

Development Appraisal: Childerditch Industrial Park

Area, Rental & Value Summary

	GIA Sq Ft	Rent £ psf	Rent Pa	Yield	Value
Site A	78,000	£3.75	£292,500	4.50%	£6,500,000
Site A	71,000	£3.75	£266,250	4.50%	£5,916,667
Site B BBC Depot	<u>141,276</u>	£0.00	£0	5.00%	<u>£0</u>
	290,276		£558,750		£12,416,667

GROSS DEVELOPMENT VALUE

ACQUISITION COSTS

Land Price		£965,665 Per acre		£4,500,000
Stamp			5.00%	£225,000
Agent Fee + VAT			1.00%	£54,000
Legal Fee + VAT			0.50%	<u>£27,000</u>
				£4,806,000

CONSTRUCTION COSTS*

	m cubed	GIA Sq Ft	Cost £ psf	Cost
Preliminary Costs	15%			£549,026
Main contractor Oh&P	5%			£183,009
Site Preparation				£83,175
Retaining Wall				£290,000
Concrete				£794,000
Concrete Depo				£794,000
Drainage				£310,000
Fencing				£159,000
Boundary Works		4,305	£25.00	£80,000
Landscaping				£650,000
Biodiversity				£250,000
Other				<u>£250,000</u>
				£3,660,175
Contingency			10.00%	£366,018
				£366,018

PROFESSIONAL FEES

Professional Fees			12.00%	£527,065
Planning & Highways				£175,000
Risk and inflation costs			20%	<u>£878,442</u>
				£702,065

Letting/Marketing Fees

Marketing Costs				£0
Agents Fees			10.00%	£55,875
Legal Fees			5.00%	<u>£27,938</u>
				£83,813

FINANCE

Interest Rate	Rate	8.00% pa	0.6434030% pcm
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	Sum	Interest bearing period		
Interest on land	£4,806,000.00	0 months		£0
Interest on construction costs	£4,758,228	12 months		£380,658
Interest on professional fees	£702,065	12 months		£56,165
Interest on marketing	£83,813	6 months		<u>£3,288</u>
				£440,111

TENANT INCENTIVES

Rent Free (none)				£558,750
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TOTAL COSTS				£11,348,967
TOTAL PROFIT				£12,416,667

DEVELOPER'S PROFIT				£1,067,700
			Profit on cost	9.41%