

DRAFT DEVELOPMENT APPRAISAL - V1
PROPERTY: Baytree

TENANT

Option B

DATE

14/10/2022

Financial Appraisal

Unit		Sq ft	First Floor	ERV p. Bed or psqft	ERV EPAX	Yield	Cap Val
New	Everyman	12,000		£ 14.00	£ 168,000	4.50	£3,733,333
New	Unit 12	4,574		£ 25.00	£ 114,350	6.00	£1,905,833
New	Unit 14	3,143		£ 25.00	£ 78,575	6.00	£1,309,583
New	Unit 15	2,099		£ 15.00	£ 31,485	6.00	£524,750
New	Unit 17	936		£ 25.00	£ 23,400	6.00	£390,000
New	Unit 19	2,260		£ 25.00	£ 56,500	6.00	£941,667
New	Unit 20	2,970		£ 20.00	£ 59,400	6.00	£990,000
New	Unit 21	5,015	2,744	£ 25.00	£ 152,815	6.00	£2,546,917
8	Wilkinsons	21,414		£ 8.17	£ 174,999	4.75	£3,684,200
1 & 2	WH Smith Retail Holdings Limited	5,972		£ 11.00	£ 65,692	5.00	£1,313,840
3	Assumed Vacant (currently temp Let)	1,190		£ 20.00	£ 23,800	6.00	£396,667
3A	Savers Health and Beauty	3,118		£ 15.23	£ 47,500	6.00	£791,660
4	Sportswift Limited	1,636		£ 12.23	£ 20,000	6.00	£333,335
4A	Assumed Vacant (currently temp Let)	2,261		£ 20.00	£ 45,220	6.00	£753,667
5	Sports Direct	11,313		£ 7.50	£ 84,848	5.00	£1,696,950
6	German Kitchens Limited	3,456		£ 17.65	£ 60,998	6.00	£1,016,640
7	The Works Stores Limited	2,431		£ 16.45	£ 39,990	6.00	£666,499
9	JSD Essex Limited	1,633		£ 13.78	£ 22,503	6.00	£375,046
9A	Mr Aurangzeb Khan	1,637		£ 17.10	£ 27,993	6.00	£466,545
10	Vacant	1,571		£ 21.50	£ 33,777	6.00	£562,942
11	Vacant	1,988		£ 21.50	£ 42,742	6.00	£712,367
18	Greenwich Leisure	13,460		£ 164.50	£ 2,224,500	5.25	£3,134,476
Floors 1 & Unit 2, 46-52 High Street	PSW Building Consultancy Limited	2,277		£ 15.37	£ 34,997	6.00	£583,292
Unit 3, 46-52 High Street	Waterstones	4,087		£ 11.01	£ 44,998	6.00	£749,965
Unit 27	National Westminster Bank Plc	7,416		£ -	£ 33,500	5.00	£670,000
Unit 26	Vacant / Flexible retail	760		£ -	£ 17,500	6.00	£291,667
Unit 25	Vacant	866		£ -	£ 27,000	6.00	£450,000
Unit 23	Vacant / Flexible retail	681		£ -	£ 15,000	6.00	£250,000
Unit 24	Flexible	-		£ -	£ 35,000	6.00	£583,333
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Total		122,164			£ 1,782,141		£32,408,505

Unit	Sq ft	Units	ERV p. Bed or psqft	ERV EPAX	Yield	Cap Val
3 Bed Mews houses	8831	6	£ 425.00	£ 536,350		£3,218,100
2 Bed Mews House	1262	1	£ 375.00	£ 473,250		£ 473,250
						<u>£ 3,691,350</u>

Gross Development Value

£36,099,855

Net Development Value

£36,099,855

Construction Costs

	Area	Rate per ft	Area (Beds)	Rate p bed	Cost	Total Cost
Construction Costs (Gardiner & Theobald)					£ 12,896,000	£ 12,896,000
Contractors Design Risk (Gardiner & Theobald)	2.50%				£ 320,000	£ 320,000
Construction Risks (Gardiner & Theobald)	7.50%				£ 640,000	£ 640,000
Project Design Teams (Gardiner & Theobald)					£ 692,810	£ 692,810
Contingency	5%				£ 644,800	£ 644,800
Tender & construction inflation	7%				£ 902,720	£ 902,720
Total Construction Costs					£16,096,330	£ 16,096,330

Other costs

Capital contribution to Everyman					£ 1,250,000	£ 1,250,000
Cap con new lettings					£ 1,500,000	£ 1,500,000
Cinema 12 months rent free					£ 168,000	£ 168,000
New lettings rent free (total all units)					£ 500,000	£ 500,000
Rent Free to tenants in occupation during build - 6 months each tenant					£ 400,000	£ 400,000
White Boxing Costs (incl changing places WC)					£ 300,000	£ 300,000
New Shopfronts					£ 200,000	£ 200,000
Secton 106					£ 250,000	£ 250,000
						<u>£ 4,568,000</u>

Fees and Ancillary Costs

Planning Costs		2.50%			£ 402,408	
Building regs		1.0%			£ 160,963	
Architect		2.0%			£ 321,927	
Quantity Surveyor		1.5%			£ 241,445	
Structural Engineer		1.5%			£ 241,445	
C.D Manager		1.0%			£ 160,963	
Surveys		1.5%			£ 241,445	
Building Services		1.0%			£ 160,963	
Fee contingency		5%			£ 96,578	
						<u>£ 1,931,560</u>
						<u>£ 2,028,138</u>

Professional Costs

Legal Fees on leases		7.5%			£ 133,661	
Development contract Fees		1.5%			£ 241,445	
						<u>£ 375,106</u>
						<u>£ 375,106</u>

Additional Costs

Agents Sales Fees Resi		1.0%			£ 32,181	
Letting Fees		6.0%			£ 106,928	
						<u>£ 139,109</u>
						<u>£ 139,109</u>

Total Costs Excl Finance

Finance Rate			6.0%			£ 23,456,683
Development Period	Assumes s curve		16	£ 938,267		
Bank Arrangement Fees						
Bank Legal Fees						
Bank QS						
Total Finance Costs						<u>£ 938,267</u>

Total Costs Incl Finance

£24,394,950

Development Value

£36,099,855

Total Costs

£24,394,950

Acquisitions Costs

Total Rent £352,560

8.5%

£ 10,800,000

Purchasers Costs

£ 734,400

Total Purchasers Costs

£11,534,400

Profit

£ 170,505

Profit on Cost

0.47%