

Appraisal Report

66 Apartment Unit London PD Project. [10th Feb 22]

Description

Note Starter Appraisal Only. Possibly, scheme Mix needs to be reconfigured or change 1 beds into 2 beds. We need to finish it so I can send report to Funder. No Item To Be Deleted at moment.

Financial Summary

Sales

48 X 1 Bed Falts	£ 22,598,400
18 X 2 Bed Flats.	£ 8,395,200
Gross Development Value	£ 30,993,600

Costs

Land Acquisition Cost	£ 9,736,441
Build Cost	£ 11,541,307
Professional Fees	£ 807,891
Other Costs	£ 170,829
Sales Fees	£ 774,840
Funding Cost	£ 1,698,995
Total Cost	£ 24,730,303

Profit

Profit on GDV	20 %
Profit on Cost	25 %
Total Profit	£ 6,263,297

1 bedroom flat	856 ft ²	550 £/ft ²	£ 470,800
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1 bedroom flat	856 ft ²	550 £/ft ²	£ 470,800
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1 bedroom flat	856 ft ²	550 £/ft ²	£ 470,800
1 bedroom flat	856 ft ²	550 £/ft ²	£ 470,800
Gross Value	41,088 ft²	550 £/ft²	£ 22,598,400
Fees			£ 564,960
Net Value			£ 22,033,440

18 X 2 Bed Flats.

	Area (NIA)	£/ft ²	Sales Value
2 bedroom flat	848 ft ²	550 £/ft ²	£ 466,400
2 bedroom flat	848 ft ²	550 £/ft ²	£ 466,400
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2 bedroom flat	848 ft ²	550 £/ft ²	£ 466,400
Gross Value	15,264 ft²	550 £/ft²	£ 8,395,200
Fees			£ 209,880
Net Value			£ 8,185,320

Total Sales

Gross Development Value	£ 30,993,600
Total Fees	£ 774,840
Net Development Value	£ 30,218,760

Development Costs

Build Costs

Construction

Construction		180 £/ft ²	£ 10,736,100
Contingency.		13.5 £/ft ²	£ 805,207
Construction Cost Assessment Fee.		0	£ 0
Value Added Tax		0	£ 0
Build Phase Total	GIA: 59,645 ft²	193 £/ft²	£ 11,541,307

Demolition and Site Clearance

Demolish - Existing			£ 0
Site Clearance			£ 0
Build Phase Total	GIA: 0 ft²	£/ft²	£ 0

Preliminary Costs

Site Hoarding			£ 0
Preliminary - General			£ 0
Build Phase Total	GIA: 0 ft²	£/ft²	£ 0

Earthworks

Site Levels			£ 0
Foundations			£ 0
Hard and Soft Landscaping			£ 0
Build Phase Total	GIA: 0 ft²	£/ft²	£ 0

Infrastructure Services

New Connections			£ 0
Build Phase Total	GIA: 0 ft²	£/ft²	£ 0

Roads and Access

Road and Access Costs			£ 0
Build Phase Total	GIA: 0 ft²	£/ft²	£ 0

External Works and Landscaping

Hard and Soft Landscaping			£ 0
Other External			£ 0
Other Landscaping			£ 0
Build Phase Total	GIA: 0 ft²	£/ft²	£ 0

Total Build Cost	GIA: 59,645 ft²	193 £/ft²	£ 11,541,307
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Professional Fees

Architect - Planning Drawings		£ 0
Architect - Building Reg Drawings		£ 0
Architect - Detailed Design Drawings		£ 0
Architect - General	5 % of Construction	£ 577,065
Pre App Advice - Planning		£ 0
Planning Application Fee		£ 0
Planning Consultant - General		£ 0
Building Control Agent		£ 0
Structural Surveyor		£ 0
Arboricultural Survey		£ 0
Right to Light Survey		£ 0
Transport Survey		£ 0
Topographical Survey		£ 0
BRE (Daylight/Sunlight) Survey		£ 0
Ground Investigation Survey		£ 0
Highways Survey		£ 0
Acoustic Survey		£ 0
Party Wall Survey		£ 0
Drainage Survey		£ 0
Asbestos Survey		£ 0
Monitoring Survey		£ 0
Bank Valuation Survey		£ 0
Survey - Other		£ 0
Security Services		£ 0
Legal Fees - Acquisition & Joint Venture If Applicable	% of Construction	£ 0
Quantity Surveyor	2 % of Construction	£ 230,826
Total		£ 807,891

Other Costs

S106 Obligations		£ 0
CIL - Local		£ 0
CIL - Mayoral		£ 0
Planning Obligations - Legal Costs		£ 0
Local Authority Naming/Registration		£ 0
Show Home - Marketing		£ 0
Brochures - Marketing		£ 0
Website - Marketing		£ 0
Photography - Marketing		£ 0
CGI - Marketing		£ 0
Other - Marketing		£ 0
Vendor/Developer Legal Fees	% of GDV	£ 0
Purchase Option Contract Fee	% of Land	£ 0
Indemnity Insurance		£ 0
Insurance - Other		£ 0
Site Finder / Introduction Acquisition Fee	2 % of Land	£ 170,829
Financial Intermediary Broker Fee	0 £/ft ²	£ 0
Investment Memorandum	0	£ 0
Equity Arrangement Fee	0	£ 0
Equity / JV Legal Fee.	0	£ 0
Forward Sale Legal Fee	0	£ 0
Forward Sale Agent Fee [If Applicable]	0	£ 0
Total		£ 170,829

Total Development Cost

£ 12,520,027

Land Acquisition

Purchase Price		£ 8,541,470
Stamp Duty	13.99 %	£ 1,194,971
Total		£ 9,736,441

Funding

Senior Debt

Net Loan	80 % of Costs	57 % of GDV	£ 17,805,174
Rolled up interest on drawn balance - 7 % p.a. over 24 months			£ 1,342,892
Gross Loan	80 % of Costs	57 % of GDV	£ 17,805,174
Arrangement Fee		1 % of Gross Loan	£ 178,052
Exit Fee		1 % of Gross Loan	£ 178,052
Total Loan Cost			£ 1,698,995

Total Funding

Total Gross Loan			£ 17,805,174
Total Funding Cost			£ 1,698,995
Developer Equity			£ 4,451,294

Sensitivity Analysis

Total Profit

		Sensitivity Analysis								
		GDV								
		-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%
		£ 24.79 m	£ 26.34 m	£ 27.89 m	£ 29.44 m	£ 30.99 m	£ 32.54 m	£ 34.09 m	£ 35.64 m	£ 37.19 m
20%	£ 13.85 m	£ -2.24 m	£ -0.69 m	£ 0.86 m	£ 2.41 m	£ 3.96 m	£ 5.5 m	£ 7.05 m	£ 8.6 m	£ 10.15 m
15%	£ 13.27 m	£ -1.67 m	£ -0.12 m	£ 1.43 m	£ 2.98 m	£ 4.53 m	£ 6.08 m	£ 7.63 m	£ 9.18 m	£ 10.73 m
10%	£ 12.7 m	£ -1.09 m	£ 0.46 m	£ 2.01 m	£ 3.56 m	£ 5.11 m	£ 6.66 m	£ 8.21 m	£ 9.76 m	£ 11.31 m
5%	£ 12.12 m	£ -0.51 m	£ 1.04 m	£ 2.59 m	£ 4.14 m	£ 5.69 m	£ 7.24 m	£ 8.79 m	£ 10.34 m	£ 11.88 m
Build Costs	0%	£ 11.54 m	£ 0.06 m	£ 1.61 m	£ 3.16 m	£ 4.71 m	£ 6.26 m	£ 7.81 m	£ 9.36 m	£ 10.91 m
	-5%	£ 10.96 m	£ 0.64 m	£ 2.19 m	£ 3.74 m	£ 5.29 m	£ 6.84 m	£ 8.39 m	£ 9.94 m	£ 11.49 m
	-10%	£ 10.39 m	£ 1.22 m	£ 2.77 m	£ 4.32 m	£ 5.87 m	£ 7.42 m	£ 8.97 m	£ 10.52 m	£ 12.07 m
	-15%	£ 9.81 m	£ 1.8 m	£ 3.35 m	£ 4.9 m	£ 6.44 m	£ 7.99 m	£ 9.54 m	£ 11.09 m	£ 12.64 m
	-20%	£ 9.23 m	£ 2.37 m	£ 3.92 m	£ 5.47 m	£ 7.02 m	£ 8.57 m	£ 10.12 m	£ 11.67 m	£ 13.22 m

Profit on Cost (%)

		Sensitivity Analysis								
		GDV								
		-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%
		£ 24.79 m	£ 26.34 m	£ 27.89 m	£ 29.44 m	£ 30.99 m	£ 32.54 m	£ 34.09 m	£ 35.64 m	£ 37.19 m
20%	£ 13.85 m	-8.3 %	-2.57 %	3.16 %	8.9 %	14.63 %	20.36 %	26.09 %	31.82 %	37.55 %
15%	£ 13.27 m	-6.3 %	-0.44 %	5.41 %	11.27 %	17.13 %	22.98 %	28.84 %	34.7 %	40.55 %
10%	£ 12.7 m	-4.21 %	1.78 %	7.76 %	13.75 %	19.74 %	25.73 %	31.71 %	37.7 %	43.69 %
5%	£ 12.12 m	-2.03 %	4.1 %	10.22 %	16.35 %	22.47 %	28.59 %	34.72 %	40.84 %	46.96 %
Build Costs	0%	£ 11.54 m	0.26 %	6.53 %	12.79 %	19.06 %	25.33 %	31.59 %	37.86 %	44.13 %
	-5%	£ 10.96 m	2.66 %	9.07 %	15.49 %	21.9 %	28.32 %	34.74 %	41.15 %	47.57 %
	-10%	£ 10.39 m	5.17 %	11.74 %	18.32 %	24.89 %	31.46 %	38.03 %	44.61 %	51.18 %
	-15%	£ 9.81 m	7.81 %	14.55 %	21.28 %	28.02 %	34.76 %	41.5 %	48.24 %	54.97 %
	-20%	£ 9.23 m	10.58 %	17.49 %	24.41 %	31.32 %	38.23 %	45.14 %	52.05 %	58.96 %

Profit on GDV (%)

		Sensitivity Analysis								
		GDV								
		-20%	-15%	-10%	-5%	0%	5%	10%	15%	20%
		£ 24.79 m	£ 26.34 m	£ 27.89 m	£ 29.44 m	£ 30.99 m	£ 32.54 m	£ 34.09 m	£ 35.64 m	£ 37.19 m
20%	£ 13.85 m	-9.05 %	-2.63 %	3.07 %	8.17 %	12.76 %	16.92 %	20.69 %	24.14 %	27.3 %
15%	£ 13.27 m	-6.72 %	-0.44 %	5.14 %	10.13 %	14.62 %	18.69 %	22.38 %	25.76 %	28.85 %
10%	£ 12.7 m	-4.39 %	1.75 %	7.21 %	12.09 %	16.48 %	20.46 %	24.08 %	27.38 %	30.4 %
5%	£ 12.12 m	-2.07 %	3.94 %	9.27 %	14.05 %	18.35 %	22.23 %	25.77 %	29 %	31.96 %
Build Costs	0%	£ 11.54 m	0.26 %	6.13 %	11.34 %	16.01 %	20.21 %	24.01 %	27.46 %	30.62 %
	-5%	£ 10.96 m	2.59 %	8.32 %	13.41 %	17.97 %	22.07 %	25.78 %	29.15 %	32.23 %
	-10%	£ 10.39 m	4.92 %	10.51 %	15.48 %	19.93 %	23.93 %	27.55 %	30.85 %	33.85 %
	-15%	£ 9.81 m	7.24 %	12.7 %	17.55 %	21.89 %	25.79 %	29.33 %	32.54 %	35.47 %
	-20%	£ 9.23 m	9.57 %	14.89 %	19.62 %	23.85 %	27.66 %	31.1 %	34.23 %	37.09 %