

Financial Viability Assessment



Land adjacent to Oak Cottage,
Winchester Road,
Boorley Green

Eastleigh Borough Council

Application REF: F/24/97945

October 2024

Quality Assurance

Date of Report

October 2024

Version

Final

Filename and path

L:_Client Projects\2409 Land Adjacent to Oak Cottage, Winchester Road, Boorley Green_FVA_Eastleigh BC_Reports\241121 Land Adjacent to Oak Cottage FVA_v2.1.docx

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October 2024

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29th October 2024

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Non-technical Summary

- ES 1 This non-technical summary should be read in conjunction with the main report, general assumptions and definitions attached hereto.
- ES 2 AspinallVerdi have been instructed by Eastleigh Borough Council (hereafter referred to as “the Council”) to undertake a Financial Viability Assessment (FVA) of the proposed development at Land adjacent to Oak Cottage, Winchester Road, Boorley Green, SO32 2DH (hereafter referred to as “the proposal site”).
- ES 3 In August 2024, McCarthy Stone (hereafter referred to as “the Applicant”) submitted a full planning application (REF: F/24/97945) for the site which seeks permission for the following:

‘Erection of 52 retirement living apartments with associated communal facilities and car parking; the erection of a pair of detached dwellings; improved vehicular access and new pedestrian access to Winchester Road.’

- ES 4 The existing site comprises of paddock land that is allocated in the Eastleigh Local Plan (Policy BO4). The proposed scheme involves the development of 52no. 1 and 2-bed age-restricted retirement (Use Class C3) apartments and 2no. 3-bed detached dwellings. Development proposals also include the provision for landscaped spaces, courtyards and parking areas.
- ES 5 Certain S106/S278 obligations will be expected based on planning policy, including the delivery of on-site affordable housing. The purpose of this report is to provide an independent and objective assessment of the level of policy contributions that the development can viably support. Paragraph: 002 Reference ID: 10-002-20190509 of the PPG (2024) states that:

‘Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable...’

- ES 6 In support of the application, the Applicant has provided a financial viability assessment (FVA) undertaken by Alder King in July 2024. Based on their cost and value assumptions, the Applicant’s assessment shows the delivery of a private scheme which provides 0% affordable housing to be unviable, generating a residual land value of £208,355. When judged against the Applicant’s adopted Benchmark Land Value (BLV) of £410,000, this equates to a viability deficit of -£201,645.
- ES 7 For the purposes of this FVA, we have reviewed the report provided by the Applicant and also undertaken our own appraisals. Where we agree with the Applicant’s position, we have assumed

their cost and value inputs. Where we disagree, we have adopted our own assumptions and set out in detail the reasons for these variations in our report. Table 1.1 summarises the inputs adopted in comparison to the Applicant's assumptions. Those differences shown in green represent improvements in viability, whilst those shown in red are areas which have a negative impact.

Table 1.1 – Summary of Appraisal Inputs

Item	Applicant	AspinallVerdi	Difference
Values			
Houses Gross Development Value (GDV)	£900,000	£900,000	-
Houses GDV (£ / psf)	£402 psf	£402 psf	-
Retirement Apartments GDV	£15,480,000	£15,480,000	-
Retirement Units GDV (£ / psf)	£447 psf	£447 psf	-
Affordable Rent Transfer Value	-	48.0% OMV	+48.0%
Shared Ownership Transfer Value	-	65.0% OMV	+65.0%
Costs			
Build Costs	£8,478,362	£8,146,860	-£331,502
Build Cost £ / psf	£167.27 psf	£160.73 psf	-£6.54 psf
Externals Allowance	8.0%	8.0%	-
Part L & O Costs	£4,000 per unit	£4,000 per unit	-
Contingency	5.0%	5.0%	-
Professional Fees	8.0%	8.0%	-
Empty Property Costs (Entirely Private)	£201,576	£183,336	-£18,240
S106 Estimate	£192,050	£315,453	+£123,403
Nitrates	£100,672	£110,450	+£9,778
BNG (Credit)	£100,000	£100,000	-
Retirement Marketing & Agent	5.0%	5.0%	-
Houses Marketing & Agent	5.0%	3.0%	-2.0%
Sales Legal	£750 / per unit	£750 / per unit	-
Finance Debit Rate	8.0%	8.0%	-
Finance Credit Rate	2.0%	2.0%	-
Private Residential Profit (on GDV)	20.0%	17.5%	-2.5%
Affordable Profit (on GDV)	-	6.0%	+6.0%
Benchmark Land Value	£410,000	£394,000	-£16,000
Land Agent	1.0%	1.0%	-
Land Legal	0.75%	0.75%	-

Source: Alder King & AVL, 2024.

- ES 8 We have calculated the financial viability using ARGUS Developer model. We have taken into account our views / analysis on residential values, BLV, construction and other costs and the values on completion.

Conclusions & Recommendations

- ES 9 The outcomes of our appraisals differ from the Applicant's due to varying cost and value assumptions. Our appraisals identified a fully policy-compliant scheme (35% / 19no. units) to be unviable, with a deficit of -£721,644 below the BLV. However, in an entirely private scenario, our appraisals found the scheme to be viable, generating a surplus of £412,354 above the BLV.
- ES 10 With the provision of the 2no. houses included under affordable tenures, the scheme is shown to be viable. With both the houses included under affordable rent tenures, we found the scheme to be viable with a remaining surplus of £134,925. In a scenario with one of the houses as affordable rent and the other as shared ownership the scheme is shown to be viable with a surplus of £216,712, and with both the houses as shared ownership tenures, the scheme is shown to be viable with a surplus of £298,499.
- ES 11 As such, we recommend the Council to seek an on-site affordable housing provision for the 2no. houses, as well as an off-site contribution of either c. £135,000, £217,000 or c. £298,000 depending on which affordable tenure is sought for the houses.
- ES 12 As the maximum viable scenario remains below the level of affordable housing sought by Council policy, we also recommend a viability review mechanism is included within the Section 106 agreement to allow the council to benefit from any favourable uplifts in viability.
- ES 13 We trust that our report is in a format suitable for your purposes and that it provides all the relevant information. Should you have any questions or queries in respect of the scheme or the contents of this report, please do not hesitate to contact Parminder Dosanjh or Tom Melbourne.

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For the Attention of Liz Harrison, Principal Planning Officer

Dear Liz,

1 Introduction

- 1.2 We refer to your instructions enclosed in an email dated 2nd September 2024 requesting a Financial Viability Assessment (FVA) in respect of a full planning application submitted in August 2024 (REF: F/24/97945). The application seeks permission for the following:

‘Erection of 52 retirement living apartments with associated communal facilities and car parking; the erection of a pair of detached dwellings; improved vehicular access and new pedestrian access to Winchester Road.’

- 1.3 The existing site comprises of paddock land that is allocated in the Eastleigh Local Plan (Policy BO4). The proposed scheme involves the development of 52no. 1 and 2-bed age-restricted retirement (Use Class C3) apartments and 2no. 3-bed detached dwellings. Development proposals also include the provision for landscaped spaces, courtyards and parking areas.
- 1.4 In support of the application, the Applicant has provided a financial viability assessment (FVA) undertaken by Alder King in July 2024. Based on their cost and value assumptions, the Applicant’s assessment shows the delivery of a private scheme which provides 0% affordable housing to be unviable, generating a residual land value of £208,355. When judged against the Applicant’s adopted Benchmark Land Value (BLV) of £410,000, this equates to a viability deficit of -£201,645.

RICS Practice Statement

- 1.5 Our FVA is carried out in accordance with the following:
- National Planning Policy Framework (NPPF, updated December 2023)
 - Planning Practice Guidance (PPG, updated February 2024)
 - RICS Financial Viability in Planning: Conduct and Reporting Practice Statement (September 2019)

- RICS Assessing viability in planning under the National Planning Policy Framework 2019 for England (March 2021).

Objectivity, Impartiality and Reasonableness

- 1.6 We have carried out our review in collaboration with the Council (as Local Planning Authority (LPA)) and the Applicant/Landowner. At all times we have acted with objectivity, impartially and without interference when carrying out our viability assessment and review.

Confirmation of Instructions

- 1.7 We attach in Appendix 1 our terms of business. We confirm that in preparing this report, no performance-related or contingent fees have been agreed.
- 1.8 We have not been instructed to inspect the site.

Conflicts of Interest

- 1.9 We confirm that we have no conflict of interest in providing this advice and we have acted independently and impartially.

Transparency of Information

- 1.10 Transparency and fairness are key to the effective operation of the planning process. The presumption is that this viability assessment will be published in full, except where this may compromise the delivery of the proposed application scheme or infringe other statutory and regulatory requirements. In this instance, we have not agreed any exceptions with the LPA.

Area Wide Viability Assessment

- 1.11 We confirm that we have not acted for Eastleigh Borough Council in respect of the preparation of an area-wide Local Plan Viability Assessment, nor have we previously encountered or advised on the site or proposed scheme.

Information Relied Upon

- 1.12 For the purposes of our appraisals, we have relied on the following information:

- Viability Assessment: Alder King
- Planning Statement: The Planning Bureau Limited
- Site Drawings & DAS: hgp

- 1.13 All the above information is logged electronically and can be provided should you require it.

Engagement

- 1.14 At all stages of the viability process, we have advocated reasonable, transparent and appropriate engagement between the parties. This is documented in the form of written clarifications which we provide in Appendix 2.

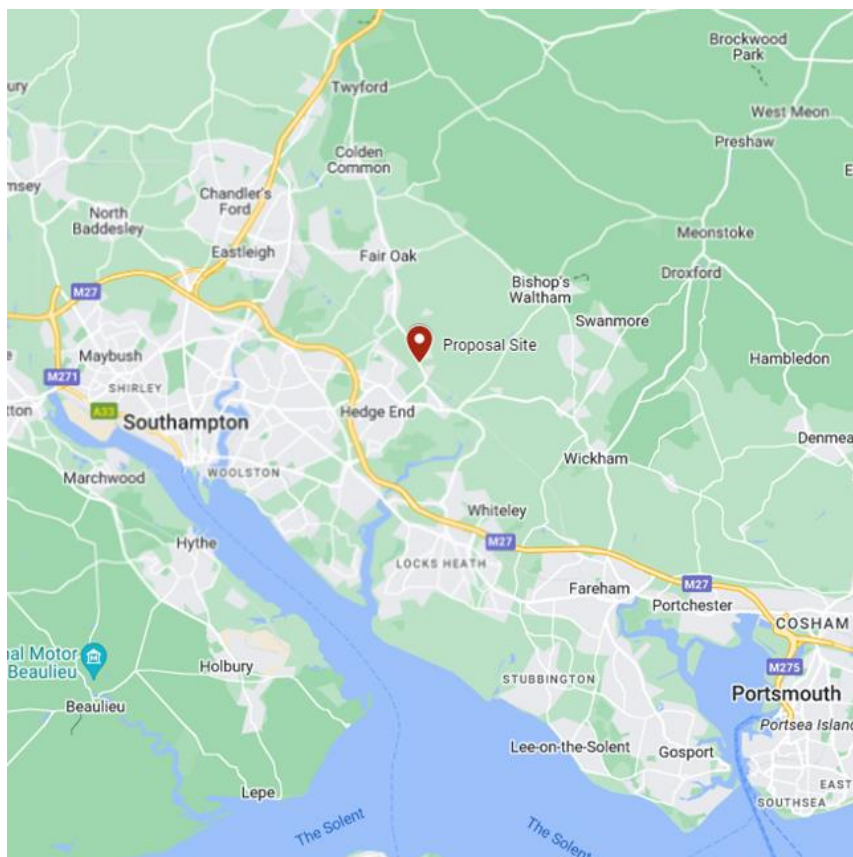
2 Scheme Details

2.1 This section sets out our understanding of the proposed scheme.

Location

2.2 The proposal site is located in Boorley Green, a village in the county of Hampshire. Boorley Green lies approximately 1 mile between the villages of Botley and Hedge End, c. 7 miles east of Southampton and c. 17 miles north west of Portsmouth. The macro location is shown in Figure 2.1 below.

Figure 2.1 - Location Map



Source: Google MyMaps, 2024.

2.3 The proposal site is located to the west of Boorley Green. The site benefits from being located within close proximity to a number of different public transport links. There are a number of bus stops located to the east of the site along Winchester Road, which provides services to Eastleigh, Fair Oak and Southampton. Hedge End railway station is located c. 1.6 miles west of the site and provides regular train services to London Waterloo, Winchester, Portsmouth, Eastleigh and Woking. In addition to this, Southampton Airport is located c. 7 miles north west of the proposal site.

- 2.4 The site's immediate surroundings are predominantly residential dwellings and new-build developments. To the east, the site is bound by Winchester Road, along with Botley Park Hotel and Spa, further north east, is a residential development, known as Boorley Park. Immediately north and west of the site also lies a new-build residential development, known as Boorley Gardens. The site is bound by Oak Cottage to the immediate south. The surrounding uses of the site can be seen in Figure 2.2 which shows an indicative red line plan.

Figure 2.2 – Proposal Site



Source: hgp, 2024.

- 2.5 The proposal site is largely rectangular in size, with an smaller rectangular parcel to the south of the site. We note that the site boundary excludes the existing residential dwellings at Oak Cottage and Apple tree Cottage. We understand the site covers a gross area of approximately 2.22 acres / 0.90 hectares. The site was previously used as part of the gardens and paddock land belonging to Oak Cottage and Apple Tree Cottage.

Proposed Scheme

- 2.6 As set out in planning application (REF: F/24/97945), The development proposals seek permission for the following:

‘Erection of 52 retirement living apartments with associated communal facilities and car parking; the erection of a pair of detached dwellings; improved vehicular access and new pedestrian access to Winchester Road.’

- 2.7 The proposed scheme involves the development of 52no. age-restricted retirement living units, comprising a mix of 1 and 2-bed apartments, along with 2no. 3-bed detached houses. Additionally, indoor communal facilities will be provided for the retirement apartments, as well as associated landscaping and 43 car parking spaces (4no. disabled). It is our understanding that the 2no. houses will not be age restricted. The illustrative site plan is shown in Figure 2.3, with the proposed elevations shown in Figure 2.4.

Figure 2.3 – Proposed Site Plan



Source: hgp, 2024.

- 2.8 The proposed retirement units are contained within a single 3no. storey block, while the 2no. houses comprise of 2no. storey detached dwellings. The car parking spaces are situated around the main apartment block.
- 2.9 We understand that primary vehicular access will be from Winchester Road and the site will include turning space for service and refuse vehicles, along with drop-off points.

Figure 2.4 - Proposed Apartments Elevations



Source: hgp, 2024.

Figure 2.5 - Proposed Houses Elevations



Source: hgp, 2024.

Scheme Mix/Areas

2.10 We summarise the proposed residential typologies and areas for the units in Table 2.1.

Table 2.1 - Accommodation Schedule

Unit Type	No. Units	Size Range (sqft)	Total NIA (sqft)
Retirement 1-Bed Apartment	32	558 - 659	18,479
Retirement 2-Bed Apartment	20	767 - 974	16,145
3-Bed Semi-Detached House	2	1,119	2,238
Total	54	558 – 1,199	36,862

Source: hgp, 2024

2.11 We understand the proposed NIA and GIA of the retirement apartments amount to 34,624 sqft and 48,448 sqft respectively, which reflects a gross to net ratio of c. 71%. The total GIA of the scheme, including the 2no. detached houses, is 50,687 sqft.

3 Planning Policy Requirements

- 3.1 We examine the planning policies and guidance relevant to our assessment in this section.

National Planning Policy Framework (2023)

- 3.2 Paragraphs 55 – 58 deal with planning conditions and obligations under the revised National Planning Policy Framework. Within this section, we note that there is no longer a ‘Paragraph 173’ which, under the previous NPPF, referred to providing competitive returns to landowners and developers. The wording within this paragraph was geared towards policies not undermining viability and thus enabling development. Whilst Paragraph 57 of the revised NPPF sets out the conditions on how planning obligations are sought i.e. being ‘fair and reasonable’, the emphasis is on strengthening planning policy rather than allowing obligations to be negotiated (established further through the PPG, discussed shortly).
- 3.3 Paragraph 66 of the NPPF requires that, where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable homeownership.¹ This is unless additional contributions to affordable housing would exceed the level required in the given area, or prejudice the ability to meet the affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students), like the proposed scheme.
- 3.4 It is also stated under paragraph 58 that, where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the Applicant to justify the need for a viability assessment at the application stage, further strengthening the weight given to the viability testing at the plan-making stage.
- 3.5 Furthermore, the weight to be given to a viability assessment is a matter for the decision-maker, having regard to all the circumstances in the case including whether the plan and the viability evidence underpinning it is up to date, and if there have been any changes in site circumstances since the plan was brought into force.

NPPF Consultation (2024)

- 3.6 On the 30th July 2024, the Government proposed a number of reforms to the National Planning Policy Framework and other changes to the planning system. This is following the change in

¹ As part of the overall affordable housing contribution from the site.

parliament to a Labour government on the 5th July 2024. A version of the revised NPPF has recently been out for consultation.

- 3.7 As the revised NPPF has only recently been consulted on and not yet adopted, this viability assessment has been undertaken in accordance with the adopted version of the NPPF, dated 19th December 2023. However, we recommend any conclusions made in this report remain subject to review, should changes be implemented prior to the application in question being determined.

PPG Viability (2024)

- 3.8 In addition to the revised NPPF, the Ministry of Housing, Communities and Local Government has updated the Planning Practice Guidance (PPG) on viability, setting out key principles for viability in plan-making and decision-taking.
- 3.9 National policy is seeking to ensure policy requirements are taken into consideration when land is valued and purchased and this is reiterated on multiple occasions within the revised PPG.
- 3.10 National policy is aiming to create an environment where viability assessments are only required at the decision-taking stage in particular circumstances. Policy requirements are set at a plan level to take into account affordable housing and infrastructure needs, without the need for further viability assessment at the decision-making stage.²
- 3.11 Should a viability assessment be required at the decision-taking stage, then the PPG emphasises that the onus is on the Applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.³
- 3.12 Where a viability assessment is submitted to accompany a planning application this should be based upon and refer back to the viability assessment that informed the plan, and the Applicant should provide evidence of what has changed since then.⁴
- 3.13 The weight to be given to a viability assessment is a matter for the decision-maker, having regard to all the circumstances in the case.⁵ A decision-maker can also give appropriate weight to emerging policies.⁶

Standard Inputs to Viability

- 3.14 Paragraph 010 of the PPG describes the principles for carrying out a viability assessment, stating:

² Paragraph: 002 Reference ID: 10-002-20190509, Revision date: 09 05 2019

³ Paragraph: 007 Reference ID: 10-007-20190509, Revision date: 09 05 2019

⁴ Paragraph: 008 Reference ID: 10-008-20190509, Revision date: 09 05 2019

⁵ Paragraph: 008 Reference ID: 10-008-20190509, Revision date: 09 05 2019

⁶ Paragraph: 007 Reference ID: 10-007-20190509, Revision date: 09 05 2019

‘viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it.’⁷

- 3.15 We note the principles of carrying out viability assessments, namely proportionately and transparency, are to:

‘strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure the maximum benefits in the public interest through the granting of planning permission’⁸

- 3.16 It is not a balance that the landowner’s aspirational land value and the developer’s profit is protected at the expense of affordable housing.
- 3.17 Paragraphs 011 and 012 define how the gross development value and costs should be defined for the purposes of viability assessments.

Benchmark Land Value

- 3.18 The PPG defines the benchmark land value (BLV) for any viability assessment as the existing use value (EUV) of the land, plus a premium for the landowner.⁹ The BLV should reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees.¹⁰

- 3.19 In establishing Benchmark Land Values, Paragraph 014 states:

*‘market evidence can also be used as a **cross-check** of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners’.*

*‘this evidence should be based on developments which are **fully compliant with emerging or up to date plan policies**, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.’¹¹*

- 3.20 Paragraph 014 also reiterates that in no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local Authorities can request

⁷ Paragraph: 010 Reference ID: 10-010-20180724, Revision date: 24 07 2018

⁸ Paragraph: 010 Reference ID: 10-010-20180724, Revision date: 24 07 2018

⁹ Paragraph: 013 Reference ID: 10-013-20190509, Revision date: 09 05 2019

¹⁰ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

¹¹ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

data on the price paid for land (or the price expected to be paid through an option or promotion agreement).¹²

3.21 Paragraph 015 defines EUV as follows:

*'[...] the value of the land in its existing use. Existing use value is **not the price paid** and should **disregard hope value**. Existing use values will vary depending on the type of site and development types.*¹³

3.22 Paragraph 016 defines the premium to the landowner:

*'The premium (or the 'plus' in EUV+) [...] is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a **reasonable incentive** for a land owner to bring forward land for development while allowing a **sufficient contribution to fully comply with policy requirements**.*

Developer's Return / Profit

3.23 The PPG also defines developer's return / profit for the purposes of viability assessment at the plan-making stage. The key points are:

- The cost of fully complying with policy requirements should be accounted for in the benchmark land value.
- For the purpose of plan-making, an assumption of 15 – 20% of gross development value (GDV) may be considered a suitable return to developers.
- Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development.
- A lower figure may be more appropriate in consideration of the delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk.
- Alternative figures may also be appropriate for different development types.¹⁴

3.24 There is no specific profit guidance at the decision-taking stage but we have considered the above principles in our assessment.

¹² Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019

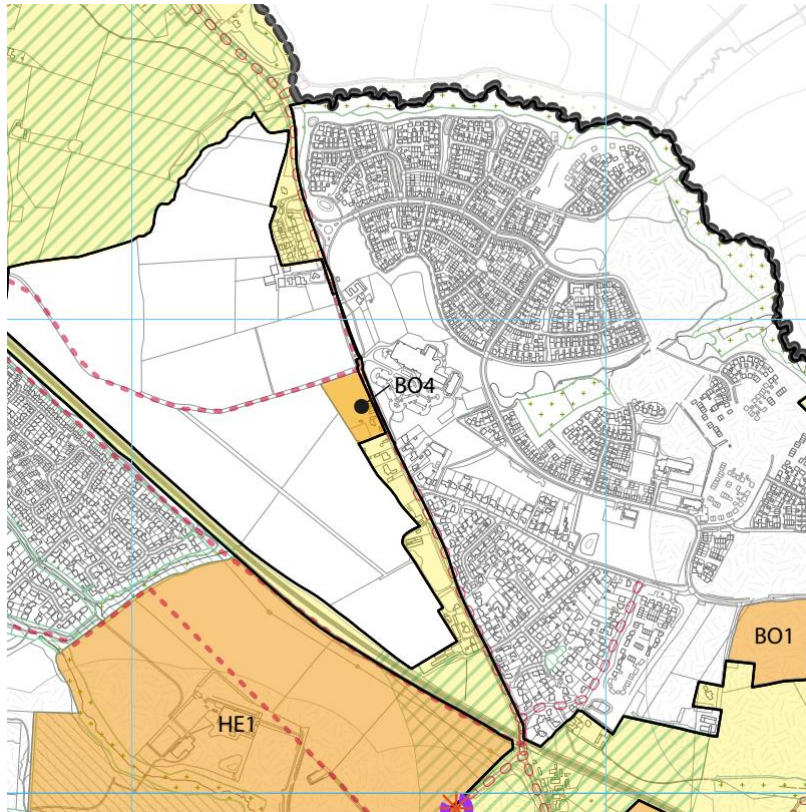
¹³ Paragraph: 015 Reference ID: 10-015-20190509, Revision date: 09 05 2019

¹⁴ Paragraph: 018 Reference ID: 10-018-20190509, Revision date: 09 05 2019

Eastleigh Borough Local Plan (2022)

- 3.25 The Eastleigh Borough Local Plan was adopted in April 2022 and sets out the Council's policies and plans to guide development across the Borough up to the end of the plan period (2036). Figure 3.1 shows the location of the proposal site within the Eastleigh Borough Council Planning Policy map (available online).

Figure 3.1 – EBC Planning Policy Map



Source: Eastleigh Borough Council, 2022.

- 3.26 The proposal site is allocated within the Local Plan for 22no. dwellings (orange shading) under Policy BO4, which outlines that the site is allocated for development the following requirements shown in Figure 3.2.

Figure 3.2 - EBC Policy BO4

1. An area of approximately 1.1 ha to the north-west of Boorley Green, as defined on the policies map, is allocated for development to include approximately 22 dwellings. Planning permission will be granted provided that the detailed proposals comply with the development plan, and comply with an approved masterplan for the whole site which addresses the following specific requirements:-
 - a. a range of housing types, sizes and tenure;
 - b. the provision of vehicular access from Winchester Road (B3354);
 - c. the provision of contributions to, or delivery of, off-site highway improvements considered necessary to serve the development;
 - d. the provision of pedestrian and cycle links both within the site and to connect the site with the surrounding area, including enhancement of connections with Boorley Green, with the permitted development to the west and to Hedge End Railway Station in accordance with strategic policy S11(1)(b);
 - e. to preserve water quality and flows details of Sustainable Urban Drainage shall be provided in accordance with policy DM6 as part of any application for outline or full planning permission;
 - f. the potential for relocating the existing low voltage electric pole is thoroughly examined in order to maximise the development potential of the site and to create satisfactory residential amenity;
 - g. ensure avoidance or mitigation of direct and indirect adverse impacts on habitats or species protected by legislation or identified as of principal importance within the NERC Act 2006 S41 lists and that there is a net gain in biodiversity;
 - h. the provision of a good quality landscape setting for the development (including buffer planting on the Winchester Road frontage) and maintaining and reinforcing existing boundary hedgerows, compatible with adjoining uses;
 - i. ensuring an acceptable noise environment for new homes through appropriate siting of development and the provision of suitable noise mitigation measures; and
 - j. occupation of the development is phased to align with the delivery of any necessary wastewater network reinforcement, in liaison with the service provider, and layout is planned to ensure future access to the existing wastewater infrastructure for future maintenance and upsizing purposes.

Source: Eastleigh Borough Council, 2022.

- 3.27 The site is also located adjacent to defined countryside space with the Local Plan (yellow shading), which runs to the south of the proposal site. We note that the site itself is not included within this area.

Policy DM28 – Affordable Housing

- 3.28 Policy DM28 sets the Council's expectations on affordable housing. Developments will be expected to provide 35% affordable housing, where the proposal comprises:
- I. *'Sites of 0.5 ha or more and on sites with, or capable of accommodating, 10 dwellings or more; or*
 - II. *A maximum combined gross floorspace of more than 1,000 sqm unless*
 - III. *It can be demonstrated that this proportion would have an unacceptable impact on the economic viability of the proposed scheme, and a reasonable lower proportion is justified by evidence and that the lower proportion proposed is not below that which would be viable.'*

Eastleigh Borough Council Affordable Housing SPD (2023)

3.29 The Council adopted an updated Affordable Housing SPD in December 2023 which is a revision of the previous document first adopted in 2009. The SPD supplements the policies within the Local Plan which cover affordable housing requirements. The purpose of the SPD is to provide further guidance on key policies (including DM28) as well as consider changes made to national planning policies.

3.30 In regards to the tenure mix that will be sought, the SPD states that *'the Council will seek 65% rented units with the balance of 35% coming from intermediate affordable housing market products.'*

3.31 For the purpose of our assessment, we sought from the Council the affordable housing mix that they would like us to test. In an email dated 10th October 2024, the Council stated the following:

'Usually for a non retirement scheme our starting position would be a reflective mix and this would equate to 11No 1 beds / 7No 2 beds and 1No 3 bed house. Our traditional mix would be 65% rent and 35% Shared Ownership and in an ideal world the house would be part of the rented provision. Setting aside any practical issues and looking at a purely reflective tenure mix across the units the tenure split would look like:

- Rent 7No 1 beds / 5No 2 beds / 1No 3 bed house Total 13*
- Shared Ownership 4No 1 beds / 2No 2 beds Total 6'*

3.32 The Council also stated:

'An alternative option would be to look at it from a more practical perspective and suggest that the 2No 3 bed houses could be provided as affordable housing with the balance being a financial contribution.

'On a previous Mc & Stone scheme in Eastleigh they provided some houses and a financial contribution in lieu of the remaining provision. For the calculation we used bedroom numbers rather than units to reflect the mix of homes (small number of houses and greater number of flats). Applying the same logic here it would result in the following:

78 bedspaces in total (32No 1 beds / 20No 2 beds and 2No 3 beds) of which 35% for affordable housing = 27 bedspaces due.

Assume 2no 3BH (6 bedspaces) leaves 21 bedspaces which could be provided 11No 1 beds and 5No 2 beds flats.

Applying policy tenure mix to the resulting mix = 12no. affordable rent and 6no. shared ownership'

Community Infrastructure Levy ('CIL')

- 3.33 CIL was introduced under the Planning Act 2008 and is legislated by the CIL Regulations 2010 (as amended). Local authorities in England and Wales can elect to charge CIL on new development to assist in funding infrastructure associated with planned growth.
- 3.34 Eastleigh Borough Council does not currently implement a CIL charge on development in the area, though this remains under review.

Planning History

- 3.35 Table 3.1 sets out the site's relevant planning history.

Table 3.1 – Planning History

Reference	Description	Decision
F/19/85604	Construction of 31no. dwellings, associated landscaping, amenity areas and a means of access from Winchester Road following demolition of 1no. dwelling and associated outbuildings.	Dismissed At Appeal - 07/10/2021
F/21/89989	Erection of 25no. dwellings, associated landscaping, amenity areas and new access from Winchester Road following demolition of 1no. existing dwelling and associated outbuildings.	Refused - 31/03/2023

Source: Eastleigh Borough Council, 2024.

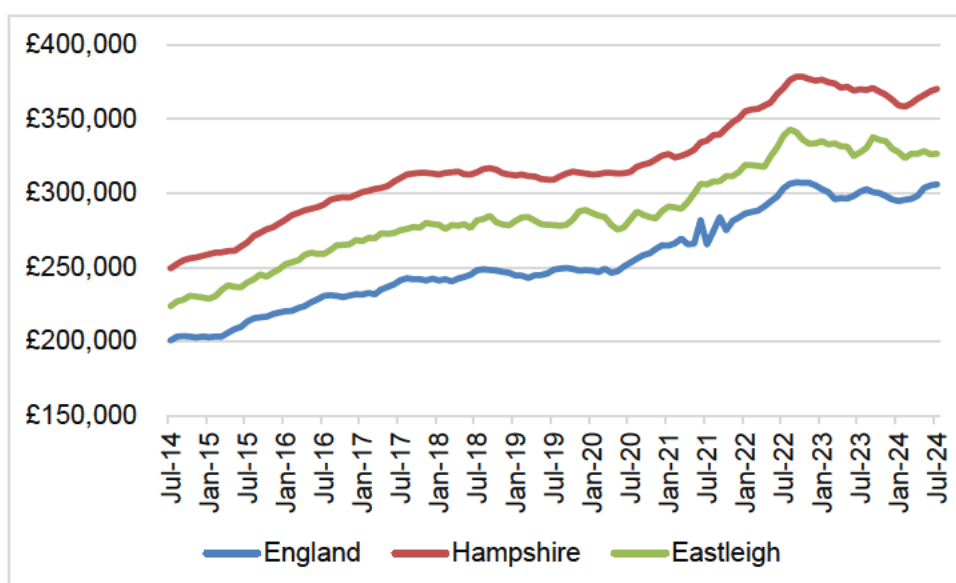
4 Residential Market Review

- 4.1 This section reviews the residential market in Eastleigh and the surrounding areas. We have based our analysis on the proposed unit types, including retirement apartments and detached houses.
- 4.2 In support of their value assumptions, the Applicant has sought comparable data and market evidence. Overall, the Applicant has adopted a total GDV of £16,380,000 / £444 psf for the retirement units in their appraisals. A breakdown of the Applicant's adopted values are as follows:
- 1-Bed Retirement Flats: £265,000 / £459 psf
 - 2-Bed Retirement Flats: £350,000 / £434 psf
 - 3-Bed Detached Houses: £450,000 / £402 psf
- 4.3 We have undertaken our own analysis of comparable evidence from completed transactions and supplemented this by reviewing the listing prices for new-build properties currently advertised for sale. We have also undertaken agent consultations to establish a local view of the housing market and the levels of supply / demand in the area. This ensures our value assumptions are informed by recent market activity and are reasonable within the context of the proposed development; the site & location and general market sentiment.

National & Regional Context

- 4.4 Following the Global Financial Crisis, property markets in the south-east experienced a prolonged period of growth. Demand was driven by both owner-occupiers and investors, resulting in a market imbalance and outstripped supply. The supply constraints led to average prices rising at significant rates, notably between 2013 and late 2016, however the rate of growth decelerated following the outcome of the UK's European Union membership referendum in 2017. Since then, prices have shown a less consistent pattern of growth and decline.

Figure 4.1 – Land Registry Average Values



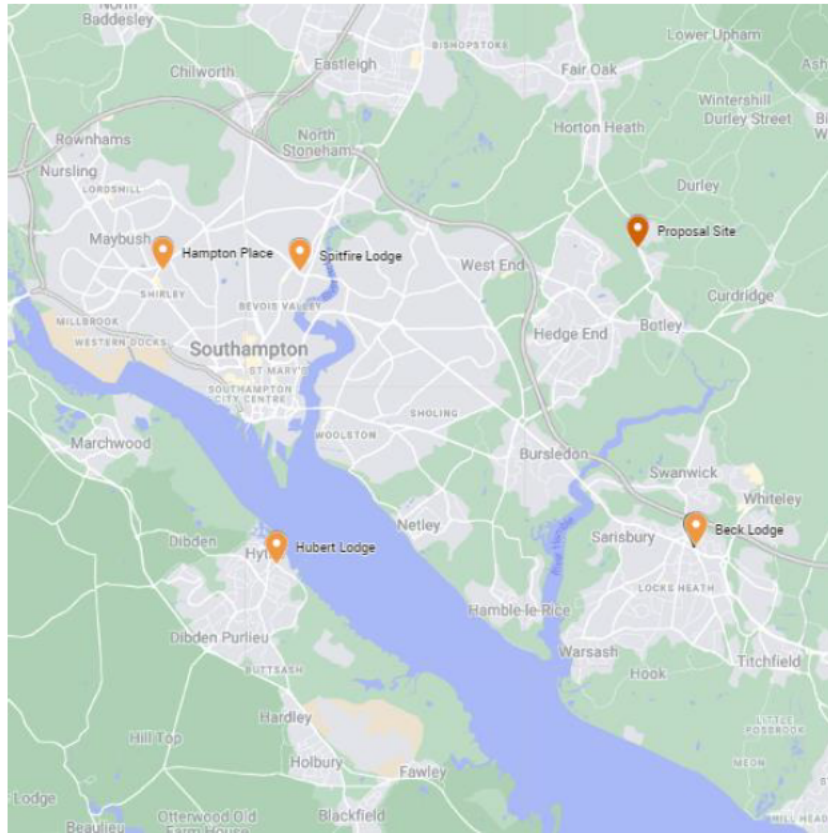
Source: Land Registry, 2024.

- 4.5 Figure 4.1 shows the average house prices (all types) in England, Hampshire and Eastleigh Borough. Since the lowest point in July 2014, Eastleigh has seen prices rise by around 46%. Growth in the local market has generally followed a similar pattern to the regional and national averages. The start of the Covid-19 Pandemic (March 2020) to October 2022 saw house prices nationally, regionally and locally see a relatively rapid price increase. However, since then due to economic and political uncertainty, prices have followed a less consistent pattern of growth and decline.
- 4.6 As of July 2024, the average house price in Eastleigh of £326,759 is 6.8% higher than the national average (£305,879) and 11.77% lower than the regional average (£370,361).

New-Build Retirement Flats Achieved Values

- 4.7 We have reviewed transactions of new-build retirement flatted units which have completed in areas surrounding the proposal site. Given the lack of data for this type of accommodation when compared with conventional, unrestricted market sale tenures, we have extended our search parameters to consider developments that have been delivered within the past three years and across the wider Hampshire area.
- 4.8 Achieved value data has been obtained from the Land Registry; however, this does not disclose the unit type, size or specification. To obtain the corresponding floor area, we have relied on the Energy Performance Certificate (EPC) Register and cross-referenced the data sets. We have relied on other sources such as online portals (Rightmove, Zoopla), property particulars and development brochures to confirm other details such as the number of bedrooms, development features and specifications.
- 4.9 The majority of transactions identified sold between 2021 and 2022, with a limited number of sold during 2023 and none from 2024. Our search identified a total of 94no. transactions from 4no. schemes. The locations of these schemes are shown in Figure 4.2 and summarised in Table 4.1. with a full list provided in Appendix 3.

Figure 4.2 - New-Build Flatted Scheme Locations



Source: Google MyMaps, 2024.

Table 4.1 – New-Build Flatted Transactional Data

Scheme	Unit Type	No. Sold	Price Range (£)	Size Range (sqft)	Avg. £ / sqft
Hampton Place, SO15	1-Bed	10	£199,995 - £280,000	549 - 635	£441
	2-Bed	11	£299,995 - £390,000	775 - 818	£429
Spitfire Lodge, SO17	1-Bed	5	£231,950 - £260,950	495 - 786	£448
	2-Bed	2	£337,950 - £345,950	786 - 818	£427
Beck Lodge, SO31	1-Bed	20	£180,226 - £297,950	527 - 614	£378
	2-Bed	7	£216,271	775 - 850	£269
Hubert Lodge, SO45	1-Bed	20	£259,950 - £315,950	495-657	£378
	2-Bed	12	£373,950 - £451,950	732-936	£481

Source: Land Registry, 2024.

4.10 Achieved values across the sample range from £254 psf - £577 psf, with an average of £439 psf. The average psf value for 1-bed units was £453 psf, and £413 psf for the 2-bed units identified. The Applicant's assumption of £459 psf for the 1-bed units and £434 psf for the 2-bed units therefore sits above the average psf sale price identified in our achieved data.

- **Hampton Place** is a retirement living scheme made up of 49no. units, available for residents aged 60 or over. The units comprise of 25no. 1-bed apartments and 24no. 2-bed. The scheme was been developed by McCarthy Stone in 2021 and is located in Southampton, c. 6.5-miles west of the proposal site. Residents benefit from a variety of on-site amenities including a communal lounge, guest facilities and shared garden.



This scheme has been brought forward by the same developer as the Applicant for the proposed scheme. The scale of this scheme is similar compared to the proposed in terms of the number of units and scale of the development. This scheme offers similar on-site amenities to the proposed scheme. The 1-bed unit sizes we have been able to identify are all generally smaller compared to the average size of the 1-bed units at the proposed scheme, while the 2-bed units were generally similar in size.

- **Spitfire Lodge** is a retirement living scheme developed by Churchill Living. Built in 2018, the scheme is made up of 73no. 1 and 2-bed retirement apartments. This development is on the outskirts of Southampton City Centre, c. 4.5 miles west of the proposal site. This development is for residents aged 60 or over. Residents at this scheme benefit from a communal lounge and garden, as well as the surrounding amenities of Southampton. Along with this, 24-hour management, parking spaces and guest suites are also available.



The scale of this scheme is larger than the proposed however, like the proposed scheme, all the units are contained within one block. The unit mix, which

comprises of 1 and 2 bed apartments, is the same as the proposed scheme. The size of the 1 and 2-bed apartments identified at this scheme appear to be slightly smaller compared to the average size of the 1 and 2-bed units at the proposed scheme.

- **Beck Lodge** is a development of 46no. 1 and 2-bed age-restricted apartment units built by Churchills Retirement Living. This scheme is the closest to the proposed site, located in Park Gate, c. 4.1 miles south of the proposal site. The surrounding area is also most similar to that of the site location. Residents at this scheme benefit from a lounge, landscaped gardens and guest suite, as well as free parking. Some of the apartments have balconies attached. Shops, amenities and Swanick train station with links to Southampton, Brighton and London are in close proximity.



The scale of this development in terms of unit numbers is similar to the proposed scheme. The sizes of the units identified at this scheme are generally similar in size to those at the proposed scheme. This development also includes a number of on-site amenities that are similar to what the proposed scheme offers, such as a communal lounge and landscaped garden.

- **Hubert Lodge** is a development of 43no. 1 and 2-bed age-restricted apartment units, also built by Churchills Retirement Living. This scheme is located in Hythe, c. 6.5 miles south east of the proposal site. Residents at this scheme benefit from a lounge, landscaped gardens and bistro facilities, as well as parking. This site is located close to the Southampton Water estuary, and a ferry service operates 0.3 miles away, offering services to Southampton.



The scale of this development in terms of unit numbers is similar to the proposed scheme. The 2-bed apartments are larger than those at the proposed

scheme, however the 1-bed units are smaller. This development also includes a number on-site amenities similar to the proposed scheme, such as a communal lounge and landscaped garden



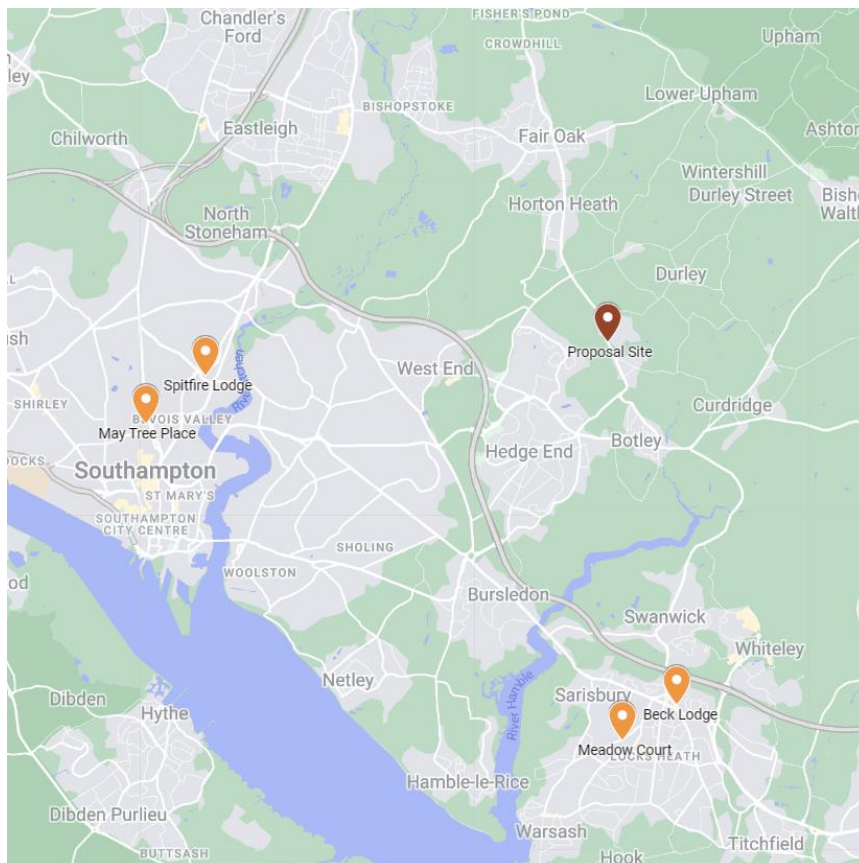
- 4.11 In terms of location, Beck Lodge would be considered the most comparable to the proposed scheme. The scheme is the closest to the proposal site and a similar distance from public transport links and Southampton City Centre. Beck Lodge is slightly smaller than the proposed scheme in terms of the overall number of units, and there are a greater number of 2-bed units at the proposed scheme. The sizes of the units are similar to the proposed scheme. Like the proposed scheme, residents at Beck Lodge benefit from a lounge and guest facilities. Therefore, we would expect the units at the proposed scheme to achieve a similar price.
- 4.12 We note that the transactions identified at Beck Lodge generally achieved slightly lower prices compared to the other new-build schemes included in Table 4.1. We believe that this is mainly due to the location of the scheme in comparison to the other developments identified. The other schemes identified are either located closer to Southampton City Centre or overlooking water, we believe this will allow the units at the developments to attract a slight premium in value.
- 4.13 Hubert Lodge is also slightly smaller than the proposed scheme, in terms of the number of units. The scheme is also located further away from the proposal site compared to the other new-build schemes identified, situated over the Southampton Water. The scheme is located adjacent to the water, in the seaside village of Hythe. The surrounding features of this location are therefore different to the proposal site. However, the on-site amenities are similar to the proposal site, with landscaped gardens and a communal lounge. The 2-bed flats are significantly larger than the proposed site, but the 1-bed flats are slightly smaller.
- 4.14 In terms of unit numbers, the Spitfire Lodge development is of a larger scale compared to the proposed scheme. However, like the proposed scheme, the units comprise a mixture of 1-bed and 2-bed apartments, with similar on-site amenities such as a communal lounge and landscaped garden. The unit identified are overall smaller in size when compared to those at the proposed site.
- 4.15 Hampton Place benefits from being built by the same developers (McCarthy Stone) as the proposed scheme, and has a similar number of units. It is situated further out, and the surrounding amenities of Southampton are more accessible than the proposed location. The 1-bed units were a similar size, but the 2-bed units were slightly smaller. It would be expected that Hampton Place would achieve a similar price to the proposed scheme.

- 4.16 Overall, the transactional data identified shows that the Applicant's adopted values appear to be reasonable.

New-Build Retirement Flats Listings

- 4.17 To supplement the transactional data, we have reviewed the asking prices for retirement units currently listed for sale in the areas surrounding the proposal site. We have focussed our review on new-build accommodation. This provides an insight into the type and volume of units that are expected to be delivered in the coming months / years.
- 4.18 We note that whilst listing prices provide useful supplementary evidence of potential values, they should be treated with caution as they do not reflect transactional prices and therefore often reflect a premium above achieved values.
- 4.19 Our search identified 21no. listings from 4no. schemes, as shown in Figure 4.3 and summarised in Table 4.2.

Figure 4.3 - New-Build Flatted Listing Locations



Source: Google MyMaps.

Table 4.2 - New-Build Flatted Listing Prices

Scheme	Unit Type	No. Listings	Price Range (£)	Size Range (sqft)	Avg. £ / sqft
May Tree Place	1-Bed	3	£263,000	593	£443
	2-Bed	3	£350,000	789	£444
Spitfire Lodge	1-Bed	2	£199,000 - £273,950	498 - 525	£461
	2-Bed	2	£299,950 - £314,950	736 - 760	£411
Beck Lodge	1-Bed	5	£289,950 - £332,950	498 - 581	£572
	2-Bed	3	£349,950 - £435,950	775 - 818	£507
Meadow Court	1-Bed	1	£270,000	701	£385
	2-Bed	2	£369,985 - £389,995	968 - 990	£388

Source: Rightmove, accessed October 2024.

- 4.20 The listing prices range from £382 psf - £610 psf, with an average of £474 psf across the sample. The 1-bed listings identified had an average price of £500 psf, while 2-bed listings averaged £445 psf. This represents a significant uplift upon the average psf values from the transactional evidence (£453 psf for 1-beds and £413 psf for 2-beds) and the values adopted by the Applicant.
- 4.21 Beck Lodge and Spitfire Lodge are schemes identified as part of the achieved new-build flat transactional data. We provide a summary of the other schemes identified below:

- **May Tree Place** is a new-build retirement living scheme of 66no. age exclusive apartments, available for residents aged 70 or over. The scheme has been developed by McCarthy Stone and is located in Southampton, c. 5.3 miles west of the proposal site. The units at this scheme are made up of 41no. 1-bed apartments, and 25no. 2-bed apartments. The scheme includes a restaurant, communal space, guest facilities and 36no. car parking spaces.

This development is larger than the proposed scheme in terms of unit numbers and scale. However, the unit mix is the similar to the proposed scheme, comprising 1-bed and 2-bed apartments. The size of the 1-bed units identified at May Tree Place are slightly larger, and the



2-bed units appear to be slightly smaller than those at the proposed site.

- **Meadow Court** is a development of 70no. 1 and 2-bed age-restricted apartment units, built in 2019. The scheme is located in Sarisbury Green, c. 4.3 miles south of the proposal site. New residents are accepted from 55-years of age and benefit from a range of on-site amenities, including a café, hair and beauty salon and shop. They also offer a communal lounge and guest facilities. Meadow Court offers one parking permit per apartment, at the cost of £250 per annum.



This development is larger in terms of unit numbers, compared to the proposed scheme, and offers a greater number of amenities. The size of the 1 and 2-bed listings identified are larger than the size of the units at the proposed scheme.

- 4.22 The listings identified at May Tree Place provide further indication of the likely values for the apartments at the proposed development. While May Tree Place is larger, in terms of the number of units compared to the proposed scheme, it does offer a similar number and variety of on-site amenities. The scheme has also been brought forward by the same developer as the Applicant for the proposed scheme (McCarthy Stone). It can therefore be assumed the specifications of the units at the proposed scheme will be similar to those at May Tree Place. We do however note that as May Tree Place is closer to Southampton City Centre, there are a greater number of local amenities close by in comparison to the proposal site. We would therefore conclude that the listings at May Tree Place would be able to achieve a slight premium in value compared to the units at the proposed scheme.
- 4.23 We would not consider Meadow Court to provide a like-for-like comparison as to the prices that the units at the proposed scheme could achieve. Meadow Court offers a greater variety of on-site amenities than are to be provided at the proposed scheme, including a café, hair and beauty salon and shop. Therefore, it is expected that these on-site amenities would allow the units at Meadow Court to achieve a premium in value when compared to those at the proposed scheme.
- 4.24 Overall, the unit prices adopted by the Applicant are generally lower than those currently listed for sale in the surrounding areas. However, we note that the schemes identified in our listings data either benefit from a greater amount of on-site amenities or are located in more accessible

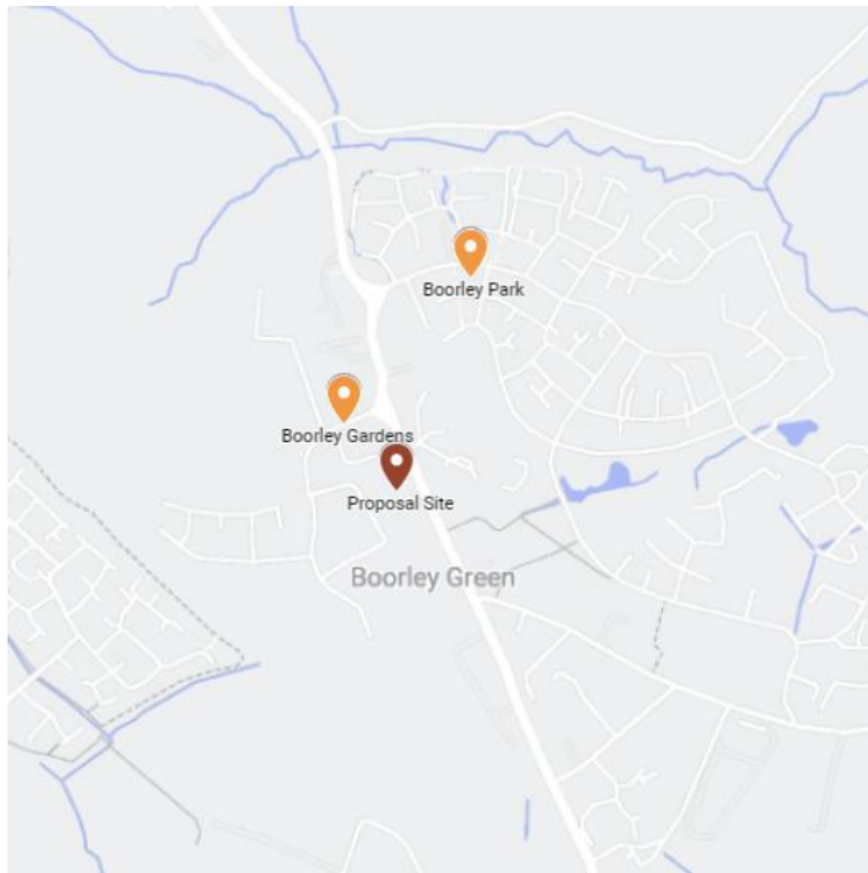
locations with a wider range of local amenities compared to those surrounding the proposed scheme.

- 4.25 Overall, we therefore consider that the Applicant's adopted values for the retirement flats at the proposed scheme is reasonable. As such, we have adopted the same values for the purpose of our assessment.

New-Build 3-Bed Detached Achieved Values

- 4.26 We have reviewed transactions of new-build 3-bed detached houses which have completed in areas surrounding the proposal site. Our search has been focussed in the area surrounding the proposal site.
- 4.27 Achieved value data has been obtained from the Land Registry; however, this does not disclose the unit type, size or specification. To obtain the corresponding floor area, we have relied on the Energy Performance Certificate (EPC) Register and cross-referenced the data sets. We have relied on other sources such as online portals (Rightmove, Zoopla), property particulars and development brochures to confirm other details such as the number of bedrooms, development features and specifications.
- 4.28 The majority of transactions identified sold between 2020 and 2022, with a limited number of sold during 2023 and none from 2024. Our search identified a total of 89no. transactions from 2no. schemes brought forward by multiple developers. The locations of these schemes are shown in Figure 4.2 and summarised in Table 4.1. with a full list provided in Appendix 3.

Figure 4.4 - New-Build 3-Bed Detached House Scheme Locations



Source: Google MyMaps, 2024.

Table 4.3 – New-Build 3-Bed Detached Houses Transactional Data

Scheme	Unit Type	No. Sold	Price Range (£)	Size Range (sqft)	Avg. £ / sqft
Boorley Park	3-Bed	9	£378,995 - £485,000	1033 - 1259	£389
Boorley Gardens	3-Bed	80	£355,000- £490,000	969 - 1281	£372

Source: Land Registry, 2024.

- 4.29 Achieved values across the sample range from £304 - £434 psf, with an average of £373 psf. The Applicant's assumption (£402 psf) therefore sits above the average psf sale price identified in our data.

- **Boorley Park** is a new large housing development, delivered by multiple developers including Linden Homes, Bloor Homes, Abri Homes, Bovis Homes and Aster Group. The site has been delivered across multiple phases of development, since 2016. The units comprise of 1 and 2-bed apartments, along with 2,3,4 and 5-bed houses. The scheme is situated directly east of the proposal site. Along with houses, other amenities are also included, such as Boorley Park Primary School, a community centre, sports facilities, allotments, a convenience store and 2no. retail units. Residents benefit from private gardens and off-street parking spaces. A select number of the units also benefit from private garages.



The 3-bed houses offered by this scheme are on average slightly larger than those at the proposed scheme, averaging 1,146 sqft, compared to 1,119 sqft at the proposed. The units at Boorley Park would also have access to the same local amenities as those at the proposed scheme. The units at this development benefit from a similar level of amenities to the 3-bed units at the proposed scheme, such as off-street parking spaces and a private garden.

- **Boorley Gardens** is also a joint development scheme, being built by Bellway and Miller Homes. The site is still undergoing development, and will eventually comprise 680no. units, with a mixture of 1-bed to 5-bed houses. Boorley Gardens sits north-west of the proposed location, and will have access to the same local amenities as the proposed scheme. Boorley Gardens is also set to include a community facility and SEMH (Social, Emotional & Mental Health) Special School for ages 8-16, along with both play and allotment areas. A number of the units at this scheme benefit from private detached garages.



The sizes of the 3-bed units identified at this scheme appear to be broadly the same as the average size of the 3-bed detached houses at the proposed scheme.

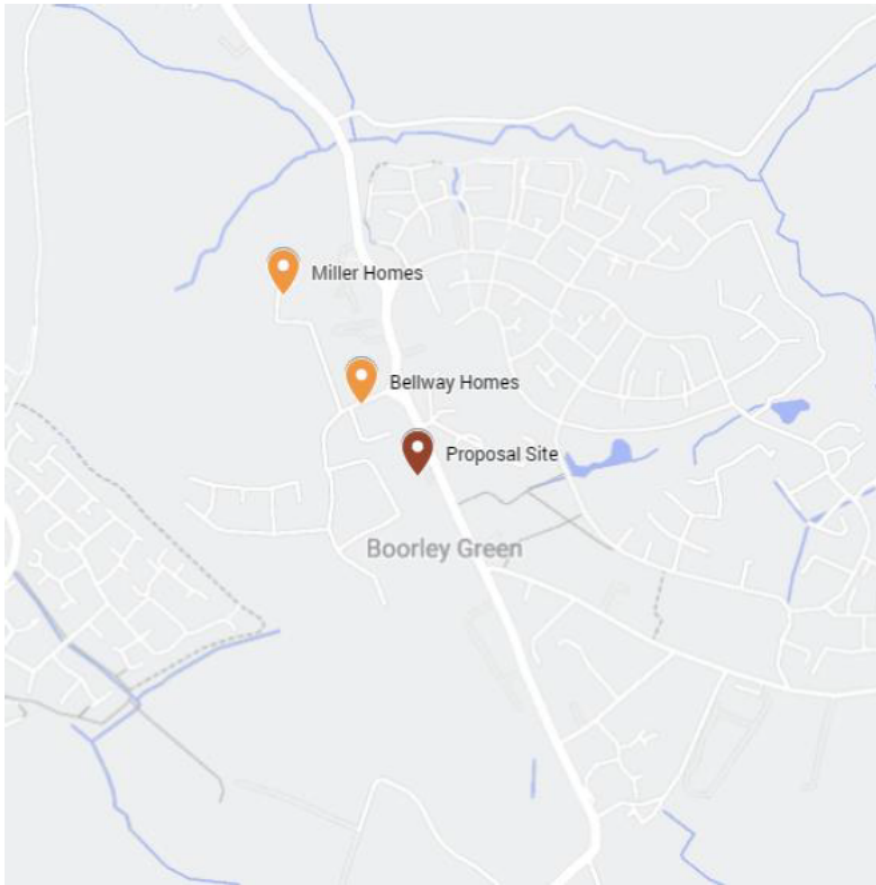


- 4.30 Both schemes identified provide directly comparable transactions to the 3-bed detached houses at the proposed scheme. Due to the location of the schemes identified being close to the proposal site and both having access to similar local amenities. Boorley Gardens is slightly more comparable, as its location sits on the same side of Winchester Road as the proposal site. In addition to this, the unit sizes identified are most similar to the 3-bed houses at the proposed scheme.
- 4.31 Overall, the transactional data identified shows the Applicant's adopted values appear reasonable.

New Build 3-Bed Detached House Listings

- 4.32 To supplement the achieved new-build 3-bed house data, we have identified units currently for sale in the areas surrounding the proposal site. This provides an insight into the type and volume of units that are expected to be delivered in the coming months / years.
- 4.33 Our search has revealed 11no. listings from 2no. housing development schemes. The location of the schemes identified in relation to the proposal site can be seen in Figure 4.5 and the data identified is summarised in Table 4.4.

Figure 4.5 – 3-Bed Detached House Listings Locations



Source: Google Mymaps, 2024.

Table 4.4 – 3-Bed Detached House Listings

Scheme	Unit Type	No. Listings	Price Range (£)	Size Range (sqft)	Avg. £ / sqft
Boorley Gardens, Bellway Homes	3-Bed	3	£419,995 - £459,995	1043 - 1228	£390
Boorley Gardens, Miller Homes	3-Bed	8	£384,995 - £449,995	1045 - 1063	£388

Source: Rightmove, 2024.

- 4.34 The achieved data identified ranged from £342 psf - £423 psf, with an average of £389 psf identified across the sample. This represents an uplift in the average value of £16 psf upon the average price psf from the achieved data (£373 psf), however remains below the Applicant's adopted value of £402 psf.
- 4.35 We note the following in regards to the schemes identified:

- **Boorley Gardens**, by Bellway Homes is a newly built development to the north west of the proposal site. In total, the development comprises c. 357no. units from Bellway. As identified, Boorley Gardens sits north-west of the proposal site location, and will have access to the same local amenities as the proposed scheme. Boorley Gardens is also set to include a community facility and SEMH (Social, Emotional & Mental Health) Special School for ages 8-16, along with both play and allotment areas. A number of the units at this scheme benefit from private detached garages.

This scheme is of a far larger scale to the proposed in terms of the overall number of units. However, the scheme offers a number of 3-bed detached properties, like the proposed scheme. The properties are also adjacent to the proposal site. The units by Bellway Homes have an average size of 1,133 sqft, making them on average slightly larger than those at the proposed scheme.

- **Boorley Gardens**, Miller Homes is a development that forms part of the same wider scheme known as Boorley Gardens, being brought forward alongside Bellway Homes. In total, the development comprises c. 323no. units from Miller Homes, made up of 3 to 5-bed houses. Boorley Gardens sits north-west of the proposal site location, and will have access to the same local amenities as the proposed scheme. Boorley Gardens is also set to include a community facility and SEMH (Social, Emotional & Mental Health) Special School for ages 8-16, along with both play and allotment areas. A number of the units at this scheme benefit from private detached garages.

As with the Bellway Homes scheme identified, this scheme is of a much larger scale in terms of the overall unit numbers compared to the proposed. However, like



the proposed scheme, this development offers a number of 3-bed detached houses, however we note that all the listings identified appear to be smaller than those at the proposed scheme.

- 4.36 As the listings identified are from new-build schemes close to the proposed scheme, and of a similar size, we would expect that the units at the proposed scheme would achieve a similar value. Overall, we therefore believe that the Applicant's adopted values (£402 psf) for the 3-bed detached houses at the proposed scheme is reasonable. Albeit, marginally higher than the listing evidence identified. As such, we have adopted the same values in our assessment.

Residential Conclusion

- 4.37 Based on our review of the available achieved sales and listings evidence available, we consider the Applicant's adopted value of £459 psf for the proposed 1-bed retirement apartments, £434 psf for the 2-bed apartments and £402 psf for the 3-bed detached houses to be reasonable. We believe that the values adopted are reflective of the location of the proposed scheme and the amenities that are included. We have therefore adopted the same total GDV for units (£16,380,000 / £444 psf) in our assessment.
- 4.38 A full copy of our value schedule can be found at Appendix 4.
- 4.39 The Applicant has not tested a scheme that provides a policy-compliant mix of affordable housing. We have undertaken our own calculations for the purposes of establishing the values of the affordable units in our policy complaint testing.

5 Cost and Value Analysis

- 5.1 This section provides an assessment of the costs and values adopted by the Applicant for the proposed scheme. As advocated in the PPG, we have referred to the Council's Local Plan Viability Study (LPVS) produced in 2018 by Dixon Searle Partnership. As this assessment was produced 6-years ago, we have also used industry-standard benchmarks, published guidance and our experience from similar schemes. Where our assessment shows there to be differences in opinions, we have provided supporting evidence to justify any revised inputs.

Costs

Construction Costs

- 5.2 The Applicant has relied on the RICS Build Cost Information Service (BCIS) to determine the estimated construction costs for the proposed scheme. Two separate rates have been adopted, one for the retirement apartments element of the scheme and another for the detached houses. The Applicant has rebased their data to Hampshire and adopted the median rates. We summarise the Applicant's adopted BCIS rates below:

- Supported Housing (3-Storeys, June 2024, default period):
 - Median Rate: £1,810 psm
- Estate Housing (Semi-Detached, June 2024, default period):
 - Median Rate: £1,594 psm

- 5.3 The Applicant has then applied an additional 8.0% allowance on top of the base build costs to allow for external works.

- 5.4 We note that the RICS Guidance on viability in planning advocates the use of a detailed, quantified cost estimate for site-specific assessments. We would expect that an elemental and site-specific cost plan may result in higher costs than the BCIS estimate currently adopted in the Applicant's assessment. It is therefore assumed the BCIS approach has therefore been favoured to improve viability, however we recommend the Council seek further justification from the Applicant in this respect.

- 5.5 In the absence of any detailed cost information, we have adopted the Applicant's approach to build costs and undertaken a benchmarking exercise by reference to updated BCIS data. A copy of the data obtained from BCIS is provided in Appendix 5, with a summary of our rates adopted below:

- Supported Housing (3-Storeys, October 2024, 10-year period):
 - Median Rate: £1,740 psm

- Estate Housing (2-Storey Generally, October 2024, 10-year period):
 - Median Rate: £1,515 psm

5.6 The Council's LPVS suggests an external works allowance of 5% - 20% of base build costs depending on the scheme type. The external areas comprised within the site boundary are predominantly car parking areas, landscaping and access. We therefore do not consider the overall assumption of 8% to be unreasonable and have adopted the same external works allowance in our assessment.

5.7 Our cost benchmarking calculations are summarised in Table 5.1.

Table 5.1 – AVL Construction Cost Benchmarking

Component	Size (sqm)	Alder King Cost	Aspinall Verdi Cost	Difference
1-Bed Retirement Apartments	2,402	£4,347,620	£4,179,480	-£168,140
2-Bed Retirement Apartments	2,099	£3,799,190	£3,652,260	-£146,930
3-Bed Houses	208	£331,552	£315,120	-£16,432
Externals @ 8%	-	£678,269	£651,749	-£26,520
Total	4,709	£9,156,631	£8,798,609	-£358,022

Source: Alder King, AVL & BCIS, 2024.

5.8 Our BCIS benchmarking exercise has identified potential reductions of c. -£358,000 compared to the Applicant's build cost estimate. As such, we have adopted our revised build cost estimate of £8,798,609 / £174 psf (exclusive of contingency) for the purpose of our assessment. We reiterate that we would expect an elemental and site-specific cost plan may result in higher costs compared to that of the BCIS estimate. We therefore reserve the right to amend our position in regards to our adopted build costs, should the Applicant provide further information or evidence.

Part L + O

5.9 The Applicant's assessment also includes a cost allowance to comply with Part L and O requirements of the updated building regulations. The Applicant has adopted a cost of £4,000 per unit.

5.10 As part of our clarifications, we requested further information from the Applicant to support their adopted cost. In an email dated 14th October 2024, the Applicant stated:

'FLOS costs are widely accepted as an additional cost to meet Building regulations that became mandatory in June 2024. The cost allowance is due to the fact that BCIS has not kept pace with these changes.'

- 5.11 Based on the additional information provided by the Applicant and our understanding of the updated building regulation requirements, we consider the allowance to be reasonable and have adopted the same in our assessment.

Contingency

- 5.12 The Applicant's appraisal includes a 5% contingency allowance, which has been applied to all the construction costs associated with the proposed scheme.
- 5.13 We consider this allowance to be reasonable and as such we have adopted the same contingency in our appraisals.

Professional Fees

- 5.14 The Applicant's assessment includes an allowance of 8% for professional fees. The Council's LPVS suggests an allowance of 10% on build costs for residential.
- 5.15 We therefore consider the Applicant's allowance for professional fees to be reasonable and have adopted the same allowance for the purpose of our assessment.

Disposal Costs

- 5.16 The Applicant has assumed the following disposal fees:
- Marketing: 3.0% of GDV
 - Sales Agent: 2.0% of GDV
 - Sales Legal: £750 per unit
- 5.17 The Council's LPVS suggests marketing and sales fees of 3.0% - 6.0% and legal fees of £750 per unit.
- 5.18 We are aware that older people's housing (i.e. retirement, extra-care, age-restricted etc.) can often come with higher disposal costs which are typically increased by a higher allowance for marketing. We therefore consider the allowance by the Applicant to be reasonable and have adopted the same for the purposes of our assessment.
- 5.19 However, as we understand the 3-bed detached houses at the proposed scheme are not age-restricted retirement, we have therefore assumed lower sales and marketing fees of 3.0% for these units. This is in line with the Council's LPVS.

- 5.20 For the purpose of our assessment, we have also assumed sales legal fees of £750 per unit. We note that we have also applied this legal fee to the affordable units in our policy-complaint scenario.

Land Acquisition

- 5.21 For the purpose of their assessment, the Applicant has adopted the following acquisition fees:
- Land Agent 1.00%
 - Land Legal 0.75%
- 5.22 The Council's LPVS adopts acquisition fees of 1.50% for land agent and 0.75% for land legal. We therefore consider the Applicant's assumptions to be reasonable and have adopted the same for the purpose of our assessment.
- 5.23 We have also applied an allowance for Stamp Duty Land Tax (SDLT) in our appraisals. We have based our SDLT on the bandings shown in Figure 5.1.

Figure 5.1 – Commercial Stamp Duty Banding

Property or lease premium or transfer value	SDLT rate
Up to £150,000	Zero
The next £100,000 (the portion from £150,001 to £250,000)	2%
The remaining amount (the portion above £250,000)	5%

Source: HMRC, 2024.

- 5.24 The Stamp Duty calculated in our appraisals relates to the benchmark land value and not the residual land value.

Finance Costs

- 5.25 The Applicant has assumed an all-inclusive development finance rate of 8.0%, with a credit rate of 2%.
- 5.26 The Council's LPVS assumes a finance rate of 6.5%, however we do note that this assessment was undertaken in 2018 and since then there have been a number of political and economic events which have led to uncertainty and a rise in interest rates.
- 5.27 We also note that since the Applicant undertook their assessment, the Bank of England has lowered their base rate to 5.00%.
- 5.28 Based on our understanding of finance rates adopted in other recent site-specific assessments for similar schemes, we consider this to be reasonable and have adopted the same rate in our appraisals.

Phasing

- 5.29 The Applicant has assumed the following phasing / timescales which we consider reasonable:
- Pre-construction: 6-months
 - Construction: 15-months
 - Sale: 30-months
- 5.30 We have, however, adopted slightly adjusted sales periods. We have assumed that 20% of the retirement units will be sold off plan (i.e. sales receipts in the first month of the sale period), with the remaining selling over the subsequent sales period. We have then adopted a slightly higher sales rate for the remaining units of 2no. units per month, so our overall sales period amounts to 21--months in an entirely private scenario.
- 5.31 We understand from looking at the Applicant's (McCarthy Stone) website that they offer the option of buying properties 'off-plan' while schemes are still being built. We therefore assume that the Applicant will be intending on selling a number of the units off-plan and as such we have accounted for a proportion of off-plan sales within our appraisals.
- 5.32 To test a policy-compliant scenario, we have assumed that the affordable units will be disposed of via a typical 'golden brick' payment structure across the construction period, i.e., in three tranches.

Developer's Profit

- 5.33 The Applicant has made an allowance for developer profit at 20%. The Council's LPVS adopted a profit allowance of 20% on GDV for market sale units.
- 5.34 Paragraph 018 of the PPG considers a return of between 15-20% to be reasonable for private sale units. The Applicant's assumption therefore sits within this range for residential units, albeit at the upper end.
- 5.35 Given the nature of the proposed scheme, we do not consider the developer's profit allowance of 20% to be wholly unreasonable. However, as the Applicant's assessment shows the scheme is unviable without the required level of affordable housing provision, we have adopted a reduced private profit threshold of 17.5% on GDV. This is encouraged by the wording within Paragraph 010 of the Viability PPG which seeks to strike a balance between the aspirations of the planning system and returns against risk.
- 5.36 To test a policy-compliant scenario, we have adopted a reduced profit allowance of 6.0% on GDV for the affordable units.

S106 Contributions & BNG Costs

5.37 The Applicant's assessment includes the following S106 contributions and BNG costs:

• Solet SPA:	£30,050
• New Forest SPA:	£162,000
• Nitrates:	£100,672
• BNG (credit):	£100,000

5.38 As part of our analysis, we requested information from the Council on the likely S106 contributions that would be sought in respect of the proposed scheme. In an email dated 11th October 2024, the Council stated the following index-linked S106 contributions would be sought:

• Community Infrastructure:	£51,960.00
• Public Open Space:	£28,468.30
• Public Art:	£16,200.00
• Sustainable Transport:	£51,895.00
• Traffic Regulation Order:	£12,000.00
• S106 Monitoring Fee:	£5,000.00
• New Forest SPA Mitigation:	£119,880.00
• Solent Recreation Mitigation:	£30,050.00

5.39 The above amounts to a total of £315,453.30 for S106 contributions. We note that these contributions would be index linked. We also note that the above includes a number of contributions not included within the Applicant's assessment.

5.40 The Council has stated that nitrate credits will need to be purchased by the Applicant, with an anticipated cost likely to be £109,950 + VAT and an administrative fee of £500 + VAT (index-linked). In addition to this, the Council also stated:

'Biodiversity Net Gain (BNG) requirements also need to be met. The applicant has suggested that this is done via the purchase of off-site credits and I note that they include a figure of £100,000. However, we have asked for further information with regard to the calculation of the Biodiversity Net Gain total and the nature of the off-site solution. As such at present we are not able to confirm if £100,000 is the correct figure to attribute to BNG.'

5.41 For the purpose of our assessment, we have adopted the nitrate credit and administrative fee stated by the Council, as well as the same BNG estimate as the Applicant (£100,000). However, should further information on the likely BNG contributions be provided at a later date, then we reserve the right to amend our appraisals accordingly.

- 5.42 The Council have requested that we include all of the above figures for the purpose of our initial assessment. However, we are aware that there are still discussions taking place between the Council and Applicant regarding the S106 and BNG costs expected in respect of the proposed scheme. We therefore reserve the right to amend our report and appraisals accordingly, should further information on the anticipated S106 or BNG contributions become available at a later date.

Empty Property Costs

- 5.43 The Applicant's appraisal has also included an allowance for empty property costs / void costs for the retirement units. These include service charge payments, council tax allowances and electricity charges that are due once a unit has been built but before it has been sold and transferred ownership / responsibility.
- 5.44 The Applicant has made an assumption of £252.74 / unit per month average for the service charge, based on rate of £212.00 per month for 1-bed units and £317.92 per month for 2-bed units. For the Council tax allowance, the Applicant has assumed an average of £165.10, based on a rate of £157.53 per month for the 1-beds and £177.22 per month for the 2-beds. The Applicant has also assumed an electricity charge of £25 per month for each of the units.
- 5.45 In our assessment, we consider the Applicant's assumptions to be reasonable and have adopted the same in our assessment.
- 5.46 Our calculation of the total start-up costs differs slightly to the Applicant's (£201,576). The reason for our reduced costs compared to the Applicant's estimate is because we have assumed 20% of the market sale units are sold off-plan. Our calculations amount to £177,137 in our private scenario and £69,083 in a policy-compliant scenario. We have therefore adopted our revised amount in our appraisals.

Revenue

Market Housing

- 5.47 As concluded in Chapter Four, we consider the Applicant's adopted GDV for the retirement units (£15,480,000 / £447 psf) and houses (£900,000 / £402 psf) to be commensurate with our market analysis. As such, we have adopted the same values for the purpose of our assessment.
- 5.48 Our total adopted GDV in an entirely private scenario therefore amounts to £16,380,000 / £444 psf.

Affordable Housing

- 5.49 The Applicant's assessment does not test a policy-compliant scenario.

5.50 We have undertaken our own calculations to determine appropriate transfer values for these tenures, as set out below:

- For the affordable rented units, we have assumed the weekly rent limits relative to the Local Housing Allowance caps. We consider a management / maintenance allowance of 17.5% to be reasonable and have capitalised the net income by a yield of 5%. The outcome results in a transfer value equivalent to 48% Of Market Value (OMV).
- For the shared ownership units, we have assumed an initial purchase of 40% with an equity rent of 2.5% on the unsold share. With appropriate management deductions, our calculations have shown shared ownership units to be c. 65% of market value.

Cost and Value Summary

5.51 Table 5.2 sets out the key areas of difference between the Applicant's assumptions and our own.

Table 5.2 - Appraisal Input Summary

Item	Applicant	AspinallVerdi	Difference
Values			
Houses Gross Development Value (GDV)	£900,000	£900,000	-
Houses GDV (£ / psf)	£402 psf	£402 psf	-
Retirement Apartments GDV	£15,480,000	£15,480,000	-
Retirement Units GDV (£ / psf)	£447 psf	£447 psf	-
Affordable Rent Transfer Value	-	48.0% OMV	+48.0%
Shared Ownership Transfer Value	-	65.0% OMV	+65.0%
Costs			
Build Costs	£8,478,362	£8,146,860	-£331,502
Build Cost £ / psf	£167.27 psf	£160.73 psf	-£6.54 psf
Externals Allowance	8.0%	8.0%	-
Part L & O Costs	£4,000 per unit	£4,000 per unit	-
Contingency	5.0%	5.0%	-
Professional Fees	8.0%	8.0%	-
Empty Property Costs (Entirely Private)	£201,576	£183,336	-£18,240
S106 Estimate	£192,050	£315,453	+£123,403
Nitrates	£100,672	£110,450	+£9,778
BNG (Credit)	£100,000	£100,000	-
Retirement Marketing & Agent	5.0%	5.0%	-
Houses Marketing & Agent	5.0%	3.0%	-2.0%
Sales Legal	£750 / per unit	£750 / per unit	-

Item	Applicant	AspinallVerdi	Difference
Finance Debit Rate	8.0%	8.0%	-
Finance Credit Rate	2.0%	2.0%	-
Private Residential Profit (on GDV)	20.0%	17.5%	-2.5%
Affordable Profit (on GDV)	-	6.0%	+6.0%

Source: Alder King & AVL, 2024.

6 Benchmark Land Value

- 6.1 We set out below our comments in respect of land value.
- 6.2 Paragraph 58 of the NPPF states that ‘all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance.’¹⁵
- 6.3 The Benchmark Land Value (BLV, also referred to as the threshold land value) is promoted in the Planning Practice Guidance as the preferred method of defining land value. The PPG does not provide an explicit definition of land value but states in Paragraph 013, Reference ID: 10-013-20190509 that:

‘To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called ‘existing use value plus’ (EUV+).’

- 6.4 In regards to the factors which should be considered in establishing a BLV, Paragraph 014, Reference ID: 10-014-20190509 states:

‘Benchmark land value should:

- *‘be based upon **existing use value**.’*
- *‘allow for a **premium to landowners** (including equity resulting from those building their own homes).’*
- *‘reflect the **implications of abnormal costs**; site-specific infrastructure costs; and professional site fees.’ (our emphasis).’*

¹⁵ MHCLG, 2023. National Planning Policy Framework. (p. 16)

Applicant's Assessment of Benchmark Land Value (BLV)

- 6.5 The Applicant has calculated their BLV by adopting the Existing Use Value premium (EUV+) approach advocated by the PPG.
- 6.6 The Applicant has established that the existing site comprises of paddock land and allocated within the adopted Local Plan for 22no. dwellings.
- 6.7 In considering an appropriate value for the land, the Applicant has had regard to the Council's Local Plan Viability Study, prepared by DSP in 2018. The study advocates a rate of £150,000 per acre for greenfield land values, which has been adopted by the Applicant. The Applicant therefore calculates the Existing Use Value (EUV) for the site as being £340,000, based on the site area measuring 2.26 acres / 0.91 hectares.
- 6.8 The Applicant has also considered the potential residual land value of the site, based on an Alternative Use Value (AUV). To calculate their AUV, the Applicant has undertaken an appraisal of a hypothetical residential scheme comprising 22no. dwellings. This was included in a separate valuation report to their FVA, which we requested as part of our clarification questions. Based on their appraisal, the Applicant arrived at a residual land value of £575,000.
- 6.9 For the purpose of their assessment, the Applicant instead elected to adopt the EUV+ approach to the BLV and has taken their adopted EUV (£340,000) and applied an uplift of 20% as a land owner premium. Their overall BLV therefore amounts to £408,000, but has been rounded to £410,000 for the purpose of their assessment.

AVL Assessment of BLV

- 6.10 We consider the EUV+ approach implemented by the Applicant to calculate the BLV appropriate in respect of the proposal site. As such, we have adopted a similar approach in our calculation of the BLV for the site.
- 6.11 However, we detail below our consideration of the Applicant's approach to the premium. Whereby, their adopted EUV appears to incorporate a landowner premium, as well as the 20% uplift which is subsequently adopted in addition to the 'EUV'.

AUV

- 6.12 We note that the recent RICS 2021 Guidance Note states that viability assessments should report an AUV where it exists. However, in the case of the proposed scheme, there is no extant permission that could constitute an AUV.
- 6.13 We do note the Applicant's AUV assessment within their report and appendices, however this relates to the allocation for the site and not an extant consent. As such, if the hypothetical scheme

tested by the Applicant is found to be viable in a policy compliant scenario, we would recommend the Council seek justification for why an application has not been brought forward in line with the allocation, and an alternate scheme produced which does not conform with Eastleigh Local Plan Policies.

- 6.14 Notwithstanding the above, the Applicant has adopted an EUV+ approach to the sites BLV, which we consider to be reasonable. As such we have adopted an EUV + approach, in line with the Applicant's approach. We reserve the right to review our position in respect of BLV, should this be required at a later stage.

EUV

- 6.15 In determining an appropriate EUV, we have also referred to the Council's Local Plan Viability Study, prepared by DSP in April 2018. As identified by the Applicant, paragraph 2.14.10 of the study states:

'In our experience of dealing with site specific viability, greenfield land values tend to be assumed at minimum option agreement levels. These are typically around £100,000 and in our experience in any event not exceeding £150,000 per gross acre (i.e. approx. £250,000 to maximum £370,000 per gross hectare).'

- 6.16 We note that these prices stated by DSP include an allowance for landowner's premium and should not be assumed as an EUV. The Applicant's BLV calculation is therefore accounting for a land owners' incentive to release the land twice, once within the DSP land value (£150,000 per acre) adopted and another within the 20% premium applied to their EUV.

- 6.17 Further to this, we note that the Applicant's adopted BLV, reflects a premium instead of a multiplier. RICS guidance on viability in planning states that in the case of greenfield land the premium is more likely to be stated as a multiplier.

- 6.18 In regards to our EUV and multiplier assumptions, we have referred to paragraph 2.14.15 in the DSP study which states:

'At this level, it could be relevant for consideration as the lowest base point for enhancement to greenfield land values (with agricultural land reported by the VOA and a range of other sources to be valued at circa £20,000 - £25,000/ha in existing use). The (former) HCA (now 'Homes England') issued a transparent assumptions document associated with the User Notes for its 'Area Wide Viability Model' (2010) which referred to guide parameters of an uplift of 10 to 20 times agricultural land value. This sort of level of land value could also be relevant to a range of less attractive locations or land for improvement. This is not to say that land value expectations in such scenarios would not go beyond these levels either – they could well do in a range of circumstances.'

- 6.19 For the purpose of our assessment, we have adopted an EUV of £25,000 per hectare, reflecting the higher end of the values stated by DSP in their LPVS. Based on the proposal site area (0.90 hectares) this equates to an EUV of £22,500.
- 6.20 In determining an appropriate premium for the site, we have elected to adopting a multiplier of 17.5x our EUV. As the site is allocated within the current Local Plan, it is acknowledged that the site is suitable for development. We have therefore adopted a multiplier towards the upper end of the range stated by DSP in their study.
- 6.21 Our adopted EUV+ for the site therefore equates to £393,750. This reflects a reduction of £14,250 upon the Applicant's EUV+ assumption (£408,000).

AVL Adopted BLV

- 6.22 Our adopted BLV amounts to a total of £393,750 (rounded to £394,000). which reflects a reduction of £16,000 upon the Applicant's assumption (£410,000).

7 Conclusions

7.1 This chapter sets out both the results of the Applicant's and AspinallVerdi's viability assessments.

Applicant's Results

7.2 The Applicant's appraisal has been undertaken on a residual profit basis. The Applicant's appraisals found a private scheme to generate a residual land value of £208,355 and when compared to their adopted BLV (£410,000) this equates to a deficit of -£201,645.

7.3 The Applicant has therefore concluded that the scheme cannot provide any on or off-site affordable housing contributions.

AspinallVerdi's Assessment

7.4 We have tested the scheme's viability using ARGUS Developer. Please refer to Appendix 8 for a copy of our development appraisals.

7.5 We first tested a policy-compliant scenario to determine whether the scheme could support the full contribution sought by Policy DM28 (35% / 19no. units). This includes a mix of affordable rent and shared ownership units at a mix specified by the Council as part of our clarification questions. The outcome of this appraisal is shown in Table 7.1.

Table 7.1 – AVL Appraisal – Scenario 1 (Policy Compliant)

Description	Value
BLV	£394,000
Surplus / Deficit	-£721,644

Source: AVL, 2024.

7.6 Scenario 1 shows that the scheme is unable to support a policy-compliant level of affordable housing, generating a deficit of -£721,644. This is despite favourable adjustments to the BLV, build costs and other appraisal inputs.

7.7 We then tested an entirely private scenario to determine whether the scheme was viable without any on-site affordable housing. The outcome of this appraisal is shown in Table 7.2.

Table 7.2 – AVL Appraisal – Scenario 2 (Private)

Description	Value
BLV	£394,000
Surplus / Deficit	£412,354

Source: AVL, 2024.

- 7.8 In a scenario without any on-site affordable housing, the scheme produces a surplus of £412,354. Given the level of surplus generated, we then tested a scenario to identify the maximum amount of affordable housing that the scheme could viably support. As per the request by the Council as part of our clarification questions, we have tested scenarios which includes the 2no. houses under affordable tenures. The outcome of these appraisals are shown in Table 7.3.
- 7.9 Scenario A includes both the houses as affordable rent, Scenario B includes one of the houses as affordable rent and the other as shared ownership, while Scenario C includes both the houses as shared ownership.

Table 7.3 - AVL Appraisal – Scenario 3 (Max On-Site)

Description	Scenario A	Scenario B	Scenario C
BLV	£394,000	£394,000	£394,000
Surplus / Deficit	£134,925	£216,712	£298,499

Source: AVL, 2024.

- 7.10 In a scenario with the inclusion of the 2no. houses under affordable rent tenures, the scheme is shown to be viable with a remaining surplus of £134,925. With one of the houses as affordable rent and the other as shared ownership the scheme is shown to be viable with a surplus of £216,712, and with both the houses as shared ownership tenures, the scheme is shown to be viable with a surplus of £298,499. We note that these scenarios includes higher S106 costs compared to the Applicant's assessment, but lower build costs and BLV.

Conclusion

- 7.11 The outcomes of our appraisals differ from the Applicant's due to varying cost and value assumptions. Our appraisals identified a fully policy-compliant scheme (35% / 19no. units) to be unviable, with a deficit of -£721,644 below the BLV. However, in an entirely private scenario, our appraisals found the scheme to be viable, generating a surplus of £412,354 above the BLV.
- 7.12 With the provision of the 2no. houses included under affordable tenures, the scheme is shown to be viable. With both the houses included under affordable rent tenures, we found the scheme to be viable with a remaining surplus of £134,925. In a scenario with one of the houses as affordable

rent and the other as shared ownership the scheme is shown to be viable with a surplus of £216,712, and with both the houses as shared ownership tenures, the scheme is shown to be viable with a surplus of £298,499.

- 7.13 As such, we recommend the Council to seek an on-site affordable housing provision for the 2no. houses, as well as an off-site contribution of either c. £135,000, £217,000 or c. £298,000 depending on which affordable tenure is sought for the houses.
- 7.14 As the maximum viable scenario remains below the level of affordable housing sought by Council policy, we also recommend a viability review mechanism is included within the Section 106 agreement to allow the council to benefit from any favourable uplifts in viability.

Sensitivity Analysis

- 7.15 The RICS Practice Statement requires that all FVAs and subsequent reviews must provide a sensitivity analysis of the results and an accompanying explanation and interpretation in respective calculations on viability, having regard to risks and an appropriate return(s). This is to:
- allow both the Applicant and decision-maker to consider how changes in inputs to a financial appraisal affect the level of on-site affordable housing which can be viably supported;
 - understand the extent of these results, to arrive at an appropriate conclusion on the quantity of on-site affordable housing which can be provided;
 - form part of an exercise to 'stand back' and apply a judgment to the outcome of a report.
- 7.16 This also forms part of an exercise to 'stand back' and apply a viability judgment to the outcome of a report. We have carried out a sensitivity analysis to demonstrate the impact of variable build costs and sales values on the scheme's viability in a policy-compliant scenario. The outcomes are shown in Table 7.4.

Table 7.4 – Policy-Compliant Sensitivity Analysis

Sales Values	Construction: Gross Cost					
		-4.00%	-2.00%	0.00%	2.00%	4.00%
	-4.00%	-£619,160	-£842,811	-£1,066,940	-£1,291,093	-£1,516,011
	-2.00%	-£447,377	-£670,402	-£894,253	-£1,118,406	-£1,342,592
	0.00%	-£275,593	-£498,619	-£721,644	-£945,718	-£1,169,904
	2.00%	-£103,810	-£326,835	-£549,861	-£773,030	-£997,217
	4.00%	£67,349	-£155,052	-£378,077	-£601,126	-£824,529

Source: AVL, 2024.

- 7.17 The cell highlighted blue shows the base scenario (i.e. without adjustments). The profit levels have remained consistent at 17.5% on GDV for the market and 6.0% for the affordable units.
- 7.18 The sensitivity analysis shows that relatively favourable adjustments result in a policy-compliant scheme becoming viable. For example, with a 4% increase in sales values and a decrease in construction costs by the same amount, the scheme becomes viable generating a surplus of c. £67,000 (shown green). Conversely, if values were to decrease by 4% and costs were to increase by the same amount, the deficit would be further exacerbated to c. -£1.52m (shown red).

Appendix 1 – AVL Terms of Business

AspinallVerdi – Property Regeneration Consultants

Standard Terms of Appointment

Definitions

“AspinallVerdi” refers to Aspinall Verdi Limited trading as AspinallVerdi – Property Regeneration Consultants providing professional planning and surveying services for property development and regeneration.

“Client” refers to the client named in the Fee Proposal provided with these terms. In the case of sub-contract commissions, the Client is the lead contractor for these purposes.

“Fee Proposal” refers to any letter, email, proposal document, tender, Invitation To Negotiate, Invitation To Tender, bid submission etc., taken all together, containing a description of the scope of the services and professional fees.

Description of services to be provided

AspinallVerdi shall provide the services described within the Fee Proposal.

In the event of any inconsistency, the Fee Proposal will apply over these Standard Terms of Appointment.

Client’s Obligations

The Client will provide in a timely manner all necessary information reasonably required, enabling AspinallVerdi to carry out the services during the appointment.

The Client acknowledges that AspinallVerdi is entitled to rely upon the accuracy, sufficiency and consistency of any information supplied to it by the Client. AspinallVerdi accepts no liability for any inaccuracies contained in any information provided by the Client or any third party on behalf of the Client.

The Client shall ensure that they have a representative authorised to make decisions on their behalf.

Unless otherwise specifically agreed, the Client authorises AspinallVerdi to speak to or meet with any other person it may need to contact in order to provide the services during the appointment.

Changes to the scope of instructions

The Client shall notify AspinallVerdi in writing of any instruction to vary the services.

Abortive work - AspinallVerdi reserves the right to make additional charges in the event that the scope of the services is modified during the appointment, or additional information is provided by the Client requiring additional or abortive work, or any other unforeseen circumstance prevents the timely completion of the appointment.

Unforeseen delays - Where information required to carry out the services is not provided by the Client in a timely manner, or any other unforeseen circumstance prevents the timely completion of the appointment, AspinallVerdi reserves the right to issue an interim invoice based on the tasks in the Fee Proposal that have been completed and/or by reference to time incurred (in hours/days) on the Client’s behalf multiplied by the previously agreed hourly/daily rates.

Material variations - Where there are material variations to the scope of the appointment our professional fees will be based on an amended Fee Proposal or by reference to time incurred (in hours/days) on the Client’s behalf multiplied by the previously agreed hourly/daily rates.

Additional meetings / conference calls – Where the Client requires additional formal meetings or conference calls in lieu of meetings over and above those specified in the Fee Proposal, these will be charged based on the agreed hourly/daily rates.

AspinallVerdi reserves the right to amend these terms of appointment as a consequence of any variation of the services.

Conflicts of Interest

AspinallVerdi will undertake a search of other clients, properties and roles to protect its Clients against any potential conflicts of interest that may exist within the firm.

AspinallVerdi employees must not accept or carry out any instruction where there may be, or reasonably construed to be, a conflict of interest.

If such a conflict of interest arises or becomes known after the instruction has been accepted, AspinallVerdi will withdraw from any instruction unless such conflict of interest is fully disclosed in writing to all relevant parties and all such parties agree that the instruction may be accepted or continued by AspinallVerdi.

Professional Fees

All fees for work carried out by AspinallVerdi will be as agreed in the Fee Proposal.

Professional fees rates are reviewed annually on 1st October.

Disbursements

The Client will pay all incidental expenses incurred by AspinallVerdi, including without limitation: all travel expenses incurred, accommodation, subsistence, special delivery postage/carrier services, copying, Land Registry Title plans, Ordnance Survey plans, photography, advertising, professional photography, "For Sale / All Enquiries" Boards, printed brochure etc, unless otherwise agreed in the Fee Proposal.

Car mileage will be recharged at 0.55 pence per mile.

Any disbursements properly incurred but not yet processed at the time of any invoice will be invoiced separately.

Payment Terms

The Client shall pay the agreed fees and disbursements to AspinallVerdi for the performance of the services in such instalments as are set out in the Fee Proposal.

All fees and charges including disbursements are exclusive of Value Added Tax (VAT) which if due shall be paid concurrently in addition. VAT will be charged at the prevailing rate.

Payment shall be made within 30 days of the invoice date.

AspinallVerdi reserves the right to charge interest and debt recovery costs in respect of any amounts that remain unpaid after 30 days of the invoice date. Interest will be calculated at a rate of 4% a year above the Bank of England's base rate from time to time on any invoice which remains unpaid 30 days after the invoice date. Such interest will accrue on a daily basis.

Documentation

The copyright in all documents prepared by AspinallVerdi in providing the services shall remain the property of AspinallVerdi. Subject to payment by the Client of the fees properly due to AspinallVerdi under this agreement AspinallVerdi grants to the Client an irrevocable non-exclusive royalty-free licence to copy and use the documents for any purpose related to the project. The costs of copying any documents for the Client by AspinallVerdi shall be recharged to the Client.

AspinallVerdi shall not be liable for any use of the documents for any purpose other than that for which they were prepared and provided by AspinallVerdi or for any use by a third party.

No reliance will be placed by the Client on draft reports or other work products (oral or written) provided by AspinallVerdi as these may vary significantly from any final report or work product.

Intellectual Property

The Client will keep confidential and not disclose any methodologies and/or technology utilised by AspinallVerdi in providing the services.

AspinallVerdi does not normally release digital copies of spreadsheets, valuations and/or development appraisals, although hard copies and pdf copies can be provided.

AspinallVerdi is the beneficial owner of all Intellectual Property Rights arising out of or in connection with the provision of the services to the Client.

Reporting

Unless otherwise agreed, AspinallVerdi will provide an electronic pdf version of the final report/output.

AspinallVerdi reserves the right to charge for the production of paper copies or reports. Incidental expenses for additional paper copies will be recharged together with administration time for the preparation and collation of further reports.

AspinallVerdi reserves the right to charge for the production of 'Accessible reports' where these have not been specified by the Client from the outset.

Should the Client require AspinallVerdi to present the final report, the time costs and disbursements associated with this service will be recharged, unless otherwise agreed in the Fee Proposal.

Data Protection

As a result of AspinallVerdi's relationship with the Client, AspinallVerdi will hold personal data about individuals within the Client's business. AspinallVerdi will process that information only in connection with providing the services and for the purpose of contacting them about other services AspinallVerdi may offer i.e. our mutual legitimate business interests.

Assignment

Neither the Client nor AspinallVerdi shall assign the whole or any part of this agreement without the consent of the other in writing. Such consent shall not be unreasonably withheld.

Land and Property Agency Sales and Acquisitions:

Type of Agency

Unless otherwise agreed in writing, you appoint AspinallVerdi as a sole agent with sole selling rights for the duration of this agreement. Sole agent means that the Client agrees a not to appoint or employ any other agent for the purposes for which AspinallVerdi are so appointed during the course of this agreement and be that the sole agent has sole selling rights.

Sole Selling Rights

You are liable to pay remuneration to AspinallVerdi, in addition to any other costs or charges agreed, in each of the following circumstances:

if unconditional contracts for the sale of the property are exchanged in the period during which we have sole selling rights, even if the purchaser was not found by us but by another agent or by any other person, including yourself;

if unconditional contracts for the sale of the property are exchanged after the expiry of the period during which we have sole selling rights but to a purchaser who was introduced to you during that period or with whom we had negotiations about the property during that period.

Agency Period

The Client appoints AspinallVerdi from the date of this agreement for a minimum period of 6 calendar months, after which the agreement may be terminated by either party by giving the other 15 working days' notice in writing to this effect.

Agency Fees

AspinallVerdi's commission will be calculated as a percentage of the purchase price – as set out in the Fee Proposal, plus VAT.

AspinallVerdi will submit an invoice for our commission / fees to your solicitor on exchange of contracts or as soon as reasonably practical once the sale price is agreed. You shall, as soon as reasonably possible after instructing your solicitor to deal with your property sale, instruct your solicitor to provide us with an undertaking to pay our invoice from the monies held in your client account with your solicitor, and you shall confirm to us when this instruction has been provided. You agree that we may send our invoice direct to your solicitor for settlement, and that your solicitor is authorised to pay that invoice. However, for the avoidance of doubt, you remain fully liable for payment of the invoice for our commission / fees at all times and we may recover payment from you direct if we do not receive payment from your solicitor.

Our invoice is payable upon completion of the sale of the property, or by a payment schedule for a 'subject to planning' or other more complex land and/or development transaction as set out in the Fee Proposal.

Additional Services

Additional services such as planning monitoring; valuation and appraisal; expert determination proceedings will be charged for separately.

Ready, Willing and Able Purchaser

A purchaser is a "ready, willing and able purchaser" if he / she is prepared and is able to exchange contracts for the purchase of your Property. You will be liable to pay remuneration to us, in addition to any other costs or charges agreed. If such a purchaser is introduced by us in accordance with your instructions and this must be paid even if you subsequently withdraw and contracts for sale are not exchanged, irrespective of your reasons.

Referral and Introductory Fees

Where AspinallVerdi refer the Client or Land and/or Property to a third party in furtherance of the Client's objectives, business plan, economic plan, Local Plan etc., AspinallVerdi reserves the right to claim a reasonable fee or commission in respect of such service, referral, introduction which will be charged to the third party.

Vacant Properties

AspinallVerdi will not accept responsibility for the maintenance or repair of damage to the property at any time, or insurance of properties under their agency, unless specifically instructed to do so in writing.

Other Terms

Professional Indemnity insurance

AspinallVerdi is required to comply with the regulations of the Royal Institution of Chartered Surveyors and the Royal Town Planning Institute in respect of the maintenance of professional indemnity insurance.

The level of PI Insurance cover appropriate for the instruction being undertaken is limited to £5 million. AspinallVerdi shall on the written request of the Client provide evidence that PI insurance is in place.

AspinallVerdi's liability to the Client arising out of these terms of appointment shall be limited to the amount specified above. AspinallVerdi will not be liable for any consequential, special, indirect or exemplary damages, costs or losses or any damages, costs or losses attributable to lost profits or opportunities.

Liability of Employees

The duties and responsibilities owed to the Client are solely and exclusively those of AspinallVerdi. No employee of AspinallVerdi shall be liable to you for any loss or damage howsoever arising as a consequence of the acts or omissions of such employee (including negligent acts or omissions) save and to the extent that such loss or damage is caused by the fraud, dishonesty, wilful misconduct or unauthorised conduct on the part of such employee.

RICS Regulation

AspinallVerdi is regulated by the RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct for firms and all other applicable mandatory professional practice requirements of the RICS, which can be found at www.rics.org. As an RICS regulated firm we have committed to cooperating with the RICS in ensuring compliance with its standards. The firm's nominated RICS Responsible Principal is Atam Verdi, MRICS Chairman.

Complaints

In the event that the Client has a complaint the Client shall be entitled to have access to the complaints handling procedure maintained by AspinallVerdi, copies of which are available on request from a Director.

A dispute resolution service is available should the complaint not be settled satisfactorily between the parties.

Notice

Any notice to be given under this Agreement shall be in writing and delivered by hand or sent by recorded delivery post to the party at the address showing in this Agreement or to such an address as the other party may have specified from time to time by written notice to the other.

Suspension and Termination

If the Client materially breaches its obligations under this agreement AspinallVerdi may serve on the Client a notice specifying the breach and requiring its remedy within 28 days, and if the Client thereafter fails to remedy that breach within that period AspinallVerdi may terminate this agreement by giving written notice to the Client. The Client shall pay the fees and disbursements to AspinallVerdi for work incurred prior to the termination.

The Client has the right to terminate this agreement at any time on giving reasonable notice to AspinallVerdi and AspinallVerdi has the right to terminate this agreement at any time on giving reasonable notice to the Client.

If a conflict arises during the course of AspinallVerdi's work with the Client it may not be able to continue to act for the Client. If such a conflict arises AspinallVerdi will discuss the position with the Client and agree an appropriate course of action.

Law

English law shall apply to this agreement and if there is any dispute, the English courts will have exclusive jurisdiction.

Appendix 2 – Clarifications

Tom Melbourne

From: Tom Melbourne
Sent: 07 October 2024 17:35
To: Harrison, Liz
Cc: Parminder Dosanjh; Matthew Olive; Molly Toon; Abigail Baker
Subject: RE: Quote for assessment of viability report

Hi Liz,

Hope you are well and had a good weekend.

Having commenced our analysis, we have a number of clarifications that I was hoping you could help me with / pass on to the Applicant.

Could the Applicant please confirm / provide:

- The intended disposal for the units. We note that a marketing brochure from Mccathy Stone (see here: <https://mccarthystoneconsultation.co.uk/boorleygreen/proposals/>) states that units will be private sale, shared ownership and rental options. However, the viability assessment does not refer to this.
- A copy of the accommodation schedule in MS Excel format
- Any justification / evidence to support the part L+ O cost assumptions adopted

In addition to the above, is the Council able to confirm:

- The preferred affordable housing tenure mix for us to test in a fully policy-compliant (35%) scenario.
- The anticipated S106 contributions in respect of the proposed scheme. We note that the Applicant's assessment includes S106 contributions amounting to approximately £392,722 and is made up of Solent SPA, New Forest SPA, Nitrates and BNG credit.

This should be all the information that we require for now, however if anything else arises over to course of our analysis then we will be in touch.

Kind regards,

Tom

Tom Melbourne BSc (Hons)
Consultant

AspinallVerdi – Property Regeneration Consultants

Tom.melbourne@aspinallverdi.co.uk

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M: 07398 098231

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From: Molly Toon <molly.toon@aspinallverdi.co.uk>
Sent: 23 September 2024 17:22
To: Harrison, Liz <Liz.Harrison@eastleigh.gov.uk>
Cc: Parminder Dosanjh <Parm@aspinallverdi.co.uk>; Matthew Olive <matthewo@aspinallverdi.co.uk>; Tom Melbourne <tom.melbourne@aspinallverdi.co.uk>
Subject: RE: Quote for assessment of viability report

Hi Liz,

Thankyou for your email.

We will review the background documents and email over clarifications (if any) in due course.

Kind regards,

Molly.

From: Harrison, Liz <Liz.Harrison@eastleigh.gov.uk>
Sent: 23 September 2024 11:25
To: Molly Toon <molly.toon@aspinallverdi.co.uk>
Cc: Parminder Dosanjh <Parm@aspinallverdi.co.uk>; Matthew Olive <matthewo@aspinallverdi.co.uk>
Subject: FW: Quote for assessment of viability report

Dear Molly

My colleague has confirmed that the purchase order number is [REDACTED]. When sending your invoice please send it to my colleague Gina Aftanas (Gina.Aftanas@eastleigh.gov.uk) and copy me in.

Do let me know if there is any other information you need from me.

Regards
Liz

Liz Harrison
Principal Planning Officer

Planning & Environment - Planning/Development Management
023 8068 8284



Eastleigh Borough Council | Eastleigh House | Upper Market Street | Eastleigh | SO50 9YN

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TogetherWeMakeEastleigh.co.uk

Click here to take the survey

From: Harrison, Liz <Liz.Harrison@eastleigh.gov.uk>

Sent: Thursday, September 19, 2024 11:07 AM

To: 'Molly Toon' <molly.toon@aspinallverdi.co.uk>

Cc: Parminder Dosanjh <Parm@aspinallverdi.co.uk>; Matthew Olive <matthewo@aspinallverdi.co.uk>; Adam Baker <adamb@aspinallverdi.co.uk>

Subject: RE: Quote for assessment of viability report

Dear Molly

Thank you for the attached quote, we would like to instruct you to undertake the work. The applicant has agreed to pay your fees, but as we have done previously the Council will pay you in the first instance and then we will invoice the applicant.

I have asked for my colleague to set up a purchase order for the work and will let you know when I have the details. In the meantime, is there any other information you need from me?

Many thanks

Liz

Liz Harrison

Principal Planning Officer

Planning & Environment - Planning/Development Management

023 8068 8284



Eastleigh Borough Council | Eastleigh House | Upper Market Street | Eastleigh | SO50 9YN

From: Molly Toon <molly.toon@aspinallverdi.co.uk>

Sent: Wednesday, September 11, 2024 4:44 PM

To: Harrison, Liz <Liz.Harrison@eastleigh.gov.uk>

Cc: Parminder Dosanjh <Parm@aspinallverdi.co.uk>; Matthew Olive <matthewo@aspinallverdi.co.uk>; Adam Baker <adamb@aspinallverdi.co.uk>

Subject: RE: Quote for assessment of viability report

Hi Liz,

I hope you are well.

I have attached AspinallVerdi's proposed fee for instruction.

I trust that everything is in order but should you have any queries, do let me know.

Kind regards,

Molly.

From: Molly Toon

Sent: 02 September 2024 10:34

To: Harrison, Liz <Liz.Harrison@eastleigh.gov.uk>

Cc: Parminder Dosanjh <Parm@aspinallverdi.co.uk>; Matthew Olive <matthewo@aspinallverdi.co.uk>; Adam Baker <adamb@aspinallverdi.co.uk>

Subject: RE: Quote for assessment of viability report [Filed 02 Sep 2024 10:33]

Hi Liz,

Thankyou for approaching us on this.

Unfortunately, Stephanie is no longer working with AspinallVerdi, so I have cc'd Parm who will be the Director on projects going forwards.

I will review the documents and come back to you with queries, if any. Otherwise, I will have a fee proposal with you by the 13th.

Kind regards,

Molly.

From: Harrison, Liz <Liz.Harrison@eastleigh.gov.uk>

Sent: 02 September 2024 10:25

To: Stephanie Eaton <stephanie@aspinallverdi.co.uk>; Molly Toon <molly.toon@aspinallverdi.co.uk>

Subject: Quote for assessment of viability report

Dear Stephanie and Molly

I hope you are both well.

I am looking for a quote for an assessment of a viability report that has been submitted in support of an application for 52 retirement living apartments (McCarthy & Stone) and two open market dwellings:

F/24/97945 - Land Adjacent to Oak Cottage, Winchester Road, Boorley Green, SO32 2DH - Erection of 52 retirement living apartments with associated communal facilities and car parking; the erection of a pair of detached dwellings; improved vehicular access and new pedestrian access to Winchester Road.

Details of the application are available on the Council's website [here](#).

The site is allocated in the local plan under policy BO4 "Land north of Myrtle Cottage, Winchester Road" for approximately 22 dwellings (see attached extract). No specific mention is made to affordable housing within that policy but any proposals for this site would be expected to meet the requirements of policy DM28 for 35% affordable housing, unless it can be demonstrated that this would have an unacceptable impact on the economic viability of the proposed scheme (see attached extract). Other relevant policies for older persons accommodation include DM25 "Delivering Older peoples housing" & DM29 "Dwellings with higher access standards", together with the general policy DM30 "Internal space standards for new residential development". In addition there is the Council's "Affordable Housing" SPD ([785594-affordable-housing-](#)

[supplementary-document-adopted.pdf \(eastleigh.gov.uk\)](#)) and the “Accommodation for Older People and Those in Need of Care” SPD, although this is of some age now ([accommodation-for-elderly-people-and-those-in-need-of-care.pdf \(eastleigh.gov.uk\)](#)).

The attached financial viability assessment has been submitted, which concludes the scheme is unable to support any affordable housing.

I hope this is sufficient information to enable you to provide a quote, but if not please let me know what additional information you require. Please could you provide your quote by 13 September.

Many thanks
Liz

Liz Harrison
Principal Planning Officer

Planning & Environment - Planning/Development Management
023 8068 8284



Eastleigh Borough Council | Eastleigh House | Upper Market Street | Eastleigh | SO50 9YN

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Eastleigh Borough Council

Appendix 3 – Comparable Data

Address	Address2	Postcode	Type of House	Date Sold	Price	No. Beds	SQM	SQFT	£ / psf
	1 HAMPTON PLACE	SO15 5SB	F	29/10/2021	£269,995	1	59	635	£425
	5 HAMPTON PLACE	SO15 5SB	F	15/12/2021	£242,995	1	51	549	£443
	6 HAMPTON PLACE	SO15 5SB	F	30/06/2022	£370,000	2	76	818	£452
	8 HAMPTON PLACE	SO15 5SB	F	30/07/2021	£226,995	1	51	549	£414
	9 HAMPTON PLACE	SO15 5SB	F	30/07/2021	£229,995	1	51	549	£419
	16 HAMPTON PLACE	SO15 5SB	F	13/08/2021	£339,995	2	72	775	£439
	17 HAMPTON PLACE	SO15 5SB	F	30/07/2021	£269,995	1	52	560	£482
	18 HAMPTON PLACE	SO15 5SB	F	01/04/2022	£390,000	2	73	786	£496
	19 HAMPTON PLACE	SO15 5SB	F	30/09/2021	£369,995	2	72	775	£477
	20 HAMPTON PLACE	SO15 5SB	F	20/08/2021	£299,995	2	76	818	£367
	22 HAMPTON PLACE	SO15 5SB	F	30/07/2021	£299,995	2	76	818	£367
	25 HAMPTON PLACE	SO15 5SB	F	20/09/2021	199995	1	51	549	£364
	34 HAMPTON PLACE	SO15 5SB	F	22/12/2021	262995	1	52	560	£470
	36 HAMPTON PLACE	SO15 5SB	F	30/09/2021	373995	2	73	786	£476
	37 HAMPTON PLACE	SO15 5SB	F	29/07/2022	280000	1	52	560	£500
	39 HAMPTON PLACE	SO15 5SB	F	30/09/2021	299995	2	76	818	£367
	40 HAMPTON PLACE	SO15 5SB	F	27/05/2022	299995	2	76	818	£367
	45 HAMPTON PLACE	SO15 5SB	F	26/11/2021	241495	1	52	560	£431
	46 HAMPTON PLACE	SO15 5SB	F	09/06/2023	339000	2	72	775	£437
	47 HAMPTON PLACE	SO15 5SB	F	29/10/2021	364995	2	72	775	£471
	48 HAMPTON PLACE	SO15 5SB	F	28/10/2022	261000	1	52	560	£466
	3 HUBERT LODGE	SO45 6GS	F	17/12/2021	259950	1	46	495.1399	£525
	27 HUBERT LODGE	SO45 6GS	F	30/06/2022	262950	1	48	516.6677	£509
	25 HUBERT LODGE	SO45 6GS	F	18/12/2020	269950	1	49	527.4316	£512
	31 HUBERT LODGE	SO45 6GS	F	18/05/2022	373950	2	68	731.9459	£511
	16 HUBERT LODGE	SO45 6GS	F	30/06/2021	389950	2	70	753.4737	£518
12A	HUBERT LODGE	SO45 6GS	F	20/05/2022	417950	2	73	785.7655	£532
	4 HUBERT LODGE	SO45 6GS	F	17/12/2021	270950	1	61	656.5985	£413
	9 HUBERT LODGE	SO45 6GS	F	29/10/2021	272950	1	49	527.4316	£518
	2 HUBERT LODGE	SO45 6GS	F	16/12/2021	275450	1	61	656.5985	£420
	19 HUBERT LODGE	SO45 6GS	F	29/09/2021	275950	1	46	495.1399	£557
	8 HUBERT LODGE	SO45 6GS	F	16/12/2021	278950	1	52	559.7233	£498
	7 HUBERT LODGE	SO45 6GS	F	09/03/2022	279950	1	49	527.4316	£531
	23 HUBERT LODGE	SO45 6GS	F	16/02/2022	378950	2	74	796.5294	£476
	22 HUBERT LODGE	SO45 6GS	F	30/06/2021	280950	1	48	516.6677	£544
	24 HUBERT LODGE	SO45 6GS	F	18/12/2020	280950	1	54	581.2512	£483
	35 HUBERT LODGE	SO45 6GS	F	31/03/2022	284950	1	46	495.1399	£575
	6 HUBERT LODGE	SO45 6GS	F	26/04/2021	284950	1	48	516.6677	£552
	32 HUBERT LODGE	SO45 6GS	F	26/02/2021	382950	2	74	796.5294	£481
	33 HUBERT LODGE	SO45 6GS	F	30/11/2021	285950	1	50	538.1955	£531
	12 HUBERT LODGE	SO45 6GS	F	02/02/2021	387950	2	77	829	£468
	28 HUBERT LODGE	SO45 6GS	F	10/12/2021	401950	2	77	828.8211	£485
	30 HUBERT LODGE	SO45 6GS	F	31/03/2021	380903	2	78	839.585	£454
	17 HUBERT LODGE	SO45 6GS	F	19/05/2022	287803	1	50	538.1955	£535
	1 HUBERT LODGE	SO45 6GS	F	17/12/2021	288450	1	50	538	£536
	5 HUBERT LODGE	SO45 6GS	F	11/01/2021	289950	1	50	538.1955	£539
	38 HUBERT LODGE	SO45 6GS	F	12/02/2021	290950	1	50	538.1955	£541
	26 HUBERT LODGE	SO45 6GS	F	21/12/2020	290950	1	58	624.3068	£466
	37 HUBERT LODGE	SO45 6GS	F	04/02/2021	295950	1	50	538.1955	£550
	14 HUBERT LODGE	SO45 6GS	F	08/09/2022	451950	2	78	839.585	£538
	11 HUBERT LODGE	SO45 6GS	F	30/09/2022	298325	1	48	517	£577
	39 HUBERT LODGE	SO45 6GS	F	12/02/2021	395950	2	81	871.8767	£454
	40 HUBERT LODGE	SO45 6GS	F	29/06/2021	397450	2	86	925.6963	£429
	41 HUBERT LODGE	SO45 6GS	F	26/04/2022	403950	2	87	936.4602	£431
	20 HUBERT LODGE	SO45 6GS	F	30/06/2022	304950	1	61	656.5985	£464
	36 HUBERT LODGE	SO45 6GS	F	29/06/2022	304950	1	61	656.5985	£464
	21 HUBERT LODGE	SO45 6GS	F	16/09/2021	306950	1	50	538.1955	£570
	10 HUBERT LODGE	SO45 6GS	F	11/06/2021	312950	1	58	624	£501
	34 HUBERT LODGE	SO45 6GS	F	25/03/2022	315950	1	61	656.5985	£481
FLAT 18	SPITFIRE LODGE	SO17 2AX	F	31/03/2022	£249,950	1	52	560	£447
FLAT 24	SPITFIRE LODGE	SO17 2AX	F	30/06/2022	£337,950	2	76	818	£413
FLAT 41	SPITFIRE LODGE	SO17 2AX	F	29/04/2022	£257,950	1	68	732	£352
FLAT 45	SPITFIRE LODGE	SO17 2AX	F	28/05/2021	£248,950	1	48	517	£482
FLAT 5	SPITFIRE LODGE	SO17 2AX	F	26/11/2021	£345,950	2	73	786	£440
FLAT 60	SPITFIRE LODGE	SO17 2AX	F	15/01/2021	£238,450	1	48	517	£462
FLAT 7	SPITFIRE LODGE	SO17 2AX	F	12/08/2022	£260,950	1	51	549	£475
FLAT 72	SPITFIRE LODGE	SO17 2AX	F	26/03/2021	£231,950	1	46	495	£468
FLAT 37	BECK LODGE	SO31 1EZ	F	23/12/2022	£216,271	2	72	775	£279
FLAT 34	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	49	527	£342
FLAT 40	BECK LODGE	SO31 1EZ	F	23/12/2022	£216,271	2	72	775	£279
FLAT 35	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	49	527	£342
FLAT 14	BECK LODGE	SO31 1EZ	F	23/12/2022	£216,271	2	75	807	£268
FLAT 38	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	49	527	£342
FLAT 11	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	51	549	£328
FLAT 23	BECK LODGE	SO31 1EZ	F	23/12/2022	£216,271	2	75	807	£268
FLAT 43	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	53	570	£316
FLAT 26	BECK LODGE	SO31 1EZ	F	23/12/2022	£216,271	2	75	807	£268
FLAT 16	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	54	581	£310
FLAT 29	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	54	581	£310
FLAT 30	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	54	581	£310
FLAT 39	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	54	581	£310
FLAT 25	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	55	592	£304
FLAT 22	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	57	614	£294
FLAT 36	BECK LODGE	SO31 1EZ	F	23/12/2022	£180,226	1	57	614	£294
FLAT 41	BECK LODGE	SO31 1EZ	F	23/12/2022	£216,271	2	76	818	£264
FLAT 44	BECK LODGE	SO31 1EZ	F	14/10/2022	£244,950	1	53	570	£429
FLAT 7	BECK LODGE	SO31 1EZ	F	30/06/2021	£260,950	1	54	581	£449
FLAT 45	BECK LODGE	SO31 1EZ	F	23/12/2022	£216,271	2	79	850	£254
FLAT 21	BECK LODGE	SO31 1EZ	F	24/09/2021	£270,000	1	54	581	£465
FLAT 28	BECK LODGE	SO31 1EZ	F	21/12/2021	£279,950	1	56	603	£464
FLAT 6	BECK LODGE	SO31 1EZ	F	17/03/2021	£280,950	1	54	581	£483
FLAT 9	BECK LODGE	SO31 1EZ	F	31/05/2023	£285,750	1	57	614	£466
FLAT 32	BECK LODGE	SO31 1EZ	F	13/08/2021	£289,950	1	54	581	£499
FLAT 46	BECK LODGE	SO31 1EZ	F	28/10/2022	£297,950	1	54	581	£513

Scheme	Beds	Price	SQM	Sqft	£ / psf
Spitfire Lodge	2	£299,950	68.4	736.2515	£407
Spitfire Lodge	2	£314,950	70.6	759.9321	£414
Spitfire Lodge	1	£273,950	49	527.4316	£519
The Avenue	2	£350,000	73.31	789.1023	£444
The Avenue	2	£350,000	73.31	789.1023	£444
The Avenue	2	£350,000	73.31	789.1023	£444
The Avenue	1	£263,000	55.13	593.4144	£443
The Avenue	1	£263,000	55.13	593.4144	£443
The Avenue	1	£263,000	55.13	593.4144	£443
Spitfire Lodge	1	£199,000	46.3	498.3691	£399
Beck Lodge	2	£435,950	76	818.0572	£533
Beck Lodge	2	£432,950	75	807.2933	£536
Beck Lodge	2	£349,950	72	775.0016	£452
Beck Lodge	1	£317,950	54	581.2512	£547
Beck Lodge	1	£306,950	54	581.2512	£528
Meadow Court	2	£369,985	90	968.7519	£382
Meadow Court	2	£389,995	92	990.2798	£394
Meadow Court	1	£270,000	65.1	700.7306	£385
Beck Lodge	1	£332,950	50.7	545.7303	£610
Beck Lodge	1	£299,950	46.9	504.8274	£594
Beck Lodge	1	£289,950	46.3	498.3691	£582

Address	Address2	Postcode	Type of House	Date Sold	Price	No. Beds	SQM	SQFT	£ / psf
1 PHEASANT ROAD	SO32 2DY	D		30/06/2023	£390,000	3	96	1033	£377
1 BLACKCAP WALK	SO32 2DZ	D		21/12/2022	£430,000	3	97	1044	£412
2 BLACKCAP WALK	SO32 2DZ	D		13/04/2023	£403,750	3	97	1044	£387
1 WREN WALK	SO32 2DX	D		21/12/2022	£425,000	3	97	1044	£407
19 WREN WALK	SO32 2DX	D		20/12/2022	£485,000	3	117	1259	£385
23 WREN WALK	SO32 2DX	D		31/03/2023	£472,150	3	117	1259	£375
25 WREN WALK	SO32 2DX	D		28/04/2023	£378,995	3	96	1033	£367
29 WREN WALK	SO32 2DX	D		29/06/2023	£384,734	3	96	1033	£372
2 GOLDCREST ROAD	SO32 2BZ	D		19/12/2022	£437,500	3	97	1044	£419
24 WALLACE AVENUE	SO32 2GL	D		21/05/2021	£395,000	3	90	969	£408
66 WALLACE AVENUE	SO32 2GL	D		04/12/2020	£427,500	3	119	1281	£334
2 TURNBERRY CLOSE	SO32 2SG	D		20/11/2020	£435,000	3	113	1216	£358
10 TURNBERRY CLOSE	SO32 2SG	D		08/01/2021	£429,000	3	113	1216	£353
14 TURNBERRY CLOSE	SO32 2SG	D		08/07/2021	£450,000	3	113	1216	£370
24 TURNBERRY CLOSE	SO32 2SG	D		23/06/2021	£399,995	3	103	1109	£361
68 TURNBERRY CLOSE	SO32 2SG	D		11/12/2020	£405,000	3	103	1109	£365
70 TURNBERRY CLOSE	SO32 2SG	D		26/02/2021	£400,000	3	103	1109	£361
78 TURNBERRY CLOSE	SO32 2SG	D		09/10/2020	£456,500	3	113	1216	£375
79 TURNBERRY CLOSE	SO32 2SG	D		23/10/2020	£410,000	3	103	1109	£370
80 TURNBERRY CLOSE	SO32 2SG	D		28/08/2020	£420,000	3	103	1109	£370
27 WALLACE AVENUE	SO32 2RQ	D		18/12/2020	£370,000	3	113	1216	£304
37 WALLACE AVENUE	SO32 2RQ	D		30/10/2020	£440,000	3	119	1281	£344
39 WALLACE AVENUE	SO32 2RQ	D		27/11/2020	£425,000	3	119	1281	£332
47 WALLACE AVENUE	SO32 2RQ	D		28/08/2020	£450,000	3	119	1281	£351
49 WALLACE AVENUE	SO32 2RQ	D		18/12/2020	£435,000	3	119	1281	£340
51 WALLACE AVENUE	SO32 2RQ	D		28/10/2020	£395,000	3	112	1206	£328
67 WALLACE AVENUE	SO32 2RQ	D		18/12/2020	£420,375	3	113	1216	£346
69 WALLACE AVENUE	SO32 2RQ	D		14/08/2020	£446,000	3	113	1216	£367
147 WALLACE AVENUE	SO32 2RQ	D		23/11/2020	£457,500	3	113	1216	£376
151 WALLACE AVENUE	SO32 2RQ	D		18/09/2020	£442,250	3	113	1216	£364
2 BRAXELLS ROAD	SO32 2RX	D		30/11/2020	£385,000	3	94	1012	£381
3 BRAXELLS ROAD	SO32 2RX	D		03/11/2020	£390,000	3	94	1012	£385
152 KINGSMAN DRIVE	SO32 2SB	D		02/10/2020	£425,000	3	108	1163	£366
154 KINGSMAN DRIVE	SO32 2SB	D		01/10/2020	£425,000	3	108	1163	£366
157 KINGSMAN DRIVE	SO32 2SB	D		21/09/2023	£460,000	3	119	1281	£359
174 KINGSMAN DRIVE	SO32 2TG	D		20/05/2022	£475,000	3	113	1216	£391
181 KINGSMAN DRIVE	SO32 2TG	D		16/12/2021	£475,000	3	113	1216	£391
184 KINGSMAN DRIVE	SO32 2TG	D		17/12/2021	£475,000	3	113	1216	£391
210 KINGSMAN DRIVE	SO32 2TG	D		31/03/2023	£460,000	3	117	1259	£365
212 KINGSMAN DRIVE	SO32 2TG	D		22/12/2022	£485,000	3	117	1259	£385
1 SUNNINGDALE CLOSE	SO32 2SD	D		29/04/2022	£420,000	3	103	1109	£379
5 CARNOUSTIE CRESCENT	SO32 2SE	D		24/06/2022	£475,000	3	113	1216	£391
1 BIRKDALE ROAD	SO32 2SF	D		28/10/2022	£425,000	3	102	1098	£387
17 BIRKDALE ROAD	SO32 2SF	D		30/06/2023	£400,000	3	92	990	£404
18 BIRKDALE ROAD	SO32 2SF	D		28/06/2023	£400,000	3	92	990	£404
19 BIRKDALE ROAD	SO32 2SF	D		30/06/2023	£405,000	3	92	990	£409
20 BIRKDALE ROAD	SO32 2SF	D		30/06/2023	£400,000	3	92	990	£404
1 PINEHURST CUL DE SAC	SO32 2SL	D		29/07/2022	£470,000	3	108	1163	£404
21 PINEHURST CUL DE SAC	SO32 2SL	D		29/09/2022	£430,000	3	92	990	£434
22 PINEHURST CUL DE SAC	SO32 2SL	D		21/12/2022	£480,000	3	108	1163	£413
1 ST DAVIDS CUL DE SAC	SO32 2SN	D		28/04/2023	£410,000	3	104	1119	£366
6 GLENEAGLES ROAD	SO32 2SJ	D		30/09/2021	£437,600	3	119	1281	£342
8 TROON ROAD	SO32 2SP	D		29/04/2022	£415,000	3	112	1206	£344
9 TROON ROAD	SO32 2SP	D		27/04/2022	£467,500	3	119	1281	£365
22 TROON ROAD	SO32 2SP	D		28/03/2022	£385,000	3	96	1033	£373
23 TROON ROAD	SO32 2SP	D		06/04/2022	£385,000	3	96	1033	£373
31 TROON ROAD	SO32 2SP	D		28/10/2022	£485,000	3	119	1281	£379
32 TROON ROAD	SO32 2SP	D		25/11/2022	£485,000	3	119	1281	£379
37 TROON ROAD	SO32 2SP	D		30/09/2022	£475,000	3	119	1281	£371
39 TROON ROAD	SO32 2SP	D		27/06/2022	£417,500	3	112	1206	£346
46 TROON ROAD	SO32 2SP	D		29/04/2022	£415,000	3	112	1206	£344
48 TROON ROAD	SO32 2SP	D		17/12/2021	£465,000	3	119	1281	£363
52 TROON ROAD	SO32 2SP	D		20/01/2022	£467,500	3	119	1281	£365
53 TROON ROAD	SO32 2SP	D		17/12/2021	£437,600	3	119	1281	£342
54 TROON ROAD	SO32 2SP	D		17/12/2021	£450,000	3	119	1281	£351
57 TROON ROAD	SO32 2SP	D		29/10/2021	£460,000	3	119	1281	£359
58 TROON ROAD	SO32 2SP	D		29/10/2021	£405,000	3	112	1206	£336
5 MERION ROAD	SO32 2SQ	D		31/05/2023	£410,000	3	96	1033	£397
1 AUGUSTA CLOSE	SO32 2SS	D		30/03/2020	£375,000	3	94	1012	£371
2 AUGUSTA CLOSE	SO32 2SS	D		27/03/2020	£380,000	3	94	1012	£376
4 ST ANDREWS ROAD	SO32 2ST	D		21/12/2022	£425,000	3	92	990	£429
7 ST ANDREWS ROAD	SO32 2ST	D		04/06/2021	£410,000	3	92	990	£414
9 ST ANDREWS ROAD	SO32 2ST	D		30/06/2021	£430,000	3	108	1163	£370
11 ST ANDREWS ROAD	SO32 2ST	D		30/06/2021	£430,000	3	108	1163	£370
15 ST ANDREWS ROAD	SO32 2ST	D		30/09/2021	£435,000	3	108	1163	£374
25 ST ANDREWS ROAD	SO32 2ST	D		16/12/2021	£437,600	3	108	1163	£376
36 ST ANDREWS ROAD	SO32 2ST	D		28/01/2022	£445,000	3	108	1163	£383
38 ST ANDREWS ROAD	SO32 2ST	D		30/09/2021	£430,000	3	108	1163	£370
42 ST ANDREWS ROAD	SO32 2ST	D		30/09/2021	£437,600	3	108	1163	£376
6 MUIRFIELD CLOSE	SO32 2SU	D		27/01/2023	£435,000	3	104	1119	£389
15 MUIRFIELD CLOSE	SO32 2SU	D		30/06/2022	£465,000	3	108	1163	£400
31 MUIRFIELD CLOSE	SO32 2SU	D		28/05/2021	£425,000	3	108	1163	£366
6 HARPER ROAD	SO32 2SW	D		28/08/2020	£365,000	3	94	1012	£361
8 HARPER ROAD	SO32 2SW	D		28/02/2020	£420,000	3	108	1163	£361
20 HARPER ROAD	SO32 2SW	D		29/03/2021	£355,000	3	97	1044	£340
21 HARPER ROAD	SO32 2SW	D		26/03/2021	£382,000	3	113	1216	£314
25 OAKLAND ROAD	SO32 2SX	D		25/08/2023	£490,000	3	113	1216	£403
40 OAKLAND ROAD	SO32 2SX	D		31/05/2023	£480,000	3	113	1216	£395
24 FIELDFARE CRESCENT	SO32 2TW	D		18/08/2023	£475,000	3	109	1173	£405

Scheme	Beds	Price	SQM	Sqft	£ / psf
Boorley Gardens, Bellway Homes	3	£419,995		1228	£342.02
Boorley Gardens, Bellway Homes	3	£459,995		1130	£407
Boorley Gardens, Bellway Homes	3	£439,995		1043	£421.86
Boorley Gardens, Miller Homes	3	£384,995		1045	£368.42
Boorley Gardens, Miller Homes	3	£385,995		1045	£369
Boorley Gardens, Miller Homes	3	£389,995		1045	£373
Boorley Gardens, Miller Homes	3	£399,995		1045	£382.77
Boorley Gardens, Miller Homes	3	£402,500		1045	£385
Boorley Gardens, Miller Homes	3	£402,500		1045	£385
Boorley Gardens, Miller Homes	3	£442,500		1063	£416
Boorley Gardens, Miller Homes	3	£449,995		1063	£423

Appendix 4 – Value Schedule

2410 Land Adjacent to Oak Cottage, Eastleigh

Proposed Development
31/10/2024

	Unit Type	Description														Percentage	No of Units	No Hab Rms	Scheme Overall	Rounding Errors - Careful	
KEY	1B1P	Studio	Total no. 1B1P		0	Total%		0%	Total NIA		34624	Affordable Policy Requirement				35%	19	0	35%		
	1B2P	1 bed	Total no. 1B2P		32	Total%		59%	Total GIA		48448	First Homes Requirement				0%	0	0	0%		
	2B3P	2 bed	Total no. 2B3P		0	Total%		0%	Total GEA			Affordable Rent Requirement				65%	12	0	23%		
	2B4P	2 bed	Total no. 2B4P		20	Total%		37%	Gross to Net		71.5%	Intermediate Requirement				35%	7	0	12%		
	3B4P	3 bed	Total no. 3B5P		0	Total%		0%	Social Rent Requirement							0%	0	0	0%		
	3B5P	3 bed	Total no. 3B6P		2	Total%		4%	TRANSFER VALUE												
	3B6P	3 bed	Total no. 3B4P		0	Total%		0%	Social Rent Value							30%					
	4B6P	4 bed	Total no. 4B6P		54	Total%		100%	Affordable Rent Value							48%					
			Total Habitable Rooms		0				Intermediate Value							65%					
									First Homes							70%					

KEY	M	Market					% By unit	% By hab/r	NIA (sqm)	NIA (sqft)	Market Units GDV	£10,565,000
	I	Intermediate	Total no. Market	35	Total no. Market hab room	0	65%	#DIV/0!	2,232	24,021	Affordable Rent GDV	1957254
	A	Affordable Rent	Total no. Affordable Rent	13	Total no. Affordable Rent hab room	0	24%	#DIV/0!	840	9,042	Intermediate Units GDV	1139600
	S	Social Rent	Total no. Intermediate	6	Total no. Intermediate hab room	0	11%	#DIV/0!	353	3,682	Social Rent GDV	£0
	F	First Homes	Total no. Social Rent	0	Total no. Social Rent hab room	0	0%	#DIV/0!	-	-	First Homes GDV	£0
			Total no. First Homes	0	Total no. First Homes hab room	0	0%	#DIV/0!	-	-	Residential GDV	£13,661,854
	TOTAL		54				100%		3,425	36,746	Blended £ / psf	£371.79

Unit Number	Floor	Flat / House	Unit Type	Beds	NIA (sqm)	NIA (sqft)	GIA (sqm)	GIA(sqft)	Habitable Room	Tenure	Balcony/Terrace	Car Parking	Base Market Sales Value	Value (psm)	Value (psf)	Unit Code	Values Including Policy				
																	Market Sales Value	Affordable Rent Sales Value	Social Rent Sales Value	Shared Ownership Sales Value	First Homes Sales Values
1	Ground	Flat	1B2P	1	61.01	657				A			£ 265,000	4344	404		-	127909	-	-	-
2	Ground	Flat	2B4P	2	72.28	778				A			£ 350,000	4842	450		-	168937	-	-	-
3	Ground	Flat	1B2P	1	51.94	559				A			£ 265,000	5102	474		-	127909	-	-	-
4	Ground	Flat	2B4P	2	71.27	767				A			£ 350,000	4911	456		-	168937	-	-	-
5	Ground	Flat	1B2P	1	51.94	559				A			£ 265,000	5102	474		-	127909	-	-	-
6	Ground	Flat	1B2P	1	51.94	559				A			£ 265,000	5102	474		-	127909	-	-	-
7	Ground	Flat	1B2P	1	51.94	559				A			£ 265,000	5102	474		-	127909	-	-	-
8	Ground	Flat	1B2P	1	51.94	559				A			£ 265,000	5102	474		-	127909	-	-	-
9	Ground	Flat	2B4P	2	73.43	790				A			£ 350,000	4766	443		-	168937	-	-	-
10	Ground	Flat	1B2P	1	51.84	558				A			£ 265,000	5112	475		-	127909	-	-	-
11	Ground	Flat	1B2P	1	51.84	558				I			£ 265,000	5112	475		-	-	-	171588	-
12	Ground	Flat	1B2P	1	51.84	558				I			£ 265,000	5112	475		-	-	-	171588	-
13	Ground	Flat	1B2P	1	51.84	558				I			£ 265,000	5112	475		-	-	-	171588	-
14	Ground	Flat	2B4P	2	73.43	790				A			£ 350,000	4766	443		-	168937	-	-	-
15	Ground	Flat	2B4P	2	73.11	787				A			£ 350,000	4787	445		-	168937	-	-	-
16	Ground	Flat	2B4P	2	73.11	787				I			£ 350,000	4787	445		-	-	-	226625	-
17	Ground	Flat	1B2P	1	52.04	560				I			£ 265,000	5092	473		-	-	-	171588	-
18	Ground	Flat	1B2P	1	61.01	657				M			£ 265,000	4344	404		265000	-	-	-	-
19	First	Flat	1B2P	1	61.01	657				M			£ 265,000	4344	404		265000	-	-	-	-
20	First	Flat	2B4P	2	72.28	778				I			£ 350,000	4842	450		-	-	-	226625	-
21	First	Flat	1B2P	1	51.94	559				M			£ 265,000	5102	474		265000	-	-	-	-
22	First	Flat	2B4P	2	71.27	767				M			£ 350,000	4911	456		350000	-	-	-	-
23	First	Flat	2B4P	2	71.27	767				M			£ 350,000	4911	456		350000	-	-	-	-
24	First	Flat	1B2P	1	51.94	559				M			£ 265,000	5102	474		265000	-	-	-	-
25	First	Flat	1B2P	1	51.94	559				M			£ 265,000	5102	474		265000	-	-	-	-
26	First	Flat	1B2P	1	51.94	559				M			£ 265,000	5102	474		265000	-	-	-	-
27	First	Flat	1B2P	1	51.94	559				M			£ 265,000	5102	474		265000	-	-	-	-
28	First	Flat	2B4P	2	73.43	790				M			£ 350,000	4766	443		350000	-	-	-	-
29	First	Flat	1B2P	1	51.84	558				M			£ 265,000	5112	475		265000	-	-	-	-
30	First	Flat	1B2P	1	51.84	558				M			£ 265,000	5112	475		265000	-	-	-	-
31	First	Flat	2B4P	2	71.27	767				M			£ 350,000	4911	456		350000	-	-	-	-
32	First	Flat	1B2P	1	51.84	558				M			£ 265,000	5112	475		265000	-	-	-	-
33	First	Flat	1B2P	1	51.84	558				M			£ 265,000	5112	475		265000	-	-	-	-
34	First	Flat	2B4P	2	73.43	790				M			£ 350,000	4766	443		350000	-	-	-	-
35	First	Flat	2B4P	2	73.11	787				M			£ 350,000	4787	445		350000	-	-	-	-
36	First	Flat	2B4P	2	73.11	787				M			£ 350,000	4787	445		350000	-	-	-	-
37	First	Flat	1B2P	1	52.04	560				M			£ 265,000	5092	473		265000	-	-	-	-
38	First	Flat	2B4P	2	79.83	859				M			£ 350,000	4384	407		350000	-	-	-	-
39	First	Flat	1B2P	1	52.04	560				M			£ 265,000	5092	473		265000	-	-	-	-
40	First	Flat	1B2P	1	52.04	560				M			£ 265,000	5092	473		265000	-	-	-	-
41	Second	Flat	1B2P	1	61.01	657				M			£ 265,000	4344	404		265000	-	-	-	-
42	Second	Flat	2B4P	2	72.28	778				M			£ 350,000	4842	450		350000	-	-	-	-
43	Second	Flat	1B2P	1	51.94	559				M			£ 265,000	5102	474		265000	-	-	-	-
44	Second	Flat	2B4P	2	71.27	767				M			£ 350,000	4911	456		350000	-	-	-	-
45	Second	Flat	1B2P	1	61.18	659				M			£ 265,000	4331	402		265000	-	-	-	-
46	Second	Flat	2B4P	2	90.47	974				M			£ 350,000	3869	359		350000	-	-	-	-
47	Second	Flat	2B4P	2	90.47	974				M			£ 350,000	3869	359		350000	-	-	-	-
48	Second	Flat	1B2P	1	61.18	659				M			£ 265,000	4331	402		265000	-	-	-	-
49	Second	Flat	1B2P	1	52.04	560				M			£ 265,000	5092	473		265000	-	-	-	-

50	Second	Flat	2B4P	2	79.83	859				M			£	350,000	4384	407		350000	-	-	-	-
51	Second	Flat	1B2P	1	52.04	560				M			£	265,000	5092	473		265000	-	-	-	-
52	Second	Flat	1B2P	1	52.04	560				M			£	265,000	5092	473		265000	-	-	-	-
53	N/A	House	3B6P	3	104.00	1119				A			£	450,000	4327	402		-	217205	-	-	-
54	N/A	House	3B6P	3	104.00	1119				M			£	450,000	4327	402		450000	-	-	-	-

Appendix 5 – BCIS Cost Data

£/M2 STUDY

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 05-Oct-2024 07:13

Rebased to Hampshire (105; sample 337)

MAXIMUM AGE OF RESULTS: 10 YEARS

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample	
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
New build								
810. Housing, mixed developments (10)	1,637	871	1,407	1,565	1,788	4,077	724	
810.1 Estate housing								
Generally (10)	1,655	832	1,358	1,574	1,811	5,557	472	
Single storey (10)	1,901	1,075	1,535	1,793	2,058	5,557	94	
2-storey (10)	1,570	832	1,335	1,515	1,753	3,371	360	
3-storey (10)	1,786	1,179	1,381	1,743	2,042	3,297	15	
4-storey or above (10)	3,388	2,690	-	3,003	-	4,471	3	
810.11 Estate housing detached (10)	2,529	1,338	1,768	2,218	2,852	5,557	11	
810.12 Estate housing semi detached								
Generally (10)	1,665	951	1,389	1,616	1,872	3,556	127	
Single storey (10)	1,768	1,248	1,511	1,758	1,949	3,556	41	
2-storey (10)	1,617	951	1,375	1,531	1,788	2,730	84	
810.13 Estate housing terraced								
Generally (10)	1,731	947	1,327	1,543	1,872	4,471	42	
2-storey (10)	1,599	947	1,322	1,499	1,724	3,371	34	

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample	
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
3-storey (10)	2,036	1,188	1,325	2,076	2,293	3,297	5	
818. Housing with shops, offices, workshops or the like (10)	2,379	945	1,969	2,292	2,790	4,052	43	
820.1 'One-off' housing detached (3 units or less)								
Generally (10)	3,074	1,191	2,070	2,671	3,579	7,512	73	
Single storey (10)	2,490	1,442	1,730	2,332	3,090	4,421	18	
2-storey (10)	3,089	1,191	2,046	2,607	3,401	7,512	36	
3-storey (10)	3,526	1,585	2,667	3,517	4,173	6,237	17	
820.2 'One-off' housing semi-detached (3 units or less) (10)	2,389	1,278	1,884	2,175	2,663	6,478	24	
820.3 'One-off' housing terraced (3 units or less) (10)	2,164	1,112	1,755	1,938	2,314	3,864	6	
843. Supported housing								
Generally (10)	2,102	1,164	1,661	2,015	2,472	3,563	51	
Single storey (10)	2,349	1,820	2,316	2,417	2,457	2,734	5	
2-storey (10)	2,180	1,268	1,691	1,998	2,675	3,563	22	
3-storey (10)	1,846	1,164	1,543	1,740	2,057	2,774	14	
4-storey or above (10)	2,167	1,275	1,596	2,070	2,464	3,541	10	
843.1 Supported housing with shops, restaurants or the like (10)	2,100	1,417	1,737	1,963	2,528	3,262	16	

Appendix 6 - AVL Empty Property Costs Calculation

Private

Council Tax	Per Annum	Per Month	Saleable No.	Total / month
1-bed Flats	£1,890.36	£157.53	32	5,040.96
2-bed Flats	£2,126.64	£177.22	20	3,544.40
			52	8,585.36
				165.10

Service Charge	Per Annum	Per Month	Saleable No.	Total / month
1-bed Flats	£3,500	£212.00	32	£6,784
2-bed Flats	£3,500	£317.92	20	£6,358
			52	£13,142
				£253
Electricity	£300.00	£25	52	£1,300

Budget

Month	Sales Rate	No. Sold	Unsold Units	Service Char £252.74	Council Tax £165.10	Electricity £25	Totcal PCM
Off Plan / 1	2.00	13.00	39.00	£9,856.80	£6,439.02	£975.00	£17,270.82
2	2.00	15.00	37.00	£9,351.32	£6,108.81	£925.00	£16,385.14
3	2.00	17.00	35.00	£8,845.85	£5,778.61	£875.00	£15,499.45
4	2.00	19.00	33.00	£8,340.37	£5,448.40	£825.00	£14,613.77
5	2.00	21.00	31.00	£7,834.89	£5,118.20	£775.00	£13,728.09
6	2.00	23.00	29.00	£7,329.42	£4,787.99	£725.00	£12,842.40
7	2.00	25.00	27.00	£6,823.94	£4,457.78	£675.00	£11,956.72
8	2.00	27.00	25.00	£6,318.46	£4,127.58	£625.00	£11,071.04
9	2.00	29.00	23.00	£5,812.98	£3,797.37	£575.00	£10,185.36
10	2.00	31.00	21.00	£5,307.51	£3,467.16	£525.00	£9,299.67
11	2.00	33.00	19.00	£4,802.03	£3,136.96	£475.00	£8,413.99
12	2.00	35.00	17.00	£4,296.55	£2,806.75	£425.00	£7,528.31
13	2.00	37.00	15.00	£3,791.08	£2,476.55	£375.00	£6,642.62
14	2.00	39.00	13.00	£3,285.60	£2,146.34	£325.00	£5,756.94
15	2.00	41.00	11.00	£2,780.12	£1,816.13	£275.00	£4,871.26
16	2.00	43.00	9.00	£2,274.65	£1,485.93	£225.00	£3,985.57
17	2.00	45.00	7.00	£1,769.17	£1,155.72	£175.00	£3,099.89
18	2.00	47.00	5.00	£1,263.69	£825.52	£125.00	£2,214.21
19	2.00	49.00	3.00	£758.22	£495.31	£75.00	£1,328.52
20	2.00	51.00	1.00	£252.74	£165.10	£25.00	£442.84
Totals				£101,095	£66,041	£10,000.00	£177,137

Appendix 7 – AVL Development Appraisals

2410 Land Adjacent to Oak Cottage
Appraisal 1: Policy-Compliant

Development Appraisal
AspinallVerdi
14 November 2024

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage****Appraisal 1: Policy-Compliant****Appraisal Summary for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Retirement Market Units	34	22,902	441.66	297,500	10,115,000
Houses Market Sale Units	1	1,119	402.14	450,000	450,000
Affordable Rent Units	13	9,042	216.46	150,558	1,957,254
Shared Ownership Units	6	3,799	299.97	189,933	1,139,600
Totals	54	36,862			13,661,854

NET REALISATION**13,661,854****OUTLAY****ACQUISITION COSTS**

Benchmark Land Value	394,000			
Benchmark Land Value		394,000		
			394,000	
Stamp Duty			7,200	
Effective Stamp Duty Rate	1.83%			
Agent Fee	1.00%	3,940		
Legal Fee	0.75%	2,955		
			14,095	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost	
Build Costs	50,687	160.73	8,146,860	
Externals Allowance		8.00%	651,749	
Contingency		5.00%	439,930	
				9,238,539

Other Construction Costs

Part L & O	54 un	4,000.00 /un	216,000	
Empty Property Costs			69,083	
				285,083

Section 106 Costs

Section 106 Costs			315,453	
Nitrates			110,450	
BNG Credit			100,000	
				525,903

PROFESSIONAL FEES

Professional Fees		8.00%	721,169	
				721,169

MARKETING & LETTING

Retirement Marketing & Agent		5.00%	505,750	
House Marketing & Agent		3.00%	13,500	
Sales Legal	54 un	750.00 /un	40,500	
				559,750

Additional Costs

Market Sale Profit		17.50%	1,848,875	
Affordable Profit		6.00%	185,811	
				2,034,686

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage****Appraisal 1: Policy-Compliant****TOTAL COSTS BEFORE FINANCE** 13,773,225**FINANCE**

Debit Rate 8.000%, Credit Rate 2.000% (Nominal)

Land 50,765

Construction 328,758

Other 230,749

Total Finance Cost 610,273

TOTAL COSTS 14,383,498**PROFIT**

(721,644)

Performance Measures

Profit on Cost% -5.02%

Profit on GDV% -5.28%

Profit on NDV% -5.28%

IRR% (without Interest) -1.42%

Profit Erosion (finance rate 8.000) N/A

2410 Land Adjacent to Oak Cottage
Appraisal 2: Private

Development Appraisal
AspinallVerdi
14 November 2024

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage
Appraisal 2: Private****Appraisal Summary for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Retirement Market Units	52	34,624	447.09	297,692	15,480,000
Houses Market Sale Units	<u>2</u>	<u>2,238</u>	402.14	450,000	<u>900,000</u>
Totals	54	36,862			16,380,000

NET REALISATION**16,380,000****OUTLAY****ACQUISITION COSTS**

Benchmark Land Value		394,000			
Benchmark Land Value			394,000		
				394,000	
Stamp Duty			7,200		
Effective Stamp Duty Rate		1.83%			
Agent Fee		1.00%	3,940		
Legal Fee		0.75%	2,955		
				14,095	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost		
Build Costs	50,687	160.73	8,146,860		
Externals Allowance		8.00%	651,749		
Contingency		5.00%	439,930		
				9,238,539	

Other Construction Costs

Part L & O	54 un	4,000.00 /un	216,000		
Empty Property Costs			177,137		
				393,137	

Section 106 Costs

Section 106 Costs			315,453		
Nitrates			110,450		
BNG Credit			100,000		
				525,903	

PROFESSIONAL FEES

Professional Fees		8.00%	721,169		
				721,169	

MARKETING & LETTING

Retirement Marketing & Agent		5.00%	774,000		
House Marketing & Agent		3.00%	27,000		
Sales Legal	54 un	750.00 /un	40,500		
				841,500	

Additional Costs

Market Sale Profit		17.50%	2,866,500		
				2,866,500	

TOTAL COSTS BEFORE FINANCE**14,994,843****FINANCE**

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage****Appraisal 2: Private**

Debit Rate 8.000%, Credit Rate 2.000% (Nominal)

Land	57,614	
Construction	487,000	
Other	419,190	
Total Finance Cost		963,804

TOTAL COSTS **15,958,646****PROFIT** **421,354****Performance Measures**

Profit on Cost%	2.64%
Profit on GDV%	2.57%
Profit on NDV%	2.57%
IRR% (without Interest)	10.80%
Profit Erosion (finance rate 8.000)	4 mths

2410 Land Adjacent to Oak Cottage
Appraisal 3: Scenario A

Development Appraisal
AspinallVerdi
14 November 2024

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage
Appraisal 3: Scenario A****Appraisal Summary for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Retirement Market Units	52	34,624	447.09	297,692	15,480,000
Affordable Rent Units	2	2,238	194.11	217,205	434,410
Totals	54	36,862			15,914,410

NET REALISATION**15,914,410****OUTLAY****ACQUISITION COSTS**

Benchmark Land Value	394,000			
Benchmark Land Value		394,000		
			394,000	
Stamp Duty			7,200	
Effective Stamp Duty Rate	1.83%			
Agent Fee	1.00%		3,940	
Legal Fee	0.75%		2,955	
				14,095

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost	
Build Costs	50,687	160.73	8,146,860	
Externals Allowance		8.00%	651,749	
Contingency		5.00%	439,930	
				9,238,539

Other Construction Costs

Part L & O	54 un	4,000.00 /un	216,000	
Empty Property Costs			177,137	
				393,137

Section 106 Costs

Section 106 Costs			315,453	
Nitrates			110,450	
BNG Credit			100,000	
				525,903

PROFESSIONAL FEES

Professional Fees		8.00%	721,169	
				721,169

MARKETING & LETTING

Retirement Marketing & Agent		5.00%	774,000	
Sales Legal	54 un	750.00 /un	40,500	
				814,500

Additional Costs

Market Sale Profit		17.50%	2,709,000	
Affordable Profit		6.00%	26,065	
				2,735,065

TOTAL COSTS BEFORE FINANCE**14,836,407****FINANCE**

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage****Appraisal 3: Scenario A**

Debit Rate 8.000%, Credit Rate 2.000% (Nominal)

Land	56,830	
Construction	465,141	
Other	421,106	
Total Finance Cost		943,077

TOTAL COSTS**15,779,485****PROFIT****134,925****Performance Measures**

Profit on Cost%	0.86%
Profit on GDV%	0.85%
Profit on NDV%	0.85%
IRR% (without Interest)	8.74%
Profit Erosion (finance rate 8.000)	1 mth

2410 Land Adjacent to Oak Cottage
Appraisal 4: Scenario B

Development Appraisal
AspinallVerdi
14 November 2024

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage
Appraisal 4: Scenario B****Appraisal Summary for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Retirement Market Units	52	34,624	447.09	297,692	15,480,000
Affordable Rent Units	1	1,119	194.11	217,205	217,205
Shared Ownership Units	<u>1</u>	<u>1,119</u>	260.39	291,375	<u>291,375</u>
Totals	54	36,862			15,988,580

NET REALISATION**15,988,580****OUTLAY****ACQUISITION COSTS**

Benchmark Land Value	394,000			
Benchmark Land Value		394,000		
			394,000	
Stamp Duty			7,200	
Effective Stamp Duty Rate	1.83%			
Agent Fee	1.00%	3,940		
Legal Fee	0.75%	2,955		
			14,095	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost	
Build Costs	50,687	160.73	8,146,860	
Externals Allowance		8.00%	651,749	
Contingency		5.00%	439,930	
				9,238,539

Other Construction Costs

Part L & O	54 un	4,000.00 /un	216,000	
Empty Property Costs			177,137	
				393,137

Section 106 Costs

Section 106 Costs			315,453	
Nitrates			110,450	
BNG Credit			100,000	
				525,903

PROFESSIONAL FEES

Professional Fees		8.00%	721,169	
				721,169

MARKETING & LETTING

Retirement Marketing & Agent		5.00%	774,000	
Sales Legal	54 un	750.00 /un	40,500	
				814,500

Additional Costs

Market Sale Profit		17.50%	2,709,000	
Affordable Profit		6.00%	30,515	
				2,739,515

TOTAL COSTS BEFORE FINANCE**14,840,858**

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage****Appraisal 4: Scenario B****FINANCE**

Debit Rate 8.000%, Credit Rate 2.000% (Nominal)

Land	56,696	
Construction	461,409	
Other	412,905	
Total Finance Cost		931,010

TOTAL COSTS**15,771,868****PROFIT****216,712****Performance Measures**

Profit on Cost%	1.37%
Profit on GDV%	1.36%
Profit on NDV%	1.36%
IRR% (without Interest)	9.36%
Profit Erosion (finance rate 8.000)	2 mths

2410 Land Adjacent to Oak Cottage
Appraisal 5: Scenario 3

Development Appraisal
AspinallVerdi
14 November 2024

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage
Appraisal 5: Scenario 3****Appraisal Summary for Phase 1**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
Retirement Market Units	52	34,624	447.09	297,692	15,480,000
Shared Ownership Units	2	2,238	260.39	291,375	582,750
Totals	54	36,862			16,062,750

NET REALISATION**16,062,750****OUTLAY****ACQUISITION COSTS**

Benchmark Land Value		394,000			
Benchmark Land Value			394,000		
				394,000	
Stamp Duty			7,200		
Effective Stamp Duty Rate		1.83%			
Agent Fee		1.00%	3,940		
Legal Fee		0.75%	2,955		
				14,095	

CONSTRUCTION COSTS

Construction	ft²	Build Rate ft²	Cost	
Build Costs	50,687	160.73	8,146,860	
Externals Allowance		8.00%	651,749	
Contingency		5.00%	439,930	
				9,238,539

Other Construction Costs

Part L & O	54 un	4,000.00 /un	216,000	
Empty Property Costs			177,137	
				393,137

Section 106 Costs

Section 106 Costs			315,453	
Nitrates			110,450	
BNG Credit			100,000	
				525,903

PROFESSIONAL FEES

Professional Fees		8.00%	721,169	
				721,169

MARKETING & LETTING

Retirement Marketing & Agent		5.00%	774,000	
Sales Legal	54 un	750.00 /un	40,500	
				814,500

Additional Costs

Market Sale Profit		17.50%	2,709,000	
Affordable Profit		6.00%	34,965	
				2,743,965

TOTAL COSTS BEFORE FINANCE**14,845,308****FINANCE**

APPRAISAL SUMMARY**ASPINALLVERDI****2410 Land Adjacent to Oak Cottage****Appraisal 5: Scenario 3**

Debit Rate 8.000%, Credit Rate 2.000% (Nominal)

Land	56,563	
Construction	457,677	
Other	404,704	
Total Finance Cost		918,943

TOTAL COSTS**15,764,251****PROFIT****298,499****Performance Measures**

Profit on Cost%	1.89%
Profit on GDV%	1.86%
Profit on NDV%	1.86%
IRR% (without Interest)	9.98%
Profit Erosion (finance rate 8.000)	3 mths

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