Surplus (Deficit) from Input land valuation at 5/7/2021 -£1,763,000

HCA DEVELOPMENT APPRAISAL TOOL

SUMMARY DETAIL

SCHEME

Site Address	Phase 2 at Balmoral Way, Holbeach	Date of appraisal	05/07/2021
Site Reference	21098E	Net Residential Site Area	3.67
File Source		Author & Organisation	Maxey Grounds 22 - 24 Market Place, March, Cambridgeshi
Scheme Description	81 Units with 25% Affordable Housing plus Cash S106 Contributions	Registered Provider (whol	0

Housing Mix (Affordable + Open Market)

Total Number of Units	81	*units*
Total Number of Open Market Units	61	*units*
Total Number of Affordable Units	20	*units*
Total Net Internal Area (sq m)	7,248	*sq m*
% Affordable by Unit	24.7%	
% Affordable by Area	19.5%	
Density	22	*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	3.67	*hectares*
Net Site Area	3.67	*hectares*
Net Internal Housing Area / Hectare	1,975	*sq m / hectare*

equals 8,602 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	£165,417	£0	£0	£0	£0	
3 Bed House	£206,163	£0	£0	£0	£0	
4 Bed + House	£265,500	£0	£0	£0	£0	
Total Revenue £	**£13,043,500**	**£0**	**£0**	**£0**	**£0**	**£13,043,500**
Net Area (sq m)	5,832	-	-	-	-	5,832
Revenue (£ / sq m)	£2,237	-	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES **£13,043,500**

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 **£13,043,500** £ 2,237 psqm

BUILD COST OF OPEN MARKET HOUSING inc Contingency **£6,922,292** £ 1,187 psqm

CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING **£6,121,208**

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		£326,914	£979,935	£1,306,850
3 Bed House		£381,726	£320,952	£702,678
4 Bed + House				
	£0	£708,641	£1,300,887	**£2,009,528**
£ psqm of CV (phase 1)	-	1,419	1,355	

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING) **£2,009,528**

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) **£2,009,528**

BUILD COST OF AFFORDABLE HOUSING inc Contingency **£1,680,721** £ 1,187 psqm

CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING **£328,807**

Car Parking

No. of Spaces	Price per Space (£)	Value
162	-	£0

Value of Residential Car Parking		**£0**
Car Parking Build Costs	£97,200	

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		**£15,053,028**
TOTAL BUILD COST OF RESIDENTIAL SCHEME	**£8,700,214**	
TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME		**£6,352,814**

Non-Residential

	Cost	Values
Office	£0	£0
Retail	£0	£0
Industrial	£0	£0
Leisure	£0	£0
Community Use	£0	£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		**£15,053,028**
TOTAL BUILD COSTS	**£8,700,214**	
TOTAL CONTRIBUTION TO SCHEME COSTS		**£6,352,814**

External Works & Infrastructure Costs (£)			Per unit	% of GDV	per Hectare
Site Preparation/Demolition		£60,000	741	0.4%	16,349
Roads and Sewers		£1,531,206	18,904	10.2%	417,222
SUDs and Storm Attenuation		£35,500	438	0.2%	9,673
Foul Pump inc. Rising Main and Compound		£135,000	1,667	0.9%	36,785
Off Site Works		£30,000	370	0.2%	8,174
General Site Landscaping		£25,000	309	0.2%	6,812
Acoustics		£152,532	1,883	1.0%	41,562
Plot specific external works		£202,500	2,500	1.3%	55,177
Site Works		£443,583	5,476	2.9%	120,867
Garages		£479,000	5,914	3.2%	130,518
		£3,094,321		20.6%	843,139
Other site costs					
Fees and certification	6.0%	£509,423	6,289	3.4%	138,807
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		**£3,603,744**	44,491		
Statutory 106 Costs (£)					
Education		£435,017	5,371		
Sport & Recreation		£0			
Social Infrastructure		£0			
Public Realm		£0			
Affordable Housing		£0			
Transport		£0			
Highway		£0			
Health		£54,120	668		
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		**£489,137**	6,039		

Marketing (Open Market Housing ONLY)			per OM unit		
Sales/letting Fees	3.0%	£391,305	6,415		
Legal Fees (per Open Market unit):	£750	£45,750	750		
Marketing (Affordable Housing)			per affordable unit		
Developer cost of sale to RP (£)		£8,000	400		
RP purchase costs (£)		£0			
Intermediate Housing Sales and Marketing (£)		£0			
Total Marketing Costs		**£445,055**			
Total Direct Costs			**£13,238,150**		
Finance and acquisition costs					
Land Payment		£1,000,000	16,393	per OM home	272,480 per hectare
Arrangement Fee		£15,000	3.3%	of interest	
Misc Fees (Surveyors etc)		£3,000	0.02%	of scheme value	
Agents Fees		£0			
Legal Fees		£7,500			
Stamp Duty		£39,500			
Total Interest Paid		£451,727			
Total Finance and Acquisition Costs			**£1,516,727**		
Developer's return for risk and profit					
Residential					
Market Housing Return (Inc OH) on Valu	17.5%	£2,282,613	37,420	per OM unit	
Affordable Housing Return on Cost	6.0%	£98,384	4,919	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	**£0**			
Total Operating Profit			**£2,380,996**		

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

TOTAL COST	£17,135,873
Surplus/(Deficit) at completion 1/4/2024	**(£2,082,845)**
Present Value of Surplus (Deficit) at 5/7/2021	**(£1,763,000)**

Scheme Investment MIRR **8.5%** (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value	6.6%	Peak Cash Requirement	-£4,676,034
Site Value (PV) per hectare	-£480,382 per hectare	-£229,677 per acre	

Surplus (Deficit) from Input land valuation at 5/7/2021 -£589,382

HCA DEVELOPMENT APPRAISAL TOOL

SUMMARY DETAIL

SCHEME

Site Address	Phase 2 at Balmoral Way, Holbeach	Date of appraisal	05/07/2021
Site Reference	21098E	Net Residential Site Area	3.67
File Source		Author & Organisation	Maxey Grounds 22 - 24 Market Place, March, Cambridgeshi
Scheme Description	81 Units with 25% Affordable Housing plus Cash S106 Contributions	Registered Provider (whol	0

Housing Mix (Affordable + Open Market)

Total Number of Units	81	*units*
Total Number of Open Market Units	81	*units*
Total Number of Affordable Units	0	*units*
Total Net Internal Area (sq m)	7,248	*sq m*
% Affordable by Unit	0.0%	
% Affordable by Area	0.0%	
Density	22	*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	3.67	*hectares*
Net Site Area	3.67	*hectares*
Net Internal Housing Area / Hectare	1,975	*sq m / hectare*

equals 8,602 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	£160,725	£0	£0	£0	£0	
3 Bed House	£204,796	£0	£0	£0	£0	
4 Bed + House	£265,500	£0	£0	£0	£0	
Total Revenue £	**£16,435,500**	**£0**	**£0**	**£0**	**£0**	**£16,435,500**
Net Area (sq m)	7,248	-	-	-	-	7,248
Revenue (£ / sq m)	£2,268	-	-	-	-	

CAPITAL VALUE OF OPEN MARKET SALES **£16,435,500**

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 **£16,435,500** £ 2,268 psqm
BUILD COST OF OPEN MARKET HOUSING inc Contingency **£8,603,014** £ 1,187 psqm
CONTRIBUTION TO SCHEME COSTS FROM OPEN MARKET HOUSING **£7,832,486**

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				
3 Bed House				
4 Bed + House				
	£0	£0	£0	**£0**
£ psqm of CV (phase 1)	-	-	-	

CAPITAL VALUE OF ALL AFFORDABLE HOUSING (EXCLUDING OTHER FUNDING) **£0**

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) **£0**
BUILD COST OF AFFORDABLE HOUSING inc Contingency **£0** #DIV/0!

CONTRIBUTION TO SCHEME COSTS FROM AFFORDABLE HOUSING **£0**

Car Parking

No. of Spaces	Price per Space (£)	Value
162	-	£0

Value of Residential Car Parking		**£0**
Car Parking Build Costs	£97,200	

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		**£16,435,500**
TOTAL BUILD COST OF RESIDENTIAL SCHEME	**£8,700,214**	
TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME		**£7,735,286**

Non-Residential

	Cost	Values
Office	£0	£0
Retail	£0	£0
Industrial	£0	£0
Leisure	£0	£0
Community Use	£0	£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		**£16,435,500**
TOTAL BUILD COSTS	**£8,700,214**	
TOTAL CONTRIBUTION TO SCHEME COSTS		**£7,735,286**

External Works & Infrastructure Costs (£)			Per unit	% of GDV	per Hectare
Site Preparation/Demolition		£60,000	741	0.4%	16,349
Roads and Sewers		£1,531,206	18,904	9.3%	417,222
SUDs and Storm Attenuation		£35,500	438	0.2%	9,673
Foul Pump inc. Rising Main and Compound		£135,000	1,667	0.8%	36,785
Off Site Works		£30,000	370	0.2%	8,174
General Site Landscaping		£25,000	309	0.2%	6,812
Acoustics		£152,532	1,883	0.9%	41,562
Plot specific external works		£202,500	2,500	1.2%	55,177
Site Works		£443,583	5,476	2.7%	120,867
Garages		£479,000	5,914	2.9%	130,518
		£3,094,321		18.8%	843,139
Other site costs					
Fees and certification	6.0%	£509,423	6,289	3.1%	138,807
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		**£3,603,744**	44,491		

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**

Marketing (Open Market Housing ONLY)			per OM unit		
Sales/letting Fees	3.0%	£493,065	6,087		
Legal Fees (per Open Market unit):	£750	£60,750	750		
Marketing (Affordable Housing)			per affordable unit		
Developer cost of sale to RP (£)		£0			
RP purchase costs (£)		£0			
Intermediate Housing Sales and Marketing (£)		£0			
Total Marketing Costs		**£553,815**			
Total Direct Costs			**£12,857,773**		
Finance and acquisition costs					
Land Payment		£1,000,000	12,346	per OM home	272,480 per hectare
Arrangement Fee		£15,000	4.5%	of interest	
Misc Fees (Surveyors etc)		£3,000	0.02%	of scheme value	
Agents Fees		£0			
Legal Fees		£7,500			
Stamp Duty		£39,500			
Total Interest Paid		£332,823			
Total Finance and Acquisition Costs			**£1,397,823**		
Developer's return for risk and profit					
Residential					
Market Housing Return (Inc OH) on Valu	17.5%	£2,876,213	35,509	per OM unit	
Affordable Housing Return on Cost	6.0%	£0		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	**£0**			
Total Operating Profit			**£2,876,213**		

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

TOTAL COST	**£17,131,808**	
Surplus/(Deficit) at completion 1/4/2024		**(£696,308)**
Present Value of Surplus (Deficit) at 5/7/2021		**(£589,382)**

Scheme Investment MIRR **23.0%** (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value	6.1%	Peak Cash Requirement	-£3,958,203
Site Value (PV) per hectare	-£160,595 per hectare	-£76,783 per acre	