

**Library Ref: EB48**

**Appendix IIb:  
Residential Results Summary  
- Strategic Sites  
Appraisal Summaries**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
No J27 Upgrade - Base Sustainability

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership  
06 November 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Sales Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Market 1BF	265	13,250.00	4,000.00	200,000	53,000,000
Market 2BF	235	16,450.00	4,000.00	280,000	65,800,000
Market 2BH	265	20,935.00	4,000.00	316,000	83,740,000
Market 3BH	559	55,900.00	4,000.00	400,000	223,600,000
Market 4BH	147	19,110.00	4,000.00	520,000	76,440,000
1BF AH	113	5,650.00	1,880.00	94,000	10,622,000
2BF AH	101	7,070.00	1,880.00	131,600	13,291,600
2BH AH	113	8,927.00	1,880.00	148,520	16,782,760
3BH AH	239	22,227.00	1,880.00	174,840	41,786,760
4BH AH	63	7,056.00	1,880.00	210,560	13,265,280
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>177,815.00</b>			<b>599,680,550</b>

**Rental Area Summary**

	<b>Units</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Ground Rent	500	250	125,000	125,000

**Investment Valuation**

<b>Ground Rent</b>					
Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000

**GROSS DEVELOPMENT VALUE**

				<b>602,180,550</b>
Purchaser's Costs		5.85%	225,351	
Effective Purchaser's Costs Rate		9.01%		225,351

**NET DEVELOPMENT VALUE****601,955,199****NET REALISATION****601,955,199****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	100,000.00 /ha	15,400,000	
Fixed Price (154.00 Ha @ 100,000.00 /Hect)			15,400,000	15,400,000
Stamp Duty			759,500	
Effective Stamp Duty Rate		4.93%		
Agent Fee		1.50%	231,000	
Legal Fee		0.75%	115,500	
				1,106,000

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost
Market 1BF	15,588.24	1,341.00	20,903,824
Market 2BF	19,352.94	1,341.00	25,952,294
Market 2BH	20,935.00	1,341.00	28,073,835
Market 3BH	55,900.00	1,341.00	74,961,900
Market 4BH	19,110.00	1,341.00	25,626,510
1BF AH	6,647.06	1,341.00	8,913,706
2BF AH	8,317.65	1,341.00	11,153,965
2BH AH	8,927.00	1,341.00	11,971,107
3BH AH	22,227.00	1,341.00	29,806,407
4BH AH	7,056.00	1,341.00	9,462,096
Non Residential Uses	1,610.00	1,666.34	2,682,805
<b>Totals</b>	<b>185,670.88 m<sup>2</sup></b>		<b>249,508,448</b>
Contingency		5.00%	15,347,564
Utilities (Offsite)			7,000,000
Utilities (Onsite)			5,000,000
Green Infrastructure			14,000,000
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000
Abnormals			10,493,150
Primary School			11,499,677
S106 Surplus		1.00%	50,935,761
Sustainable Design / Construction		2.00%	4,990,169
Solent SPA	2,100.00 un	564.00 /un	1,184,400

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				382,795,587
<b>PROFESSIONAL FEES</b>				
Professional Fees		10.00%	30,426,847	
				30,426,847
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	17,949,852	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				19,524,852
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	5,744,904	
Market Profit		20.00%	100,516,000	
Non-Residential		15.00%	577,823	
				106,838,727
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			16,218,466	
Construction			29,644,941	
Total Finance Cost				45,863,407
<b>TOTAL COSTS</b>				<b>601,955,419</b>
<b>PROFIT</b>				
				<b>220</b>

**Performance Measures**

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Gross Development Value**

Sales: Rate /m <sup>2</sup>									
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%	+10.000%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>	4,400.00 /m <sup>2</sup>
-10.000%	(£17,145,473)	(£1,900,176)	£11,568,400	£24,421,346	£36,888,136	£48,868,902	£60,435,354	£71,758,536	£82,760,893
1,206.90 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
-7.500%	(£29,117,413)	(£12,482,385)	£1,949,156	£15,316,790	£27,998,062	£40,245,154	£52,122,869	£63,585,517	£74,779,960
1,240.43 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
-5.000%	(£42,739,106)	(£24,081,192)	(£8,056,742)	£5,784,090	£18,896,459	£31,522,089	£43,595,951	£55,310,515	£66,692,744
1,273.95 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
-2.500%	(£57,569,874)	(£36,869,263)	(£19,281,813)	(£3,922,611)	£9,619,023	£22,476,129	£34,942,478	£46,905,704	£58,469,489
1,307.47 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
0.000%	(£74,249,051)	(£51,144,378)	(£31,304,815)	(£14,608,357)	(£220)	£13,367,937	£26,049,285	£38,299,496	£50,153,838
1,341.00 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+2.500%	(£92,810,992)	(£66,600,088)	(£44,912,112)	(£26,280,382)	(£10,101,024)	£3,834,713	£16,951,242	£29,566,000	£41,643,043
1,374.53 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+5.000%	(£113,009,133)	(£84,159,331)	(£59,687,757)	(£39,044,977)	(£21,418,154)	(£5,973,277)	£7,667,440	£20,530,912	£32,993,733
1,408.05 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+7.500%	(£135,630,579)	(£103,363,016)	(£76,077,500)	(£53,302,675)	(£33,504,005)	(£16,744,698)	(£1,961,787)	£11,415,609	£24,100,098
1,441.58 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+10.000%	(£158,868,660)	(£124,575,700)	(£94,452,688)	(£68,635,124)	(£47,086,106)	(£28,479,572)	(£12,155,954)	£1,885,336	£15,006,025
1,475.10 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+12.500%	(£182,130,149)	(£147,583,475)	(£114,304,055)	(£85,978,390)	(£61,818,213)	(£41,220,692)	(£23,559,377)	(£8,023,943)	£5,715,619
1,508.63 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
<b>This appraisal report does not constitute a formal valuation.</b>	1	£4,000.00	4.50 Up & Down

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+12.500%
4,500.00 /m <sup>2</sup>
£93,670,992
£665,003,050
£85,743,186
£665,003,050
£77,767,121
£665,003,050
£69,752,967
£665,003,050
£61,603,486
£665,003,050
£53,345,874
£665,003,050
£44,940,173
£665,003,050
£36,353,838
£665,003,050
£27,609,877
£665,003,050
£18,585,694
£665,003,050

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
A27 Upgrade - Base Sustainability

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**Havant Borough Council  
Southleigh Strategic Site****Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Sales Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Market 1BF	265	13,250.00	4,000.00	200,000	53,000,000
Market 2BF	235	16,450.00	4,000.00	280,000	65,800,000
Market 2BH	265	20,935.00	4,000.00	316,000	83,740,000
Market 3BH	559	55,900.00	4,000.00	400,000	223,600,000
Market 4BH	147	19,110.00	4,000.00	520,000	76,440,000
1BF AH	113	5,650.00	1,880.00	94,000	10,622,000
2BF AH	101	7,070.00	1,880.00	131,600	13,291,600
2BH AH	113	8,927.00	1,880.00	148,520	16,782,760
3BH AH	239	22,227.00	1,880.00	174,840	41,786,760
4BH AH	63	7,056.00	1,880.00	210,560	13,265,280
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>177,815.00</b>			<b>599,680,550</b>

**Rental Area Summary**

	<b>Units</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Ground Rent	500	250	125,000	125,000

**Investment Valuation****Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE****602,180,550**

Purchaser's Costs	5.85%	(225,351)	
Effective Purchaser's Costs Rate	9.01%		(225,351)

**NET DEVELOPMENT VALUE****601,955,199****NET REALISATION****601,955,199****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	100,000.00 /ha	15,400,000	
Fixed Price (154.00 Ha @ 100,000.00 /Hect)			15,400,000	15,400,000
Stamp Duty			759,500	
Effective Stamp Duty Rate		4.93%		
Agent Fee		1.50%	231,000	
Legal Fee		0.75%	115,500	
				1,106,000

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	15,588.24	1,341.00	20,903,824	
Market 2BF	19,352.94	1,341.00	25,952,294	
Market 2BH	20,935.00	1,341.00	28,073,835	
Market 3BH	55,900.00	1,341.00	74,961,900	
Market 4BH	19,110.00	1,341.00	25,626,510	
1BF AH	6,647.06	1,341.00	8,913,706	
2BF AH	8,317.65	1,341.00	11,153,965	
2BH AH	8,927.00	1,341.00	11,971,107	
3BH AH	22,227.00	1,341.00	29,806,407	
4BH AH	7,056.00	1,341.00	9,462,096	
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>	
<b>Totals</b>	<b>185,670.88 m<sup>2</sup></b>		<b>249,508,448</b>	
Contingency		5.00%	15,347,564	
Utilities (Offsite)			7,000,000	
Utilities (Onsite)			5,000,000	
Green Infrastructure			14,000,000	
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000	
Abnormals			10,493,150	
Primary School			11,499,677	
Site Access / A27			18,000,000	
S106 Surplus		1.00%	40,752,373	
Sustainable Design / Construction		2.00%	4,990,169	
Solent SPA	2,100.00 un	564.00 /un	1,184,400	

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**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				390,612,199
<b>PROFESSIONAL FEES</b>				
Professional Fees		10.00%	30,426,847	30,426,847
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	17,949,852	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				19,524,852
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	5,744,904	
Market Profit		20.00%	100,516,000	
Non-Residential		15.00%	577,823	
				106,838,727
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			16,180,663	
Construction			21,865,920	
Total Finance Cost				38,046,583
<b>TOTAL COSTS</b>				<b>601,955,207</b>
<b>PROFIT</b>				<b>(8)</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>
-10.000%	(£17,145,218)	(£1,899,960)	£11,568,612	£24,421,545	£36,888,323	£48,869,084	£60,343,493	£71,400,610
1,206.90 /m <sup>2</sup>	(£17,145,218)	(£1,899,960)	£11,568,612	£24,421,545	£36,888,323	£48,869,084	£60,343,493	£71,400,610
-7.500%	(£29,117,135)	(£12,482,134)	£1,949,368	£15,316,988	£27,998,260	£40,245,341	£52,111,661	£63,386,379
1,240.43 /m <sup>2</sup>	(£29,117,135)	(£12,482,134)	£1,949,368	£15,316,988	£27,998,260	£40,245,341	£52,111,661	£63,386,379
-5.000%	(£42,738,792)	(£24,080,921)	(£8,056,503)	£5,784,302	£18,896,658	£31,522,282	£43,596,136	£55,255,913
1,273.95 /m <sup>2</sup>	(£42,738,792)	(£24,080,921)	(£8,056,503)	£5,784,302	£18,896,658	£31,522,282	£43,596,136	£55,255,913
-2.500%	(£57,569,528)	(£36,868,954)	(£19,281,559)	(£3,922,387)	£9,619,235	£22,476,328	£34,942,664	£46,902,819
1,307.47 /m <sup>2</sup>	(£57,569,528)	(£36,868,954)	(£19,281,559)	(£3,922,387)	£9,619,235	£22,476,328	£34,942,664	£46,902,819
0.000%	(£74,248,651)	(£51,144,048)	(£31,304,544)	(£14,608,103)	(£8)	£13,368,138	£26,049,483	£38,299,682
1,341.00 /m <sup>2</sup>	(£74,248,651)	(£51,144,048)	(£31,304,544)	(£14,608,103)	(£8)	£13,368,138	£26,049,483	£38,299,682
+2.500%	(£92,810,566)	(£66,599,725)	(£44,911,798)	(£26,280,111)	(£10,100,787)	£3,834,925	£16,951,441	£29,566,193
1,374.53 /m <sup>2</sup>	(£92,810,566)	(£66,599,725)	(£44,911,798)	(£26,280,111)	(£10,100,787)	£3,834,925	£16,951,441	£29,566,193
+5.000%	(£113,008,659)	(£84,158,925)	(£59,687,415)	(£39,044,668)	(£21,417,900)	(£5,973,053)	£7,667,651	£20,531,110
1,408.05 /m <sup>2</sup>	(£113,008,659)	(£84,158,925)	(£59,687,415)	(£39,044,668)	(£21,417,900)	(£5,973,053)	£7,667,651	£20,531,110
+7.500%	(£135,630,065)	(£103,362,566)	(£76,077,100)	(£53,302,346)	(£33,503,734)	(£16,744,443)	(£1,961,570)	£11,415,812
1,441.58 /m <sup>2</sup>	(£135,630,065)	(£103,362,566)	(£76,077,100)	(£53,302,346)	(£33,503,734)	(£16,744,443)	(£1,961,570)	£11,415,812
+10.000%	(£158,868,142)	(£124,575,196)	(£94,452,262)	(£68,634,765)	(£47,085,794)	(£28,479,301)	(£12,155,713)	£1,885,548
1,475.10 /m <sup>2</sup>	(£158,868,142)	(£124,575,196)	(£94,452,262)	(£68,634,765)	(£47,085,794)	(£28,479,301)	(£12,155,713)	£1,885,548
+12.500%	(£182,129,631)	(£147,582,958)	(£114,303,596)	(£85,977,990)	(£61,817,875)	(£41,220,383)	(£23,559,119)	(£8,023,719)
1,508.63 /m <sup>2</sup>	(£182,129,631)	(£147,582,958)	(£114,303,596)	(£85,977,990)	(£61,817,875)	(£41,220,383)	(£23,559,119)	(£8,023,719)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+10.000%	+12.500%
4,400.00 /m <sup>2</sup>	4,500.00 /m <sup>2</sup>
£82,128,239	£92,629,465
£82,128,239	£92,629,465
£74,322,619	£84,953,669
£74,322,619	£84,953,669
£66,384,875	£77,198,150
£66,384,875	£77,198,150
£58,324,710	£69,340,522
£58,324,710	£69,340,522
£50,122,841	£61,349,174
£50,122,841	£61,349,174
£41,643,227	£53,248,156
£41,643,227	£53,248,156
£32,993,921	£44,925,421
£32,993,921	£44,925,421
£24,100,294	£36,354,024
£24,100,294	£36,354,024
£15,006,224	£27,610,070
£15,006,224	£27,610,070
£5,715,830	£18,585,893
£5,715,830	£18,585,893

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
J27 Upgrade - Increased Sustainability

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
Southleigh Strategic Site

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Sales Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Market 1BF	265	13,250.00	4,000.00	200,000	53,000,000
Market 2BF	235	16,450.00	4,000.00	280,000	65,800,000
Market 2BH	265	20,935.00	4,000.00	316,000	83,740,000
Market 3BH	559	55,900.00	4,000.00	400,000	223,600,000
Market 4BH	147	19,110.00	4,000.00	520,000	76,440,000
1BF AH	113	5,650.00	1,880.00	94,000	10,622,000
2BF AH	101	7,070.00	1,880.00	131,600	13,291,600
2BH AH	113	8,927.00	1,880.00	148,520	16,782,760
3BH AH	239	22,227.00	1,880.00	174,840	41,786,760
4BH AH	63	7,056.00	1,880.00	210,560	13,265,280
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>177,815.00</b>			<b>599,680,550</b>

**Rental Area Summary**

	<b>Units</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Ground Rent	500	250	125,000	125,000

**Investment Valuation****Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE****602,180,550**

Purchaser's Costs	5.85%	(225,351)		
Effective Purchaser's Costs Rate	9.01%		(225,351)	

**NET DEVELOPMENT VALUE****601,955,199****NET REALISATION****601,955,199****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	100,000.00 /ha	15,400,000	
Fixed Price (154.00 Ha @ 100,000.00 /Hect)			15,400,000	15,400,000
Stamp Duty			759,500	
Effective Stamp Duty Rate		4.93%		
Agent Fee		1.50%	231,000	
Legal Fee		0.75%	115,500	
				1,106,000

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	15,588.24	1,341.00	20,903,824	
Market 2BF	19,352.94	1,341.00	25,952,294	
Market 2BH	20,935.00	1,341.00	28,073,835	
Market 3BH	55,900.00	1,341.00	74,961,900	
Market 4BH	19,110.00	1,341.00	25,626,510	
1BF AH	6,647.06	1,341.00	8,913,706	
2BF AH	8,317.65	1,341.00	11,153,965	
2BH AH	8,927.00	1,341.00	11,971,107	
3BH AH	22,227.00	1,341.00	29,806,407	
4BH AH	7,056.00	1,341.00	9,462,096	
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>	
<b>Totals</b>	<b>185,670.88 m<sup>2</sup></b>		<b>249,508,448</b>	
Contingency		5.00%	15,347,564	
Utilities (Offsite)			7,000,000	
Utilities (Onsite)			5,000,000	
Green Infrastructure			14,000,000	
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000	
Abnormals			10,493,150	
Primary School			11,499,677	
Site Access / A27			18,000,000	
S106 Surplus		1.00%	35,092,675	
Sustainable Design / Construction		6.00%	14,970,507	
Solent SPA	2,100.00 un	564.00 /un	1,184,400	

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				394,932,839

**PROFESSIONAL FEES**

Professional Fees		10.00%	30,426,847	30,426,847
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**DISPOSAL FEES**

Marketing & Sales Agent Fees		3.00%	17,949,852	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				19,524,852

**MISCELLANEOUS FEES**

AH Profit		6.00%	5,744,904	
Market Profit		20.00%	100,516,000	
Non-Residential		15.00%	577,823	
				106,838,727

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			15,614,452	
Construction			18,111,505	
Total Finance Cost				33,725,957

**TOTAL COSTS****601,955,222****PROFIT****(23)****Performance Measures**

Profit on Cost%	0.00%
Profit on GDV%	0.00%

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>
-10.000%	(£15,495,042)	(£583,907)	£12,823,779	£25,519,676	£37,756,140	£49,518,255	£60,657,767	£71,469,032
1,206.90 /m <sup>2</sup>	(£15,495,042)	(£583,907)	£12,823,779	£25,519,676	£37,756,140	£49,518,255	£60,657,767	£71,469,032
-7.500%	(£27,759,352)	(£11,255,595)	£2,925,609	£16,112,095	£28,734,035	£40,802,522	£52,320,628	£63,343,653
1,240.43 /m <sup>2</sup>	(£27,759,352)	(£11,255,595)	£2,925,609	£16,112,095	£28,734,035	£40,802,522	£52,320,628	£63,343,653
-5.000%	(£41,616,440)	(£23,157,262)	(£7,285,550)	£6,435,124	£19,383,419	£31,863,283	£43,776,299	£55,071,970
1,273.95 /m <sup>2</sup>	(£41,616,440)	(£23,157,262)	(£7,285,550)	£6,435,124	£19,383,419	£31,863,283	£43,776,299	£55,071,970
-2.500%	(£56,851,359)	(£36,225,486)	(£18,796,051)	(£3,579,882)	£9,915,556	£22,649,424	£34,929,311	£46,662,476
1,307.47 /m <sup>2</sup>	(£56,851,359)	(£36,225,486)	(£18,796,051)	(£3,579,882)	£9,915,556	£22,649,424	£34,929,311	£46,662,476
0.000%	(£74,004,907)	(£50,958,685)	(£31,200,780)	(£14,510,818)	(£23)	£13,241,840	£25,871,146	£37,961,753
1,341.00 /m <sup>2</sup>	(£74,004,907)	(£50,958,685)	(£31,200,780)	(£14,510,818)	(£23)	£13,241,840	£25,871,146	£37,961,753
+2.500%	(£93,198,440)	(£66,933,973)	(£45,212,497)	(£26,590,426)	(£10,388,829)	£3,509,492	£16,513,163	£29,021,119
1,374.53 /m <sup>2</sup>	(£93,198,440)	(£66,933,973)	(£45,212,497)	(£26,590,426)	(£10,388,829)	£3,509,492	£16,513,163	£29,021,119
+5.000%	(£114,165,916)	(£85,149,958)	(£60,538,756)	(£39,810,238)	(£22,098,557)	(£6,659,851)	£6,999,490	£19,779,172
1,408.05 /m <sup>2</sup>	(£114,165,916)	(£85,149,958)	(£60,538,756)	(£39,810,238)	(£22,098,557)	(£6,659,851)	£6,999,490	£19,779,172
+7.500%	(£137,662,044)	(£105,154,604)	(£77,655,552)	(£54,619,864)	(£34,650,697)	(£17,811,828)	(£2,964,780)	£10,370,597
1,441.58 /m <sup>2</sup>	(£137,662,044)	(£105,154,604)	(£77,655,552)	(£54,619,864)	(£34,650,697)	(£17,811,828)	(£2,964,780)	£10,370,597
+10.000%	(£161,697,120)	(£127,330,792)	(£96,783,694)	(£70,613,191)	(£48,828,838)	(£30,031,854)	(£13,562,461)	£583,861
1,475.10 /m <sup>2</sup>	(£161,697,120)	(£127,330,792)	(£96,783,694)	(£70,613,191)	(£48,828,838)	(£30,031,854)	(£13,562,461)	£583,861
+12.500%	(£185,744,718)	(£151,198,045)	(£117,526,479)	(£88,782,318)	(£64,229,106)	(£43,394,990)	(£25,448,958)	(£9,740,692)
1,508.63 /m <sup>2</sup>	(£185,744,718)	(£151,198,045)	(£117,526,479)	(£88,782,318)	(£64,229,106)	(£43,394,990)	(£25,448,958)	(£9,740,692)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+10.000%	+12.500%
4,400.00 /m <sup>2</sup>	4,500.00 /m <sup>2</sup>
£81,947,483	£92,240,288
£81,947,483	£92,240,288
£74,020,700	£84,415,623
£74,020,700	£84,415,623
£65,987,150	£76,533,767
£65,987,150	£76,533,767
£57,789,590	£68,573,331
£57,789,590	£68,573,331
£49,465,461	£60,464,203
£49,465,461	£60,464,203
£40,920,395	£52,208,974
£40,920,395	£52,208,974
£32,101,019	£43,798,729
£32,101,019	£43,798,729
£23,006,286	£35,114,987
£23,006,286	£35,114,987
£13,642,908	£26,171,663
£13,642,908	£26,171,663
£4,079,939	£16,908,920
£4,079,939	£16,908,920

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
No J27 Upgrade - Base Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership  
06 November 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Sales Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Market 1BF	265	13,250.00	4,000.00	200,000	53,000,000
Market 2BF	235	16,450.00	4,000.00	280,000	65,800,000
Market 2BH	265	20,935.00	4,000.00	316,000	83,740,000
Market 3BH	559	55,900.00	4,000.00	400,000	223,600,000
Market 4BH	147	19,110.00	4,000.00	520,000	76,440,000
1BF AH	113	5,650.00	1,880.00	94,000	10,622,000
2BF AH	101	7,070.00	1,880.00	131,600	13,291,600
2BH AH	113	8,927.00	1,880.00	148,520	16,782,760
3BH AH	239	22,227.00	1,880.00	174,840	41,786,760
4BH AH	63	7,056.00	1,880.00	210,560	13,265,280
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>177,815.00</b>			<b>599,680,550</b>

**Rental Area Summary**

	<b>Units</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Ground Rent	500	250	125,000	125,000

**Investment Valuation**

<b>Ground Rent</b>					
Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000

**GROSS DEVELOPMENT VALUE****602,180,550**

Purchaser's Costs	5.85%	225,351	
Effective Purchaser's Costs Rate	9.01%		225,351

**NET DEVELOPMENT VALUE****601,955,199****NET REALISATION****601,955,199****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	250,000.00 /ha	38,500,000	
Fixed Price (154.00 Ha @ 250,000.00 /Hect)			38,500,000	38,500,000
Stamp Duty			1,914,500	
Effective Stamp Duty Rate		4.97%		
Agent Fee		1.50%	577,500	
Legal Fee		0.75%	288,750	
				2,780,750

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost
Market 1BF	15,588.24	1,341.00	20,903,824
Market 2BF	19,352.94	1,341.00	25,952,294
Market 2BH	20,935.00	1,341.00	28,073,835
Market 3BH	55,900.00	1,341.00	74,961,900
Market 4BH	19,110.00	1,341.00	25,626,510
1BF AH	6,647.06	1,341.00	8,913,706
2BF AH	8,317.65	1,341.00	11,153,965
2BH AH	8,927.00	1,341.00	11,971,107
3BH AH	22,227.00	1,341.00	29,806,407
4BH AH	7,056.00	1,341.00	9,462,096
Non Residential Uses	1,610.00	1,666.34	2,682,805
<b>Totals</b>	<b>185,670.88 m<sup>2</sup></b>		<b>249,508,448</b>
Contingency		5.00%	15,347,564
Utilities (Offsite)			7,000,000
Utilities (Onsite)			5,000,000
Green Infrastructure			14,000,000
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000
Abnormals			10,493,150
Primary School			11,499,677
S106 Surplus		1.00%	28,298,688
Sustainable Design / Construction		2.00%	4,990,169
Solent SPA	2,100.00 un	564.00 /un	1,184,400

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				360,158,514
<b>PROFESSIONAL FEES</b>				
Professional Fees		10.00%	30,426,847	30,426,847
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	17,949,852	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	19,524,852
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	5,744,904	
Market Profit		20.00%	100,516,000	
Non-Residential		15.00%	577,823	106,838,727
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			30,835,860	
Construction			12,889,650	
Total Finance Cost				43,725,510
<b>TOTAL COSTS</b>				<b>601,955,199</b>
<b>PROFIT</b>				<b>0</b>

**Performance Measures**

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Gross Development Value**

Sales: Rate /m <sup>2</sup>									
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%	+10.000%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>	4,400.00 /m <sup>2</sup>
-10.000%	(£17,145,208)	(£1,899,951)	£11,568,620	£24,421,552	£36,888,330	£48,869,091	£60,435,536	£71,758,710	£82,761,063
1,206.90 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
-7.500%	(£29,117,124)	(£12,482,125)	£1,949,377	£15,316,996	£27,998,268	£40,245,348	£52,123,055	£63,585,697	£74,780,131
1,240.43 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
-5.000%	(£42,738,780)	(£24,080,910)	(£8,056,494)	£5,784,310	£18,896,666	£31,522,290	£43,596,143	£55,310,696	£66,692,921
1,273.95 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
-2.500%	(£57,569,515)	(£36,868,942)	(£19,281,549)	(£3,922,378)	£9,619,243	£22,476,335	£34,942,672	£46,905,893	£58,469,669
1,307.47 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
0.000%	(£74,248,636)	(£51,144,035)	(£31,304,533)	(£14,608,093)	£0	£13,368,146	£26,049,490	£38,299,690	£50,154,024
1,341.00 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+2.500%	(£92,810,549)	(£66,599,711)	(£44,911,786)	(£26,280,100)	(£10,100,778)	£3,834,933	£16,951,448	£29,566,200	£41,643,235
1,374.53 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+5.000%	(£113,008,640)	(£84,158,909)	(£59,687,402)	(£39,044,656)	(£21,417,890)	(£5,973,044)	£7,667,659	£20,531,118	£32,993,928
1,408.05 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+7.500%	(£135,630,045)	(£103,362,549)	(£76,077,084)	(£53,302,333)	(£33,503,723)	(£16,744,434)	(£1,961,562)	£11,415,820	£24,100,302
1,441.58 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+10.000%	(£158,868,122)	(£124,575,177)	(£94,452,245)	(£68,634,751)	(£47,085,782)	(£28,479,290)	(£12,155,704)	£1,885,556	£15,006,231
1,475.10 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550
+12.500%	(£182,129,611)	(£147,582,938)	(£114,303,578)	(£85,977,974)	(£61,817,861)	(£41,220,371)	(£23,559,109)	(£8,023,710)	£5,715,839
1,508.63 /m <sup>2</sup>	£551,922,550	£564,487,050	£577,051,550	£589,616,050	£602,180,550	£614,745,050	£627,309,550	£639,874,050	£652,438,550

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
<b>This appraisal report does not constitute a formal valuation.</b>	1	£4,000.00	4.50 Up & Down

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+12.500%
4,500.00 /m <sup>2</sup>
£93,671,158
£665,003,050
£85,743,355
£665,003,050
£77,767,291
£665,003,050
£69,753,141
£665,003,050
£61,603,665
£665,003,050
£53,346,056
£665,003,050
£44,940,361
£665,003,050
£36,354,031
£665,003,050
£27,610,077
£665,003,050
£18,585,901
£665,003,050

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
With A27 Upgrade - Base Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**Havant Borough Council  
Southleigh Strategic Site**

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	265	13,250.00	4,000.00	200,000	53,000,000
Market 2BF	235	16,450.00	4,000.00	280,000	65,800,000
Market 2BH	265	20,935.00	4,000.00	316,000	83,740,000
Market 3BH	559	55,900.00	4,000.00	400,000	223,600,000
Market 4BH	147	19,110.00	4,000.00	520,000	76,440,000
1BF AH	113	5,650.00	1,880.00	94,000	10,622,000
2BF AH	101	7,070.00	1,880.00	131,600	13,291,600
2BH AH	113	8,927.00	1,880.00	148,520	16,782,760
3BH AH	239	22,227.00	1,880.00	174,840	41,786,760
4BH AH	63	7,056.00	1,880.00	210,560	13,265,280
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>177,815.00</b>			<b>599,680,550</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	500	250	125,000	125,000

**Investment Valuation**

**Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE**

**602,180,550**

Purchaser's Costs	5.85%	(225,351)		
Effective Purchaser's Costs Rate	9.01%		(225,351)	

**NET DEVELOPMENT VALUE**

**601,955,199**

**NET REALISATION**

**601,955,199**

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	250,000.00 /ha	38,500,000	
Fixed Price (154.00 Ha @ 250,000.00 /Hect)			38,500,000	
				38,500,000
Stamp Duty			1,914,500	
Effective Stamp Duty Rate		4.97%		
Agent Fee		1.50%	577,500	
Legal Fee		0.75%	288,750	
				2,780,750

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	15,588.24	1,341.00	20,903,824	
Market 2BF	19,352.94	1,341.00	25,952,294	
Market 2BH	20,935.00	1,341.00	28,073,835	
Market 3BH	55,900.00	1,341.00	74,961,900	
Market 4BH	19,110.00	1,341.00	25,626,510	
1BF AH	6,647.06	1,341.00	8,913,706	
2BF AH	8,317.65	1,341.00	11,153,965	
2BH AH	8,927.00	1,341.00	11,971,107	
3BH AH	22,227.00	1,341.00	29,806,407	
4BH AH	7,056.00	1,341.00	9,462,096	
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>	
<b>Totals</b>	<b>185,670.88 m<sup>2</sup></b>		<b>249,508,448</b>	
Contingency		5.00%	15,347,564	
Utilities (Offsite)			7,000,000	
Utilities (Onsite)			5,000,000	
Green Infrastructure			14,000,000	
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000	
Abnormals			10,493,150	
Primary School			11,499,677	
Site Access / A27			18,000,000	
S106 Surplus		1.00%	18,115,392	
Sustainable Design / Construction		2.00%	4,990,169	
Solent SPA	2,100.00 un	564.00 /un	1,184,400	

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				367,975,218
<b>PROFESSIONAL FEES</b>				
Professional Fees		10.00%	30,426,847	30,426,847
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	17,949,852	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				19,524,852
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	5,744,904	
Market Profit		20.00%	100,516,000	
Non-Residential		15.00%	577,823	
				106,838,727
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			27,602,949	
Construction			8,305,856	
Total Finance Cost				35,908,805
<b>TOTAL COSTS</b>				<b>601,955,199</b>
<b>PROFIT</b>				<b>0</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>
-10.000%	(£17,145,208)	(£1,899,951)	£11,568,620	£24,421,552	£36,888,330	£48,869,091	£60,343,499	£71,400,616
1,206.90 /m <sup>2</sup>	(£17,145,208)	(£1,899,951)	£11,568,620	£24,421,552	£36,888,330	£48,869,091	£60,343,499	£71,400,616
-7.500%	(£29,117,124)	(£12,482,125)	£1,949,377	£15,316,996	£27,998,268	£40,245,348	£52,111,668	£63,386,385
1,240.43 /m <sup>2</sup>	(£29,117,124)	(£12,482,125)	£1,949,377	£15,316,996	£27,998,268	£40,245,348	£52,111,668	£63,386,385
-5.000%	(£42,738,780)	(£24,080,910)	(£8,056,494)	£5,784,310	£18,896,666	£31,522,290	£43,596,143	£55,255,919
1,273.95 /m <sup>2</sup>	(£42,738,780)	(£24,080,910)	(£8,056,494)	£5,784,310	£18,896,666	£31,522,290	£43,596,143	£55,255,919
-2.500%	(£57,569,515)	(£36,868,942)	(£19,281,549)	(£3,922,378)	£9,619,243	£22,476,335	£34,942,672	£46,902,826
1,307.47 /m <sup>2</sup>	(£57,569,515)	(£36,868,942)	(£19,281,549)	(£3,922,378)	£9,619,243	£22,476,335	£34,942,672	£46,902,826
0.000%	(£74,248,636)	(£51,144,035)	(£31,304,533)	(£14,608,093)	£0	£13,368,146	£26,049,490	£38,299,690
1,341.00 /m <sup>2</sup>	(£74,248,636)	(£51,144,035)	(£31,304,533)	(£14,608,093)	£0	£13,368,146	£26,049,490	£38,299,690
+2.500%	(£92,810,549)	(£66,599,711)	(£44,911,786)	(£26,280,100)	(£10,100,778)	£3,834,933	£16,951,448	£29,566,200
1,374.53 /m <sup>2</sup>	(£92,810,549)	(£66,599,711)	(£44,911,786)	(£26,280,100)	(£10,100,778)	£3,834,933	£16,951,448	£29,566,200
+5.000%	(£113,008,640)	(£84,158,909)	(£59,687,402)	(£39,044,656)	(£21,417,890)	(£5,973,044)	£7,667,659	£20,531,118
1,408.05 /m <sup>2</sup>	(£113,008,640)	(£84,158,909)	(£59,687,402)	(£39,044,656)	(£21,417,890)	(£5,973,044)	£7,667,659	£20,531,118
+7.500%	(£135,630,045)	(£103,362,549)	(£76,077,084)	(£53,302,333)	(£33,503,723)	(£16,744,434)	(£1,961,562)	£11,415,820
1,441.58 /m <sup>2</sup>	(£135,630,045)	(£103,362,549)	(£76,077,084)	(£53,302,333)	(£33,503,723)	(£16,744,434)	(£1,961,562)	£11,415,820
+10.000%	(£158,868,122)	(£124,575,177)	(£94,452,245)	(£68,634,751)	(£47,085,782)	(£28,479,290)	(£12,155,704)	£1,885,556
1,475.10 /m <sup>2</sup>	(£158,868,122)	(£124,575,177)	(£94,452,245)	(£68,634,751)	(£47,085,782)	(£28,479,290)	(£12,155,704)	£1,885,556
+12.500%	(£182,129,611)	(£147,582,938)	(£114,303,578)	(£85,977,974)	(£61,817,861)	(£41,220,371)	(£23,559,109)	(£8,023,710)
1,508.63 /m <sup>2</sup>	(£182,129,611)	(£147,582,938)	(£114,303,578)	(£85,977,974)	(£61,817,861)	(£41,220,371)	(£23,559,109)	(£8,023,710)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+10.000%	+12.500%
4,400.00 /m <sup>2</sup>	4,500.00 /m <sup>2</sup>
£82,128,245	£92,629,471
£82,128,245	£92,629,471
£74,322,625	£84,953,675
£74,322,625	£84,953,675
£66,384,881	£77,198,156
£66,384,881	£77,198,156
£58,324,716	£69,340,529
£58,324,716	£69,340,529
£50,122,848	£61,349,180
£50,122,848	£61,349,180
£41,643,235	£53,248,162
£41,643,235	£53,248,162
£32,993,928	£44,925,428
£32,993,928	£44,925,428
£24,100,302	£36,354,031
£24,100,302	£36,354,031
£15,006,231	£27,610,077
£15,006,231	£27,610,077
£5,715,839	£18,585,901
£5,715,839	£18,585,901

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
With A27 Upgrade - Incr Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
Southleigh Strategic Site

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	265	13,250.00	4,000.00	200,000	53,000,000
Market 2BF	235	16,450.00	4,000.00	280,000	65,800,000
Market 2BH	265	20,935.00	4,000.00	316,000	83,740,000
Market 3BH	559	55,900.00	4,000.00	400,000	223,600,000
Market 4BH	147	19,110.00	4,000.00	520,000	76,440,000
1BF AH	113	5,650.00	1,880.00	94,000	10,622,000
2BF AH	101	7,070.00	1,880.00	131,600	13,291,600
2BH AH	113	8,927.00	1,880.00	148,520	16,782,760
3BH AH	239	22,227.00	1,880.00	174,840	41,786,760
4BH AH	63	7,056.00	1,880.00	210,560	13,265,280
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>177,815.00</b>			<b>599,680,550</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	500	250	125,000	125,000

**Investment Valuation****Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE****602,180,550**

Purchaser's Costs	5.85%	(225,351)	
Effective Purchaser's Costs Rate	9.01%		(225,351)

**NET DEVELOPMENT VALUE****601,955,199****NET REALISATION****601,955,199****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	250,000.00 /ha	38,500,000	
Fixed Price (154.00 Ha @ 250,000.00 /Hect)			38,500,000	
				38,500,000
Stamp Duty			1,914,500	
Effective Stamp Duty Rate		4.97%		
Agent Fee		1.50%	577,500	
Legal Fee		0.75%	288,750	
				2,780,750

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost
Market 1BF	15,588.24	1,341.00	20,903,824
Market 2BF	19,352.94	1,341.00	25,952,294
Market 2BH	20,935.00	1,341.00	28,073,835
Market 3BH	55,900.00	1,341.00	74,961,900
Market 4BH	19,110.00	1,341.00	25,626,510
1BF AH	6,647.06	1,341.00	8,913,706
2BF AH	8,317.65	1,341.00	11,153,965
2BH AH	8,927.00	1,341.00	11,971,107
3BH AH	22,227.00	1,341.00	29,806,407
4BH AH	7,056.00	1,341.00	9,462,096
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>
<b>Totals</b>	<b>185,670.88 m<sup>2</sup></b>		<b>249,508,448</b>
Contingency		5.00%	15,347,564
Utilities (Offsite)			7,000,000
Utilities (Onsite)			5,000,000
Green Infrastructure			14,000,000
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000
Abnormals			10,493,150
Primary School			11,499,677
Site Access / A27			18,000,000
S106 Surplus		1.00%	12,455,688
Sustainable Design / Construction		6.00%	14,970,507
Solent SPA	2,100.00 un	564.00 /un	1,184,400

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				372,295,852

**PROFESSIONAL FEES**

Professional Fees		10.00%	30,426,847	30,426,847
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**DISPOSAL FEES**

Marketing & Sales Agent Fees		3.00%	17,949,852	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				19,524,852

**MISCELLANEOUS FEES**

AH Profit		6.00%	5,744,904	
Market Profit		20.00%	100,516,000	
Non-Residential		15.00%	577,823	
				106,838,727

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			25,314,709	
Construction			6,273,463	
Total Finance Cost				31,588,171

**TOTAL COSTS****601,955,199****PROFIT****0****Performance Measures**

Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>
-10.000%	(£15,495,014)	(£583,884)	£12,823,801	£25,519,697	£37,756,160	£49,518,274	£60,657,784	£71,469,048
1,206.90 /m <sup>2</sup>	(£15,495,014)	(£583,884)	£12,823,801	£25,519,697	£37,756,160	£49,518,274	£60,657,784	£71,469,048
-7.500%	(£27,759,323)	(£11,255,569)	£2,925,631	£16,112,116	£28,734,056	£40,802,541	£52,320,646	£63,343,671
1,240.43 /m <sup>2</sup>	(£27,759,323)	(£11,255,569)	£2,925,631	£16,112,116	£28,734,056	£40,802,541	£52,320,646	£63,343,671
-5.000%	(£41,616,407)	(£23,157,233)	(£7,285,526)	£6,435,146	£19,383,440	£31,863,303	£43,776,318	£55,071,988
1,273.95 /m <sup>2</sup>	(£41,616,407)	(£23,157,233)	(£7,285,526)	£6,435,146	£19,383,440	£31,863,303	£43,776,318	£55,071,988
-2.500%	(£56,851,323)	(£36,225,453)	(£18,796,024)	(£3,579,858)	£9,915,578	£22,649,445	£34,929,331	£46,662,495
1,307.47 /m <sup>2</sup>	(£56,851,323)	(£36,225,453)	(£18,796,024)	(£3,579,858)	£9,915,578	£22,649,445	£34,929,331	£46,662,495
0.000%	(£74,004,864)	(£50,958,650)	(£31,200,751)	(£14,510,791)	£0	£13,241,861	£25,871,167	£37,961,772
1,341.00 /m <sup>2</sup>	(£74,004,864)	(£50,958,650)	(£31,200,751)	(£14,510,791)	£0	£13,241,861	£25,871,167	£37,961,772
+2.500%	(£93,198,395)	(£66,933,935)	(£45,212,463)	(£26,590,397)	(£10,388,804)	£3,509,515	£16,513,185	£29,021,140
1,374.53 /m <sup>2</sup>	(£93,198,395)	(£66,933,935)	(£45,212,463)	(£26,590,397)	(£10,388,804)	£3,509,515	£16,513,185	£29,021,140
+5.000%	(£114,165,865)	(£85,149,914)	(£60,538,719)	(£39,810,205)	(£22,098,529)	(£6,659,827)	£6,999,512	£19,779,193
1,408.05 /m <sup>2</sup>	(£114,165,865)	(£85,149,914)	(£60,538,719)	(£39,810,205)	(£22,098,529)	(£6,659,827)	£6,999,512	£19,779,193
+7.500%	(£137,661,989)	(£105,154,556)	(£77,655,509)	(£54,619,829)	(£34,650,667)	(£17,811,801)	(£2,964,756)	£10,370,619
1,441.58 /m <sup>2</sup>	(£137,661,989)	(£105,154,556)	(£77,655,509)	(£54,619,829)	(£34,650,667)	(£17,811,801)	(£2,964,756)	£10,370,619
+10.000%	(£161,697,064)	(£127,330,738)	(£96,783,648)	(£70,613,152)	(£48,828,803)	(£30,031,825)	(£13,562,435)	£583,884
1,475.10 /m <sup>2</sup>	(£161,697,064)	(£127,330,738)	(£96,783,648)	(£70,613,152)	(£48,828,803)	(£30,031,825)	(£13,562,435)	£583,884
+12.500%	(£185,744,662)	(£151,197,989)	(£117,526,429)	(£88,782,274)	(£64,229,069)	(£43,394,957)	(£25,448,929)	(£9,740,668)
1,508.63 /m <sup>2</sup>	(£185,744,662)	(£151,197,989)	(£117,526,429)	(£88,782,274)	(£64,229,069)	(£43,394,957)	(£25,448,929)	(£9,740,668)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+10.000%	+12.500%
4,400.00 /m <sup>2</sup>	4,500.00 /m <sup>2</sup>
£81,947,499	£92,240,304
£81,947,499	£92,240,304
£74,020,716	£84,415,638
£74,020,716	£84,415,638
£65,987,167	£76,533,783
£65,987,167	£76,533,783
£57,789,608	£68,573,347
£57,789,608	£68,573,347
£49,465,479	£60,464,220
£49,465,479	£60,464,220
£40,920,414	£52,208,991
£40,920,414	£52,208,991
£32,101,039	£43,798,747
£32,101,039	£43,798,747
£23,006,307	£35,115,007
£23,006,307	£35,115,007
£13,642,929	£26,171,683
£13,642,929	£26,171,683
£4,079,961	£16,908,941
£4,079,961	£16,908,941

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
No J27 Upgrade - Base Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership  
06 November 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Sales Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Market 1BF	227	11,350.00	4,000.00	200,000	45,400,000
Market 2BF	202	14,140.00	4,000.00	280,000	56,560,000
Market 2BH	227	17,933.00	4,000.00	316,000	71,732,000
Market 3BH	479	47,900.00	4,000.00	400,000	191,600,000
Market 4BH	126	16,380.00	4,000.00	520,000	65,520,000
1BF AH	151	7,550.00	1,880.00	94,000	14,194,000
2BF AH	134	9,380.00	1,880.00	131,600	17,634,400
2BH AH	151	11,929.00	1,880.00	148,520	22,426,520
3BH AH	319	29,667.00	1,880.00	174,840	55,773,960
4BH AH	84	9,408.00	1,880.00	210,560	17,687,040
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	<u>1,090.44</u>	<u>1,352,150</u>	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>176,877.00</b>			<b>559,880,070</b>

**Rental Area Summary**

	<b>Units</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Ground Rent	500	250	125,000	125,000

**Investment Valuation**

<b>Ground Rent</b>					
Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000

**GROSS DEVELOPMENT VALUE****562,380,070**

Purchaser's Costs	5.85%	225,351	
Effective Purchaser's Costs Rate	9.01%		225,351

**NET DEVELOPMENT VALUE****562,154,719****NET REALISATION****562,154,719****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	100,000.00 /ha	15,400,000	
Fixed Price (154.00 Ha @ 100,000.00 /Hect)			15,400,000	15,400,000
Stamp Duty			759,500	
Effective Stamp Duty Rate		4.93%		
Agent Fee		1.50%	231,000	
Legal Fee		0.75%	115,500	
				1,106,000

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost
Market 1BF	13,352.94	1,341.00	17,906,294
Market 2BF	16,635.29	1,341.00	22,307,929
Market 2BH	17,933.00	1,341.00	24,048,153
Market 3BH	47,900.00	1,341.00	64,233,900
Market 4BH	16,380.00	1,341.00	21,965,580
1BF AH	8,882.35	1,341.00	11,911,235
2BF AH	11,035.29	1,341.00	14,798,329
2BH AH	11,929.00	1,341.00	15,996,789
3BH AH	29,667.00	1,341.00	39,783,447
4BH AH	9,408.00	1,341.00	12,616,128
Non Residential Uses	1,610.00	1,666.34	2,682,805
<b>Totals</b>	<b>184,732.88 m<sup>2</sup></b>		<b>248,250,590</b>
Contingency		5.00%	15,284,671
Utilities (Offsite)			7,000,000
Utilities (Onsite)			5,000,000
Green Infrastructure			14,000,000
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000
Abnormals			10,493,150
Primary School			11,499,677
S106 Surplus		1.00%	34,945,423
Sustainable Design / Construction		2.00%	4,965,012
Solent SPA	2,100.00 un	564.00 /un	1,184,400

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				365,459,341
<b>PROFESSIONAL FEES</b>				
Professional Fees		10.00%	30,301,061	
				30,301,061
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	16,755,838	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				18,330,838
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	7,662,955	
Market Profit		20.00%	86,162,400	
Non-Residential		15.00%	577,823	
				94,403,178
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			16,212,886	
Construction			20,941,416	
Total Finance Cost				37,154,302
<b>TOTAL COSTS</b>				<b>562,154,719</b>
<b>PROFIT</b>				<b>0</b>

**Performance Measures****This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Gross Development Value**

Sales: Rate /m <sup>2</sup>									
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%	+10.000%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>	4,400.00 /m <sup>2</sup>
-10.000%	(£8,692,689)	£3,684,512	£15,213,625	£26,163,505	£36,770,364	£46,981,051	£56,824,491	£66,409,525	£75,795,834
1,206.90 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
-7.500%	(£20,157,273)	(£6,433,166)	£5,646,595	£17,104,842	£27,971,968	£38,454,998	£48,583,575	£58,357,366	£67,871,200
1,240.43 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
-5.000%	(£33,342,307)	(£17,625,567)	(£4,177,287)	£7,608,678	£18,919,031	£29,754,186	£40,129,765	£50,163,083	£59,870,006
1,273.95 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
-2.500%	(£47,829,247)	(£30,233,283)	(£15,199,600)	(£1,981,697)	£9,570,761	£20,733,221	£31,498,738	£41,783,446	£51,722,869
1,307.47 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
0.000%	(£64,499,341)	(£44,420,414)	(£27,256,679)	(£12,775,547)	£0	£11,531,178	£22,547,411	£33,207,743	£43,414,419
1,341.00 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+2.500%	(£83,119,707)	(£60,141,988)	(£41,039,350)	(£24,486,247)	(£10,395,278)	£1,962,083	£13,457,920	£24,355,744	£34,891,418
1,374.53 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+5.000%	(£104,011,059)	(£78,236,677)	(£56,187,075)	(£37,841,789)	(£21,867,906)	(£8,121,595)	£3,924,166	£15,302,937	£26,143,399
1,408.05 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+7.500%	(£126,831,107)	(£98,087,222)	(£73,496,873)	(£52,440,653)	(£34,732,634)	(£19,353,798)	(£5,872,909)	£5,886,249	£17,117,126
1,441.58 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+10.000%	(£149,975,367)	(£120,406,775)	(£92,668,599)	(£69,051,567)	(£49,010,853)	(£31,655,082)	(£16,928,768)	(£3,770,475)	£7,848,332
1,475.10 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+12.500%	(£173,119,627)	(£143,506,456)	(£114,095,328)	(£87,567,069)	(£64,723,967)	(£45,625,052)	(£28,817,523)	(£14,504,715)	(£1,732,759)
1,508.63 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+12.500%
4,500.00 /m <sup>2</sup>
£85,009,786
£616,231,570
£77,220,738
£616,231,570
£69,328,978
£616,231,570
£61,365,537
£616,231,570
£53,266,555
£616,231,570
£45,024,664
£616,231,570
£36,561,958
£616,231,570
£27,900,450
£616,231,570
£18,931,316
£616,231,570
£9,788,795
£616,231,570

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
With A27 Upgrade - Base Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
Southleigh Strategic Site

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Sales Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Market 1BF	227	11,350.00	4,000.00	200,000	45,400,000
Market 2BF	202	14,140.00	4,000.00	280,000	56,560,000
Market 2BH	227	17,933.00	4,000.00	316,000	71,732,000
Market 3BH	479	47,900.00	4,000.00	400,000	191,600,000
Market 4BH	126	16,380.00	4,000.00	520,000	65,520,000
1BF AH	151	7,550.00	1,880.00	94,000	14,194,000
2BF AH	134	9,380.00	1,880.00	131,600	17,634,400
2BH AH	151	11,929.00	1,880.00	148,520	22,426,520
3BH AH	319	29,667.00	1,880.00	174,840	55,773,960
4BH AH	84	9,408.00	1,880.00	210,560	17,687,040
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>176,877.00</b>			<b>559,880,070</b>

**Rental Area Summary**

	<b>Units</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Ground Rent	500	250	125,000	125,000

**Investment Valuation****Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE****562,380,070**

Purchaser's Costs	5.85%	(225,351)	
Effective Purchaser's Costs Rate	9.01%		(225,351)

**NET DEVELOPMENT VALUE****562,154,719****NET REALISATION****562,154,719****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	100,000.00 /ha	15,400,000	
Fixed Price (154.00 Ha @ 100,000.00 /Hect)			15,400,000	
				15,400,000
Stamp Duty			759,500	
Effective Stamp Duty Rate		4.93%		
Agent Fee		1.50%	231,000	
Legal Fee		0.75%	115,500	
				1,106,000

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	13,352.94	1,341.00	17,906,294	
Market 2BF	16,635.29	1,341.00	22,307,929	
Market 2BH	17,933.00	1,341.00	24,048,153	
Market 3BH	47,900.00	1,341.00	64,233,900	
Market 4BH	16,380.00	1,341.00	21,965,580	
1BF AH	8,882.35	1,341.00	11,911,235	
2BF AH	11,035.29	1,341.00	14,798,329	
2BH AH	11,929.00	1,341.00	15,996,789	
3BH AH	29,667.00	1,341.00	39,783,447	
4BH AH	9,408.00	1,341.00	12,616,128	
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>	
<b>Totals</b>	<b>184,732.88 m<sup>2</sup></b>		<b>248,250,590</b>	
Contingency		5.00%	15,284,671	
Utilities (Offsite)			7,000,000	
Utilities (Onsite)			5,000,000	
Green Infrastructure			14,000,000	
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000	
Abnormals			10,493,150	
Primary School			11,499,677	
Site Access / A27			18,000,000	
S106 Surplus		1.00%	24,762,128	
Sustainable Design / Construction		2.00%	4,965,012	
Solent SPA	2,100.00 un	564.00 /un	1,184,400	

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				373,276,046
<b>PROFESSIONAL FEES</b>				
Professional Fees		10.00%	30,301,061	30,301,061
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	16,755,838	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				18,330,838
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	7,662,955	
Market Profit		20.00%	86,162,400	
Non-Residential		15.00%	577,823	
				94,403,178
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			15,822,366	
Construction			13,515,231	
Total Finance Cost				29,337,597
<b>TOTAL COSTS</b>				<b>562,154,719</b>
<b>PROFIT</b>				<b>0</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>
-10.000%	(£8,692,689)	£3,684,512	£15,213,625	£26,163,505	£36,770,364	£46,921,611	£56,514,040	£65,797,346
1,206.90 /m <sup>2</sup>	(£8,692,689)	£3,684,512	£15,213,625	£26,163,505	£36,770,364	£46,921,611	£56,514,040	£65,797,346
-7.500%	(£20,157,273)	(£6,433,166)	£5,646,595	£17,104,842	£27,971,968	£38,453,649	£48,463,910	£57,955,518
1,240.43 /m <sup>2</sup>	(£20,157,273)	(£6,433,166)	£5,646,595	£17,104,842	£27,971,968	£38,453,649	£48,463,910	£57,955,518
-5.000%	(£33,342,307)	(£17,625,567)	(£4,177,287)	£7,608,678	£18,919,031	£29,754,186	£40,112,010	£49,966,540
1,273.95 /m <sup>2</sup>	(£33,342,307)	(£17,625,567)	(£4,177,287)	£7,608,678	£18,919,031	£29,754,186	£40,112,010	£49,966,540
-2.500%	(£47,829,247)	(£30,233,283)	(£15,199,600)	(£1,981,697)	£9,570,761	£20,733,221	£31,498,738	£41,730,837
1,307.47 /m <sup>2</sup>	(£47,829,247)	(£30,233,283)	(£15,199,600)	(£1,981,697)	£9,570,761	£20,733,221	£31,498,738	£41,730,837
0.000%	(£64,499,341)	(£44,420,414)	(£27,256,679)	(£12,775,547)	£0	£11,531,178	£22,547,411	£33,205,400
1,341.00 /m <sup>2</sup>	(£64,499,341)	(£44,420,414)	(£27,256,679)	(£12,775,547)	£0	£11,531,178	£22,547,411	£33,205,400
+2.500%	(£83,119,707)	(£60,141,988)	(£41,039,350)	(£24,486,247)	(£10,395,278)	£1,962,083	£13,457,920	£24,355,744
1,374.53 /m <sup>2</sup>	(£83,119,707)	(£60,141,988)	(£41,039,350)	(£24,486,247)	(£10,395,278)	£1,962,083	£13,457,920	£24,355,744
+5.000%	(£104,011,059)	(£78,236,677)	(£56,187,075)	(£37,841,789)	(£21,867,906)	(£8,121,595)	£3,924,166	£15,302,937
1,408.05 /m <sup>2</sup>	(£104,011,059)	(£78,236,677)	(£56,187,075)	(£37,841,789)	(£21,867,906)	(£8,121,595)	£3,924,166	£15,302,937
+7.500%	(£126,831,107)	(£98,087,222)	(£73,496,873)	(£52,440,653)	(£34,732,634)	(£19,353,798)	(£5,872,909)	£5,886,249
1,441.58 /m <sup>2</sup>	(£126,831,107)	(£98,087,222)	(£73,496,873)	(£52,440,653)	(£34,732,634)	(£19,353,798)	(£5,872,909)	£5,886,249
+10.000%	(£149,975,367)	(£120,406,775)	(£92,668,599)	(£69,051,567)	(£49,010,853)	(£31,655,082)	(£16,928,768)	(£3,770,475)
1,475.10 /m <sup>2</sup>	(£149,975,367)	(£120,406,775)	(£92,668,599)	(£69,051,567)	(£49,010,853)	(£31,655,082)	(£16,928,768)	(£3,770,475)
+12.500%	(£173,119,627)	(£143,506,456)	(£114,095,328)	(£87,567,069)	(£64,723,967)	(£45,625,052)	(£28,817,523)	(£14,504,715)
1,508.63 /m <sup>2</sup>	(£173,119,627)	(£143,506,456)	(£114,095,328)	(£87,567,069)	(£64,723,967)	(£45,625,052)	(£28,817,523)	(£14,504,715)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+10.000%	+12.500%
4,400.00 /m <sup>2</sup>	4,500.00 /m <sup>2</sup>
£74,748,427	£83,547,528
£74,748,427	£83,547,528
£67,138,857	£76,027,092
£67,138,857	£76,027,092
£59,371,069	£68,454,135
£59,371,069	£68,454,135
£51,438,025	£60,756,121
£51,438,025	£60,756,121
£43,306,931	£52,885,485
£43,306,931	£52,885,485
£34,876,131	£44,844,570
£34,876,131	£44,844,570
£26,143,399	£36,512,670
£26,143,399	£36,512,670
£17,117,126	£27,897,030
£17,117,126	£27,897,030
£7,848,332	£18,931,316
£7,848,332	£18,931,316
(£1,732,759)	£9,788,795
(£1,732,759)	£9,788,795

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
With A27 Upgrade - Increased Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
Southleigh Strategic Site

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	227	11,350.00	4,000.00	200,000	45,400,000
Market 2BF	202	14,140.00	4,000.00	280,000	56,560,000
Market 2BH	227	17,933.00	4,000.00	316,000	71,732,000
Market 3BH	479	47,900.00	4,000.00	400,000	191,600,000
Market 4BH	126	16,380.00	4,000.00	520,000	65,520,000
1BF AH	151	7,550.00	1,880.00	94,000	14,194,000
2BF AH	134	9,380.00	1,880.00	131,600	17,634,400
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4BH AH	84	9,408.00	1,880.00	210,560	17,687,040
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>176,877.00</b>			<b>559,880,070</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	500	250	125,000	125,000

**Investment Valuation****Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE****562,380,070**

Purchaser's Costs	5.85%	(225,351)	
Effective Purchaser's Costs Rate	9.01%		(225,351)

**NET DEVELOPMENT VALUE****562,154,719****NET REALISATION****562,154,719****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	100,000.00 /ha	15,400,000	
Fixed Price (154.00 Ha @ 100,000.00 /Hect)			15,400,000	
				15,400,000
Stamp Duty			759,500	
Effective Stamp Duty Rate		4.93%		
Agent Fee		1.50%	231,000	
Legal Fee		0.75%	115,500	
				1,106,000

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	13,352.94	1,341.00	17,906,294	
Market 2BF	16,635.29	1,341.00	22,307,929	
Market 2BH	17,933.00	1,341.00	24,048,153	
Market 3BH	47,900.00	1,341.00	64,233,900	
Market 4BH	16,380.00	1,341.00	21,965,580	
1BF AH	8,882.35	1,341.00	11,911,235	
2BF AH	11,035.29	1,341.00	14,798,329	
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4BH AH	9,408.00	1,341.00	12,616,128	
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>	
<b>Totals</b>	<b>184,732.88 m<sup>2</sup></b>		<b>248,250,590</b>	
Contingency		5.00%	15,284,671	
Utilities (Offsite)			7,000,000	
Utilities (Onsite)			5,000,000	
Green Infrastructure			14,000,000	
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000	
Abnormals			10,493,150	
Primary School			11,499,677	
Site Access / A27			18,000,000	
S106 Surplus		1.00%	19,130,858	
Sustainable Design / Construction		6.00%	14,895,035	
Solent SPA	2,100.00 un	564.00 /un	1,184,400	

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				377,574,800

**PROFESSIONAL FEES**

Professional Fees		10.00%	30,301,061	30,301,061
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**DISPOSAL FEES**

Marketing & Sales Agent Fees		3.00%	16,755,838	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				18,330,838

**MISCELLANEOUS FEES**

AH Profit		6.00%	7,662,955	
Market Profit		20.00%	86,162,400	
Non-Residential		15.00%	577,823	
				94,403,178

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			14,709,531	
Construction			10,329,087	
Total Finance Cost				25,038,618

**TOTAL COSTS****562,154,494****PROFIT****225****Performance Measures**

Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Sensitivity Analysis results are not available.  
Click the Analysis Results tab, then print the report.**

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
No J27 Upgrade - Base Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership  
06 November 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>m<sup>2</sup></b>	<b>Sales Rate m<sup>2</sup></b>	<b>Unit Price</b>	<b>Gross Sales</b>
Market 1BF	227	11,350.00	4,000.00	200,000	45,400,000
Market 2BF	202	14,140.00	4,000.00	280,000	56,560,000
Market 2BH	227	17,933.00	4,000.00	316,000	71,732,000
Market 3BH	479	47,900.00	4,000.00	400,000	191,600,000
Market 4BH	126	16,380.00	4,000.00	520,000	65,520,000
1BF AH	151	7,550.00	1,880.00	94,000	14,194,000
2BF AH	134	9,380.00	1,880.00	131,600	17,634,400
2BH AH	151	11,929.00	1,880.00	148,520	22,426,520
3BH AH	319	29,667.00	1,880.00	174,840	55,773,960
4BH AH	84	9,408.00	1,880.00	210,560	17,687,040
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	<u>1,090.44</u>	<u>1,352,150</u>	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>176,877.00</b>			<b>559,880,070</b>

**Rental Area Summary**

	<b>Units</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Ground Rent	500	250	125,000	125,000

**Investment Valuation**

<b>Ground Rent</b>					
Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000

**GROSS DEVELOPMENT VALUE****562,380,070**

Purchaser's Costs	5.85%	225,351	
Effective Purchaser's Costs Rate	9.01%		225,351

**NET DEVELOPMENT VALUE****562,154,719****NET REALISATION****562,154,719****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	250,000.00 /ha	38,500,000	
Fixed Price (154.00 Ha @ 250,000.00 /Hect)			38,500,000	38,500,000
Stamp Duty			1,914,500	
Effective Stamp Duty Rate		4.97%		
Agent Fee		1.50%	577,500	
Legal Fee		0.75%	288,750	
				2,780,750

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost
Market 1BF	13,352.94	1,341.00	17,906,294
Market 2BF	16,635.29	1,341.00	22,307,929
Market 2BH	17,933.00	1,341.00	24,048,153
Market 3BH	47,900.00	1,341.00	64,233,900
Market 4BH	16,380.00	1,341.00	21,965,580
1BF AH	8,882.35	1,341.00	11,911,235
2BF AH	11,035.29	1,341.00	14,798,329
2BH AH	11,929.00	1,341.00	15,996,789
3BH AH	29,667.00	1,341.00	39,783,447
4BH AH	9,408.00	1,341.00	12,616,128
Non Residential Uses	1,610.00	1,666.34	2,682,805
<b>Totals</b>	<b>184,732.88 m<sup>2</sup></b>		<b>248,250,590</b>
Contingency		5.00%	15,284,671
Utilities (Offsite)			7,000,000
Utilities (Onsite)			5,000,000
Green Infrastructure			14,000,000
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000
Abnormals			10,493,150
Primary School			11,499,677
S106 Surplus		1.00%	12,308,446
Sustainable Design / Construction		2.00%	4,965,012
Solent SPA	2,100.00 un	564.00 /un	1,184,400

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				342,822,364
<b>PROFESSIONAL FEES</b>				
Professional Fees		10.00%	30,301,061	30,301,061
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	16,755,838	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	18,330,838
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	7,662,955	
Market Profit		20.00%	86,162,400	
Non-Residential		15.00%	577,823	94,403,178
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			28,303,023	
Construction			6,713,506	
Total Finance Cost				35,016,529
<b>TOTAL COSTS</b>				<b>562,154,719</b>
<b>PROFIT</b>				<b>0</b>

**Performance Measures****This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Gross Development Value**

Sales: Rate /m <sup>2</sup>									
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%	+10.000%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>	4,400.00 /m <sup>2</sup>
-10.000%	(£8,692,689)	£3,684,512	£15,213,625	£26,163,505	£36,770,364	£46,981,051	£56,824,491	£66,409,525	£75,795,834
1,206.90 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
-7.500%	(£20,157,273)	(£6,433,166)	£5,646,595	£17,104,842	£27,971,968	£38,454,998	£48,583,575	£58,357,366	£67,871,200
1,240.43 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
-5.000%	(£33,342,307)	(£17,625,567)	(£4,177,287)	£7,608,678	£18,919,031	£29,754,186	£40,129,765	£50,163,083	£59,870,006
1,273.95 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
-2.500%	(£47,829,247)	(£30,233,283)	(£15,199,600)	(£1,981,697)	£9,570,761	£20,733,221	£31,498,738	£41,783,446	£51,722,869
1,307.47 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
0.000%	(£64,499,341)	(£44,420,414)	(£27,256,679)	(£12,775,547)	£0	£11,531,178	£22,547,411	£33,207,743	£43,414,419
1,341.00 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+2.500%	(£83,119,707)	(£60,141,988)	(£41,039,350)	(£24,486,247)	(£10,395,278)	£1,962,083	£13,457,920	£24,355,744	£34,891,418
1,374.53 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+5.000%	(£104,011,059)	(£78,236,677)	(£56,187,075)	(£37,841,789)	(£21,867,906)	(£8,121,595)	£3,924,166	£15,302,937	£26,143,399
1,408.05 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+7.500%	(£126,831,107)	(£98,087,222)	(£73,496,873)	(£52,440,653)	(£34,732,634)	(£19,353,798)	(£5,872,909)	£5,886,249	£17,117,126
1,441.58 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+10.000%	(£149,975,367)	(£120,406,775)	(£92,668,599)	(£69,051,567)	(£49,010,853)	(£31,655,082)	(£16,928,768)	(£3,770,475)	£7,848,332
1,475.10 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270
+12.500%	(£173,119,627)	(£143,506,456)	(£114,095,328)	(£87,567,069)	(£64,723,967)	(£45,625,052)	(£28,817,523)	(£14,504,715)	(£1,732,759)
1,508.63 /m <sup>2</sup>	£519,298,870	£530,069,170	£540,839,470	£551,609,770	£562,380,070	£573,150,370	£583,920,670	£594,690,970	£605,461,270

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+12.500%
4,500.00 /m <sup>2</sup>
£85,009,786
£616,231,570
£77,220,738
£616,231,570
£69,328,978
£616,231,570
£61,365,537
£616,231,570
£53,266,555
£616,231,570
£45,024,664
£616,231,570
£36,561,958
£616,231,570
£27,900,450
£616,231,570
£18,931,316
£616,231,570
£9,788,795
£616,231,570

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
With A27 Upgrade - Base Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
Southleigh Strategic Site

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	227	11,350.00	4,000.00	200,000	45,400,000
Market 2BF	202	14,140.00	4,000.00	280,000	56,560,000
Market 2BH	227	17,933.00	4,000.00	316,000	71,732,000
Market 3BH	479	47,900.00	4,000.00	400,000	191,600,000
Market 4BH	126	16,380.00	4,000.00	520,000	65,520,000
1BF AH	151	7,550.00	1,880.00	94,000	14,194,000
2BF AH	134	9,380.00	1,880.00	131,600	17,634,400
2BH AH	151	11,929.00	1,880.00	148,520	22,426,520
3BH AH	319	29,667.00	1,880.00	174,840	55,773,960
4BH AH	84	9,408.00	1,880.00	210,560	17,687,040
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>176,877.00</b>			<b>559,880,070</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	500	250	125,000	125,000

**Investment Valuation****Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE****562,380,070**

Purchaser's Costs	5.85%	(225,351)	
Effective Purchaser's Costs Rate	9.01%		(225,351)

**NET DEVELOPMENT VALUE****562,154,719****NET REALISATION****562,154,719****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	250,000.00 /ha	38,500,000	
Fixed Price (154.00 Ha @ 250,000.00 /Hect)			38,500,000	
				38,500,000
Stamp Duty			1,914,500	
Effective Stamp Duty Rate		4.97%		
Agent Fee		1.50%	577,500	
Legal Fee		0.75%	288,750	
				2,780,750

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	13,352.94	1,341.00	17,906,294	
Market 2BF	16,635.29	1,341.00	22,307,929	
Market 2BH	17,933.00	1,341.00	24,048,153	
Market 3BH	47,900.00	1,341.00	64,233,900	
Market 4BH	16,380.00	1,341.00	21,965,580	
1BF AH	8,882.35	1,341.00	11,911,235	
2BF AH	11,035.29	1,341.00	14,798,329	
2BH AH	11,929.00	1,341.00	15,996,789	
3BH AH	29,667.00	1,341.00	39,783,447	
4BH AH	9,408.00	1,341.00	12,616,128	
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>	
<b>Totals</b>	<b>184,732.88 m<sup>2</sup></b>		<b>248,250,590</b>	
Contingency		5.00%	15,284,671	
Utilities (Offsite)			7,000,000	
Utilities (Onsite)			5,000,000	
Green Infrastructure			14,000,000	
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000	
Abnormals			10,493,150	
Primary School			11,499,677	
Site Access / A27			18,000,000	
S106 Surplus		1.00%	2,125,150	
Sustainable Design / Construction		2.00%	4,965,012	
Solent SPA	2,100.00 un	564.00 /un	1,184,400	

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

EVP	2,100.00 un	500.00 /un	1,050,000	
Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				350,639,068

**PROFESSIONAL FEES**

Professional Fees		10.00%	30,301,061	30,301,061
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**DISPOSAL FEES**

Marketing & Sales Agent Fees		3.00%	16,755,838	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				18,330,838

**MISCELLANEOUS FEES**

AH Profit		6.00%	7,662,955	
Market Profit		20.00%	86,162,400	
Non-Residential		15.00%	577,823	
				94,403,178

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			24,061,684	
Construction			3,138,141	
Total Finance Cost				27,199,824

**TOTAL COSTS****562,154,719****PROFIT****0****Performance Measures**

Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>
-10.000%	(£8,692,689)	£3,684,512	£15,213,625	£26,163,505	£36,770,364	£46,921,611	£56,514,040	£65,797,346
1,206.90 /m <sup>2</sup>	(£8,692,689)	£3,684,512	£15,213,625	£26,163,505	£36,770,364	£46,921,611	£56,514,040	£65,797,346
-7.500%	(£20,157,273)	(£6,433,166)	£5,646,595	£17,104,842	£27,971,968	£38,453,649	£48,463,910	£57,955,518
1,240.43 /m <sup>2</sup>	(£20,157,273)	(£6,433,166)	£5,646,595	£17,104,842	£27,971,968	£38,453,649	£48,463,910	£57,955,518
-5.000%	(£33,342,307)	(£17,625,567)	(£4,177,287)	£7,608,678	£18,919,031	£29,754,186	£40,112,010	£49,966,540
1,273.95 /m <sup>2</sup>	(£33,342,307)	(£17,625,567)	(£4,177,287)	£7,608,678	£18,919,031	£29,754,186	£40,112,010	£49,966,540
-2.500%	(£47,829,247)	(£30,233,283)	(£15,199,600)	(£1,981,697)	£9,570,761	£20,733,221	£31,498,738	£41,730,837
1,307.47 /m <sup>2</sup>	(£47,829,247)	(£30,233,283)	(£15,199,600)	(£1,981,697)	£9,570,761	£20,733,221	£31,498,738	£41,730,837
0.000%	(£64,499,341)	(£44,420,414)	(£27,256,679)	(£12,775,547)	£0	£11,531,178	£22,547,411	£33,205,400
1,341.00 /m <sup>2</sup>	(£64,499,341)	(£44,420,414)	(£27,256,679)	(£12,775,547)	£0	£11,531,178	£22,547,411	£33,205,400
+2.500%	(£83,119,707)	(£60,141,988)	(£41,039,350)	(£24,486,247)	(£10,395,278)	£1,962,083	£13,457,920	£24,355,744
1,374.53 /m <sup>2</sup>	(£83,119,707)	(£60,141,988)	(£41,039,350)	(£24,486,247)	(£10,395,278)	£1,962,083	£13,457,920	£24,355,744
+5.000%	(£104,011,059)	(£78,236,677)	(£56,187,075)	(£37,841,789)	(£21,867,906)	(£8,121,595)	£3,924,166	£15,302,937
1,408.05 /m <sup>2</sup>	(£104,011,059)	(£78,236,677)	(£56,187,075)	(£37,841,789)	(£21,867,906)	(£8,121,595)	£3,924,166	£15,302,937
+7.500%	(£126,831,107)	(£98,087,222)	(£73,496,873)	(£52,440,653)	(£34,732,634)	(£19,353,798)	(£5,872,909)	£5,886,249
1,441.58 /m <sup>2</sup>	(£126,831,107)	(£98,087,222)	(£73,496,873)	(£52,440,653)	(£34,732,634)	(£19,353,798)	(£5,872,909)	£5,886,249
+10.000%	(£149,975,367)	(£120,406,775)	(£92,668,599)	(£69,051,567)	(£49,010,853)	(£31,655,082)	(£16,928,768)	(£3,770,475)
1,475.10 /m <sup>2</sup>	(£149,975,367)	(£120,406,775)	(£92,668,599)	(£69,051,567)	(£49,010,853)	(£31,655,082)	(£16,928,768)	(£3,770,475)
+12.500%	(£173,119,627)	(£143,506,456)	(£114,095,328)	(£87,567,069)	(£64,723,967)	(£45,625,052)	(£28,817,523)	(£14,504,715)
1,508.63 /m <sup>2</sup>	(£173,119,627)	(£143,506,456)	(£114,095,328)	(£87,567,069)	(£64,723,967)	(£45,625,052)	(£28,817,523)	(£14,504,715)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+10.000%	+12.500%
4,400.00 /m <sup>2</sup>	4,500.00 /m <sup>2</sup>
£74,748,427	£83,547,528
£74,748,427	£83,547,528
£67,138,857	£76,027,092
£67,138,857	£76,027,092
£59,371,069	£68,454,135
£59,371,069	£68,454,135
£51,438,025	£60,756,121
£51,438,025	£60,756,121
£43,306,931	£52,885,485
£43,306,931	£52,885,485
£34,876,131	£44,844,570
£34,876,131	£44,844,570
£26,143,399	£36,512,670
£26,143,399	£36,512,670
£17,117,126	£27,897,030
£17,117,126	£27,897,030
£7,848,332	£18,931,316
£7,848,332	£18,931,316
(£1,732,759)	£9,788,795
(£1,732,759)	£9,788,795

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

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Southleigh - 2,100 Residential  
40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
With A27 Upgrade - Increased Sust Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 3, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
Southleigh Strategic Site

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	227	11,350.00	4,000.00	200,000	45,400,000
Market 2BF	202	14,140.00	4,000.00	280,000	56,560,000
Market 2BH	227	17,933.00	4,000.00	316,000	71,732,000
Market 3BH	479	47,900.00	4,000.00	400,000	191,600,000
Market 4BH	126	16,380.00	4,000.00	520,000	65,520,000
1BF AH	151	7,550.00	1,880.00	94,000	14,194,000
2BF AH	134	9,380.00	1,880.00	131,600	17,634,400
2BH AH	151	11,929.00	1,880.00	148,520	22,426,520
3BH AH	319	29,667.00	1,880.00	174,840	55,773,960
4BH AH	84	9,408.00	1,880.00	210,560	17,687,040
Non Residential Uses	<u>1</u>	<u>1,240.00</u>	1,090.44	1,352,150	<u>1,352,150</u>
<b>Totals</b>	<b>2,101</b>	<b>176,877.00</b>			<b>559,880,070</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	500	250	125,000	125,000

**Investment Valuation****Ground Rent**

Current Rent	125,000	YP @	5.0000%	20.0000	2,500,000
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**GROSS DEVELOPMENT VALUE****562,380,070**

Purchaser's Costs	5.85%	(225,351)	
Effective Purchaser's Costs Rate	9.01%		(225,351)

**NET DEVELOPMENT VALUE****562,154,719****NET REALISATION****562,154,719****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site****OUTLAY****ACQUISITION COSTS**

Fixed Price	154.00 ha	250,000.00 /ha	38,500,000	
Fixed Price (154.00 Ha @ 250,000.00 /Hect)			38,500,000	
				38,500,000
Stamp Duty			1,914,500	
Effective Stamp Duty Rate		4.97%		
Agent Fee		1.50%	577,500	
Legal Fee		0.75%	288,750	
				2,780,750

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	13,352.94	1,341.00	17,906,294	
Market 2BF	16,635.29	1,341.00	22,307,929	
Market 2BH	17,933.00	1,341.00	24,048,153	
Market 3BH	47,900.00	1,341.00	64,233,900	
Market 4BH	16,380.00	1,341.00	21,965,580	
1BF AH	8,882.35	1,341.00	11,911,235	
2BF AH	11,035.29	1,341.00	14,798,329	
2BH AH	11,929.00	1,341.00	15,996,789	
3BH AH	29,667.00	1,341.00	39,783,447	
4BH AH	9,408.00	1,341.00	12,616,128	
Non Residential Uses	<u>1,610.00</u>	1,666.34	<u>2,682,805</u>	
<b>Totals</b>	<b>184,732.88 m<sup>2</sup></b>		<b>248,250,590</b>	
Contingency		5.00%	15,284,671	
Utilities (Offsite)			7,000,000	
Utilities (Onsite)			5,000,000	
Green Infrastructure			14,000,000	
Primary Road System	2,100.00 un	4,500.00 /un	9,450,000	
Abnormals			10,493,150	
Primary School			11,499,677	
Site Access / A27			18,000,000	
Sustainable Design / Construction		6.00%	14,895,035	
Solent SPA	2,100.00 un	564.00 /un	1,184,400	
EVP	2,100.00 un	500.00 /un	1,050,000	

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
Southleigh Strategic Site**

Access M4(2) - Flats	714.00 un	494.00 /un	352,716	
Access M4(2) - Houses	1,386.00 un	734.00 /un	1,017,324	
Access M4(3) - Flats	714.00 un	313.00 /un	223,482	
Access M4(3) - Houses	1,386.00 un	536.00 /un	742,896	
				358,443,942

**PROFESSIONAL FEES**

Professional Fees		10.00%	30,301,061	30,301,061
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**DISPOSAL FEES**

Marketing & Sales Agent Fees		3.00%	16,755,838	
Sales Legal Fee	2,100.00 un	750.00 /un	1,575,000	
				18,330,838

**MISCELLANEOUS FEES**

AH Profit		6.00%	7,662,955	
Market Profit		20.00%	86,162,400	
Non-Residential		15.00%	577,823	
				94,403,178

**FINANCE**

Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			25,143,162	
Construction			2,552,945	
Other			349,147	
Total Finance Cost				28,045,255

**TOTAL COSTS****570,805,023****PROFIT****(8,650,303)****Performance Measures**

Profit on Cost%	(1.52%)
Profit on GDV%	(1.54%)

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
Southleigh Strategic Site

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,600.00 /m <sup>2</sup>	3,700.00 /m <sup>2</sup>	3,800.00 /m <sup>2</sup>	3,900.00 /m <sup>2</sup>	4,000.00 /m <sup>2</sup>	4,100.00 /m <sup>2</sup>	4,200.00 /m <sup>2</sup>	4,300.00 /m <sup>2</sup>
-10.000%	(£16,660,439)	(£3,257,409)	£8,448,986	£19,701,434	£30,503,699	£40,776,699	£50,510,465	£59,833,727
1,206.90 /m <sup>2</sup>	(£16,660,439)	(£3,257,409)	£8,448,986	£19,701,434	£30,503,699	£40,776,699	£50,510,465	£59,833,727
-7.500%	(£29,686,264)	(£14,622,652)	(£1,453,714)	£10,087,291	£21,208,832	£31,931,105	£42,080,021	£51,690,381
1,240.43 /m <sup>2</sup>	(£29,686,264)	(£14,622,652)	(£1,453,714)	£10,087,291	£21,208,832	£31,931,105	£42,080,021	£51,690,381
-5.000%	(£44,405,109)	(£27,135,588)	(£12,584,865)	£192,752	£11,722,031	£22,716,231	£33,321,086	£43,349,598
1,273.95 /m <sup>2</sup>	(£44,405,109)	(£27,135,588)	(£12,584,865)	£192,752	£11,722,031	£22,716,231	£33,321,086	£43,349,598
-2.500%	(£60,975,647)	(£41,517,743)	(£24,752,037)	(£10,574,142)	£1,831,058	£13,323,415	£24,215,421	£34,684,204
1,307.47 /m <sup>2</sup>	(£60,975,647)	(£41,517,743)	(£24,752,037)	(£10,574,142)	£1,831,058	£13,323,415	£24,215,421	£34,684,204
0.000%	(£79,989,991)	(£57,428,212)	(£38,705,717)	(£22,520,071)	(£8,650,303)	£3,469,363	£14,858,173	£25,693,444
1,341.00 /m <sup>2</sup>	(£79,989,991)	(£57,428,212)	(£38,705,717)	(£22,520,071)	(£8,650,303)	£3,469,363	£14,858,173	£25,693,444
+2.500%	(£101,112,971)	(£75,763,002)	(£54,099,394)	(£36,054,991)	(£20,348,092)	(£6,757,340)	£5,107,668	£16,365,571
1,374.53 /m <sup>2</sup>	(£101,112,971)	(£75,763,002)	(£54,099,394)	(£36,054,991)	(£20,348,092)	(£6,757,340)	£5,107,668	£16,365,571
+5.000%	(£124,615,220)	(£96,106,789)	(£71,780,094)	(£50,997,232)	(£33,413,148)	(£18,283,149)	(£4,936,451)	£6,745,974
1,408.05 /m <sup>2</sup>	(£124,615,220)	(£96,106,789)	(£71,780,094)	(£50,997,232)	(£33,413,148)	(£18,283,149)	(£4,936,451)	£6,745,974
+7.500%	(£148,537,945)	(£118,984,676)	(£91,405,756)	(£67,940,922)	(£48,101,922)	(£30,835,580)	(£16,245,362)	(£3,206,784)
1,441.58 /m <sup>2</sup>	(£148,537,945)	(£118,984,676)	(£91,405,756)	(£67,940,922)	(£48,101,922)	(£30,835,580)	(£16,245,362)	(£3,206,784)
+10.000%	(£172,464,351)	(£142,851,180)	(£113,457,404)	(£87,027,040)	(£64,249,296)	(£45,214,556)	(£28,495,733)	(£14,207,575)
1,475.10 /m <sup>2</sup>	(£172,464,351)	(£142,851,180)	(£113,457,404)	(£87,027,040)	(£64,249,296)	(£45,214,556)	(£28,495,733)	(£14,207,575)
+12.500%	(£196,390,757)	(£166,777,586)	(£137,164,415)	(£108,055,461)	(£82,799,936)	(£60,883,195)	(£42,428,538)	(£26,288,180)
1,508.63 /m <sup>2</sup>	(£196,390,757)	(£166,777,586)	(£137,164,415)	(£108,055,461)	(£82,799,936)	(£60,883,195)	(£42,428,538)	(£26,288,180)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£4,000.00	4.50 Up & Down
Market 2BF	1	£4,000.00	4.50 Up & Down
Market 4BH	1	£4,000.00	4.50 Up & Down
Market 2BH	1	£4,000.00	4.50 Up & Down
Market 3BH	1	£4,000.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site****Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
Southleigh Strategic Site**

+10.000%	+12.500%
4,400.00 /m <sup>2</sup>	4,500.00 /m <sup>2</sup>
£68,822,127	£77,622,852
£68,822,127	£77,622,852
£60,927,423	£69,844,179
£60,927,423	£69,844,179
£52,847,549	£61,997,234
£52,847,549	£61,997,234
£44,588,754	£53,976,914
£44,588,754	£53,976,914
£36,022,230	£45,792,451
£36,022,230	£45,792,451
£27,139,196	£37,324,731
£27,139,196	£37,324,731
£17,872,970	£28,554,828
£17,872,970	£28,554,828
£8,375,582	£19,376,758
£8,375,582	£19,376,758
(£1,517,042)	£9,970,474
(£1,517,042)	£9,970,474
(£12,192,652)	£128,046
(£12,192,652)	£128,046

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
Base Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	70	3,500.00	3,500.00	175,000	12,250,000
Market 2BF	63	4,410.00	3,500.00	245,000	15,435,000
Market 2BH	71	5,609.00	3,500.00	276,500	19,631,500
Market 3BH	149	14,900.00	3,500.00	350,000	52,150,000
Market 4BH	39	5,070.00	3,500.00	455,000	17,745,000
1BF AH	30	1,500.00	1,645.00	82,250	2,467,500
2BF AH	27	1,890.00	1,645.00	115,150	3,109,050
2BH AH	30	2,370.00	1,645.00	129,955	3,898,650
3BH AH	64	5,952.00	1,645.00	152,985	9,791,040
4BH AH	17	1,904.00	1,645.00	184,240	3,132,080
<b>Totals</b>	<b>560</b>	<b>47,105.00</b>			<b>139,609,820</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****140,274,820**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****140,235,918****NET REALISATION****140,235,918****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme****OUTLAY****ACQUISITION COSTS**

Fixed Price	26.70 ha	100,000.00 /ha	2,670,000	
Fixed Price (26.70 Ha @ 100,000.00 /Hect)			2,670,000	2,670,000
Stamp Duty			123,000	
Effective Stamp Duty Rate		4.61%		
Agent Fee		1.50%	40,050	
Legal Fee		0.75%	20,025	
				183,075

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	4,117.65	1,341.00	5,521,765	
Market 2BF	5,188.24	1,341.00	6,957,424	
Market 2BH	5,609.00	1,341.00	7,521,669	
Market 3BH	14,900.00	1,341.00	19,980,900	
Market 4BH	5,070.00	1,341.00	6,798,870	
1BF AH	1,764.71	1,341.00	2,366,471	
2BF AH	2,223.53	1,341.00	2,981,753	
2BH AH	2,370.00	1,341.00	3,178,170	
3BH AH	5,952.00	1,341.00	7,981,632	
4BH AH	1,904.00	1,341.00	2,553,264	
<b>Totals</b>	<b>49,099.12 m<sup>2</sup></b>		<b>65,841,917</b>	
Contingency		5.00%	3,292,096	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
S106 Surplus		1.00%	9,034,225	
Sustainable Design / Construction		2.00%	1,316,838	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				92,464,146

**PROFESSIONAL FEES****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

Professional Fees		10.00%	7,760,192	
				7,760,192
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	3,516,345	
Sales Legal Fee	560.00 un	750.00 /un	420,000	
				3,936,345
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	1,343,899	
Market Profit		20.00%	23,575,300	
				24,919,199
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			1,325,282	
Construction			6,853,551	
Other			124,137	
Total Finance Cost				8,302,971
<b>TOTAL COSTS</b>				<b>140,235,927</b>
<b>PROFIT</b>				<b>(10)</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

Sales: Rate /m <sup>2</sup>								
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£3,883,644)	(£530,391)	£2,757,484	£5,941,093	£9,104,249	£12,267,405	£15,424,815	£18,574,327
1,206.90 /m <sup>2</sup>	(£3,883,644)	(£530,391)	£2,757,484	£5,941,093	£9,104,249	£12,267,405	£15,424,815	£18,574,327
-7.500%	(£6,265,381)	(£2,912,128)	£435,045	£3,688,852	£6,859,219	£10,022,374	£13,185,530	£16,339,652
1,240.43 /m <sup>2</sup>	(£6,265,381)	(£2,912,128)	£435,045	£3,688,852	£6,859,219	£10,022,374	£13,185,530	£16,339,652
-5.000%	(£8,647,117)	(£5,293,864)	(£1,940,612)	£1,391,559	£4,613,451	£7,777,344	£10,940,500	£14,103,656
1,273.95 /m <sup>2</sup>	(£8,647,117)	(£5,293,864)	(£1,940,612)	£1,391,559	£4,613,451	£7,777,344	£10,940,500	£14,103,656
-2.500%	(£11,028,854)	(£7,675,601)	(£4,322,348)	(£969,095)	£2,335,524	£5,532,314	£8,695,470	£11,858,625
1,307.47 /m <sup>2</sup>	(£11,028,854)	(£7,675,601)	(£4,322,348)	(£969,095)	£2,335,524	£5,532,314	£8,695,470	£11,858,625
0.000%	(£13,410,590)	(£10,057,337)	(£6,704,085)	(£3,350,832)	(£10)	£3,271,284	£6,450,439	£9,613,595
1,341.00 /m <sup>2</sup>	(£13,410,590)	(£10,057,337)	(£6,704,085)	(£3,350,832)	(£10)	£3,271,284	£6,450,439	£9,613,595
+2.500%	(£15,792,327)	(£12,439,074)	(£9,085,821)	(£5,732,569)	(£2,379,316)	£960,268	£4,200,449	£7,368,565
1,374.53 /m <sup>2</sup>	(£15,792,327)	(£12,439,074)	(£9,085,821)	(£5,732,569)	(£2,379,316)	£960,268	£4,200,449	£7,368,565
+5.000%	(£18,174,063)	(£14,820,811)	(£11,467,558)	(£8,114,305)	(£4,761,052)	(£1,407,800)	£1,911,171	£5,123,534
1,408.05 /m <sup>2</sup>	(£18,174,063)	(£14,820,811)	(£11,467,558)	(£8,114,305)	(£4,761,052)	(£1,407,800)	£1,911,171	£5,123,534
+7.500%	(£20,555,800)	(£17,202,547)	(£13,849,294)	(£10,496,042)	(£7,142,789)	(£3,789,536)	(£436,614)	£2,850,872
1,441.58 /m <sup>2</sup>	(£20,555,800)	(£17,202,547)	(£13,849,294)	(£10,496,042)	(£7,142,789)	(£3,789,536)	(£436,614)	£2,850,872
+10.000%	(£22,937,536)	(£19,584,284)	(£16,231,031)	(£12,877,778)	(£9,524,525)	(£6,171,273)	(£2,818,020)	£527,282
1,475.10 /m <sup>2</sup>	(£22,937,536)	(£19,584,284)	(£16,231,031)	(£12,877,778)	(£9,524,525)	(£6,171,273)	(£2,818,020)	£527,282
+12.500%	(£25,319,273)	(£21,966,020)	(£18,612,767)	(£15,259,515)	(£11,906,262)	(£8,553,009)	(£5,199,756)	(£1,846,504)
1,508.63 /m <sup>2</sup>	(£25,319,273)	(£21,966,020)	(£18,612,767)	(£15,259,515)	(£11,906,262)	(£8,553,009)	(£5,199,756)	(£1,846,504)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
2BH AH	1	£1,645.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£21,706,060	£24,732,465
£21,706,060	£24,732,465
£19,489,164	£22,609,768
£19,489,164	£22,609,768
£17,254,490	£20,403,140
£17,254,490	£20,403,140
£15,019,815	£18,169,327
£15,019,815	£18,169,327
£12,776,751	£15,934,652
£12,776,751	£15,934,652
£10,531,720	£13,694,876
£10,531,720	£13,694,876
£8,286,690	£11,449,846
£8,286,690	£11,449,846
£6,041,660	£9,204,816
£6,041,660	£9,204,816
£3,784,374	£6,959,785
£3,784,374	£6,959,785
£1,483,504	£4,711,643
£1,483,504	£4,711,643

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
Increased Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	70	3,500.00	3,500.00	175,000	12,250,000
Market 2BF	63	4,410.00	3,500.00	245,000	15,435,000
Market 2BH	71	5,609.00	3,500.00	276,500	19,631,500
Market 3BH	149	14,900.00	3,500.00	350,000	52,150,000
Market 4BH	39	5,070.00	3,500.00	455,000	17,745,000
1BF AH	30	1,500.00	1,645.00	82,250	2,467,500
2BF AH	27	1,890.00	1,645.00	115,150	3,109,050
2BH AH	30	2,370.00	1,645.00	129,955	3,898,650
3BH AH	64	5,952.00	1,645.00	152,985	9,791,040
4BH AH	17	1,904.00	1,645.00	184,240	3,132,080
<b>Totals</b>	<b>560</b>	<b>47,105.00</b>			<b>139,609,820</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****140,274,820**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****140,235,918****NET REALISATION****140,235,918****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**
**Havant Borough Council**  
**560 Unit Residential Scheme**  
**OUTLAY**
**ACQUISITION COSTS**

Fixed Price	26.70 ha	100,000.00 /ha	2,670,000	
Fixed Price (26.70 Ha @ 100,000.00 /Hect)			2,670,000	2,670,000
Stamp Duty			123,000	
Effective Stamp Duty Rate		4.61%		
Agent Fee		1.50%	40,050	
Legal Fee		0.75%	20,025	
				183,075

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	4,117.65	1,341.00	5,521,765	
Market 2BF	5,188.24	1,341.00	6,957,424	
Market 2BH	5,609.00	1,341.00	7,521,669	
Market 3BH	14,900.00	1,341.00	19,980,900	
Market 4BH	5,070.00	1,341.00	6,798,870	
1BF AH	1,764.71	1,341.00	2,366,471	
2BF AH	2,223.53	1,341.00	2,981,753	
2BH AH	2,370.00	1,341.00	3,178,170	
3BH AH	5,952.00	1,341.00	7,981,632	
4BH AH	1,904.00	1,341.00	2,553,264	
<b>Totals</b>	<b>49,099.12 m<sup>2</sup></b>		<b>65,841,917</b>	
Contingency		5.00%	3,292,096	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
S106 Surplus		1.00%	6,937,737	
Sustainable Design / Construction		6.00%	3,950,515	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				93,001,335

**PROFESSIONAL FEES**

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

Professional Fees		10.00%	7,760,192	
				7,760,192
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	3,516,345	
Sales Legal Fee	560.00 un	750.00 /un	420,000	
				3,936,345
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	1,343,899	
Market Profit		20.00%	23,575,300	
				24,919,199
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			1,325,282	
Construction			6,316,357	
Other			124,137	
Total Finance Cost				7,765,776
<b>TOTAL COSTS</b>				<b>140,235,922</b>
<b>PROFIT</b>				<b>(5)</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£3,557,904)	(£205,594)	£3,070,238	£6,248,130	£9,411,286	£12,574,442	£15,728,277	£18,877,789
1,206.90 /m <sup>2</sup>	(£3,557,904)	(£205,594)	£3,070,238	£6,248,130	£9,411,286	£12,574,442	£15,728,277	£18,877,789
-7.500%	(£6,021,074)	(£2,667,821)	£676,733	£3,921,626	£7,089,498	£10,252,653	£13,415,809	£16,566,711
1,240.43 /m <sup>2</sup>	(£6,021,074)	(£2,667,821)	£676,733	£3,921,626	£7,089,498	£10,252,653	£13,415,809	£16,566,711
-5.000%	(£8,484,244)	(£5,130,992)	(£1,777,739)	£1,550,713	£4,767,709	£7,930,865	£11,094,021	£14,255,634
1,273.95 /m <sup>2</sup>	(£8,484,244)	(£5,130,992)	(£1,777,739)	£1,550,713	£4,767,709	£7,930,865	£11,094,021	£14,255,634
-2.500%	(£10,947,415)	(£7,594,162)	(£4,240,909)	(£887,657)	£2,414,380	£5,609,077	£8,772,232	£11,935,388
1,307.47 /m <sup>2</sup>	(£10,947,415)	(£7,594,162)	(£4,240,909)	(£887,657)	£2,414,380	£5,609,077	£8,772,232	£11,935,388
0.000%	(£13,410,585)	(£10,057,332)	(£6,704,080)	(£3,350,827)	(£5)	£3,271,288	£6,450,444	£9,613,600
1,341.00 /m <sup>2</sup>	(£13,410,585)	(£10,057,332)	(£6,704,080)	(£3,350,827)	(£5)	£3,271,288	£6,450,444	£9,613,600
+2.500%	(£15,873,756)	(£12,520,503)	(£9,167,250)	(£5,813,997)	(£2,460,745)	£880,141	£4,122,864	£7,291,811
1,374.53 /m <sup>2</sup>	(£15,873,756)	(£12,520,503)	(£9,167,250)	(£5,813,997)	(£2,460,745)	£880,141	£4,122,864	£7,291,811
+5.000%	(£18,336,926)	(£14,983,673)	(£11,630,421)	(£8,277,168)	(£4,923,915)	(£1,570,662)	£1,752,621	£4,969,462
1,408.05 /m <sup>2</sup>	(£18,336,926)	(£14,983,673)	(£11,630,421)	(£8,277,168)	(£4,923,915)	(£1,570,662)	£1,752,621	£4,969,462
+7.500%	(£20,800,096)	(£17,446,844)	(£14,093,591)	(£10,740,338)	(£7,387,085)	(£4,033,833)	(£680,580)	£2,615,586
1,441.58 /m <sup>2</sup>	(£20,800,096)	(£17,446,844)	(£14,093,591)	(£10,740,338)	(£7,387,085)	(£4,033,833)	(£680,580)	£2,615,586
+10.000%	(£23,263,267)	(£19,910,014)	(£16,556,761)	(£13,203,509)	(£9,850,256)	(£6,497,003)	(£3,143,750)	£205,043
1,475.10 /m <sup>2</sup>	(£23,263,267)	(£19,910,014)	(£16,556,761)	(£13,203,509)	(£9,850,256)	(£6,497,003)	(£3,143,750)	£205,043
+12.500%	(£25,726,437)	(£22,373,185)	(£19,019,932)	(£15,666,679)	(£12,313,426)	(£8,960,174)	(£5,606,921)	(£2,253,668)
1,508.63 /m <sup>2</sup>	(£25,726,437)	(£22,373,185)	(£19,019,932)	(£15,666,679)	(£12,313,426)	(£8,960,174)	(£5,606,921)	(£2,253,668)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
2BH AH	1	£1,645.00	4.50 Up & Down

~~This appraisal report does not constitute a formal valuation.~~

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£21,993,175	£25,003,432
£21,993,175	£25,003,432
£19,715,096	£22,817,271
£19,715,096	£22,817,271
£17,405,146	£20,551,177
£17,405,146	£20,551,177
£15,094,068	£18,243,580
£15,094,068	£18,243,580
£12,776,756	£15,932,503
£12,776,756	£15,932,503
£10,454,967	£13,618,123
£10,454,967	£13,618,123
£8,133,179	£11,296,335
£8,133,179	£11,296,335
£5,811,390	£8,974,546
£5,811,390	£8,974,546
£3,472,339	£6,652,758
£3,472,339	£6,652,758
£1,083,481	£4,324,103
£1,083,481	£4,324,103

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
Base Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	60	3,000.00	3,500.00	175,000	10,500,000
Market 2BF	54	3,780.00	3,500.00	245,000	13,230,000
Market 2BH	61	4,819.00	3,500.00	276,500	16,866,500
Market 3BH	128	12,800.00	3,500.00	350,000	44,800,000
Market 4BH	33	4,290.00	3,500.00	455,000	15,015,000
1BF AH	40	2,000.00	1,645.00	82,250	3,290,000
2BF AH	36	2,520.00	1,645.00	115,150	4,145,400
2BH AH	40	3,160.00	1,645.00	129,955	5,198,200
3BH AH	85	7,905.00	1,645.00	152,985	13,003,725
4BH AH	23	2,576.00	1,645.00	184,240	4,237,520
<b>Totals</b>	<b>560</b>	<b>46,850.00</b>			<b>130,286,345</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****130,951,345**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****130,912,443****NET REALISATION****130,912,443****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme  
OUTLAY****ACQUISITION COSTS**

Fixed Price	26.70 ha	100,000.00 /ha	2,670,000	
Fixed Price (26.70 Ha @ 100,000.00 /Hect)			2,670,000	2,670,000
Stamp Duty			123,000	
Effective Stamp Duty Rate		4.61%		
Agent Fee		1.50%	40,050	
Legal Fee		0.75%	20,025	
				183,075

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	3,529.41	1,341.00	4,732,941	
Market 2BF	4,447.06	1,341.00	5,963,506	
Market 2BH	4,819.00	1,341.00	6,462,279	
Market 3BH	12,800.00	1,341.00	17,164,800	
Market 4BH	4,290.00	1,341.00	5,752,890	
1BF AH	2,352.94	1,341.00	3,155,294	
2BF AH	2,964.71	1,341.00	3,975,671	
2BH AH	3,160.00	1,341.00	4,237,560	
3BH AH	7,905.00	1,341.00	10,600,605	
4BH AH	2,576.00	1,341.00	3,454,416	
<b>Totals</b>	<b>48,844.12 m<sup>2</sup></b>		<b>65,499,962</b>	
Contingency		5.00%	3,274,998	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
S106 Surplus		1.00%	4,902,324	
Sustainable Design / Construction		2.00%	1,309,999	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				87,966,353

**PROFESSIONAL FEES****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

Professional Fees		10.00%	7,725,996	
				7,725,996
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	3,012,345	
Sales Legal Fee	560.00 un	750.00 /un	420,000	
				3,432,345
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	1,792,491	
Market Profit		20.00%	20,215,300	
				22,007,791
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			1,325,282	
Construction			5,524,098	
Other			77,506	
Total Finance Cost				6,926,886
<b>TOTAL COSTS</b>				<b>130,912,446</b>
<b>PROFIT</b>				<b>(4)</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

Sales: Rate /m <sup>2</sup>								
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£3,236,921)	(£62,446)	£3,011,233	£6,011,934	£9,010,985	£12,008,701	£14,994,716	£17,972,604
1,206.90 /m <sup>2</sup>	(£3,236,921)	(£62,446)	£3,011,233	£6,011,934	£9,010,985	£12,008,701	£14,994,716	£17,972,604
-7.500%	(£5,606,288)	(£2,425,769)	£734,229	£3,778,564	£6,777,614	£9,776,664	£12,771,648	£15,757,663
1,240.43 /m <sup>2</sup>	(£5,606,288)	(£2,425,769)	£734,229	£3,778,564	£6,777,614	£9,776,664	£12,771,648	£15,757,663
-5.000%	(£7,975,654)	(£4,795,135)	(£1,614,616)	£1,520,493	£4,544,243	£7,543,294	£10,542,344	£13,534,594
1,273.95 /m <sup>2</sup>	(£7,975,654)	(£4,795,135)	(£1,614,616)	£1,520,493	£4,544,243	£7,543,294	£10,542,344	£13,534,594
-2.500%	(£10,345,021)	(£7,164,502)	(£3,983,983)	(£804,106)	£2,299,963	£5,309,923	£8,308,973	£11,308,023
1,307.47 /m <sup>2</sup>	(£10,345,021)	(£7,164,502)	(£3,983,983)	(£804,106)	£2,299,963	£5,309,923	£8,308,973	£11,308,023
0.000%	(£12,714,388)	(£9,533,869)	(£6,353,350)	(£3,172,831)	(£4)	£3,074,014	£6,075,603	£9,074,653
1,341.00 /m <sup>2</sup>	(£12,714,388)	(£9,533,869)	(£6,353,350)	(£3,172,831)	(£4)	£3,074,014	£6,075,603	£9,074,653
+2.500%	(£15,083,755)	(£11,903,236)	(£8,722,717)	(£5,542,198)	(£2,361,679)	£795,569	£3,842,232	£6,841,282
1,374.53 /m <sup>2</sup>	(£15,083,755)	(£11,903,236)	(£8,722,717)	(£5,542,198)	(£2,361,679)	£795,569	£3,842,232	£6,841,282
+5.000%	(£17,453,121)	(£14,272,603)	(£11,092,084)	(£7,911,565)	(£4,731,046)	(£1,550,527)	£1,581,810	£4,607,912
1,408.05 /m <sup>2</sup>	(£17,453,121)	(£14,272,603)	(£11,092,084)	(£7,911,565)	(£4,731,046)	(£1,550,527)	£1,581,810	£4,607,912
+7.500%	(£19,822,488)	(£16,641,969)	(£13,461,450)	(£10,280,931)	(£7,100,412)	(£3,919,893)	(£740,941)	£2,361,568
1,441.58 /m <sup>2</sup>	(£19,822,488)	(£16,641,969)	(£13,461,450)	(£10,280,931)	(£7,100,412)	(£3,919,893)	(£740,941)	£2,361,568
+10.000%	(£22,191,855)	(£19,011,336)	(£15,830,817)	(£12,650,298)	(£9,469,779)	(£6,289,260)	(£3,108,741)	£62,039
1,475.10 /m <sup>2</sup>	(£22,191,855)	(£19,011,336)	(£15,830,817)	(£12,650,298)	(£9,469,779)	(£6,289,260)	(£3,108,741)	£62,039
+12.500%	(£24,561,222)	(£21,380,703)	(£18,200,184)	(£15,019,665)	(£11,839,146)	(£8,658,627)	(£5,478,108)	(£2,297,589)
1,508.63 /m <sup>2</sup>	(£24,561,222)	(£21,380,703)	(£18,200,184)	(£15,019,665)	(£11,839,146)	(£8,658,627)	(£5,478,108)	(£2,297,589)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
3BF AH	1	£1,645.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£20,889,890	£23,727,807
£20,889,890	£23,727,807
£18,727,928	£21,632,122
£18,727,928	£21,632,122
£16,520,609	£19,482,168
£16,520,609	£19,482,168
£14,297,540	£17,283,555
£14,297,540	£17,283,555
£12,073,703	£15,060,487
£12,073,703	£15,060,487
£9,840,332	£12,837,418
£9,840,332	£12,837,418
£7,606,962	£10,606,012
£7,606,962	£10,606,012
£5,373,591	£8,372,641
£5,373,591	£8,372,641
£3,136,296	£6,139,271
£3,136,296	£6,139,271
£856,908	£3,905,900
£856,908	£3,905,900

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£100,000/ha BLV  
Increased Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	60	3,000.00	3,500.00	175,000	10,500,000
Market 2BF	54	3,780.00	3,500.00	245,000	13,230,000
Market 2BH	61	4,819.00	3,500.00	276,500	16,866,500
Market 3BH	128	12,800.00	3,500.00	350,000	44,800,000
Market 4BH	33	4,290.00	3,500.00	455,000	15,015,000
1BF AH	40	2,000.00	1,645.00	82,250	3,290,000
2BF AH	36	2,520.00	1,645.00	115,150	4,145,400
2BH AH	40	3,160.00	1,645.00	129,955	5,198,200
3BH AH	85	7,905.00	1,645.00	152,985	13,003,725
4BH AH	23	2,576.00	1,645.00	184,240	4,237,520
<b>Totals</b>	<b>560</b>	<b>46,850.00</b>			<b>130,286,345</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****130,951,345**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****130,912,443****NET REALISATION****130,912,443****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**
**Havant Borough Council**  
**560 Unit Residential Scheme**  
**OUTLAY**
**ACQUISITION COSTS**

Fixed Price	26.70 ha	100,000.00 /ha	2,670,000	
Fixed Price (26.70 Ha @ 100,000.00 /Hect)			2,670,000	2,670,000
Stamp Duty			123,000	
Effective Stamp Duty Rate		4.61%		
Agent Fee		1.50%	40,050	
Legal Fee		0.75%	20,025	
				183,075

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	3,529.41	1,341.00	4,732,941	
Market 2BF	4,447.06	1,341.00	5,963,506	
Market 2BH	4,819.00	1,341.00	6,462,279	
Market 3BH	12,800.00	1,341.00	17,164,800	
Market 4BH	4,290.00	1,341.00	5,752,890	
1BF AH	2,352.94	1,341.00	3,155,294	
2BF AH	2,964.71	1,341.00	3,975,671	
2BH AH	3,160.00	1,341.00	4,237,560	
3BH AH	7,905.00	1,341.00	10,600,605	
4BH AH	2,576.00	1,341.00	3,454,416	
<b>Totals</b>	<b>48,844.12 m<sup>2</sup></b>		<b>65,499,962</b>	
Contingency		5.00%	3,274,998	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
S106 Surplus		1.00%	2,816,727	
Sustainable Design / Construction		6.00%	3,929,998	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				88,500,754

**PROFESSIONAL FEES**

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

Professional Fees		10.00%	7,725,996		7,725,996
<b>DISPOSAL FEES</b>					
Marketing & Sales Agent Fees		3.00%	3,012,345		
Sales Legal Fee	560.00 un	750.00 /un	420,000		3,432,345
<b>MISCELLANEOUS FEES</b>					
AH Profit		6.00%	1,792,491		
Market Profit		20.00%	20,215,300		22,007,791
<b>FINANCE</b>					
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)					
Land			1,325,282		
Construction			4,989,695		
Other			77,506		
Total Finance Cost					6,392,483
<b>TOTAL COSTS</b>					<b>130,912,444</b>
<b>PROFIT</b>					<b>(2)</b>
<b>Performance Measures</b>					
Profit on Cost%		0.00%			
Profit on GDV%		0.00%			

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£2,912,875)	£257,050	£3,318,324	£6,317,374	£9,316,424	£12,310,584	£15,296,599	£18,259,433
1,206.90 /m <sup>2</sup>	(£2,912,875)	£257,050	£3,318,324	£6,317,374	£9,316,424	£12,310,584	£15,296,599	£18,259,433
-7.500%	(£5,363,252)	(£2,182,734)	£970,828	£4,007,644	£7,006,694	£10,005,744	£12,997,525	£15,983,540
1,240.43 /m <sup>2</sup>	(£5,363,252)	(£2,182,734)	£970,828	£4,007,644	£7,006,694	£10,005,744	£12,997,525	£15,983,540
-5.000%	(£7,813,630)	(£4,633,111)	(£1,452,592)	£1,676,541	£4,696,964	£7,696,014	£10,695,065	£13,684,465
1,273.95 /m <sup>2</sup>	(£7,813,630)	(£4,633,111)	(£1,452,592)	£1,676,541	£4,696,964	£7,696,014	£10,695,065	£13,684,465
-2.500%	(£10,264,008)	(£7,083,489)	(£3,902,970)	(£723,527)	£2,377,569	£5,386,284	£8,385,335	£11,384,385
1,307.47 /m <sup>2</sup>	(£10,264,008)	(£7,083,489)	(£3,902,970)	(£723,527)	£2,377,569	£5,386,284	£8,385,335	£11,384,385
0.000%	(£12,714,386)	(£9,533,867)	(£6,353,348)	(£3,172,829)	(£2)	£3,074,016	£6,075,605	£9,074,655
1,341.00 /m <sup>2</sup>	(£12,714,386)	(£9,533,867)	(£6,353,348)	(£3,172,829)	(£2)	£3,074,016	£6,075,605	£9,074,655
+2.500%	(£15,164,764)	(£11,984,245)	(£8,803,726)	(£5,623,207)	(£2,442,688)	£716,705	£3,765,875	£6,764,925
1,374.53 /m <sup>2</sup>	(£15,164,764)	(£11,984,245)	(£8,803,726)	(£5,623,207)	(£2,442,688)	£716,705	£3,765,875	£6,764,925
+5.000%	(£17,615,141)	(£14,434,622)	(£11,254,103)	(£8,073,584)	(£4,893,065)	(£1,712,546)	£1,425,101	£4,455,195
1,408.05 /m <sup>2</sup>	(£17,615,141)	(£14,434,622)	(£11,254,103)	(£8,073,584)	(£4,893,065)	(£1,712,546)	£1,425,101	£4,455,195
+7.500%	(£20,065,519)	(£16,885,000)	(£13,704,481)	(£10,523,962)	(£7,343,443)	(£4,162,924)	(£982,670)	£2,128,756
1,441.58 /m <sup>2</sup>	(£20,065,519)	(£16,885,000)	(£13,704,481)	(£10,523,962)	(£7,343,443)	(£4,162,924)	(£982,670)	£2,128,756
+10.000%	(£22,515,897)	(£19,335,378)	(£16,154,859)	(£12,974,340)	(£9,793,821)	(£6,613,302)	(£3,432,783)	(£258,131)
1,475.10 /m <sup>2</sup>	(£22,515,897)	(£19,335,378)	(£16,154,859)	(£12,974,340)	(£9,793,821)	(£6,613,302)	(£3,432,783)	(£258,131)
+12.500%	(£24,966,275)	(£21,785,756)	(£18,605,237)	(£15,424,718)	(£12,244,199)	(£9,063,680)	(£5,883,161)	(£2,702,642)
1,508.63 /m <sup>2</sup>	(£24,966,275)	(£21,785,756)	(£18,605,237)	(£15,424,718)	(£12,244,199)	(£9,063,680)	(£5,883,161)	(£2,702,642)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
2BH AH	1	£1,645.00	4.50 Up & Down

~~This appraisal report does not constitute a formal valuation.~~

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£21,160,218	£23,990,121
£21,160,218	£23,990,121
£18,938,890	£21,827,510
£18,938,890	£21,827,510
£16,668,795	£19,616,963
£16,668,795	£19,616,963
£14,371,405	£17,351,701
£14,371,405	£17,351,701
£12,072,331	£15,058,346
£12,072,331	£15,058,346
£9,763,975	£12,759,271
£9,763,975	£12,759,271
£7,454,245	£10,453,295
£7,454,245	£10,453,295
£5,144,515	£8,143,565
£5,144,515	£8,143,565
£2,827,551	£5,833,835
£2,827,551	£5,833,835
£461,265	£3,522,349
£461,265	£3,522,349

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
Increased Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	70	3,500.00	3,500.00	175,000	12,250,000
Market 2BF	63	4,410.00	3,500.00	245,000	15,435,000
Market 2BH	71	5,609.00	3,500.00	276,500	19,631,500
Market 3BH	149	14,900.00	3,500.00	350,000	52,150,000
Market 4BH	39	5,070.00	3,500.00	455,000	17,745,000
1BF AH	30	1,500.00	1,645.00	82,250	2,467,500
2BF AH	27	1,890.00	1,645.00	115,150	3,109,050
2BH AH	30	2,370.00	1,645.00	129,955	3,898,650
3BH AH	64	5,952.00	1,645.00	152,985	9,791,040
4BH AH	17	1,904.00	1,645.00	184,240	3,132,080
<b>Totals</b>	<b>560</b>	<b>47,105.00</b>			<b>139,609,820</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****140,274,820**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****140,235,918****NET REALISATION****140,235,918****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme  
OUTLAY****ACQUISITION COSTS**

Fixed Price	26.70 ha	250,000.00 /ha	6,675,000	
Fixed Price (26.70 Ha @ 250,000.00 /Hect)			6,675,000	6,675,000
Stamp Duty			323,250	
Effective Stamp Duty Rate		4.84%		
Agent Fee		1.50%	100,125	
Legal Fee		0.75%	50,063	
				473,437

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	4,117.65	1,341.00	5,521,765	
Market 2BF	5,188.24	1,341.00	6,957,424	
Market 2BH	5,609.00	1,341.00	7,521,669	
Market 3BH	14,900.00	1,341.00	19,980,900	
Market 4BH	5,070.00	1,341.00	6,798,870	
1BF AH	1,764.71	1,341.00	2,366,471	
2BF AH	2,223.53	1,341.00	2,981,753	
2BH AH	2,370.00	1,341.00	3,178,170	
3BH AH	5,952.00	1,341.00	7,981,632	
4BH AH	1,904.00	1,341.00	2,553,264	
<b>Totals</b>	<b>49,099.12 m<sup>2</sup></b>		<b>65,841,917</b>	
Contingency		5.00%	3,292,096	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
S106 Surplus		1.00%	2,642,372	
Sustainable Design / Construction		6.00%	3,950,515	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				88,705,970

**PROFESSIONAL FEES****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

Professional Fees		10.00%	7,760,192	
				7,760,192
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	3,516,345	
Sales Legal Fee	560.00 un	750.00 /un	420,000	
				3,936,345
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	1,343,899	
Market Profit		20.00%	23,575,300	
				24,919,199
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			3,320,522	
Construction			4,321,116	
Other			124,137	
Total Finance Cost				7,765,775
<b>TOTAL COSTS</b>				<b>140,235,918</b>
<b>PROFIT</b>				<b>(1)</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£3,557,900)	(£205,591)	£3,070,241	£6,248,134	£9,411,290	£12,574,445	£15,728,281	£18,877,792
1,206.90 /m <sup>2</sup>	(£3,557,900)	(£205,591)	£3,070,241	£6,248,134	£9,411,290	£12,574,445	£15,728,281	£18,877,792
-7.500%	(£6,021,070)	(£2,667,817)	£676,737	£3,921,629	£7,089,501	£10,252,657	£13,415,813	£16,566,715
1,240.43 /m <sup>2</sup>	(£6,021,070)	(£2,667,817)	£676,737	£3,921,629	£7,089,501	£10,252,657	£13,415,813	£16,566,715
-5.000%	(£8,484,240)	(£5,130,988)	(£1,777,735)	£1,550,717	£4,767,713	£7,930,869	£11,094,024	£14,255,638
1,273.95 /m <sup>2</sup>	(£8,484,240)	(£5,130,988)	(£1,777,735)	£1,550,717	£4,767,713	£7,930,869	£11,094,024	£14,255,638
-2.500%	(£10,947,411)	(£7,594,158)	(£4,240,905)	(£887,653)	£2,414,384	£5,609,080	£8,772,236	£11,935,392
1,307.47 /m <sup>2</sup>	(£10,947,411)	(£7,594,158)	(£4,240,905)	(£887,653)	£2,414,384	£5,609,080	£8,772,236	£11,935,392
0.000%	(£13,410,581)	(£10,057,329)	(£6,704,076)	(£3,350,823)	(£1)	£3,271,292	£6,450,448	£9,613,603
1,341.00 /m <sup>2</sup>	(£13,410,581)	(£10,057,329)	(£6,704,076)	(£3,350,823)	(£1)	£3,271,292	£6,450,448	£9,613,603
+2.500%	(£15,873,752)	(£12,520,499)	(£9,167,246)	(£5,813,994)	(£2,460,741)	£880,145	£4,122,868	£7,291,815
1,374.53 /m <sup>2</sup>	(£15,873,752)	(£12,520,499)	(£9,167,246)	(£5,813,994)	(£2,460,741)	£880,145	£4,122,868	£7,291,815
+5.000%	(£18,336,922)	(£14,983,669)	(£11,630,417)	(£8,277,164)	(£4,923,911)	(£1,570,658)	£1,752,625	£4,969,465
1,408.05 /m <sup>2</sup>	(£18,336,922)	(£14,983,669)	(£11,630,417)	(£8,277,164)	(£4,923,911)	(£1,570,658)	£1,752,625	£4,969,465
+7.500%	(£20,800,093)	(£17,446,840)	(£14,093,587)	(£10,740,334)	(£7,387,082)	(£4,033,829)	(£680,576)	£2,615,590
1,441.58 /m <sup>2</sup>	(£20,800,093)	(£17,446,840)	(£14,093,587)	(£10,740,334)	(£7,387,082)	(£4,033,829)	(£680,576)	£2,615,590
+10.000%	(£23,263,263)	(£19,910,010)	(£16,556,757)	(£13,203,505)	(£9,850,252)	(£6,496,999)	(£3,143,747)	£205,046
1,475.10 /m <sup>2</sup>	(£23,263,263)	(£19,910,010)	(£16,556,757)	(£13,203,505)	(£9,850,252)	(£6,496,999)	(£3,143,747)	£205,046
+12.500%	(£25,726,433)	(£22,373,181)	(£19,019,928)	(£15,666,675)	(£12,313,422)	(£8,960,170)	(£5,606,917)	(£2,253,664)
1,508.63 /m <sup>2</sup>	(£25,726,433)	(£22,373,181)	(£19,019,928)	(£15,666,675)	(£12,313,422)	(£8,960,170)	(£5,606,917)	(£2,253,664)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
2BH AH	1	£1,645.00	4.50 Up & Down

~~This appraisal report does not constitute a formal valuation.~~

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£21,993,179	£25,003,436
£21,993,179	£25,003,436
£19,715,099	£22,817,274
£19,715,099	£22,817,274
£17,405,149	£20,551,181
£17,405,149	£20,551,181
£15,094,072	£18,243,584
£15,094,072	£18,243,584
£12,776,759	£15,932,506
£12,776,759	£15,932,506
£10,454,971	£13,618,127
£10,454,971	£13,618,127
£8,133,182	£11,296,338
£8,133,182	£11,296,338
£5,811,394	£8,974,550
£5,811,394	£8,974,550
£3,472,343	£6,652,761
£3,472,343	£6,652,761
£1,083,485	£4,324,107
£1,083,485	£4,324,107

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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30% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
Base Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	70	3,500.00	3,500.00	175,000	12,250,000
Market 2BF	63	4,410.00	3,500.00	245,000	15,435,000
Market 2BH	71	5,609.00	3,500.00	276,500	19,631,500
Market 3BH	149	14,900.00	3,500.00	350,000	52,150,000
Market 4BH	39	5,070.00	3,500.00	455,000	17,745,000
1BF AH	30	1,500.00	1,645.00	82,250	2,467,500
2BF AH	27	1,890.00	1,645.00	115,150	3,109,050
2BH AH	30	2,370.00	1,645.00	129,955	3,898,650
3BH AH	64	5,952.00	1,645.00	152,985	9,791,040
4BH AH	17	1,904.00	1,645.00	184,240	3,132,080
<b>Totals</b>	<b>560</b>	<b>47,105.00</b>			<b>139,609,820</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****140,274,820**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****140,235,918****NET REALISATION****140,235,918****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme  
OUTLAY****ACQUISITION COSTS**

Fixed Price	26.70 ha	250,000.00 /ha	6,675,000	
Fixed Price (26.70 Ha @ 250,000.00 /Hect)			6,675,000	6,675,000
Stamp Duty			323,250	
Effective Stamp Duty Rate		4.84%		
Agent Fee		1.50%	100,125	
Legal Fee		0.75%	50,063	
				473,437

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	4,117.65	1,341.00	5,521,765	
Market 2BF	5,188.24	1,341.00	6,957,424	
Market 2BH	5,609.00	1,341.00	7,521,669	
Market 3BH	14,900.00	1,341.00	19,980,900	
Market 4BH	5,070.00	1,341.00	6,798,870	
1BF AH	1,764.71	1,341.00	2,366,471	
2BF AH	2,223.53	1,341.00	2,981,753	
2BH AH	2,370.00	1,341.00	3,178,170	
3BH AH	5,952.00	1,341.00	7,981,632	
4BH AH	1,904.00	1,341.00	2,553,264	
<b>Totals</b>	<b>49,099.12 m<sup>2</sup></b>		<b>65,841,917</b>	
Contingency		5.00%	3,292,096	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
S106 Surplus		1.00%	4,738,857	
Sustainable Design / Construction		2.00%	1,316,838	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				88,168,778

**PROFESSIONAL FEES****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

Professional Fees		10.00%	7,760,192	
				7,760,192
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	3,516,345	
Sales Legal Fee	560.00 un	750.00 /un	420,000	
				3,936,345
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	1,343,899	
Market Profit		20.00%	23,575,300	
				24,919,199
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			3,320,522	
Construction			4,858,309	
Other			124,137	
Total Finance Cost				8,302,968
<b>TOTAL COSTS</b>				<b>140,235,920</b>
<b>PROFIT</b>				<b>(2)</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£3,883,637)	(£530,384)	£2,757,491	£5,941,100	£9,104,256	£12,267,412	£15,424,822	£18,574,334
1,206.90 /m <sup>2</sup>	(£3,883,637)	(£530,384)	£2,757,491	£5,941,100	£9,104,256	£12,267,412	£15,424,822	£18,574,334
-7.500%	(£6,265,373)	(£2,912,120)	£435,052	£3,688,859	£6,859,226	£10,022,382	£13,185,537	£16,339,659
1,240.43 /m <sup>2</sup>	(£6,265,373)	(£2,912,120)	£435,052	£3,688,859	£6,859,226	£10,022,382	£13,185,537	£16,339,659
-5.000%	(£8,647,110)	(£5,293,857)	(£1,940,604)	£1,391,567	£4,613,458	£7,777,351	£10,940,507	£14,103,663
1,273.95 /m <sup>2</sup>	(£8,647,110)	(£5,293,857)	(£1,940,604)	£1,391,567	£4,613,458	£7,777,351	£10,940,507	£14,103,663
-2.500%	(£11,028,846)	(£7,675,593)	(£4,322,341)	(£969,088)	£2,335,532	£5,532,321	£8,695,477	£11,858,632
1,307.47 /m <sup>2</sup>	(£11,028,846)	(£7,675,593)	(£4,322,341)	(£969,088)	£2,335,532	£5,532,321	£8,695,477	£11,858,632
0.000%	(£13,410,583)	(£10,057,330)	(£6,704,077)	(£3,350,824)	(£2)	£3,271,291	£6,450,446	£9,613,602
1,341.00 /m <sup>2</sup>	(£13,410,583)	(£10,057,330)	(£6,704,077)	(£3,350,824)	(£2)	£3,271,291	£6,450,446	£9,613,602
+2.500%	(£15,792,319)	(£12,439,066)	(£9,085,814)	(£5,732,561)	(£2,379,308)	£960,275	£4,200,456	£7,368,572
1,374.53 /m <sup>2</sup>	(£15,792,319)	(£12,439,066)	(£9,085,814)	(£5,732,561)	(£2,379,308)	£960,275	£4,200,456	£7,368,572
+5.000%	(£18,174,056)	(£14,820,803)	(£11,467,550)	(£8,114,297)	(£4,761,045)	(£1,407,792)	£1,911,179	£5,123,541
1,408.05 /m <sup>2</sup>	(£18,174,056)	(£14,820,803)	(£11,467,550)	(£8,114,297)	(£4,761,045)	(£1,407,792)	£1,911,179	£5,123,541
+7.500%	(£20,555,792)	(£17,202,539)	(£13,849,287)	(£10,496,034)	(£7,142,781)	(£3,789,529)	(£436,607)	£2,850,879
1,441.58 /m <sup>2</sup>	(£20,555,792)	(£17,202,539)	(£13,849,287)	(£10,496,034)	(£7,142,781)	(£3,789,529)	(£436,607)	£2,850,879
+10.000%	(£22,937,529)	(£19,584,276)	(£16,231,023)	(£12,877,771)	(£9,524,518)	(£6,171,265)	(£2,818,012)	£527,290
1,475.10 /m <sup>2</sup>	(£22,937,529)	(£19,584,276)	(£16,231,023)	(£12,877,771)	(£9,524,518)	(£6,171,265)	(£2,818,012)	£527,290
+12.500%	(£25,319,265)	(£21,966,013)	(£18,612,760)	(£15,259,507)	(£11,906,254)	(£8,553,002)	(£5,199,749)	(£1,846,496)
1,508.63 /m <sup>2</sup>	(£25,319,265)	(£21,966,013)	(£18,612,760)	(£15,259,507)	(£11,906,254)	(£8,553,002)	(£5,199,749)	(£1,846,496)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
2BH AH	1	£1,645.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£21,706,067	£24,732,471
£21,706,067	£24,732,471
£19,489,171	£22,609,774
£19,489,171	£22,609,774
£17,254,497	£20,403,147
£17,254,497	£20,403,147
£15,019,822	£18,169,334
£15,019,822	£18,169,334
£12,776,758	£15,934,659
£12,776,758	£15,934,659
£10,531,728	£13,694,883
£10,531,728	£13,694,883
£8,286,697	£11,449,853
£8,286,697	£11,449,853
£6,041,667	£9,204,823
£6,041,667	£9,204,823
£3,784,381	£6,959,792
£3,784,381	£6,959,792
£1,483,511	£4,711,650
£1,483,511	£4,711,650

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
Increased Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	60	3,000.00	3,500.00	175,000	10,500,000
Market 2BF	54	3,780.00	3,500.00	245,000	13,230,000
Market 2BH	61	4,819.00	3,500.00	276,500	16,866,500
Market 3BH	128	12,800.00	3,500.00	350,000	44,800,000
Market 4BH	33	4,290.00	3,500.00	455,000	15,015,000
1BF AH	40	2,000.00	1,645.00	82,250	3,290,000
2BF AH	36	2,520.00	1,645.00	115,150	4,145,400
2BH AH	40	3,160.00	1,645.00	129,955	5,198,200
3BH AH	85	7,905.00	1,645.00	152,985	13,003,725
4BH AH	23	2,576.00	1,645.00	184,240	4,237,520
<b>Totals</b>	<b>560</b>	<b>46,850.00</b>			<b>130,286,345</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****130,951,345**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****130,912,443****NET REALISATION****130,912,443****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme  
OUTLAY****ACQUISITION COSTS**

Fixed Price	26.70 ha	250,000.00 /ha	6,675,000	
Fixed Price (26.70 Ha @ 250,000.00 /Hect)			6,675,000	6,675,000
Stamp Duty			323,250	
Effective Stamp Duty Rate		4.84%		
Agent Fee		1.50%	100,125	
Legal Fee		0.75%	50,063	
				473,437

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	3,529.41	1,341.00	4,732,941	
Market 2BF	4,447.06	1,341.00	5,963,506	
Market 2BH	4,819.00	1,341.00	6,462,279	
Market 3BH	12,800.00	1,341.00	17,164,800	
Market 4BH	4,290.00	1,341.00	5,752,890	
1BF AH	2,352.94	1,341.00	3,155,294	
2BF AH	2,964.71	1,341.00	3,975,671	
2BH AH	3,160.00	1,341.00	4,237,560	
3BH AH	7,905.00	1,341.00	10,600,605	
4BH AH	2,576.00	1,341.00	3,454,416	
<b>Totals</b>	<b>48,844.12 m<sup>2</sup></b>		<b>65,499,962</b>	
Contingency		5.00%	3,274,998	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
Sustainable Design / Construction		6.00%	3,929,998	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				85,684,028

**PROFESSIONAL FEES**

Professional Fees		10.00%	7,725,996	
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**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

				7,725,996
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	3,012,345	
Sales Legal Fee	560.00 un	750.00 /un	420,000	
				3,432,345
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	1,792,491	
Market Profit		20.00%	20,215,300	
				22,007,791
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			3,320,420	
Construction			3,681,398	
Other			201,728	
Total Finance Cost				7,203,546
<b>TOTAL COSTS</b>				<b>133,202,143</b>
<b>PROFIT</b>				<b>(2,289,700)</b>
<b>Performance Measures</b>				
Profit on Cost%		(1.72%)		
Profit on GDV%		(1.75%)		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£5,210,265)	(£2,029,746)	£1,119,102	£4,151,897	£7,150,947	£10,149,998	£13,142,665	£16,128,680
1,206.90 /m <sup>2</sup>	(£5,210,265)	(£2,029,746)	£1,119,102	£4,151,897	£7,150,947	£10,149,998	£13,142,665	£16,128,680
-7.500%	(£7,660,643)	(£4,480,124)	(£1,299,605)	£1,823,937	£4,841,217	£7,840,268	£10,839,318	£13,829,605
1,240.43 /m <sup>2</sup>	(£7,660,643)	(£4,480,124)	(£1,299,605)	£1,823,937	£4,841,217	£7,840,268	£10,839,318	£13,829,605
-5.000%	(£10,111,021)	(£6,930,502)	(£3,749,983)	(£571,360)	£2,523,983	£5,530,538	£8,529,588	£11,528,638
1,273.95 /m <sup>2</sup>	(£10,111,021)	(£6,930,502)	(£3,749,983)	(£571,360)	£2,523,983	£5,530,538	£8,529,588	£11,528,638
-2.500%	(£12,561,398)	(£9,380,879)	(£6,200,360)	(£3,019,841)	£150,655	£3,219,051	£6,219,858	£9,218,908
1,307.47 /m <sup>2</sup>	(£12,561,398)	(£9,380,879)	(£6,200,360)	(£3,019,841)	£150,655	£3,219,051	£6,219,858	£9,218,908
0.000%	(£15,011,776)	(£11,831,257)	(£8,650,738)	(£5,470,219)	(£2,289,700)	£865,693	£3,910,128	£6,909,178
1,341.00 /m <sup>2</sup>	(£15,011,776)	(£11,831,257)	(£8,650,738)	(£5,470,219)	(£2,289,700)	£865,693	£3,910,128	£6,909,178
+2.500%	(£17,462,154)	(£14,281,635)	(£11,101,116)	(£7,920,597)	(£4,740,078)	(£1,559,559)	£1,573,162	£4,599,448
1,374.53 /m <sup>2</sup>	(£17,462,154)	(£14,281,635)	(£11,101,116)	(£7,920,597)	(£4,740,078)	(£1,559,559)	£1,573,162	£4,599,448
+5.000%	(£19,912,532)	(£16,732,013)	(£13,551,494)	(£10,370,975)	(£7,190,456)	(£4,009,937)	(£830,502)	£2,275,362
1,408.05 /m <sup>2</sup>	(£19,912,532)	(£16,732,013)	(£13,551,494)	(£10,370,975)	(£7,190,456)	(£4,009,937)	(£830,502)	£2,275,362
+7.500%	(£22,362,909)	(£19,182,390)	(£16,001,871)	(£12,821,352)	(£9,640,834)	(£6,460,315)	(£3,279,796)	(£106,783)
1,441.58 /m <sup>2</sup>	(£22,362,909)	(£19,182,390)	(£16,001,871)	(£12,821,352)	(£9,640,834)	(£6,460,315)	(£3,279,796)	(£106,783)
+10.000%	(£24,813,287)	(£21,632,768)	(£18,452,249)	(£15,271,730)	(£12,091,211)	(£8,910,692)	(£5,730,173)	(£2,549,654)
1,475.10 /m <sup>2</sup>	(£24,813,287)	(£21,632,768)	(£18,452,249)	(£15,271,730)	(£12,091,211)	(£8,910,692)	(£5,730,173)	(£2,549,654)
+12.500%	(£27,263,665)	(£24,083,146)	(£20,902,627)	(£17,722,108)	(£14,541,589)	(£11,361,070)	(£8,180,551)	(£5,000,032)
1,508.63 /m <sup>2</sup>	(£27,263,665)	(£24,083,146)	(£20,902,627)	(£17,722,108)	(£14,541,589)	(£11,361,070)	(£8,180,551)	(£5,000,032)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
2BH AH	1	£1,645.00	4.50 Up & Down

~~This appraisal report does not constitute a formal valuation.~~

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£19,089,362	£21,977,928
£19,089,362	£21,977,928
£16,815,620	£19,767,460
£16,815,620	£19,767,460
£14,516,545	£17,501,253
£14,516,545	£17,501,253
£12,217,471	£15,203,485
£12,217,471	£15,203,485
£9,908,228	£12,904,411
£9,908,228	£12,904,411
£7,598,498	£10,597,548
£7,598,498	£10,597,548
£5,288,768	£8,287,818
£5,288,768	£8,287,818
£2,973,367	£5,978,088
£2,973,367	£5,978,088
£611,336	£3,667,384
£611,336	£3,667,384
(£1,819,513)	£1,320,753
(£1,819,513)	£1,320,753

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

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40% Affordable Housing  
20% Profit Private / 6% Profit AH  
£250,000/ha BLV  
Base Sustainable Design / Construction Costs

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Development Appraisal  
Prepared by DSP  
Dixon Searle Partnership Ltd  
December 4, 2018

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**

Havant Borough Council  
560 Unit Residential Scheme

**Appraisal Summary for Phase 1 Residential**

Currency in £

**REVENUE**

Sales Valuation	Units	m <sup>2</sup>	Sales Rate m <sup>2</sup>	Unit Price	Gross Sales
Market 1BF	60	3,000.00	3,500.00	175,000	10,500,000
Market 2BF	54	3,780.00	3,500.00	245,000	13,230,000
Market 2BH	61	4,819.00	3,500.00	276,500	16,866,500
Market 3BH	128	12,800.00	3,500.00	350,000	44,800,000
Market 4BH	33	4,290.00	3,500.00	455,000	15,015,000
1BF AH	40	2,000.00	1,645.00	82,250	3,290,000
2BF AH	36	2,520.00	1,645.00	115,150	4,145,400
2BH AH	40	3,160.00	1,645.00	129,955	5,198,200
3BH AH	85	7,905.00	1,645.00	152,985	13,003,725
4BH AH	23	2,576.00	1,645.00	184,240	4,237,520
<b>Totals</b>	<b>560</b>	<b>46,850.00</b>			<b>130,286,345</b>

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	133	250	33,250	33,250

**Investment Valuation****Ground Rent**

Current Rent	33,250	YP @	5.0000%	20.0000	665,000
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**GROSS DEVELOPMENT VALUE****130,951,345**

Purchaser's Costs

(38,903)

Effective Purchaser's Costs Rate

5.85%

(38,903)

**NET DEVELOPMENT VALUE****130,912,443****NET REALISATION****130,912,443****This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD**
**Havant Borough Council**  
**560 Unit Residential Scheme**  
**OUTLAY**
**ACQUISITION COSTS**

Fixed Price	26.70 ha	250,000.00 /ha	6,675,000	
Fixed Price (26.70 Ha @ 250,000.00 /Hect)			6,675,000	6,675,000
Stamp Duty			323,250	
Effective Stamp Duty Rate		4.84%		
Agent Fee		1.50%	100,125	
Legal Fee		0.75%	50,063	
				473,437

**CONSTRUCTION COSTS**

Construction	m <sup>2</sup>	Build Rate m <sup>2</sup>	Cost	
Market 1BF	3,529.41	1,341.00	4,732,941	
Market 2BF	4,447.06	1,341.00	5,963,506	
Market 2BH	4,819.00	1,341.00	6,462,279	
Market 3BH	12,800.00	1,341.00	17,164,800	
Market 4BH	4,290.00	1,341.00	5,752,890	
1BF AH	2,352.94	1,341.00	3,155,294	
2BF AH	2,964.71	1,341.00	3,975,671	
2BH AH	3,160.00	1,341.00	4,237,560	
3BH AH	7,905.00	1,341.00	10,600,605	
4BH AH	2,576.00	1,341.00	3,454,416	
<b>Totals</b>	<b>48,844.12 m<sup>2</sup></b>		<b>65,499,962</b>	
Contingency		5.00%	3,274,998	
Site Enabling & Infrastructure	560.00 un	21,000.00 /un	11,760,000	
S106 Surplus		1.00%	606,944	
Sustainable Design / Construction		2.00%	1,309,999	
Solent SPA	560.00 un	564.00 /un	315,840	
EVP	560.00 un	500.00 /un	280,000	
Access M4(2) - Flats	190.00 un	494.00 /un	93,860	
Access M4(2) - Houses	370.00 un	734.00 /un	271,580	
Access M4(3) - Flats	190.00 un	313.00 /un	59,470	
Access M4(3) - Houses	370.00 un	536.00 /un	198,320	
				83,670,973

**PROFESSIONAL FEES**

**This appraisal report does not constitute a formal valuation.**

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP LTD****Havant Borough Council  
560 Unit Residential Scheme**

Professional Fees		10.00%	7,725,996	
				7,725,996
<b>DISPOSAL FEES</b>				
Marketing & Sales Agent Fees		3.00%	3,012,345	
Sales Legal Fee	560.00 un	750.00 /un	420,000	
				3,432,345
<b>MISCELLANEOUS FEES</b>				
AH Profit		6.00%	1,792,491	
Market Profit		20.00%	20,215,300	
				22,007,791
<b>FINANCE</b>				
Debit Rate 6.500%, Credit Rate 0.000% (Nominal)				
Land			3,316,489	
Construction			3,532,883	
Other			77,505	
Total Finance Cost				6,926,877
<b>TOTAL COSTS</b>				<b>130,912,419</b>
<b>PROFIT</b>				<b>24</b>
<b>Performance Measures</b>				
Profit on Cost%		0.00%		
Profit on GDV%		0.00%		

**This appraisal report does not constitute a formal valuation.**

Havant Borough Council  
560 Unit Residential Scheme

**Table of Profit Amount and Profit Amount**

		Sales: Rate /m <sup>2</sup>						
Construction: Rate /m <sup>2</sup>	-10.000%	-7.500%	-5.000%	-2.500%	0.000%	+2.500%	+5.000%	+7.500%
	3,150.00 /m <sup>2</sup>	3,237.50 /m <sup>2</sup>	3,325.00 /m <sup>2</sup>	3,412.50 /m <sup>2</sup>	3,500.00 /m <sup>2</sup>	3,587.50 /m <sup>2</sup>	3,675.00 /m <sup>2</sup>	3,762.50 /m <sup>2</sup>
-10.000%	(£3,236,893)	(£62,418)	£3,011,259	£6,011,961	£9,011,011	£12,008,728	£14,994,743	£17,972,630
1,206.90 /m <sup>2</sup>	(£3,236,893)	(£62,418)	£3,011,259	£6,011,961	£9,011,011	£12,008,728	£14,994,743	£17,972,630
-7.500%	(£5,606,260)	(£2,425,741)	£734,256	£3,778,590	£6,777,640	£9,776,690	£12,771,674	£15,757,689
1,240.43 /m <sup>2</sup>	(£5,606,260)	(£2,425,741)	£734,256	£3,778,590	£6,777,640	£9,776,690	£12,771,674	£15,757,689
-5.000%	(£7,975,626)	(£4,795,107)	(£1,614,589)	£1,520,520	£4,544,270	£7,543,320	£10,542,370	£13,534,620
1,273.95 /m <sup>2</sup>	(£7,975,626)	(£4,795,107)	(£1,614,589)	£1,520,520	£4,544,270	£7,543,320	£10,542,370	£13,534,620
-2.500%	(£10,344,993)	(£7,164,474)	(£3,983,955)	(£804,078)	£2,299,989	£5,309,949	£8,308,999	£11,308,050
1,307.47 /m <sup>2</sup>	(£10,344,993)	(£7,164,474)	(£3,983,955)	(£804,078)	£2,299,989	£5,309,949	£8,308,999	£11,308,050
0.000%	(£12,714,360)	(£9,533,841)	(£6,353,322)	(£3,172,803)	£24	£3,074,041	£6,075,629	£9,074,679
1,341.00 /m <sup>2</sup>	(£12,714,360)	(£9,533,841)	(£6,353,322)	(£3,172,803)	£24	£3,074,041	£6,075,629	£9,074,679
+2.500%	(£15,083,727)	(£11,903,208)	(£8,722,689)	(£5,542,170)	(£2,361,651)	£795,596	£3,842,258	£6,841,308
1,374.53 /m <sup>2</sup>	(£15,083,727)	(£11,903,208)	(£8,722,689)	(£5,542,170)	(£2,361,651)	£795,596	£3,842,258	£6,841,308
+5.000%	(£17,453,094)	(£14,272,575)	(£11,092,056)	(£7,911,537)	(£4,731,018)	(£1,550,499)	£1,581,837	£4,607,938
1,408.05 /m <sup>2</sup>	(£17,453,094)	(£14,272,575)	(£11,092,056)	(£7,911,537)	(£4,731,018)	(£1,550,499)	£1,581,837	£4,607,938
+7.500%	(£19,822,460)	(£16,641,941)	(£13,461,422)	(£10,280,903)	(£7,100,385)	(£3,919,866)	(£740,913)	£2,361,595
1,441.58 /m <sup>2</sup>	(£19,822,460)	(£16,641,941)	(£13,461,422)	(£10,280,903)	(£7,100,385)	(£3,919,866)	(£740,913)	£2,361,595
+10.000%	(£22,191,827)	(£19,011,308)	(£15,830,789)	(£12,650,270)	(£9,469,751)	(£6,289,232)	(£3,108,713)	£62,066
1,475.10 /m <sup>2</sup>	(£22,191,827)	(£19,011,308)	(£15,830,789)	(£12,650,270)	(£9,469,751)	(£6,289,232)	(£3,108,713)	£62,066
+12.500%	(£24,561,194)	(£21,380,675)	(£18,200,156)	(£15,019,637)	(£11,839,118)	(£8,658,599)	(£5,478,080)	(£2,297,561)
1,508.63 /m <sup>2</sup>	(£24,561,194)	(£21,380,675)	(£18,200,156)	(£15,019,637)	(£11,839,118)	(£8,658,599)	(£5,478,080)	(£2,297,561)

**Sensitivity Analysis : Assumptions for Calculation**

**Sales: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£3,500.00	4.50 Up & Down
Market 2BF	1	£3,500.00	4.50 Up & Down
Market 4BH	1	£3,500.00	4.50 Up & Down
1BF AH	1	£1,645.00	4.50 Up & Down
2BF AH	1	£1,645.00	4.50 Up & Down
2BH AH	1	£1,645.00	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

3BH AH	1	£1,645.00	4.50 Up & Down
4BH AH	1	£1,645.00	4.50 Up & Down
Market 2BH	1	£3,500.00	4.50 Up & Down
Market 3BH	1	£3,500.00	4.50 Up & Down

**Construction: Rate /m<sup>2</sup>**

Original Values are varied by Steps of 2.500%.

Heading	Phase	Rate	No. of Steps
Market 1BF	1	£1,341.00	4.50 Up & Down
Market 2BF	1	£1,341.00	4.50 Up & Down
Market 2BH	1	£1,341.00	4.50 Up & Down
Market 3BH	1	£1,341.00	4.50 Up & Down
Market 4BH	1	£1,341.00	4.50 Up & Down
1BF AH	1	£1,341.00	4.50 Up & Down
2BF AH	1	£1,341.00	4.50 Up & Down
2BH AH	1	£1,341.00	4.50 Up & Down
3BH AH	1	£1,341.00	4.50 Up & Down
4BH AH	1	£1,341.00	4.50 Up & Down
Non Residential Uses	1	£1,666.34	4.50 Up & Down

**This appraisal report does not constitute a formal valuation.**

**Havant Borough Council  
560 Unit Residential Scheme**

+10.000%	+12.500%
3,850.00 /m <sup>2</sup>	3,937.50 /m <sup>2</sup>
£20,889,915	£23,727,832
£20,889,915	£23,727,832
£18,727,954	£21,632,147
£18,727,954	£21,632,147
£16,520,635	£19,482,193
£16,520,635	£19,482,193
£14,297,566	£17,283,581
£14,297,566	£17,283,581
£12,073,729	£15,060,513
£12,073,729	£15,060,513
£9,840,359	£12,837,444
£9,840,359	£12,837,444
£7,606,988	£10,606,038
£7,606,988	£10,606,038
£5,373,617	£8,372,668
£5,373,617	£8,372,668
£3,136,322	£6,139,297
£3,136,322	£6,139,297
£856,936	£3,905,926
£856,936	£3,905,926

**This appraisal report does not constitute a formal valuation.**