

Panther House
BPS format with revised areas
Aug 2021

Development Appraisal
BPS Surveyors
25 August 2021

APPRAISAL SUMMARY**BPS SURVEYORS**

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Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Private Resi	12	11,452	1,433.37	1,367,917	16,415,000
Affordable Resi	3	0	0.00	182,000	546,000
Affordable Workspace	<u>1</u>	<u>12,197</u>	582.95	7,110,232	<u>7,110,232</u>
Totals	16	23,649			24,071,232

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Private Office	1	54,141	66.59	3,605,249	3,605,249	3,605,249
Retail	1	2,970	60.00	178,200	178,200	178,200
Ground rent	<u>12</u>			421	<u>5,052</u>	<u>5,052</u>
Totals	14	57,111			3,788,501	3,788,501

Investment Valuation

Private Office						
Market Rent	3,605,249	YP @	4.5000%	22.2222		
(2yrs Rent Free)		PV 2yrs @	4.5000%	0.9157	73,365,215	
Retail						
Market Rent	178,200	YP @	4.5000%	22.2222		
(1yr Rent Free)		PV 1yr @	4.5000%	0.9569	3,789,474	
Ground rent						
Current Rent	5,052	YP @	5.5000%	18.1818	91,855	
Total Investment Valuation					77,246,543	

GROSS DEVELOPMENT VALUE**101,317,775**

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Purchaser's Costs		(4,892,693)	
Effective Purchaser's Costs Rate	6.33%		(4,892,693)

NET DEVELOPMENT VALUE**96,425,082****NET REALISATION****96,425,082****OUTLAY****ACQUISITION COSTS**

Fixed Price	20,500,000		
Fixed Price		20,500,000	
			20,500,000
Stamp Duty	4.95%	1,014,750	
Agent Fee	1.00%	205,000	
Legal Fee	1.80%	369,000	
			1,588,750

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost	
Main Contract	1 un	34,410,000	34,410,000	
Soft Strip Out	1 un	612,522	612,522	
Demolition and Enabling Works	<u>1 un</u>	<u>7,160,000</u>	<u>7,160,000</u>	
Totals			42,182,522	
Contingency		5.00%	2,109,126	
CIL			852,011	
S106			649,313	
				45,792,972
Other Construction				
Abnormal Fees			1,231,740	
				1,231,740

PROFESSIONAL FEES

Professional Fees	12.00%	5,209,711	
			5,209,711

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Letting Agent Fee	10.00%	378,850	
Affordable Work Letting Agent Fee		37,815	
Letting Legal Fee	5.00%	189,425	
Affordable Work Letting Legals		18,908	624,998

DISPOSAL FEES

Sales Agent and Marketing Fee	2.50%	2,410,627	
Sales Legal Fee	0.50%	482,125	2,892,752

Additional Costs

Private Profit	20.00%	3,283,000	
Commercial Profit	17.00%	14,340,652	
Affordable Profit	6.00%	32,760	17,656,412

FINANCE

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)			
Land		4,281,517	
Construction		2,916,506	
Total Finance Cost			7,198,024

TOTAL COSTS**102,695,359****PROFIT****(6,270,277)****Performance Measures**

Profit on Cost%	-6.11%
Profit on GDV%	-6.19%
Profit on NDV%	-6.50%
Development Yield% (on Rent)	3.69%
Equivalent Yield% (Nominal)	4.50%
Equivalent Yield% (True)	4.63%
IRR% (without Interest)	0.88%

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Rent Cover
Profit Erosion (finance rate 6.500)

-1 yrs -8 mths
N/A