

**LEP Funding Appraisal**

**Appraisal Summary for Merged Phases 1 2 3 4 5 6**

Currency in £

**REVENUE**

Sales Valuation	Units	Unit Price	Gross Sales
PFS plot sale	1	1,500,000	1,500,000
pub and hotel plot sale	1	1,500,000	1,500,000
lep and council funding	1	5,000,000	<u>5,000,000</u>
<b>Totals</b>	<b>3</b>		<b>8,000,000</b>

**Rental Area Summary**

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Coffe Shop	1	2,200	27.27	60,000	60,000	60,000
Fast food	1	2,830	30.04	85,000	85,000	85,000
Retail	1	3,400	14.00	47,600	47,600	47,600
b1/b2	1	5,375	6.50	34,938	34,938	34,938
b1/b2	1	5,375	6.50	34,938	34,938	34,938
b1/b2	1	5,375	6.50	34,938	34,938	34,938
b1/b2	1	5,375	6.50	34,938	34,938	34,938
b1/b2	1	5,375	6.50	34,938	34,938	34,938
b1/b2	1	5,375	6.50	34,938	34,938	34,938
b1/b2	1	6,100	6.50	39,650	39,650	39,650
b1/b2	1	6,100	6.50	39,650	39,650	39,650
b1/b2	1	6,100	6.50	39,650	39,650	39,650
b1/b2	1	20,000	6.00	120,000	120,000	120,000
b1/b2	1	10,000	6.25	62,500	62,500	62,500
b1/b2	1	10,000	6.25	62,500	62,500	62,500
b2	1	<u>250,000</u>	5.75	1,437,500	<u>1,437,500</u>	<u>1,437,500</u>
<b>Totals</b>	<b>16</b>	<b>348,980</b>			<b>2,203,675</b>	<b>2,203,675</b>

**Investment Valuation**

**Coffe Shop**

Market Rent	60,000	YP @	5.7500%	17.3913	
(6mths Rent Free)		PV 6mths @	5.7500%	0.9724	1,014,713

**Fast food**

Market Rent	85,000	YP @	5.5000%	18.1818	
(6mths Rent Free)		PV 6mths @	5.5000%	0.9736	1,504,631

**Retail**

Current Rent	47,600	YP @	6.2500%	16.0000	761,600
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**b1/b2**

Market Rent	34,938	YP @	6.7500%	14.8148	
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	500,961

**b1/b2**

Market Rent	34,938	YP @	6.7500%	14.8148	
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	500,961

**b1/b2**

Market Rent	34,938	YP @	6.7500%	14.8148	
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	500,961

**b1/b2**

Market Rent	34,938	YP @	6.7500%	14.8148	
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	500,961

**b1/b2**

Market Rent	34,938	YP @	6.7500%	14.8148	
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	500,961

**LEP Funding Appraisal**

<b>b1/b2</b>						
Market Rent	34,938	YP @	6.7500%	14.8148		
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	500,961	
<b>b1/b2</b>						
Market Rent	39,650	YP @	6.7500%	14.8148		
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	568,533	
<b>b1/b2</b>						
Market Rent	39,650	YP @	6.7500%	14.8148		
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	568,533	
<b>b1/b2</b>						
Market Rent	39,650	YP @	6.7500%	14.8148		
(6mths Rent Free)		PV 6mths @	6.7500%	0.9679	568,533	
<b>b1/b2</b>						
Market Rent	120,000	YP @	6.5000%	15.3846		
(6mths Rent Free)		PV 6mths @	6.5000%	0.9690	1,788,929	
<b>b1/b2</b>						
Market Rent	62,500	YP @	6.5000%	15.3846		
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	902,853	
<b>b1/b2</b>						
Market Rent	62,500	YP @	6.5000%	15.3846		
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	902,853	
<b>b2</b>						
Market Rent	1,437,500	YP @	5.7500%	17.3913		
(1yr Rent Free)		PV 1yr @	5.7500%	0.9456	23,640,662	
<b>Total Investment Valuation</b>					<b>35,227,606</b>	

**GROSS DEVELOPMENT VALUE 43,227,606**

Purchaser's Costs	6.80%	223,104	
Purchaser's Costs	6.80%	204,392	
Purchaser's Costs	6.80%	115,981	
Purchaser's Costs	6.80%	244,435	
Purchaser's Costs	6.80%	1,607,565	
Effective Purchaser's Costs Rate	6.80%		2,395,477

**NET DEVELOPMENT VALUE 40,832,129**

**NET REALISATION 40,832,129**

**OUTLAY**

**ACQUISITION COSTS**

Fixed Price	105,546		
Fixed Price	105,546		
Fixed Price	105,546		
Fixed Price	105,546		
Fixed Price	105,000		
Fixed Price	357,000		
Total Acquisition		884,184	
			884,184
Stamp Duty	5.00%	44,209	
Agent Fee	1.00%	8,842	
Legal Fee	0.50%	4,421	
			57,472

LEP Funding Appraisal  
CONSTRUCTION COSTS

Construction	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost	
Coffe Shop	2,200	204.55	450,000	
Fast food	2,830	194.35	550,000	
Retail	3,400	150.00	510,000	
b1/b2	5,375	65.00	349,375	
b1/b2	5,375	65.00	349,375	
b1/b2	5,375	65.00	349,375	
b1/b2	5,375	65.00	349,375	
b1/b2	5,375	65.00	349,375	
b1/b2	5,375	65.00	349,375	
b1/b2	6,100	65.00	396,500	
b1/b2	6,100	65.00	396,500	
b1/b2	6,100	65.00	396,500	
b1/b2	20,000	57.00	1,140,000	
b1/b2	10,000	57.00	570,000	
b1/b2	10,000	57.00	570,000	
b2	<u>250,000</u>	40.00	<u>10,000,000</u>	
<b>Totals</b>	<b>348,980 ft<sup>2</sup></b>		<b>17,075,750</b>	
Contingency		5.00%	853,787	17,929,538

**Other Construction**

abnormals and infrastructure			1,334,600	
abnormals and infrastructure			1,224,600	
abnormals and infrastructure			1,224,600	
abnormals and infrastructure			1,224,600	
abnormals and infrastructure			1,224,600	
abnormals and infrastructure			4,678,000	10,911,000

**PROFESSIONAL FEES**

Professional fees		10.00%	2,798,675	2,798,675
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**MARKETING & LETTING**

Letting Agent Fee		10.00%	220,368	
Letting Legal Fee		5.00%	110,184	330,551

**DISPOSAL FEES**

Sales Agent Fee		1.00%	349,293	
Sales Legal Fee		0.50%	174,646	523,939

**FINANCE**

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				1,962,718

**TOTAL COSTS****35,398,077****PROFIT****5,434,052****Performance Measures**

Profit on Cost%	15.35%
Profit on GDV%	12.57%
Profit on NDV%	13.31%
Development Yield% (on Rent)	6.23%
Equivalent Yield% (Nominal)	5.96%
Equivalent Yield% (True)	6.19%
Gross Initial Yield%	6.26%
Net Initial Yield%	6.26%
IRR	34.46%