (£)

Education

£0

Sport & Recreation

£0

Social Infrastructure

£0

Public Realm

£0

Affordable Housing

£0

Transport

£0

Highway

£0

Health

£0

Public Art

£0

Flood work

£0

Community Infrastructure Levy

£0

Other Tariff

£0

Other 1

£0

Other 2

£0

Other 3

£0

Other 4

£0

Statutory 106 costs

£0



MAXEY GROUNDS

HCA Development Appraisal Tool

Printed 06/09/2021

Marketing (Open Market Housing ONLY)

Sales/letting Fees 3.0% per OM unit
£842,220 8,773

Legal Fees (per Open Market unit): £750 £72,000 750

Marketing (Affordable Housing)

Developer cost of sale to RP (£) £2,000 per affordable unit 250

RP purchase costs (£) £0

Intermediate Housing Sales and Marketing (£) £0

Total Marketing Costs £916,220

Total Direct Costs £24,565,810

Finance and acquisition costs

Land Payment £1,980,000 20,625 per OM home 275,000 per hectare

Arrangement Fee £20,000 3.9% of Interest

Misc Fees (Surveyors etc) £5,000 0.02% of scheme value

Agents Fees £0

Legal Fees £14,850

Stamp Duty £88,500

Total Interest Paid £505,602

Total Finance and Acquisition Costs £2,614,952

Developer's return for risk and profit

Residential

Market Housing Return (inc OH) on Value 17.5% £4,912,950 51,177 per OM unit

Affordable Housing Return on Cost 6.0% £46,074 5,759 per affordable unit

Return on sale of Private Rent 0.0% £0 #DIV/0! per PR unit

Non-residential

Office £0

Retail £0

Industrial £0

Leisure £0

Community-use £0

Total Operating Profit £4,959,024

(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST £32,139,787

Surplus/(Deficit) at completion 1/4/2024 (£3,359,756)

Present Value of Surplus (Deficit) at 1/1/2020 (£2,596,628)

Scheme Investment MIRR 13.8% (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value 6.9% Peak Cash Requirement -£3,359,756

Site Value (PV) per hectare -£360,643 per hectare -£188,844 per acre