

The Knowle, Sidmouth  
Planning Reference  
16/0872/MFUL

Development Appraisal  
Prepared by JM  
Plymouth City Council  
30 August 2017

**APPRAISAL SUMMARY****PLYMOUTH CITY COUNCIL**

The Knowle, Sidmouth  
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**Summary Appraisal for Phase 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Rate ft <sup>2</sup>	Unit Price
Residential Units	113	101,135	491.29	439,705

**Rental Area Summary**

	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Ground Rent	113	450	50,850	50,850

**Investment Valuation**

Ground Rent				
Current Rent	50,850	YP @	5.5000%	18.1818

**GROSS DEVELOPMENT VALUE****50,611,160****NET REALISATION****50,611,160****OUTLAY****ACQUISITION COSTS**

Residualised Price			7,304,158	7,304,158
Stamp Duty		4.86%	354,982	
Agent Fee		1.00%	73,042	
Legal Fee		0.30%	21,912	
				449,936

**CONSTRUCTION COSTS**

Construction	ft <sup>2</sup>	Rate ft <sup>2</sup>	Cost	
Residential Units	137,973 ft <sup>2</sup>			
CIL			636,750	
S106			85,000	

**Other Construction**

Externals/Abnormals/Contingency				
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**PROFESSIONAL FEES**

Professional Fees on Build		10.00%		
Professional Fees on Externals		8.00%		

**DISPOSAL FEES**

Disposal Fees		3.80%	1,888,091	1,888,091
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**FINANCE**

Debit Rate 6.000%, Credit Rate 0.250% (Nominal)				
Land			1,200,519	
Construction			1,522,712	

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Other	408,995	
Total Finance Cost		3,132,226
<b>TOTAL COSTS</b>		<b>40,488,927</b>
<b>PROFIT</b>		<b>10,122,233</b>

**Performance Measures**

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%
Development Yield% (on Rent)	0.13%
Equivalent Yield% (Nominal)	5.50%
Equivalent Yield% (True)	5.69%
IRR	18.96%
Rent Cover	199 yrs 1 mth
Profit Erosion (finance rate 6.000%)	3 yrs 9 mths

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**Gross Sales**  
49,686,614

924,545

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