

CE29

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HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	0.25	hectares
Area developable for housing	0.25	hectares
Dwellings per ha	38	of which
% of Houses	100%	
% of flats	0%	
% Market homes	100%	
% Shared ownership Homes	0.0%	
% Social Rented Homes	0.0%	

Note : Entries in **RED** should be made manually.
Entries in **BLACK** are derived from formulae.

Summary	
Land Price	250,000
Section 106 per dwelling	1,000
Residual Margin	29.2%
NPV	243,023

Construction costs & sale proceeds

	Nom. Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	10	100	950	850	1750	807,500	1,662,500
Shared Ownership Houses	0	80	0	850	963	0	0
Social Rented Houses	0	80	0	850	700	0	0
Market Flats	0	60	0	1100	2100	0	0
Shared Ownership Flats	0	60	0	1100	1470	0	0
Social Rented Flats	0	60	0	1100	840	0	0
TOTAL	10		950			807,500	1,662,500

Land Cost

Purchase Price	250,000	
Purchase - Fees	5,000	2.00%
Stamp Duty	10,000	4.00%
TOTAL	265,000	

Basis of Calculation

On land cost
On land cost

Development Costs

Construction Cost	807,500	
CIL	0	0 per sq. m
S106 Costs	9,500	1,000
On site secondary Infrastructure	25,000	100,000 per ha
Fees & Other	83,250	10.00%
Cost of Sales	49,875	3.0%
TOTAL	975,125	

Basis of Calculation

As Above
Notional contribution per unit
Budget per gross hectare
% of construction & on site site works
% cost per unit of agents, marketing, legal

Finance & Cash Flow

Interest payable	46,639	
Sales per quarter	3	dwellings
Total Sales Period (Quarters)	3.17	
Discount rate per quarter	4.0%	

7.00% Interest, as per cash flow below.

Total Cost

1,286,764

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		265,000		-265,000	-265,000	-4,638	-269,638
Q2			307,934	-307,934	-577,572	-10,108	-587,679
Q3			307,934	-307,934	-895,613	-15,673	-911,287
Q4	525,000		307,934	217,066	-694,221	-12,149	-706,370
Q5	525,000		51,322	473,678	-232,692	-4,072	-236,764
Q6	525,000			525,000	288,236		288,236
Q7	87,500			87,500	375,736		375,736
Q8				0			
Q9				0			
Q10				0			
Q11				0			
Total	1,662,500	265,000	975,125			-46,639	

HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	0.25	hectares
Area developable for housing	0.25	hectares
Dwellings per ha	34	of which
% of Houses	100%	
% of flats	0%	
% Market homes	80%	
% Shared ownership Homes	10.0%	
% Social Rented Homes	10.0%	

Note : Entries in RED should be made manually.
Entries in BLACK are derived from formulae.

Summary

Land Price	400,000
Section 106 per dwelling	1,000
Residual Margin	26.8%
NPV	242,722

Construction costs & sale proceeds

	Nom. Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	7	120	816	875	2100	714,000	1,713,600
Shared Ownership Houses	1	80	68	850	1470	57,800	99,960
Social Rented Houses	1	80	68	850	840	57,800	57,120
Market Flats	0	60	0	1100	2100	0	0
Shared Ownership Flats	0	60	0	1100	1470	0	0
Social Rented Flats	0	60	0	1100	840	0	0
TOTAL	9		952			829,600	1,870,680

Land Cost

Purchase Price	400,000	
Purchase – Fees	8,000	2.00%
Stamp Duty	16,000	4.00%
TOTAL	424,000	

Basis of Calculation

On land cost
On land cost

Development Costs

Construction Cost	829,600		
CIL	0	0	per sq. m
S106 Costs	8,500	1,000	
On site secondary Infrastructure	25,000	100,000	per ha
Fees & Other	85,460	10.00%	
Cost of Sales	51,408	3.0%	
TOTAL	999,968		

Basis of Calculation

As Above

Notional contribution per unit
Budget per gross hectare
% of construction & on site site works
% cost per unit of agents, marketing, legal

Finance & Cash Flow

Interest payable	51,357	
Sales per quarter	3	dwellings
Total Sales Period (Quarters)	2.83	
Discount rate per quarter	4.0%	

7.00% Interest, as per cash flow below.

Total Cost

1,475,325

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		424,000		-424,000	-424,000	-7,420	-431,420
Q2			352,930	-352,930	-784,350	-13,726	-798,076
Q3			352,930	-352,930	-1,151,006	-20,143	-1,171,148
Q4	660,240		294,108	366,132	-805,016	-14,088	-819,104
Q5	660,240			660,240	-158,864	-2,780	-161,644
Q6	550,200			550,200	388,556	6,800	395,355
Q7				0	395,355		395,355
Q8				0			
Q9				0			
Q10				0			
Q11				0			
Total	1,870,680	424,000	999,968			-51,357	

HOUSING APPRAISAL : VIABILITY MODEL

Site Assumptions

Gross Area	0.25	hectares
Area developable for housing	0.25	hectares
Dwellings per ha	30	of which
% of Houses	100%	
% of flats	0%	
% Market homes	60%	
% Shared ownership Homes	20.0%	
% Social Rented Homes	20.0%	

Note : Entries in RED should be made manually.
Entries in BLACK are derived from formulae.

Summary

Land Price	640,000
Section 106 per dwelling	1,000
Residual Margin	27.3%
NPV	276,894

Construction costs & sale proceeds

	Nom. Units	Average Size	Net Sellable Area	Cost Sq M	Value Sq M	Total Cost	Total Value
Market Houses	5	140	630	900	2800	567,000	1,764,000
Shared Ownership Houses	2	80	120	850	1960	102,000	235,200
Social Rented Houses	2	80	120	850	1120	102,000	134,400
Market Flats	0	60	0	1100	2100	0	0
Shared Ownership Flats	0	60	0	1100	1470	0	0
Social Rented Flats	0	60	0	1100	840	0	0
TOTAL	8		870			771,000	2,133,600

Land Cost

Purchase Price	640,000	
Purchase – Fees	12,800	2.00%
Stamp Duty	25,600	4.00%
TOTAL	678,400	

Basis of Calculation

On land cost
On land cost

Development Costs

Construction Cost	771,000		
CIL	0	0	per sq. m
S106 Costs	7,500	1,000	
On site secondary Infrastructure	25,000	100,000	per ha
Fees & Other	79,600	10.00%	
Cost of Sales	52,920	3.0%	
TOTAL	936,020		

Basis of Calculation

As Above
Notional contribution per unit
Budget per gross hectare
% of construction & on site site works
% cost per unit of agents, marketing, legal

Finance & Cash Flow

Interest payable	62,062	
Sales per quarter	3	dwellings
Total Sales Period (Quarters)	2.50	
Discount rate per quarter	4.0%	

7.00% Interest, as per cash flow below.

Total Cost

1,676,482

	Receipts	Land	Cost	Cash Flow	Balance at Start	Interest	Balance at End
Q1		678,400		-678,400	-678,400	-11,872	-690,272
Q2			374,408	-374,408	-1,064,680	-18,632	-1,083,312
Q3			374,408	-374,408	-1,457,720	-25,510	-1,483,230
Q4	853,440		187,204	666,236	-816,994	-14,297	-831,291
Q5	853,440			853,440	22,149	388	22,536
Q6	426,720			426,720	449,256	7,862	457,118
Q7				0	457,118		457,118
Q8				0			
Q9				0			
Q10				0			
Q11				0			
Total	2,133,600	678,400	936,020			-62,062	