

Viability Appraisal

**prepared on behalf of Nightingale Family in
respect of planning application reference
2020/1108
at
Kighill Lane, Ravenshead, Notts.**

23 November 2020

**Development Viability Appraisal of Land Adjacent to 16 Kighill Lane Ravenshead NG15
9HN
For The Nightingale Trust – Planning Application 2020/1108**

Introduction and Context

This report is prepared in response to Gedling B.C.'s stated requests for social infrastructure contributions (affordable housing and S106 contributions for education and open space) in respect of the development of this part of Housing Allocation X5 as reflected amongst the Reasons for Refusal of Planning Application 2019/1187.

A previous viability assessment was carried out by Freeths in December 2018 in respect of a 6 dwelling development on land at 22 Kighill Lane (also forming part of X5) and reported on by the DVS on 13th May 2019 which verified that applicant's position that provision of such infrastructure was unviable. Given the similarities between the two applications, it was not considered necessary for GBC to seek a further viability for this site particularly as the wider X5 allocation is no longer capable of being developed comprehensively and this residual site development fell below the thresholds for affordable housing and S106 contributions.

Notwithstanding the above, and without prejudice to our position, we have reviewed the content of that DVS report, applied up to date valuations and costs relevant to the current 7 dwelling application on the same format as the earlier viability, and generated appraisal outcomes which clearly demonstrates that the delivery of affordable housing alongside S106 contributions would not be viable, whereas if S106 contributions for education and public open space were justified (without affordable housing) the developer return would fall within the profit range deemed to deliver a suitable return for the developer with due reference to PPG guidance at Paragraph: 018 Reference ID: 10-018-20190509.

Situation/location

The subject property is located at the southern periphery of the commuter settlement of Ravenshead, approximately nine miles north of Nottingham City Centre in a primarily residential location. From the south-west Kighill Lane is accessible from the A60/Mansfield Road and from Longdale Lane to the north-east.

Description

The property comprises a rectangular-shaped site extending to a gross area of 0.392 hectares/0.97 acres. The site abuts Kighill Lane to the south-east (which has housing fronting it on the other side), 16 Kighill Lane and the balance of the X5 housing allocation to the south-west, open land comprising the un-developed housing allocation H18 to the north-west and north-east.

Nature of Interest

The subject property is freehold with Vacant Possession being available.

Easements, Rights of Way and Restrictions affecting Value

There are no restrictions, outgoings or charges adversely affecting the subject site and it is not ransomed.

Planning

Planning application 2019/1187 for the construction of 8 dwellings with private accesses and garaging was refused on 23rd October 2020 on design and amenity grounds and lack of provision of social infrastructure.

Planning application 2020/1108 for the construction of 7 dwellings with private accesses and garaging is currently under consideration and in the applicant's, view addresses the design and amenity issues raised in the previous application. This report seeks to address the reason for refusal relating to viability evidence to demonstrate that the scheme cannot support both affordable housing and S106 contributions.

No further planning history exists for the planning site other than it forms part of X5 housing allocation in the current Gedling Local Plan.

Proposed Scheme

Type	No.	Size per Unit (Square Metres)	Size per Unit (Square Feet)
4-bed House	3	293	3154
4-bed House	4	272	2928
Total units	7		
Total area		1967	21174

Affordable Housing and Section 106 contributions

We are informed that policy requires for the provision of 30% affordable housing (confirmed by GBC as 2 dwellings). The submitted application layout does not plot affordable units yet for the purposes of viability assessment Appraisals 2 and 3 assume that plots 3 and 4 are affordable dwellings valued respectively at around 47% and 39% of the open market value applied in Appraisals 1 & 1A. This is in line with the approach that the DVS adopted on the previous viability assessment.

The Section 106 contribution requests are detailed below: -

Education	£23,875
Open Space	£37,625
Total	£61,490

Site Area

The following land area is calculated on a gross site area basis: -

Acres	Hectares
0.97	0.392

Mineral Stability

It is assumed that the property is not affected by any mining subsidence and will not be in the future, and that the site is stable and will not occasion any extraordinary costs with regard to mining subsidence.

Flooding

Based on the Environment Agency's flood map for planning, the subject site is located in Flood Zone 1.

Contamination

The site is not affected by contamination.

Archaeology

The site is not affected by archaeology.

Ecology

The site is not affected by any ecological matters.

Development Appraisals 1 – No affordable or S106 Contributions and 1A - Assuming no affordable housing yet including Section 106 contributions.

These Appraisals have been prepared in the same format as the Freeths Appraisal dated 12th December 2018 to support the six-unit scheme ultimately approved at appeal under reference 2018/1186. Adjustments have been made to deal with square meterage of the schemes and inflation in the period since December 2018.

Gross Development Value

The first appraisal in line with the Freeths appraisal makes no allowance for affordable housing or S106 financial contributions

The second appraisal (1A) makes no allowance for affordable housing but includes the requested education and open space contributions. These two appraisals assess the total sales value at £5,125,000 (£2,605/m²/£242ft²) which equates to an increase of 6% above the

rate agreed by the DVS in their report of May 2019. The Nationwide house price index for the East Midlands shows an increase in house prices of 5.68% between Q4 2018 and Q3 2020. An extract of the House Price Index Calculator for that period is attached.

Construction and Abnormal Costs

The Appraisals assess total construction costs including externals at £1,680 per m²/£156per ft² which equates to an increase of 5.7% since the Freeths Appraisal of December 2018, which is in line with BCIS reported increases since Q4 2018.

Again, in line with the Freeths appraisal these first two appraisals make no allowances for abnormal cost.

The appraisals allow for 2.5% contingency which was confirmed to be reasonable by the DVS in May 2019.

Professional Fees

Appraisals 1 & 1A allow for 6% which is in line with what the DVS agreed was reasonable in May 2019.

Finance Costs/Development Programme

The applicant doesn't have access to the software that Freeths have used and has therefore produced its own Cash Flow. The assumptions made in the cashflow in terms of development period and interest rates concur with what was agreed to be reasonable by the DVS in May 2019 and in fact a quicker build out is assumed than was allowed for in the Freeths's appraisal.

Sales and Marketing Costs

The appraisals allow for 2% agent and marketing fees and £500 per unit legal conveyancing costs which is in line with what the DVS agreed was reasonable in May 2019.

Affordable Housing and Section 106 Contributions

No Allowance has been made for affordable housing in either appraisal. However, in appraisal 1A the requested £61,490 section 106 contributions for education and open space have been allowed for.

Community Infrastructure Levy

The Appraisals make allowance for the above at the 2020 rate of £97.85 which represents an increase of 40% over the 2018 rate that was used in the Freeths appraisal and, as will be seen from the cashflow, has been allocated to the periods that tie in with Gedling's adopted CIL instalment policy for liabilities in excess of £100,000

Developer's Profit

Appraisal 1 with no affordable housing or S106 contributions shows a developer profit of 18.71% which is within the range deemed a 'reasonable return' within the NPPG.

Appraisal 1A allows for a Developer's profit of 17.47% which is in line with the level of profit (17.5%) that the DVS deemed acceptable in May 2019.

Residual Land Value and Conclusion- Appraisal 1 and 1A

The Appraisal has been run at a Land Value of £200,000 in line with what the DVS agreed was acceptable in May 2019.

The development is viable at profit levels of 18.71% and 17.48% and could, if justified, support S106 Contributions for Education and Public Open Space.

Development Appraisal (2) with Affordable Housing and Section 106 contributions – Land value fixed – Residual Profit Margin

Development Appraisal (3) with Affordable Housing and Section 106 contributions – Profit level fixed at 17.47% – Residual Land Value

The applicant has made similar assumptions as the DVS did in May 2019 in assessing the impact of providing affordable housing on site. The DVS in that appraisal assumed 1 no. social rent unit and 1 no. shared ownership unit but didn't allocate specific revenues to those 2 chosen units. What is evident from the DVS report is that the overall impact on GDV was to reduce average sales revenue to £2,062 per m²/£192 per ft². On this basis it was decided to run the second and third appraisals at an average revenue of £2,186 per m²/£203 per ft² (representing an increase of 6% on the DVS figures used in their 2019 report). Appraisals 2 and 3 have therefore been run with plots 3 and 4 at reduced revenues of around 47% and 39% of their open market sales value. This results in overall average revenues for the scheme reducing from £2605m² (In appraisals 1 /1A) down to £2186 per m²/£203/ft² in appraisals 2/3.

Appraisal 2 and Appraisal 3 have also made allowance for the requested Section 106 contributions and timings of these payments in terms of the second and third cash flows have followed similar assumptions to those made by the DVS in May 2019.

The only other adjustments to Appraisal 2 and Appraisal 3 are a reduction in sales and marketing costs to reflect that only 5 of the units will be private sale. No reduction to the overall development period has been made as it is felt that speed of build will dictate the overall development period rather than speed of sale and in any event the overall development period is still similar to that assumed by the DVS in May 2019.

Conclusions - Appraisals 2 and 3

The impact of providing 30% affordable housing equating to 2 dwellings on site is shown in Appraisal 2 and Appraisal 3, with the former showing the impact on developer profit with land value remaining at £200,000 and the latter showing the impact on land value with the margin remaining at circa 17.47%.

The applicant is therefore of the view that it is clearly evident that at a Developer Profit of 0.49% (Appraisal 2) or a negative land value of £-509,500 (Appraisal 3) that the demands for both Section 106 together with affordable housing cannot be reasonably justified on economic/viability grounds.

House Price Index calculator

Please enter the details of your last valuation

Property value:

£100,000

Min: £0

Max: £2,000,000

Valuation year 1

2018

Valuation quarter 1

Q4

Property region:

East Midlands

[What Region?](#)

Valuation year 2

2020

Valuation quarter 2

Q3

Calculate

Valuation date 1 (Q4 2018): **£100,000**

Valuation date 2 (Q3 2020): **£105,680**

Percentage change: **5.68%**

Legal Information

The Nationwide House Price Indices are prepared from information that we believe is collated with care, but no representation is made as to their accuracy or completeness. We reserve the right to vary our methodology and to edit or discontinue the indices at any time, for regulatory or other reasons.

Persons seeking to place reliance on the Indices for any purpose whatsoever do so at their own risk and should be aware that various factors, including external factors beyond Nationwide Building Society's control might necessitate material changes to the Indices.

RESIDUAL VALUATION 1
No Affordable allowed OR Section 106
contributions allowed for

plot	Total	1	2	3	4	5	6	7	%age of GDV	rate/m2	rate/ft2	Total	Check
meterage	1967.00	293.00	293.00	293.00	272.00	272.00	272.00	272.00				1967.00	£ -
Land	£ 200,000.00	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	3.90%	£ 101.68	£ 9.53	£ 200,000.00	£ -
legals	£ 1,000.00	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	0.02%	£ 0.51	£ 0.05	£ 1,000.00	£ -
SDLT	£ 1,000.00	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	0.02%	£ 0.51	£ 0.05	£ 1,000.00	£ -
professional fees	£ 198,273.60	£ 29,534.40	£ 29,534.40	£ 29,534.40	£ 27,417.60	£ 27,417.60	£ 27,417.60	£ 27,417.60	3.87%	£ 100.80	£ 9.45	£ 198,273.60	£ -
Build costs	£ 3,304,560.00	£ 492,240.00	£ 492,240.00	£ 492,240.00	£ 456,960.00	£ 456,960.00	£ 456,960.00	£ 456,960.00	64.48%	£ 1,680.00	£ 157.45	£ 3,304,560.00	£ -
contingency	£ 82,614.00	£ 12,306.00	£ 12,306.00	£ 12,306.00	£ 11,424.00	£ 11,424.00	£ 11,424.00	£ 11,424.00	1.61%	£ 42.00	£ 3.94	£ 82,614.00	£ -
CIL	£ 192,470.95	£ 28,670.05	£ 28,670.05	£ 28,670.05	£ 26,615.20	£ 26,615.20	£ 26,615.20	£ 26,615.20	3.76%	£ 97.85	£ 9.17	£ 192,470.95	£ -
section 106 costs	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	0.00%	£ -	£ -	£ -	£ -
Selling costs	£ 102,500.00	£ 15,500.00	£ 15,500.00	£ 15,000.00	£ 14,000.00	£ 14,000.00	£ 14,200.00	£ 14,300.00	2.00%	£ 52.11	£ 4.88	£ 102,500.00	£ -
conveyancing costs	£ 3,500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	0.07%	£ 1.78	£ 0.17	£ 3,500.00	£ -
Finance costs	£ 80,339.64	£ 11,477.09	£ 11,477.09	£ 11,477.09	£ 11,477.09	£ 11,477.09	£ 11,477.09	£ 11,477.09	1.57%	£ 40.84	£ 3.83	£ 80,339.64	£ -
Total Costs	£ 4,166,258.19	£ 619,084.68	£ 619,084.68	£ 618,584.68	£ 577,251.03	£ 577,251.03	£ 577,451.03	£ 577,551.03		£ 2,118.08	£ 198.51	£ 4,166,258.19	£ -
Revenue	£ 5,125,000.00	£ 775,000.00	£ 775,000.00	£ 750,000.00	£ 700,000.00	£ 700,000.00	£ 710,000.00	£ 715,000.00		£ 2,605.49	£ 244.19	£ 5,125,000.00	£ -
average price per m2	£ 2,605.49												
average price per ft2	£ 242.15												
Profit	£ 958,741.81	£ 155,915.32	£ 155,915.32	£ 131,415.32	£ 122,748.97	£ 122,748.97	£ 132,548.97	£ 137,448.97	18.71%	£ 487.41	£ 45.68	£ 958,741.81	
Profit as %age of GDV	18.71%	20.12%	20.12%	17.52%	17.54%	17.54%	18.67%	19.22%	100.00%			18.71%	

Cash flow	Total	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Total	Check
Land	£ 200,000.00	£ 200,000.00										£ 200,000.00	£ -
legals	£ 1,000.00	£ 1,000.00										£ 1,000.00	£ -
SDLT	£ 1,000.00	£ 1,000.00										£ 1,000.00	£ -
professional fees	£ 198,273.60	£ 83,274.91	£ 83,274.91	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 198,273.60	£ -
build costs	£ 3,304,560.00	£ 165,228.00	£ 413,070.00	£ 413,070.00	£ 413,070.00	£ 330,456.00	£ 413,070.00	£ 330,456.00	£ 330,456.00	£ 330,456.00	£ 165,228.00	£ 3,304,560.00	£ -
contingency	£ 82,614.00	£ 4,130.70	£ 10,326.75	£ 10,326.75	£ 10,326.75	£ 8,261.40	£ 10,326.75	£ 8,261.40	£ 8,261.40	£ 8,261.40	£ 4,130.70	£ 82,614.00	£ -
CIL	£ 192,470.95		£ 48,117.74		£ 48,117.74			£ 48,117.74		£ 48,117.74		£ 192,470.95	£ -
section 106	£ -						£ -					£ -	£ -
Selling costs	£ 102,500.00				£ 15,500.00	£ 15,500.00	£ 15,000.00	£ 14,000.00	£ 14,000.00	£ 14,200.00	£ 14,300.00	£ 102,500.00	£ -
Conveyancing costs	£ 3,500.00				£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 3,500.00	£ -

Profit	£	958,741.81				£	155,915.32	£	155,915.32	£	131,415.32	£	122,748.97	£	122,748.97	£	132,548.97	£	137,448.97	£	958,741.81	£	(0.00)				
Total Costs	£	4,166,258.19	£	454,633.61	£	554,789.40	£	427,362.22	£	491,479.96	£	358,682.87	£	442,862.22	£	405,300.61	£	357,182.87	£	405,500.61	£	188,124.17	£	4,085,918.55			
Income	£	5,125,000.00	£	-	£	-	£	-	£	775,000.00	£	775,000.00	£	750,000.00	£	700,000.00	£	700,000.00	£	710,000.00	£	715,000.00	£	5,125,000.00	£	-	
Profit	£	958,741.81																		£	(243,741.81)	£	(715,000.00)	£	(958,741.81)	£	(0.00)
net costs in Quarter			£	454,633.61	£	554,789.40	£	427,362.22	£	(283,520.04)	£	(416,317.13)	£	(307,137.78)	£	(294,699.39)	£	(342,817.13)	£	(60,757.58)	£	188,124.17					
cumulative net cost			£	454,633.61	£	1,009,423.01	£	1,436,785.23	£	1,153,265.19	£	736,948.07	£	429,810.29	£	135,110.90	£	(207,706.23)	£	(268,463.81)	£	(80,339.64)					
interest	£	80,339.64	£	6,819.50	£	15,141.35	£	21,551.78	£	17,298.98	£	11,054.22	£	6,447.15	£	2,026.66	£	-	£	-	£	-	£	80,339.64	£	(0.00)	

RESIDUAL VALUATION 1A
No Affordable allowed for
Section 106 contributions allowed for

plot	Total	1	2	3	4	5	6	7	%age of GDV	rate/m2	rate/ft2	Total	Check
meterage	1967.00	293.00	293.00	293.00	272.00	272.00	272.00	272.00				1967.00	£ -
Land	£ 200,000.00	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	£ 28,571.43	3.90%	£ 101.68	£ 9.53	£ 200,000.00	£ -
legals	£ 1,000.00	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	0.02%	£ 0.51	£ 0.05	£ 1,000.00	£ -
SDLT	£ 1,000.00	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	0.02%	£ 0.51	£ 0.05	£ 1,000.00	£ -
professional fees	£ 198,273.60	£ 29,534.40	£ 29,534.40	£ 29,534.40	£ 27,417.60	£ 27,417.60	£ 27,417.60	£ 27,417.60	3.87%	£ 100.80	£ 9.45	£ 198,273.60	£ -
Build costs	£ 3,304,560.00	£ 492,240.00	£ 492,240.00	£ 492,240.00	£ 456,960.00	£ 456,960.00	£ 456,960.00	£ 456,960.00	64.48%	£ 1,680.00	£ 157.45	£ 3,304,560.00	£ -
contingency	£ 82,614.00	£ 12,306.00	£ 12,306.00	£ 12,306.00	£ 11,424.00	£ 11,424.00	£ 11,424.00	£ 11,424.00	1.61%	£ 42.00	£ 3.94	£ 82,614.00	£ -
CIL	£ 192,470.95	£ 28,670.05	£ 28,670.05	£ 28,670.05	£ 26,615.20	£ 26,615.20	£ 26,615.20	£ 26,615.20	3.76%	£ 97.85	£ 9.17	£ 192,470.95	£ -
section 106 costs	£ 61,490.00	£ 8,784.29	£ 8,784.29	£ 8,784.29	£ 8,784.29	£ 8,784.29	£ 8,784.29	£ 8,784.29	1.20%	£ 31.26	£ 2.93	£ 61,490.00	
Selling costs	£ 102,500.00	£ 15,500.00	£ 15,500.00	£ 15,000.00	£ 14,000.00	£ 14,000.00	£ 14,200.00	£ 14,300.00	2.00%	£ 52.11	£ 4.88	£ 102,500.00	£ -
conveyancing costs	£ 3,500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	£ 500.00	0.07%	£ 1.78	£ 0.17	£ 3,500.00	£ -
Finance costs	£ 82,184.34	£ 11,740.62	£ 11,740.62	£ 11,740.62	£ 11,740.62	£ 11,740.62	£ 11,740.62	£ 11,740.62	1.60%	£ 41.78	£ 3.92	£ 82,184.34	£ -
Total Costs	£ 4,229,592.89	£ 628,132.50	£ 628,132.50	£ 627,632.50	£ 586,298.85	£ 586,298.85	£ 586,498.85	£ 586,598.85		£ 2,150.28	£ 201.53	£ 4,229,592.89	£ -
Revenue	£ 5,125,000.00	£ 775,000.00	£ 775,000.00	£ 750,000.00	£ 700,000.00	£ 700,000.00	£ 710,000.00	£ 715,000.00		£ 2,605.49	£ 244.19	£ 5,125,000.00	£ -
average price per m2	£ 2,605.49												
average price per ft2	£ 242.15												
Profit	£ 895,407.11	£ 146,867.50	£ 146,867.50	£ 122,367.50	£ 113,701.15	£ 113,701.15	£ 123,501.15	£ 128,401.15	17.47%	£ 455.21	£ 42.66	£ 895,407.11	
Profit as %age of GDV	17.47%	18.95%	18.95%	16.32%	16.24%	16.24%	17.39%	17.96%	100.00%			17.47%	

Cash flow	Total	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Total	Check
Land	£ 200,000.00	£ 200,000.00										£ 200,000.00	£ -
legals	£ 1,000.00	£ 1,000.00										£ 1,000.00	£ -
SDLT	£ 1,000.00	£ 1,000.00										£ 1,000.00	£ -
professional fees	£ 198,273.60	£ 83,274.91	£ 83,274.91	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 3,965.47	£ 198,273.60	£ -

Profit	£	20,981.87	£	135,403.50	£	135,403.50	£	(274,096.50)	£	(308,307.15)	£	102,692.85	£	112,492.85	£	117,392.85		0.49%	£	10.67	£	1.00	£	20,981.87				
Profit as %age of GDV				0.49%		17.47%		17.47%		-78.31%		-112.11%		14.67%		15.84%		16.42%		100.00%						0.49%		
Cash flow	Total	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Total	Check															
Land	£	200,000.00	£	200,000.00																								
legals	£	1,000.00	£	1,000.00																								
SDLT	£	1,000.00	£	1,000.00																								
professional fees	£	200,634.00	£	84,266.28	£	84,266.28	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	200,634.00	£	-
build costs	£	3,343,900.00	£	167,195.00	£	417,987.50	£	417,987.50	£	417,987.50	£	334,390.00	£	417,987.50	£	334,390.00	£	334,390.00	£	334,390.00	£	334,390.00	£	167,195.00	£	3,343,900.00	£	-
contingency	£	83,597.50	£	4,179.88	£	10,449.69	£	10,449.69	£	10,449.69	£	8,359.75	£	10,449.69	£	8,359.75	£	8,359.75	£	8,359.75	£	8,359.75	£	4,179.88	£	83,597.50	£	-
CIL	£	192,470.95	£		£	48,117.74	£		£	48,117.74	£		£	48,117.74	£		£	48,117.74	£		£	48,117.74	£		£	192,470.95	£	-
section 106 contributions	£	61,490.00	£		£		£		£		£	61,490.00	£		£		£		£		£		£		£	61,490.00	£	-
Selling costs	£	73,500.00	£		£		£	15,500.00	£	15,500.00	£		£		£	14,000.00	£	14,200.00	£	14,300.00	£	14,300.00	£		£	73,500.00	£	-
Conveyancing costs	£	3,500.00	£		£		£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	3,500.00	£	-
Profit	£	20,981.87	£		£		£	135,403.50	£	135,403.50	£	(274,096.50)	£	(308,307.15)	£	102,692.85	£	112,492.85	£	117,392.85	£	117,392.85	£		£	20,981.87	£	(0.00)
Total Costs	£	4,279,018.13	£	457,641.16	£	560,821.21	£	432,449.87	£	496,567.61	£	362,762.43	£	494,439.87	£	395,380.17	£	361,262.43	£	409,580.17	£	190,187.56	£	190,187.56	£	4,161,092.45	£	
Income	£	4,300,000.00	£	-	£	-	£		£	775,000.00	£	775,000.00	£	350,000.00	£	275,000.00	£	700,000.00	£	710,000.00	£	715,000.00	£	715,000.00	£	4,300,000.00	£	-
Profit	£	20,981.87	£		£		£		£		£		£		£		£		£		£		£		£	(20,981.87)	£	-
net costs in Quarter	£		£	457,641.16	£	560,821.21	£	432,449.87	£	(278,432.40)	£	(412,237.57)	£	144,439.87	£	120,380.17	£	(338,737.57)	£	(300,419.83)	£	(503,830.58)	£	(503,830.58)	£	(20,981.87)	£	-
cumulative net cost	£		£	457,641.16	£	1,018,462.36	£	1,450,912.23	£	1,172,479.83	£	760,242.26	£	904,682.13	£	1,025,062.30	£	686,324.73	£	385,904.90	£	(117,925.68)	£	(117,925.68)	£		£	-
interest	£	117,925.68	£	6,864.62	£	15,276.94	£	21,763.68	£	17,587.20	£	11,403.63	£	13,570.23	£	15,375.93	£	10,294.87	£	5,788.57	£		£		£	117,925.68	£	0.00

RESIDUAL LAND VALUATION 3

with 2 affordable units and section 106 contributions
Fixed Profit Margin/Residual Land Value

plot	Total	1	2	3	4	5	6	7	%age of GDV	rate/m2	rate/ft2	Total	Check														
meterage	1967.00	293.00	293.00	293.00	272.00	272.00	272.00	272.00					1967.00	£	-												
Land	£ (509,500.00)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (72,785.71)	£ (24.28)	£ (509,500.00)	£	-												
legals	£ 1,000.00	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 0.05	£ 1,000.00	£	-												
SDLT	£ 1,000.00	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 142.86	£ 0.05	£ 1,000.00	£	-												
professional fees	£ 200,634.00	£ 29,886.00	£ 29,886.00	£ 29,886.00	£ 27,744.00	£ 27,744.00	£ 27,744.00	£ 27,744.00	£ 27,744.00	£ 27,744.00	£ 27,744.00	£ 9.56	£ 200,634.00	£	-												
Build costs	£ 3,343,900.00	£ 498,100.00	£ 498,100.00	£ 498,100.00	£ 462,400.00	£ 462,400.00	£ 462,400.00	£ 462,400.00	£ 462,400.00	£ 462,400.00	£ 462,400.00	£ 159.33	£ 3,343,900.00	£	-												
contingency	£ 83,597.50	£ 12,452.50	£ 12,452.50	£ 12,452.50	£ 11,560.00	£ 11,560.00	£ 11,560.00	£ 11,560.00	£ 11,560.00	£ 11,560.00	£ 11,560.00	£ 3.98	£ 83,597.50	£	-												
CIL	£ 192,470.95	£ 28,670.05	£ 28,670.05	£ 28,670.05	£ 26,615.20	£ 26,615.20	£ 26,615.20	£ 26,615.20	£ 26,615.20	£ 26,615.20	£ 26,615.20	£ 9.17	£ 192,470.95	£	-												

section 106 contributions	£	61,490.00	£	8,784.29	£	8,784.29	£	8,784.29	£	8,784.29	£	8,784.29	£	8,784.29	£	8,784.29	£	8,784.29	£	8,784.29	£	8,784.29	£	1.43%	£	31.26	£	2.93	£	61,490.00	£	-				
Selling costs	£	73,500.00	£	15,500.00	£	15,500.00			£	14,000.00	£	14,200.00	£	14,300.00			£	14,000.00	£	14,200.00	£	14,300.00	£	1.71%	£	37.37	£	3.50	£	73,500.00	£	-				
conveyancing costs	£	3,500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00			£	500.00	£	500.00	£	500.00	£	0.08%	£	1.78	£	0.17	£	3,500.00	£	-		
Finance costs	£	97,111.51	£	13,873.07	£	13,873.07	£	13,873.07	£	13,873.07	£	13,873.07	£	13,873.07	£	13,873.07			£	13,873.07	£	13,873.07	£	13,873.07	£	2.26%	£	49.37	£	4.63	£	97,111.51	£	-		
Total Costs	£	3,548,703.96	£	535,265.91	£	535,265.91	£	519,765.91	£	478,976.56	£	492,976.56	£	493,176.56	£	493,276.56			£	1,804.12	£	169.08	£	3,548,703.96	£		£	1,804.12	£	169.08	£	3,548,703.96	£	-		
Revenue	£	4,300,000.00	£	775,000.00	£	775,000.00	£	350,000.00	£	275,000.00	£	700,000.00	£	710,000.00	£	715,000.00			£	2,186.07	£	204.88	£	4,300,000.00	£		£	2,186.07	£	204.88	£	4,300,000.00	£	-		
average price per m2	£	2,186.07																																		
average price per ft2	£	203.17																																		
Profit	£	751,296.04	£	239,734.09	£	239,734.09	£	(169,765.91)	£	(203,976.56)	£	207,023.44	£	216,823.44	£	221,723.44			£	17.47%	£	381.95	£	35.80	£	751,296.04	£		£	751,296.04	£	-				
Profit as %age of GDV		17.47%		30.93%		30.93%		-48.50%		-74.17%		29.57%		30.54%		31.01%																				

Cash flow	Total	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Total	Check																				
Land	£	(509,500.00)										£	-	£	(509,500.00)																		
legals	£	1,000.00	£	1,000.00								£	1,000.00	£	-																		
SDLT	£	1,000.00	£	1,000.00								£	1,000.00	£	-																		
professional fees	£	200,634.00	£	84,266.28	£	84,266.28	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	4,012.68	£	200,634.00	£	-											
build costs	£	3,343,900.00	£	167,195.00	£	417,987.50	£	417,987.50	£	417,987.50	£	334,390.00	£	417,987.50	£	334,390.00	£	334,390.00	£	167,195.00	£	3,343,900.00	£	-									
contingency	£	83,597.50	£	4,179.88	£	10,449.69	£	10,449.69	£	10,449.69	£	8,359.75	£	10,449.69	£	8,359.75	£	8,359.75	£	8,359.75	£	8,359.75	£	4,179.88	£	83,597.50	£	-					
CIL	£	192,470.95		£	48,117.74		£	48,117.74		£	48,117.74		£	48,117.74		£	48,117.74		£	192,470.95	£	-											
section 106 contributions	£	61,490.00						£	61,490.00				£	61,490.00		£	61,490.00		£	61,490.00	£	-											
Selling costs	£	73,500.00				£	15,500.00	£	15,500.00		£	14,000.00	£	14,200.00	£	14,300.00	£	73,500.00	£	-													
Conveyancing costs	£	3,500.00				£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	500.00	£	3,500.00	£	-												
Profit	£	751,296.04				£	239,734.09	£	239,734.09	£	(169,765.91)	£	(203,976.56)	£	207,023.44	£	216,823.44	£	221,723.44	£	751,296.04	£	-										
Total Costs	£	3,548,703.96	£	257,641.16	£	560,821.21	£	432,449.87	£	496,567.61	£	362,762.43	£	494,439.87	£	395,380.17	£	361,262.43	£	409,580.17	£	190,187.56	£	3,961,092.45									
Income	£	4,300,000.00	£	-	£	-	£	775,000.00	£	775,000.00	£	775,000.00	£	350,000.00	£	275,000.00	£	700,000.00	£	710,000.00	£	715,000.00	£	4,300,000.00	£	-							
Profit	£	751,296.04																			£	(751,296.04)	£	(751,296.04)	£	-							
net costs in Quarter			£	257,641.16	£	560,821.21	£	432,449.87	£	(278,432.40)	£	(412,237.57)	£	144,439.87	£	120,380.17	£	(338,737.57)	£	(300,419.83)	£	226,483.60											
cumulative net cost			£	257,641.16	£	818,462.36	£	1,250,912.23	£	972,479.83	£	560,242.26	£	704,682.13	£	825,062.30	£	486,324.73	£	185,904.90	£	412,388.49											
interest	£	97,111.51	£	3,864.62	£	12,276.94	£	18,763.68	£	14,587.20	£	8,403.63	£	10,570.23	£	12,375.93	£	7,294.87	£	2,788.57	£	6,185.83	£	97,111.51	£	0.00							