

Savills (UK) Ltd

Development Appraisal

Viability 2016 Feb 25

10% Starter Homes

Report Date: 26 February 2016

TIMESCALE AND PHASING GRAPH REPORT

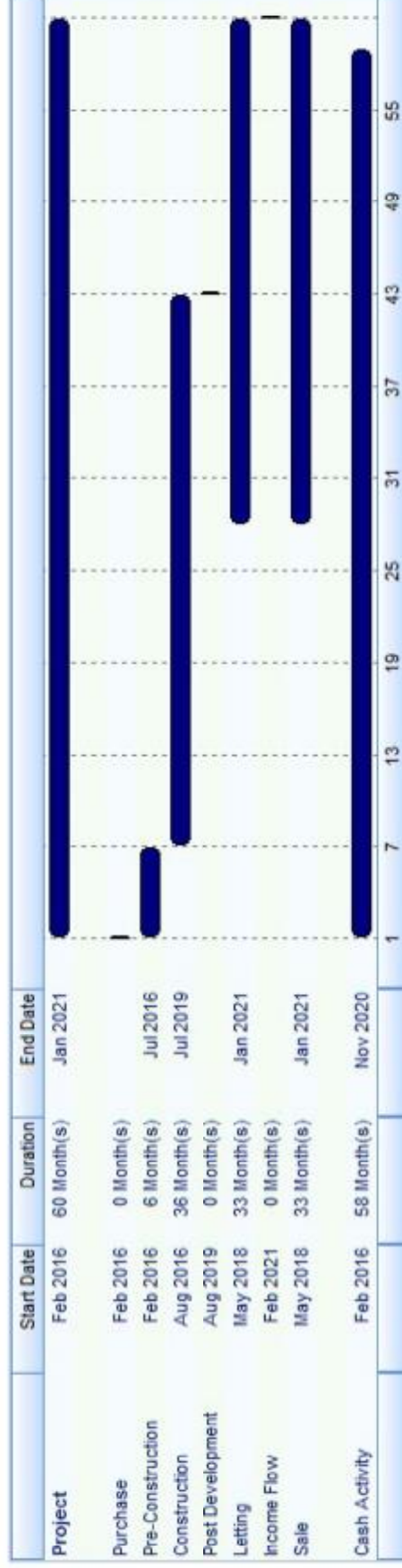
SAVILLS (UK) LTD

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Project Timescale Summary

Project Start Date	Feb 2016
Project End Date	Jan 2021
Project Duration (Inc Exit Period)	60 months

Phase Phase 1



APPRAISAL SUMMARY**SAVILLS (UK) LTD**

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Summary Appraisal for Phase 1

Currency in £

REVENUE**Sales Valuation**

	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
BLOCK A RESIDENTIAL	129	87,622			
BLOCK E RESIDENTIAL	20	15,211			
Totals	149	102,833			

Rental Area Summary

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
BLOCK A RETAIL	8	14,094				
BLOCK B FOODSTORE	1	13,036				
BLOCK B HOTEL	1	38,625				
BLOCK B STUDENT	1	27,957				
BLOCK C RETAIL	2	6,661				
BLOCK C STUDENT	1	22,046				
BLOCK D RETAIL	4	9,767				
BLOCK D STUDENT	1	22,641				
BLOCK E RETAIL	7	7,637				
BLOCK F LIBRARY	1	3,000				
BLOCK F BUSINESS SPACE	1	3,000				
Totals	28	168,464				

Investment Valuation

BLOCK A RETAIL	YP @	
Current Rent		
BLOCK B FOODSTORE	YP @	
Current Rent		
BLOCK B HOTEL	YP @	
Current Rent		
BLOCK B STUDENT	YP @	
Current Rent		
BLOCK C RETAIL	YP @	
Current Rent		
BLOCK C STUDENT	YP @	
Current Rent		

APPRAISAL SUMMARY

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Current Rent
BLOCK D RETAIL
Current Rent
BLOCK D STUDENT
Current Rent
BLOCK E RETAIL
Current Rent
BLOCK F LIBRARY
Current Rent
BLOCK F BUSINESS SPACE
Current Rent

YP @
YP @
YP @
YP @
YP @
YP @

GROSS DEVELOPMENT VALUE

Purchaser's Costs

5.80%

NET DEVELOPMENT VALUE

Income from Tenants

BLOCK A RETAIL
BLOCK B FOODSTORE
BLOCK B HOTEL
BLOCK B STUDENT
BLOCK C RETAIL
BLOCK C STUDENT
BLOCK D RETAIL
BLOCK D STUDENT
BLOCK E RETAIL
BLOCK F LIBRARY
BLOCK F BUSINESS SPACE

Additional Revenue

Rent passing Ph 1
Rent Passing Ph 2
Residential Ground Rents

APPRAISAL SUMMARY

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Surplus Residential Parking

NET REALISATION



OUTLAY

ACQUISITION COSTS

Fixed Price

Stamp Duty

Agent Fee

Legal Fee

Town Planning

4.00%
1.00%
0.50%



CONSTRUCTION COSTS

Other Construction

Block A

Block B

Block C

Block D

Block E

Block F

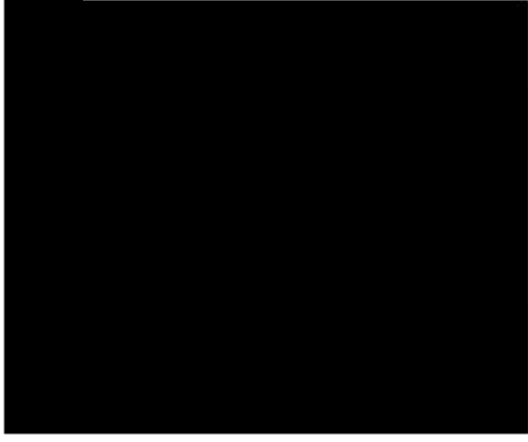
Site works (all Ph 1)

Demo Ph 1

Demo Ph 2

PVs Ph 1

PVs Ph 2



MARKETING & LETTING

Letting Agent Fee

Letting Legal Fee

5.00%
10.00%

DISPOSAL FEES

Sales Agent Fee

Sales Legal Fee

2.00%
0.25%

Additional Costs

APPRAISAL SUMMARY

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[REDACTED]

FINANCE

Debit Rate [REDACTED] % Credit Rate [REDACTED] % (Nominal)
Land
Construction
Letting Void
Total Finance Cost

[REDACTED]

TOTAL COSTS

PROFIT

Performance Measures

Profit on Cost%
Profit on GDV%
Profit on NDV%
Development Yield% (on Rent)
Equivalent Yield% (Nominal)
Equivalent Yield% (True)

[REDACTED]

IRR

4 yrs 2 mths
4 yrs 4 mths

Rent Cover
Profit Erosion (finance rate 3.600%)

GROUPED CASH FLOW**SAVILLS (UK) LTD**

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Grouped Cash Flow Phase 1

Page A 1

	001:Feb 2016	002:Mar 2016	003:Apr 2016	004:May 2016	005:Jun 2016	006:Jul 2016	007:Aug 2016	008:Sep 2016	009:Oct 2016
MonthlyB/F	0	(28,535,280)	(28,473,060)	(28,581,466)	(28,519,246)	(28,457,026)	(28,650,919)	(29,774,814)	(29,860,296)
Land Purchase									
Fixed Price									
Stamp Duty									
Agent Fee									
Legal Fee									
Construction Costs									
Other Construction									
Other Cost									
Additional Costs									
Town Planning									
Sales Agent Fee									
Sales Legal Fee									
Marketing/Letting									
Letting Agent Fee									
Letting Legal Fee									
Capitalisation									
Unit Sales									
Capitalised Rent									
Purchaser's Costs									
Other Revenue									
Additional Revenue									
Tenant Rent Flow									
Period Total Before Finance									
Debit Rate 3.60%									
Credit Rate 0.50%									
Finance Costs (All Sets)									
Period Total After Finance									

File: E:_DEVELOPMENT AND VALUATION\3 DEVELOPMENT\3 INSTRUCTED -OBS\Live jobs\Botley District Centre Viab,Appraisal\Botley Centre Developer Appraisal 2016 2 25 10% starter homes.wdx
ARGUS Developer Version: 6.00.008 Report Date: 26/02/2016

GROUPED CASH FLOW

SAVILLS (UK) LTD

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Grouped Cash Flow Phase 1

Page B 1

Monthly B/F	001:Feb 2016	002:Mar 2016	003:Apr 2016	004:May 2016	005:Jun 2016	006:Jul 2016	007:Aug 2016	008:Sep 2016	009:Oct 2016
Cumulative Total C/f Monthly									

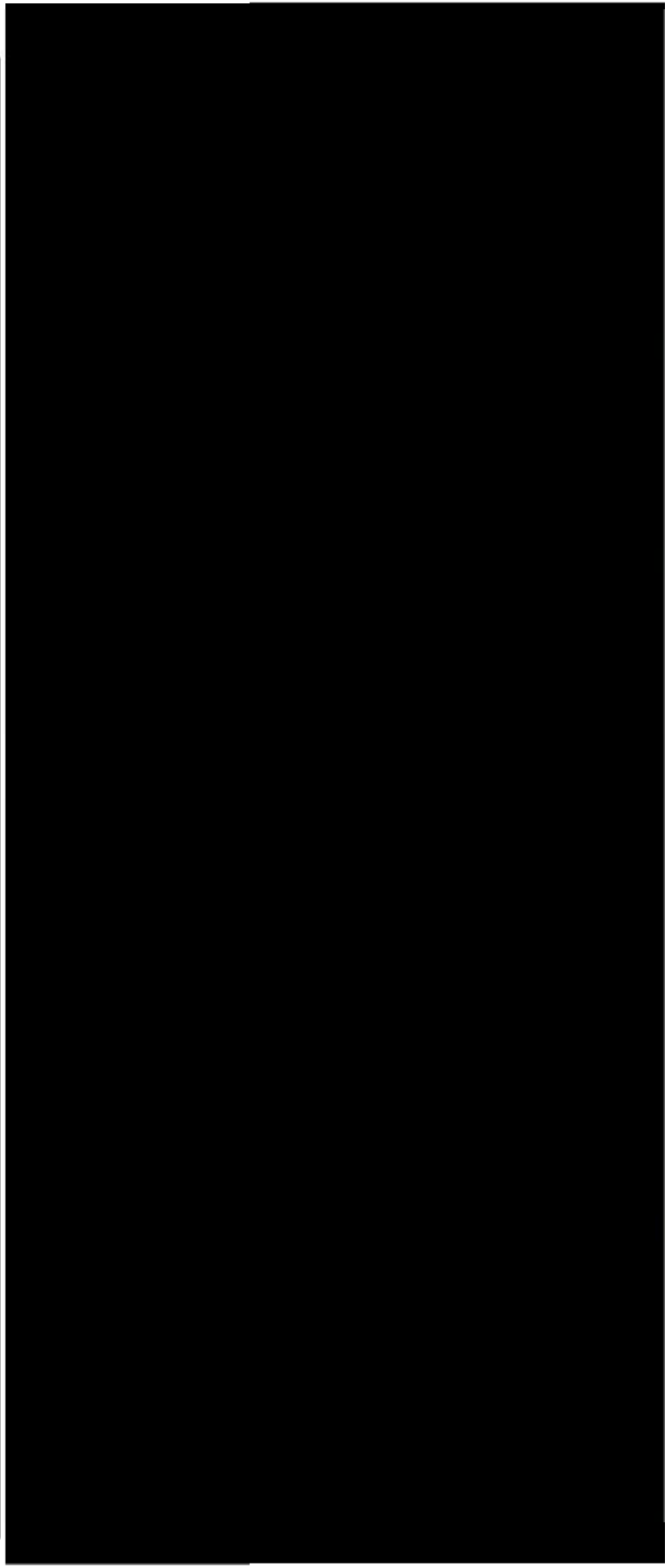
GROUPED CASH FLOW**SAVILLS (UK) LTD**

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Grouped Cash Flow Phase 1

Page A 2

010:Nov 2016	011:Dec 2016	012:Jan 2017	013:Feb 2017	014:Mar 2017	015:Apr 2017	016:May 2017	017:Jun 2017	018:Jul 2017	019:Aug 2017	020:Sep 2017
(30,168,289)	(30,732,838)	(32,093,843)	(34,411,269)	(37,009,407)	(40,048,224)	(43,743,108)	(47,307,507)	(50,956,808)	(54,998,017)	(60,564,108)



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Page B 2

010:Nov 2016 011:Dec 2016 012:Jan 2017 013:Feb 2017 014:Mar 2017 015:Apr 2017 016:May 2017 017:Jun 2017 018:Jul 2017 019:Aug 2017 020:Sep 2017



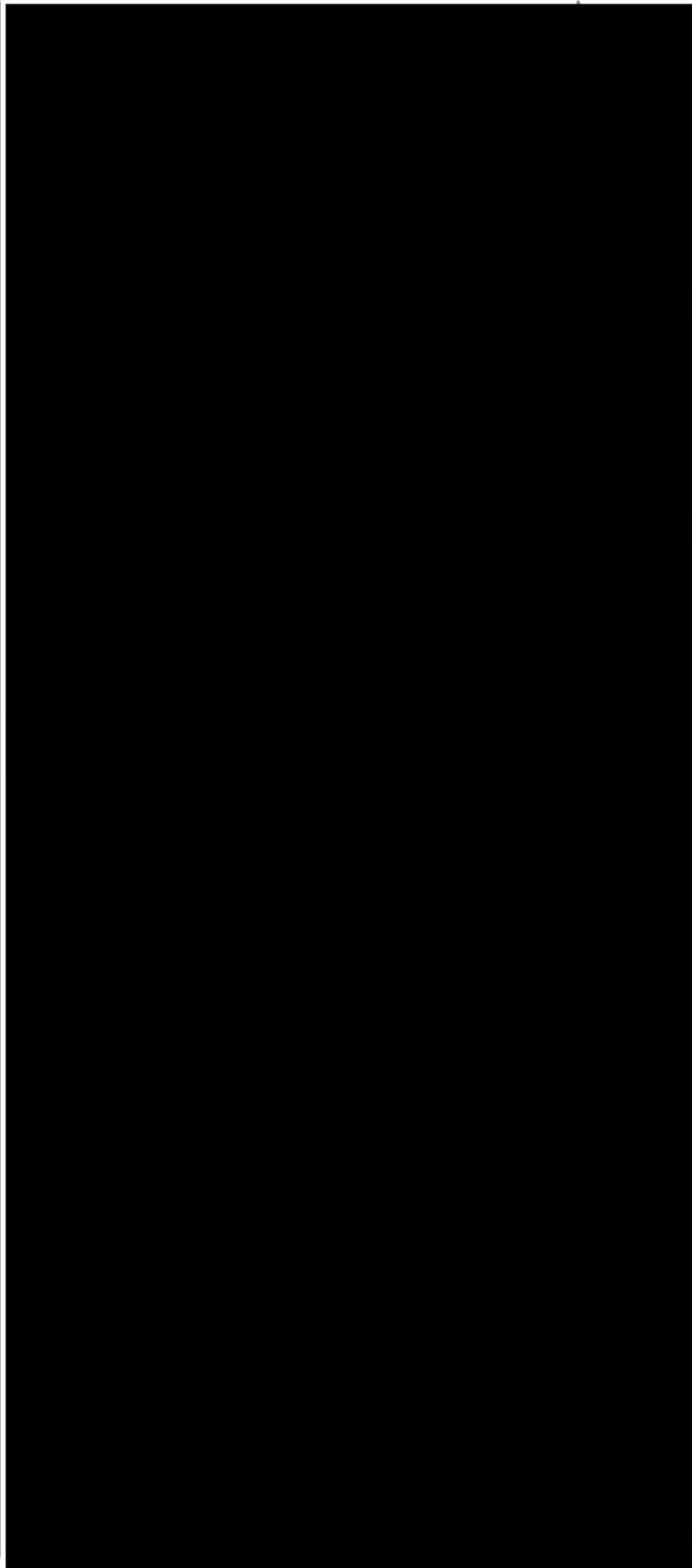
GROUPED CASH FLOW**SAVILLS (UK) LTD**

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Grouped Cash Flow Phase 1

Page A 3

021:Oct 2017	022:Nov 2017	023:Dec 2017	024:Jan 2018	025:Feb 2018	026:Mar 2018	027:Apr 2018	028:May 2018	029:Jun 2018	030:Jul 2018	031:Aug 2018
(64,105,155)	(68,111,860)	(71,400,422)	(74,426,545)	(77,726,225)	(80,092,473)	(82,260,448)	(84,826,439)	(83,792,523)	(82,941,190)	(82,958,722)



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Page B 3

021:Oct 2017 022:Nov 2017 023:Dec 2017 024:Jan 2018 025:Feb 2018 026:Mar 2018 027:Apr 2018 028:May 2018 029:Jun 2018 030:Jul 2018 031:Aug 2018



GROUPED CASH FLOW

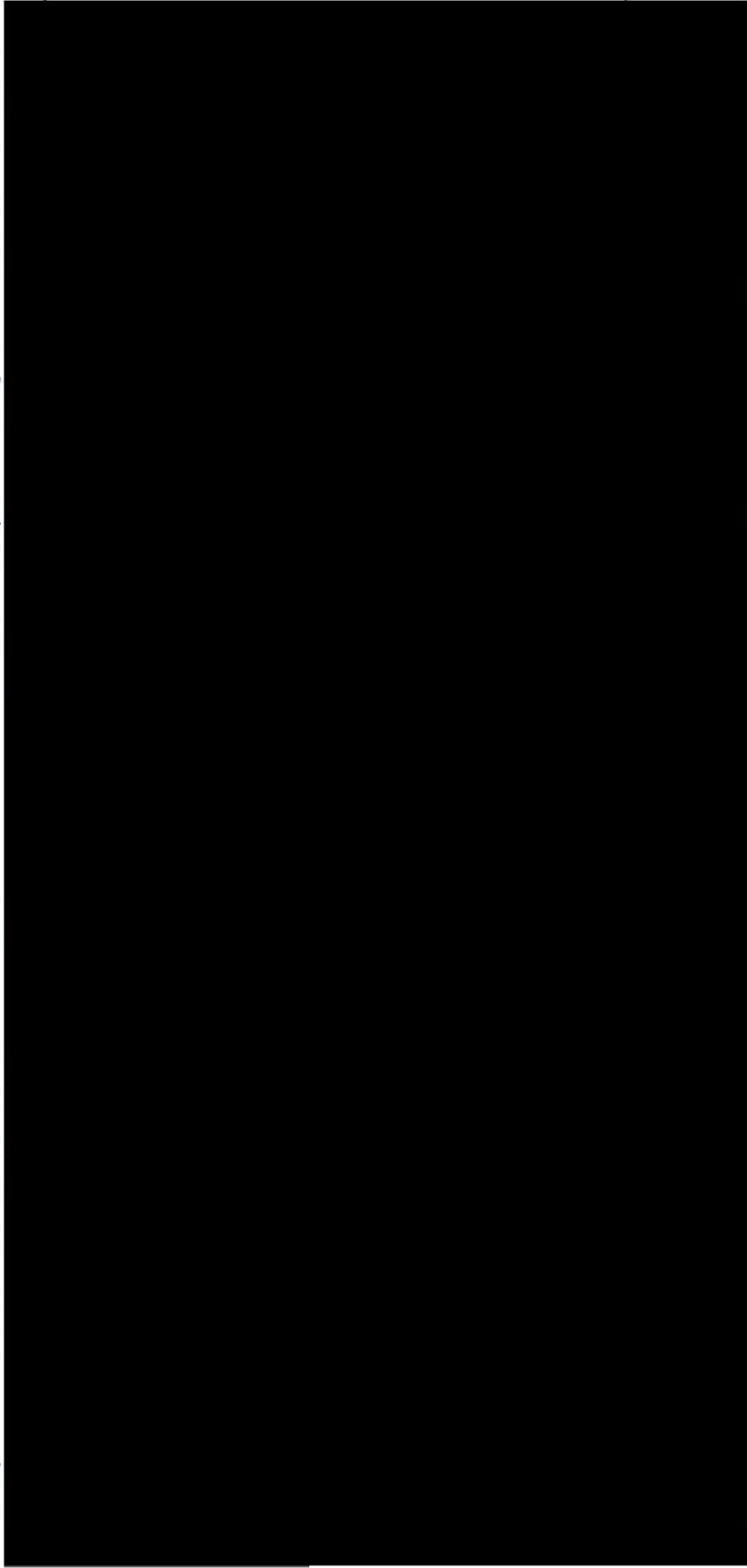
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Grouped Cash Flow Phase 1

Page A 4

032:Sep 2018 033:Oct 2018 034:Nov 2018 035:Dec 2018 036:Jan 2019 037:Feb 2019 038:Mar 2019 039:Apr 2019 040:May 2019 041:Jun 2019 042:Jul 2019



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Page B 4

032:Sep 2018 033:Oct 2018 034:Nov 2018 035:Dec 2018 036:Jan 2019 037:Feb 2019 038:Mar 2019 039:Apr 2019 040:May 2019 041:Jun 2019 042:Jul 2019



GROUPED CASH FLOW

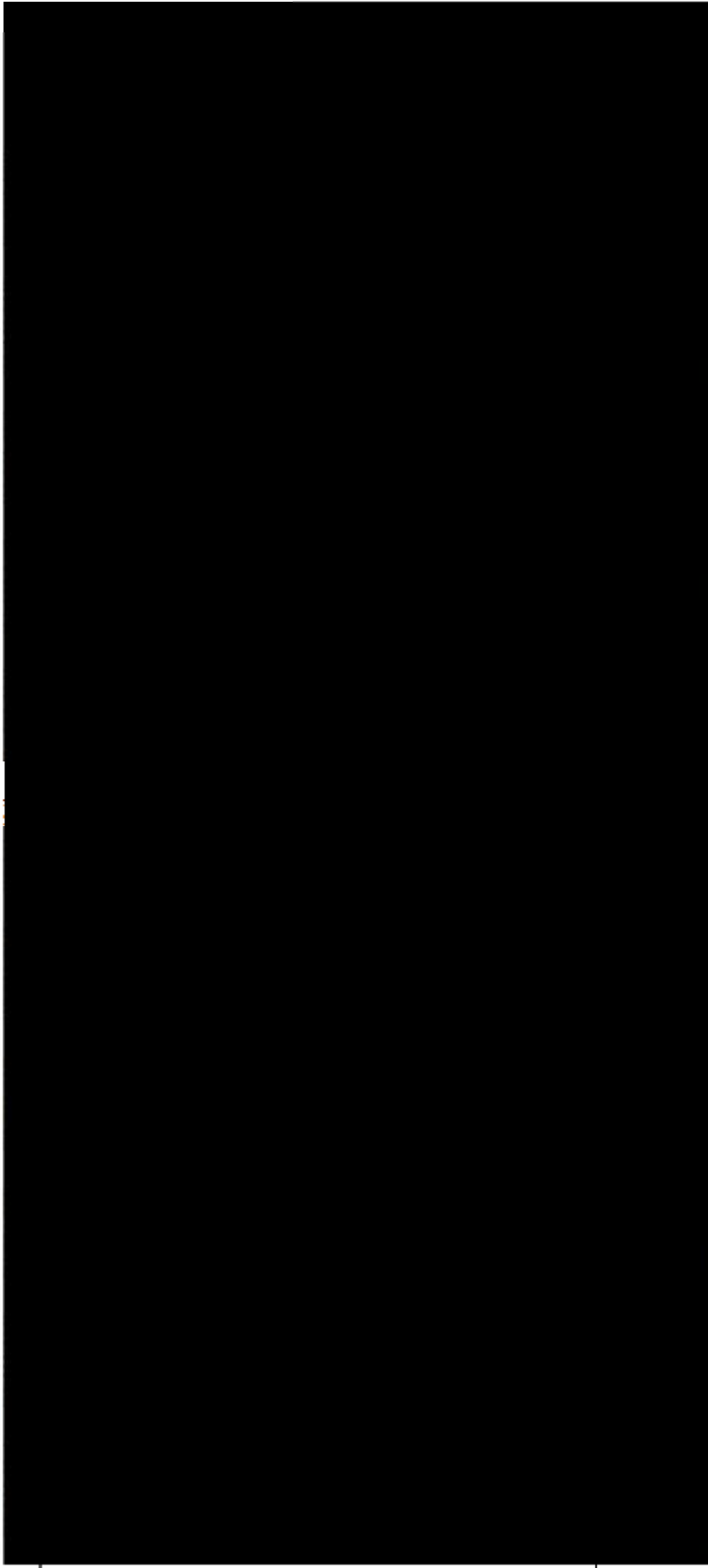
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Page A 5

043:Aug 2019 044:Sep 2019 045:Oct 2019 046:Nov 2019 047:Dec 2019 048:Jan 2020 049:Feb 2020 050:Mar 2020 051:Apr 2020 052:May 2020 053:Jun 2020



GROUPED CASH FLOW

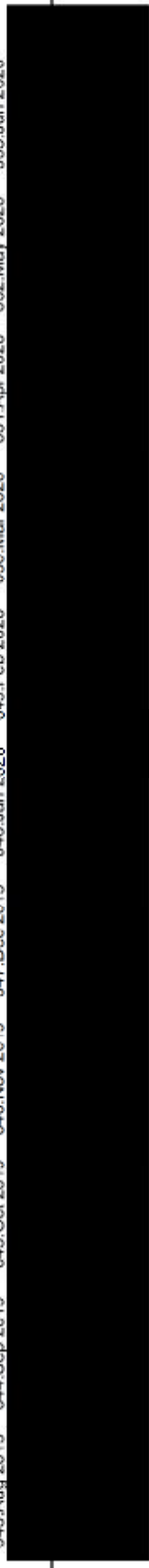
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Page B 5

043:Aug 2019 044:Sep 2019 045:Oct 2019 046:Nov 2019 047:Dec 2019 048:Jan 2020 049:Feb 2020 050:Mar 2020 051:Apr 2020 052:May 2020 053:Jun 2020



GROUPED CASH FLOW

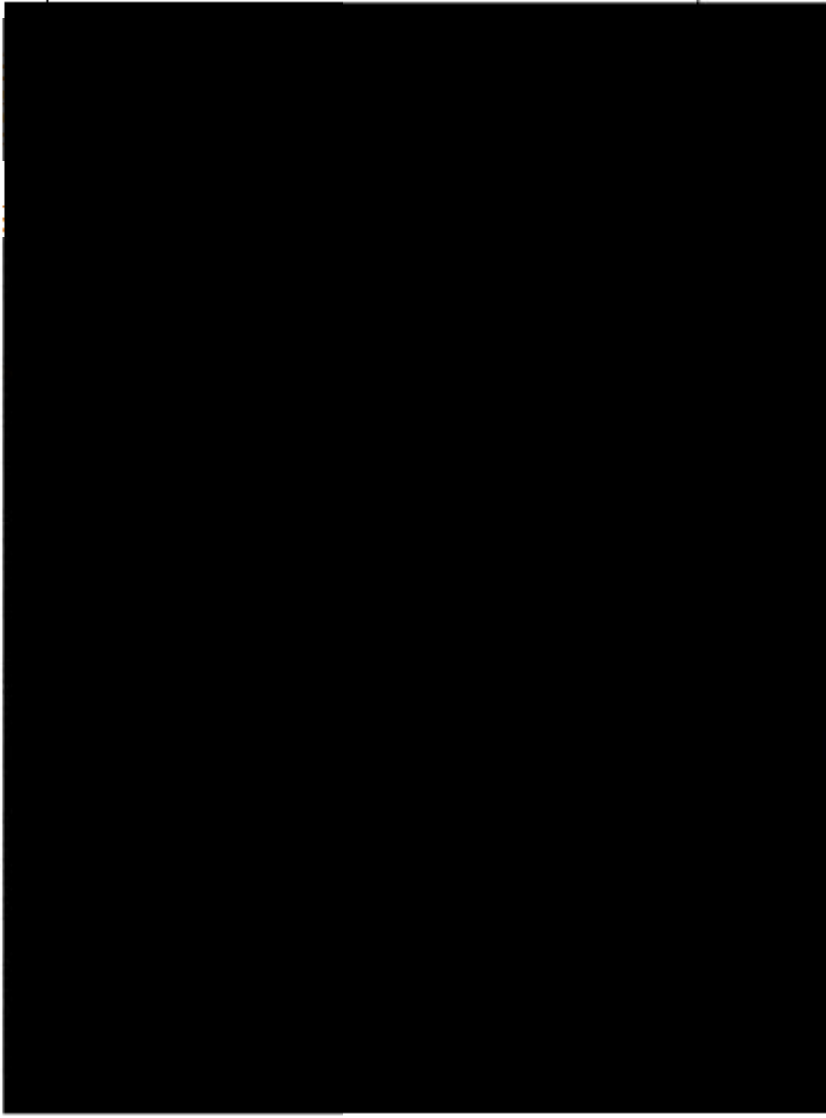
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Page A 6

054-Jul 2020 055-Aug 2020 056-Sep 2020 057-Oct 2020 058-Nov 2020 059-Dec 2020 060-Jan 2021



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Page B 6

054-Jul 2020 055-Aug 2020 056-Sep 2020 057-Oct 2020 058:Nov 2020 059:Dec 2020 060:Jan 2021

