



Winchester City Council - CIL Examination

**Commercial Appraisals - £0 CIL**

**Table and Graph of Appraisal Results Showing  
Surplus Available to Fund CIL**  
(with no CIL deducted)

**Proposed CIL Contribution as a percentage of GDV**  
(excluding acquisition cost)

**September 2013**

Commercial Development Appraisal

|            |         |
|------------|---------|
| Use Class: | Offices |
|------------|---------|

| DEVELOPMENT VALUE                              |           |            |                           |
|--|-----------|------------|---------------------------|
| Rental Income                                  | Area sq m | £ per sq m | £ per annum               |
| Estimated Rental Value ( NIA)                  | 1,858     | 193.75     | £359,988                  |
| Total Rental Income                            |           |            | £359,988                  |
| Rent free/voids (years)                        | 2         | 0.8653     | £311,497                  |
| Total revenue, capitalised<br>(incl all costs) |           | 7.5%       | £4,153,296                |
| Gross Development Value                        |           |            | £4,153,296                |
| Less Purchaser's Costs                         |           |            | 5.75% £238,815 £3,914,481 |

Surplus to fund CIL - sensitivity

| Rent/sqm | £183.75     | £193.75     | £203.75     |
|----------|-------------|-------------|-------------|
| Yield    |             |             |             |
| 7.00%    | -£1,074,597 | -£840,576   | -£606,554   |
| 7.50%    | -£1,462,755 | -£1,147,706 | -£929,537   |
| 8.00%    | -£1,620,745 | -£1,416,446 | -£1,212,147 |
| 8.50%    | -£1,845,630 | -£1,653,569 | -£1,461,509 |

| DEVELOPMENT COSTS                             |        |            |            |
|---|--------|------------|------------|
|   | Area   | £ per sq m | Total      |
| Demolition /Enabling Costs                    | 1,022  | £49        | £50,002    |
| Building Costs                                |        | £1,324     | £2,706,093 |
| Gross Internal Floor Area                     | 2,044  |            |            |
|   |        | %          |            |
| External Works                                |        | 1.50%      | £40,591    |
| Contingency                                   |        | 5%         | £135,305   |
| Total   |        |            | £2,931,991 |
| Professional Fees                             |        | 10%        | £293,199   |
| Community Infrastructure Levy                 |        | 0          | £0         |
| Total   |        |            | £3,225,190 |
| Disposal Costs                                |        |            |            |
|   |        | %          | Total      |
| Letting Agent's Fee (% of Rent)               |        | 15%        | £53,998    |
| Agent's Fees (on capital value)               |        | 1%         | £41,533    |
| Legal Fees (% of capital value)               |        | 0.75%      | £31,150    |
| Total   |        |            | £126,681   |
| Interest on Finance                           |        |            |            |
|   | Months | %          | Total      |
| Total Development duration                    | 12     |            |            |
| Loan arrangement fee                          |        | 1%         | £32,251.90 |
| Interest on Construction Costs                |        | 7.0%       | £225,763   |
| Total   |        |            | £258,015   |
| Profit  |        |            |            |
|   |        | %          | Total      |
| Developer's Profit on Total Development Costs |        | 20%        | £721,977   |
| Total Development Costs                       |        |            | £4,331,863 |

| LAND VALUE               |       |          |
|--------------------------|-------|----------|
|                          | %     | Total    |
| Land Surplus/Deficit     |       | -417,382 |
| Stamp Duty               | 4%    | -16,695  |
| Agent's Fees             | 1.25% | -5,217   |
| Legal Fees               | 0.50% | -2,087   |
| Sub-total                |       | -23,999  |
| Interest on land finance | 7.00% | -27,537  |
| Total                    |       | -51,536  |
| RESIDUAL LAND VALUE      |       | -468,918 |

| Existing Site Value                            |     |          |            |
|--|-----|----------|------------|
| Assumes existing space is % of new             | 50% | 929      |            |
| Rent per sqm                                   |     | £108.00  |            |
| Rental income per annum                        |     | £100,332 |            |
| Rent free/voids (years)                        |     | 3        | 0.7938     |
| Total revenue, capitalised<br>(incl all costs) |     |          | 9% £79,644 |
|  |     |          | £884,928   |
| Refurbishment costs (per sqm)                  |     | £270     | £250,830   |
| Fees   |     | 7%       | £17,558    |
| Total  |     |          | £268,388   |
| Purchaser's Costs                              |     | 5.75%    | £50,883    |
| Total Costs                                    |     |          | £319,271   |
| Existing Site Value                            |     |          | £565,657   |

|                                   |     |          |             |
|-----------------------------------|-----|----------|-------------|
| Site Value incl Landowner Premium | 20% | £113,131 | £678,788    |
| Surplus available to fund CIL     |     |          | -£1,147,706 |

Commercial Development Appraisal

Use Class: Hotel

| DEVELOPMENT VALUE       |       |           |                |
|-------------------------|-------|-----------|----------------|
| Capital Value           |       |           |                |
|                         |       | Area sq m | £              |
| No of Rooms             | 100   | 2,044     |                |
| Capital value per room  |       |           | £100,000       |
| Total Capital Value     |       |           | £10,000,000.00 |
| Gross Development Value |       |           | £10,000,000    |
| Less Purchaser's Costs  | 5.75% | £575,000  | £9,425,000     |

| DEVELOPMENT COSTS                            |        |            |            |
|--|--------|------------|------------|
|  | Area   | £ per sq m | Total      |
| Demolition/Enabling Costs                    | 1,022  | £53        | £54,166    |
| Building Costs                               |        | £1,302     | £2,661,288 |
| Area   | 2,044  |            |            |
| Contingency                                  |        | 5%         | £133,064   |
| External Works                               |        | 3.00%      | £79,839    |
| Fit out costs (per room)                     | £7,500 |            | £750,000   |
| Total  |        |            | £3,678,357 |
| Professional Fees                            |        | 10%        | £367,836   |
| Community Infrastructure Levy                |        | 0          | £0         |
| Total  |        |            | £4,046,193 |
| Disposal Costs                               |        |            |            |
|  |        | %          | Total      |
| Letting Agent's Fee (% of Rent)              |        | 0%         | -          |
| Agent's Fees (on capital value)              |        | 1%         | £100,000   |
| Legal Fees (% of capital value)              |        | 0.75%      | £75,000    |
| Total  |        |            | £175,000   |
| Interest on Finance                          |        |            |            |
|  | Months | %          | Total      |
| Total Development duration                   | 12     |            |            |
| Loan arrangement fee                         |        | 1%         | £40,462    |
| Interest on Construction Costs               |        | 7.0%       | £295,483   |
| Total  |        |            | £335,945   |
| Profit                                       |        |            |            |
|  |        | %          | Total      |
| Developer's Profit on Total Development Cost |        | 20%        | £911,428   |
| Total Development Costs                      |        |            | £5,468,566 |

| LAND VALUE               |       |            |
|--------------------------|-------|------------|
|                          | %     | Total      |
| Land Surplus             |       | £3,956,434 |
| Stamp Duty               | 4%    | £158,257   |
| Agent's Fees             | 1.25% | £49,455    |
| Legal Fees               | 0.50% | £19,782    |
| Total                    |       | £227,495   |
| Interest on land finance | 7.00% | £261,026   |
| Total                    |       | £488,521   |
| RESIDUAL LAND VALUE      |       | £3,467,913 |

| Existing Site Value                         |       |          |            |
|---|-------|----------|------------|
|   | %     |          |            |
| Assumes existing space is % of new          | 50%   | 1,022    |            |
| Rent per sqm                                |       | £129     |            |
| Rental income per annum                     |       | £132,012 |            |
| Rent free/voids (years)                     | 3     | 0.7938   | £104,791   |
| Total revenue, capitalised (incl all costs) |       | 7.50%    | £1,397,212 |
| Refurbishment costs (per sqm)               | £376  | £384,272 |            |
| Fees  | 7%    | £26,899  |            |
| Total                                       |       |          | £411,171   |
| Purchaser's Costs                           | 5.75% | £80,340  |            |
|   |       | £491,511 |            |
| Existing Site Value                         |       |          | £905,702   |

|                                   |     |          |            |
|-----------------------------------|-----|----------|------------|
| Site Value incl Landowner Premium | 20% | £181,140 | £1,086,842 |
| Surplus available to fund CIL     |     |          | £2,381,072 |

Surplus to fund CIL - sensitivity

| Capital value per room | £90,000    | £100,000   | £110,000   |
|------------------------|------------|------------|------------|
| Build Costs            |            |            |            |
| £1,202                 | £1,850,488 | £2,656,918 | £3,463,347 |
| £1,302                 | £1,574,642 | £2,381,072 | £3,187,501 |
| £1,402                 | £1,298,796 | £2,105,226 | £2,911,655 |
| £1,502                 | £1,022,950 | £1,829,380 | £2,635,809 |

Commercial Development Appraisal

Use Class: Winchester Comparison Retailing

| DEVELOPMENT VALUE                              |           |            |             |
|--|-----------|------------|-------------|
| Rental Income                                  | Area sq m | £ per sq m | £ per annum |
| Rent - area x £ per sq m                       | 186       | 645.84     | £120,126    |
| Total Rental Income                            |           |            | £120,126    |
| Rent free/voids (years)                        | 2         | 0.881      | £105,831    |
| Total revenue, capitalised<br>(incl all costs) |           | 6.5%       | £1,628,173  |
| Gross Development Value                        |           |            | £1,628,173  |
| Less Purchaser's Costs                         | 5.75%     | £93,620    | £1,534,553  |

| DEVELOPMENT COSTS                            |        |            |          |
|--|--------|------------|----------|
|  | Area   | £ per sq m | Total    |
| Demolition/Enabling Costs                    | 93     | £162       | £15,020  |
| Building Costs                               |        | £1,184     | £220,224 |
| Area   | 186    |            |          |
| Contingency                                  |        | 7%         | £15,416  |
| External Works                               |        | 3%         | £6,607   |
| Total  |        |            | £257,266 |
| Professional Fees                            |        | 12%        | £30,872  |
| Community Infrastructure Levy                |        | 0          | £0       |
| Total  |        |            | £288,138 |
| Disposal Costs                               |        |            |          |
|  |        | %          | Total    |
| Letting Agent's Fee (% of Rent)              |        | 15%        | £18,019  |
| Agent's Fees (on capital value)              |        | 1%         | £16,282  |
| Legal Fees (% of capital value)              |        | 0.75%      | £12,211  |
| Total  |        |            | £46,512  |
| Interest on Finance                          |        |            |          |
|  | Months | %          | Total    |
| Total Development duration                   | 12     |            |          |
| Loan arrangement fee                         |        | 1%         | £2,881   |
| Interest on Construction Costs               |        | 7.0%       | £23,425  |
| Total  |        |            | £26,307  |
| Profit                                       |        |            |          |
|  |        | %          | Total    |
| Developer's Profit on Total Development Cost |        | 20%        | £72,191  |
| Total Development Costs                      |        |            | £433,148 |

| LAND VALUE               |  |       |            |
|--------------------------|--|-------|------------|
|                          |  | %     | Total      |
| Land Surplus             |  |       | £1,101,405 |
| Stamp Duty               |  | 4%    | £44,056    |
| Agent's Fees             |  | 1.25% | £13,768    |
| Legal Fees               |  | 0.50% | £5,507     |
| Total                    |  |       | £63,331    |
| Interest on land finance |  | 7.00% | £72,665    |
| Total                    |  |       | £135,996   |
| RESIDUAL LAND VALUE      |  |       | £965,409   |

| Existing Site Value                            |       |         |          |
|--|-------|---------|----------|
|  | %     |         |          |
| Assumes existing space is % of new             | 50%   | 93      |          |
| Rent per sqm                                   |       | £430    |          |
| Rental income per annum                        |       | £39,990 |          |
| Rent free/voids (years)                        |       | 3       | 0.793    |
| Total revenue, capitalised<br>(incl all costs) |       |         | 8.00%    |
|  |       |         | £31,712  |
|  |       |         | £396,401 |
| Refurbishment costs (per sqm)                  |       | £215    | £20,021  |
| Fees   |       | 7%      | £1,401   |
| Total  |       |         | £21,423  |
| Purchaser's Costs                              | 5.75% | £22,793 |          |
| Total Costs                                    |       |         | £44,216  |
| Existing Site Value                            |       |         | £352,185 |

Site Value incl Landowner Premium 20% £70,437 £422,622

Surplus available to fund CIL **£542,786**

Surplus to fund CIL - sensitivity

| Rent/sqm | £635.84  | £645.84  | £655.84  |
|----------|----------|----------|----------|
| Yield    |          |          |          |
| 6.25%    | £574,477 | £595,307 | £616,136 |
| 6.50%    | £522,770 | £542,786 | £562,803 |
| 6.75%    | £474,893 | £494,157 | £513,420 |
| 7.00%    | £430,436 | £449,000 | £467,564 |

Commercial Development Appraisal

|            |                   |
|------------|-------------------|
| Use Class: | Convenience Store |
|------------|-------------------|

| DEVELOPMENT VALUE                              |          |            |             |
|--|----------|------------|-------------|
| Rental Income                                  | Area sqm | £ per sq m | £ per annum |
| Gross internal area x rent per sq m            | 278      | £161.46    | £44,886     |
| Total Rental Income                            |          |            | £44,886     |
| Total revenue, capitalised<br>(incl all costs) |          | 6.25%      | £718,174    |
| Gross Development Value                        |          |            | £718,174    |
| Less Purchaser's Costs                         |          | 5.75%      | £41,295     |
|  |          |            | £676,879    |

| DEVELOPMENT COSTS                            |        |            |           |
|--|--------|------------|-----------|
|  | Area   | £ per sq m | Total     |
| Demolition/Enabling Costs                    | 140    | £54        | £7,533    |
| Building Costs                               |        | £774       | £215,946  |
| Area   | 279    |            |           |
| Contingency                                  |        | 5%         | £10,797   |
| External Works                               |        | 3%         | £6,478    |
| Total  |        |            | £240,755  |
| Professional Fees                            |        | 10%        | £24,075   |
| Community Infrastructure Levy                |        | 0          | £0        |
| Total  |        |            | £264,830  |
| Disposal Costs                               |        |            |           |
|  |        | %          | Total     |
| Letting Agent's Fee (% of Rent)              |        | 10%        | £4,489    |
| Agent's Fees (on capital value)              |        | 1%         | £7,182    |
| Legal Fees (% of capital value)              |        | 0.75%      | £5,386    |
| Total  |        |            | £17,057   |
| Interest on Finance                          |        |            |           |
|  | Months | %          | Total     |
| Total Development duration                   | 12     |            |           |
| Loan arrangement fee                         |        | 1%         | £2,648.30 |
| Interest on Construction Costs               |        | 7.0%       | £19,732   |
| Total  |        |            | £22,380   |
| Profit                                       |        |            |           |
|  |        | %          | Total     |
| Developer's Profit on Total Development Cost |        | 20%        | £60,853   |
| Total Development Costs                      |        |            | £365,121  |

| LAND VALUE               |       |          |
|--------------------------|-------|----------|
|                          | %     | Total    |
| Land Surplus             |       | £311,758 |
| Stamp Duty               | 3%    | £9,353   |
| Agent's Fees             | 1.25% | £3,897   |
| Legal Fees               | 0.50% | £1,559   |
| Total                    |       | £14,809  |
| Interest on land finance | 7.00% | £20,786  |
| Total                    |       | £35,595  |
| RESIDUAL LAND VALUE      |       | £276,163 |

| Existing Site Value                            |     |        |         |
|--|-----|--------|---------|
| Assumes existing space is % of new             | 50% | 140    |         |
| Rent per sqm                                   |     | £54    |         |
| Rental income per annum                        |     | £7,508 |         |
| Rent free/voids (years)                        |     | 3      | 0.7938  |
| Total revenue, capitalised<br>(incl all costs) |     |        | 8%      |
|  |     |        | £5,960  |
|  |     |        | £74,497 |
| Refurbishment costs (per sqm)                  |     | £162   | £22,538 |
| Fees   |     | 7%     | £1,578  |
| Total  |     |        | £24,115 |
| Purchaser's Costs                              |     | 2.75%  | £2,049  |
| Total Costs                                    |     |        | £26,164 |
| Existing Site Value                            |     |        | £48,333 |

Site Value incl Landowner Premium 20% £9,667 £58,000

Surplus available to fund CIL £218,164

Surplus to fund CIL - sensitivity

| Rent/sqm | £151.46  | £161.46  | £171.46  |
|----------|----------|----------|----------|
| Yield    |          |          |          |
| 6.00%    | £205,106 | £242,551 | £279,996 |
| 6.25%    | £182,229 | £218,164 | £254,098 |
| 6.50%    | £161,112 | £195,652 | £230,192 |
| 6.75%    | £141,559 | £174,808 | £208,057 |

Commercial Development Appraisal

|            |                  |
|------------|------------------|
| Use Class: | Retail Warehouse |
|------------|------------------|

| DEVELOPMENT VALUE                           |              |                 |                   |
|---|--------------|-----------------|-------------------|
| Rental Income                               | GIA sqm      | £ per sqm       | £ per annum       |
| Rent  | 2,787        | 215             | £599,205          |
| Total Rental Income                         | 2,787        |                 | £599,205          |
| Rent free/voids (years)                     | 2            | 0.873           | £523,106          |
| Total revenue, capitalised (incl all costs) |              | 7.00%           | £7,472,942        |
| <b>Gross Development Value</b>              |              |                 | <b>£7,472,942</b> |
| <b>Less Purchaser's Costs</b>               | <b>5.75%</b> | <b>£429,694</b> | <b>£7,043,248</b> |

| DEVELOPMENT COSTS                             |        |            |                   |
|---|--------|------------|-------------------|
|   | Area   | £ per sq m | Total             |
| Demolition Costs                              | 1,394  | £54        | £75,249           |
| Building Costs                                |        | £570       | £1,588,590        |
| Area  | 2,787  |            |                   |
| Contingency                                   |        | 5%         | £79,430           |
| External Works                                |        | 1.50%      | £23,829           |
| <b>Total</b>                                  |        |            | <b>£1,767,097</b> |
| Professional Fees                             |        | 10%        | £176,710          |
| Planning Costs                                |        | 10%        | £176,710          |
| Community Infrastructure Levy                 |        | 0          | £0                |
| <b>Total</b>                                  |        |            | <b>£2,120,517</b> |
| Disposal Costs                                |        |            |                   |
|   |        | %          | Total             |
| Letting Agent's Fee (% of Rent)               |        | 10%        | £59,921           |
| Agent's Fees (on capital value)               |        | 1%         | £74,729           |
| Legal Fees (% of capital value)               |        | 0.75%      | £56,047           |
| <b>Total</b>                                  |        |            | <b>£190,697</b>   |
| Interest on Finance                           |        |            |                   |
|   | Months | %          | Total             |
| Total Development duration                    | 18     |            |                   |
| Loan arrangement fee                          |        | 1%         | £21,205.17        |
| Interest on Construction Costs                |        | 7.0%       | £161,785          |
| <b>Total</b>                                  |        |            | <b>£182,990</b>   |
| Profit  |        |            |                   |
|   |        | %          | Total             |
| Developer's Profit on Total Development Costs |        | 20%        | £498,841          |
| <b>Total Development Costs</b>                |        |            | <b>£2,993,045</b> |

| LAND VALUE                 |  |       |                   |
|----------------------------|--|-------|-------------------|
|                            |  | %     | Total             |
| Land Surplus               |  |       | £4,050,203        |
| Stamp Duty                 |  | 4%    | £162,008          |
| Agent's Fees               |  | 1.25% | £50,628           |
| Legal Fees                 |  | 0.50% | £20,251           |
| <b>Total</b>               |  |       | <b>£232,887</b>   |
| Interest on land finance   |  | 7.00% | £267,212          |
| <b>Total</b>               |  |       | <b>£500,099</b>   |
| <b>RESIDUAL LAND VALUE</b> |  |       | <b>£3,550,105</b> |

| Existing Site Value                         |     |       |                 |
|---|-----|-------|-----------------|
|   | %   |       |                 |
| Assumes existing space is % of new          | 50% |       |                 |
| Rent per sqm                                |     | 1,394 | £86             |
| Rental income per annum                     |     |       | £119,841        |
| Rent free/voids (years)                     |     | 3     | 0.772           |
| Total revenue, capitalised (incl all costs) |     |       | £92,517         |
|   |     |       | £1,156,466      |
| Refurbishment costs (per sqm)               |     | £215  | £299,603        |
| Fees  |     | 7%    | £20,972         |
| Total                                       |     |       | £320,575        |
| Purchaser's Costs                           |     | 5.75% | £66,497         |
| Total Costs                                 |     |       | £387,071        |
| <b>Existing Site Value</b>                  |     |       | <b>£769,394</b> |

|                                   |     |          |                   |
|-----------------------------------|-----|----------|-------------------|
| Site Value incl Landowner Premium | 20% | £153,879 | £923,273          |
| Surplus available to fund CIL     |     |          | <b>£2,626,832</b> |

Surplus to fund CIL - sensitivity

| Rent/sqm | £205.00    | £215.00    | £225.00    |
|----------|------------|------------|------------|
| Yield    |            |            |            |
| 6.75%    | £2,562,489 | £2,850,032 | £3,137,574 |
| 7.00%    | £2,349,671 | £2,626,832 | £2,903,993 |
| 7.25%    | £2,151,529 | £2,419,025 | £2,686,520 |
| 7.50%    | £1,966,597 | £2,225,072 | £2,483,546 |

Commercial Development Appraisal

Use Class: Supermarket

| DEVELOPMENT VALUE                              |           |            |             |
|--|-----------|------------|-------------|
| Rental Income                                  | Area sq m | £ per sq m | £ per annum |
| Rent - (GIA)                                   | 2,787     | 172        | £479,364    |
| Total Rental Income                            | 2,787     |            | £479,364    |
| Rent free/voids (years)                        | 2         | 0.9113     | £436,844    |
| Total revenue, capitalised<br>(incl all costs) |           | 5.25%      | £8,320,846  |
| Gross Development Value                        |           |            | £8,320,846  |
| Less Purchaser's Costs                         | 5.75%     | £478,449   | £7,842,397  |

| DEVELOPMENT COSTS                            |        |            |            |
|--|--------|------------|------------|
|  | Area   | £ per sq m | Total      |
| Demolition/Enabling Costs                    | 1,394  | £54        | £75,249    |
| Building Costs                               |        | £1,109     | £3,090,783 |
| Area   | 2,787  |            |            |
| Contingency                                  |        | 5%         | £154,539   |
| External Works                               |        | 1.50%      | £46,362    |
| Total  |        |            | £3,366,933 |
| Professional Fees                            |        | 10%        | £336,693   |
| Planning costs                               |        | 10%        | £336,693   |
| Community Infrastructure Levy                |        | 0          | £0         |
| Total  |        |            | £4,040,319 |
| Disposal Costs                               |        |            |            |
|  |        | %          | Total      |
| Letting Agent's Fee (% of Rent)              |        | 10%        | £47,936    |
| Agent's Fees (on capital value)              |        | 1%         | £83,208    |
| Legal Fees (% of capital value)              |        | 0.75%      | £62,406    |
| Total  |        |            | £193,551   |
| Interest on Finance                          |        |            |            |
|  | Months | %          | Total      |
| Total Development duration                   | 12     |            |            |
| Loan arrangement fee                         |        | 1%         | £40,403.19 |
| Interest on Construction Costs               |        | 7.0%       | £296,371   |
| Total  |        |            | £336,774   |
| Profit                                       |        |            |            |
|  |        | %          | Total      |
| Developer's Profit on Total Development Cost |        | 25%        | £1,142,661 |
| Total Development Costs                      |        |            | £5,713,306 |

| LAND VALUE               |  |       |            |
|--------------------------|--|-------|------------|
|                          |  | %     | Total      |
| Land Surplus             |  |       | £2,129,091 |
| Stamp Duty               |  | 4%    | £85,164    |
| Agent's Fees             |  | 1.25% | £26,614    |
| Legal Fees               |  | 0.50% | £10,645    |
| Total                    |  |       | £122,423   |
| Interest on land finance |  | 7.00% | £140,467   |
| Total                    |  |       | £262,890   |
| RESIDUAL LAND VALUE      |  |       | £1,866,202 |

| Existing Site Value                            |     |         |          |
|--|-----|---------|----------|
| Assumes existing space is % of new             | 50% | 1,394   |          |
| Rent per sqm                                   |     | £54     |          |
| Rental income per annum                        |     | £75,249 |          |
| Rent free/voids (years)                        |     | 3       | 0.7721   |
| Total revenue, capitalised<br>(incl all costs) |     |         | 9.00%    |
|  |     |         | £58,100  |
|  |     |         | £645,553 |
| Refurbishment costs (per sqm)                  |     | £215    | £299,603 |
| Fees   |     | 7%      | £20,972  |
| Total  |     |         | £320,575 |
| Purchaser's Costs                              |     | 5.75%   | £37,119  |
| Total Costs                                    |     |         | £357,694 |
| Existing Site Value                            |     |         | £287,859 |

Surplus to fund CIL - sensitivity

| Rent/sqm | £152.00    | £162.00    | £172.00    |
|----------|------------|------------|------------|
| Yield    |            |            |            |
| 4.25%    | £2,141,703 | £2,619,866 | £3,098,029 |
| 4.50%    | £1,735,161 | £2,186,578 | £2,637,995 |
| 4.75%    | £1,371,414 | £1,798,900 | £2,226,386 |
| 5.00%    | £1,044,041 | £1,449,990 | £1,855,938 |
| 5.25%    | £747,847   | £1,134,309 | £1,520,771 |

Site Value incl Landowner Premium 20% £57,572 £345,431

Surplus available to fund CIL **£1,520,771**

Commercial Development Appraisal

Use Class: Industrial

| DEVELOPMENT VALUE                           |           |            |             |
|---|-----------|------------|-------------|
| Rental Income                               | Area sq m | £ per sq m | £ per annum |
| Estimated Rental Value                      | 2,787     | £75.35     | £210,000    |
| Total Rental Income                         |           |            | £210,000    |
| Rent free/voids (years)                     | 2         | 0.8417     | £176,757    |
| Total revenue, capitalised (incl all costs) |           | 7.5%       | £2,356,765  |
| Gross Development Value                     |           |            | £2,356,765  |
|   |           |            |             |
| Less Purchaser's Costs                      | 5.75%     | £135,514   | £2,221,251  |

| DEVELOPMENT COSTS                            |        |            |                   |
|--|--------|------------|-------------------|
|  | Area   | £ per sq m | Total             |
| Demolition/Enabling Costs                    | 1,394  | £54        | £74,901           |
| Building Costs                               |        | £560       | £1,638,756        |
| Gross External Floor Area                    | 2,926  |            |                   |
| Contingency                                  |        | 5%         | £81,938           |
| External Works                               |        | 1.50%      | £24,581           |
| <b>Total</b>                                 |        |            | £1,820,176        |
| Professional Fees (%)                        |        | 7%         | £127,412          |
| Community Infrastructure Levy                |        | £0         | £0                |
| <b>Total</b>                                 |        |            | <b>£1,947,588</b> |
| Disposal Costs                               |        |            |                   |
|  |        | %          | Total             |
| Letting Agent's Fee (% of Rent)              |        | 10%        | £21,000           |
| Agent's Fees (on capital value)              |        | 1%         | £23,568           |
| Legal Fees (% of capital value)              |        | 0.75%      | £17,676           |
| <b>Total</b>                                 |        |            | <b>£62,243</b>    |
| Interest on Finance                          |        |            |                   |
|  | Months | %          | Total             |
| Total Development duration                   | 12     |            |                   |
| Loan arrangement fee                         |        | 1%         | £19,476           |
| Interest on Construction Costs               |        | 7.0%       | £140,688          |
| <b>Total</b>                                 |        |            | <b>£160,164</b>   |
| Profit                                       |        |            |                   |
|  |        | %          | Total             |
| Developer's Profit on Total Development Cost |        | 20%        | £433,999          |
| <b>Total Development Costs</b>               |        |            | <b>£2,603,995</b> |

| LAND VALUE                 |  |       |                 |
|----------------------------|--|-------|-----------------|
|                            |  | %     | Total           |
| Land Surplus               |  |       | -382,744        |
| Stamp Duty                 |  | 4%    | -15,310         |
| Agent's Fees               |  | 1.25% | -4,784          |
| Legal Fees                 |  | 0.50% | -1,914          |
| <b>Total</b>               |  |       | -22,008         |
| Interest on land finance   |  | 7.00% | -25,252         |
| <b>Total</b>               |  |       | <b>-47,259</b>  |
| <b>RESIDUAL LAND VALUE</b> |  |       | <b>-430,003</b> |

| Existing Site Value                         |         |        |                 |
|---|---------|--------|-----------------|
| Assumes existing space is % of new          | 50%     |        |                 |
| Rent per sqm                                | 1,394   |        |                 |
| Rental income per annum                     | £32     |        |                 |
|   | £45,010 |        |                 |
| Rent free/voids (years)                     | 3       | 0.7938 | £35,729         |
| Total revenue, capitalised (incl all costs) |         | 10%    | £357,290        |
| Refurbishment costs (per sqm)               | £54     |        | £74,970         |
| Fees  | 7%      |        | £5,248          |
| <b>Total</b>                                |         |        | <b>£80,218</b>  |
| Purchaser's Costs                           | 5.75%   |        | £20,544         |
| <b>Total Costs</b>                          |         |        | <b>£100,762</b> |
| <b>Existing Site Value</b>                  |         |        | <b>£256,527</b> |

Surplus to fund CIL - sensitivity

| Rent/sqm | £65.35      | £75.35      | £85.35    |
|----------|-------------|-------------|-----------|
| Yield    |             |             |           |
| 7.0%     | -£906,201   | -£563,834   | -£221,467 |
| 7.5%     | -£1,057,110 | -£737,836   | -£418,562 |
| 8.0%     | -£1,189,156 | -£890,087   | -£591,019 |
| 8.5%     | -£1,305,666 | -£1,024,427 | -£743,187 |

Site Value incl Landowner Premium 20% £51,305 £307,833

Surplus available to fund CIL -£737,836



Commercial Development Appraisal

Use Class: Student Housing

| DEVELOPMENT VALUE                       |              |                 |                   |                    |
|---|--------------|-----------------|-------------------|--------------------|
| Rental Income                           |              |                 |                   |                    |
|   | £            | Weeks           | £                 |                    |
| Annual rent per unit - term time        | 122          | 37              | £36,600           | £1,354,200         |
| Occupancy                               | 100%         |                 |                   |                    |
| Annual rent per unit - out of term time |              | 8               | £18,300           | £146,400           |
| (50% occupancy)                         | 50%          |                 |                   |                    |
| <b>Total</b>                            |              |                 |                   | <b>£1,500,600</b>  |
|   |              | <b>Units</b>    | <b>£ per unit</b> | <b>Total</b>       |
| Operating Costs                         |              | 300             | £1,900            | £570,000           |
| Net annual rents                        |              |                 |                   | £930,600           |
| Total Revenue, capitalised              |              |                 | 6.75%             | £13,786,667        |
| (incl all costs)                        |              |                 |                   |                    |
| <b>Gross Development Value</b>          |              |                 |                   | <b>£13,786,667</b> |
| <b>Less Purchaser's Costs</b>           | <b>5.75%</b> | <b>£792,733</b> |                   | <b>£12,993,933</b> |

| DEVELOPMENT COSTS                       |        |            |                    |
|---|--------|------------|--------------------|
|   | Area   | £ per sq m | Total              |
| Demolition/Enabling Costs               | 2,508  | £53        | £132,924           |
| Building Costs                          |        | £1,237     | £6,206,029         |
| Area                                    | 5,017  |            |                    |
| Fit out                                 | 300    | £5,000     | £1,500,000         |
| External Works                          |        | 1.5%       | £93,090            |
| Contingency                             |        | 5.0%       | £310,301           |
| <b>Total</b>                            |        |            | <b>£8,242,345</b>  |
| Professional Fees                       |        | 10%        | £824,234           |
| Community Infrastructure Levy           |        | 0          | £0                 |
| <b>Total</b>                            |        |            | <b>£9,066,579</b>  |
| Disposal Costs                          |        |            |                    |
|   |        | %          | Total              |
| Letting Agent's Fee (% of Rent)         |        | 0%         | -                  |
| Agent's Fees (on capital value)         |        | 1%         | £137,867           |
| Legal Fees (% of capital value)         |        | 0.75%      | £103,400           |
| <b>Total</b>                            |        |            | <b>£241,267</b>    |
| Interest on Finance                     |        |            |                    |
|   | Months | %          | Total              |
| Total Development duration              | 24     |            |                    |
| Loan arrangement fee                    |        | 1%         | £90,666            |
| Interest on Construction Costs          |        | 7.0%       | £651,549           |
| <b>Total</b>                            |        |            | <b>£742,215</b>    |
| Profit                                  |        |            |                    |
|   |        | %          | Total              |
| oper's Profit on Total Development Cost |        | 20%        | £2,010,012         |
| <b>Total Development Costs</b>          |        |            | <b>£12,060,073</b> |

| LAND VALUE                 |       |                   |
|----------------------------|-------|-------------------|
|                            | %     | Total             |
| Land Surplus               |       | £933,860          |
| Stamp Duty                 | 4%    | £37,354           |
| Agent's Fees               | 1.25% | £11,673           |
| Legal Fees                 | 0.50% | £4,669            |
| <b>Total</b>               |       | <b>£53,697</b>    |
| Interest on land finance   | 7.00% | £61,611           |
| <b>Total</b>               |       | <b>£169,005</b>   |
| <b>RESIDUAL LAND VALUE</b> |       | <b>£1,102,865</b> |

| Existing Site Value                |       |          |                   |
|------------------------------------|-------|----------|-------------------|
|                                    | %     |          |                   |
| Assumes existing space is % of new | 50%   | 2,508    |                   |
| Rent per sqm                       |       | £75      |                   |
| Rental income per annum            |       | £188,100 |                   |
| Rent free/voids (years)            |       | 2        | 0.841             |
| Total revenue, capitalised         |       |          | 9%                |
| (incl all costs)                   |       |          |                   |
| Refurbishment costs (per sqm)      |       | £150     | £376,200          |
| Fees                               | 7%    |          | £26,334           |
| <b>Total</b>                       |       |          | <b>£402,534</b>   |
| Purchaser's Costs                  | 5.75% | £101,067 |                   |
| <b>Total</b>                       |       |          | <b>£503,601</b>   |
| <b>Existing Site Value</b>         |       |          | <b>£1,254,089</b> |

Surplus to fund CIL - sensitivity

| Rent per wk | £112.00     | £122.00   | £132.00    |
|-------------|-------------|-----------|------------|
| Yield       |             |           |            |
| 6.25%       | -£1,341,964 | £796,332  | £2,934,627 |
| 6.50%       | -£1,188,954 | £174,100  | £2,230,153 |
| 6.75%       | -£2,381,945 | -£402,041 | £1,577,862 |
| 7.00%       | -£2,846,222 | -£937,029 | £972,164   |

|                                   |     |          |            |
|-----------------------------------|-----|----------|------------|
| Site Value incl Landowner Premium | 20% | £250,818 | £1,504,907 |
| Surplus available to fund CIL     |     |          | -£402,041  |

Commercial Development Appraisal

Use Class: Out of centre comparison retailing

| DEVELOPMENT VALUE                              |           |            |             |
|--|-----------|------------|-------------|
| Rental Income                                  | Area sq m | £ per sq m | £ per annum |
| Rent - area x £ per sq m                       | 186       | 323        | £60,078     |
| Total Rental Income                            |           |            | £60,078     |
| Rent free/voids (years)                        | 2         | 0.8653     | £51,985     |
| Total revenue, capitalised<br>(incl all costs) |           | 7.50%      | £693,140    |
| Gross Development Value                        |           |            | £693,140    |
| Less Purchaser's Costs                         | 5.75%     | £39,856    | £653,284    |

| DEVELOPMENT COSTS                            |        |            |          |
|--|--------|------------|----------|
|  | Area   | £ per sq m | Total    |
| Demolition/Enabling Costs                    | 93     | £161       | £15,016  |
| Building Costs                               |        | £1,184     | £220,224 |
| Area   | 186    |            |          |
| Contingency                                  |        | 7%         | £15,416  |
| External Works                               |        | 3%         | £6,607   |
| Total  |        |            | £257,262 |
| Professional Fees                            |        | 12%        | £30,871  |
| Community Infrastructure Levy                |        | 0          | £0       |
| Total  |        |            | £288,134 |
| Disposal Costs                               |        |            |          |
|  |        | %          | Total    |
| Letting Agent's Fee (% of Rent)              |        | 10%        | £6,008   |
| Agent's Fees (on capital value)              |        | 1%         | £6,931   |
| Legal Fees (% of capital value)              |        | 0.75%      | £5,199   |
| Total  |        |            | £18,138  |
| Interest on Finance                          |        |            |          |
|  | Months | %          | Total    |
| Total Development duration                   | 12     |            |          |
| Loan arrangement fee                         |        | 1%         | £2,881   |
| Interest on Construction Costs               |        | 7.0%       | £21,439  |
| Total  |        |            | £24,320  |
| Profit                                       |        |            |          |
|  |        | %          | Total    |
| Developer's Profit on Total Development Cost |        | 20%        | £66,118  |
| Total Development Costs                      |        |            | £396,710 |

| LAND VALUE               |  |       |          |
|--------------------------|--|-------|----------|
|                          |  | %     | Total    |
| Land Surplus             |  |       | £256,574 |
| Stamp Duty               |  | 3%    | £7,697   |
| Agent's Fees             |  | 1.25% | £3,207   |
| Legal Fees               |  | 0.50% | £1,283   |
| Total                    |  |       | £12,187  |
| Interest on land finance |  | 7.00% | £17,107  |
| Total                    |  |       | £29,294  |
| RESIDUAL LAND VALUE      |  |       | £227,280 |

| Existing Site Value                            |     |         |          |
|--|-----|---------|----------|
|  | %   |         |          |
| Assumes existing space is % of new             | 50% | 93      |          |
| Rent per sqm                                   |     | £215    |          |
| Rental income per annum                        |     | £19,995 |          |
| Rent free/voids (years)                        |     | 3       | 0.7938   |
| Total revenue, capitalised<br>(incl all costs) |     |         | 8.00%    |
|  |     |         | £15,872  |
|  |     |         | £198,400 |
| Refurbishment costs (per sqm)                  |     | £215    | £19,995  |
| Fees   |     | 7%      | £1,400   |
| Total  |     |         | £21,395  |
| Purchaser's Costs                              |     | 2.75%   | £5,456   |
| Total Costs                                    |     |         | £26,851  |
| Existing Site Value                            |     |         | £171,550 |

Site Value incl Landowner Premium 20% £34,310 £205,860

Surplus available to fund CIL £21,420

Surplus to fund CIL - sensitivity

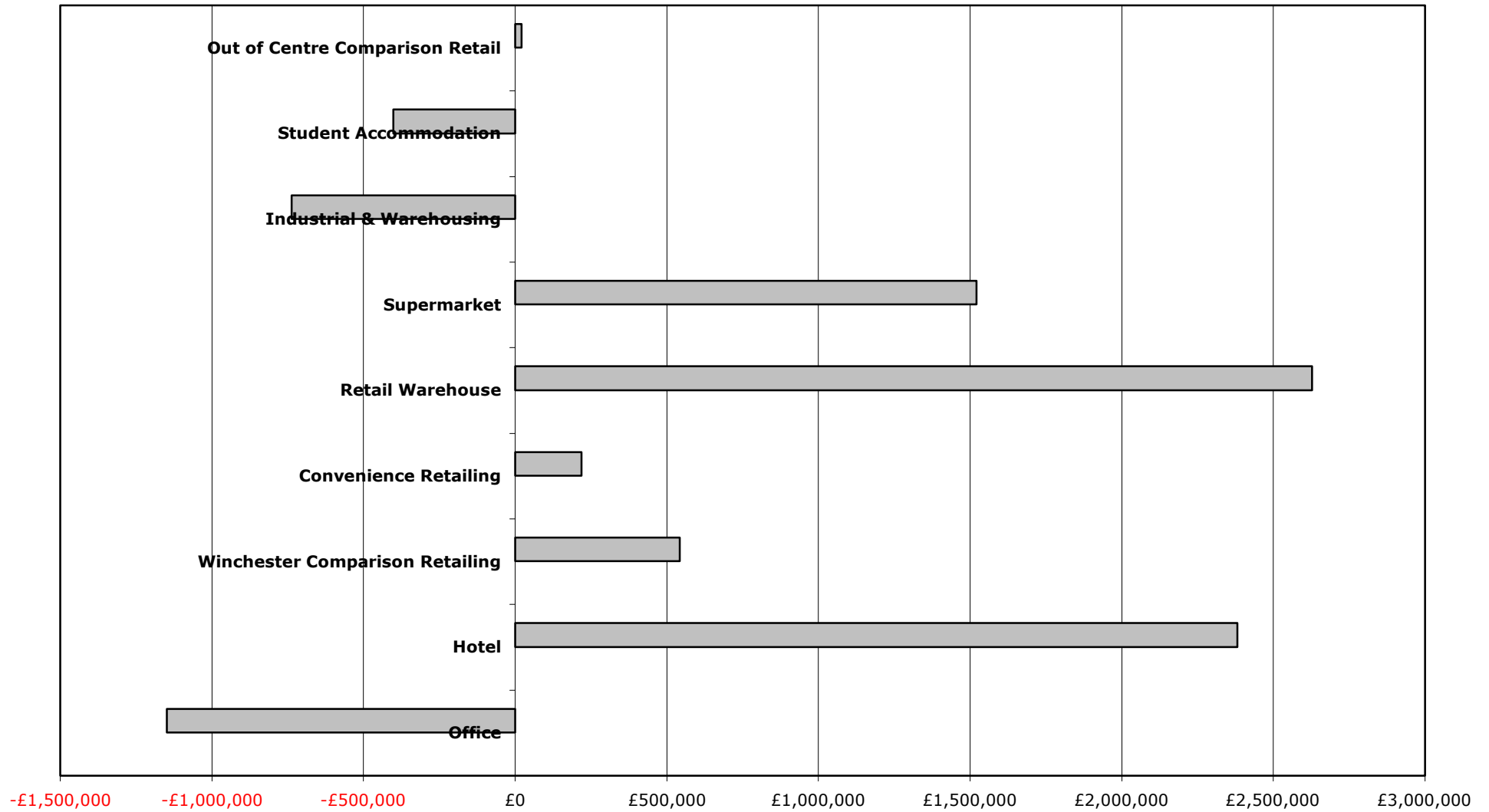
| Rent/sqm | £313.00  | £323.00  | £333.00 |
|----------|----------|----------|---------|
| Yield    |          |          |         |
| 7.25%    | £23,019  | £40,900  | £58,780 |
| 7.50%    | £4,143   | £21,420  | £38,698 |
| 7.75%    | -£13,516 | £3,198   | £19,911 |
| 8.00%    | -£30,070 | -£13,886 | £2,299  |

**Table of Appraisal Results Showing Surplus Available to Fund CIL (with  
no CIL deducted)**

| Use Classes                     | CIL Rate | Surplus available<br>to fund CIL |
|---------------------------------|----------|----------------------------------|
| Office                          | £0       | -£1,147,706                      |
| Hotel                           | £0       | £2,381,072                       |
| Winchester Comparison Retailing | £0       | £542,786                         |
| Convenience Retailing           | £0       | £218,164                         |
| Retail Warehouse                | £0       | £2,626,832                       |
| Supermarket                     | £0       | £1,520,771                       |
| Industrial & Warehousing        | £0       | -£737,836                        |
| Student Accommodation           | £0       | -£402,041                        |
| Out of Centre Comparison Retail | £0       | £21,420                          |

## Graph Showing Surplus Available to Fund CIL (with no CIL deducted)

### Surplus Available to Fund CIL (with no CIL deducted)



**Proposed CIL Contribution as a percentage of GDV (excluding acquisition cost)**

| Use Classes                     | CIL Rate | CIL Contribution<br>as a % of GDV |
|---------------------------------|----------|-----------------------------------|
| Hotel                           | £70      | 1.43%                             |
| Winchester Comparison Retailing | £120     | 0.69%                             |
| Convenience Retailing           | £120     | 2.33%                             |
| Supermarket                     | £120     | 4.02%                             |
| Retail Warehouse                | £120     | 4.48%                             |
| Out of Centre Comparison Retail | £120     | 1.61%                             |



Adams Integra  
St John's House  
St John's Street  
Chichester  
West Sussex  
PO19 1UU

**T:** 01243 771304

**F:** 01243 779993

**E:** [enquiries@adamsintegra.co.uk](mailto:enquiries@adamsintegra.co.uk)

**W:** [www.adamsintegra.co.uk](http://www.adamsintegra.co.uk)