

CONSULTATION RESPONSE
RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL
COMMUNITY INFRASTRUCTURE LEVY (CIL) DRAFT
CHARGING SCHEDULE

In Conjunction with HBF for
the Housebuilder Consortium

7 AUGUST 2013



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Executive Summary

This representation has been prepared by Savills in conjunction with the Home Builders Federation (HBF) on behalf of a developer and landowner consortium (the Consortium) to influence the emerging Community Infrastructure Levy (CIL) Charging Schedule proposed by Rhondda Cynon Taff County Borough Council (the Council). The representation is made in respect of the Draft Charging Schedule, Infrastructure List and Preliminary Draft Charging Schedule Report of Consultation.

Our representation relates only to residential development.

- The Council's comments and responses to our submission on the Preliminary Draft Charging Schedule are very limited and do not address the points raised in our submission.
- We do not understand the response at point b) for Representor No. 929. Within our submission, we stated that the 8 strategic sites central to the delivery of the LDP are Brownfield and given their nature, will be subject to significant site development constraints. The reason for this comment was to establish that to ignore what are classed as abnormal development costs, but which in our experience and that of the Consortium are in fact common across the County Borough within any viability appraisal which informs the CIL rate would place housing delivery at significant risk. The principle being that they will be subject to significant site costs and not to allow abnormal development costs within a viability appraisal where the delivery of the LDP is predicated on a Brownfield strategy is disingenuous.
- Notwithstanding this, we provide further evidence herein in respect of typical Brownfield and Greenfield development costs encountered across the southern part of the County Borough
- The Draft Infrastructure List limits the infrastructure projects which CIL can fund. As a result, it is evident that S106 obligations will continue to be recovered in addition to CIL, and therefore, sufficient allowances for additional S106 obligations should be made within the viability assessment.
- As part of our submission to the Preliminary Draft Charging Schedule, we raised concern in relation to the inclusion of the area of Tonyrefail within Zone 3, stating that market conditions in this location are much more aligned with those in Zone 2 and we have provided further evidence to justify our view within this submission.

- This document does not intend to re-state many of the comments made in our earlier consultation response. However, subsequent to our submission, further dialogue has been held with the Council and additional justification provided to them. As a result, the comments made herein reflect the Consortium's current position in respect of the viability review that has been undertaken to justify the rates of CIL proposed.
- Based on our own analysis, the residual amount for CIL in the Zone 2 (including Tonyrefail) area amounts to £14 - £16.50 per sq m. However, this makes no allowance for a viability buffer. We would therefore recommend that the CIL levy for **Zone 2**, which is to include Tonyrefail should be set no higher than **£11.50 per sq m** which allows a 30% viability buffer.
- Based on our own analysis, the remaining amount for CIL in the Zone 3 area amounts to £60 - £65 per sq m. However, this makes no allowance for a viability buffer. We would therefore recommend that the CIL levy for **Zone 3**, should be set no higher than **£45 per sq m** which allows a 30% viability buffer.

1.0 Introduction

1.1 This Representation has been prepared by Savills in conjunction with HBF on behalf of a landowner and developer consortium comprising:

- Llanmoor Homes
- Persimmon Homes/Charles Church
- Redrow Homes
- Taylor Wimpey

Hereafter known as ‘the Consortium’.

1.2 The Consortium represents a significant proportion of the residential developers present in the Borough.

1.3 This representation has been submitted to influence the emerging Community Infrastructure Levy (CIL) Charging Schedule and Infrastructure List proposed by Rhondda Cynon Taff County Borough Council (the Council). The representation is made in respect of the Draft Charging Schedule placed for public consultation in the period 27 June to 7 August 2013.

1.4 The Consortium has significant land interests across the Borough, all of which will contribute to the maintenance and delivery of the housing land supply (to meet identified housing needs). The rate of CIL and proposed implementation/operation is therefore of critical importance to the Consortium.

1.5 In setting the rate of CIL, Regulation 14(1) of the 2010 Community Infrastructure Levy, England and Wales Regulations (as amended) (No. 948) states that **“an appropriate balance”** needs to be struck between **“a) the desirability of funding from CIL (in whole or in part)”** against **“b) the potential effects (taken as a whole) of the imposition of CIL on the economic viability of development”**. There is a clear requirement to ensure that **most** developments are able to proceed. The Government provides further guidance on the meaning of the appropriate balance from paragraph 7 of the Community Infrastructure Levy Guidance – Charge Setting & Charging Schedule Procedures (March 2010).

1.6 The Consortium therefore considers that it is imperative that the evidence supporting CIL provides an up to date, consistent and well informed evidence base of economic viability in order to test various scenarios against CIL rates.

2.0 Draft Regulation 123 List of Infrastructure

- 2.1 The Consortium welcomes the clarity in respect of the draft infrastructure list and the relationship with S106 developer contributions, although we note the ability for the list to be changed at the discretion of the Council.
- 2.2 The draft infrastructure list highlights the lack of infrastructure funding via CIL in the north of the County and we therefore seek clarity from the Council as to how this infrastructure will be funded in this part of the Borough in order to stimulate development. If this is to continue to be recovered through S106 obligations, this will place additional burden on the delivery of housing in the north of the Borough, an area which is already recognised by the DVS viability assessment to have low levels of viability and one which comprises 4 of the 8 strategic sites identified in the LDP for housing delivery.
- We understand that education and strategic highway contributions will not be levied through S106 in the Southern Areas of the Borough but other contributions and obligations will be sought which are directly related to the development, such as public open space provision and commuted sums, local highway improvements, environmental and biodiversity mitigation. As a result, it is evident that S106 obligations will continue to be recovered in addition to CIL, and therefore, sufficient allowances for additional S106 obligations should be made within the viability assessment.

3.0 Charging Zones

3.1 As part of our submission to the Preliminary Draft Charging Schedule, we raised concern in relation to the inclusion of the area of Tonyrefail within Zone 3, stating that market conditions in this location are much more aligned with those in Zone 2 and therefore this area should be re-zoned.

3.2 Subsequent to our submission, further sales price evidence for Tonyrefail was produced to the Council as justification. This information has now been updated and is attached at **Appendix 1**.

3.3 The information provided at Appendix 1 is based upon the three most recent development sites at Tonyrefail as follows:-

3.4 **Redrow @ Dan Y Bryn** – The development achieved a range of sale prices which averaged £164 per sq ft and an overall sales rate of 2 per month. Redrow needed to agree part exchange on 46% of these sales in order to maintain this sales rate. The average prices above take no account of the cost involved in administering the part exchange deals or of any discounts agreed on the sale of the part exchange properties and this has an impact on the net price achieved. In addition, many regional and local developers are unable to offer or administer part exchange deals of this volume.

Davies Homes @ Nant Y Fron - Recent phase of 14 x 2 and 3 bedroom homes. 4 sales were achieved in 2012, 7 sales to date during 2013 with a further 3 still available. Achieved prices equate to £130 and £159 psf with an average achieved price of £146 per sq ft. The sales rate reflects less than 1 unit a month and the developer reports that these sales values and rates would be totally unsustainable on a stand alone site basis.

3.5 **Llanmoor @ Padfield Court** - Llanmoor first released houses for sale on this site in September 2012 with the show home opened on 2 March 2013. To date they have sold just 4 units, with an average sales price of £161 psf, again at a sales rate of 1 unit per month.

3.6 These sales values are lower than what is being achieved in the southern part of Zone 3 which is demonstrated by the sales values being achieved at Llanmoor Homes Cefn Cadno development at Llanharan where average sales prices are achieving £173 per sq ft and which are demonstrated at **Appendix 2**. We are also advised by Redrow Homes that sales values on their Woodland Meadow site in Llanharan are averaging just over £170 per sq ft.

- 3.7 Sales prices align more closely (and are in fact lower than) those within Zone 2. At present, there is only one active volume development selling in Zone 2, that being Barratt's College Green site where sales values are averaging £165 per sq ft as demonstrated at **Appendix 3**.
- 3.8 Just as important is the sluggish rate of sale witnessed in Tonyrefail when compared to average sales rates in Zone 2 and 3 which has a detrimental impact on development cashflow and the Zones should therefore be amended to reflect this by including Tonyrefail in Zone 2.
- 3.9 Within our test appraisals for Zone 2 referred to at Section 4, we have adopted average sales values of £165 per sq ft and a rate of sale of 2 per month than that demonstrated above. This is in line with what is being achieved in Zone 2 but is slightly higher than that being achieved in Tonyrefail.

4.0 Viability Assessment

4.1 This document does not intend to re-state many of the comments made in our earlier consultation response. However, subsequent to our submission, further dialogue has been held with the Council and additional justification provided to them. As a result, the comments made below reflect the Consortium's current position in respect of the viability review that has been undertaken to justify the rates of CIL proposed.

4.2 In summary, our concern remains that in undertaking viability analysis to inform CIL rates, DVS has failed to capture the true costs of development within the South Wales Valleys and has also failed to provide the Consortium with the evidence they have relied upon in undertaking their assessment. Whilst we accept that the exercise must be theoretical to a degree, it must also be founded on reality. In South Wales, the Consortiums experience is that every site of sufficient volume has an element of costs that are usually considered 'abnormal' but in fact, due to the frequency of occurrence, to consider them as 'abnormal' is not a true reflection, and not to allow for costs of this nature within a Borough wide viability review places a significant risk on delivery.

4.3 Our comments in relation to the specific inputs into the viability review are set out below:

4.4 Benchmark Land Value – We have considered the basis of arriving at a benchmark land value having reviewed the actual price paid for a number of development sites within each Zone as set out in the table below:

Site	Zone	Net Acres	Date	Purchas Price	£ per net acre
Milford Park, Rhydfelin	2	3.38	Feb 13	£2,217,000	£655,917
Alexon, Hawthorn	2	4.5	Nov 12	£2,055,000	£456,667
Parc Dan Y Bryn, Tonyrefail	?	3.72	Jan 11	£850,000	£228,495
Padfield Court, Tonyrefail	?	10.96	Aug 11	£3,710,000	£338,504
Bryn Celyn, Llanharry	3	7.1	Feb 12	£2,051,312	£288,917
Woodland Meadow, Llanharan	3	7.43	2012	£1,870,000	£251,682

4.5 The Zone 3 sites are both Greenfield. The purchase price for the Woodland Meadow scheme was recently determined at arbitration and we consider this to represent the benchmark land value for Greenfield land in Zone 3. We have applied £250,000 per net acre within our appraisals but consider that Brownfield land values would be at least 40% higher than the Greenfield equivalent.

- 4.6 At Tonyrefail, Parc Dan Y Bryn is a Greenfield site, whereas Padfield Court is a Brownfield site. The value of the Brownfield site is approximately 40% higher than the Greenfield site, and we consider the achieved prices represent the benchmark land values within Tonyrefail, particularly given that the S106 agreement at Padfield Court was agreed following a viability review.
- 4.7 The two sites in Zone 2 are both Brownfield sites and reflect the position of the seller in both cases. The prices achieved are higher than what we would consider as benchmark land values for Brownfield land, but consider that the market is similar to that at Tonyrefail and have therefore applied a benchmark land value for Greenfield land at £225,000 per net acre.
- 4.8 Acquisition Costs – The costs associated with site acquisition should be allowed for within the appraisal. Our test appraisals allow 4% stamp duty, 1% agent's fee and 0.5% legal fees which are reasonable market allowances and on an overall basis accord with the DVS review.
- 4.9 Sales Values – Within Zone 2 (including Tonyrefail), new homes product is achieving net sales value averaging between £160 - £165 per sq ft. Sales evidence for Tonyrefail is attached at Appendix 1 and for Rhydfelin (Zone 2) at Appendix 3. This is higher than DVS has allowed for within their viability review.
- 4.10 Within Zone 3, new homes product is achieving net sales value averaging £170 - £175 per sq ft. This is at the top end of the range adopted by DVS. Sales evidence for Zone 3 is attached at Appendix 2. Within our appraisals we have adopted £165 (Zone 2 and Tonyrefail) and £175 per sq ft (Zone 3).
- 4.11 A 6% deduction in Gross Development Value has a significant impact upon scheme viability and as a result, we consider this justifies the need for a zoned CIL charge.
- 4.12 Build Costs & Infrastructure – We agree with the principle of estimating the base build cost from the RICS Build Cost Information Service after adjusting for location, which at the time of submission equates to £70 per sq ft. This is in line with average plot cost and preliminaries experienced by the Consortium.
- 4.13 In addition, DVS apply an additional 17.5% of base build cost to account for external and additional sustainability costs. External works only account for on site roads, services and drainage. We have undertaken further analysis to establish external costs of actual developments within the Borough and the details of these are schedule at **Appendix 4**.

These costs relate to costs associated with the 6 developments set out in the schedule at 4.2 above, which we estimate represents over 80% of the private residential development currently active in the Borough.

- 4.14 Our assessment provides a schedule of total 'site costs' for actual delivery of each site which range between 25 and 35% of base build cost which is significantly higher than the 17.5% allowance made by DVS within their assessment which we trust sufficiently demonstrates the extent of **typical** development costs associated with sites within the Borough, and that the allowances within the DVS are insufficient to cover typical development costs.
- 4.15 It must also be noted that two of the sites within our analysis are Greenfield, Bryn Celyn and Woodland Meadow, and on both, significant site costs were encountered, demonstrating that these costs are common on both Brownfield and Greenfield sites.
- 4.16 These cost levels accord with the Homes and Communities Agency analysis completed by BCIS for the Housing Corporation in 2007, which indicated that the average cost of external works and infrastructure on residential schemes started since 2003 was equivalent to an additional 27% of building costs, including a wide range of site specific circumstances. In addition, the viability analysis undertaken by GVA for Torfaen Council in respect of the South Sebastopol development further supports this position.
- 4.17 We consider it appropriate therefore to make allowances of at least 27% of base build costs within the viability appraisal to cater for typical "external" development costs encountered within the Borough. This is not at the upper range of our evidence, but is the average.
- 4.18 Building Regulation Improvements and Fire Sprinklers – The Minister for Housing and Regeneration has recently announced the introduction, through amendments to Part L of Building Regulations, a requirement to reduce greenhouse gas emissions by 8% from 2010 levels. This is lower than the anticipated 40% originally consulted upon and is therefore unlikely to have any additional cost impact.
- 4.19 In the same announcement, the Minister also confirmed that fire sprinklers will need to be installed in all new and converted houses and flats from January 2016, and as a result, the viability review should include the average cost of £3,075 per dwelling as arrived at within the Welsh Government's own study into this matter. It is appreciated that the CIL levy is likely to come into force prior to January 2016. However, given the confirmation from the Housing Minister, developers will need to factor these costs into their land buying assumptions and will therefore impact on scheme viability, earlier than January 2016.

- 4.20 Contingency – We consider it appropriate to apply a contingency of 3% on base build costs (equivalent of 2% of total costs excluding land purchase).
- 4.21 Section 106 obligations – The draft infrastructure list limits the use of CIL for a number of educational and transportation projects. As a result, the likelihood of each development needing to make further financial contributions under a S106 agreement is high.
- 4.22 The average S106 obligation for the 6 sites referred too previously amounted to just over £2,870 per dwelling. Whilst it is acknowledged that going forward CIL will cater for some of these obligations, we consider it appropriate that the viability assessment make allowance for S106 contributions and we have allowed £1,000 per dwelling within our appraisal.
- 4.23 Professional Costs – We have made an allowance of 8% which we understand is similar to the allowance within the DVS viability review.
- 4.24 Sales & Marketing Costs – Residential development of the scale envisaged will require the provision of marketing suites, show homes, on site sales staff and high profile marketing campaigns. As a result, we have made an allowance of 3% of GDV for marketing. We have not allowed for external estate agency costs as this is not normally the case in South Wales with larger development sites. We have allowed £750 per unit for market housing legal fees and £500 per unit for affordable units.
- 4.25 Finance – Based on the current funding market, a debit finance rate of 7% which accounts for both entry and exit fees is reasonable. An allowance of 6% as per the DVS viability review is lower than we would expect. The DVS also apply a credit rate of 5.2% which we do not consider appropriate and is not something that we have seen other advisors apply on CIL reviews for other local authorities across the UK where a debit rate of 7% has been commonly applied.
- 4.26 Developer Profit – DVS assume a developer return of 17.5% of GDV for the private housing and 4.76% on GDV of the affordable housing. These rates are lower than the returns required by the vast majority of developers, and, as importantly, their funding partners are able to accept. It is also below the accepted developer's profit of 20% in a recent appeal decision (APP/X0360/A/12/2179141).
- 4.27 A return of 17.5% takes no account of the developer's overheads and a more realistic developer profit on market sales, taking account of the prevailing market conditions and development risks is a minimum of 20% and 6% for the affordable housing element. This is

consistent with the rate of profit adopted by advisors acting on behalf of other local authorities in England where CIL has been adopted and implemented including Broadland, Brent and Fareham to name just a few.

4.28 In order to demonstrate the impact that the proposed CIL levy will have on development, we have set out two sample appraisals for each Zone, one of 50 dwellings and another for 100 dwellings. Zone 2 appraisals (to include Tonyrefail) are attached at **Appendix 5** and the Zone 3 appraisals attached at **Appendix 6**.

4.29 Our appraisals make the following allowances which based on the comments herein we consider to be reasonable assumptions in the context of development across South Wales.

1. **Sales Values** - £165psf (Zone 2) and £175psf (Zone 3)
2. **Affordable** – Nil Grant (42% ACG)
3. **Densities** – 14 units per acre/14,600 sq ft per acre
4. **Sales Rates** – 2 units per month
5. **Benchmark Land Values** - £225,000 (Zone2) and £250,000 (Zone 3) per net acre
6. **Build Costs** – BCIS (£70psf)
7. **Contingency** – 3% of base build cost
8. **External Costs** – 27% of base build costs (amounts to £275,000 per acre)
9. **Fire Sprinklers** - £3,075 per plot
10. **Developers Profit** – 20% of GDV (Market Housing) & 6% (Affordable) – 19.2% Average
11. **Purchasers Costs** – 5.5% (Stamp Duty, Agents & Legals)
12. **Professional Costs** – 8% of cost
13. **Sales & Marketing Costs** – 3.5% of GDV
14. **Finance Debit Rate** – 7%
15. **S106 costs** - £1,000 per dwelling

4.30 Given CIL's nature as a fixed tariff, it is important that the Council selects rates that are not on the limit of viability. Consequently, sensitive CIL rate setting for residential schemes is vital. The guidance advises that CIL rates should not be set at the very margin of viability, partly in order that they may remain robust over time as circumstances change: *'Charging authorities should avoid setting a charge right up to the margin of economic viability across the vast majority of sites in their area... In setting a CIL rate, [they] will need to bear in mind that economic circumstances and land values could change significantly during the lifetime of the charging schedule.'*

5.0 Viability Conclusions

Zone 2

- 5.1 Based on the two appraisals, the residual for CIL amounts to £14 - £16.50 per sq m. However, this makes no allowance for a viability buffer. It must be remembered that our appraisals are based on Greenfield land values and no allowance adopted for Brownfield values. In addition, the total site costs adopted within our appraisals are average costs and as a result, there is a risk of them being higher in site specific circumstances. A viability buffer is therefore important to ensure that the majority of allocated development is capable of being delivered.
- 5.2 We would therefore recommend that the CIL levy for Zone 2, which is to include Tonyrefail should be set no higher than £11.50 per sq m which allows a 30% viability buffer. When added to the S106 allowance within the appraisal, the total amount of CIL levy and S106 obligation amounts to £23.37 per sq m or £1,850 - £1,970 per dwelling. The average S106 obligation for the Zone 2 and Tonyrefail schemes referred to in the table at Section 4.2 of this report amount to £19.41 per sq m or £1,879 per dwelling. A CIL charge of £40 as proposed by the Council will represent an average increase of 130% on the current S106 obligation for these schemes to £4,300 per dwelling.

Zone 3

- 5.3 Based on the two appraisals, the residual for CIL amounts to £60 - £65 per sq m. However, this makes no allowance for a viability buffer. It must be remembered that our appraisals are based on Greenfield land values and no allowance adopted for Brownfield values. In addition, the total site costs adopted within our appraisals are average costs and as a result, there is a risk of them being higher in site specific circumstances. A viability buffer is therefore important to ensure that the majority of allocated development is capable of being delivered.
- 5.4 We would therefore recommend that the CIL levy for Zone 3, should be set no higher than £45 per sq m which allows a 30% viability buffer. When added to the S106 allowance within the appraisal, the total amount of CIL levy and S106 obligation amounts to £57.37 per sq m or £4,570 - £4,830 per dwelling. The average S106 obligation for the Zone 3 schemes referred to in the table at Section 4.2 of this report amount to £47.65 per sq m or £4,560 per dwelling. A CIL charge of £100 as proposed by the Council will represent an average increase of 110% of the current S106 obligation for these schemes to £9,400 per dwelling.

Appendix 1

Development Name	Individual House Brand (Specific to each House builder)	No. of Beds	Size (square feet)	Property Description (Detached house, Apartment etc)	Date of Sale (completion- Or state if only exchanged or "reserved")	Sale Price	Price psf	Remarks (e.g. Single Garage, larger plot, drainage easement through garden etc)
REDROW								
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	12/05/2011	£239,387	£179.99	Single Garage
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	24/05/2011	£200,183	£157.01	Integral Garage
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi-Detached	07/08/2011	£145,517	£154.48	Parking
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	11/08/2011	£196,854	£177.03	Single Garage
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	09/09/2011	£183,016	£164.58	Single Garage
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi-Detached	22/09/2011	£152,274	£161.65	Parking
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi-Detached	08/10/2011	£150,588	£159.86	Parking
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	10/10/2011	£202,952	£159.18	Integral Garage
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi-Detached	13/11/2011	£151,872	£161.22	Parking
Dan Y Bryn, Tonyrefail	Rutlin	4	1,292	Detached	07/01/2012	£191,048	£147.87	
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi-Detached	09/01/2012	£150,609	£159.88	Parking
Dan Y Bryn, Tonyrefail	Stratford	4	1,096	Detached	20/01/2012	£177,550	£162.00	Single Garage
Dan Y Bryn, Tonyrefail	Canterbury	4	1,408	Detached	11/02/2012	£234,887	£166.81	Double Garage
Dan Y Bryn, Tonyrefail	Stratford	4	1,098	Detached	17/02/2012	£172,201	£157.12	Single Garage
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi Detached	20/02/2012	£142,803	£151.60	Parking
Dan Y Bryn, Tonyrefail	Evesham	2	680	Terrace/Semi Detached	23/03/2012	£112,573	£165.55	Parking
Dan Y Bryn, Tonyrefail	Stratford	4	1,144	Detached	24/03/2012	£182,410	£159.45	Single Garage
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi-Detached	31/03/2012	£147,260	£156.33	Parking
Dan Y Bryn, Tonyrefail	Letchworth	3	942	Semi-Detached	05/04/2012	£150,433	£159.70	Parking
Dan Y Bryn, Tonyrefail	Evesham	2	680	Terrace/Semi Detached	06/04/2012	£102,552	£150.81	Parking
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	12/04/2012	£224,228	£168.59	Single Garage
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	10/05/2012	£212,888	£166.97	Integral Garage
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	25/05/2012	£196,869	£177.04	Single Garage
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	08/06/2012	£214,705	£168.40	Integral Garage
Dan Y Bryn, Tonyrefail	Stratford	4	1,144	Detached	09/06/2012	£183,419	£160.33	Single Garage
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	23/06/2012	£209,755	£164.51	Integral Garage
Dan Y Bryn, Tonyrefail	Broadway	3	816	Semi-Detached	24/06/2012	£127,333	£156.05	Parking
Dan Y Bryn, Tonyrefail	Broadway	3	816	Semi-Detached	01/07/2012	£121,437	£148.82	Parking
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	04/07/2012	£208,093	£163.21	Integral Garage
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	16/07/2012	£187,003	£168.17	Single Garage
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	27/07/2012	£197,941	£155.25	Integral Garage
Dan Y Bryn, Tonyrefail	Stratford	4	1,144	Detached	02/08/2012	£180,676	£157.93	Single Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	15/08/2012	£229,060	£172.23	Single Garage
Dan Y Bryn, Tonyrefail	Stratford	4	1,144	Detached	20/08/2012	£178,699	£156.21	Single Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	23/08/2012	£225,706	£169.70	Single Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	13/09/2012	£220,549	£165.83	Single Garage
Dan Y Bryn, Tonyrefail	Oxford +	4	1,275	Detached	05/10/2012	£216,239	£169.60	Integral Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	08/10/2012	£220,983	£166.14	Single Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	14/10/2012	£225,000	£169.17	Single Garage
Dan Y Bryn, Tonyrefail	Stratford	4	1,144	Detached	26/11/2012	£180,247	£157.56	Single Garage
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	21/12/2012	£185,589	£166.90	Single Garage
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	10/01/2013	£183,983	£165.45	Single Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	10/01/2013	£225,673	£169.68	Single Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	17/01/2013	£223,094	£167.74	Single Garage
Dan Y Bryn, Tonyrefail	Canterbury	4	1,408	Detached	15/03/2013	£253,577	£180.10	Single Garage
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	29/03/2013	£185,000	£166.37	Single Garage
Dan Y Bryn, Tonyrefail	Cambridge	4	1,330	Detached	12/04/2013	£220,000	£165.41	Single Garage
Dan Y Bryn, Tonyrefail	Pembroke	4	1,112	Detached	19/04/2013	£185,000	£166.37	Single Garage
						54,944	£9,009,676	£163.98

Development Name	Individual House Brand (Specific to each House builder)	No. of Beds	Size (square feet)	Property Description (Detached house, Apartment etc)	Date of Sale (completion- Or state if only exchanged or "reserved")	Sale Price	Price psf	Remarks (e.g. Single Garage, larger plot, drainage easement through garden etc)
DAVIES HOMES								
Nant y Fron 18	Warwick	2	630	end of terrace	23/03/2012	£99,950	£158.65	Flooring allowance
17a	Tintern	3	850	semi	18/04/2012	£130,000	£152.94	Appliances and Flooring
19	Warwick	2	630	Mid Terrace	13/07/2012	£82,500	£130.95	
38	Tintern	3	850	Mid Terrace	21/08/2012	£114,000	£134.12	Flooring allowance
24	Warwick	2	630	Mid Terrace	11/01/2013	£94,500	£150.00	Flooring allowance
59	Warwick	2	630	end of terrace	11/01/2013	£94,500	£150.00	Flooring allowance
60	Warwick	2	630	end of terrace	15/02/2013	£85,000	£134.92	Flooring allowance
20	Warwick	2	630	end of terrace	Summer 2013	£95,000	£150.79	Flooring allowance
23	Warwick	2	630	end of terrace	Summer 2013	£95,000	£150.79	Flooring allowance
25	Tintern	3	850	end of terrace	Summer 2013	£125,000	£147.06	Flooring allowance
58	Warwick	2	630	end of terrace	Summer 2013	£95,000	£150.79	Flooring allowance
						7590	£1,110,450	£146.30

Development Name	Individual House Brand (Specific to each House builder)	No. of Beds	Size (square feet)	Property Description (Detached house, Apartment etc)	Date of Sale (completion- Or state if only exchanged or "reserved")	Sale Price	Price psf	Remarks (e.g. Single Garage, larger plot, drainage easement through garden etc)
LLANMOOR								
Padfield Court, Tonyrefail	Colwinston	4	1431	Detached	04/04/2013	£225,000	£157.23	Double Garage
Padfield Court, Tonyrefail	Llanmaes	4	1341	Detached	31/05/2013	£215,000	£160.33	Part Exchange
Padfield Court, Tonyrefail	Femdale	3	1117	Detached	07/06/2013	£180,995	£162.04	
Padfield Court, Tonyrefail	Chelsea	2	661	Semi-Detached	06/07/2013	£115,000	£173.98	
						4550	£735,995	£161.76

Appendix 2

Appendix 3

Development Name	Individual House Brand (Specific to each House builder)	No. of Beds	Size (square feet)		Property Description (Detached house, Apartment etc)	Date of Sale (Completion or state if only exchange or reserved)	Sales Price	Price psf	Remarks
			Footage						
SARFATT HOMES									
Name									
College Green, Rhydyfelin	ENBOURNE	3	875		End-Terraced	Mar-13	158,650	£181.31	Parking
College Green, Rhydyfelin	Enbourne	3	875		End-Terraced	Jun-13	158,650	£181.31	Parking
College Green, Rhydyfelin	Enbourne	3	875		Semi-Detached	Nov-12	158,650	£181.31	Parking
College Green, Rhydyfelin	Enbourne	3	875		Detached	Aug-13	158,860	£181.55	Parking
College Green, Rhydyfelin	Enbourne	3	875		Semi-Detached	May-12	158,650	£181.31	2x Parking
College Green, Rhydyfelin	Enbourne	3	875		Semi-Detached	Jun-12	158,650	£181.31	2x Parking
College Green, Rhydyfelin	Enbourne	3	875		End-Terraced	Jun-12	158,650	£181.31	2x Parking
College Green, Rhydyfelin	IPAD	1	650		Apartment	July 2013-Reserved	105,450	£162.23	Parking
College Green, Rhydyfelin	IPAD	1	650		Apartment	July 2013-Reserved	105,450	£162.23	Parking
College Green, Rhydyfelin	IPAD	1	1,128		Apartment	July 2013-Reserved	156,750	£138.96	Parking
College Green, Rhydyfelin	IPAD	1	1,128		Apartment	July 2013-Reserved	156,750	£138.96	Parking
College Green, Rhydyfelin	IPAD	1	967		Apartment	July 2013-Reserved	152,000	£157.19	Parking
College Green, Rhydyfelin	IPAD	1	967		Apartment	May-13	152,000	£157.19	Parking
College Green, Rhydyfelin	IPAD	1	832		Apartment	Jun-13	142,500	£171.27	Parking
College Green, Rhydyfelin	IPAD	1	832		Apartment	July 2013-Reserved	137,750	£165.56	Parking
College Green, Rhydyfelin	IPAD	1	832		Apartment	May-13	137,750	£165.56	Parking
College Green, Rhydyfelin	IPAD	1	967		Apartment	Apr-13	152,000	£157.19	Parking
College Green, Rhydyfelin	IPAD	1	967		Apartment	May-13	152,000	£157.19	Parking
College Green, Rhydyfelin	IPAD	1	832		Apartment	May-13	142,500	£171.27	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	Jun-12	171,000	£160.41	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	Apr-12	171,000	£160.41	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	Nov-11	169,195	£158.72	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	Dec-11	169,195	£158.72	Parking
College Green, Rhydyfelin	KENFIG	4	1,335		Mid-Terraced TH	Dec-12	170,000	£127.34	Parking
College Green, Rhydyfelin	KENFIG	4	1,335		Mid-Terraced TH	Dec-12	170,000	£127.34	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	Jun-12	178,600	£167.54	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	Jun-12	172,900	£162.20	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	Jun-12	178,600	£167.54	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		End-Terraced TH	Mar-12	178,600	£167.54	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		Mid-Terraced TH	May-12	172,900	£162.20	Parking
College Green, Rhydyfelin	KENFIG	4	1,066		End-Terraced TH	Mar-12	178,600	£167.54	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		End-Terraced	Apr-12	141,000	£169.47	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		Semi-Detached	Dec-11	154,155	£185.28	Single Garage
College Green, Rhydyfelin	MAIDSTONE	3	832		Semi-Detached	Sep-11	154,155	£185.28	Single Garage
College Green, Rhydyfelin	MAIDSTONE	3	832		Semi-Detached	May-12	154,155	£185.28	Single Garage
College Green, Rhydyfelin	MAIDSTONE	3	832		Mid-Terraced	Sep-11	140,975	£169.44	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		Mid-Terraced	Dec-11	141,444	£170.00	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		Semi-Detached	Jun-12	142,115	£170.81	Parking
College Green, Rhydyfelin	MAIDSTONE	3	965		Semi-Detached	Feb-13	142,000	£147.15	Parking
College Green, Rhydyfelin	MAIDSTONE	3	965		Mid-Terraced	Dec-12	137,000	£141.97	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		Semi-Detached	Sep-12	154,160	£185.29	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		Semi-Detached	Oct-12	154,160	£185.29	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		End-Terraced	Nov-12	147,580	£177.38	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		End-Terraced	Sep-12	147,580	£177.38	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		Semi-Detached	Jun-13	147,580	£177.38	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		End-Terraced	Sep-12	145,700	£175.12	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		End-Terraced	Mar-12	147,580	£177.38	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		End-Terraced	Feb-12	147,580	£177.38	Parking
College Green, Rhydyfelin	MAIDSTONE	3	832		End-Terraced	Dec-11	147,580	£177.38	Parking
College Green, Rhydyfelin	RICHMOND	2	720		Mid-Terraced	May-13	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		End-Terraced	Mar-13	121,870	£169.26	Parking
College Green, Rhydyfelin	Richmond	2	720		End-Terraced	Apr-13	121,870	£169.26	Parking
College Green, Rhydyfelin	RICHMOND	2	720		Mid-Terraced	Mar-13	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		End-Terraced	Mar-13	121,870	£169.26	Parking
College Green, Rhydyfelin	Richmond	2	805		Mid-Terraced	Dec-12	112,000	£139.13	Parking
College Green, Rhydyfelin	Richmond	2	805		End-Terraced	Dec-12	115,000	£142.86	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Oct-12	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Oct-12	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Jun-13	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Sep-12	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Aug-12	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Jul-12	118,120	£164.06	Parking
College Green, Rhydyfelin	RICHMOND	2	720		Mid-Terraced	Mar-12	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Mar-12	118,120	£164.06	Parking
College Green, Rhydyfelin	RICHMOND	2	720		Mid-Terraced	Jan-12	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Jan-12	118,120	£164.06	Parking
College Green, Rhydyfelin	RICHMOND	2	720		Mid-Terraced	Dec-11	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Dec-11	118,120	£164.06	Parking
College Green, Rhydyfelin	RICHMOND	2	720		Mid-Terraced	Sep-11	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Sep-11	118,120	£164.06	Parking
College Green, Rhydyfelin	RICHMOND	2	720		Mid-Terraced	Sep-11	118,120	£164.06	Parking
College Green, Rhydyfelin	Richmond	2	720		Mid-Terraced	Sep-11	118,120	£164.06	Parking

61,571

10,167,434

£165.13

Appendix 4

Development Site	Site Detail										Cost Analysis											
	Location	Developer	Date of Planning Permission	Date of Purchase	No of Units	Site Area Net Acres	Built Area Sq Ft	Built Area Sq M	Affordable Housing (%)	S106 (£)	Additional Build Costs (£)	External works (£)	Total Site Costs See Note 4	Land Purchase Price (£)	Units Per Sq Ft Per Net Acre	Purchase Price Per Net Acre	S106 Costs per Acre	S106 Build Costs per Sq M	Additional Build Costs per Net Acre	Additional Build Costs as % of BCS Build Costs	External Works as % of BCS Build Costs	Total Site Costs as % of BCS Build Costs See Note 4
Bryn Celyn	Llanharry	Lovell	Mar-12	24/02/2012	88	7.1	62831	7,677	20% - 18 units LCHO (525k Equity Discount)	£493,820	£1,292,779	Net Provided	N/A	£2,051,312	12.39	£268,917	£5,012	£64	£192,082	22.35%	N/A	N/A
Milford Park	Rhyefelin	Penrhymon	Nov-09	01/02/2013	48	3.38	51807	4,813	20% - 50% Social Rent	£49,000	£892,341	£461,000	£1,263,341	£2,217,000	14.20	£655,917	£1,021	£10	£237,379	22.12%	12.71%	34.84%
Not Released	Hawthorn	Charles Church	Nov-12	18/11/2012	79	4.5	76733	7,129	20% - 50% LCHO	£97,000	£895,500	£981,000	£1,646,900	£2,055,000	17.55	£456,667	£1,228	£14	£152,333	12.76%	18.26%	31.03%
Parc Dan Y Bryn	Tonyrefail	Redrow	Jan-11	01/01/2011	51	3.72	54844	5,104	20% - 50% Social Rent	£139,104	£893,889	£123,776	£1,017,775	£850,000	13.71	£228,495	£2,728	£27	£240,322	23.24%	3.22%	26.46%
Woodland Meadow	Usharvan	Redrow	Jul-10	2012	97	7.43	107932	10,077	20% - 50% LCHO (10 units)	£349,820	£1,458,484	£617,627	£2,476,121	£1,870,000	13.06	£351,682	£3,006	£35	£186,288	16.36%	10.82%	30.13%
Predfield Court	Tonyrefail	Llanmoor	July-11 (on Appeal)	03/06/2011	137	10.96	144792	13,452	15% of LCHO (70% MV)	£307,000	£1,622,900	Not Provided	N/A	£3,710,000	12.50	£338,504	£2,241	£23	£148,075	16.01%	N/A	N/A

Note 1	The date of purchase reflects the date that value was crystallised following receipt of planning permission. In relation to Woodland Meadow, the date is the date that the purchase price was determined at arbitration.
Note 2	Additional Build Costs include items such as Demolition and asbestos removal, Off Site Infrastructure, Drainage Attenuation, Land Remediation and Remediation, Importation of top soil/filling levels, Service diversions, flood defences, flood defences, EOD foundations, pumping station and/or retention substations
Note 3	External Works includes on site roads, utility services and drainage
Note 4	This represents the total 'Site Cost' of development and is calculated by adding both the Additional Build Cost and External Works together. It excludes the 'Net build cost'.

Appendix 5

APPRAISAL SUMMARY**SAVILLS**

RCT Zone 2 - 50 Unit - Test Scheme for CIL

Summary Appraisal for Merged Phases 1 2

REVENUE

Sales Valuation		Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Market Housing	40	45,314	£165.00	£186,918	7,476,730	
2 Bed House	5	3,150	£98.87	£62,286	311,430	
3 Bed House	5	3,750	£92.06	£69,048	345,240	
Totals	50	52,214			8,133,400	

NET REALISATION**8,133,400****OUTLAY****ACQUISITION COSTS****AMOUNT REMAINING****60,734**

Fixed Price		803,250			
Total Acquisition (3.57 Acres)			863,984		
Stamp Duty		4.00%	38,459		
Agent Fee		1.00%	9,615		
Legal Fee		0.50%	4,807		

916,865

CONSTRUCTION COSTS

Construction		ft ²	Rate ft ²	Cost
Market Housing	45,314	£70.00	3,171,946	
2 Bed House	3,150	£70.00	220,500	
3 Bed House	3,750	£70.00	262,500	
Totals	52,214		3,654,946	3,654,946

Contingency		3.00%	109,648	
External Allowances (27 % of build)			856,425	
External Allowances (27% of build)			130,410	

1,096,483

Other Construction

Fire Sprinklers	40 un	3,075.00 /un	123,000	
Fire Sprinklers	10 un	3,075.00 /un	30,750	

153,750

Section 106 Costs

Section 106			40,000	
Section 106			10,000	

50,000

PROFESSIONAL FEES

Other Professionals		8.00%	263,596	
Other Professionals		8.00%	41,100	

304,696

MARKETING & LETTING

Marketing		3.00%	224,302	
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224,302

DISPOSAL FEES

Sales Legal Fee	40 un	750.00 /un	30,000	
Sales Legal Fee	10 un	500.00 /un	5,000	

35,000

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)

Total Finance Cost				134,905
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TOTAL COSTS**6,570,947****PROFIT****1,562,453****Performance Measures**

Profit on Cost%	23.78%
Profit on GDV%	19.21%

ANALYSIS:

Amount Remaining = £60,734

Less 30% Viability Buffer = £42,514

CIL Rate: £42,514/4210 sq m = £10 psm

APPRAISAL SUMMARY

RCT Zone 2 - 100 Unit - Test Scheme for CIL

SAVILLS

Summary Appraisal for Merged Phases 1 2

REVENUE

Sales Valuation	Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Market Housing	80	90,627	£165.00	14,953,459	
2 Bed House	10	6,300	£98.87	622,860	
3 Bed House	10	7,500	£92.06	690,480	
Totals	100	104,427		16,266,799	

NET REALISATION

16,266,799

OUTLAY**ACQUISITION COSTS**

AMOUNT REMAINING		138,318		
Fixed Price		1,606,500		
Total Acquisition (7.14 Acres)			1,744,818	
Stamp Duty		4.00%	77,591	
Agent Fee		1.00%	19,398	
Legal Fee		0.50%	9,699	
				1,851,506

CONSTRUCTION COSTS

Construction	ft ²	Rate ft ²	Cost
Market Housing	90,627	£70.00	6,343,892
2 Bed House	6,300	£70.00	441,000
3 Bed House	7,500	£70.00	525,000
Totals	104,427		7,309,892

Contingency	3.00%	219,297	
External Allowances (27 % of build)		1,712,850	
External Allowances (27% of build)		260,820	
			2,192,967

Other Construction

Fire Sprinklers	80 un	3,075.00 /un	246,000	
Part L & Fire Sprinklers	20 un	3,075.00 /un	61,500	
				307,500

Section 106 Costs

Section 106			80,000	
Section 106			20,000	
				100,000

PROFESSIONAL FEES

Other Professionals		8.00%	527,191	
Other Professionals		8.00%	82,200	
				609,391

MARKETING & LETTING

Marketing		3.00%	448,604	
				448,604

DISPOSAL FEES

Sales Legal Fee	80 un	750.00 /un	60,000	
Sales Legal Fee	20 un	500.00 /un	10,000	
				70,000

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)				
Total Finance Cost				215,762

TOTAL COSTS

13,105,622

PROFIT

3,161,178

Performance Measures

Profit on Cost%	24.12%
Profit on GDV%	19.43%

ANALYSIS:

Amount Remaining - £138,318
Less: 30% Viability Buffer = £96,823
CIL Rate: £96,823/8419 sq m = £11.50 psm

Appendix 6

APPRAISAL SUMMARY

RCT Zone 3 - 50 Unit - Test Scheme for CIL

SAVILLS

Summary Appraisal for Merged Phases 1 2

REVENUE

Sales Valuation		Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Market Housing	40	45,314	£175.00	£198,247	7,929,865	
2 Bed House	5	3,150	£98.87	£62,286	311,430	
3 Bed House	5	3,750	£92.06	£69,048	345,240	
Totals	50	52,214			8,586,535	

NET REALISATION

8,586,535

OUTLAY

ACQUISITION COSTS

AMOUNT REMAINING

273,633

Fixed Price		892,500		
Total Acquisition (3.57 Acres)			1,166,133	
Stamp Duty	4.00%		50,545	
Agent Fee	1.00%		12,636	
Legal Fee	0.50%		6,318	

1,235,631

CONSTRUCTION COSTS

Construction		ft ²	Rate ft ²	Cost
Market Housing	45,314	£70.00	3,171,946	
2 Bed House	3,150	£70.00	220,500	
3 Bed House	3,750	£70.00	262,500	
Totals	52,214		3,654,946	3,654,946

Contingency	3.00%		109,648	
External Allowances (27 % of build)			856,425	
External Allowances (27% of build)			130,410	

1,096,483

Other Construction

Fire Sprinklers	40 un	3,075.00 /un	123,000	
Fire Sprinklers	10 un	3,075.00 /un	30,750	

153,750

Section 106 Costs

Section 106			40,000	
Section 106			10,000	

50,000

PROFESSIONAL FEES

Other Professionals		8.00%	263,596	
Other Professionals		8.00%	41,100	

304,696

MARKETING & LETTING

Marketing		3.00%	237,896	
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237,896

DISPOSAL FEES

Sales Legal Fee	40 un	750.00 /un	30,000	
Sales Legal Fee	10 un	500.00 /un	5,000	

35,000

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)				
Total Finance Cost				183,422

183,422

TOTAL COSTS

6,951,824

PROFIT

1,634,711

Performance Measures

Profit on Cost%	23.51%
Profit on GDV%	19.04%

ANALYSIS:

Amount Remaining - £273,633

Less 30% Viability Buffer = £191,543

CIL Rate: £191,543/4210 sq m = £45.50 psm

APPRAISAL SUMMARY

RCT Zone 3 - 100 Unit - Test Scheme for CIL

SAVILLS

Summary Appraisal for Merged Phases 1 2

REVENUE

Sales Valuation		Units	ft ²	Rate ft ²	Unit Price	Gross Sales
Market Housing	80	90,627	£175.00	£198,247	15,859,730	
2 Bed House	10	6,300	£98.87	£62,286	622,860	
3 Bed House	10	7,500	£92.06	£69,048	690,480	
Totals	100	104,427			17,173,070	

NET REALISATION

17,173,070

OUTLAY

ACQUISITION COSTS

AMOUNT REMAINING		509,953			
Fixed Price		1,785,000			
Total Acquisition (7.14 Acres)			2,294,953		
Stamp Duty		4.00%	99,597		
Agent Fee		1.00%	24,899		
Legal Fee		0.50%	12,450		
				2,431,898	

CONSTRUCTION COSTS

Construction		ft ²	Rate ft ²	Cost
Market Housing	90,627	£70.00	6,343,892	
2 Bed House	6,300	£70.00	441,000	
3 Bed House	7,500	£70.00	525,000	
Totals	104,427		7,309,892	7,309,892

Contingency		3.00%	219,297		
External Allowances (27 % of build)			1,712,850		
External Allowances (27% of build)			260,820		
				2,192,967	

Other Construction

Fire Sprinklers	80 un	3,075.00 /un	246,000		
Fire Sprinklers	20 un	3,075.00 /un	61,500		
				307,500	

Section 106 Costs

Section 106			80,000		
Section 106			20,000		
				100,000	

PROFESSIONAL FEES

Other Professionals		8.00%	527,191		
Other Professionals		8.00%	82,200		
				609,391	

MARKETING & LETTING

Marketing		3.00%	475,792		
				475,792	

DISPOSAL FEES

Sales Legal Fee	80 un	750.00 /un	60,000		
Sales Legal Fee	20 un	500.00 /un	10,000		
				70,000	

FINANCE

Debit Rate 7.000% Credit Rate 0.000% (Nominal)					
Total Finance Cost				398,080	

TOTAL COSTS

13,895,520

PROFIT

3,277,549

Performance Measures

Profit on Cost%	23.59%
Profit on GDV%	19.09%

ANALYSIS:

Amount Remaining - £509,953
Less 30% Viability Buffer = £356,967
CIL Rate: £356,967/8419 sq m = £42 psm