

Site 3: Corfe Mullen-Violet Farm Close

Final

Base Appraisal

07/02/2012

Headline Sensitivity Summary:

Sensitivity:	Option (Affordable)
	40%
Flats - 1 bed	40
Flats - 2 bed (incl FOG)	10
Houses - 2 bed	79
Houses - 3 bed	67
Houses - 4 bed	35
Houses - 5 bed	16
Total Units	247
Total Revenue	£44,586,526
Total Costs	-£37,005,996
FLAT' LAND VALUE	£7,580,531
LAND VALUE PER NET ACRE	£497,172
LAND PER GROSS ACRE	£334,208
NPV Analysis	
Whole Site NPV (post land sale costs)	£6,115,667
NPV per Net Acre	£401,098
NPV per Gross Acre	£269,625

NB: SDLT at 5% and Agents Fees at 1.5%



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
Affordable Intermediate Tenure											
Flats		10				446	4800	115	£552,005		
Houses		20				1426	15340	115	£1,764,140		
Social Rent											
Flats		20				892	9600	£115	£1,104,010		
Houses		49				3846	41389	£119	£4,909,331		
Affordable Totals		99	40%			6610	71130	£117	£8,329,487		£8,329,487
Market											
Flats		21				1111	11951	£230	£2,753,840		
Houses		128				13085	140810	£235	£33,142,579		
Market Totals		148	60%			14195	152760	£235	£35,896,419	£35,896,419	
TOTAL (market & affordable)		247	100%			20805	223890	£197.53	£44,225,906		
Land & Density Statistics											
Gross Acres							22.682				
Net developable acres (all tenures)							15.247				
Net developable acres (private only)							10.403				
Dwelling density net per acre (all tenures)							16.23				
Dwelling density net per hectare							40.10				
Sq ft per net acre (all tenures)							14684				
Average market units sales values psf							£234.99				
Marketing Costs											
Fees and marketing costs (market)							4.00%		(£1,435,857)	(£1,435,857)	
Fees & costs (affordable)							1.00%		(£83,295)	(£83,295)	
House Build Costs (incl external works, drainage, utilities etc, fees, prelims & contingencies £ per sq ft)											
Market Flats							£115.00		(£1,374,322)	(£1,374,322)	
Affordable Flats							£115.00		(£1,656,016)	(£1,656,016)	
Market Houses							£90.00		(£12,672,861)	(£12,672,861)	
Affordable Houses							£90.00		(£5,105,664)	(£5,105,664)	
Average & Total							(£92.94)		(£20,808,863.12)		
Profit Assumptions											
Gross Margin - market							25.00%		(£8,974,105)	(£8,974,105)	
Gross Margin - affordable							8.00%		(£666,359)	(£666,359)	
Overall Gross Margin - blended							21.80%				
OMV of Whole Site (clean, serviced, blended)									£12,257,428	£11,439,274	£818,153
Serviced Land value per square foot							£54.75				
Serviced land value as % of GDV							27.72%				
Average Market Housing land value per net acre							£1,099,587	See Notes - tab 5			£168,898
Average Blended value per net acre							£803,908				
		Area (acres)	Ave Serviced Land Value								
Commercial content (estimated land sale contribution only)		1.80	200000								360620
ABNORMALS											
See Anormals tab for detail											
Totals							(£1,580,732)		£11,037,316		
Contingency on all abnormals			7.50%	Included in total			£0		£11,037,316		
S106 CONTRIBUTIONS											
See s106 tab for detail											
Totals							(£2,280,529)		£8,756,787		(£3,861,261)
Total Build/site costs, incl abnormals & s106							(£24,670,124)				
Abnormals/devel acre							(£253,242)				
Gross Land Value									8,756,787		
Finance Costs From Cash Flow							Rate 6.75%				
							Years		(£755,930)		
Acquisition Costs Allowance (SDLT & Fees)							6.00%		(£420,326)		
Net Land Value									£7,580,531		
Net Land Value per Net Acre									£497,172		
Net Land Value per Gross Acre									£334,208		

East Dorset

Net Present Value/cash Flow

Feb-12

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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	
Land Sales		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Residential Acres (Net of S106)	15.2	0.0	5.1	5.1	5.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	15.25
Number Units (Total)	247	0.0	82.5	82.5	82.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	247
Market Acres	10.40	0.0	3.5	3.5	3.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.40
Number Market Units (per acre)	14.3	0.0	49	49	49	0	0	0	0	0	0	0	148
Affordable	4.8	0.0	1.6	1.6	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.84
Number Affordable Units (per acre)	20.4	0.0	33	33	33	0	0	0	0	0	0	0	99
Employment	1.5			1.803									1.80
Local centre(Retail/medical)	1.5												0.00
Residential Value per acre	£803,908	£0	£4,085,809	£4,085,809	£4,085,809	£0	£0	£0	£0	£0	£0	£0	£12,257,428
Employment Value per acre	£200,000	£0	£0	£360,620	£0	0	£0	£0	£0	£0	£0	£0	£360,620
Revenue From Other Sources (Grant, Ground Rent Sales etc)		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Estimated Serviced Land Value Revenue		£0	£4,085,809	£4,446,429	£4,085,809	£0	£0	£0	£0	£0	£0	£0	£12,618,048
Land Purchase incl SDLT etc		-£ 6,512,957											-£ 6,512,957
Statutory highways costs/contributions (per dwelling)		£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Estimated non-highways CIL/Tariff or s106 contribution (per dwelling)	£0	£0	-£893,509.81	-£693,509.81	-£693,509.81	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0	-£2,280,529
Other abnormals	£0	£0	-£623,077	-£478,827	-£478,827	£0	£0	£0	£0	£0	£0	£0	-£1,580,732
Promotion costs Per unit	-£1,500	-£371,138											-£371,138
Net revenue position in period		-£6,884,095	£2,569,222	£3,274,092	£2,913,472	£0	£0	£0	£0	£0	£0	£0	£1,872,692
Interest on borrowings in previous period @	6.75%		-£464,676	-£291,254	£0	£0	£0	£0	£0	£0	£0	£0	-£755,930
Interest on positive balance in previous period @	0.0%												£0
Net position at end of period incl interest		-£6,884,095	£2,104,546	£2,982,838	£2,913,472	£0	£0	£0	£0	£0	£0	£0	£1,116,762
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	
Net Present Value		-£7,400,402	£2,104,546	£2,774,733	£2,521,123	£0	£0	£0	£0	£0	£0	£0	-£0

Clean Serviced Land value

-£3,861,261

-£755,930

														IRR (Pre finance)
Annual Cash Flow		-£6,884,095	£2,569,222	£3,274,092	£2,913,472	£0	£0	£0	£0	£0	£0	£0	£0	12.8%
Cumulative Cash Flow		-£6,884,095	-£4,314,872	-£1,040,780	£0	£0	£0	£0	£0	£0	£0	£0	£0	

Base Data	
Estimated Site Value (NPV - see cell t23) pre sales costs	£6,512,957
Gross Area of Site in acres	22.7
Site Value per EQUALISED Gross Acre	£287,141
Net Area of Site in acres	15.2
Site Value per EQUALISED Net Acre	£427,155

IRR (Post Finance)
7.5%

Highways Costs, Contributions & other Abnormals	Yr 1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Totals
Highways s106	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Non-Highways s106	-£893,510	-£693,510	-£693,510	£0	£0	£0	£0	£0	0	-£2,280,529
Other Direct Abnormals	-£623,077	-£478,827	-£478,827							-£1,580,732

Unit Mix:

Date: 07/02/2012

Final

Site Details:

Site 3: Corfe Mullen-Violet Farm Close

Total Mix (Affordable & Private)	Units	%	Ave Size		Price	Price psf	GDV (If all private)
			Sq ft	Total Sq ft			
Type							
1b Flat	40	16%	500	20041.425	115,000	230	4,609,528
2b Flat	10	4%	650	6754.7025	150,000	231	1,558,778
Total Flats	50.5		531	26796.1275	122,206	230	6,168,305
2b House ave	79	32%	720	57006.72	170,000	236	13,459,920
3b House ave	67	27%	920	61460.37	222,000	241	14,830,655
4b House ave	35	14%	1450	50227.275	335,000	231	11,604,233
5b House ave	16	8%	1750	28577.5875	405,000	231	6,613,670
Total Houses	197	81%	1002	197271.9525	236,143	236	46,508,477
Totals/Aves	247	102%	905.6	224068.08	212,900	235	52,676,783

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	20	28.6%	485	9600.09	55,775	115	1,104,010
2b Flat	0	0.0%	650	0	75,000	115	0
Total Aff Flats	20		485	9600.09	55,775	115	1,104,010
2b House	30	42.9%	775	23010.525	91,493	118	2,716,520
3b House	15	21.4%	915	13583.6325	110,397	121	1,638,895
4b House	5	7.1%	969	4795.0965	111,936	116	553,916
Total Aff Houses	49		836	41389.254	99,208	119	4,909,331
Totals/Averages	69	100%	736	50989.344	86,799	118	6,013,342

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	10	33.3%	485	4800.045	55,775	115	552,005
2b Flat	0	0.0%	650	0	75,000	115	0
Total Aff Flats	10		485	4800.045	55,775	115	552,005
2b House	20	66.7%	775	15340.35	91,493	118	1,811,014
3b House	0	0.0%	915	0	110,397	121	0
4b House	0	0.0%	969	0	111,936	116	0
Total Aff Houses	20		775	15340.35	91,493	118	1,811,014
Totals/Averages	30	100%	678	20140.395	79,587	117	2,363,019

Unit Nos	Total	Private	Affordable
	247	148	99
% Mix			
	Social Rent	1bf	20.00%
		2bh	30.00%
		3bh	15.00%
		4bh	5.00%
	Inter	1bf	10.00%
		2bh	20.00%
			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	10	7.0%	500	5195.925	115,000	230	1,195,063
2b Flat	10	7.0%	650	6754.7025	150,000	231	1,558,778
Total Mkt Flats	21		575	11950.6275	132,500	230	2,753,840
2b House ave	30	20.0%	720	21377.52	170,000	236	5,047,470
3b House ave	52	35.0%	920	47802.51	222,000	241	11,534,954
4b House ave	30	20.0%	1450	43051.95	335,000	231	9,946,485
5b House ave	16	11%	1750	28577.5875	405,000	231	6,613,670
Total Mkt Houses	128		1103	140809.5675	259,593	235	33,142,579
Totals/Averages	148	100%	1029.00	152760.195	241,800	235	35,896,419
All Tenures	247			223,890			41,909,761

Land Budget

Final

Date 07/02/2012

Site Name: Site 3: Corfe Mullen-Violet Farm Close

All Uses

	22.68	Acres
Gross Area	9.18	Ha

Residential

	15.25	Acres
Net Residential Area	6.17	Ha

Commercial/economic

	0.00	Acres
	0.00	Ha

Other

	7.43	Acres
	3.01	Ha

Abnormals:	Final	Date:	07/02/2012
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Site Details:	Site 3: Corfe Mullen-Violet Farm Close			
	Details	Unit Cost	Quantity	Total Cost
Highways (s278)	Access Costs (inc in s106 costs)	0		£0
Site Clearance, Remediation	Demolition of Lockers Middle School	144250	1	£144,250
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	247	£1,326,198
General Contingency		7.50%		£110,284
Totals				£1,580,732

Site 3: Corfe Mullen-Violet Farm Close

Indicative Transport Costs

Final

07/02/2012

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	£0	£0							£0
	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	
Total	£2,363,200	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

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	
	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 relocation	£200,000									£200,000
											£0
											£0
Commutated sums - buildings, facilities										£0	
Commutated sums - open spaces etc		£0	£0	£0	£0	£0				£0	
										£0	
Council's Legal & other Costs		£0								£0	
CIL	£693,509.81	£693,509.81	£693,509.81	£0.00	£0	£0				£2,080,529	
Total		£893,509.81	£693,509.81	£693,509.81	£0.00	£0.00	£0.00	£0.00	£0.00	£2,280,529	

Market Research - Corfe Mullen

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	120000	120000	113000	117000	115000	
2b Flat	650	150000	140000	150000	155000	148750	150000	
2b House	720	175000	165000	180000	165000	171250	170000	
3b House (t/sd)	850	215000	250000	195000	200000	215000	205000	222000
3b House (det)	1000	250000		250000	250000		250000	
4b House (det)	1450	350000	350000	320000	330000	337500	335000	
5b House (det)	1750	395000	437500	400000	400000	408125	405000	

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		0
	25		3.66
	20		1.32
Total		4.98	118

CORFE MULLEN

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

WIMBORNE MINSTER

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

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

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

Wimborne East	Dwellings per ha	Land area at this density	Units
	52.5		1.77
	37.5		5.28
	25		2.43
	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