

# Cushman and Wakefield

## Development Appraisal

Land at Liverpool Road, Formby - KM Position

Report Date: 13 July 2016

Prepared by CH & DRN

**Land at Liverpool Road, Formby - KM Position**

**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Rate ft <sup>2</sup>	Unit Price	Gross Sales
Market Housing	223	196,723	220.00	194,077	43,279,060
AH - Social Rent	77	67,448	88.00	77,083	5,935,424
AH - Intermediate	19	16,862	143.00	126,909	2,411,266
<b>Totals</b>	<b>319</b>	<b>281,033</b>			<b>51,625,750</b>

**NET REALISATION**

**51,625,750**

**OUTLAY**

**ACQUISITION COSTS**

Residualised Price	2,965,094			
Fixed Price	6,580,000			
Total Acquisition (26.32 Acres 362,655.53 pAcre)			9,545,094	
Stamp Duty		4.90%	467,710	
Agent Fee		1.00%	95,451	
Legal Fee		0.80%	76,361	
				10,184,615

**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Rate ft <sup>2</sup>	Cost	
Market Housing	196,723 ft <sup>2</sup>	81 pf <sup>2</sup>	15,936,530	
AH - Social Rent	67,448 ft <sup>2</sup>	81 pf <sup>2</sup>	5,463,962	
AH - Intermediate	16,862 ft <sup>2</sup>	81 pf <sup>2</sup>	1,365,991	
<b>Totals</b>	<b>281,033 ft<sup>2</sup></b>		<b>22,766,483</b>	<b>22,766,483</b>

Developers Contingency	5.00%	1,309,646		
Abnormal Costs		1,991,221		
POS and Play Area		427,791		
				3,728,658

**PROFESSIONAL FEES**

Professional Fees	4.00%	1,007,420		1,007,420
-------------------	-------	-----------	--	-----------

**MARKETING & LETTING**

Marketing		3.50%	1,806,901	
Transfer Fee of AH Units	96 un	500.00 /un	48,000	
				1,854,901

**FINANCE**

Debit Rate 7.000% Credit Rate 0.000% (Nominal)				
Land			1,545,249	
Construction			213,274	
Total Finance Cost				1,758,523

**TOTAL COSTS**

**41,300,600**

**PROFIT**

**10,325,150**

**Performance Measures**

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%

IRR 27.87%

Profit Erosion (finance rate 7.000%) 3 yrs 3 mths