

Shoreham Twenty Five

Shoreham Twenty Five

Development Appraisal
tavis house properties
08 November 2017

APPRAISAL SUMMARY**TAVIS HOUSE PROPERTIES****Shoreham Twenty Five****Summary Appraisal for Phase 1**

Currency in £

REVENUE**Rental Area Summary**

	Units	ft ²	Rate ft ²	Initial MRV/Unit	Net Rent at Sale
Warehouses	1	256,285	9.50	2,434,708	2,434,708

Investment Valuation

Warehouses					
Market Rent	2,434,708	YP @	6.5000%	15.3846	
(1yr Rent Free)		PV 1yr @	6.5000%	0.9390	35,170,928

GROSS DEVELOPMENT VALUE**35,170,928**

Purchaser's Costs

(2,461,965)

(2,461,965)

NET DEVELOPMENT VALUE**32,708,963****NET REALISATION****32,708,963****OUTLAY****ACQUISITION COSTS**

Fixed Price (13.62 Acres 73,421.44 pAcre)

1,000,000

1,000,000

Stamp Duty

5.00%

50,000

Agent Fee

1.00%

10,000

Legal Fee

2.50%

25,000

Town Planning

100,000

Survey

511,000

696,000

CONSTRUCTION COSTS**Construction**

Warehouses

269,100 ft²80.00 pf²

21,528,000

21,528,000

Contingency

3.00%

645,840

Airport upgrade

500,000

1,145,840

PROFESSIONAL FEES

Architect

3.00%

645,840

Quantity Surveyor

0.75%

161,460

Structural Engineer

0.75%

161,460

Project Manager

2.00%

430,560

C.D. Manager

2.00%

430,560

1,829,880

MARKETING & LETTING

Marketing

100,000

Letting Agent Fee

15.00%

365,206

Letting Legal Fee

5.00%

121,735

586,942

DISPOSAL FEES

Sales Agent Fee

0.75%

245,317

Sales Legal Fee

0.50%

163,545

408,862

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)

Land

72,366

Construction

457,138

APPRAISAL SUMMARY**TAVIS HOUSE PROPERTIES****Shoreham Twenty Five**

Letting Void

810,577

Total Finance Cost

1,340,081

TOTAL COSTS**28,535,604****PROFIT****4,173,359****Performance Measures**

Profit on Cost% 14.63%

Profit on GDV% 11.87%

Profit on NDV% 12.76%

Development Yield% (on Rent) 8.53%

Equivalent Yield% (Nominal) 6.50%

Equivalent Yield% (True) 6.77%

IRR 22.93%

Rent Cover 1 yr 9 mths

Profit Erosion (finance rate 6.000%) 2 yrs 4 mths

