

**Site 2: West Parley - Land West of Ridgeway**

**Final**

Base Appraisal

09/02/2012

Headline Sensitivity Summary:

Sensitivity:	Option (Affordable)	
	40%	
Flats - 1 bed	0	
Flats - 2 bed (incl FOG)	0	
Houses - 2 bed	59	
Houses - 3 bed	67	
Houses - 4 bed	43	
Houses - 5 bed	21	
<b>Total Units</b>	<b>190</b>	
<b>Total Revenue</b>	<b>£39,103,190</b>	
<b>Total Costs</b>	<b>-£33,765,047</b>	
<b>FLAT' LAND VALUE</b>	<b>£5,338,143</b>	
<b>LAND VALUE PER NET ACRE</b>	<b>£433,763</b>	
<b>LAND PER GROSS ACRE</b>	<b>£323,445</b>	
<b>NPV Analysis</b>		
<b>Whole Site NPV (post land sale costs)</b>	<b>£4,473,365</b>	NB: SDLT at 5% and Agents Fees at 1.5%
<b>NPV per Net Acre</b>	<b>£363,494</b>	
<b>NPV per Gross Acre</b>	<b>£271,047</b>	<b>£323,445</b> Non-discounted



East Dorset

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Summary	Tenure	Nos	100%	Sqm	Sq ft	Tot sqm	Tot sq ft	£/sq ft	GDV	Market/Affordable Split	
										Market	Affordable
<b>Affordable Intermediate Tenure</b>											
Flats		0				0	0	0	£0		
Houses		23				1642	17670	0	£0		
<b>Social Rent</b>											
Flats		0				0	0	£0	£0		
Houses		53				4432	47698	£127	£6,077,390		
<b>Affordable Totals</b>		<b>76</b>	<b>40%</b>			<b>6074</b>	<b>65368</b>	<b>£93</b>	<b>£6,077,390</b>		£6,077,390
<b>Market</b>										£33,025,800	
Flats		0				0	0	£0	£0		
Houses		114				12435	133813	£247	£33,025,800		
<b>Market Totals</b>		<b>114</b>	<b>60%</b>			<b>12435</b>	<b>133813</b>	<b>£247</b>	<b>£33,025,800</b>		
<b>TOTAL (market &amp; affordable)</b>		<b>190</b>	<b>100%</b>			<b>18509</b>	<b>199181</b>	<b>£196.32</b>	<b>£39,103,190</b>		
<b>Land &amp; Density Statistics</b>											
Gross Acres							16.504				
Net developable acres (all tenures)							12.307				
Net developable acres (private only)							8.268				
Dwelling density net per acre (all tenures)							15.44				
Dwelling density net per hectare							38.15				
Sq ft per net acre (all tenures)							16185				
Average market units sales values psf							£246.81				
<b>Marketing Costs</b>											
Fees and marketing costs (market)							4.00%		(£1,321,032)	(£1,321,032)	
Fees & costs (affordable)							1.00%		(£60,774)	(£60,774)	
<b>House Build Costs</b> (incl external works, drainage, utilities etc, fees, prelims & contingencies £ per sq ft)											
<b>Market Flats</b>							£115.00		£0	£0	
<b>Affordable Flats</b>							£115.00		£0	£0	
<b>Market Houses</b>							£90.00		(£12,043,188)	(£12,043,188)	
<b>Affordable Houses</b>							£90.00		(£5,883,084)	(£5,883,084)	
<b>Average &amp; Total</b>							(£90.00)		(£17,926,272.00)		
<b>Profit Assumptions</b>											
<b>Gross Margin - market</b>							25.00%		(£8,256,450)	(£8,256,450)	
Gross Margin - affordable							8.00%		(£486,191)	(£486,191)	
Overall Gross Margin - blended							22.36%				
<b>OMV of Whole Site (clean, serviced, blended)</b>									<b>£11,052,471</b>	<b>£11,405,130</b>	<b>(£352,659)</b>
Serviced Land value per square foot							£55.49				
Serviced land value as % of GDV							28.26%				
Average Market Housing land value per net acre							£1,379,468	See Notes - tab 5			-£87,318
Average Blended value per net acre							£898,095				
<b>Commercial content (estimated land sale contribution only)</b>		Area (acres)	0.00	200000	200000						0
<b>ABNORMALS</b>											
See Anormals tab for detail											
Totals							(£1,094,780)		£9,957,691		
Contingency on all abnormals			7.50%	Included in total			£0		£9,957,691		
<b>S106 CONTRIBUTIONS</b>											
See s106 tab for detail											
Totals							(£3,850,916)		£6,106,775		(£4,945,696)
Total Build/site costs, incl abnormals & s106							(£22,871,968)				
Abnormals/devel acre							(£401,874)				
<b>Gross Land Value</b>									<b>6,106,775</b>		
Finance Costs From Cash Flow							Rate 6.75%				
							Years		(£475,507)		
Acquisition Costs Allowance (SDLT & Fees)							6.00%		(£293,125)		
<b>Net Land Value</b>									<b>£5,338,143</b>		
<b>Net Land Value per Net Acre</b>									<b>£433,763</b>		
<b>Net Land Value per Gross Acre</b>									<b>£323,445</b>		

Site 2: West Parley - Land West of Ridgeway

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0

AH Private  
40% 60%

LAND TRADING MODEL	Total net Acres	Years											Total
		0	1	2	3	4	5	6	7	8	9	10	
<b>Land Sales</b>		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
Residential Acres (Net of S106)	12.3	0.0	6.2	6.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.31
Number Units (Total)	190	0.0	95.0	95.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	190
Market Acres	8.27	0.0	4.1	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.27
Number Market Units (per acre)	13.8	0.0	57	57	0	0	0	0	0	0	0	0	114
Affordable	4.0	0.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.04
Number Affordable Units (per acre)	18.8	0.0	38	38	0	0	0	0	0	0	0	0	76
Employment	1.5					0.000							0.00
Local centre(Retail/medical)	1.5												0.00
Residential Value per acre	£898,095	£0	£5,526,236	£5,526,236	£0	£0	£0	£0	£0	£0	£0	£0	£11,052,471
Employment Value per acre	£200,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Revenue From Other Sources (Grant, Ground Rent Sales etc)													£0
Estimated Serviced Land Value Revenue		£0	£5,526,236	£5,526,236	£0	£0	£0	£0	£0	£0	£0	£0	£11,052,471
Land Purchase incl SDLT etc		-£ 4,763,967											-£ 4,763,967
Statutory highways costs/contributions (per dwelling)		£0	-£1,000,000	-£1,000,000	£0	£0	£0	£0	£0	£0	£0		-£2,000,000
Estimated non-highways CIL/Tariff or s106 contribution (per dwelling)	£0	£0	-£925,458.13	-£925,458.13	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0	-£1,850,916
Other abnormals	£0	£0	-£547,390	-£547,390	£0	£0	£0	£0	£0	£0	£0	£0	-£1,094,780
Promotion costs Per unit	-£1,500	-£285,000											-£285,000
Net revenue position in period		-£5,048,967	£3,053,388	£3,053,388	£0	£0	£0	£0	£0	£0	£0	£0	£1,057,809
Interest on borrowings in previous period @	6.75%		-£340,805	-£134,702									-£475,507
Interest on positive balance in previous period @	0.0%				£0	£0	£0	£0	£0	£0	£0	£0	£0
Net position at end of period incl interest		-£5,048,967	£2,712,582	£2,918,686	£0	£0	£0	£0	£0	£0	£0	£0	£582,302
Net Present Value Discount Rate	7.5%	1.075	1.000	0.930	0.865	0.805	0.749	0.697	0.648	0.603	0.561	0.522	
<b>Net Present Value</b>		-£5,427,639	£2,712,582	£2,715,057	£0	£0	£0	£0	£0	£0	£0	£0	-£0

Clean Serviced Land value

-£4,945,696

-£475,507

														IRR (Pre finance)
Annual Cash Flow		-£5,048,967	£3,053,388	£3,053,388	£0	£0	£0	£0	£0	£0	£0	£0	£0	13.7%
Cumulative Cash Flow		-£5,048,967	-£1,995,579	£1,057,809	£1,057,809	£1,057,809	£1,057,809	£1,057,809	£1,057,809	£1,057,809	£1,057,809	£1,057,809	£1,057,809	

Base Data	
Estimated Site Value (NPV - see cell t23) pre sales costs	£4,763,967
Gross Area of Site in acres	16.5
Site Value per EQUALISED Gross Acre	£288,655
Net Area of Site in acres	12.3
Site Value per EQUALISED Net Acre	£387,107

IRR (Post Finance)
7.5%

Highways Costs, Contributions & other Abnormals	Yr 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Totals
Highways s106	Sub-total	-£1,000,000	-£1,000,000	£0	£0	£0	£0	£0	£0	-£2,000,000
	Potential total incl additional transport costs									
Non-Highways s106		-£925,458	-£925,458	£0	£0	£0	£0	£0	0	-£1,850,916
Other Direct Abnormals										£1,094,780

**Unit Mix:**

Date: 09/02/2012

Final

Site Details:

Site 2: West Parley - Land West of Ridgeway

Total Mix (Affordable & Private)	Units	%	Ave Size Sq ft	Total Sq ft	Price	Price psf	GDV (If all private)
Type							
1b Flat	0	0%	500	0	115,000	230	0
2b Flat	0	0%	650	0	165,000	254	0
Total Flats	0		0	0	0	0	0
2b House ave	59	31%	720	42681.6	185,000	257	10,966,800
3b House ave	67	35%	920	61529.6	240,000	261	16,051,200
4b House ave	43	23%	1450	62814	345,000	238	14,945,400
5b House ave	21	11%	1750	35910	420,000	240	8,618,400
Total Houses	190	100%	1068	202935.2	266,220	249	50,581,800
Totals/Aves	190	100%	1068.08	202935.2	266,220	249	50,581,800

NB: All private residential values as web research Oct 11, adjusted by mean returns from 4 local agents, Nov 11.

Affordable-Social Rent	Units	%	Size Sq ft	Total Sq ft	Price (% MV)	Price psf*	GDV
Type							
1b Flat	0	0.0%	485	0	55,775	115	0
2b Flat	0	0.0%	650	0	82,500	127	0
Total Aff Flats	0		0	0	0	0	0
2b House	11	21.4%	775	8835	99,566	128	1,135,052
3b House	30	57.1%	915	27816	119,348	130	3,628,174
4b House	11	21.4%	969	11046.6	115,278	119	1,314,164
Total Aff Houses	53		897	47697.6	114,237	127	6,077,390
Totals/Averages	53	100%	897	47697.6	114,237	127	6,077,390

Affordable % OMV	
Social Rent	Intermediate
50%	50%

Value split based on advice by T davis EDDC

Affordable-Intermediate	Units	%	Size Sq ft	Total Sq ft	Price (% MV)	Price psf*	GDV
Type							
1b Flat	0	0.0%	485	0	55,775	115	0
2b Flat	0	0.0%	650	0	82,500	127	0
Total Aff Flats	0		0	0	0	0	0
2b House	23	100.0%	775	17670	99,566	128	2,270,104
3b House	0	0.0%	915	0	119,348	130	0
4b House	0	0.0%	969	0	115,278	119	0
Total Aff Houses	23		775	17670	99,566	128	2,270,104
Totals/Averages	23	100%	775	17670	99,566	128	2,270,104

Unit Nos	Total	Private	Affordable
	190	114	76
% Mix			
Social Rent		1bf	0.00%
		2bh	15.00%
		3bh	40.00%
		4bh	15.00%
Inter		1bf	0.00%
		2bh	30.00%
			100.00%

\*Note: AH revenue as advised by Tim Davis, Christchurch and East Dorset Partnership

Private	Units	%	Size Sq ft	Total Sq ft	Price	Price psf*	GDV
Type							
1b Flat	0	0.0%	500	0	115,000	230	0
2b Flat	0	0.0%	650	0	165,000	254	0
Total Mkt Flats	0		0	0	0	0	0
2b House ave	25	22%	720	18057.6	185,000	257	4,639,800
3b House ave	36	32%	920	33561.6	240,000	261	8,755,200
4b House ave	32	28%	1450	46284	345,000	238	11,012,400
5b House ave	21	18%	1750	35910	420,000	240	8,618,400
Total Mkt Houses	114		1174	133813.2	289,700	247	33,025,800
Totals/Averages	114	100%	1173.80	133813.2	289,700	247	33,025,800
All Tenures	190			199,181			39,103,190

7.3%  
2.9%  
0.0%  
  
19.0%  
  
32.8%  
  
24.8%  
0.0%  
0.0%  
13.1%

**Land Budget**

Final

Date 09/02/2012

Site Name: Site 2: West Parley - Land West of Ridgeway

All Uses

	16.50	Acres
Gross Area	6.68	Ha

Residential

	12.31	Acres
Net Residential Area	4.98	Ha

Commercial/economic

	0.00	Acres
	0.00	Ha

Other

	4.20	Acres
	1.70	Ha

Abnormals:	Final	Date:	09/02/2012
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Site Details:	Site 2: West Parley - Land West of Ridgeway			
	Details	Unit Cost	Quantity	Total Cost
Highways (s278)	Access Costs (inc in s106 costs)	0		£0
Site Clearance, Remediation		0	1	£0
FRA/alleviation measures		0	1	£0
Archeology		0	1	£0
Ecology		0	1	£0
SUDS	Porous pavements (£500k), Swale (£50k), Detention basin (£250k)	0	1	£0
SUDS Maintenance	Per annum x 5 years	0	5	£0
s278 Commuted Sums	In s106 costs	0	0	£0
Other Highways Abnormals	E.g., major internal link roads without frontage etc?	0	0	£0
Utilities: Supply Abnormals		0	0	£0
Utilities: Diversions		0	0	£0
Noise attenuation	To Dwelling adjacent to bypass	0	0	£0
Compensation		0	0	£0
Ground conditions/foundations		0	0	£0
Sustainability/on-site renewable energy		0	0	£0
Code/reusable energy/low carbon	Allowance per plot assuming code 4-rates as per latest DCLG guidance 2011 and based upon ave for semi detached housing to reflect high proportion of larger semi and detached units.	5360	190	£1,018,400
General Contingency		7.50%		£76,380
<b>Totals</b>				<b>£1,094,780</b>



Site 2: West Parley - Land West of Ridgeway

Indicative Transport Costs

Final

09/02/2012

Scheme			Year One	Year Two	Year Three	Year Four	Year Five	Year Six	Year Seven	Year Eight	Total
Identified Schemes	s278 Highway Junction Improvements	£500,000	£1,000,000	£1,000,000							£2,000,000
	Walking/cycling Routes	£30,000		£0							£0
	Traffic Management	£170,000	£0	£0							£0
	Public Transport Services	£1,500,000		£0	£0	£0	£0	£0	£0		£0
	Bus Frequency										£0
	Bus shelters	£25,000		£0							£0
	Personalised Travel Planning	£18,000		£0	£0						£0
	Public rights of way	£60,000		£0	£0	£0	£0				£0
	Fire hydrants										£0
	Travel info & promotion	£20,000		£0							£0
	Street naming	£12,000		£0	£0	£0	£0				£0
	Recycling & rubbish	£28,200		£0	£0	£0	£0				£0
	s278 Commuted Sums?										£0
	Other Highways Abnormals (e.g., major internal link roads etc)?										£0
	Travel Plan Implementation?		£0								£0
<b>Total</b>	<b>£2,363,200</b>	<b>£1,000,000</b>	<b>£1,000,000</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£2,000,000</b>



Scheme		Year One	Year Two	Year Three	Year Four	Year Five	Year Six	Year Seven	Year Eight	Total
Identified Schemes	Primary Education		£0.00	£0	£0	£0	£0			£0
	Secondary Education									£0
	Adult Education									£0
	Special Needs Education		£0.00	£0.00	£0.00					£0
	Library Provision			£0						£0
	Day Care		£0.00	£0.00	£0.00	£0.00	£0.00	£0.00		£0
	Waste Recycling		£0		£0					£0
	Museum				£0					£0
	Community safety		£0		£0		£0	£0		£0
	Outdoor pitches		£0.00	£0.00	£0.00	£0.00				£0
	Indoor Sports		£0.00	£0.00	£0.00	£0.00	£0.00			£0
	Play Areas & Equipment		£0	£0	£0	£0	£0			£0
	Public art		£0	£0	£0	£0	£0			£0
	Community Hall				£0					£0
	Health			£0	£0					£0
	Green Infrastructure		£0	£0	£0					£0
	Green Infra Maintenance			£0	£0	£0	£0	£0	£0	£0
	Allotments									£0
										£0
										£0
	Commuted sums - buildings, facilities									
Commuted sums - open spaces etc			£0	£0	£0	£0	£0			£0
										£0
Council's Legal & other Costs			£0							£0
CIL		£925,458.13	£925,458.13	£0	£0	£0	£0			£1,850,916
<b>Total</b>		£1,850,916	£925,458.13	£925,458.13	£0.00	£0	£0	£0	£0	£1,850,916

Market Research - West Parley

Advice on Achievable Unit Selling Prices - Local Agents

Type	Agents					Ave All	Mean	Avr 3b Hse
	Floor Area	Cosgrove	Wrights	Goadsby	Chris Batten - (Ave or range)			
1b Flat	500	115000		125000	110000	116667	115000	
2b Flat	650	150000		175000	165000	163333	165000	
2b House	720	175000		195000	187500	185833	185000	
3b House (t/sd)	850	215000		215000	237500	222500	220000	240000
3b House (det)	1000	250000		265000	265000	260000	260000	
4b House (det)	1450	350000		350000	337500	345833	345000	
5b House (det)	1750	395000		425000	450000	423333	420000	

Area Calculations - East Dorset Sites								
AREAS (ha)								
Site	Residential	Spine	Open Space	Policy OS	Local Centre	Commercial/Leisure	Primary School	Gross Site Area (Red line Boundary)
West Parley - Land East of New Road	7.63	0.42	7.53	3.45	1.61	0.93		14.04
West Parley - Land West of Ridgeway	4.98	0.61	6.84	1.09				6.68
Corfe Mullen	6.17		0.59	2.28	0.73			9.18
Wimborne North	16.68	4.71	12.43	5.33	0.23		0.71	27.66
Wimborne Stone Lane Industrial Estate	2.12			0.83				2.95
Wimborne Cuthbury	5.52	0.34	3.46	2.30				8.16
Wimborne East - Leigh Road	9.48	2.36	27.96	20.16	0.11	0.07	1.03	33.21

Note: Gross area is

#### WEST PARLEY SITES

West Parley - land east of New Road	Dwellings per ha	Land area at this density	Units
	52.5		5.89
	37.5		1.74
	25		0
	20		0
Total		7.63	374

West Parley - land west of Ridgeway	Dwellings per ha	Land area at this density	Units
	52.5		0
	37.5		118
	25	3.66	72
	20	1.32	0
Total		4.98	190

#### CORFE MULLEN

Corfe Mullen	Dwellings per ha	Land area at this density	Units
	52.5	1.07	56
	37.5	5.1	191
	25		0
	20		0
Total		6.17	247

#### WIMBORNE MINSTER

North	Dwellings per ha	Land area at this density	Units
	52.5	4.36	229
	37.5	5.29	198
	25	2.09	52
	20	4.94	99
Total		16.68	578

Stone Lane	Dwellings per ha	Land area at this density	Units
	52.5	0.68	36
	37.5	1.44	54
	25		0
	20		0
Total		2.12	90

Wimborne Cuthbury	Dwellings per ha	Land area at this density	Units
	52.5	3.28	172
	37.5	1.7	64
	25	0.54	14
	20		0
Total		5.52	249

Wimborne East	Dwellings per ha	Land area at this density	Units
	52.5	1.77	93
	37.5	5.28	198
	25	2.43	61
	20		0
Total		9.48	352

East Dorset info

Site	Households	Population <i>(2.46 people/ household)</i>	Open space - policy requirement <i>(based on 3.75ha/ 1,000 people)</i>	Actual open space	Actual open space, minus excess land <i>as discussed</i>
1. West Parley - Land east of New Road	374	920	3.45	7.53	
2. West Parley - land west of Ridgeway	118	290	1.09	6.84	
3. Corfe Mullen	247	608	2.28	0.59	
4. Wimborne Minster - North	578	1422	5.33	12.43	
5. Wimborne Minster - Stone Lane	90	221	0.83	0	
6. Wimborne Minster - Cuthbury	249	613	2.30	3.46	
7. Wimborne Minster - Leigh Road	352	866	3.25	27.96	20.16